

# Los Angeles

## Tech Sector Update

### MARKET TAKEAWAYS



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**Large tech companies are still moving ahead** with plans to grow footprint and occupy more space in the market - even amongst announcements of more work-from-anywhere flexibility - as evidenced by recent expansions by both Netflix and Facebook.



**Smaller technology companies are focused on cutting costs**, including real estate costs, which has resulted in many new sublease availabilities throughout 2020.

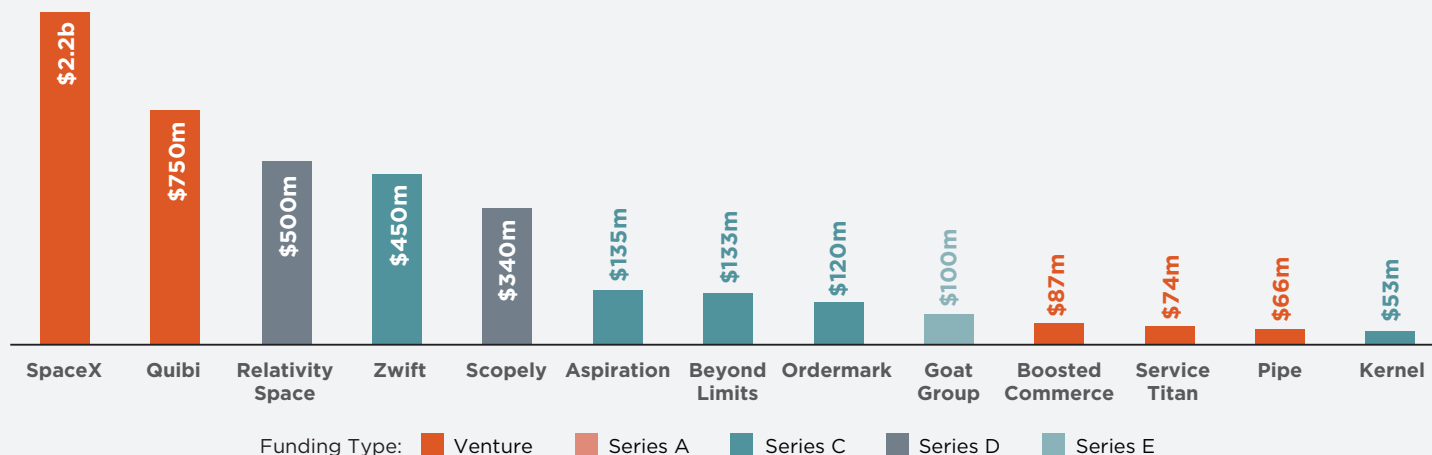


**The amount of sublease space well-suited for technology companies** is going to continue to increase as companies evaluate future space needs, presenting tech tenants with an abundance of high-quality options which are already built-out.



**Tech startup activity and venture capital financing** is spread out all over LA but remains mostly focused in West LA which is the traditional home of Silicon Beach.

### LARGEST VENTURE CAPITAL RAISES IN 2020



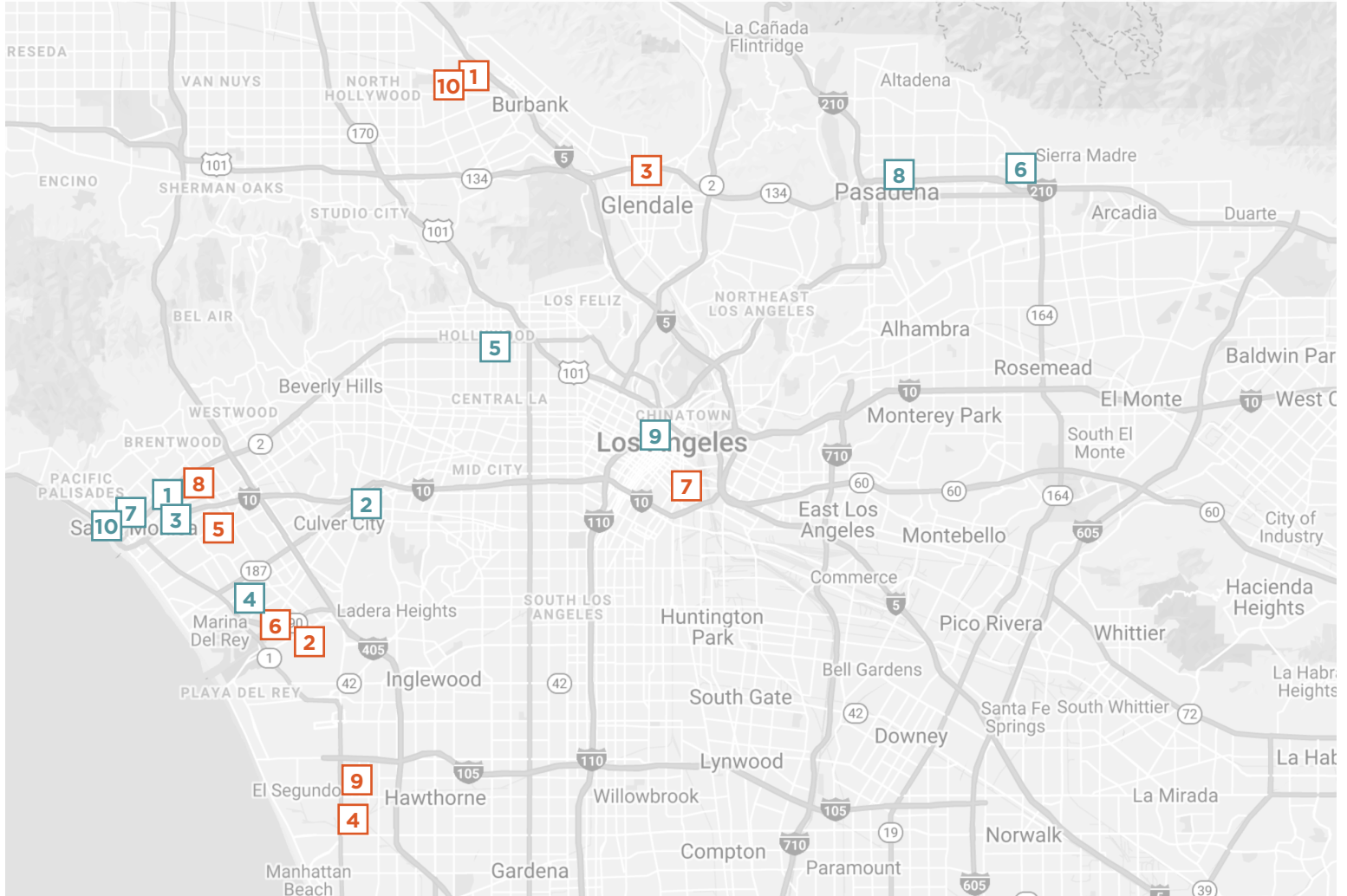
### KEY TECH MARKET STATISTICS

|                                   | WEST LOS ANGELES |           | LOS ANGELES (OVERALL) |            |
|-----------------------------------|------------------|-----------|-----------------------|------------|
|                                   | Q4 '19           | Q4 '20    | Q4 '19                | Q4 '20     |
| <b>Availability</b>               | 13.9%            | 21.3% ▲   | 18.1%                 | 22.5% ▲    |
| <b>Sublease Space</b>             | 1.7 MSF          | 3.2 MSF ▲ | 4.46 MSF              | 7.68 MSF ▲ |
| <b>Overall Asking Rent</b>        | \$59.58          | \$62.96 ▲ | \$42.12               | \$44.88 ▲  |
| <b>Quarterly Leasing Activity</b> | 1.0 MSF          | 0.6 MSF ▼ | 3.8 MSF               | 2.1 MSF ▼  |

Source: Savills Research

## Recent Sublet Blocks (2020)

- |   |   |  |  |   |
|---|---|--|--|---|
| <b>1</b> <b>Edmunds</b><br>2401 Colorado Ave<br>195,594 SF<br>Colorado Center | <b>3</b> <b>Leaf Group Ltd</b><br>1655 26th St<br>52,032 SF         | <b>5</b> <b>Quibi</b><br>6555 Barton Ave<br>49,480 SF<br>Hollywood 959                               | <b>7</b> <b>GumGum</b><br>1314 7th St<br>44,860 SF<br>The Telephone Building | <b>9</b> <b>Uber</b><br>145 S Spring St<br>41,296 SF<br>The Times South           |
| <b>2</b> <b>Scopely</b><br>8888 Washington Blvd<br>60,875 SF<br>Platform      | <b>4</b> <b>Dollar Shave Club</b><br>13335 Maxella Ave<br>49,876 SF | <b>6</b> <b>Cruise Automation (GM)</b><br>465 N Halstead St<br>47,051 SF<br>Pasadena Business Center | <b>8</b> <b>OpenX</b><br>888 E Walnut St<br>41,416 SF<br>888 Walnut          | <b>10</b> <b>TrueCar, Inc</b><br>120 Broadway<br>32,286 SF<br>Palisades Promenade |



## Notable Transactions (2020)

- |  |   |   |  |
|--|---|---|--|
| <b>1</b> <b>Netflix</b><br>2300 W Empire Ave, Burbank<br>171,000 SF / New            | <b>4</b> <b>Fisker</b><br>1888 Rosecrans Ave, Manhattan Beach<br>72,649 SF / Relocation   | <b>7</b> <b>Virgin Hyperloop</b><br>777 S Alameda St, Los Angeles<br>41,000 SF / Sublease   | <b>10</b> <b>Netflix</b><br>2350 Empire Ave, Burbank<br>33,075 SF / Sublease |
| <b>2</b> <b>Facebook</b><br>12105 W Waterfront, Playa Vista<br>84,616 SF / Expansion | <b>5</b> <b>Snap</b><br>Santa Monica Business Park<br>68,854 SF / Expansion               | <b>8</b> <b>SimplePractice</b><br>2834 Colorado Ave, Santa Monica<br>36,505 SF / Relocation |  |
| <b>3</b> <b>ServiceTitan</b><br>800 N Brand, Glendale<br>80,046 SF / Expansion       | <b>6</b> <b>Electronic Arts</b><br>4820 Alla Rd, Marina del Rey<br>58,034 SF / Relocation | <b>9</b> <b>Prodege</b><br>2030 E Maple Ave, El Segundo<br>35,000 SF / Relocation           |  |

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