

## POISED TO GROW FAST

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### Document Text

SPRINGFIELD - Two partners in organic gardening ventures have purchased the headquarters of the Lane County homebuilders' association with plans to grow their gardening business.

Scott Ostrander and Ryan Stanley, who are partners in Oregon's Constant Gardener, an organic gardening store, paid \$800,000 for the homebuilders' headquarters at 2053 Laura St.

The Constant Gardener, which Ostrander founded in 2008, has been operating in rented space at 423 Q St.

At the same time they are moving their gardening store, they have big plans to expand an organic fertilizer business they and a third partner, agronomist Frank Wann, started called Oregon's Only Organics.

The company, which produces both granular and liquid organic fertilizers, is located in a building on Olympic Street that Oregon's Only bought last year for \$1.5 million.

Ostrander said Oregon's Only is poised for what could be explosive growth.

"We are going for a national contract as soon as our products are registered in other states," he said.

"Any time you make a claim on a fertilizer bottle, you have to send in proof to the state (where it is being sold)," he said. "A lot of companies get around the registration problem by not saying what's in the bottle, but we want to be open. Now we're trying to get one label that works for all 50 states.

"We're fully registered in five states. Six states on the East Coast say, 'It's perfect, just let us know what California says.' There's no point in hitting the national market until California signs off ... California rules the world."

Ostrander said Oregon's Only has an East Coast distributor lined up with access to 700 stores as soon as the products are fully registered.

"We'd go from three stores to 700 overnight," he said.

The liquid organic fertilizer Wann has developed is the major attraction, Ostrander said. "It's kind of a new concept for speciality fertilizers. Frank is a great scientist."

The home gardener is the main market for the organic fertilizers, Ostrander said. The number of home gardeners has been growing across the country both because the desire to save money by growing food and concerns about food safety, he said. "Every time one of those e coli stories comes out in the news, we get a (boost)."

But he also has his eye on the golf course industry as a potential market for organic fertilizers. "We want to convert them to using organics, and doing it affordably."

The Constant Gardener still has almost two years to go on its lease on the Q Street property, Ostrander said, so he and Stanley plan to turn it into an indoor "farm" for organic lettuce and basil, to be sold to local restaurants and grocery stores.

"We have a meeting set up with Market of Choice ... we'll take samples for them to taste."

The purchase of the homebuilders' property was financed roughly half and half with loans from the Small Business Administration and Century Bank, Ostrander said.

"We really like the small bank feel," he said. "They were very friendly, and made it feel like it was a partnership."

Ed McMahon, executive vice president of the Home Builders Association of Lane County, said the members came together nine years ago and built their headquarters, financing it with a \$340,000 mortgage.

"When it was finished, it was appraised at \$800,000," McMahon said. "We had phenomenal equity in that building that secured our financial security."

After the residential market declined, he said, there were fears that the commercial market would follow suit.

At the peak of the market, he said, "(The property) probably would have appraised at about \$1.2 million. Now, it's between \$800,000 and \$900,000."

"We wanted to sell it before commercial values continued to decline, take those proceeds and put them away in a safe haven," McMahon said. Then, when the time is right, the association will build, or buy and renovate, a new headquarters, he said.

In the meantime, the homebuilders' association is renting space at 4780 Village Plaza Loop, Suite 120, in Eugene.

"It's inside the Siuslaw Bank building," McMahon said. "They're longtime members and supporters of the homebuilders' association, and they've given us a very sweet deal. I don't want to say how sweet, but it's less than \$1 a square foot."

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**Abstract** (Document Summary)

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