

Lender inks large lease at Mather Could house 1,000 workers

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The company overseeing the redevelopment of Mather Field has signed a lease with Ameriquest Mortgage Co. that ultimately could fill up to 212,000 square feet of office space at Mather with more than 1,000 employees.

Mather's developers — McCuen Properties — and the county seem to be doing something right. The lease comes during one of the weakest office leasing markets the Sacramento region has ever seen.

Mather, which shut as a military base in 1993, now hosts some 5,000 employees, plus whatever workers come with the new occupants. Including Ameriquest, the Mather project has won back the great majority of 7,000 jobs lost when the Air Force pulled out.

Ameriquest has leased a 92,000-square-foot building called McCuen Center Two, completed in May by McCuen Properties in partnership with Mark Friedman's Fulcrum Capital Corp., said Marc Sussman, McCuen's president.

A knowledgeable source estimated that Ameriquest will eventually put slightly more than 600 employees in the building.

Ameriquest has also optioned 120,000 square feet nearby to occupy later as the company expands, the source said.

In theory, the deal could result in substantially more than 1,000 workers going to Mather.

Ameriquest is not leaving a 90,000-square-foot building it leased last year outside Mather in Rancho Cordova. That building is a remote data-storage location and a regional center.

Lots of space, few answers: Based in Orange, Ameriquest writes home loans and home equity loans. It makes a market in regular loans and also serves customers with less-than-perfect credit. The company was founded in 1980 as Long Beach Savings and Loan. It changed its name in 1997.

The company isn't saying what it will do with all the new space. Representatives say the

company doesn't comment on its doings.

The new space is likely to be back-office support for the company's local branches. When Ameriquest moved into its Rancho Cordova space in July 2003, it had 200 offices nationwide. According to its Web site, it now has more than 270.

Many mortgage companies and banks have been attracted to the Sacramento market because this area has a highly trained work force with mortgage and call-center experience.

The Sacramento region, especially Rancho Cordova, has a long history of back-office operations for banks and mortgage companies, and that has given the area a deep pool of trained processors, underwriters and collectors.

There are also dozens of financial services companies whose employees can move into the mortgage environment without too much training.

Bank of America and E-Trade Group Inc. both have operations in Rancho Cordova with more than 1,000 employees. Digital Insight, Wachovia Bank and Citibank all have large back-office operations, which tend to add and release employees with the ebb and flow of their business.

IndyMac Bank opened its back-office center in Rancho Cordova three years ago. Providian Bank five years ago opened its 300-person back office in Natomas and quickly built it to 900 employees by taking advantage of the available bank back-office lending knowledge. Providian pulled out two years ago.

Ameriquest Mortgage is similar to the former Money Store operation, based here for more than a decade until it was shut down by First Union Bank five years ago. Ameriquest makes home loans and home-equity loans for debt consolidation, tuition, home improvements or other purposes, and the borrower can have less-than-perfect credit.

The company is an approved seller and servicer of Fannie Mae and Freddie Mac and a non-supervised mortgagee of the U.S. Department of Housing and Urban Development.

The Ameriquest deal was brokered by Clyde Rawlings of Grubb & Ellis, with John Gillespie

of Newport Commercial Realty Advisors representing Ameriquest. Tom Aguer and Matt Havelock of Aguer Havelock Associates represented McCuen.

Mather keeps growing: Rawlings said Ameriquest looked at quite a few properties, and most offered competitive rents. But rents were not the deciding factor. "It was a combination of location, good amenities, good management and the ability to grow on site," he said.

Ameriquest's building is within a planned 678,000-square-foot complex on 60 acres in Mather Commerce Center that McCuen Properties and Fulcrum Capital bought from Sacramento County in 2000, Sussman, McCuen's president, said.

The partners completed the first, 84,000-square-foot building — McCuen Center One — three years ago, and leased it to Sacramento County agencies.

After the 5,716-acre base closed in 1993, it was conveyed to Sacramento County by the federal government. In 1997 the county hired McCuen Properties to oversee redevelopment of some 800 acres of the land, including the 200-acre core commercial area called Mather Commerce Center just north of the Mather airport.

Sussman said 1 million square feet of former military buildings in the Commerce Center area have been razed. The remaining 200,000 square feet have been remodeled and reused by new occupants. And some 430,000 square feet of new, private buildings have been erected by McCuen and Friedman's partnership, and by developer John Jackson.

Also building at Mather are Reynen & Bardis, a real estate partnership that occupies 30,000 square feet now and is building another 30,000, he said.

Overall, most of the potential building space has been built or occupied, except for McCuen Center.

"Mather is on its home stretch here," Sussman said. "It's one of the true success stories in conversions of former military bases."