

Orange County Office Construction Report



17850 VON KARMAN AVENUE

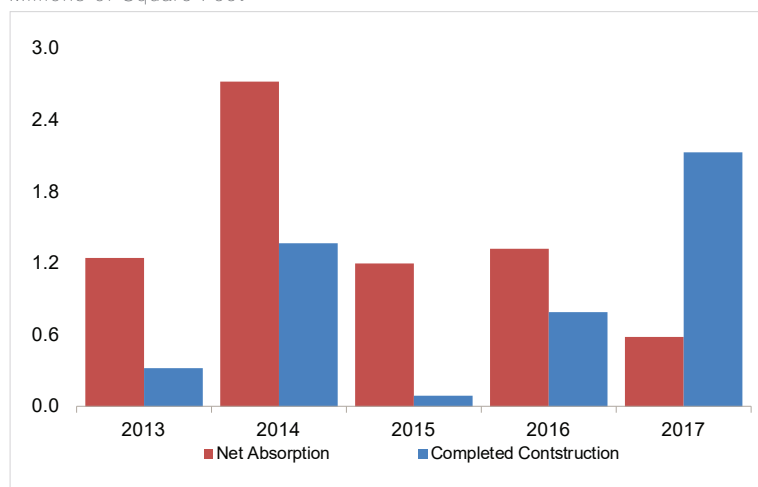
KEY STATISTICS

Market Size:	154,947,824 SF
Existing Available Space:	21,483,224 SF
Space Under Construction:	1,547,302 SF
Completed Construction in 2017:	2,145,423 SF
Largest Project Under Construction in 2017:	Five Points Gateway; Irvine; 467,226 SF; class A office; delivering February 2018; Developed by Five Points Holdings; formerly the Broadcom Corporate Campus
Largest Project Completed in 2017:	The Boardwalk; 545,000 SF; class A; developed by Trammell Crow Company

MARKET TRENDS

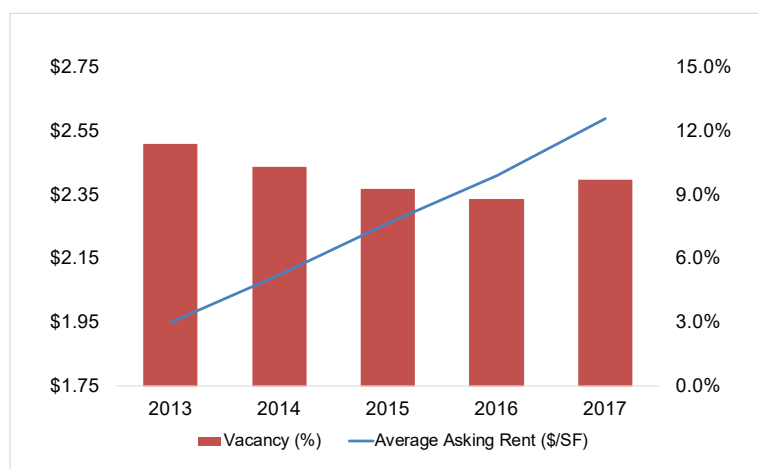
- Average asking rents have increased 32.8% over 2013
- The vacancy rate has decreased 170 basis points over 2013 to 9.7%
- Net absorption totaled 7.1M SF since 2013
- Completed construction has totaled more than 4.7M SF since 2013

Net Absorption and Completed Construction
Millions of Square Feet



Source: NAI Capital Research, CoStar

Average Asking Rent and Vacancy Rate



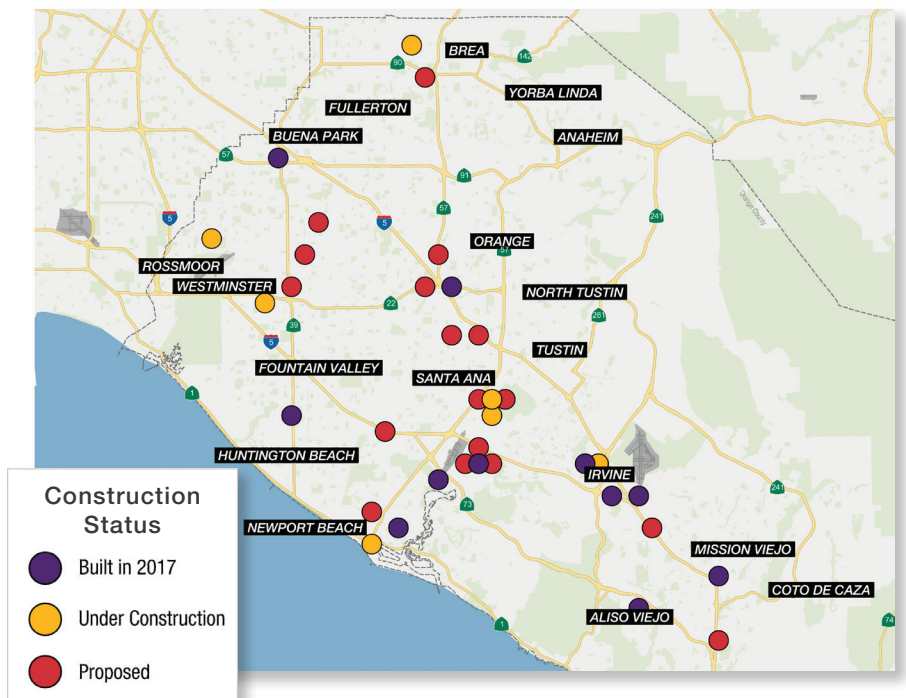
Rents reflect buildings of 20,000+ SF
Source: NAI Capital Research, CoStar

Projects To Watch in 2018



PARK PLACE

- **Park Place** one of Irvine's premier mixed-use campuses. A 184,000 SF office building is proposed at 3181 Michelson Dr, which will become a part of the 2.5M SF of total workspace. There is more than 165,000 SF of retail space with dining, entertainment and retail tenants.
- **The Quad at Discovery** is a 370,000 SF class A office campus being developed by The Irvine Company in Irvine. The four-building project aims to utilize creative space concepts to promote efficiency in its workplaces. The project is currently on schedule to deliver in June 2018.
- **The Flight at Tustin Legacy** in Tustin is a 457,012 SF class A office campus being developed by Lincoln Property Company. The creative campus is the first phase of a much larger development situated on the 1,600 acre former Marine Corps Air Station in Tustin. The project is expected to deliver in July 2018.
- **City Plaza II** is a planned 386,000 SF class A office building being developed by Greenlaw Partners in the city of Orange. The project is the second phase expansion of their existing City Plaza property and is scheduled to break ground in February 2018.
- **17850 Von Karman Ave** is a proposed 242,000 SF class A office building being developed by Hines Securities, Inc. The project is designed by internationally acclaimed architect Gensler and is intended to utilize both creative and traditional office space concepts. Currently, the project has no timeline.



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