

The future of Terrace Point: offices or condos

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MUSKEGON — The fate of Terrace Point remains uncertain, but the wheels are in motion to bring life back to the prime piece of Muskegon Lake shoreline property.

The Hinman Co. of Portage is marketing the former SPX Corp. headquarters. Hinman Vice President of Marketing and Leasing Anmar Atchu told *MiBiz* there have been several serious inquiries into the 50,000-square-foot building.

Representatives from two-three “viable companies” have toured the Terrace Point grounds. These companies are publicly held and consequently have “a lot of channels and red tape” to go through before any decision is made.

“We haven’t heard back definitively on what direction to proceed from a yes standpoint or a no standpoint, but I don’t think the powers that be who are going to make the decision would spend their time looking at a building if it wasn’t feasible,” said Atchu.

“These are strong, publicly traded companies that would like to have a presence in Muskegon. What this would bring to Muskegon is probably something like what Kellogg or Denso brings to Battle Creek. I think they would have a community presence similar to what SPX had. I think that’s attractive to Muskegon. These companies don’t want to go to a Grand Rapids, where they would be swallowed up by what Van Andel and DeVos are doing.”

Consolidation or merger and acquisition activity could be slowing down the final decision, Atchu added, but he anticipates receiving some kind of feedback within the next 30 days.

If an office user cannot be found for Terrace Point, Hinman Co. is considering a feasibility study to determine the pyramid-shaped building’s potential as an upscale condominium development. Atchu said his firm is now at the information gathering stage, but the plans are taking shape.

“The condos would be a couple-thousand square feet and probably come with a boat slip. We did a walk-through and did up some rough drawings, and I think we can come up with a community pool and a gated entrance. Tenants would also pick up another 1,000 square feet of their own private outdoor area where they could put a grill, patio furniture or hot tub,” said Atchu.

Plans for a condo transformation will not take place until the final results of the study reveal that there is a market for an upscale condo development like the one being proposed.

“Ideally we’d love to have an office user take Terrace Point. We’re showing it at a very attractive rate,” said Atchu. “Of course, if that doesn’t happen we don’t want the building to sit there another 20 years.”

The Hinman Co. also is marketing the high-profile Terrace Plaza office building on Morris Avenue in downtown Grand Rapids. Terrace Plaza is “stabilized” and activity from

prospective tenants interested in the 45,000 square feet of available space is picking up, commented Atchu. Some of the interest comes from firms looking to make a lateral move, but there is a technology-oriented startup company that is seriously considering taking space.

“It (the deal) is looking pretty good, and that could turn into something fairly large,” Atchu said.

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