

Businesses eyeing southeastern city for properties

By Richard Mize
Real Estate Editor

Sunday, November 19, 2006
Edition: CITY, Section: BUSINESS, Page 1D
Dateline: DURANT

DURANT — It all started with the Wal-Mart Supercenter, its cross-counties trade area and its thousands of repeat customers.

With that venture, in 2003, the retail property market in Durant took off on a run that shows no signs of slowing.

Consider this:

A former Charlie's Chicken restaurant — a 1-year-old, 2,850-square-foot building on a 40,000-square-foot lot — is listed for sale for \$1.4 million. That's comparable to a similar site in Oklahoma City, said Carl Edwards, retail specialist and co-managing partner of the commercial realty firm Price Edwards & Co.

The pitch on LoopNet.com, a commercial property marketing Web site, spells out what's going on with retail property in Durant:

"Prime Location in Growing Durant, Oklahoma. ... Incredible location with loads of potential. Lucrative location across from Wal-Mart and up and coming Luxury Hotel. Close to many Oklahoma attractions, Lake Texoma, Choctaw Casino, Southeastern University."

The Wal-Mart Supercenter made room for a Big Lots and Orscheln Farm & Home Supply in the vacated, smaller former Wal-Mart location.

Then came Goody's Family Clothing, Blockbuster Video, Dollar Tree, Rent-a-Center, Cingular Wireless and several eateries including an Arby's a Taco Mayo and a second Subway sandwich shop.

So far this year, Durant has attracted a Best Mattress and more eateries around the supercenter: a third Sonic Drive-In, Blimpie's, Quizno's Subs and a Chili's.

The effect on land prices is clear: They're going up, said Tommy Kramer, director of the Durant Industrial Authority.

Kramer said the booming property market is a spillover effect from economic developers meeting their main goal, but it all ties together.

"When you create new jobs in manufacturing and distribution, retail and commercial follow and housing follows — and guess what happens to real estate?"

Cattlemen are selling out to developers. National retail site locators are seeing Durant in a new light. Home builders are reaping the benefits of the strong job market.

"And our land is still extremely affordable when you're looking at the rest of the United States and Texas," Kramer said.

Durant is less than 20 miles north of the Texas border. The way things are going, Durant could be the northernmost post of a commercial corridor extending most of the 95-mile stretch south to Dallas.

Already, U.S. Highway 69/75 from here to Denison, Texas, then U.S. 75 on to the Dallas area, is mostly developed. The recently expanded Choctaw Casino & Resort Hotel and Choctaw Coliseum, in south Durant, are poised to spur further development between here and the Red River.

But it was the big store that attracts customers from across this part of Little Dixie that sparked the retail revival three years ago. Kramer said he started getting calls from retail site locators immediately after Wal-Mart decided to open the supercenter.

Edwards said such secondary development follows most of Wal-Mart's supercenters.

"There's kind of a cadre of developers that will come in and buy those pad sites and develop them for little tenants," Edwards said.

They were circling Durant before the supercenter even went up. The spike in retail development was enough to push the Durant trade area's "pull factor" — a measure of the strength of retail trade — to above 2 before the city's growing population tamped it down somewhat.

A pull factor, which refers to pulling in consumer spending, is determined by taking the number of people who shop in town annually — estimated from state sales tax figures — and dividing it by the population. A result of less than 1 indicates that a town isn't even capturing its own retail dollars. A result greater than 1 means the town is capturing all of its own dollars plus outside spending.

Durant's pull factor peaked at more than 2 in 2004 and remains between 1.8 and 2, Kramer said.

"I don't want to call us a hot spot. We're not a hot spot," said Martin Vanmeter, broker-owner of Coldwell Bank Vanmeter/Radergroup, Realtors. "We're not a Frisco, Texas, or anything," he said, referring to the booming Dallas-Fort Worth exurb, "but we're doing really well. It doesn't seem like it's slowing down. We have big-box inquiries, I'd say, once a week."