

Church anchors mixed-use Copper Pointe

Copper Pointe, the \$20 million resurrection of a derelict electronics plant into a mixed-use commercial building, is reaching the threshold of being three-quarters leased after opening totally vacant less than three years ago.

White Plains, N.Y.-based ITT Corp. recently signed a lease for 34,000 square feet to house its existing Albuquerque operation, while the Military Entrance Processing Station will relocate from Downtown to 19,508 square feet at Copper Pointe.

In April, the rechristened Copper Pointe Church, formerly First Family Church, moved into about 83,000 square feet and now appears poised to become Albuquerque's next megachurch.

Over the next year as ITT and MEPS settle into their new spaces, Copper Pointe will have 75 percent of its 247,166 square feet of gross space occupied. About 63,000 square feet of rentable space will still be available.

"We've taken a lot of arrows and we're still standing up," said veteran builder and developer Ted Waterman, a partner in Copper Pointe owner MW Investments LLC. "We obviously feel pleased to have the success we have had in a very difficult time. We don't take our success for granted."

Copper Pointe, located just off the Interstate 25 and Eubank interchange at 10500 Copper NE, went on the market in late 2008 as a totally speculative project, meaning it had no tenants lined up.

The timing was, quite bluntly, pretty bad. The credit freeze was in full force in the wake of the collapse of Lehman Brothers and the federal bailout of American International Group. The Albuquerque metro had also begun to hemorrhage jobs, a trend that has continued to this day.

Copper Pointe landed its first tenant, Brown Mackie College, in the fall of 2009. The college opened its Albuquerque campus in 35,000 square feet in April 2010.

The second breakthrough came in August 2010, when

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then First Family Church announced it was purchasing a big chunk of Copper Pointe as part of a major expansion of the 80-year-old church. The move triggered a renaming of the church after its new home.

The church had experienced robust growth in recent years since orienting its programs and services to a younger generation, said Senior Pastor Galen Woodward.

"Young people were drifting further and further from the church," he said. "We've created an environment where young families and youth enjoy coming to church. Our services are media and art driven with strong Biblical teaching."

Copper Pointe Church averages about 2,000 congregants for its weekend services, while about 1,200 youth participate in programs on weekdays, he said. Overall participation in church activities has increased 15 percent to 20 percent in the past year.

The hub of the church is its main auditorium with its multimedia stage and stadium seating for 1,500. There's also an 800-seat auditorium for youth and young adults and a separate children's auditorium with an indoor playground.

The recent deals both involve leases and, like the two earlier transactions, were done through the CB Richard Ellis team of Terri Dettweiler, Jim Smith and Scott Whitefield. Here's a look at Copper Pointe's newest tenants:

■ ITT's Information Systems business unit, which provides advanced engineering services, will occupy 24,000 square feet of office and 10,000 square feet of laboratory on two floors served by its own elevator. The move will be a consolidation of current



COURTESY OF COPPER POINTE CHURCH

First Family Church changed its name to Copper Pointe Church with its late-April move into 83,000 square feet at Copper Pointe, which is a stylishly renovated former electronics plant.



The move to its new location near Eubank and Interstate 40 allowed Copper Pointe Church to have an auditorium with stadium seating for 1,500 people.

offices at Stratford Office Plaza on Indian School NE and Broadbent Business Park at Pan American and Menaul NE.

ITT currently employs about 90 people in Albuquerque, with one-third of them working full-time at Kirtland Air Force Base.

Its customers include the Air Force Nuclear Weapons Center, the 498th Nuclear Systems Wing and the Defense Threat Reduction Agency's Information Analysis Center. ITT also builds detector systems for Department of Defense and Department of Homeland Security customers.

■ Abe Lillard and Mike Klinkmann of Grubb & Ellis New Mexico were ITT's local representatives in its property search.

■ The Military Entrance Processing Station has been Downtown for generations. Since 1991, it has occupied 22,022 square feet at 505

Central NW. The relocation is the result of recent changes in the mission and security requirements for Department of Defense facilities, said a General Services Administration spokeswoman.

"The real draw for the latest tenants is they wanted to be close to the base," Waterman said. "The processing center wanted to be close to hotels, restaurants and the airport."

Copper Pointe was built in 1971 as a GTE Corp. plant making telecommunications equipment. Siemens, based in Germany, bought a majority interest in the operation in 1986 and shut it down in 1993.

A key element of the renovation was raising the ceiling height of about three-fourths of the building from 19 feet 8 inches to almost 28 feet. Not only did the higher ceiling provide modern warehouse space at the rear of the building, it enabled the

addition of mezzanine office space when needed.

When it opened in late 2008, Copper Pointe had a total of 211,077 square feet of space. Once the build-outs for ITT and MEPS are completed, the building will grow to a total of 247,166 square feet with the addition of mezzanine space, Waterman said.

The lease-up of the building, which has a mix of office and industrial space, has faced serious headwinds. The vacancy rate for office space has increased from 13.1 percent to 18 percent since the end of 2008, while the vacancy rate of industrial space increased from 7.5 percent to 9.1 percent.

"Any building with positive absorption in this market is a success story," Dettweiler said.

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