

Playa Vista

Case Study - West Los Angeles

American Realty Advisors has successfully completed one of its clients' investment in Playa Vista, one of the largest urban master-planned developments in the United States. The site, in one of the most desirable beach areas of Southern California, was originally the location of the headquarters for Hughes Aircraft Company, and the home of the "Spruce Goose."

Playa Vista was the largest undeveloped parcel of property in West Los Angeles, and was developed by its management team over the last 15 years, generating thousands of jobs, through the development of commercial and residential real estate, roads, government buildings, firehouses, schools and parks for the community. The project created over 4,000 apartments, homes, and condominiums, resulting in billions of dollars of jobs and benefits to the local and regional economy.

ARA served as the investment manager for two clients invested in Playa Vista over the past 10 years and was a member of the project's Management Committee throughout that period.

Successful Strategy Implementation of One of the Largest Premier Urban Multi-Use Development Projects in the U.S.



Playa Vista — "Live, Work, Play"

With distinctive housing options seamlessly integrated with retail and office space, community facilities and large network of parks, Playa Vista is a one-of-a-kind urban community.

A Unique Community

Playa Vista is widely recognized as a premier urban multi-use development project. As a model for the 21st Century "live-work-play" community, it was designed with an unprecedented attention to lifestyle, amenities, progressive technology, conservation, and sustainability.

An Achievement in Creative Planning

Environmentally sensitive, capital intensive, and community-oriented, Playa Vista is nestled below the bluffs of Westchester, CA, adjacent to the newly restored Ballona Freshwater Marsh and within easy reach of Santa Monica, Venice, Century City, and LAX.

With over 1,087± acres of mixed-use real estate, Playa Vista includes millions of square feet of commercial, retail, open space, and restored wetlands/wildlife preserves, balancing critically needed housing, office space, neighborhood shopping, parks and habitat protection in the heart of Los Angeles' Westside community.

Over \$1 billion of Capital Committed

One of the largest entitled sites in Los Angeles County, including on-and-off-site infrastructure, residential, office, retail, and community-serving facilities, Playa Vista is a model for green development using energy saving systems, non-toxic and recycled materials, product selections, and design techniques to promote conservation and minimize its impact on the environment.

Focused on Technological innovation

At the epicenter of "Silicon Beach" with easy access to firms at the forefront of Southern California's communication and entertainment industry, the site is home to the Institute for Creative Technologies, a research institute of the University of Southern California, combining the assets of a major research university with the resources of Hollywood and the gaming business to advance state-of-the-art training and simulation. Fully connected through telecommunications and broadband capabilities, it is widely considered one of the most technologically advanced communities ever planned.

Investment Background

- > Playa Vista was initially the home to aviator and aerospace visionary Howard Hughes' Hughes Aircraft Company and of the famous "Spruce Goose," at the center of state-of-the-art manufacturing of radar and missile systems, satellites, and military aircraft. Following the sale of the site, developers worked with the City of Los Angeles to envision a community of the future of unprecedented scope and natural beauty.
- > After a lengthy process to entitle the master plan, construction at the site commenced and over 3,200 homes and 2 million square feet of office space were completed. Additional development will continue through a second and final phase of this live-work-play community that will include residential units and parks located between the Westchester Bluffs and Marina Del Rey. Future projects will include a Frank Lloyd Wright design- inspired clubhouse, ground floor neighborhood retail, a library, elementary school, and the Campus at Playa Vista, a multi-building office complex integrated with the community's open-space, parks, and recreational facilities. Additional mixed-use retail centers and assisted living facilities are also located in the project's second phase, and are already under development by a separate company and by the Los Angeles Jewish Home for the Aging, respectively.
- > In 2002, ARA was selected as the investment manager to represent two institutional investors, relating to their investment in Playa Vista. ARA was instrumental in restructuring this transaction to protect the clients' interests. The project was subject to a project labor agreement between the Playa Vista entities and the Los Angeles/Orange Counties Building and Construction Trades Council and the Building and Construction Crafts Affiliated with the Building and Construction Trades Department AFL-CIO.
- > ARA was directly involved in the Management Committee's strategy for overseeing Playa Vista's focused management and construction team, leading, ultimately, to the successful sale of the asset.
- > ARA is proud to have been part of Playa Vista, a truly innovative and successful effort to realize a unique development concept for the benefit of the Greater Los Angeles community.

Coastal Master-Planned Community

Playa Vista is the first master-planned community to be established in L.A.'s Westside in more than 50 years, and is designed with an unprecedented focus on lifestyle amenities, technological innovation and a commitment to sustainability.



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