

These Walls: Clarion Hotel Conference Center

by Brian Brus

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The Clarion Hotel Conference Center at 6200 N. Robinson Ave. in Oklahoma City. (Photo by Maike Sabolich)

OKLAHOMA CITY – The Clarion Hotel Conference Center at 6200 N. Robinson Ave. may have some life left in it, after all.

The 127,000-square-foot, full-service hotel near the Broadway Extension was recently sold for \$6 million by the Bank of Las Vegas in New Mexico, which had foreclosed on the property in mid-2011. The former Holiday Inn & Suites was bought by Oklahoma 786 LLC.

Bank of Las Vegas Chief Marketing Officer Mike Melton said he has visited the area and sees great potential for the redevelopment of the property. He said he could provide few details, however, in

order to protect the privacy of other parties involved. The registering agent for Oklahoma 786 also would not identify the buyer.

However, Peter Holmes, chief operating officer for Oklahoma City-based Hotel Broker One, said he has spoken with Tushar Patel, investment division president of operations for the TNJ Group in New Mexico, and has confirmed him as the buyer. Patel's company has developed several hotels in the region under brands including Holiday Inn, Marriott and LaQuinta. Patel has been managing the property for Bank of Las Vegas.

The property is one of at least three hotels California hotel investor Asrar Kahn and his company Khan Hospitality acquired in Oklahoma City shortly before the real estate market crash of 2008. Holmes said that several of Kahn's real estate investments at the time were overpriced compared with the current market.

The bank said in court records that Khan has defaulted on two mortgages on the three-story, 200-room Clarion and ended up owing more than \$6.2 million on the notes, plus interest. Khan had acquired the Clarion, which was then a Holiday Inn & Suites, in August 2006 for \$5.9 million, according to property records. The hotel began operating under the Clarion brand in 2011.

According to the Oklahoma County assessor's office, the property's market value last year was just \$3.3 million. When asked to explain the difference between the two figures on Friday, Melton declined.

"Once this is improved and brought up to what it was 20 years ago, it will certainly be worth a lot more than what the books show now," he said. "I love the area and I think there's a lot of potential there. There's an energy company down the road (Chesapeake Energy) and some really beautiful improvements in the area. I'm confident that this will be a heck of a property again."

Holmes said that Patel's plans include shifting hotel unit doors to an inside hall instead of opening to the parking lot, part of the largest renovation the property has seen. An estimated price of the work was not immediately available. Holmes said the hotel will also be repositioned with an upscale brand.

In 2007, Kahn Hospitality also acquired the 10-story, 80-room Country Inn & Suites at 3141 Northwest Expressway for \$5 million. Kahn ended up selling it at the discounted price of \$3 million to Oklahoma City-based Champion Hotels in June 2009, according to property records.

Khan Hospitality lost another Oklahoma City hotel to foreclosure in 2011: Utah-based Zions First National Bank took over the Khan-owned Quality Inn Southwest motel at S. Western Avenue and Interstate 240 at an Oklahoma County sheriff's sale in March, according to property records. Khan Hospitality had bought the 149-room motel for \$5.2 million in December 2007, according to property records.

Like the Clarion, both the Country Inn & Suites and Quality Inn Southwest were older properties that had a hard time competing with newer hotels in the area and needed significant infusions of money to keep them competitive, Holmes said.

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