

Exclusive: New owner plans radically different use for midtown office building

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See Correction/Clarification at end of article

A midtown office building partially occupied by the Lionakis architecture firm has sold and will be converted to include retail space over the next year.

The building at 1900-1914 S St. sold for \$3.5 million this week to Potter-Taylor & Co., a Sacramento commercial development firm.

Company president Tim Taylor said even though it's currently an office building, its location suggests a different use.

"You've got a strong retail presence in the area," he said, pointing to a Safeway-anchored center nearby. "When you look at the traffic and what's going on in the area, to me retail makes sense."

In addition to location, the building has on-site street parking that also makes it attractive for retail uses, he said.

Taylor said the building is partially occupied at the moment, and work will get underway this year to convert the rest of the building for retail uses. Lionakis still occupies a third of the building and will remain for about another six years. Another tenant still has about a year left on the lease.



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Potter-Taylor & Co., a Sacramento commercial development firm, recently purchased the former Lionakis architecture building at 1900-1914 S St. in midtown.

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By year's end, one or more retailers could open in the building, Taylor said. He added he has commitments to lease but was not ready to share them. The building will eventually have at least two tenants, possibly more.

Built in the 1970s by Buzz Oates Group of Cos. as an industrial building of about 13,000 square feet, the building became an office in the early 2000s, when Lionakis moved in and remodeled.

The firm has since moved some of its operations to 1919 19th St. When another tenant vacated in recent months, the owners decided to sell, said Jon Lang of Turton Commercial Real Estate.

"We're excited, because we got more than \$250 a square foot there," said Lang, a broker on the deal. He said he believed an office owner-user would be the most likely buyer, but the prospects of retail leasing pushed the price higher.

"I think the buyer saw a specific opportunity that might not be true in another situation," Lang said.

Lang and Aaron Marchand of Turton Commercial handled the sale.

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Correction/Clarification

A previous version of this story omitted the fact that Lionakis still occupies part of 1900-1914 S St. and will continue to so for another six years.

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