Irvine Co. Flexes, Find Office Takers in New Normal

10M SF of ‘21 Leases For State’s Largest Landlord

By MARK AMELLER

Irvine Co. believes there’s a clear future for the local office market, and officials at the real estate firm say it’s a future that emphasizes high-end properties and a flight to quality by tenants.

Orange County’s largest office landlord has the figures to back up those claims.
The Newport Beach real estate firm says it leased nearly 10 million square feet of office space in 2021 to about 1,000 companies.

That total matches or exceeds the company’s performance during the pre-pandemic economic boom years of 2017-2019, it said in a statement.

Irvine Co. is the largest owner of office space in California, with much of its buildings in Orange County.

In portfolio of more than 560 buildings—also located in Los Angeles, San Diego, Silicon Valley, Chicago and New York City—total 10 million square feet of space.

Last year’s leasing performance “is in a window into the post-pandemic future of work,” said Jonathan Brinbaum, president of Irvine Co.’s office division.

“The activity clearly shows the importance of being together to drive company culture, productivity, innovation and, ultimately, the bottom line,” he said.

Top Dealmaker

Many examples of the company’s Orange County leasing success can be seen in this week’s page 34 listing of 2021’s largest office leases, part of the Business Journal’s Top Real Estate Deals special report.

Irvine Co. buildings were home to six of the top seven local office leases of the year, and those six deals totaled over 680,000 square feet of space, according to Business Journal research and Colliers Group Inc. data.

Notable 2021 building leases in OC included deals for established firms like Varian, Amgen, and Colfax, while emerging tech companies like flying taxi maker Sperian also snapped up significant chunks of space.

While those leases were for the landlord’s high-end properties in the Spectrum area, the company also had notable tenants move into its high-rise, a product type that’s seen challenges in OC and other markets since the onset of the pandemic.

Aerospace firm Terran Orbital’s nearly 50,000-square-foot deal at the company’s 400 Spectrum Center tower was tops among high-rise leases for the year in OC, according to real estate data.

Fresno office

The Colfast and Amazon fall-building leases were for Irvine Co.’s new Spectrum Terrace campus along the San Diego (405) Freeway. The first two phases of that project—totaling six buildings—are fully leased, though not all tenants have moved

upgrading and streamlining, the company’s been pushing its Flex WorkSpace2 program, which was introduced in 2019.

The program offers move-in ready workspaces and flexible lease options, starting at six months with suites as small as 2,000 square feet, with the opportunity to scale to a full floor, building entire, it says.

More than 100 companies sought a Flex option in 2021, leasing more than 1 million square feet, the company said.

“We’re flexible solutions allow us to align with a company’s unique needs and provide the ability to evolve quickly as those needs change,” Brinbaum said.

Life Science Watch

Going forward, Case said he’s expecting to see further growth in a number of industries, like med-tech, gaming, next-gen aerospace and electric vehicles.

Also keep an eye on Orange County’s life sciences industry, Case said. It’s a sector expected to see large local growth push, he said.
OFFICE LEASES
LARGEST OFFICE LEASES OF 2021

1. The Press
Costa Mesa, Sunflower Drive
Square Feet: 640,000 (existing buildings, future new development)
Tenant: United Industries
Landlord: Steelcase/Ivesco

2. 15505 Sand Canyon Ave.
Irvine, Spectrum
Square Feet: 120,000
Tenant: Verizon
Landlord: Irvine Co.

3. 17300 Laguna Canyon Road
Irvine, Spectrum Terrace
Square Feet: 116,000
Tenant: Amazon
Landlord: Irvine Co.

4. 17600 Laguna Canyon Road
Irvine, Spectrum Terrace
Square Feet: 115,000
Tenant: CoStar Group
Landlord: Irvine Co.

5. 15555 Laguna Canyon Road
Irvine, Discovery Park
Square Feet: 105,600
Tenant: Superval
Landlord: Irvine Co.

INDUSTRIAL LEASES
LARGEST INDUSTRIAL LEASES OF 2021

1. Huntington Gateway Business Park
Huntington Beach (new development)
Square Feet: 434,000
Tenant: Cambro Manufacturing
Landlord: Sares Regis

2. 6311 Knott Ave.
Brea Park
Square Feet: 399,000
Tenant: Hasslein Inc.
Landlord: Clarion Partners

3. 500 W. Warner Ave.
Santa Ana
Square Feet: 246,000
Tenant: Cloud Mountain
Landlord: BSA

4. 5560 Kalia Ave.
Cypress
Square Feet: 215,000
Tenant: Ramp Trucker
Landlord: Warwick Investments

5. 15800 Alton Parkway
Irvine
Square Feet: 210,000
Tenant: Alton Research
Landlord: Irvine Co.