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Optimism prevails over slowing economy

By JESSICA MITCHELL
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Despite a slowing economy, local real estate developer Richard I. Tanenbaum remains optimistic about the outlook of his company's industrial developments along Interstate 35 across from Frontier City.

Many companies across the nation have delayed expansion plans, waiting to see how the economy plays out following September's terrorist attacks. Some plans have been canceled altogether.

"It's just tough in this uncertain market. Are we in a recession? How bad is the recession? How long is the recession?" said Tanenbaum, president of Premier Assets. "But, it hasn't affected this region as much as the Northeast and certainly California – the West."

Although Premier Assets has had a few potential tenants put their plans on

hold, the Oklahoma City-based commercial and industrial real estate development company remains busy.

Within the last month, two tenants have moved into the most recently completed project in Premier Assets' North Gate Commerce Park, located on the northeast corner of I-35 and Hefner Road.

Blue Current and Omni Packaging recently moved into North Gate 140, a 140,000-square-foot building constructed on 15 acres. Blue Current occupies 50,000 square feet while Omni takes up 20,000 square feet of space. In addition, Premier Assets has leased the remaining 70,000 square feet to two other tenants. Company names were not released.

"We're finishing out their spaces and they'll be moving in Jan. 1," said Tanenbaum, president and co-owner of Premier Assets.

Tanenbaum's father-in-law Justin Gardner also owns half of the business.

Earlier this month, construction began on another 15-acre project in the North Gate Commerce Park.

G&G Construction, Premier Assets' construction company, is building North Gate 145, a 145,000-square-foot bulk warehouse with a 28-foot, clear-height ceiling and tilt-up concrete walls. Three tenants are scheduled to occupy the warehouse, with a projected completion date of July 1. One tenant will occupy 55,000 square feet. The other two will fill the remaining 90,000 square feet of space. Tanenbaum could not disclose further details.

North Gate 145 will be located north of the current Manco facility.

Manco, developer and marketer of a broad array of products for the home, school and office under the Duck, Loctite and Lapage brands, began



Richard I. Tanenbaum with sign welcoming newcomers, Blue Current and Omni outside North Gate 140.

Photo by Mark Hancock



Photo by Mark Hancock

Manco sign near entrance to North Gate Commerce Park.



Carlisle Food Service Products was the first tenant at the North Gate Commerce Park.

Photo by Mark Hancock

operating out of its 154,000-square-foot, \$5.8 million facility in September 2000.

The first tenant of North Gate Commerce Park was Carlisle FoodService Products. The food service supplies manufacturer and distributor relocated to its new a \$7.5 million, 207,000-square-foot distribution center in April 2000.

Two tracts remain undeveloped in the park. Negotiations are under way with potential build-to-suit tenants for those 10-acre and 12-acre parcels, Tanenbaum said.

The park's close proximity to I-35 and the Turner Turnpike make it a prime spot for North American Free Trade Agreement corridor development, according to Tanenbaum.

Premier Assets is planning its next development just one mile south of the North Gate Commerce Park that will offer the same location benefits for distribution, he said.

The company owns 104 acres on the west side of I-35, between Britton Road and 82nd Street, with frontage on Bryant. North Britton Commerce Park will have the same type of industrial bulk warehouses as North Gate, he said.

"We've got proposals out, and one I thought was pretty hot. But after 9-11, they kind of are waiting a little bit," Tanenbaum said. "After the first of the year, I think we'll get back on that one and hopefully reach an agreement and get started."

Tanenbaum also expects the company's developments to benefit from Oklahoma's new status as a right-to-work state. Premier Assets already has received a growing number of inquiries from the commerce department, he said. Other Premier Assets developments include Reno Circle, Lincoln Square, East Port Distribution Center, the Midway Commerce Center. The company is also finalizing plans for

a 90-acre housing development at Interstate 240 and Sooner Road.

"We feel that we have good locations, good sites for what we do which is industrial warehouses for manufacturing and distribution. But people are cautious and just not going to sign up until there is a clear picture of the future.

"Once they feel we're in a recovery then I think we'll pick up on these deals."



North Gate Commerce Park sign and warehouses.

Photo by Mark Hancock