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At 100, Candler Building relies on small tenants, not anchors

Former home to Coca-Cola and what became Troutman Sanders exploits old-style decor and reputation as it houses dozens of small law firms, other businesses

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IN A CITY WHERE iconic office towers have traded hands like stock on Wall Street, the owners of one downtown gem say they are holding onto their property.

Family-run REM Associates L.P. has owned the century-old Candler Building at 127 Peachtree St. for 27 years and would be delighted to hold on to 17-story office tower into the next quarter-century, said Stephen T.B. Miller, president and chief executive of the Santa Barbara, Calif.-based company.

“We, as a family, like to buy things and when we are happy we just like to keep them,” said Miller.

The building, which turned 100 years old Wednesday, is different from its younger neighbors in another way. Unlike other properties, like the nearly empty One Ninety One Peachtree Tower, that depend on large-sized companies to be anchor tenants, Miller said the Candler Building targets small- to medium-sized firms.

“There’s a certain size tenant that works well in this building, maybe not in a One Ninety One, where they are overshadowed,” Miller said.

The building’s turn-of-the-last century architectural reputation also attracts lessees, said Miller.

Chella Baker, the building’s property manager, said, “When you tell someone, ‘I am housed in the Candler Building,’ I would say 10 out of 10 people would know what you are talking about.”

Indeed, the Candler Building was listed on the National Historic Register in 1977 and is a popular stop for tourists and native Atlantans.

The building was the first Atlanta property to rise above 14 stories and was the city’s tallest building until 1929, according to Emporis.com, a Web database about U.S. buildings, construction and real estate.

It also served as early growing space for several major Atlanta businesses.

Asa G. Candler, founder of the Coca-Cola Co., purchased the land for the property in 1903 and opened the building three years later. While Coke was headquartered there until 1923, the ground floor was occupied by Central Bank and Trust Corp., which after several mergers, eventually evolved to become a part of Bank of America.

In 1970, Carl E. Sanders and Jack P. Ashmore purchased the building from Emory University and moved their firm,

Sanders, Ashmore and Boozer there. A year later, the firm merged with Troutman, Sams, Schroder and Lockerman and became Troutman, Sanders, Lockerman and Ashmore. The firm, now known as Troutman Sanders, moved to the Bank of America Plaza in 1992.

“There’s been all kinds of lawyers here,” said longtime tenant Howell W. Ragsdale Jr., who has operated his general law practice out of the Candler Building for 30 years.

Other attorneys and law groups that have set up shop at the Candler Building include: The Cochran Firm; Andre & Blaustein; Bobby C. Aniekwu & Associates; Patrick D. Deering & Associates; Devlin & Robinson; Edmond & Jones; Gary Flack & Associates; Paul D. Hermann; King & Croft; Ethel L. Munson; Marvin L. Price; Scroggins & Williamson; Senterfitt & Knight; the Southern Environmental Law Center; Richard L. Stumm; Toler & Hanrahan; and the Law Offices of Daryl Von Yokely.

The Candler Building’s occupancy rate dropped 10 percent from 85 percent (to 75 percent) when law firm Schreeder Wheeler & Flint LLP, which had been a tenant for more than 30 years, relocated to 1100 Peachtree St. earlier this month.

Although the firm’s lease expires at the end of November, Miller said no one has been lined up to fill the space, and the company is instead working “very hard with a number of existing tenants looking to take on more space.”

In total, 50 tenants, including architectural firms and accounting agencies, lease anywhere from 350 to 14,000 square feet of the building’s 235,000 rentable square feet, Baker said.

Baker said the average rent at the Candler Building is \$18.75 per square foot, which includes operating expenses, and the average lease term in the building falls between three to five years.

While the building has reserved most of its charm and uniqueness that reflects the period it was built, it has been upgraded and retrofitted to be comparable to its modern counterparts.

In the last year, Miller said he has added a new roof, rebuilt elevators, a new heating, ventilation and air conditioning system, new fire sprinklers, updated lighting systems and electrical support.

Sam Pettway, founding director of BoardWalk Consulting, a firm that works with nonprofits and foundations, moved into his 7,500-square-foot office space on the second floor when he started his company four years ago. He said the building took his breath away on first glance.

“It’s the loveliest building downtown,” he said. “Certainly the one with the most character.”

Former owner Sanders, who spoke about the building’s marble exterior and solid foundation, agreed, saying, “The Candler Building will be here when the newer buildings have crumbled to dust.”

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