

UPTOWN at Warner Center

CONFIDENTIAL INVESTMENT OFFERING

46 Acre± Development
Opportunity in the City Of Los Angeles



Westfield
PROMENADE

Westfield
THE VILLAGE

Westfield
TOPANGA



METRO
ORANGE
LINE

Exclusively
represented by



Neiman Marcus	GUCCI	LOUIS VUITTON	Cartier
Salvatore Ferragamo	TIFFANY & Co.	JIMMY CHOO	LACOSTE
NORDSTROM	BURBERRY	Apple	PRADA

BLACKLINE	DASSAULT SYSTEMES
ADP	Hilton

TOPANGA CANYON BLVD

OWENSMOUTH AVE

Westfield
TOPANGA

UPTOWN
at Warner Center



METRO
ORANGE LINE

Westfield
THE VILLAGE

FARMERS
INSURANCE

Crate&Barrel	COSTCO WHOLESALE
KREI	24 FITNESS

Westfield
PROMENADE

KPMG	AIG	CITY NATIONAL BANK	Medtronic
Anthem	Deloitte	Morgan Stanley	Health Net

AMC THEATRES	P.F. CHANG'S CHINA RESTAURANT
RUTH'S CHRIS STEAK HOUSE	MAGGIANO'S LITTLE ITALY

Marriott

Table of Contents

01	Executive Summary.....7
	Investment Opportunity - The Offering
	Investment Highlights
	Compelling Demographics
	Entertainment Capital of the World
	Retail and Dining
	The Warner Center 2035 Plan
	Conceptual Plan
	Terms of Sale Guidelines
	Uptown at Warner Center Team
02	Property Overview.....21
	History of Uptown at Warner Center
	Proposed Project Summary
	Conceptual Public Open Space & Circulation
03	Warner Center Plan 2035 29
	Overview
	Division of Districts
	Uptown District
	Incentivized Uses and Development Bonuses
04	Market Overview.....33
	Dynamic Urban Market
	Warner Center: A Walkable Mixed-Use District
	Averages & Statistics
	Recent Warner Center Projects
	Local Shopping Center
	Entertainment is a Cornerstone of the Valley Economy
	4th Quarter 2015 Greater Los Angeles Office Market
	Warner Center Apartment Overview
	Available Rentals

Direct all Inquiries to:

JAMES W. ABBOTT, SR.

Executive Director
Realty Advisory Group, Inc.
CA Lic #00769697
213.892.8881 Ext 288
abbott@raginc.com

JAMES W. ABBOTT, JR.

Director
Realty Advisory Group, Inc.
CA Lic #01870203
213.892.8881 Ext 368
jwabbott@raginc.com

ERIC BLUESTEIN

Executive VP, Partner
Kidder Mathews
CA Lic #01720416
415.229.8970
ericb@kiddermathews.com

SKIP WHITNEY

Executive VP, Partner
Kidder Mathews
CA Lic #00454750
415.229.8899
skip@kiddermathews.com

JOHN J. DUES

Vice Chairman
Binswanger Advisory Services
703.930.0676
jdues@binswanger.com

ERIC DIENSTBACH

Senior Vice President
Binswanger Advisory Services
303.779.4345
edienstbach@binswanger.com



Disclaimer

The information contained in this document has been obtained from sources believed reliable. While BRK does not doubt its accuracy, BRK has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your environmental, tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Affiliated Business Disclosure

Binswanger Int. / Realty Advisory Group, Inc. / Kidder Mathews ("BRK") operate in conjunction with each other and other companies with many subsidiaries and/or related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates may represent various clients with competing interests in the same transaction. Those, or other, Affiliates may express an interest in the property described in this Memorandum (the "Property") may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither BRK nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, BRK will act in the best interest of the client(s) it represents in the transaction described in this Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Memorandum.



Westfield
THE VILLAGE

Westfield
TOPANGA

TOPANGA CANYON BLVD

OWENSMOUTH AVENUE

VICTORY BLVD

VAN





METRO ORANGE LINE

TOWN STREET

UPTOWN
at Warner Center



CANOGA AVENUE

01

Executive Summary

Executive Summary

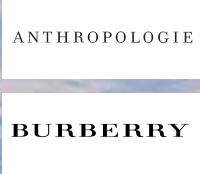
EXCLUSIVE MARKET WITH STRONG BARRIERS TO ENTRY

Binswanger, Realty Advisory Group, Inc. and Kidder Mathews (“BRK”) have been engaged by United Technologies Corporation (“UTC” or “ownership”) to generate investor interest in the highest profile development opportunity in the City of Los Angeles. Los Angeles is one of the most desirable and supply-constrained real estate markets in the United States, due to the scarcity of developable sites as well as political, zoning and entitlement constraints for new projects. Uptown at Warner Center (the “Property”) is a one-of-a-kind development opportunity consisting of nearly 47 acres located in the mature market of Warner Center in the San Fernando Valley, surrounded by the third largest shopping center in the United States, numerous high profile office projects, and residential developments. The development will produce a state of the art “Live/Work/Play” environment that will be a walkable community featuring a combination of residential and commercial uses including retail, office, hotel, research & development, assisted living and community center space surrounding a 5 acre open park. It will be the San Fernando Valley’s most desirable, sustainable destination with expedient access to every convenience including numerous shopping, dining, and public transportation options. The San Fernando Valley consists of approximately 260 square miles making it the largest geographic component of the City of Los Angeles. With approximately 1.8 million

residents, it is a densely populated area, that as a standalone city, would be the seventh largest city in the United States.

The Property is located directly across the street from Westfield’s approximate 1.6 million square foot Topanga Mall, a block from its 550,00 square foot “The Village at Topanga” and two blocks from Westfield’s 615,000 square foot Promenade Mall, all of which front Topanga Canyon Boulevard. The three combined total approximately 2.7 million square feet of retail space, collectively the 3rd largest regional shopping center in the U.S. and the largest shopping center in California. The Westfield Topanga Mall is home to over 260 retailers and anchored by high profile department stores like Nordstrom and Neiman Marcus. Included in the shopping center is a brand new Costco, a Target, dozens of world-class retailers like Gucci, Burberry, Tesla, Apple, Tiffany & Co., Prada, Cartier, Louis Vuitton, and numerous casual and fine dining options. Completed in the Fall of 2015, “The Village at Topanga” showcases trendy local fashion and lifestyle brands, sensational restaurants offering al fresco patio dining, a full-service gym, spa and yoga studio, along with a weekly farmer’s market, all under a canopy of native trees and vegetation. The overall Westfield project receives in excess of 13 million visitors per year.

Westfield is home to over 260 retailers including:



UPTOWN
at Warner Center

The Warner Center market also boasts a diverse and robust office market attracting prominent corporations in media and entertainment, insurance, healthcare, technology, defense and finance. Significant companies that have a large presence in the Warner Center market include: Universal Music Group, Northrop Grumman, Procter & Gamble, Farmers Insurance, Anthem Blue Cross, Kaiser Permanente, AIG, Health Net, ADP, Panavision, and Morgan Stanley. These companies, among others, are major job generators for the entire City of Los Angeles.

With a very supportive local government and resident base, there is a strong effort to promote Warner Center as a rapidly growing Transit Oriented Development (TOD). As a result, it has approved the Warner Center 2035 Specific Plan (“WC 2035 Plan”), a blueprint with the goal to enhance the district with high-density, pedestrian-friendly, TODs nurturing a “Live/Work/Play” environment for all those living, working and visiting the area. The permissible floor area ratio (FAR) is 4.5 and there are no height restrictions. Given the well above average household income levels, direct access to public transportation, and a densely populated area, there are a number of compelling reasons to participate in such a vision.

The offered Property is specific to the “Uptown” area of the WC 2035 Plan. Please click on the link to the right and note the “Uptown” portion of the WC 2035 Plan is found in Section 6.1.2.8 (page 56).

Warner Center 2035 Plan <http://planning.lacity.org/complan/specplan/pdf/warnerc.pdf>

The WC 2035 Plan is generally bound by the Los Angeles River to the north, the Ventura Freeway to the south, De Soto Avenue to the east, and to the west Topanga Canyon Boulevard, an area of approximately 1,100 acres or 1.7 square miles.

UTC, along with BGI Development and HOK Architects, has developed a proposed master plan for the Property, which comprises approximately 6.035 million square feet of mixed use floor area development.

The breakdown allowed by the WC 2035 Plan is as follows:

Class A Office	1,130,000 SF
Residential	3,950,000 SF
Assisted Living	240,000 SF
Retail	200,000 SF
Cultural / Public / Education	310,000 SF
Hotel	155,000 SF
Site Central Plants	50,000 SF
TOTAL	6,035,000 SF



INVESTMENT HIGHLIGHTS

- Rare opportunity to acquire a nearly 47-acre infill development site in City of Los Angeles.
- Location is Densely Populated – West San Fernando Valley/Warner Center – 1.8 million San Fernando Valley residents. US Census Bureau Los Angeles City Population Estimates, July 1, 2014, (V2014) 3,928,864.
- TOD Accessibility
 - 3 major airports, LAX (6th busiest airport in the world), Bob Hope Airport in Burbank, and Van Nuys Airport
 - Sophisticated freeway system, commuter rail services, and dedicated high-speed bus lanes
 - Across the street, Metro Orange Line Station, enabling convenient access to Los Angeles County’s Metro Transit infrastructure.
- Located directly across the street from Westfield’s 2.7 million square foot regional shopping center with more than 260 retailers including:

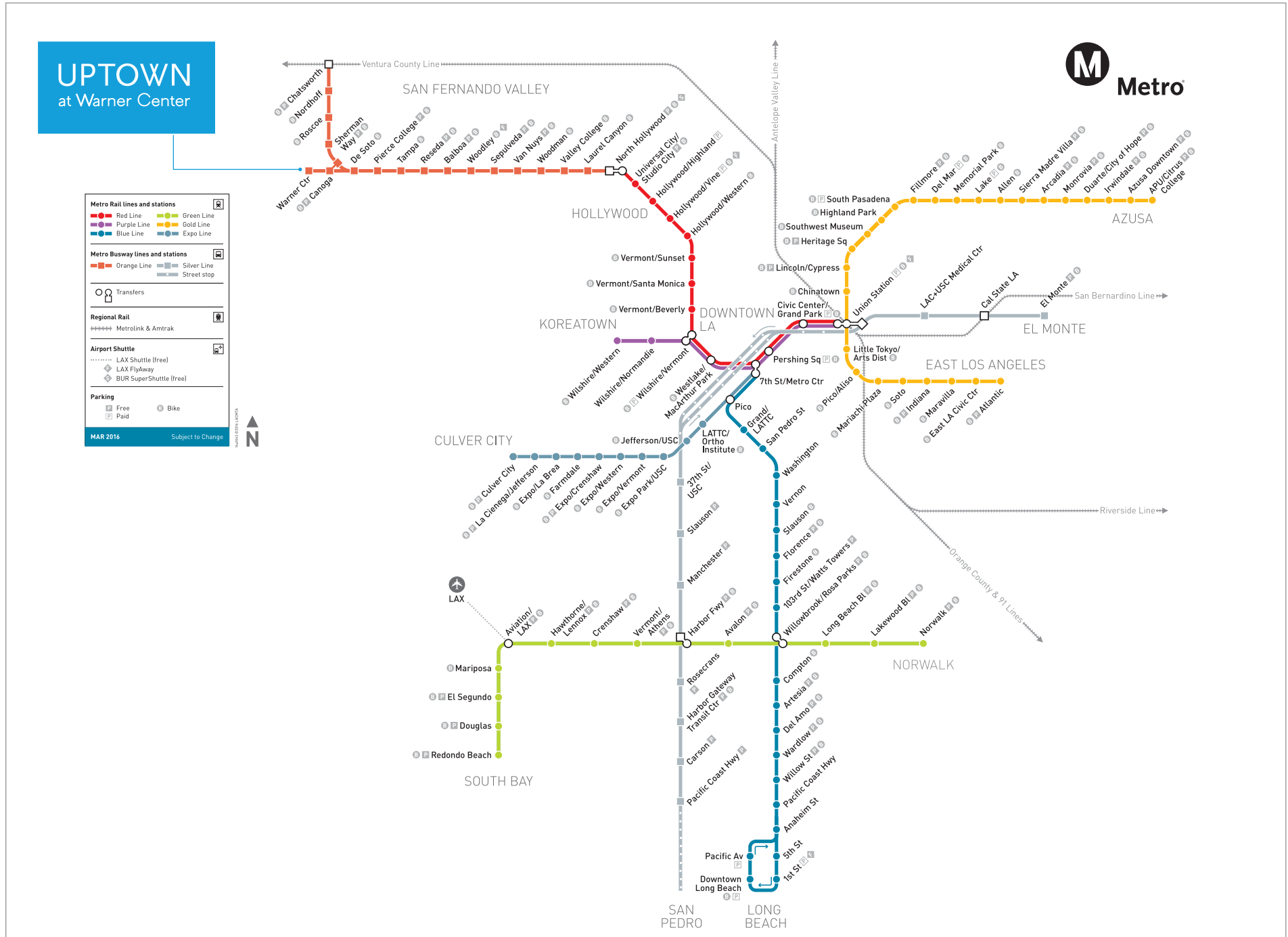


- Pedestrian-friendly with ability to walk to luxury shopping, dining, and entertainment.
- Access to jobs - Adjacency to numerous offices for both small and large corporations.
- Warner Center 2035 Plan in place to allow for the development of a 6.035 million square foot “Live/Work/Play” project.

- With the approved Warner Center 2035 Plan in place it provides a direct route to obtaining land use entitlements, which significantly reduces entitlement risk. The WC 2035 Plan’s underlying zoning provides for a 6.035 million square-foot development. The WC 2035 Plan should help to make the Project Permitting Compliance, Subdivision Mapping and CEQA (California Environmental Quality Act) processes more efficient and timely. Additionally, the Plan enables developer creativity and flexibility.
- The Warner Center 2035 Plan has been in the making for over 10 years and has navigated through a very complicated City of Los Angeles entitlement process. The approved plan gives all developers a competitive advantage from a marketing and timing perspective.
- This opportunity is ideally located for its entitled uses, which is significantly complimented by the immediate surrounding supporting amenities – restaurants, retail, jobs, and transportation.

7TH LARGEST CITY IN THE U.S. IF THE SAN FERNANDO VALLEY WAS A STANDALONE CITY	1.8M RESIDENTS IN THE DENSELY POPULATED AREA OF THE SAN FERNANDO VALLEY
WESTFIELD PROVIDES ABUNDANT LUXURY RETAIL, DINING & ENTERTAINMENT	WC2035P IN PLACE TO BUILD 6.035 MILLION SQUARE FOOT LIVE/WORK/PLAY PROJECT

INVESTMENT HIGHLIGHTS: EXCELLENT TRANSPORTATION



INVESTMENT HIGHLIGHTS: DISTANCE TO DESTINATIONS



20 MILES	
DRIVING DISTANCE	
Downtown Los Angeles	28 miles
Santa Monica	21 miles
Beverly Hills	21 miles
Hollywood	20 miles
Westwood	18 miles
J. Paul Getty Museum	15 miles
Malibu Beach	13 miles
Burbank Airport	19 miles
Warner Brothers Studios/ Disney Studios	16.5 miles
Los Angeles Int'l Airport	26 miles
San Marino/Pasadena	36 miles

COMPELLING DEMOGRAPHICS

Situated approximately 28 miles northwest of downtown's Central Business District, Warner Center is an integral part of the city of Los Angeles and a vast economic region known as the San Fernando Valley (SFV). Home to over 1.8 million residents and more than 700,000 businesses, SFV generates some of the most compelling demographics in the nation.

Key Valley neighborhoods such as Hidden Hills, Calabasas, Agoura Hills and Woodland Hills each have average household incomes higher than other Los Angeles high-profile communities such as Brentwood, Santa Monica and West Los Angeles. The neighborhoods surrounding the site offer exceptional executive and workforce housing that create strong drivers of corporate demand for Warner Center.



The Valley

NATION'S 7TH
LARGEST REGION IF
RANKED AS A CITY¹

850,000
Jobs

IN THE VALLEY

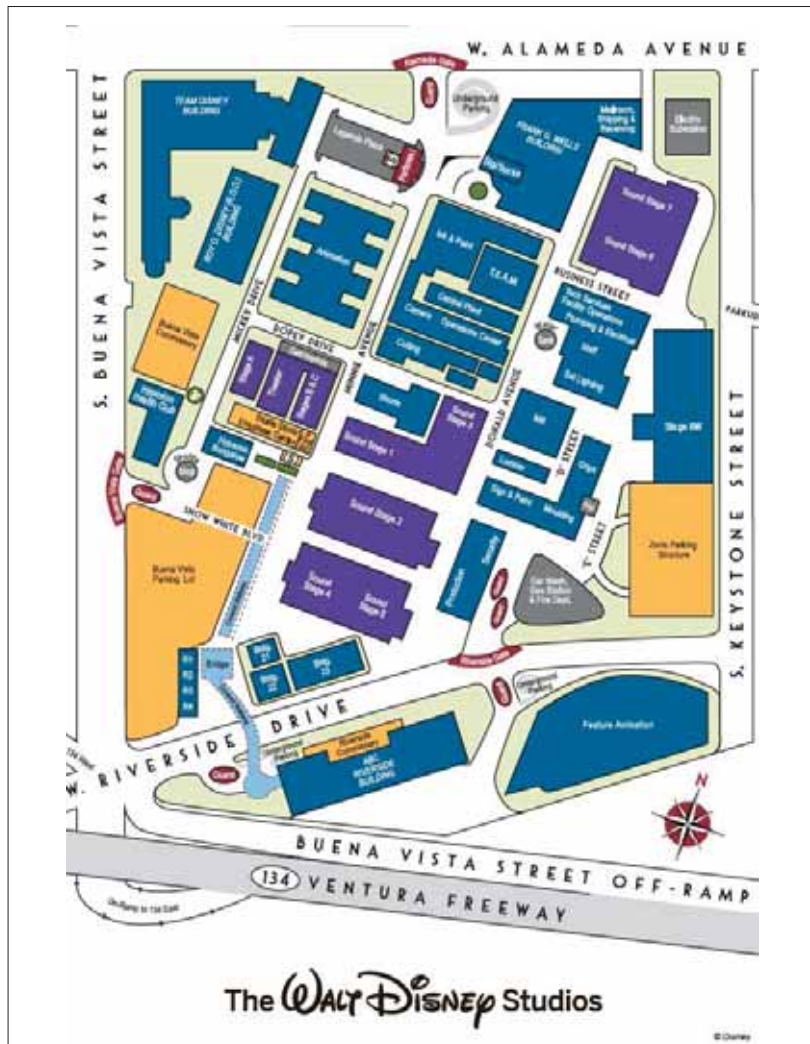
1 Million
Residents

WITHIN A
10-MILE RADIUS

¹The Valley Economic Alliance

ENTERTAINMENT CAPITAL OF THE WORLD

The San Fernando Valley is known as the "Entertainment Capital of the World", as it is home to most of the major movie studios including Universal, Pixar Animation, DreamWorks Animation SKG, Warner Brothers, Marvel, CBS, NBC, Nickelodeon, Cartoon Network and Walt Disney. The region has been a leader in creative job growth, as no other place has a stronger infrastructure of media-related personnel or studio production attractions; tourism is constantly growing with more than 42 million visitors spending over \$18.4 billion in the region annually.



RETAIL AND DINING WITHIN 500 FEET OF UPTOWN AT WARNER CENTER



AMC THEATRES	P.F. CHANG'S CHINA RESTAURANT
HUTTENLOCH'S STEAK HOUSE	MAGGIANO'S LITTLE ITALY

WOODLAND HILLS

Crate&Barrel	COSTCO WHOLESALE
KREI	24 HOUR FITNESS

Westfield PROMENADE

Westfield THE VILLAGE

VICTORY BLVD

Westfield TOPANGA

SENNOTT AVENUE

TOPANGA CANYON BLVD

<i>Neiman Marcus</i>	GUCCI	LOUIS VUITTON	<i>Cartier</i>
<i>Salvatore Ferragamo</i>	TIFFANY & Co.	JIMMY CHOO	LACOSTE
NORDSTROM	BURBERRY	Apple	PRADA

WARNER CENTER ASSOCIATION SUMMARY OF WC 2035 PLAN

A brief and partial Warner Center Association summary of the Warner Center 2035 Plan (WC 2035 Plan) is as follows:

The Warner Center 2035 Plan (WC 2035 Plan) is a development blueprint for Warner Center that emphasizes mixed-use and transit-oriented development, walkability, and sustainability. The WC 2035 Plan considers development fundamental to supporting regional transportation investments such as the Orange Line and, as a result, creating a vibrant Transit Oriented District (TOD) based upon sustainability, community connectedness, accessible public transit, and promotion of innovative businesses, job diversity, and a safe and friendly pedestrian environment. In simple terms, the WC 2035 Plan provides a comprehensive and clear process that will permit development to occur in order to facilitate the creation of a Regional Center where people can live, work, and play. At its core, the WC 2035 Plan will create the necessary framework for balanced and appropriate development.

www.warnercenterassociation.org



KEY ELEMENTS OF THE WC 2035 PLAN

- Increased development potential in terms of maximum permitted floor area ratios (generally up to 4.5:1) and building heights (generally unrestricted).
- Promoting structural development with centers of greater residential density and commercial/industrial activity.
- Provision of green building standards including diminished energy utilization and collection and filtration of rainwater.
- Promoting ground floor retail, flexible community space and other pedestrian-oriented uses, with a focus on cultivating active, complete streets.
- Creating a place where people can live, work and play and where day-to-day needs can be met locally by walking, bicycling or utilizing public transit.
- Establishing connectivity networks, including new streets and pedestrian adapted pathways within the established districts.
- Creating a network of accessible open spaces to encourage public gathering and pedestrian activity.
- Establishing an urban environment that is generously landscaped with large parkways, medians, a 5 acre park area and open spaces pertinent to each individual building.
- Continuation of the industrial tradition in the area by establishing green and clean professional, scientific, and technical businesses, including engineering, environmental consulting, or research and development companies.

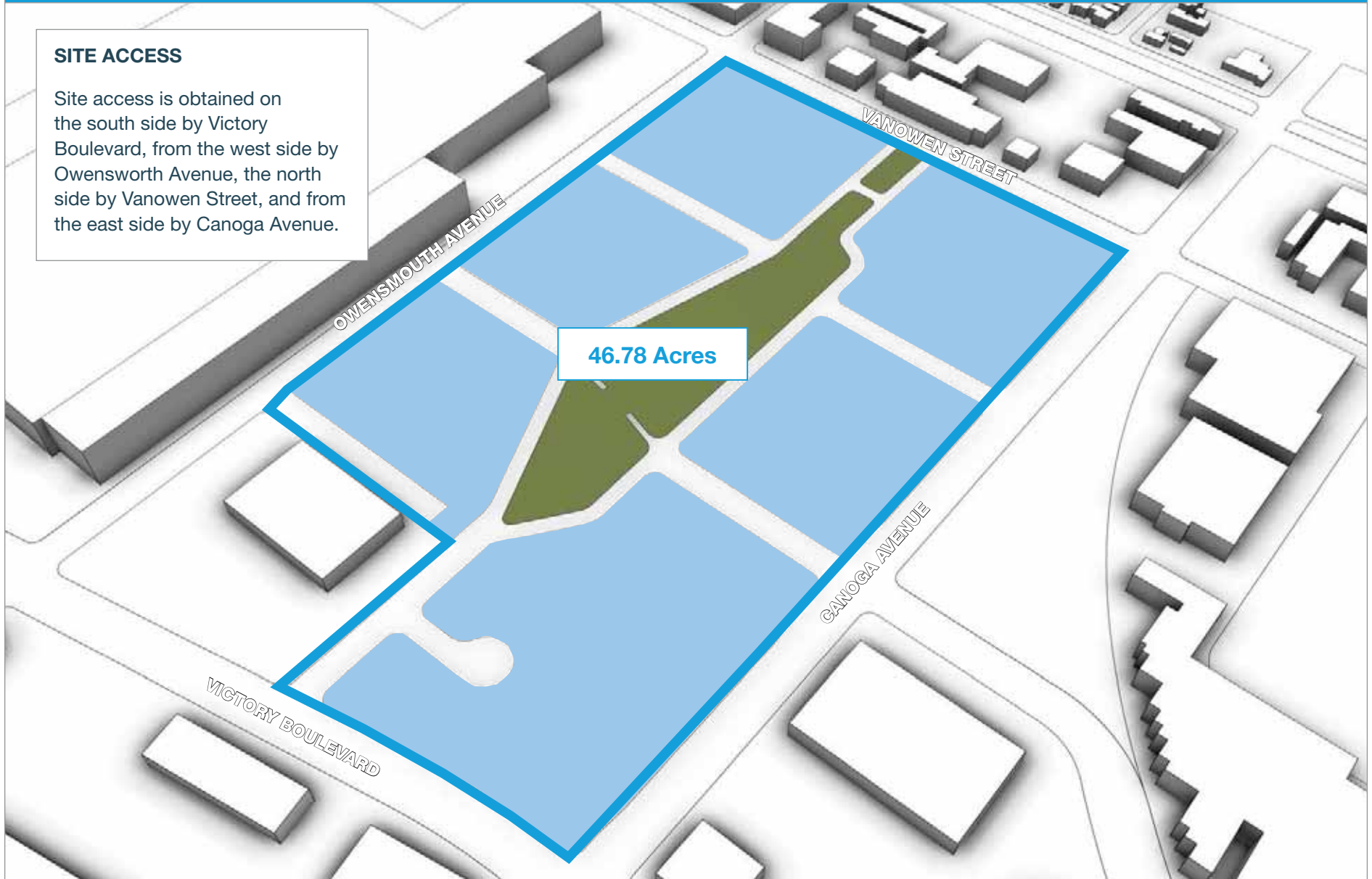
PROPERTY CONCEPTUAL PLAN

ADDRESS	LAND AREA	ACRES	SF
21600 Vanowen Street	2139-001-003	8.747	381,012
6733 Canoga Avenue	2139-001-004	6.783	295,480
N/A	2139-001-007	31.254	1,361,437
TOTAL		46.784	2,037,929

SITE ACCESS

Site access is obtained on the south side by Victory Boulevard, from the west side by Owensmouth Avenue, the north side by Vanowen Street, and from the east side by Canoga Avenue.

46.78 Acres



CONCEPTUAL PLAN

The plan being considered by UTC for the site is a project that combines a mix of large public spaces, pedestrian pathways, pocket courtyards, and active commercial promenades. Buildings have been conceived around open spaces surrounded by ground floor markets, shops, restaurants and public performance spaces, while pedestrian paths weave through and around buildings to connect the central park and pocket parks with the dense, mixed-use blocks. These elements would provide relaxation spaces for employees, residents and visitors while fostering both sustainable site occupation and exceeding the open space guidelines set forth in the WC 2035 Plan. A breakdown of potential uses is presented in the table to the right.

CONCEPTUAL PROJECT SUMMARY	SQUARE FEET
Class A Office	1,130,000
Residential	3,950,000
Assisted Living	240,000
Retail	200,000
Cultural / Public / Education	310,000
Hotel	155,000
Site Central Plants	50,000
TOTAL	6,035,000



TERMS OF SALE GUIDELINES

The property will be sold based on an open bid process. No asking price has been established, however, ownership reserves the absolute right to accept or reject any and all bids. The successful offer will be selected based on a variety of criteria. The criteria include, but are not limited to; the offer price, contingencies and due diligence criteria, time line to closing, deposit funds, including “at risk” deposit at contract execution, proven ability and prior successes in closing on a transaction of this size. Brokerage cooperation is invited, in fact, ownership has agreed to pay a cooperating brokerage fee of .5%.

Upon acceptance of registration, including completion of the confidentiality agreement, the Uptown at Warner Center team will provide access to due diligence materials for investors review.

Scheduled tours will be made of the property and will be communicated to registered investors at which time the team will be available to assist prospective investors and answer any questions.



Uptown at Warner Center Team

JAMES W. ABBOTT, SR.

Executive Director
Realty Advisory Group, Inc.
CA Lic #00769697
213.892.8881 Ext 288
abbott@raginc.com

JAMES W. ABBOTT, JR.

Director
Realty Advisory Group, Inc.
CA Lic #01870203
213.892.8881 Ext 368
jwabbott@raginc.com



REALTY ADVISORY GROUP, INC.
Established 1995

ERIC BLUESTEIN

Executive VP, Partner
Kidder Mathews
CA Lic #01720416
415.229.8970
ericb@kiddermathews.com

SKIP WHITNEY

Executive VP, Partner
Kidder Mathews
CA Lic #00454750
415.229.8899
skip@kiddermathews.com



JOHN J. DUES

Vice Chairman
Binswanger Advisory Services
703.930.0676
jdues@binswanger.com

ERIC DIENSTBACH

Senior Vice President
Binswanger Advisory Services
303.779.4345
edienstbach@binswanger.com



uptownatwarnercenter.com



Westfield
TOPANGA

UPTOWN
at Warner Center

METRO ORANGE LINE



02

Property Overview

Property Overview

HISTORY OF UPTOWN AT WARNER CENTER

The Uptown at Warner Center site was originally developed in 1955 with industrial buildings by the United States Air Force for the manufacture of rocket engines and related systems, and since that time, it has been continuously used for industrial purposes related to aerospace design, engineering, manufacturing and assembly. The site was owned by North American Aviation, Rockwell International, and The Boeing Company (Boeing) prior to UTC.

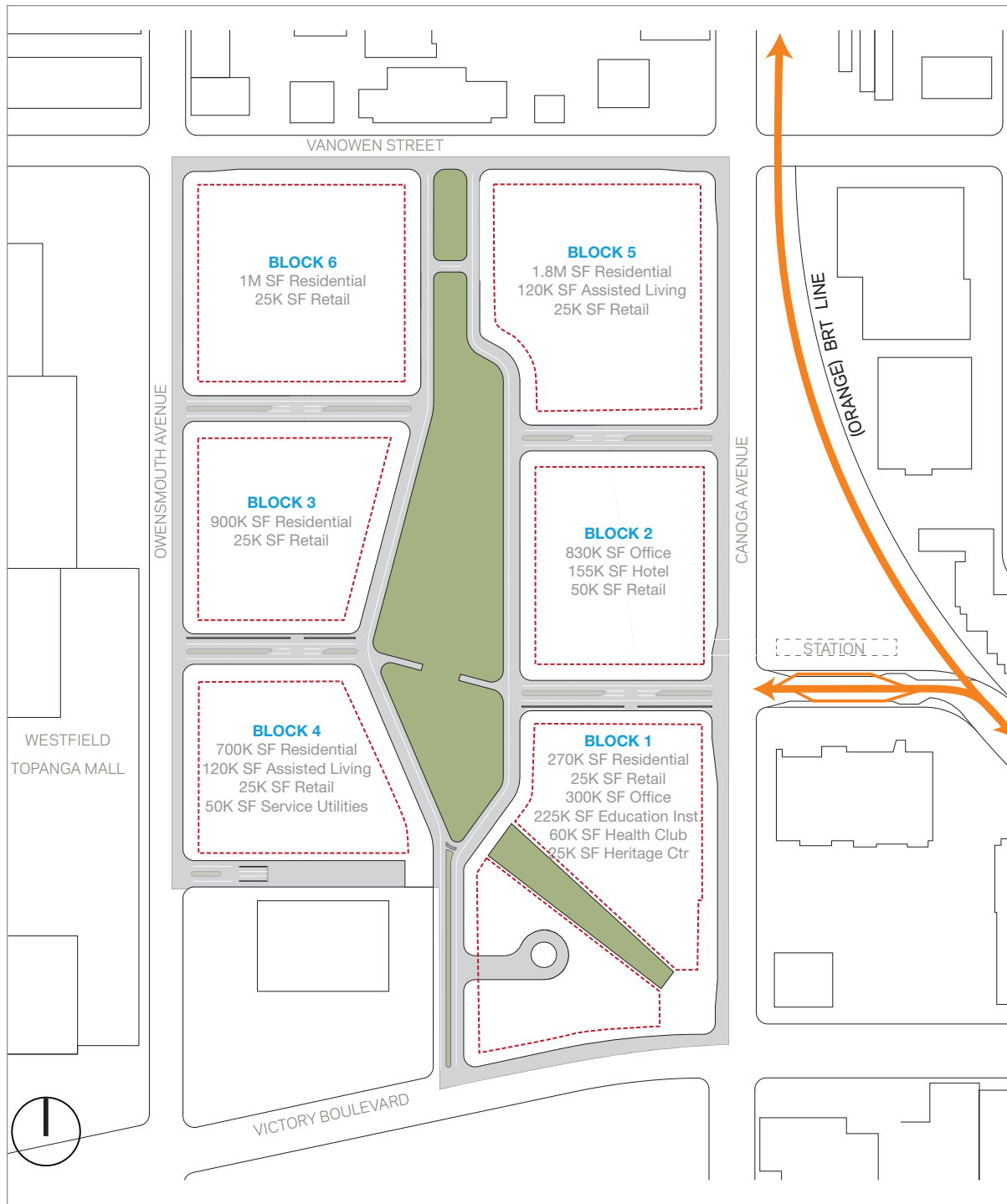
UTC acquired the site in 2004 with its acquisition of the Rocketdyne business from Boeing by UTC's Pratt & Whitney business line. The site most recently served as the aerospace production plant of Pratt & Whitney/

Rocketdyne, producing rocket engines and propulsion systems for the U.S. space program. In 2013, Pratt & Whitney sold its business holdings in Rocketdyne to GenCorp, Inc., the parent company of the Aerojet Corporation, which then formed Aerojet Rocketdyne. UTC retained the ownership of the site in this transaction. Aerojet Rocketdyne leased the site back from UTC until April 2014 when operations and employees were relocated to Aerojet Rocketdyne's nearby De Soto Avenue plant. Although the site will be delivered to the buyer cleared of all improvements/structures the plant was comprised of approximately 16 industrial and office buildings totaling a little less than 800,000 square feet that often times operated with multiple shifts. This plant was an integral part of United States' aerospace history.



PROPOSED PROJECT SUMMARY





PROPOSED PROJECT SUMMARY

Class A Office	1,130,000 SF
Residential	3,950,000 SF
Assisted Living	240,000 SF
Retail	200,000 SF
Cultural / Public / Education	310,000 SF
Hotel	155,000 SF
Site Central Plants	50,000 SF
TOTAL	6,035,000 SF

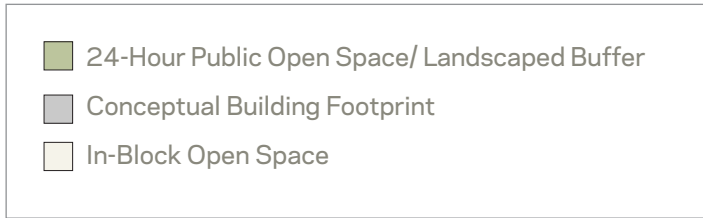
Projected Hotel Room Total	210 Rooms
Projected Residential Units Total	3,950 Units
Projected Assisted Living Units Total	330 Units
Parking Total	10,030 Spaces

Total Development Site Area	2,037,929 SF
Overall Proposed Development FAR*	2.96
WC2035P Maximum FAR	4.5

*Total Development Site Area & FAR calculation based on Gross Land Area report of ALTA survey.

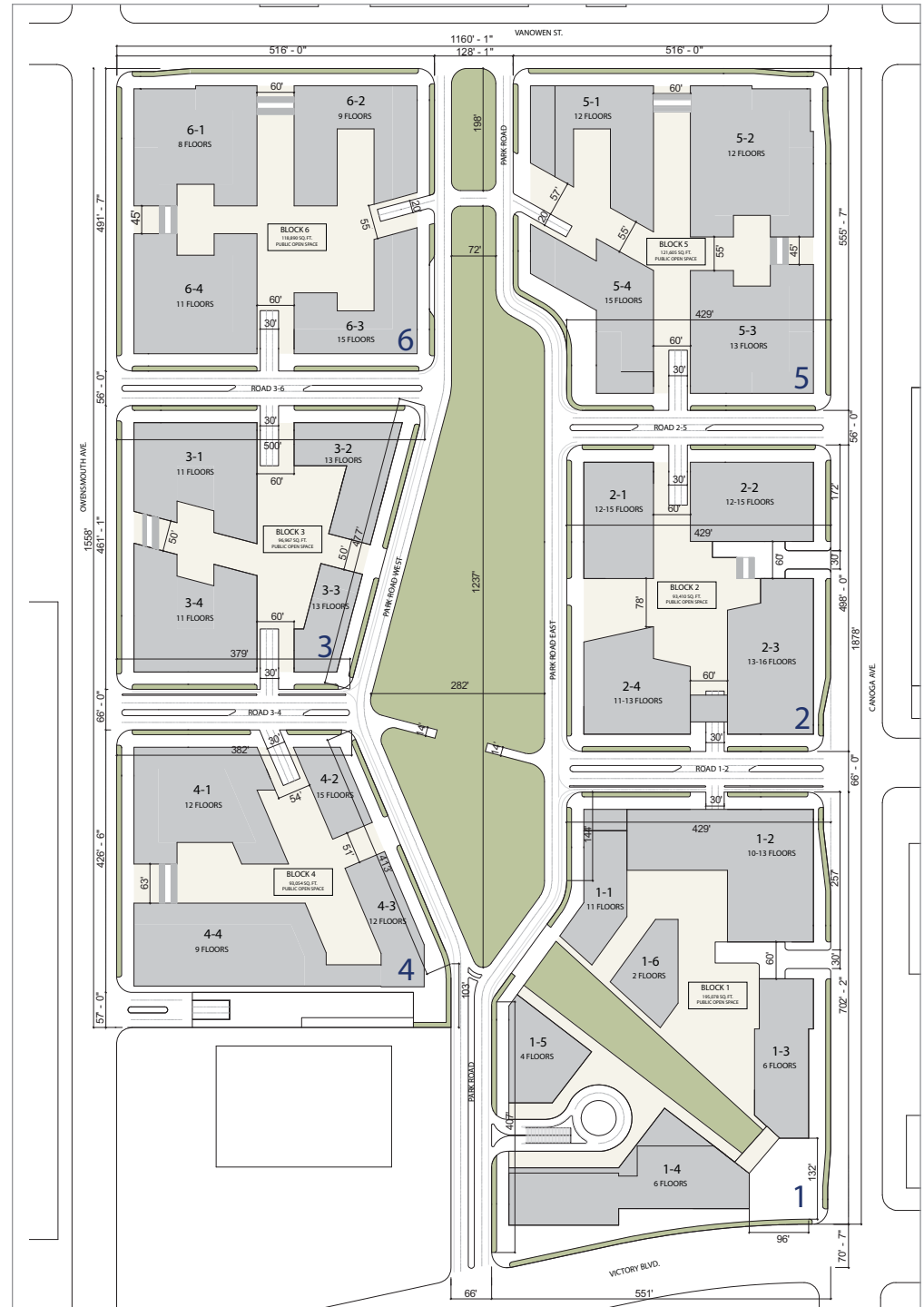
CONCEPTUAL BUILDING PLAN

Baseline Master Plan



NOTES

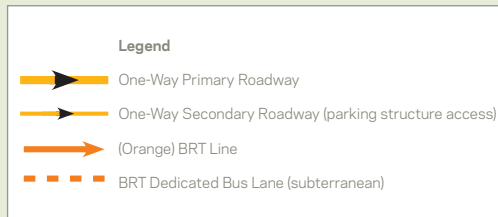
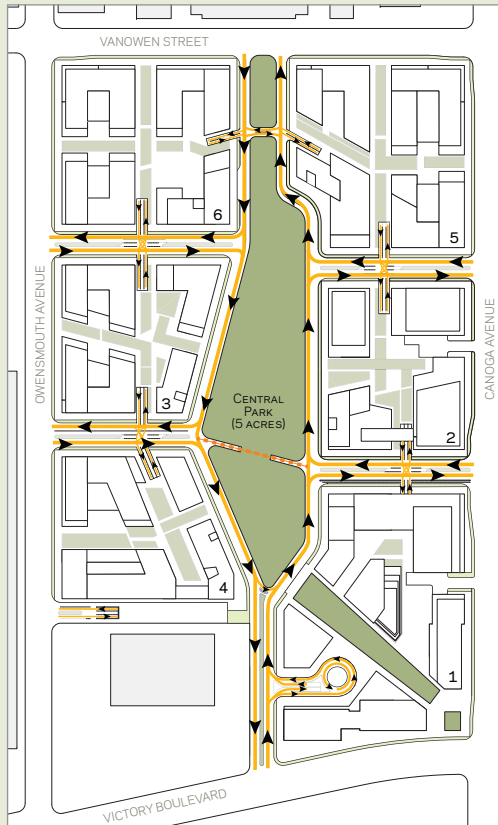
- All building footprints subject to change.
- Each block will provide at least the amount of open space area listed on the diagram.
- Each block will provide dual-axis through-block pedestrian connections.
- Public Open Space includes sidewalk and parkway as well as interior greenscape and hardscape.
- The proposed project includes the flexibility to move uses between blocks, as long as the environmental consequences remain within the envelope of impacts attributable to the proposed Project. Actual structures shall be subject to adopted WC2035 Plan compliance measures and maximum per block building heights, which may be up to two stories higher than indicated in this figure.



CONCEPTUAL PUBLIC OPEN SPACE & CIRCULATION

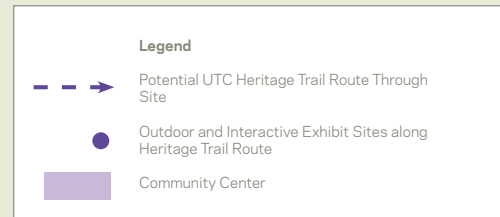
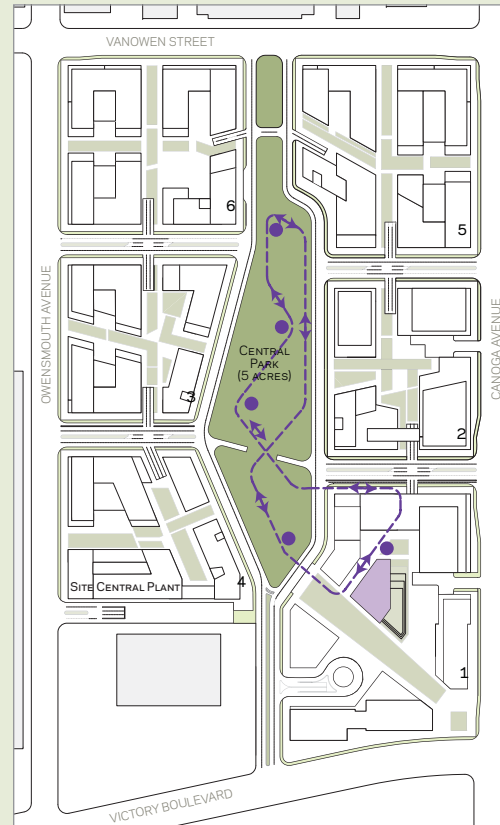
Vehicular Access & Circulation

Vehicle Routes on Private Roadways



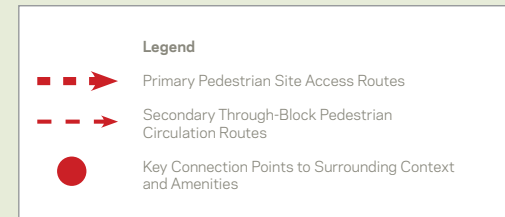
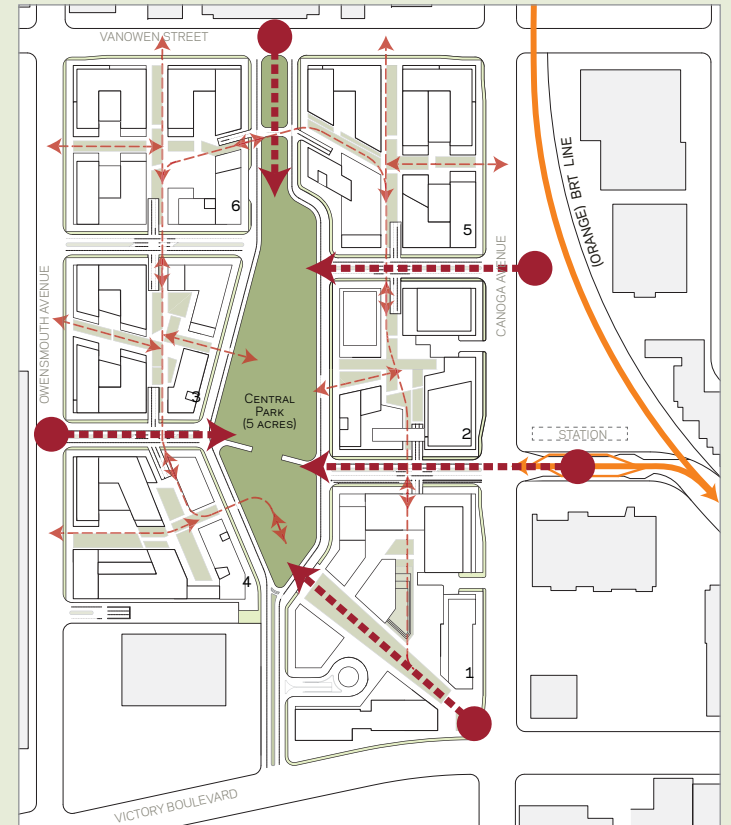
Public Circulation

UTC/Rocketdyne Heritage Trail



Public Circulation

Pedestrian Primary and Secondary Routes





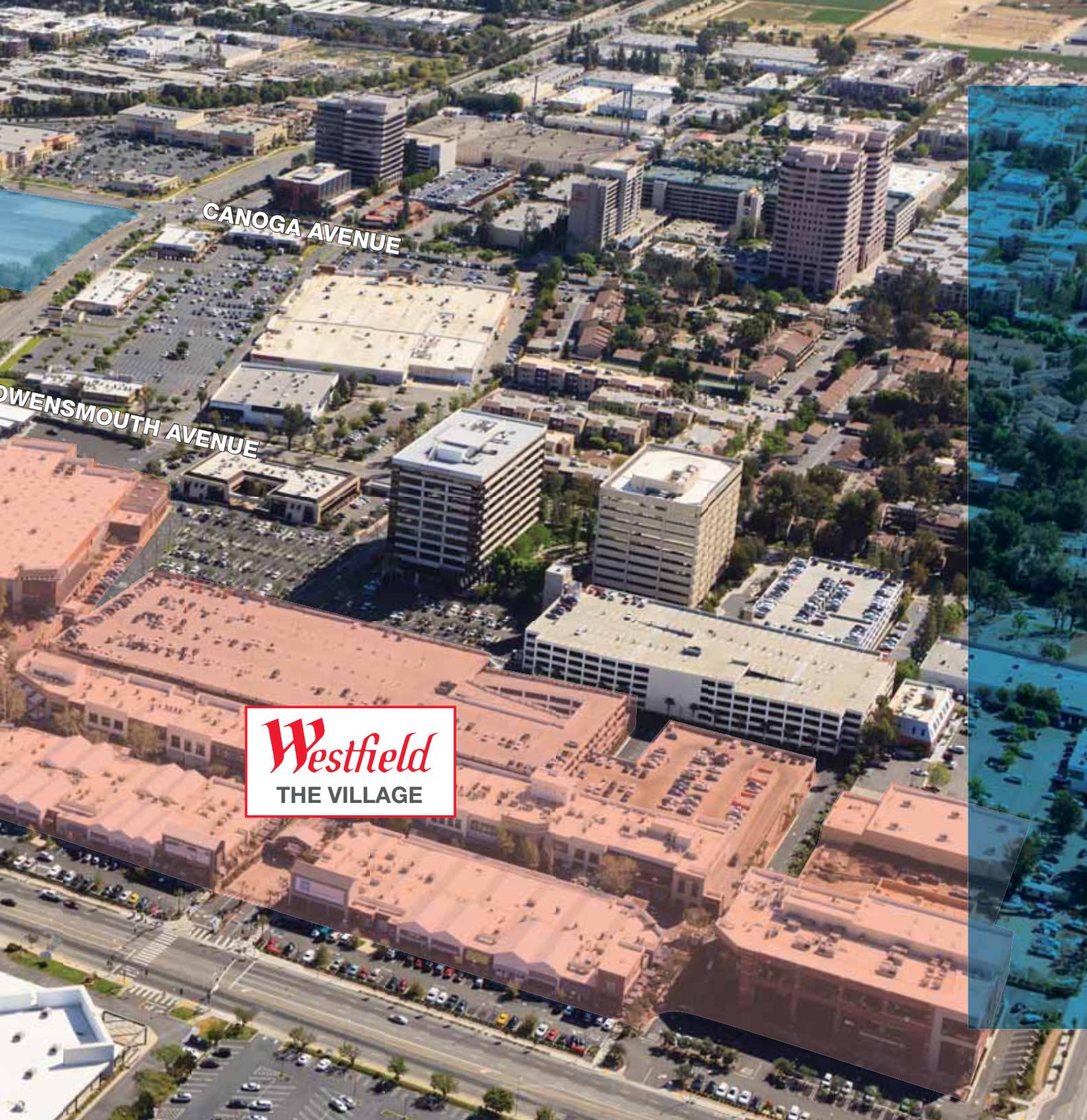
UPTOWN
at Warner Center

Westfield
TOPANGA

VANOWEN STREET

VICTORY BLVD

TOPANGA CANYON BLVD



CANOGA AVENUE

DOWNSMOUTH AVENUE

Westfield
THE VILLAGE

03

Warner
Center
Plan
2035

Warner Center Plan 2035

OVERVIEW

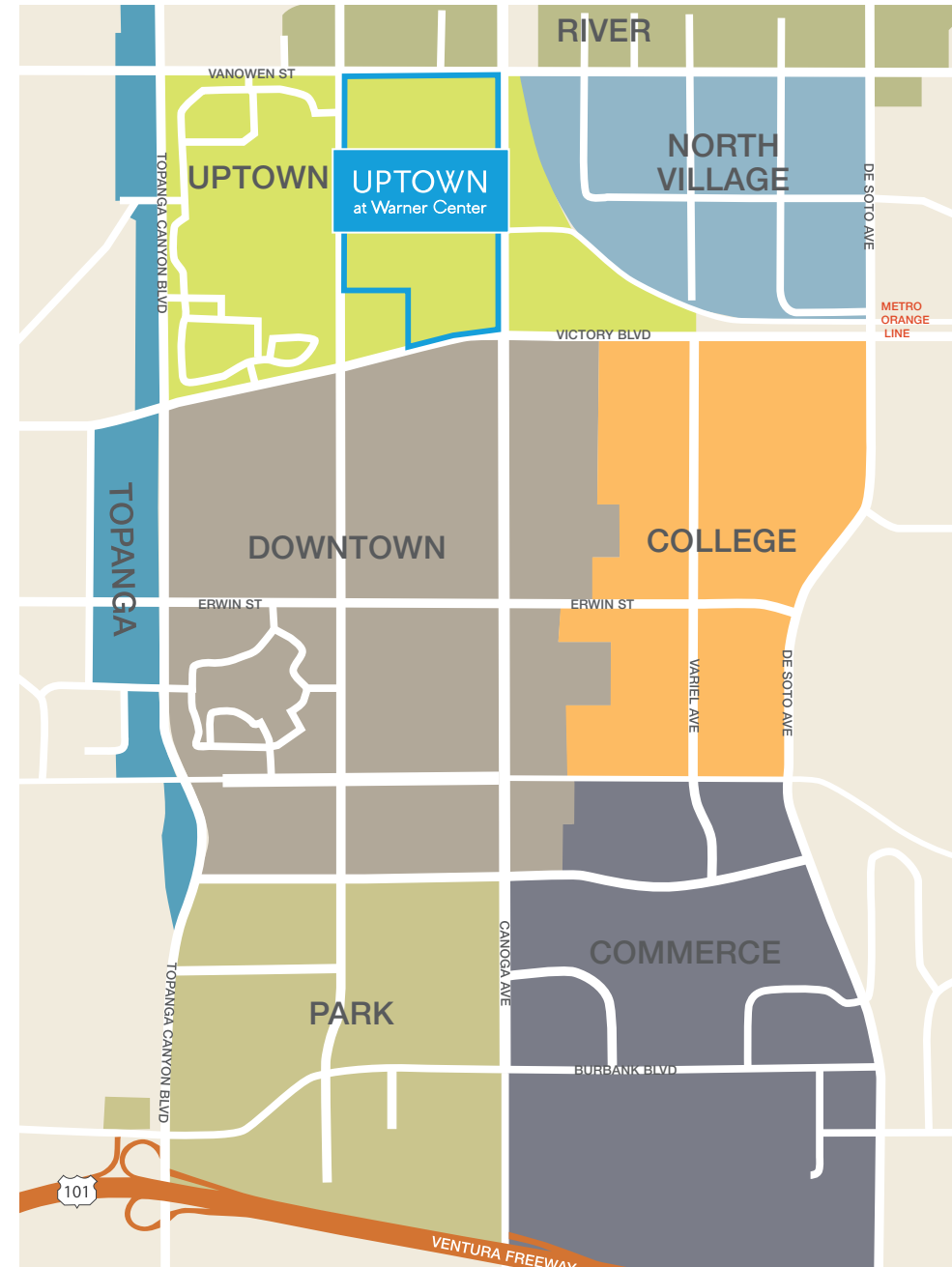
Approved by the Los Angeles City Council and effective December 25, 2013, the Warner Center 2035 Plan (“WC 2035 Plan” or the “Plan”) is a development blueprint for Warner Center that emphasizes mixed-use and transit-oriented development, walkability and sustainability. The WC 2035 Plan encompasses approximately 1,100 acres, or 1.7 square miles, and is bound by the Los Angeles River to the north, the Ventura Freeway to the south, De Soto Avenue to the east, and the west side of Topanga Canyon Boulevard to the west.

The WC 2035 Plan provides urban design guidelines including increasing the Floor Area Ratios (FAR), height and density for commercial and mixed-use lots. The Plan is targeted at a net increase of 14 million square feet of new, non-residential area, including 12.5 million square feet of office uses and 2.3 million square feet of retail uses. The Plan also seeks to develop 23.5 million square feet of new residential area or approximately 20,000 units.

DIVISION OF DISTRICTS

The WC 2035 Plan divides Warner Center into eight districts, each with its own development guidelines: Uptown, River, North Village, Downtown, Commerce, Park and Topanga. Uptown at Warner Center is positioned in the Uptown district.

- **The Uptown District** is envisioned for large-scale office, residential and hotel uses.
- **The River District** will consist of properties along the river and add new pedestrian and bicycle paths.
- **The North Village District**, served by the Canoga and De Soto Metro Stations, will combine residential with transit-oriented development.
- **The College District**, served by the De Soto and new Oxnard Street Orange Line stop, will focus on live-work projects and smaller developments.
- **The Commerce District**, served by the Oxnard Street Station, will become a secondary job center to the Downtown District.
- **The Park District**, which includes the Warner Center Park, will allow townhomes and flats.



- **The Topanga District** will only allow non-residential uses.
- **The Downtown District** will focus on entertainment uses and encourage mixed-use development.

UPTOWN DISTRICT

The Uptown District is generally bound by Vanowen Street to the north, the Canoga Metro Orange Line Station at the intersection of Variel Avenue and Victory Boulevard to the east, Victory Boulevard to the south, and Topanga Canyon Boulevard to the west. This district will provide creative sector jobs with a balance of housing to create a complete neighborhood. Creative sector jobs will include those in the research/development and professional/technical fields. The Uptown District will accommodate a substantial number

of new jobs, along with new housing, all within close proximity of the Metro Orange Line. Redevelopment of properties in the district will create new private streets to allow more walkable blocks. The regulations set forth for this district provide incentives for a community shopping center that includes a supermarket and drugstore in the Uptown District.

INCENTIVIZED USES AND DEVELOPMENT BONUSES

Each project that incorporates one or more Incentivized Uses shall be entitled to one development bonus for each Incentivized Use incorporated.

Intensity Bonus – An additional 0.5:1 FAR above the base maximum FAR shall be permitted for each Incentivized Use incorporated into a project. For illustrative purposes only, a project that offers two Incentivized Uses and requests two development bonuses in the “Intensity Bonus” category shall be entitled to an additional 1:1 FAR (i.e. aggregate of two 0.5:1 FAR bonuses) above the base maximum FAR. Notwithstanding the foregoing, no project in any District shall exceed a FAR of 6.0:1.

Mobility Fees Reduction Bonus – A 3% reduction in a project’s Mobility Fees shall be permitted for each Incentivized Use incorporated into a project that offers two Incentivized Uses and requests two development bonuses in the “Mobility Fees Reduction Bonus” category shall be entitled to a 6% (i.e. aggregate of two 3% reductions) reduction in a project’s Mobility Fees. Notwithstanding the foregoing, no project in any District shall be entitled to more than 12% in reduction of the Mobility Fee.

Incentivized Uses Bonus for Residential Development in College, Commerce, Downtown, and Uptown Districts – Projects located within the College District, the Commerce District, the Downtown District, or the Uptown Districts are permitted a Residential Bonus for up to two incentivized uses. Each incentivized use can be used to ascend the Graduated FAR Table use mix by one level. For example: a project in the Uptown District that is within the “>2.0 Up to 2.25” FAR level, which permits a minimum of 40% Non-Residential and a maximum of 60% Residential uses within the project, that implements two incentivized uses within the project, would be eligible to utilize the project mix percentages within the “>2.5 Up to 2.75” FAR level, which permits a minimum of 30% Non-Residential and a maximum of 70% Residential uses within the project. Notwithstanding the foregoing, no project in any District shall exceed a FAR of 6.0:1.

PERMITTED LAND USE MATRIX

Residential	Live/Work Health-Related Multifamily Rental/Condo Senior Housing
Retail	Entertainment/Theatre Gallery/Studio Health Club Restaurants/Bars/Cafes Retail Store/General Merchandise Supermarket
Office, R&D, Industrial, Hospitality	Bank/Financial Institution Hotel/Motel Hybrid Industrial Recording Studio Medical/Dentist Office Personal Services Warehousing/Storage
Public	Community Center Hospital Library Museum Place of Worship



WOODLAND
HILLS

Westfield
PROMENADE

Westfield
THE VILLAGE

Westfield
TOPANGA

UPTOWN
at Warner Center

VICTORY BLVD



VANOWEN STREET

CANOGA AVENUE

OWENSMOUTH AVENUE

TOPANGA CANYON BLVD



04

Market Overview

METRO ORANGE LINE

Market Overview

DYNAMIC URBAN MARKET

Uptown at Warner Center is located in the City of Los Angeles within the affluent community of Woodland Hills, in the San Fernando Valley, both of which are a part of Los Angeles County. Los Angeles County is comprised of 88 cities and is the size of some countries. It spans more than 4,000 square miles and is the most populated county in the U.S.

The Site's location is minutes north of the Ventura (101) Freeway and conveniently positioned in the center of a broad range of employment and housing options. Access to Sherman Oaks & Encino (8 miles), Studio City (13 miles), Malibu (13 miles), Burbank (15 miles), Universal City (15 miles), Hollywood (17 miles) and Downtown Los Angeles (25 miles) make it an ideal location for Southern California's next dense, urban, transit-oriented, master-planned community.

SAN FERNANDO VALLEY

Home to the nation's epicenter of the film and television industry, the San Fernando Valley (SFV) or "the Valley" as it is generally known, has about 1.8

million residents and over 70,000 businesses. It is comprised of the cities of Glendale, Burbank, Calabasas, San Fernando, and Los Angeles. If the Valley was a standalone City it would be the 7th largest in the United States. The Valley serves as home to many leading industries, the best known of these lead the way in aerospace, bio-technology, technology, healthcare, motion pictures, television production, and music recording.

NETWORK OF ILLUSTRIOUS CORPORATE HEADQUARTERS

The Valley is home to many of the world's most recognizable corporate names. They include Fortune 500 Companies such as The Walt Disney Co., Amgen Inc., Health Net Inc., and Avery Dennison Corp., as well as Fortune 1,000 Companies Tutor Perini Corp., Teledyne Technologies Inc., The Ryland Group Inc., and Public Storage. Other major companies located in The Valley include Nestlé USA, Comcast, On Assignment Inc., Yellow Pages, Farmers Insurance, Ixia, REC Solar Inc., Northrop Grumman Navigation Systems, Superior Industries International, DineEquity, Dole Food Company, and the Cheesecake Factory.



SAN FERNANDO VALLEY

HEALTHCARE

The Valley is home to a large number of hospitals and medical centers. More notable ones include Kaiser Permanente Medical Centers, Providence Health Services, Sherman Oaks Hospital, Northridge Hospital Medical Center, and West Hills Hospital Medical Center, a network of Adventist Medical Centers, along with many urgent care, rehabilitation centers, and specialty medicine centers. Within the greater San Fernando Valley area you will also find medical operations of the world-renowned USC and UCLA specializing in advanced research and treatments.

ENTERTAINMENT AND TOURISM CAPITAL BRING MASSIVE FLOW OF DOLLARS

The Valley is home to the world's major movie studios. With its entertainment industry known around the world, The Valley is attracting creative talent and major new investors. Well-known entertainment companies in The Valley include The Walt Disney Company, Universal Studios, Pixar Animation Studios, DreamWorks SKG Animation, Warner Bros Studios, Marvel Studios, CBS Studios, NBC Studios, Nickelodeon Studios and Cartoon Network Studios. There is no other place with a stronger infrastructure of media personnel or studio production capabilities.

Tourism is constantly growing in The Valley, with over 42 million overnight and day visitors to the region annually; these visitors spend over \$18 billion per year. The Valley is also known for famous places such as Mulholland Drive, Ventura Boulevard, the Hollywood Walk of Fame, Universal Studios

& City Walk, the Getty Villa, the Getty Museum, the Nethercutt Museum, Griffith Park, Santa Monica Mountains Conservancy/Park and a multitude of shopping malls. For those seeking outdoor activities, there are hidden gems such as the Japanese Garden, Lake Balboa, Griffith Park Observatory, the Great Wall of LA and Stoney Point Park.

TRANSPORTATION HUB INCLUDES MAJOR AIRPORTS AND SEA PORTS

The Valley makes transportation easy and accessible for employees and their families. Anchored by three major airports in the region, the world's largest general aviation airport in Van Nuys, Bob Hope Airport in Burbank ("BUR"), and Los Angeles International Airport ("LAX"), the Valley provides easy access to major airlines for business, trade, and private aircraft needs. On the ground, The Valley has commuter rail services, dedicated high-speed bus lanes, a subway, an elaborate freeway system, and will have a California High Speed Rail station, now in the planning stage. These methods of transportation provide convenient access to the largest international sea ports in the U.S. - the ports of Los Angeles and Long Beach.

HIGHER EDUCATION SYSTEMS OFFER SOLID EMPLOYEE BASE

The Valley is home to 121 accredited institutions that offer higher education degrees, and includes public and private universities, colleges, trade schools, and graduate institutions. Some of them include California State University Northridge ("CSUN"), Woodbury University, National University, Pierce College, Mission College, Los Angeles Valley College, Glendale Community College, University of West Los Angeles School of Law, DeVry University, West Valley Occupational, and many more. These institutions and others create an impressive employee base from which companies can draw.

WARNER CENTER: A WALKABLE MIXED-USE DISTRICT

Warner Center is located within the highly desirable western part of the San Fernando Valley market of Los Angeles. The Valley market encompasses some of the most coveted and affluent communities and cities in California, including Calabasas, Woodland Hills, Sherman Oaks, Hidden Hills, Agoura Hills, Burbank, Universal City (an area) and Glendale. The market is home to a diverse employment base comprised of entertainment, media, advertising, new media, telecommunications, hardware, software, publishing companies, healthcare and medical industries, bio-technology, financial, legal and professional services firms.



**DOWNTOWN
LOS ANGELES**

ENCINO

**WOODLAND
HILLS**



METRO ORANGE LINE



CANOGA AVENUE

VANOWEN STREET

VICTORY BLVD

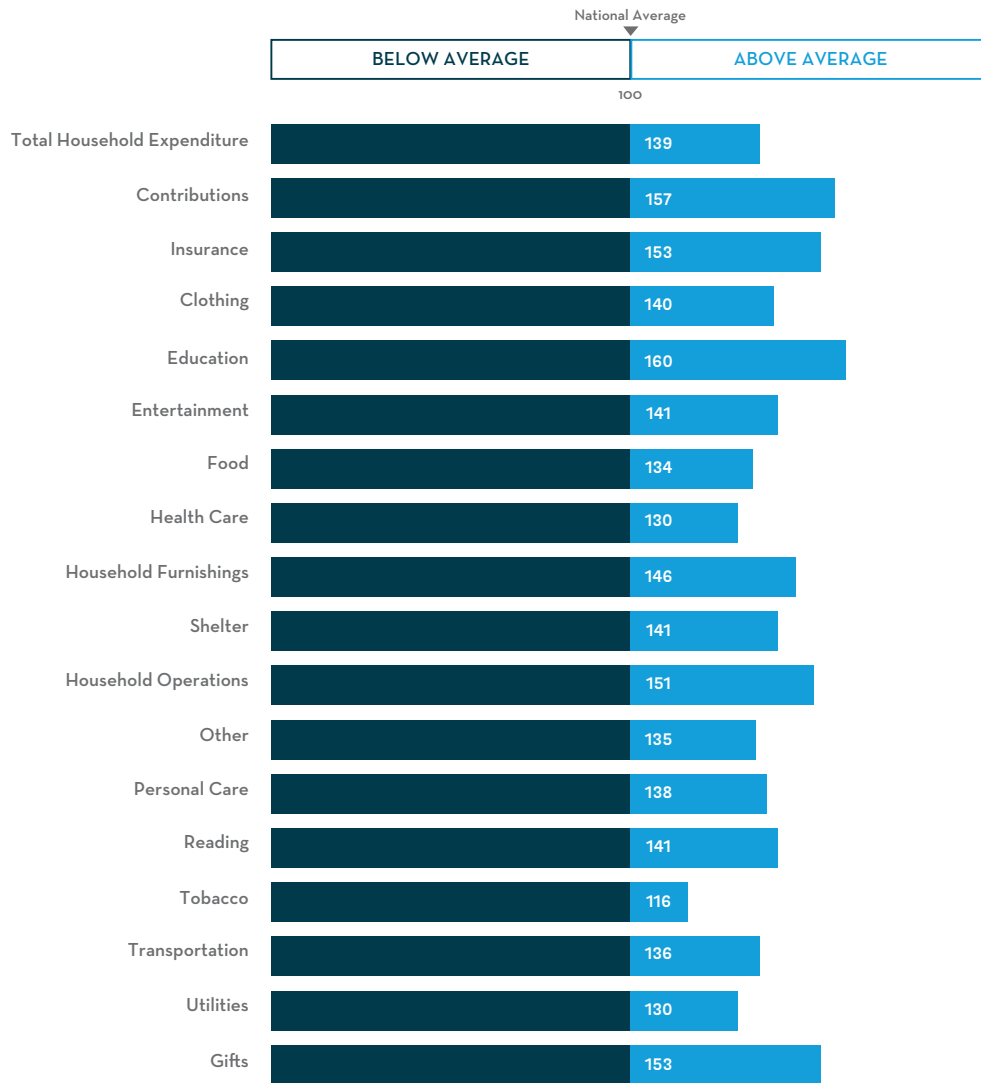
OWENSMOUTH AVENUE

TOPANGA CANYON BLVD

UPTOWN
at Warner Center

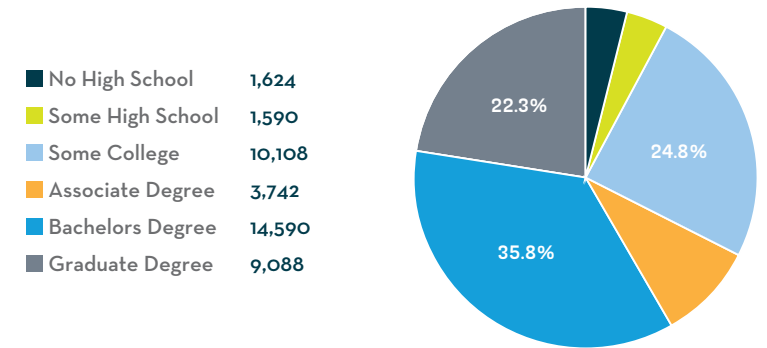
AVERAGES & STATISTICS

Woodland Hills Consumer Spending



Source: Onboard Informatics 2014

Woodland Hills Education Statistics



Woodland Hills Household & Average Income Statistics

Median Income Under 25	\$52,709
Median Income 25-44	\$79,412
Median Income 45-64	\$95,453
Median Income Over 65	\$86,869
Average Household Income	\$113,545
Median Household Income	\$90,059
% Increase/Decrease in Income since 2000	27%
% Increase/Decrease in Income since 2010	10%
Average Household Net Worth	\$819,559
Median Home Sale Price	\$300,500
Sales Tax Rate	9%
Average Household Total Expenditure	\$77,214

AVERAGES & STATISTICS

Population Ranking Among the States (In thousands, as of July 1 each year)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	California	35,388.9	35,752.8	35,985.6	36,246.8	36,552.5	36,856.2	37,077.2	37,309.7	37,570.1	37,872.4	38,204.6
2	Texas	22,057.8	22,418.3	22,801.9	23,369.0	23,837.7	24,304.3	24,782.3	25,245.2	25,640.9	26,060.8	26,448.2
3	New York	19,231.1	19,297.9	19,330.9	19,297.9	19,422.8	19,467.8	19,541.5	19,398.2	19,502.7	19,576.1	19,651.1
4	Florida	16,981.2	17,375.3	17,783.9	18,088.5	18,277.9	18,423.9	18,538.0	18,846.1	19,083.5	19,320.7	19,552.9
	LA 5-Co Area	17,142.6	17,331.1	17,441.0	17,538.1	17,538.1	17,731.1	17,803.3	17,897.7	18,012.0	18,166.8	18,308.5
5	Illinois	12,598.0	12,645.3	12,674.5	12,718.0	12,779.4	12,843.0	12,910.4	12,839.7	12,856.0	12,868.2	12,882.1
6	Pennsylvania	12,357.5	12,388.4	12,418.2	12,471.1	12,522.5	12,566.4	12,604.8	12,710.5	12,741.3	12,764.5	12,773.8
7	Ohio	11,445.2	11,464.6	11,475.3	11,492.5	11,520.8	11,528.1	11,542.6	11,545.4	11,549.8	11,553.0	11,570.8
8	Georgia	8,735.3	8,913.7	9,097.4	9,330.1	9,533.8	9,697.8	9,829.2	9,713.2	9,810.2	9,915.6	9,992.2
	LA County	9,891.0	9,822.5	9,809.6	9,787.3	9,773.9	9,796.8	9,805.2	9,825.1	9,860.9	9,945.0	10,019.4
9	Michigan	10,066.4	10,089.3	10,090.6	10,082.4	10,050.8	10,002.5	9,969.7	9,876.1	9,874.6	9,882.5	9,895.6
10	North Carolina	8,416.5	8,531.3	8,669.5	8,867.0	9,064.1	9,247.1	9,380.9	9,559.5	9,651.4	9,748.4	9,848.1



RECENT WARNER CENTER PROJECTS

Warner Center & West SFV Apartment Building Sales

(40+ Units - 5 Mile Radius)

Property Address	City	Zip	Units	Bldg SF	Sales Price	\$/Unit	\$/Bldg SF	\$/Land SF	Land Acres	Coverage	CAP	Built	Sale Date	Highlights
8305-8325 Variel Ave Variel Court Apts	Canoga Park	91304	72	48,527	\$9,850,000	\$136,806	\$203	\$149.80	1.51	73.78%	5.26%	1963	3/4/2016	Property traded 6 times in 20 years
21021 W Erwin St The Motif	Woodland Hills	91367	395	474,000	\$163,000,000	\$412,658	\$344	\$539.20	6.94	156.79%	4.75%	2015	12/21/2015	Buyer: TruAmerica Multifamily and NY Guardian Life Insurance Co.
6322 Reseda Blvd Triest Apts	Tarzana	91335	119	84,864	\$22,000,000	\$184,874	\$259	\$211.30	2.39	81.52%	4.63%	1969 R 2002	8/3/2015	95% occupied. 1031 Exchange Deal
20345 Cohasset St Alexander Arms	Winnetka	91306	44	29,998	\$5,840,000	\$132,727	\$195	\$166.50	0.81	85.55%	5.31%	1964 R 1995	7/7/2015	In Good Condition at time of Sale
20405-20417 Sherman Way Shermanair A	Los Angeles	91306	42	74,187	\$9,350,000	\$222,619	\$126	\$125.60	1.71	99.68%		1964	7/6/2015	Off-Market Transactions
21535 Roscoe Blvd The Verandas Apts	Canoga Park	91304	81	100,500	\$26,300,000	\$324,691	\$262	\$390.40	1.55	149.20%	4.25%	2012	6/19/2015	95% Occupied. Class A Luxury Multi-Fam w/ full amenities & condo mapped. Sold in 2012 for \$21.5M
6425 Reseda Blvd Parkside Villas	Reseda	91335	100	74,457	\$15,500,000	\$155,000	\$208	\$177.00	2.01	85.04%	5.65%	1969 R 2000	5/21/2015	86% Occupied. Located on the Orange Line busway and in good condition
21201 Kittridge St Reveal	Woodland Hills	91303	438	415,040	73,000,000*	\$336,700	\$355	\$442.00	7.66	124.39%		2010	3/31/2015	\$73M = 49.5% interest - JV buyout. Sold for \$133M earlier in 2015 (\$320/SF)
21530 Califa St Vue at Warner Park	Woodland Hills	91367	147	139,302	\$38,000,000	\$258,503	\$273	\$180.70	4.83	66.25%	4.60%	1979 R 2006	3/12/2015	98% Occupied
5501 Newcastle Ave Olive Encino	Encino	91316	120	204,464	\$44,000,000	\$366,667	\$215	\$639.30	1.58	297.08%	5.25%	1963	1/30/20015	92% Occupied. Amenities include pool, spa, fitness center, & subterranean parking

Warner Center Land Sales

(3+ Acres)

Property Address	City	Zip	\$/SF	Land Ac.	Sales Price	Sale Date	Highlights
21221 Oxnard St	Woodland Hills	91367	\$78.13	4.56	\$15,520,000	2/8/2016	170,060 SF Once Story Commercial Office Building. Sold for Land Value at \$15.52M according to title as part of \$2.58 Portfolio
8500 Fallbrook Ave - Rocketdune Fitness Center	Canoga Park	91304	\$46.68	13.77	\$28,000,000		Property was not listed on the market. Buyer plans to develop a single family residential development
NE Cnr of Variel Ave	Woodland Hills	91367	\$86.36	3.19	\$12,000,000	10/9/2014	Entitled for up to 232 Multi-family Units prior to sale. \$Land Value/unit = \$51,724/unit
19401 Parthenia St	Northridge	91324	\$87.62	4.27	\$16,298,010	11/4/2013	Roughly graded land that was fully entitled for an apartment complex development. Not aware of unit mix.
6219 De Soto Ave - Panavision International	Woodland Hills	91367	\$69.68	10.46	\$31,750,000	3/30/2012	154,000 SF Industrial M2 Building (29'). Sold as a land value transaction. Not entitled for MF.

East San Fernando Valley Apartment Building Sales

(20+ Units)

Property Address	City	Zip	Units	Bldg SF	Sales Price	\$/Unit	\$/Bldg SF	CAP	Built	Sale Date
1550 Verdugo Rd	Glendale	91208	45	41,448	\$6,150,000	\$136,667	\$148		1927	2/4/2016
2121 Valderas Dr	Glendale	91208	104	133,542	\$30,000,000	\$288,462	\$225	4.85%	1940	1/29/2016
1595 E Chevy Chase Dr	Glendale	91206	56	49,930	\$17,100,000	\$305,357	\$342	3.82%	1959	1/20/2016
413 N Adams St	Glendale	91206	58	71,064	\$21,100,000	\$363,793	\$297	3.18%	1988	1/4/2016
1151 Raymond Ave	Glendale	91201	27	25,506	\$8,410,000	\$311,481	\$330		1985	11/4/2015
246 W Stocker St	Glendale	91202	22	34,648	\$8,725,000	\$396,591	\$252	3.90%	1999	8/18/2015
520-525 E Elk Ave	Glendale	91205	48	29,454	\$665,000	\$13,854	\$23	4.06%	1927	7/16/2015
417 W Los Feliz Rd	Glendale	91204	34	21,510	\$5,250,000	\$154,412	\$244	3.73%	1940	7/9/2015
1001 E California Ave	Glendale	91206	23	25,563	\$6,900,000	\$300,000	\$270		1964	6/24/2015
1630 Calle Vaquero	Glendale	91206	67	55,240	\$20,425,000	\$304,851	\$370	4.82%	1968	6/19/2015
700 S 6th St	Glendale	91501	26	20,768	\$6,700,000	\$257,692	\$323		1958	5/6/2015
432-434 W Stocker St	Glendale	91202	20	19,168	\$4,800,000	\$240,000	\$250		1962	4/1/2015
210 E Garfield Ave	Glendale	91205	20	17,320	\$5,700,000	\$285,000	\$329	4.50%	1989	3/23/2015

Silicon Beach Apartment Building Sales

(20+ Units)

Property Address	City	Zip	Units	Bldg SF	Sales Price	\$/Unit	\$/Bldg SF	CAP	Built	Sale Date
3750 Vinton Ave	Los Angeles	90034	20	16,220	\$6,600,000	\$330,000	\$407	3.30%	1984	1/21/2016
7111 Ramsgate Ave	Los Angeles	90045	34	46,994	\$12,355,000	\$363,382	\$263	3.50%	1992	12/15/2015
3528-3532 Sawtell Blvd	Los Angeles	90066	24	21,000	\$3,600,000	\$150,000	\$171		1958	10/14/2015
1309 Amherst Ave	Los Angeles	90025	28	26,155	\$10,245,000	\$365,893	\$392	2.92%	1972	8/13/2015
1217 Ocean Front Walk	Venice	90291	32	19,312	\$13,814,609	\$431,706	\$715		1913	7/29/2015
10770 Lawler St	Los Angeles	90034	26	27,652	\$8,300,000	\$319,231	\$303	3.83%	1966	7/2/2015
14000 Palawan Way	Marina del Rey	90292	379	348,184	\$83,500,000	\$220,317	\$240	5.00%	1975	5/19/2015
3324 Castle Heights Ave	Los Angeles	90034	120	86,400	\$36,250,000	\$302,083	\$420		1986	3/13/2015

Data Source: CoStar

LOCAL SHOPPING CENTERS



Westfield Topanga

Located across from the site, Westfield Topanga offers world-class shopping with 1.6 million square feet of retail and over 270 stores. Because of the earning power of Valley residents, many high-end retailers have established a presence in Westfield Topanga, including Neiman Marcus, Gucci, Cartier, Ferragamo, Burberry, Hugo Boss, Michael Kors, Louis Vuitton, Tiffany & Co., Jimmy Choo, Lacoste, and A|X Armani Exchange.

Neiman Marcus

GUCCI

LOUIS VUITTON

Cartier

TIFFANY & CO.

JIMMY CHOO

The Village at Westfield

Recently opened in the fall of 2015 and located across Victory Boulevard from the site, the 550,000 square foot The Village at Westfield features retailers including: Burke Williams, Costco, Crate & Barrel, Fabletics, J.Jill, Johnathan Adler, REI, 24-Hour Fitness, and Sunglass Hut.

COSTCO
WHOLESALE

Crate&Barrel

REI

24 FITNESS
HOURS

Jonathan Adler

● sunglasses hut

Westfield Promenade

Westfield Promenade is a 615,000 square foot shopping center which was substantially renovated in 2001. Located on Topanga Canyon Boulevard, the center features a Macy's and a 16-screen AMC Theatre as main anchors. Other notable retailers include Restoration Hardware, Talbot's and Z Gallerie. The mall also contains a selection of fine and casual restaurants with dining options such as Ruby's Diner, Corner Bakery, Maggiano's Little Italy, Coffee Bean & Tea Leaf, P.F. Chang's China Bistro, and Ruth Chris Steak House.

Talbots

RUTH'S
CHRIS
STEAK HOUSE

amc
THEATRES

P.F. CHANG'S
CHINA BISTRO

ENTERTAINMENT IS A CORNERSTONE OF THE VALLEY ECONOMY

The region surrounding the site is home to over 200 sound stages and studios. All of the major film studios and television networks, as well as most of the larger cable networks, have headquarters and/or major production facilities in the Valley, with several in close proximity to Warner Center. Combined, these businesses have developed an industry infrastructure that supports Los Angeles County's reputation as the preferred location for media and entertainment companies.

The impact of global entertainment and media industry's long-term expansion in Los Angeles has a direct and positive impact on economic growth, and subsequently demand for office space and housing, as demonstrated by the following facts:

- Los Angeles is home to 80% of entertainment industry employees in the United States and is the largest production center in North America by a wide margin.
- The motion picture and television industry represents more than 8% of total gross output for Los Angeles County.
- The entertainment industry accounts for over 585,000 total jobs in Los Angeles County, more than 18% of the county's 3.3 million jobs.

MAJOR STUDIOS IN THE AREA INCLUDE:



Located in Warner Center, Universal Music is the largest music corporation in the world. The Warner Center offices support Universal Music Latin Entertainment (formerly Univision Music Group).



Paramount Pictures is America's oldest running movie studio founded in 1912. It is the last major film studio still headquartered in the Hollywood district and is consistently ranked as one of the top-grossing movie studios.



The Warner Brothers lot is set on 104 acres in Burbank, and includes 540,000 square feet of sound stages and more than one million square feet of office space. Expansion plans include an additional 3.3 million square feet.



Disney's main lot includes 100,000 square feet of sound stages and 1.46 million square feet of office space. The Disney Animation Campus is located directly across from the main lot. Disney's expansion plans include an additional 1.8 million square feet. In addition, Disney's Imagineering Campus expansion project in Glendale comprises approximately 6.0 million square feet.



DreamWorks headquarters and animation studios comprise 395,000 square feet of office space. DreamWorks currently has expansion plans involving an additional 160,000 square feet of office space.

As of the date of this offering memorandum, NBC Universal is purchasing DreamWorks.



NBC's 34-acre main lot includes 1.1 million square feet of office and technical space, as well as 500,000 square feet of sound stages. In 2013, NBCUniversal received approval to commence a \$1.6 billion renovation of Universal Studios Hollywood, one of the oldest and most famous movie studios still in use. The 25-year Evolution Plan will generate more than \$2.0 billion of economic activity in the entertainment and tourism industries and create more than 30,000 area jobs.



CBS splits its operations among three locations in Los Angeles; Columbia Square in Hollywood which houses the network's local affiliates, TV City in the Fairfax District and The CBS Studio Center in Studio City.

4TH QUARTER 2015 GREATER LOS ANGELES OFFICE MARKET

The Greater Los Angeles Office Market is comprised of approximately 428 million square feet of multi-tenant office space in buildings 15,000 square feet or larger. It ranks as the third largest office market in the nation, followed by New York City and the Greater Washington DC area. Most of its space, 55%, was built post 1985, making it a relatively young market. It is also relatively decentralized, with only 11% of the space located within Downtown Los Angeles and 89% dispersed throughout the region. 40% of the space is in low-rise buildings, followed by 31% in mid-rise buildings and 29% in high-rise structures.

After a somewhat disappointing third quarter of 2015, the Los Angeles office market in the fourth quarter of 2015 regained the momentum lost in the prior

quarter as net absorption surged to the high levels seen back in the second quarter of 2015. The uptick in absorption set a positive tone for market sentiment in 2016. With rents returning to pre-recession levels and vacancy rates averaging 11% and trending lower, it is widely thought there is not a whole lot of room left for the type of growth seen up until this point in the market cycle. That being said, business cycles do not die from old age and despite several indicators returning to pre-recession levels, there are few storm clouds on the horizon and office employment growth is projected to drive growth in 2016, like we have seen so far.

Greater Los Angeles Office Market Snapshot

Market	# Buildings	Total RBA SF	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	Under Construction	Quoted Rates
Antelope Valley	365	3,850,381	536,322	13.90%	-63,887	0	\$1.80
Burbank/Glendale/Pasadena	3,060	55,757,650	4,954,827	8.90%	570,114	248,196	\$2.59
Downtown Los Angeles	701	69,314,775	8,481,566	12.20%	-51,066	1,280,018	\$2.86
Mid-Cities	1031	10,506,352	758,718	7.20%	-56,842	0	\$2.04
Mid-Wilshire	1,601	39,903,607	5,073,796	12.70%	84,448	889,451	\$2.91
San Fernando Valley	1,479	35,891,307	4,128,125	11.50%	200,039	122,978	\$2.15
San Gabriel Valley	2,013	30,635,097	3,013,372	9.80%	144,553	58,747	\$2.02
Santa Clarita Valley	213	4,839,926	579,740	12.00%	-9,276	0	\$2.38
South Bay	2,494	64,066,297	8,712,666	13.60%	768,488	133,742	\$2.23
Southeast Los Angeles	609	8,617,143	548,543	6.40%	20,937	0	\$1.85
Ventura North	817	7,955,796	964,350	12.10%	-262,519	325,000	\$1.79
Ventura South	1,001	21,697,506	2,398,902	11.10%	357,748	134,198	\$2.17
West Los Angeles	2,504	75,018,283	7,119,317	9.50%	929,002	627,595	\$4.00
Totals	17,888	428,054,120	47,270,244	11.00%	2,631,739	3,819,925	\$2.63

The San Fernando Valley office market witnessed strong positive tenant demand with year to date net absorption of 200,039 square feet in the fourth quarter 2015, up from 10,786 year to date in the third quarter, bringing the vacancy rate down to 11.5% from 12.3% in the third quarter. Overall quoted rental rates increased slightly from \$2.12 in the third quarter to \$2.15 in the fourth quarter.

Class A rental rates in the Woodland Hills/Warner Center area rose meaningfully to \$2.32 per square foot in the 4th quarter, compared to \$2.20 in the 3rd quarter and the vacancy rate dropped slightly to 14.3% from 14.4% in the third quarter. Notable tenant move-in's in the fourth quarter included Viking River Cruises moving into 32,700 square feet and Essex into 20,100 square feet, both in Woodland Hills/Warner Center.

WARNER CENTER APARTMENT OVERVIEW

Large development sites in “Gateway Markets” like Warner Center are unique to say the least and thus high on, if not at the top of, the institutional investor list. The development risk profile of such a large project is reduced as it provides an economy of scale development opportunity in a densely populated proven marketplace that is under served. It is because of this

investor rationale and the unmet need for residential units in Southern California and Los Angeles, particularly, that multifamily capital is seeking such opportunities.

According to UCLA Ziman School of Real Estate, nationally both single- and multifamily are poised to approach the long-term average (1959–2014) of just under 1.5 million units in 2016. They forecast housing starts of 1.14 million units for 2015 and 1.42 million units and 1.44 million units in 2016 and 2017, respectively. This level of activity is well above 1 million units recorded in 2014 and the 2009 low of 550,000 units. This activity is far from the mid-2000s’ boom level of above 2 million units a year, but it will yield some compelling new trends in the coming year. The flipside of the decline in homeownership is the rise in renting. Multifamily starts, which bottomed out in 2009 at 112,000 units, will exceed 400,000 units this year and average 460,000 units over the next two years. The boom is underpinned by rents increasing at a rate of 3.5 percent a year in the official data, but according to the publicly traded apartment real estate investment trusts, rents are increasing on the order of 4.5 to 5.0 percent. The official data tend to lag the actual marketplace because of the prevalence of rent-controlled jurisdictions in the official sample.



AVAILABLE RENTALS



OCEANO AT WARNER CENTER

6355 De Soto Avenue
Woodland Hills, CA

No. of Units	244
Rates	\$1,920 - \$4,530

Unit Mix	SF	Rental Rate
1BD/1BA	705-937	\$1,920-\$3,993
2BD/2BA	1,072-1,086	\$2,086-\$4,530



CARILLON APARTMENT HOMES

6301 De Soto Avenue
Woodland Hills, CA

No. of Units	264
Rates	\$1,662 - \$3,194

Unit Mix	SF	Rental Rate
1BD/1BA	603-968	\$1,662-\$2,950
2BD/2BA	1,094-1,326	\$2,192-\$3,194



THE POINTE AT WARNER CENTER

6150 Canoga Avenue
Woodland Hills, CA

No. of Units	136
Rates	\$2,012 - \$9,854

Unit Mix	SF	Rental Rate
1BD/1BA	755	\$2,012-\$9,854
2BD/2BA	1,104-1,129	\$2,457-\$4,418



TRIANA AT WARNER CENTER

6250 Canoga Avenue
Woodland Hills, CA

No. of Units	362
Rates	\$2,041 - \$3,468

Unit Mix	SF	Rental Rate
1BD/1BA	653-1,025	\$2,041-\$2,979
2BD/2BA	1,072-1,090	\$2,703-\$3,304
3BD/2BA	1,423	\$3,110-\$3,468



BELLA VISTA AT WARNER RIDGE

6150 De Soto Avenue
Woodland Hills, CA

No. of Units	579
Rates	\$1,775 - \$3,040

Unit Mix	SF	Rental Rate
1BD/1BA	680-864	\$1,775-\$1890
2BD/2BA	1,197-1,245	\$2,320-\$2,540
3BD/2BA	1,411-1,442	\$2,940-\$3,040



MOTIF APARTMENTS

21021 Erwin Street
Woodland Hills, CA

No. of Units	398
Rates	\$2,144 - \$3,005

Unit Mix	SF	Rental Rate
1BD/1BA	874-958	\$2,144-\$3,005
2BD/2BA	1,204-1,351	\$2,144-\$3,005
3BD/2BA	1,484-1,531	\$2,144-\$3,005



ALURA APARTMENT HOMES

6333 Canoga Avenue
Woodland Hills, CA

No. of Units	250
Rates	\$1,510 - \$2,710

Unit Mix	SF	Rental Rate
STUDIO/1BA	457-550	\$1,510-\$1,680
1BD/1BA	623	\$1,795-\$1,890
2BD/2BA	762-962	\$2,100-2,430
3BD/2BA	1,125	\$2,590-2,710



CARABELLA AT WARNER CENTER

6300 Variel Avenue
Woodland Hills, CA

No. of Units	224
Rates	\$2,042 - \$3,432

Unit Mix	SF	Rental Rate
1BD/1BA	743-881	\$2,042-\$2,620
1BD/1.5BA	818	\$2,077-\$2,620
1BD/2BA	1,205	\$2,607-\$3,383
2BD/2BA	1,077-1,207	\$2,495-\$3,432
2BD/2.5BA	1,087-1,522	\$2,652-\$3,432

WARNER CENTER MULTIFAMILY MARKET

Warner Center continues to experience significant multifamily development. All of the development to date and currently under construction has been Type III or V “Wrap” or “Urban Podium” construction. Based on the affluent demographics in the Valley and the compelling demand drivers, Type I mid or high-rise construction is ideal for this site.



101

Westfield
PROMENADE

Westfield
THE VILLAGE

Westfield
TOPANGA

THE POINTE AT WARNER CENTER
136 units

ALURA APARTMENT HOMES
250 units

FORMER DAILY NEWS SITE
379 units planned

ASCENT (CONDOS)
191 units

MONTECITO
85 units

MILLENNIUM WOODLAND HILLS
395 units under construction

UPTOWN
at Warner Center

TRIANA
362 units

FORMER CATALINA YACHTS SITE
600 units planned

CARABELLA
224 units

MOTIF APARTMENTS
398 units

AML Warner Center
522 units

ALTA WARNER PLACE
298 units

CARILLON
264 units

OCEANO
244 units

THE ENCLAVE
195 units

REVEAL
438 units

For information contact:

JAMES W. ABBOTT, SR.

Executive Director
Realty Advisory Group, Inc.
CA Lic #00769697
213.892.8881 Ext 288
abbott@raginc.com

JAMES W. ABBOTT, JR.

Director
Realty Advisory Group, Inc.
CA Lic #01870203
213.892.8881 Ext 368
jwabbott@raginc.com

ERIC BLUESTEIN

Executive VP, Partner
Kidder Mathews
CA Lic #01720416
415.229.8970
ericb@kiddermathews.com

SKIP WHITNEY

Executive VP, Partner
Kidder Mathews
CA Lic #00454750
415.229.8899
skip@kiddermathews.com

JOHN J. DUES

Vice Chairman
Binswanger Advisory Services
703.930.0676
jdues@binswanger.com

ERIC DIENSTBACH

Senior Vice President
Binswanger Advisory Services
303.779.4345
edienstbach@binswanger.com

