


Oklahoma City's One Benham Place sells for \$15.5 million

Oklahoma City energy executive David Le Norman says he has other acquisitions in mind, as he diversifies, using proceeds from 1031 tax-free exchanges involving the sale of oil-and-gas-producing properties.

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Published: October 8, 2011

Oklahoma City energy executive David Le Norman has bought one of Roy T. Oliver and Mark Beffort's suburban office buildings, One Benham Place, in Le Norman's biggest real estate investment yet.

Le Norman Properties LLC bought the eight-story, 160,231-square-foot building at 9400 Broadway Extension for \$15,468,000, Oklahoma County records show, about \$3.2 million more than Oliver, Beffort and partner investors paid for it just more than 10 years ago.

The Class A building, constructed in 1983, has been stable for most of its 18 years.

“One thing that was attractive about that building is its high-quality tenants,” Le Norman said Friday, referring to Benham Cos., a longtime occupant and a presence in Oklahoma for 102 years, now a subsidiary of McLean, Va.-based defense giant SAIC; energy company GMX Resources Inc.; and other “pretty solid” lessees.

As part of the transaction, Le Norman Properties assumed a note held by MidFirst Bank.

“We mostly bank with IBC, but being able to do something with MidFirst was a feather in our cap,” he said. “We have strong banks in Oklahoma, and they are out to (strengthen) Oklahoma.”

Wasn't on market

Beffort, a principal in Grubb & Ellis-Levy Beffort, said he and Oliver toyed with putting One Benham Place up for sale a few years ago but decided to keep it. But Le Norman came calling, “and we ended up striking an off-the-market transaction.” Grubb & Ellis-Levy Beffort will continue to manage and market the building.

“It was my second acquisition” with Oliver, Beffort said. “It's got a little tug on my heart. It's got great landscaping. It's got great presence. It looks good.”

One other Oliver-Beffort property remains on the market: 31-story Oklahoma Tower, 210 Park Ave. downtown, with a firm asking price of \$62.5 million.

“We don't have any other property for sale,” said Beffort, a co-owner with Oliver in three other downtown buildings, Leadership Square, 211 N Robinson; Corporate Tower, 101 N Robinson; and City Place, 204 N Robinson; as well as Valliance Tower, 1601 Northwest Expressway.

In acquiring One Benham Place, Le Norman said he used proceeds from the sale of oil-and-gas properties in the Texas Panhandle in a 1031 tax-free exchange, a transaction that allows investors to exchange “like-kind” properties free of capital gains taxation under Section 1031 of the Internal Revenue Code.

He said he has more 1031 proceeds to invest from a series of company reorganizations and transactions since Crusader Energy Group, which he led as CEO, filed for Chapter 11 bankruptcy protection in March 2009. Crusader was caught in a squeeze between falling commodity prices and the credit freeze.

“I do have my eye on other property,” said Le Norman, whose energy company is now Le Norman Operating LLC at 4747 Gaillardia in one of two smaller office buildings he owns. “I'm always looking for another opportunity. I like the medical corridor along West Memorial” and other property on Broadway Extension.

He said he plans to keep diversifying his interests, which also include an industrial building and land bought in March for \$292,000 at 2002 E Grand Blvd. He said he intends to build more space in that industrial area of southeast Oklahoma City.



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