

Gardner pays \$1M for Tulsa office building

by Kirby Lee Davis

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The Richard C. Gardner Family LLC paid \$1 million for this two-story, 28,080-square-foot building at 8301 E. 51st St. in Tulsa. (Rip Stell)

TULSA – The Richard C. Gardner Family LLC paid \$1 million for a two-story office building in east-central Tulsa.

Tulsa County Courthouse records indicate Gardner, who heads Gardner's Tax Service and Gardner's Used Books and Music, paid \$37.39 per square foot for the 28,080-square-foot building at 8301 E. 51st St.

Opened in 1970, that building is just off Memorial Drive near Tulsa's geographic center, less than two miles from Interstate 44, U.S. Highway 169 and State Highway 51, better known as the Broken Arrow Expressway.

"It is a good price," said Patrick Coates, managing broker of Coates Commercial Properties. "It's not classic construction by any means, but it's a decent location. It's highly visible from 51st.

"I'm a little surprised it sold that cheap, but it's kind of a C-plus quality building inside and it sold at about a C-plus price," said Coates, who was not involved in the sale.

Although Gardner has his tax service offices posted for sale on Loopnet, he said he is not planning to relocate any of his businesses to the 8301 E. 51st building. That site still has five years under its current lease with Aerial Data Services.

"I don't plan to move in there or anything," Gardner said in a telephone interview. "It's just an investment."

Gardner said he periodically lists his commercial properties for sale just to see what price they might attract.

"I'm not trying to move them," he said. "If they come by with a good offer, I'll take it."

With this transaction, Gardner took out a \$907,273.30 mortgage with AVB Bank of Broken Arrow, according to courthouse records.

Despite the age of the building, Gardner said, he expects to spend no more than \$75,000 on backlogged maintenance and upkeep issues. He said the Aerial Data building remains in good shape, as is his tax business, which is now kicking into its key season.

"Tax season has always been very, very good," he said. "The bookstore business is a little slow, but it's stable."

At 47.47 percent, east Tulsa charted the highest vacancy rate of any subsector in CB Richard Ellis of Oklahoma's year-end 2011 Tulsa office market survey. But the report also cited healthy leasing activity in that region through the last half of the year, with three of the city's largest leases coming at the Corporate Woods office park.

Coates said he also has enjoyed increased activity, writing four east Tulsa office leases through the first three weeks of this year, some of that at the Tech Ridge office park.

Gardner's new building could draw from such trends, Coates said, since it has little competition in its immediate area. But the structure does have one potential drawback in its

across-the-street neighbor, Memorial Park Cemetery.

"Most clients aren't going to care," said Coates. "I think it probably does have some adverse effect on value, but probably only 5 to 10 percent."

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