

# 17891

**CARTWRIGHT**  
IRVINE, CALIFORNIA 92614





EXIT

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# 17891

## CARTWRIGHT

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17891 Cartwright is a truly freestanding creative office building with ground level loading that accommodates for a wide range of uses. The property is ideally located minutes from John Wayne Airport with quick and easy access to the 405, 55 and 73 freeways. The flexible 5.1 IBC Multi-Use zoning is one of the most desirable in Irvine, additionally 17891 Cartwright falls under the Urban Neighborhood Overlay with the added benefit of potential redevelopment projects. Adjacent to the subject property is one of the most recent projects, Metropolis Apartments – a modern, amenity rich luxury apartment complex.

### BUILDING FEATURES

Building Size	28,193 SF
Available SF	13,500 - 28,193 SF
Parking	78 Parking Stalls
Zoning	5.1 IBC Multi-Use
Elevator	Yes
Ground Level Loading	Yes
Year Built / Renovated	1983 / 2016
Power	1,200 Amps

## PROPERTY OVERVIEW

17891 Cartwright was renovated in 2016 with modern creative office elements. Large training rooms can be easily converted, if desired, to additional open office space to complement the well-balanced mix of remaining private offices, conference rooms and dramatic lobby. Existing furniture can remain in place for potential turn-key delivery to new owner/occupant. Additionally, the building divides well with two secured areas for multi-tenant occupancy.

A December 2017 property inspection reported the roof to be in good condition,





having received an elastomeric coating in 2016. Additionally, it was reported that the building generally complies with Americans with Disabilities Act (ADA) for disabled access. Lighting throughout the building consists of fluorescent fixtures, T8 lamps and LEDs in the recessed downlights. Many open areas have a suspended acoustical grids and open ceiling elements with spiral HVAC ducting to complete the creative office feel. Significant glass has been added throughout the building's interior, to allow for natural light to flow into the space.

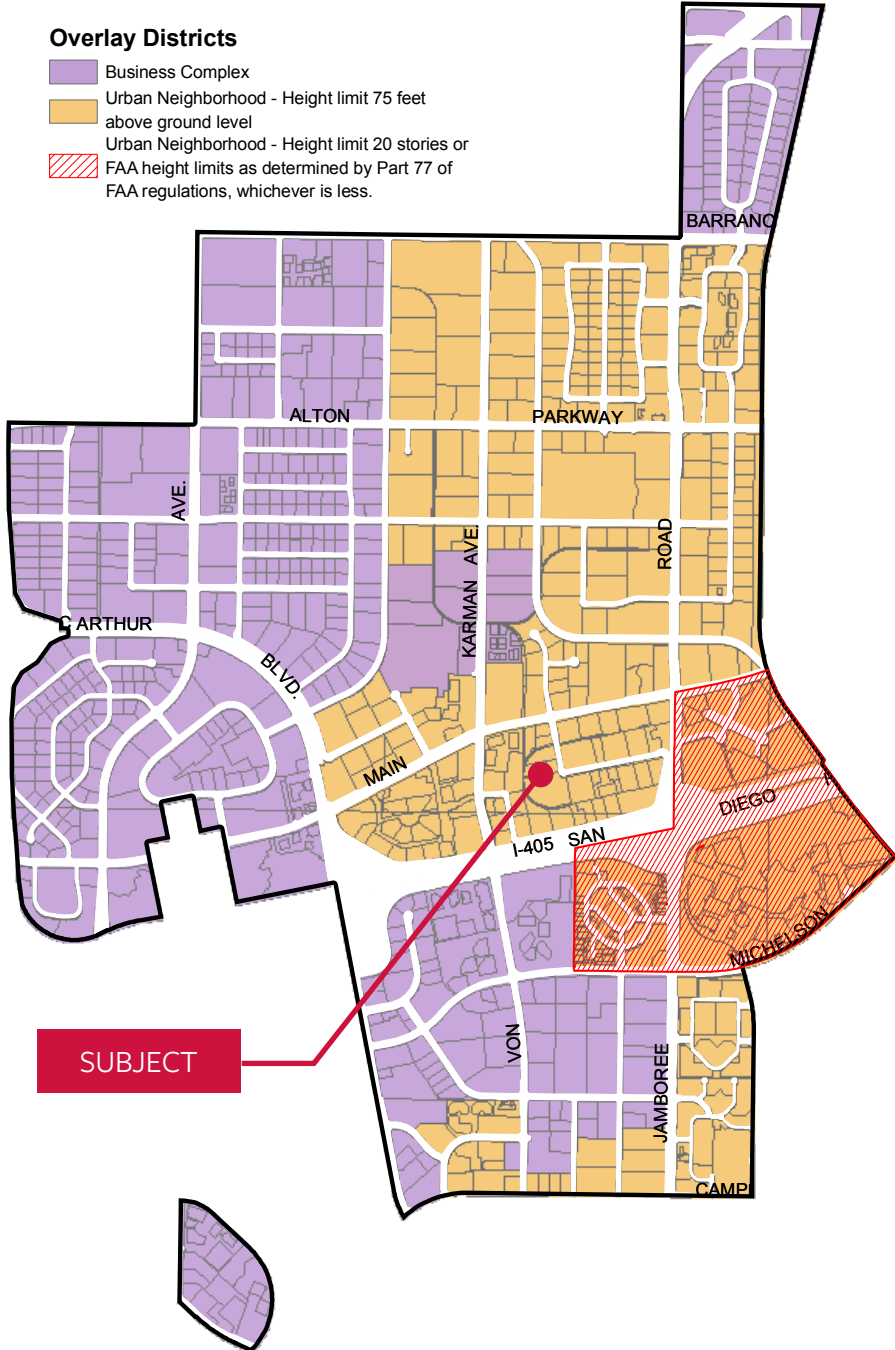




# IBC RESIDENTIAL OVERLAY MAP

## Overlay Districts

-  Business Complex
-  Urban Neighborhood - Height limit 75 feet above ground level
-  Urban Neighborhood - Height limit 20 stories or less
-  FAA height limits as determined by Part 77 of FAA regulations, whichever is less.





METROPOLIS APARTMENTS



MAIN STREET PLAZA



HILTON GARDEN INN



24 HOUR FITNESS



JOHN WAYNE AIRPORT



EMBASSY SUITES BY HILTON



EQUINOX IRVINE



SUBJECT



MACARTHUR BLVD

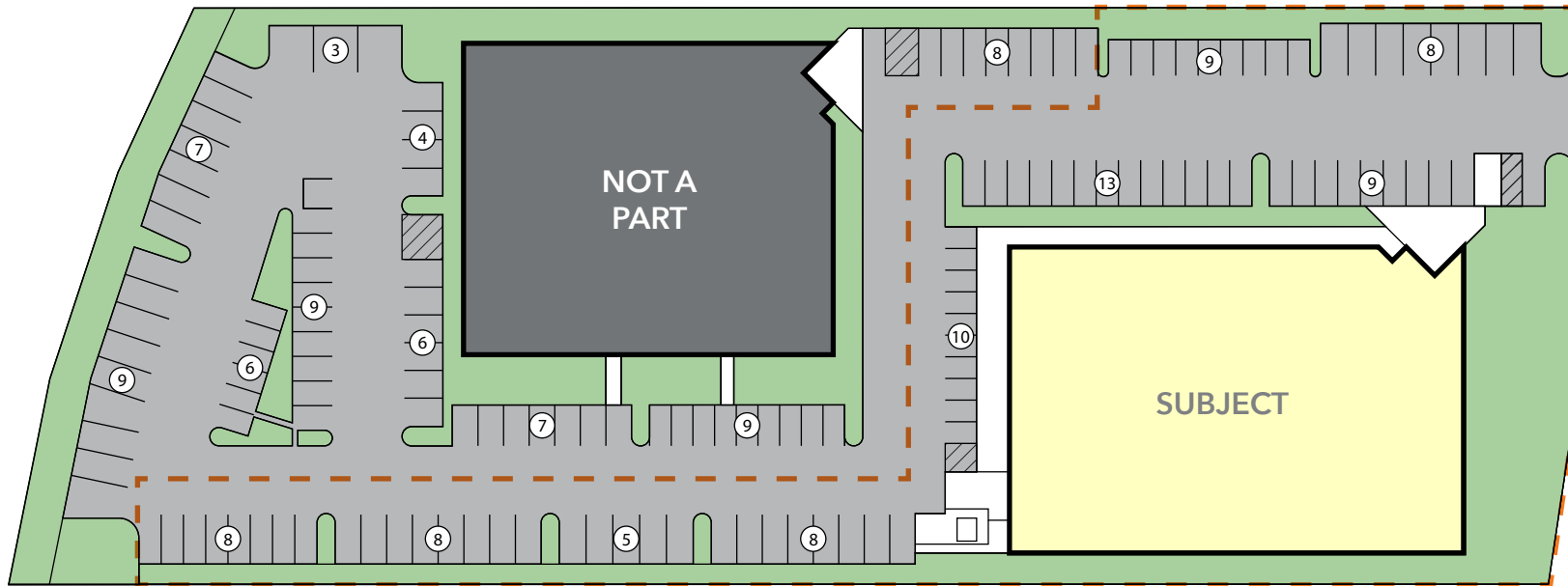
VON KARMAN AVE

MAIN ST



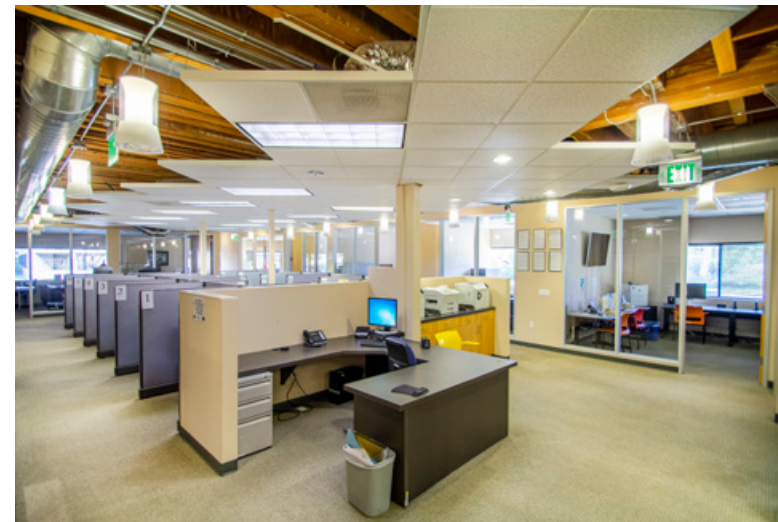
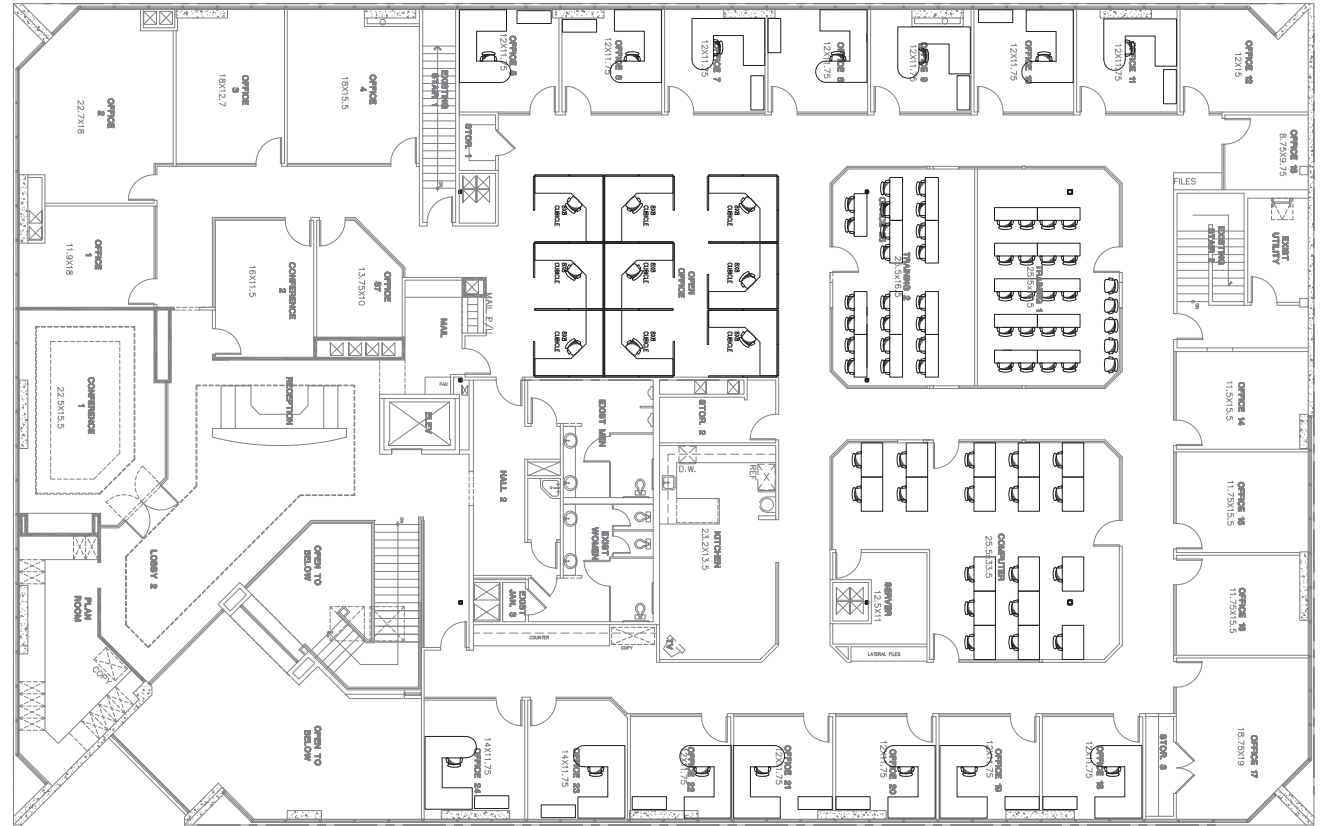


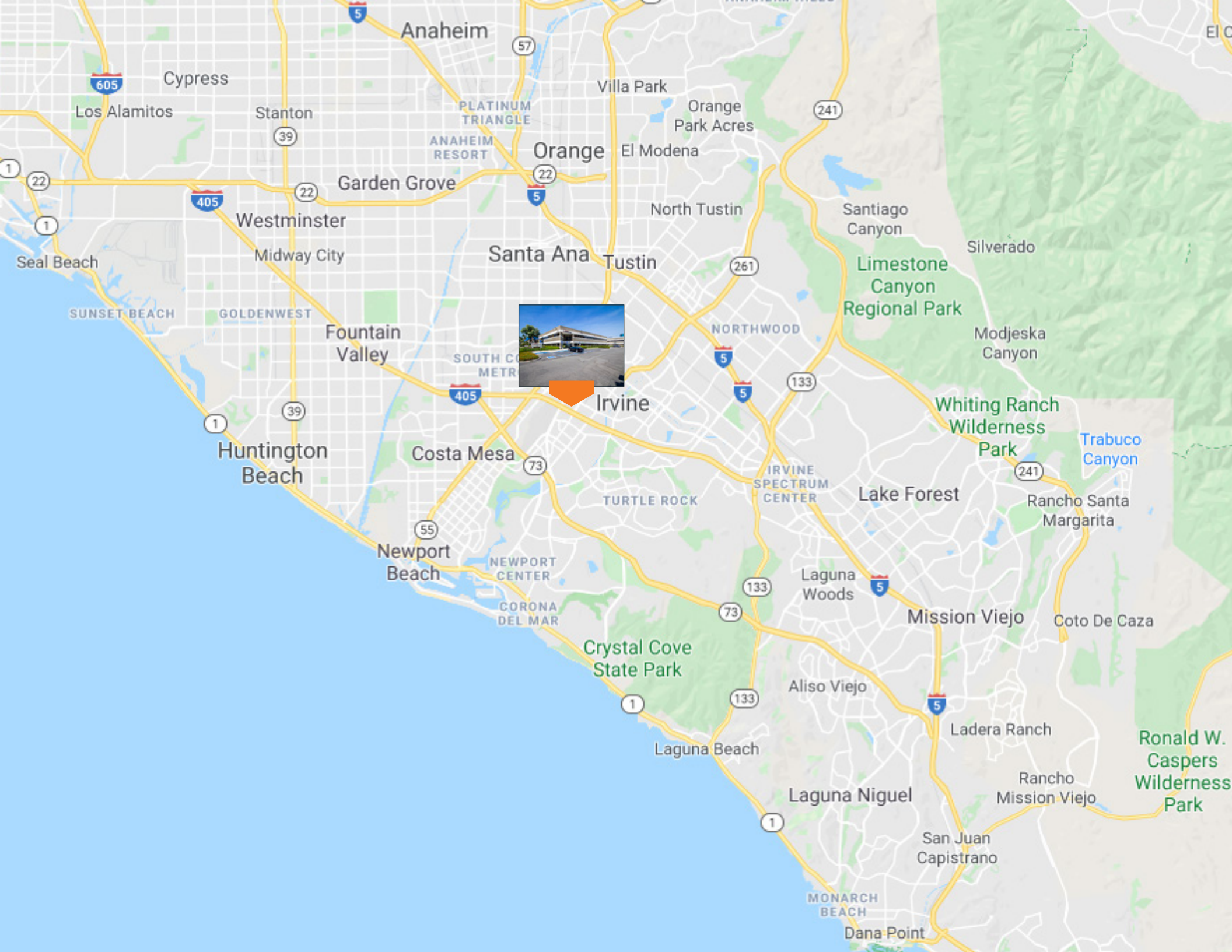
SITE PLAN



CARTWRIGHT







Irvine



# Irvine, California

## AT A GLANCE

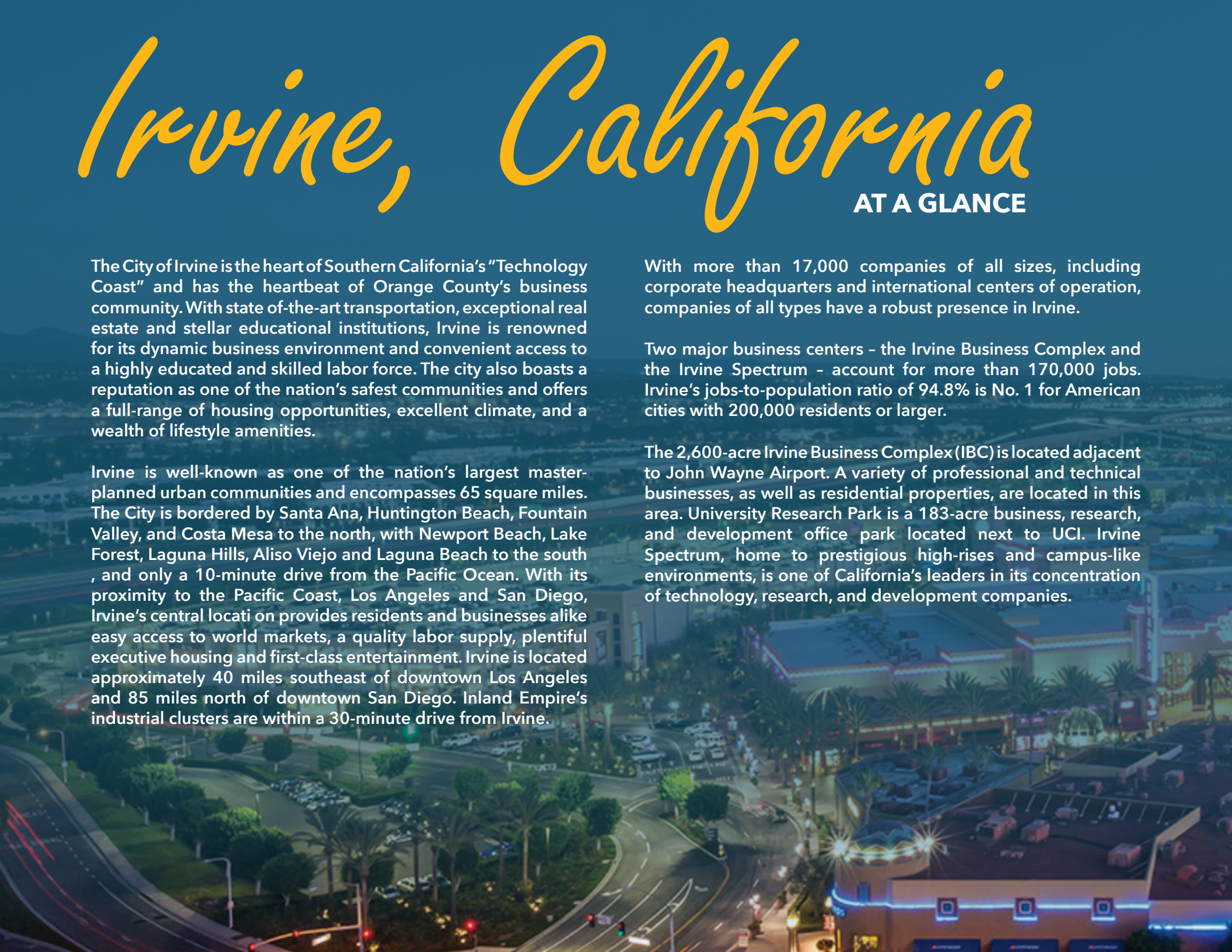
The City of Irvine is the heart of Southern California's "Technology Coast" and has the heartbeat of Orange County's business community. With state-of-the-art transportation, exceptional real estate and stellar educational institutions, Irvine is renowned for its dynamic business environment and convenient access to a highly educated and skilled labor force. The city also boasts a reputation as one of the nation's safest communities and offers a full-range of housing opportunities, excellent climate, and a wealth of lifestyle amenities.

Irvine is well-known as one of the nation's largest master-planned urban communities and encompasses 65 square miles. The City is bordered by Santa Ana, Huntington Beach, Fountain Valley, and Costa Mesa to the north, with Newport Beach, Lake Forest, Laguna Hills, Aliso Viejo and Laguna Beach to the south, and only a 10-minute drive from the Pacific Ocean. With its proximity to the Pacific Coast, Los Angeles and San Diego, Irvine's central location provides residents and businesses alike easy access to world markets, a quality labor supply, plentiful executive housing and first-class entertainment. Irvine is located approximately 40 miles southeast of downtown Los Angeles and 85 miles north of downtown San Diego. Inland Empire's industrial clusters are within a 30-minute drive from Irvine.

With more than 17,000 companies of all sizes, including corporate headquarters and international centers of operation, companies of all types have a robust presence in Irvine.

Two major business centers - the Irvine Business Complex and the Irvine Spectrum - account for more than 170,000 jobs. Irvine's jobs-to-population ratio of 94.8% is No. 1 for American cities with 200,000 residents or larger.

The 2,600-acre Irvine Business Complex (IBC) is located adjacent to John Wayne Airport. A variety of professional and technical businesses, as well as residential properties, are located in this area. University Research Park is a 183-acre business, research, and development office park located next to UCI. Irvine Spectrum, home to prestigious high-rises and campus-like environments, is one of California's leaders in its concentration of technology, research, and development companies.



## TOP 25 SALES TAX PRODUCERS

ALBERTSONS | APPLE COMPUTER | ARBONNE | AUTONATION TOYOTA IRVINE  
 CARMAX | CHEVROLET OF IRVINE | CHEVRON | COSTCO | E PLUS TECHNOLOGY  
 EDWARDS LIFESCIENCES | FINANCIAL SERVICES VEHICLE TRUST | IPC USA  
 IRVINE BMW | KIA OF IRVINE | LIVING SPACES FURNITURE | NORDSTROM  
 NORM REEVES HONDA | PC MALL | RALPH'S | TARGET | TESORO  
 TUTTLE CLICK FORD | TUTTLE CLICK MAZDA | VICTOR MEDICAL | WALMART

## TOP EMPLOYERS

Rank	Employer	No. of Employees
1	University of California, Irvine	21,700
2	Irvine Unified School District	3,024
3	Edwards Lifesciences	2,987
4	Blizzard Entertainment	2,724
5	Broadcom	2,604
6	Glidewell Laboratories	1,960
7	Parker Hannifin	1,800
8	Nationstar	1,556
9	B. Braun	1,370
10	Western Digital	1,300

# 235,100

EMPLOYMENT  
BASE

# 88.3%

ASSOCIATE'S DEGREE  
OR HIGHER

# 94.8%

JOBS-TO-  
POPULATION RATIO

#1 FOR AMERICAN  
CITIES

63 Companies' Headquarters or North American Headquarters are located in Irvine.



**TILLY'S**



**BENQ**



**SHIMANO**



Source: City of Irvine; [https://en.wikipedia.org/wiki/Irvine,\\_California](https://en.wikipedia.org/wiki/Irvine,_California), 28 January 2020, 11:23 (UTC); towncharts.com, 2018

# Orange County

AT A GLANCE



**3.19 M**  
POPULATION

**#6** LARGEST  
COUNTY IN U.S.A.

**2<sup>ND</sup>** HIGHEST  
DENSITY IN  
CALIFORNIA

**39%**

BACHELOR'S  
DEGREE OR HIGHER  
POPULATION

**38.3**

MEDIAN AGE

**\$709,800**

MEDIAN PROPERTY  
VALUE

**4.47%** GROWTH

**1.61M**

NUMBER OF  
EMPLOYEES

**0.386%** GROWTH

**\$89,759**

MEDIAN HOUSEHOLD  
INCOME

**4.11%** GROWTH

**\$213.6M**

GDP

**4.2%** GROWTH

Source: [https://en.wikipedia.org/wiki/Orange\\_County,\\_California](https://en.wikipedia.org/wiki/Orange_County,_California), 30 January 2020, 23:57 (UTC); <https://www.towncharts.com/California/Education/Orange-County-CA-Education-data.html>; <https://datausa.io/profile/geo/orange-county-ca#economy>

Orange County is a county located in the Los Angeles metropolitan area in the U.S. state of California. As of the 2010 census, the population was 3,010,232, making it the third-most populous county in California, the sixth most populous in the U.S., and more populous than 21 U.S. states. Although mostly suburban, it is the second most densely populated county in the state, behind San Francisco County. The county's four most populous cities, Anaheim, Santa Ana (the county seat), Irvine, and Huntington Beach, each have a population exceeding 200,000. Several cities are on the Pacific coast, including Huntington Beach, Newport Beach, Laguna Beach, Dana Point, and San Clemente.

Orange County is included in the Los Angeles-Long Beach-Anaheim Metropolitan Statistical Area. The county has 34 incorporated cities. Older cities like Santa Ana, Anaheim, and Fullerton have traditional downtowns dating back to the 19th century, while newer commercial development or "edge cities" stretch along I-5 between Disneyland and Santa Ana and between South Coast Plaza and the Irvine Business Complex, and cluster at Irvine Spectrum. Northern and Central Orange County, while single-family homes are still prevalent, is relatively more urbanized and dense, while beyond Irvine, the county is relatively less dense, though still contiguous, suburban and not exurban.

The county is a tourist center, with attractions like Disneyland, Knott's Berry Farm, and several popular beaches along its more than 40 miles (64 km) of coastline.

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Orange County is the headquarters of many Fortune 500 companies including Ingram Micro (#218) and First American Corporation (#361) in Santa Ana, Broadcom (#150) in Irvine, Western Digital (#152) in Lake Forest, and Pacific Life (#298) in Newport Beach. Irvine is the home of numerous start-up companies and also is the home of Fortune 1000 headquarters for Allergan, Edwards Lifesciences, Epicor, and Sun Healthcare Group. Other Fortune 1000 companies in Orange County include Beckman Coulter in Brea, Quiksilver in Huntington Beach and Apria Healthcare Group in Lake Forest. Irvine is also the home of notable technology companies like PC-manufacturer Gateway Inc., router manufacturer Linksys, video/computer game creator Blizzard Entertainment, and in-flight product manufacturer Panasonic Avionics Corporation. Also, the prestigious Mercedes-Benz Classic Center USA is located in the City of Irvine. Many regional headquarters for international businesses reside in Orange County like Mazda, Toshiba, Toyota, Samsung, Kia, in the City of Irvine, Mitsubishi in the City of Cypress, Kawasaki Motors in Foothill Ranch, and Hyundai in the City of Fountain Valley. Fashion is another important industry to Orange County. Oakley, Inc. is headquartered in Lake Forest. Hurley International is headquartered in Costa Mesa. Both the network cyber security firm Milton Security Group and the shoe company Pleaser USA, Inc. are located in Fullerton. St. John is headquartered in Irvine. Tustin, is home to Ricoh Electronics, New American Funding, and Safmarine. Wet Seal is headquartered in Lake Forest. PacSun is headquartered in Anaheim.[108] Restaurants such as Taco Bell, El Pollo Loco, In-N-Out Burger, Claim Jumper, Marie Callender's, Wienerschnitzel, have headquarters in the city of Irvine as well. Del Taco is headquartered in Lake Forest. Gaikai also has its headquarters in the Orange County.

Source: [https://en.wikipedia.org/wiki/Orange\\_County,\\_California](https://en.wikipedia.org/wiki/Orange_County,_California), 30 January 2020, 23:57 (UTC);

## MARKET OVERVIEW

Healthy tenant demand for office space continued through the first half of March when the global coronavirus crisis hit home. For most of last year companies were expanding their office footprints in Orange County and lately finding the effective rents in premium buildings to be irresistible. Virtually overnight, however, and barely a decade after the last recession people are speaking of a “new normal” but without yet knowing exactly what it will be.

At this early stage in the crisis, it's too soon to predict beyond the second quarter how long the health emergency will last or its toll on the economy. The uncertainty has caused most transactions to be delayed or canceled. An early April survey of national economists found on average that the contraction will cause unemployment to spike to as high as 13% before a recovery begins in the second half.

Going into the coronavirus lockdown, demand for Class A space posted nearly 382,000 SF of net absorption in Q1, the most in two years, during which 1.4 million SF of new space has been completed. In the last two quarters, Class A netted 530,726 SF of new tenants but negative absorption in Class B space totaled 476,308 SF. Overall, the last three years have been the weakest of the recovery averaging 548,000 SF of net absorption annually compared to a yearly 1.6-million-SF average from 2011 through 2016.

Economists assert that in contrast to the last contraction, which stemmed from a financial crisis brought on by subprime mortgage

recklessness, the coming coronavirus recession will be more akin to a natural disaster that blindsided an economy with healthy fundamentals.

Before the 19-month downturn that began at the end of 2007, the Orange County office market already was softening from the emerging subprime mortgage debacle. Many of the nation's failed lenders had occupied acres of Orange County office space. Office tenants shed 5.9 million SF of space in three years, starting in the second quarter of 2007. The vacancy rate soared from 9.1% to 18.6%. By Q4 2012 average asking rents fell 28% and did not recover until Q1 2018. The recession idled 161,850 Orange County workers or 10.7% of the labor force.

There may be some positive signs. Because of early social distancing policies in California, official reports are stating that the spread of the coronavirus in the state may have been slowed. Additionally, the \$2.2-trillion federal rescue package is clear evidence that congress is committed to stimulus spending. At this time it's vital to work to flatten the curve of new coronavirus cases to reduce stress on the healthcare system and enable a quicker economic recovery.

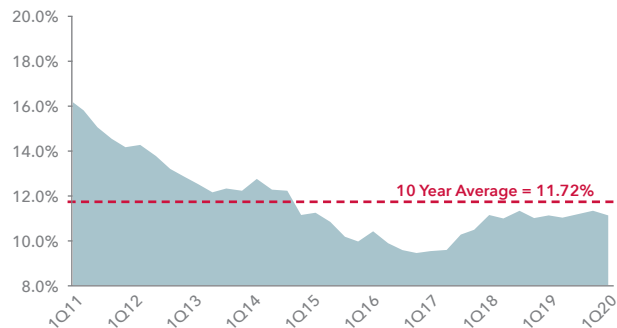
### FORECAST

Cal State Fullerton said the index in its quarterly business expectation survey “collapsed” from 92.9 to 22.7 when the survey was taken at the end of March. During the last recession the index fell for eight straight quarters from 83.1 to 15.2.

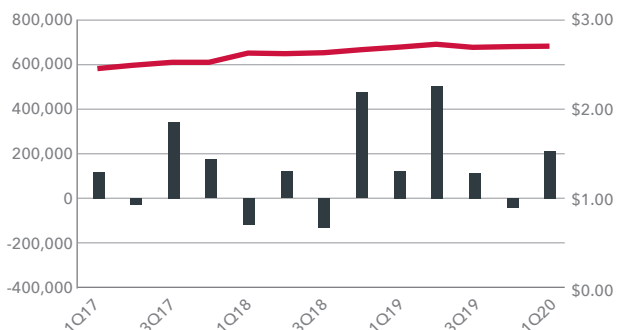
### MARKET INDICATORS

	Current Quarter	Prior Quarter
Total Inventory (SF)	116,622,262	116,622,262
Vacancy Rate (%)	11.19%	11.37%
Net Absorption (SF)	209,930	-45,571
Average Asking Rent (\$/SF)	\$2.71	\$2.71
Under Construction (SF)	1,066,209	450,824

### OVERALL VACANCY



### NET ABSORPTION VS ASKING RATES



Source: CoStar, 2020; Lee & Associates



# 17891

## CARTWRIGHT

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