

One of the Metro's Largest Industrial Properties Has a New Owner

By Richard Metcalf

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A Chicago-based commercial real estate company has purchased the largely unused CTS Corp. plant, one of the metro area's largest industrial properties at 247,000 square feet.

"Our plan is to reposition the buildings as a more modern office and industrial complex," said Marc Reinisch, managing principal of Rushmore Properties.

The mix of potential uses includes research and development, back office operations such as processing or a call center, and more traditional industrial uses such as manufacturing or assembly, he said.

There's some potential for a retail use, such as a showroom, because of the property's location at the southwest corner of Alameda and Jefferson NE in the North I-25 corridor, he said.

"Our basic business plan is to take a broad approach," Reinisch said.

Rushmore Properties closed on the two buildings and 20 acres, once home to Motorola, two weeks ago. Neither the asking price nor the sales price was disclosed.

Elkart, Ind.-based CTS will continue operating at the site by leasing 90,000 square feet in the larger of the two buildings.

"There's no impact on the electronic component operation that we have there in Albuquerque after the sale," said Mitch Walorski, director of investor relations at CTS.

From 100 to 150 employees currently work at the site, making electronic components for a variety of applications.

Use drives renovation

Rushmore plans to spend the next 12 months or so finding tenants for the buildings, then design a renovation to accommodate those tenants.

"The uses will drive the scope of the renovation," Reinisch said. "It will be tenant-driven."

The most likely outcome is three or four new tenants.

As a former manufacturing and assembly plant, the two buildings— one is 165,581 square feet while the other is 81,419— has ample power and backup fiber-optics to accommodate a data center, he said.

In addition, the 20-acre site has 1,148 parking spaces with the option of adding more if needed for a tenant with a lot of employees, said Terri Dettweiler of CB Richard Ellis.

In addition, the property is just off I-25 near major thoroughfares with bridges, she said. Thus the location is more easily accessible to workers on both sides of the Rio Grande.

"That's a competitive advantage," Reinisch said.

Although Rushmore just closed on its purchase, the company has been marketing space to lease for about three months, he said.

"We've conducted a lot of tours," he said.

Rushmore is working with a leasing team at CB Richard Ellis that includes Dettweiler and