


Heritage Park mall's tenants to leave by Feb. 15

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A few stores remain at Heritage Park Mall in Midwest City, photo by Steve Gooch, The Oklahoman

MIDWEST CITY — Heritage Park Mall, once this city's shopping hub and now a nearly empty retail dinosaur, soon will close its doors.

For sale since May, the shopping mall over the last few years has slid into a state of disrepair and only a handful of stores remain. Those tenants — GNC, a clothing store, a gift shop and a few kiosks — have been asked to leave the mall by Feb. 15.

Sears, which owns its building and is the only anchor operating, can remain open.

The mall's current owner, California investor Daniel Rafalian, said the electric bill is more than the rent he's receiving, so it makes sense to shut it down.

He paid just under \$7.2 million for the mall in 2005, with what he says was the intention of revamping it and bringing it back to life. Now, he stands to lose millions if it sells for the \$3.75 million asking price.

"Unfortunately, it was one of the worst investments in my life," Rafalian said.

Rival nearby

It was not an ideal time to be luring new tenants to a dying mall. Also in 2005 and only three miles away, the city's Town Center Plaza was opening and retailers were signing on to be part of the new, open-air shopping center just north of Tinker Air Force Base. Rafalian said local officials weren't interested in offering incentives to bring business to Heritage Park Mall.

"I was open to any suggestion from the city; anything that would save the mall. But I got nothing; zero," he said.

City Manager Guy Henson said city officials were willing to work with Rafalian, but wanted confirmed tenants first.

"We're not just going to open the checkbook up ... without having some specifics," he said.

One or two junior anchors may have chosen Town Center Plaza over the mall, but the blame lies in the co-tenancy "synergy" that was lacking at Heritage Park Mall, Henson said.

Retailers at Town Center Plaza weren't offered incentives other than the opportunity to be located in a tax increment finance district, he said.

Other uses possible

Heritage Park Mall has been rumored to be in foreclosure recently, but Rafalian says he has worked out financing and is not in danger of foreclosing. He plans to continue managing the property until it sells.

The \$3.75 million asking price is well below the assessed market value of just under \$7.2 million, according to the Oklahoma County assessor's office.

And compare that to Crossroads Mall, which is double the total size but for sale at \$24 million.

Broker Bob Sullivan, owner of NAI Sullivan Group, said he is working with a group of investors interested in buying Heritage Park Mall. The anchor stores would not be included in a sale.

Sears owns its portion of the building — a two-story, 140,000-square-foot store — on the east end.

LifeChurch.tv has purchased the former Dillard's space, but a spokeswoman declined to comment on the church's plans for the property.

And the former Montgomery Ward space is owned by a private individual, Sullivan said.

He said he'd like to see the mall brought back to life as new retail.

"There's a lot of need for good retail in Midwest City," Sullivan said.

Henson, the city manager, said converting the mall into office space is a possibility, if the market can support it. Discussions will resume soon to attempt to consolidate ownership, he said.

Left behind

Some city residents aren't happy with the way the city seemingly has abandoned Heritage Park Mall in favor of Town Center Plaza.

"It's wonderful that we have this new, beautiful retail area in our town," said Midwest City resident Greg Magee.

"What upsets me is that our city manager and chamber of commerce ignore the fact that we also have a dilapidated, rundown, empty Heritage Park Mall that was once beautiful as well."

The 650,000-square-foot mall opened in the fall of 1978, anchored by Sears, Montgomery Ward and Dillard's.

A grand opening celebration was to feature President Jimmy Carter's brother, Billy, announcer for "The Tonight Show" Ed McMahon, soccer star Kyle Rote Jr. and Olympic runner Jim Ryun, according to *The Oklahoman* archives.

Over the years, retailers included a three-screen movie theater, a pet store, Service Merchandise, Spencer's, Hickory Farms, Olga's Kitchen, Musicland Records, Disc Jockey and Jeans West, according to the Web site deadmalls.com, which wrote about the Midwest City mall in 2006.

In its heyday, Heritage Park Mall was popular with both retailers and shoppers. An article published in *The Oklahoman* in 1982 states that of the area's major metropolitan malls over 600,000 square feet (including Crossroads and Penn Square), only Heritage Park Mall was reporting 100 percent occupancy.

According to the latest retail analysis by Price Edwards & Co., Heritage Park Mall now accounts for 51 percent of the retail vacancy in the eastern Oklahoma County market.

The report states: "This may very well be Heritage Park Mall's last year on the survey as its prospects as a retail property continue to diminish."

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