

OFFERING MEMORANDUM



LAND AVAILABLE-CENTRAL ORANGE COUNTY

2.0 to 55.8 Acres, Tustin, California

EDUCATIONAL, R&D, MANUFACTURING, MEDICAL AND OFFICE USES ALLOWED
LONG-TERM GROUND LEASE OPPORTUNITIES FOR BUILD-TO-SUITS

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Due Diligence information available separately with a signed Non-Disclosure Agreement

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I. EXECUTIVE SUMMARY

A. OPPORTUNITY OVERVIEW

The South Orange County Community College District ("SOCCCD") is offering land on a long-term ground lease basis for build-to-suit opportunities within the Advanced Technology & Education Park ("ATEP").

The purpose of ATEP is to develop a vibrant commercial/education park with a focus on advanced technology and work force development, and to attract a variety of educational and commercial uses including R&D companies, high-tech manufacturing, general office, corporate headquarters, medically-oriented facilities, educational and other uses complementary to ATEP's mission.



HIGHLIGHTS:

- 55.8 Acres, Divisible to 2 Acres. 18.9 Acres is currently available. 31.3 Acres to be released at a future date to be determined
- Development Agreement Allows up to 1.7- Million Square Feet of Buildable Space
- Central Orange County Location; Close to I-5, CA-55 and I-405 Freeways and 261 toll way
- Close Proximity to World Class Educational Institutions
- Adjacent to Parks including the New 31.5 Acre Veterans Sports Park
- Minutes from Orange County John Wayne Airport, Metrolink Rail Station and the District Shopping & Entertainment Center
- Part of Tustin Legacy; a 1,606-Acre Mixed-Use Community
- Vibrant Economic/Business Environment
- Minimum Building Size of 35,000 SF
- Excellent Demographics

I. EXECUTIVE SUMMARY

B. OFFERING HIGHLIGHTS

PROPERTY:

- Site is rough-graded with infrastructure in place
- Level, clear, well-shaped parcels
- Site surrounded by four major arterials
- Entitlement path through the City of Tustin is defined and streamlined

STAGES:

- Site delivery will be in (2) stages:
- Stage 1- 24.47 acres in four (4) sections from 2.6 to 10 contiguous acres - Available Now
- Stage 2- 31.3 acres for future development : Delivery TBD

DEVELOPMENT AGREEMENT:

- The approved Development Agreement with the City of Tustin allows for a wide variety of commercial and educational uses including, but not limited to, R&D companies, high-tech manufacturing, general office, corporate headquarters, medically-oriented facilities, education and other ancillary uses
- Up to 10% of buildable area for supporting retail uses is allowed
- Maximum Building Height: Six (6) stories

GROUND LEASE TERMS:

- Time Period: Up to 99 years
- Base Year Ground Lease Rate: \$118,000/acre/year to \$140,000/acre/year
- Minimum Lot Size: Two (2) acres
- Minimum Building Size: 35,000 square feet



II. THE OFFERING

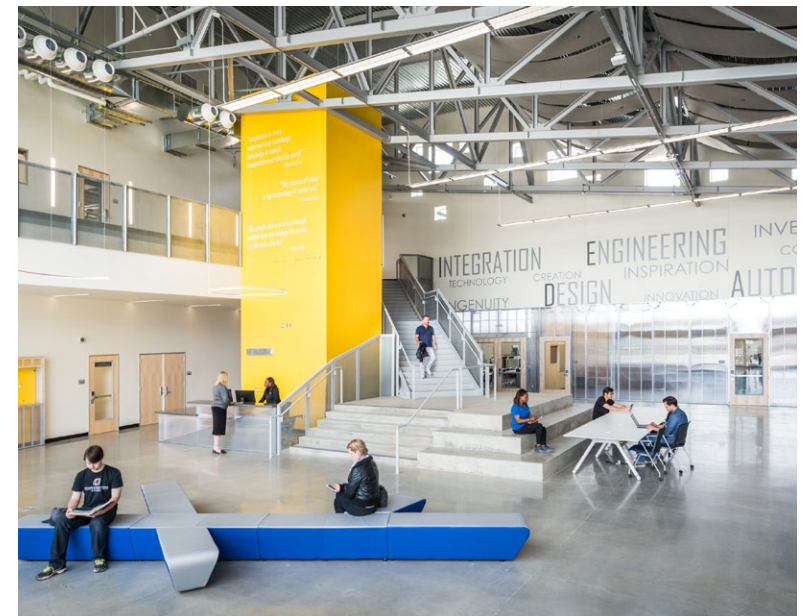
A. ATEP INTRODUCTION AND VISION STATEMENT

ATEP Purpose: To develop a vibrant environment with a focus on advanced technology and workforce development by building a strategic educational partnership with public/private industry that will foster synergistic collaborations between educational institutions and emerging technology businesses. It is envisioned as an environmentally sustainable campus with a focus on seeking qualified certifications through the Leadership in Energy and Environmental Design (LEED) program.

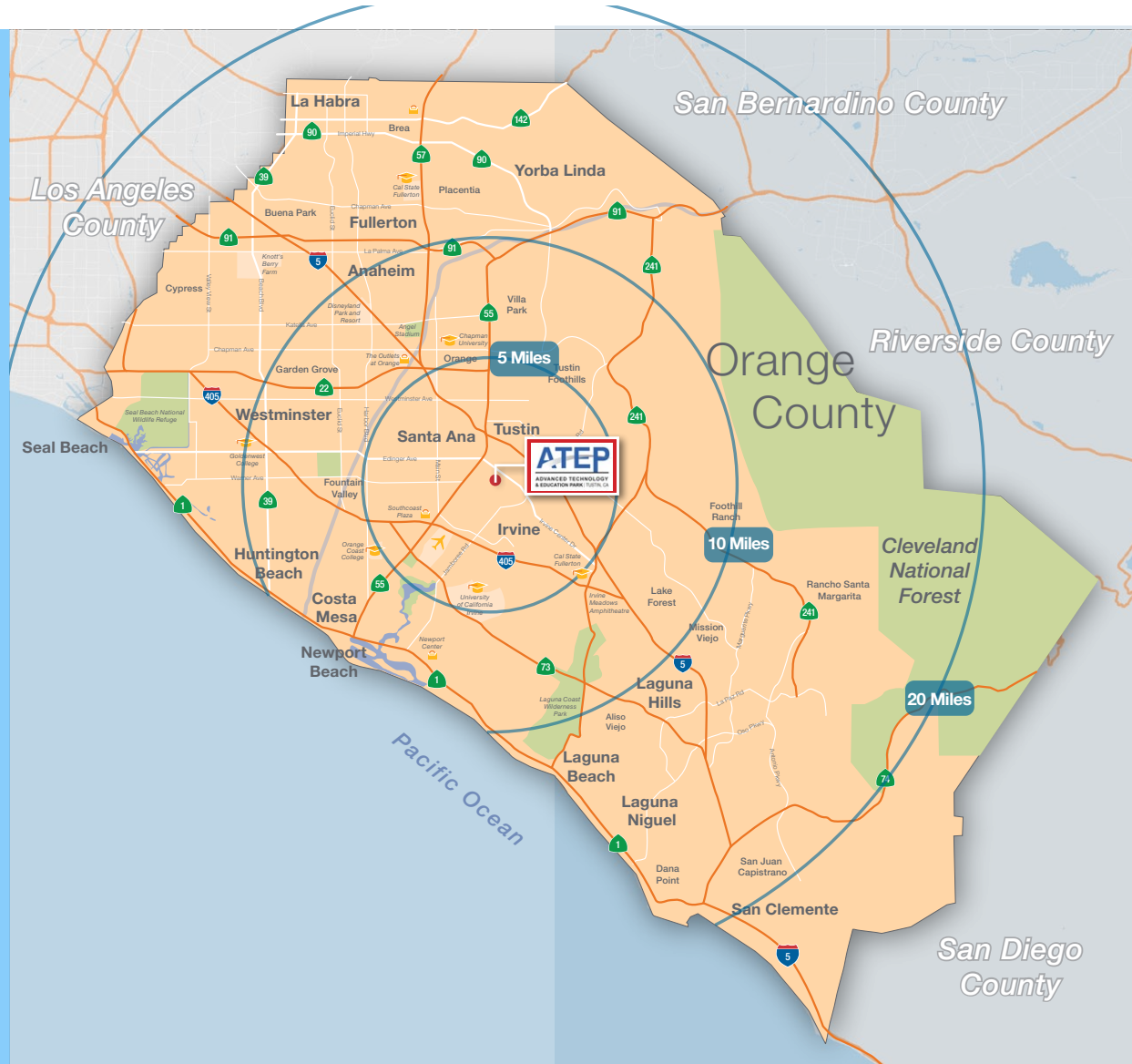
ATEP Vision: As the premier center of career-technical education in Orange County, ATEP will prepare students in current and emerging technological careers for a globally competitive economy.

ATEP Mission: To offer applied education and training programs in current and emerging technological careers driven by innovative business, industry and education partnerships.

The District is seeking educational institutions and private enterprise companies interested in developing facilities with a minimum size of 35,000 square feet on a long-term ground lease basis. Ground Lessees will be responsible for financing and directing the construction of their own proposed building(s) and associated improvements.



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II. THE OFFERING

NAI Capital
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

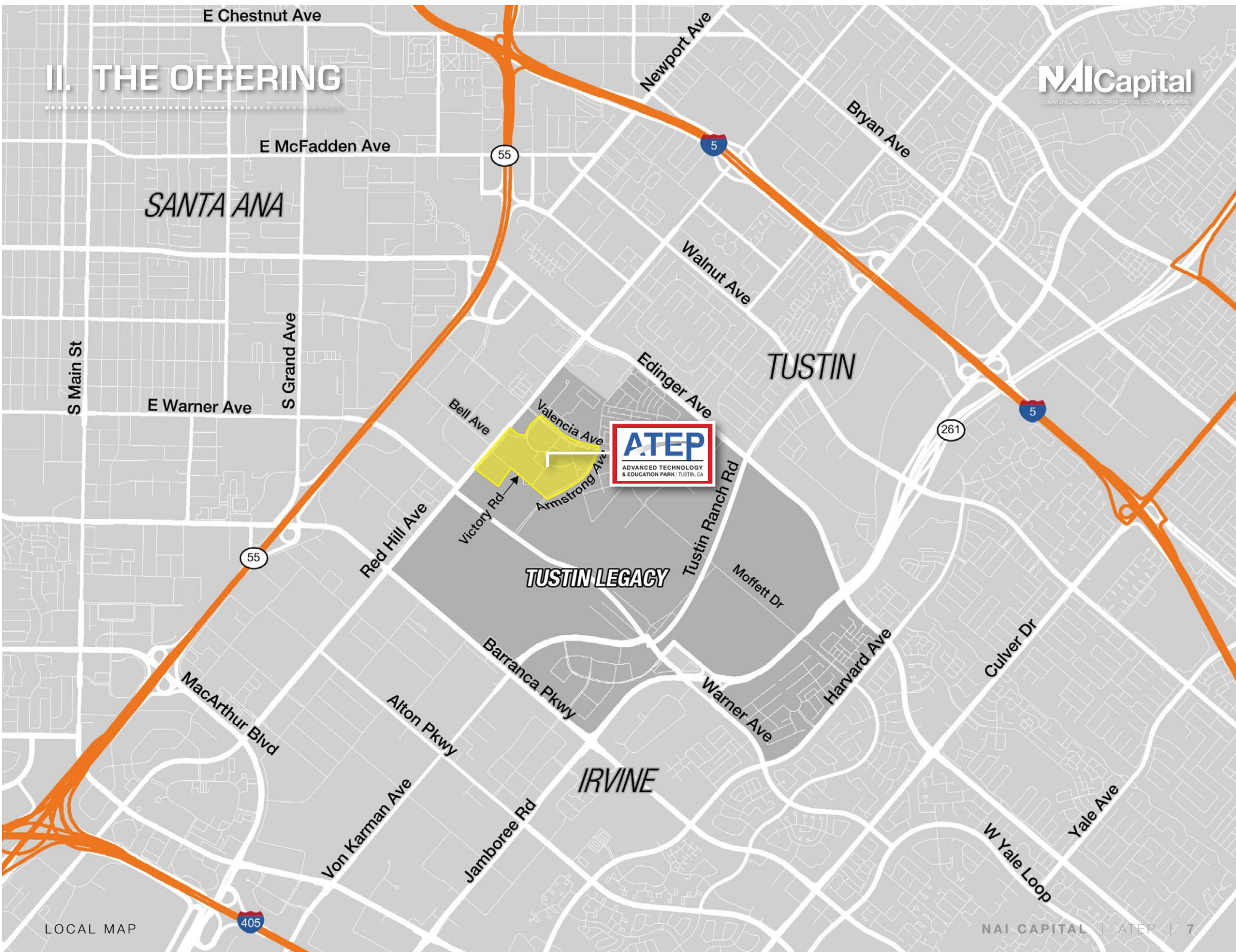


TUSTIN LEGACY

IRVINE

TUSTIN

SANTA ANA



II. THE OFFERING



II. THE OFFERING

B. PROJECT DESCRIPTION

STAGE 1: Available Now

Comprised of 24.47 acres, with 18.9 acres currently available to ground lease and divided into four (4) sections which are divisible to two (2) acres.

- **Section 1:** 10.0 acres at SEC of Red Hill Avenue and Victory Road
- **Section 2:** 2.5 acres at NEC of Red Hill Avenue and Victory Road
- **Section 3:** 2.6 acres at NEC of Victory Road and the Roundabout
- **Section 4:** 3.8 acres at SEC of Valencia Avenue and Lansdowne Road

The infrastructure for Stage 1, including street improvements and all utilities, is finished.

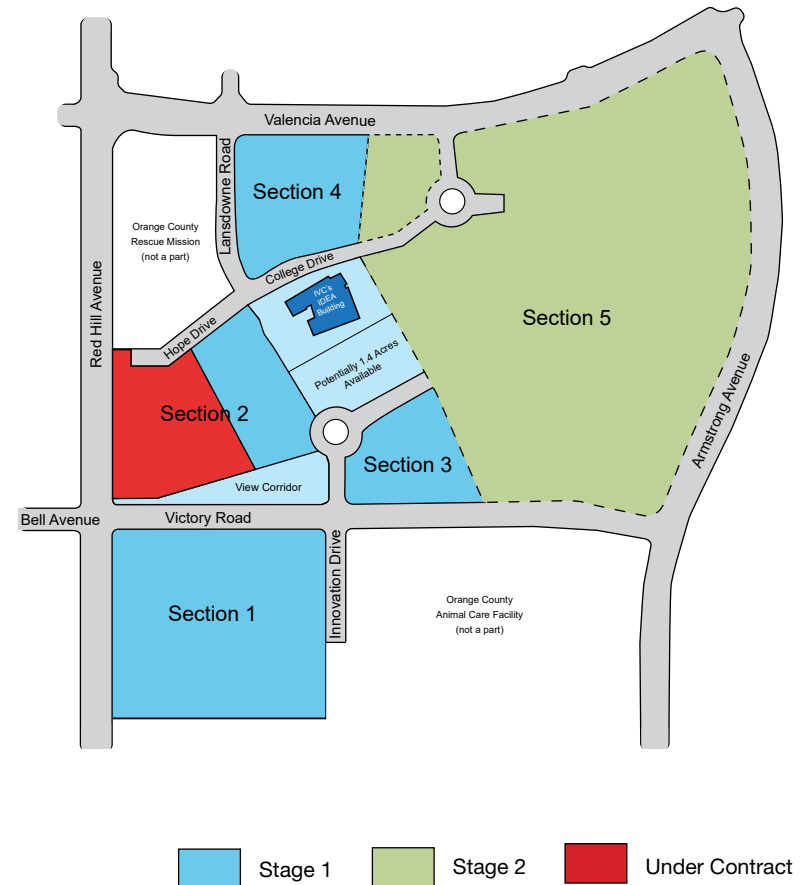
STAGE 2: Future Development - Availability TBD

IVC & Saddleback College Buildings

In the heart of the project is Irvine Valley College's IDEA (Integrated Design, Engineering and Automation) Building. The IDEA Building, the first completed facility at ATEP, is a LEED gold equivalent 32,492 square foot career technical education institute. This \$17.7 million facility serves IVC's students, professionals from private industry and residents of the community. With a focus on career technical education, the building includes classrooms, specialized teaching labs, a certified testing center, Economic & Workforce Development offices and a student resource center. It trains individuals to enter and keep pace with the country's rapidly evolving high-tech workplace.

Planned: Saddleback College is in the planning stage to develop its approximately 35,000 square foot advanced transportation and logistics (ATL) and culinary/hospitality facility.

SITE PLAN:



Note: Acreages
are approximate

II. THE OFFERING

B. PROJECT DESCRIPTION (CONTINUED)

Circulation:

Visibility and circulation are excellent with Red Hill Avenue bordering the site to the west, Valencia Avenue to the north, Armstrong Avenue to the east and Victory Road to the south. Internal roadways, roundabouts and pedestrian-friendly walkways will provide seamless access across the project.

Infrastructure Status and Fee:

The District is responsible for the design, installation and construction of on-site horizontal improvements for the roadways, drives and sidewalks in the common areas. The existing Development Agreement assigns a Backbone Infrastructure Fee ("fair share contribution") of \$23.84 per building square foot. This fee increases annually by 3% on the anniversary date of February 7. This is a one-time fee to the City of Tustin which is due prior to issuance of building permits.

Note: Approved Educational Users are exempt from paying this fee.

SITE PLAN:



- Stage 1
 - Stage 2
 - Under Contract
- Note: Acreages are approximate

II. THE OFFERING

C. EXISTING ENTITLEMENTS/DEVELOPMENT STANDARDS

ATEP's development is fully outlined under a Development Agreement with the City of Tustin that defines permitted uses. Development standards not specifically provided for in the Development Agreement are subject to the Tustin Legacy Specific Plan and the District's Architectural Guidelines for ATEP which are in development.

Maximum Density: The maximum developable building area is dictated by an educational use versus commercial use matrix as defined in the Development Agreement. Examples of the maximum developable area are:

- 100% Educational = Approximately 1,711,000 buildable square feet, or,
- 51% Educational & 49% Commercial= Approximately 1,087,000 buildable square feet

Maximum Building Height: Six (6) stories

Maximum Floor Area Ratio (FAR): The FAR for the entire site is 0.38, however, density may be allocated as required to create higher density areas within the overall planning area.



II. THE OFFERING

D. ALLOWED USES

COMMERCIAL (NOT ALL-INCLUSIVE):

Some of the Private Enterprise uses that may complement ATEP are listed below (not all-inclusive):

1. Research and development (R & D)
2. Manufacturing
3. Medical offices/healthcare centers
4. General office/corporate headquarters
5. Medical/dental clinics
6. Auto research, design and development
7. Biomedical/biotech, aerospace, healthcare and tourism
8. Communication businesses
9. Computer technology, business/financial services
10. Data storage, retrieval, send-receive operations
11. Electronic equipment testing
12. Experimental prototype assembly and testing facilities
13. Information technology
14. Government facilities
15. Industrial/commercial incubator (flex) buildings
16. Motion picture and recording studios
17. Precision machine shops
18. Science laboratories
19. Simulation development uses
20. Software design uses
21. Technology exchange/transfer service

EDUCATIONAL:

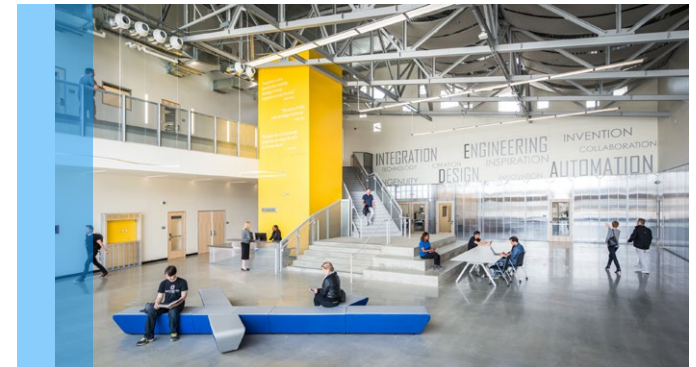
1. Public and private non-profit or for-profit institutions (extension and/or advanced degree opportunities), religious-affiliated institutions, adult education or continuing education with accreditation by Western Association of Schools and Colleges and/or comparable regional and professional accreditation
2. Non-traditional advanced education
3. Workforce centers or technical training
4. Education institutions with an emphasis on career-technical, high-tech or healthcare
5. Food services for educational users
6. Minor supportive retail uses up to 10% of educational square footage

PUBLIC-PRIVATE PARTNERSHIP

ATEP's focus is to join with Science, Technology, Education and Math ("S.T.E.M.")-oriented corporate users focused on emerging technology, design, hardware and software who could benefit from the synergistic interaction with ATEP's higher education programs and students. Desired non-educational uses include R&D companies, high-tech manufacturing, general office, corporate headquarters, medical-oriented facilities and other uses complementary to ATEP's mission.

The District is seeking to provide synergistic collaborations which allow internship opportunities for students and workforce development. Private enterprise partners will be selected based on the following criteria:

- Commercial partners who will provide services, resources or opportunities for students and the District consistent with the vision and mission of ATEP
- Commercial partners who provide internships, part-time jobs, collaborations or use of equipment, software and other learning resources
- Must have a reputation consistent with ATEP's vision, mission and role within the District, Irvine Valley College, Saddleback College and the Tustin Legacy Master Plan
- Commercial partners with an emphasis in career-technical, high-tech and healthcare



The goal for the District is to attract commercial and educational partners to ATEP who can benefit from the collaborative working and learning environments supported by the ATEP Vision of a mutually beneficial synergy between public and private uses.

III. AREA OVERVIEW

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A. LOS ANGELES COUNTY

Los Angeles County has grown steadily over the past several decades attracting new residents due to its employment opportunities and prime location.

According to Moody's Analytics, the county's population is projected to grow to 10.5 million people by 2020. Southern California Association of Governments (SCAG) forecasts that by 2035 Los Angeles County will grow to 11.3 million residents, increasing 9.1% over 2020.

The growth of the Greater Los Angeles Region can be attributed to its climate, the availability of land and many booming industries such as oil, automobile, entertainment and aerospace which make it easy for employers to attract employees from around the world. Factors affecting continued growth and

economic success in the Los Angeles area include:

- The area's economy is diverse with an emphasis on aerospace, business, services, entertainment, technology, tourism and trade
- The ports of Long Beach and San Pedro provide deep water shipping access
- Five international airports provide air freight and passenger service, and the area is served by extensive freeway and rail systems
- The Los Angeles Basin is strategically situated for transacting business in two growing trade areas; the Pacific Rim and Mexico

III. AREA OVERVIEW

B. ORANGE COUNTY

From 1990 to 2015, the population of Orange County grew 30.7% from 2.4 million to an estimated 3.2 million residents. According to California's Department of Finance, the region's population is projected to grow to 3.3 million people by 2020. The DOF forecasts that by 2035 Orange County will grow to 3.4 million residents, increasing 8.2% over 2015.

Over three million Orange County residents enjoy a nearly perfect climate in which parks and beaches provide abundant opportunities for outdoor activities. Orange County is the second most densely populated county in the state and is home to exciting professional sports, a wide range of tourist attractions and quality venues for the visual and performing arts. Orange County boasts a thriving business economy and a well-educated work force. The County is a regional service provider and planning agency whose core businesses include public safety, public health, environmental protection, regional planning, public assistance, social services and aviation.

Strong infrastructure contributes to Orange County's successful and

positive business climate. Centrally located in Southern California, Orange County has close proximity to the ports of Los Angeles and Long Beach, the largest container ports in the world. An abundance of passenger and cargo airports exists, including LAX, Ontario and John Wayne Airport. Toll roads in South County and improvements to the existing freeway system continue to fuel the growth of Orange County.

- **There are more than 40 major colleges and universities in Southern California**
- **Education levels are among the highest in the nation**
- **Orange County is the headquarters for many Fortune 500 companies**
- **The state of California had the highest number of private sector job gains in the country**
- **Orange County's largest employer, Disneyland, employs 29,000 people**

III. AREA OVERVIEW

C. 2018 DEMOGRAPHICS

3-MILE

5-MILE

10-MILE



POPULATION

238,259

644,945

1,715,341



HOUSEHOLDS

71,718

197,548

551,420



AVERAGE HOUSEHOLD SIZE

4.0

3.9

3.7



MEDIAN AGE

33.2

34.5

36.7



MEDIAN HH INCOME

\$85,821

\$92,447

\$92,016



AVERAGE HH INCOME

\$105,887

\$118,898

\$121,168



PER CAPITA INCOME

\$31,925

\$36,578

\$39,125

SOURCE: APPLIED GEOGRAPHIC SOLUTIONS

Amtrak
[https://www.amtrak.com/
california-train-bus-stations](https://www.amtrak.com/california-train-bus-stations)



III. AREA OVERVIEW

F. TUSTIN LEGACY (CONTINUED)

A summary of pertinent projects is outlined as follows:

● EDUCATIONAL

1. Heritage Elementary School
2. Irvine Valley College "IDEA" Campus
3. Saddleback College - In Planning
4. Legacy Magnet School (6-12) - Under Construction

● OFFICE

5. Flight
6. Future Office

● PUBLIC AGENCIES

7. Orange County Sheriff's Regional Training Academy
8. Orange County Rescue Mission
9. SSA Tustin Family Campus
10. Tustin Army Reserve
11. Orange County Animal Shelter

● RETAIL/ ENTERTAINMENT

12. The District - 1M SF Regional Lifestyle Center
13. The Village - 112,000 SF Neighborhood Retail Center

● PARKS & PUBLIC SPACE

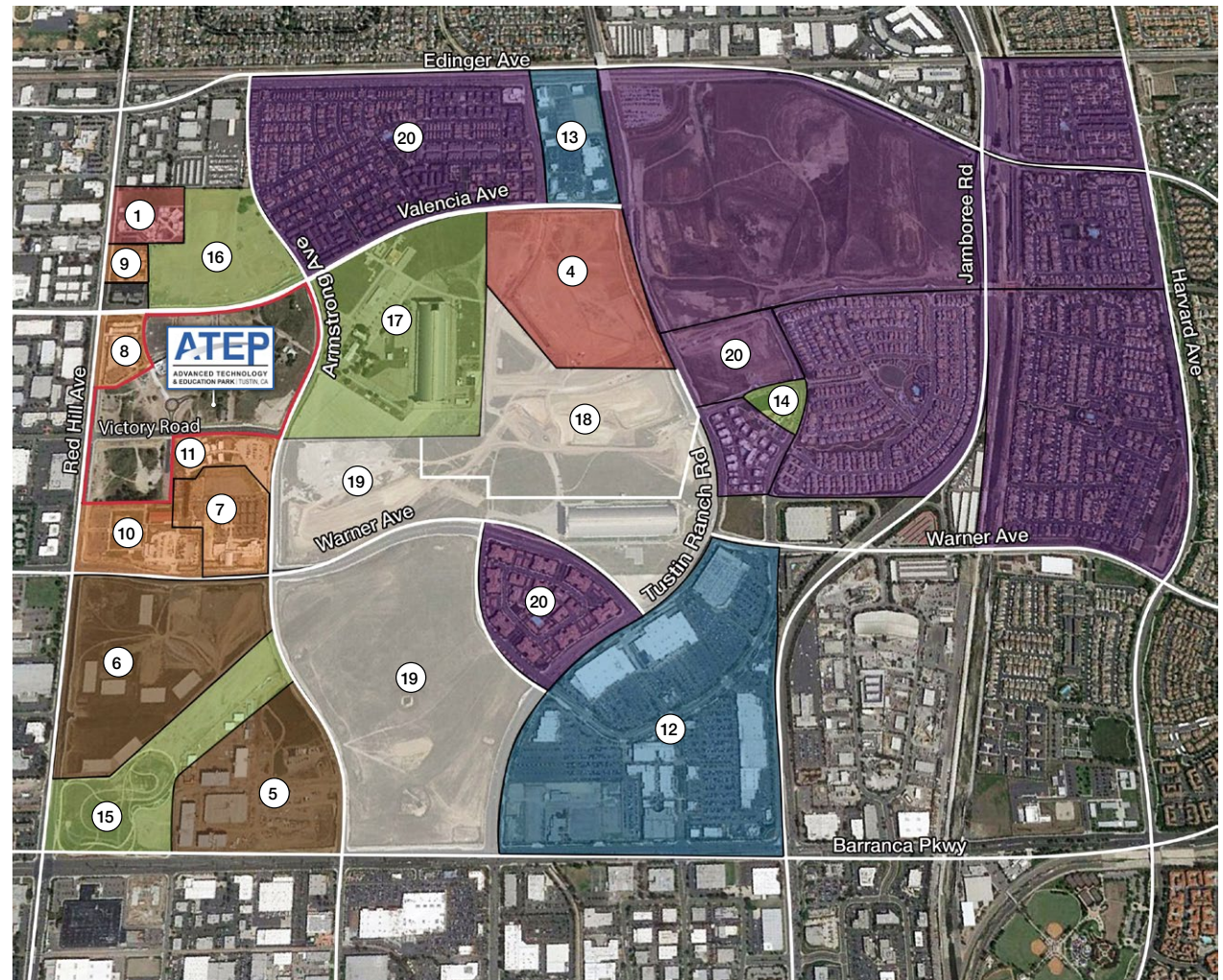
14. Victory Park
15. Tustin Legacy Park - Phase 1 completed
16. Veterans Sports Park - under construction
17. Orange County Regional Park - In planning

● MIXED-USE

18. Community Core (33 acres) - In planning
19. Future Mixed Use

● RESIDENTIAL

20. Multiple neighborhoods offering choices of single family homes, apartments & townhomes, currently 4,049 units with additional units in planning





**ADVANCED TECHNOLOGY
& EDUCATION PARK | TUSTIN, CA**

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