

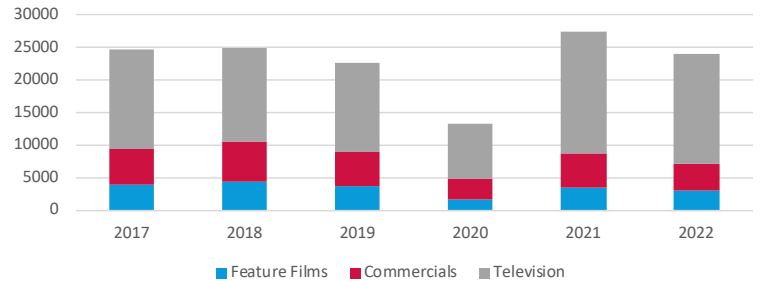
# 2023 LOS ANGELES STUDIO CAMPUS REPORT

## EDD TOP MOTION PICTURE AND VIDEO INDUSTRIES BY # OF EMPLOYEES

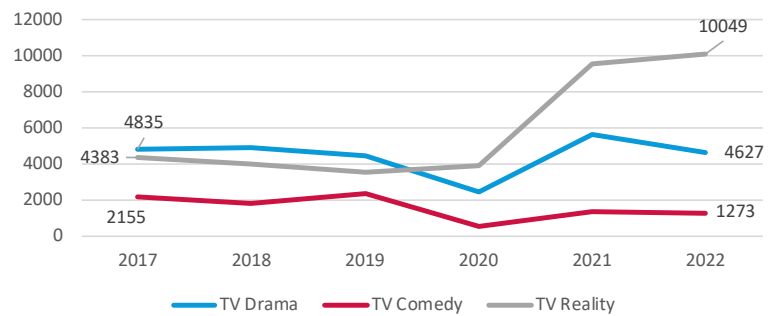
EMPLOYER	CITY	INDUSTRY	SIZE RANGE
Twentieth Century Fox	Los Angeles	MP	5,000-9,999 employees
Sony Pictures Entertainment, Inc.	Culver City	MP	5,000-9,999 employees
Technicolor USA, Inc.	Los Angeles	MP	1,000-4,999 employees
Dreamworks	Toluca Lake	MP	1,000-4,999 employees
Paramount Pictures Corp	Los Angeles	MP	1,000-4,999 employees
Lions Gate Entertainment Corp	Santa Monica	MP	500-999 employees
Fotokem	Los Angeles	TP	500-999 employees
Pie Town Productions	Valley Village	MP	250-499 employees
Technicolor	Burbank	MP	250-499 employees
Golden Era Productions	Los Angeles	MP	250-499 employees
Digital Domain 3.0	Venice	TP	250-499 employees

MP: Motion Picture and Video Production  
TP: Teleproduction and Postproduction Services

## FILMLA ANNUAL SHOOT DAYS BY CATEGORY



## FILMLA ANNUAL SHOOT DAYS BY TV SUB-CATEGORY



Competing alongside manufacturers, wholesalers, and logistics companies, entertainment firms have been targeting infill industrial zoned properties. A majority of the time, it makes more sense to tear down the older buildings on the site and build a new campus. However, in some cases the buildings can be re-purposed into studio space. For example, East End Studios acquired a 15-acre, aging industrial site with the intention of building a ground-up state of the art studio campus complete with 16 soundstages and an office tower. They also acquired a former cold storage building in Boyle Heights where the plan to modify the existing structures into another state of the art film campus. Showtime Networks is moving into a 114,000 SF industrial/creative office space, formerly used as a grain warehouse, a water company, and a printing press in Inglewood. A 183,000 SF former boat manufacturing facility in San Fernando Valley may be converted to become a TV and motion picture studios. Prologis is potentially looking to convert the shuttered Greyhound bus terminal at Seventh & Alameda St into 10 soundstages and a 291K SF Class A office and support space. Atlas Capital intends to convert the LA Times printing plant into 17 sound stages and offices.

While some real estate investors are cashing-in on the demand for movie and production space, some owners are cashing out and taking advantage of the tremendous increase in property values. The owner of a 75,000 SF Netflix Media Campus in the Silverlake submarket pocketed an 83% profit from selling the campus for \$1,240 PSF in 2022, a significant increase from \$677 PSF in 2015.

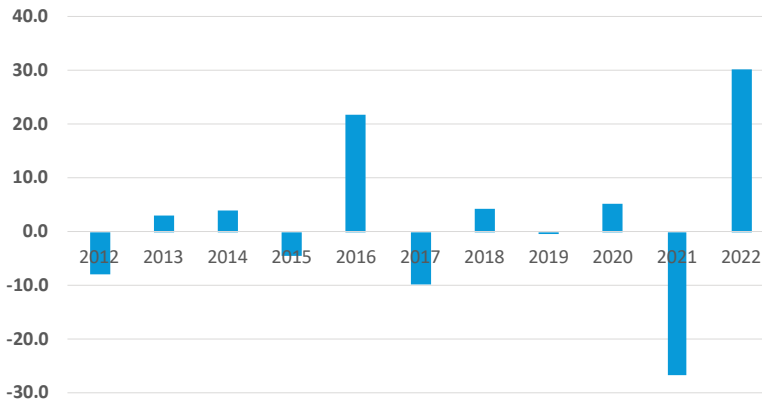
Some entertainment companies still prefer being tenants rather than landlords to free up more cash needed for media contents. As leasing costs rise and the inventory is limited, the trend for the entertainment industry nowadays is to ink longer leases, to secure both capital and a long-term production site.



# LOS ANGELES STUDIO CAMPUS REPORT

## BLS MOTION PICTURE AND SOUND RECORDING INDUSTRIES LOS ANGELES-LONG BEACH-GLENDALE METROPOLITAN

### ALL EMPLOYEES (12-MONTH % CHANGE)



## FILM & TELEVISION TAX CREDIT PROGRAM 3.0 ON QUALIFIED EXPENDITURES, FOR ELIGIBLE PRODUCTIONS THAT ARE PRODUCED IN CALIFORNIA

RELOCATING TV SERIES	INDEPENDENT FILMS	FEATURE FILM, NEW TV SERIES, MINI-SERIES, PILOTS	OUT-OF-ZONE FILMING, VISUAL EFFECTS, LOCAL HIRE LABOR
25%	25%	20%	5 or 10%
Non-Transferable	Transferable	Non-Transferable	Credit Uplift

### CALIFORNIA SOUNDSTAGE PROGRAM UNDER SENATE BILL 144

For taxable year beginning on or after January 1, 2022, and before January 1, 2032, the Soundstage Program would allow a tax credit in an amount equal to 20% or 25% of qualified expenditures for the production of a qualified motion picture in this state at a certified studio construction project.

Other states have noticed the shortages in California studios and are trying to lure entertainment companies to their states. New Jersey has been aggressively trying to pursue movie, TV and tech companies to change their location shooting from “The Golden State” to “The Garden State.” In Georgia, film and TV credits grew to a record of \$1.3B, surpassing New York’s expansion to \$700M and California’s \$330M. Trying to keep California the home of motion picture production, Governor Newsom proposed to extend the tax credit program until 2030, and, in doing so, making the tax credit refundable/transferable, just like Georgia and New York.

**604**  
# of Projects  
Approved

**\$19.8B**  
Total California  
Expenditures

**\$2.5B**  
Total Tax Credits  
Allocated

**29**  
TV Series  
Relocated to CA

**164,000**  
Cast and  
Crew Hired

## SALE TRANSACTIONS

ADDRESS	TRANSACTION SIZE (SF)	SALE PRICE	BUYER	SALE TYPE	SUBMARKET
2000 E 8th St	658,000	\$241,500,000	Atlas Capital Group	Investment	Central Los Angeles
1206-1338 E 6th St & 1205-1321 Wholesale St	316,632	\$240,000,000	East End Studios	Investment	Central Los Angeles
6311 Romaine St	238,325	\$135,000,000	Bardas Investment Group	Investment	Mid-Wilshire
4561 Colorado Blvd	188,662	\$92,500,000	Swift Real Estate Partners	Investment	Tri-Cities
5426-5430 San Fernando Rd	177,030	\$91,000,000	East End Studios	Investment	Tri-Cities
2233-2251 Jessee St	148,978	\$43,000,000	East End Studios	Investment	Central Los Angeles
1350 N Western Ave	75,593	\$93,000,000	The Georgetown Company	Investment	Mid-Wilshire
16829 Saticoy St	52,500	\$14,000,000	Hackman Capital Partners	Investment	San Fernando Valley

## LEASE TRANSACTIONS

ADDRESS	TRANSACTION SIZE (SF)	INDUSTRY	TENANT	LEASE TYPE	SUBMARKET
516 S Mission Rd	400,000	Media Streaming Distribution Service	Apple TV+	Direct	Central Los Angeles
5750 Wilshire Blvd	218,506	Motion Picture & Video Production	Sony Pictures Entertainment	Relocation	West Los Angeles
540-550 N Oak St	114,357	Teleproduction & Postproduction Services	Showtime Networks	Direct	South Los Angeles
2901 W Alameda Ave	52,217	Captioning Services-Television	SDI Media	Direct	Tri-Cities
1041 N Formosa Ave	38,687	Production company	Hartbeat Productions	Direct	West Los Angeles
11640 Hart St	34,663	Production company	Take 2 Production Services	Direct	San Fernando Valley



### THIRTY-MILE ZONE (TMZ)

Also known as Studio Zone, is a 30 mile radius from the southeast corner of Beverly Blvd & La Cienega Blvd, Los Angeles.

### SECONDARY STUDIO ZONE

The area extending 10 miles from the perimeter of the Studio Zone and including John Wayne Airport and the City of Huntington Beach.

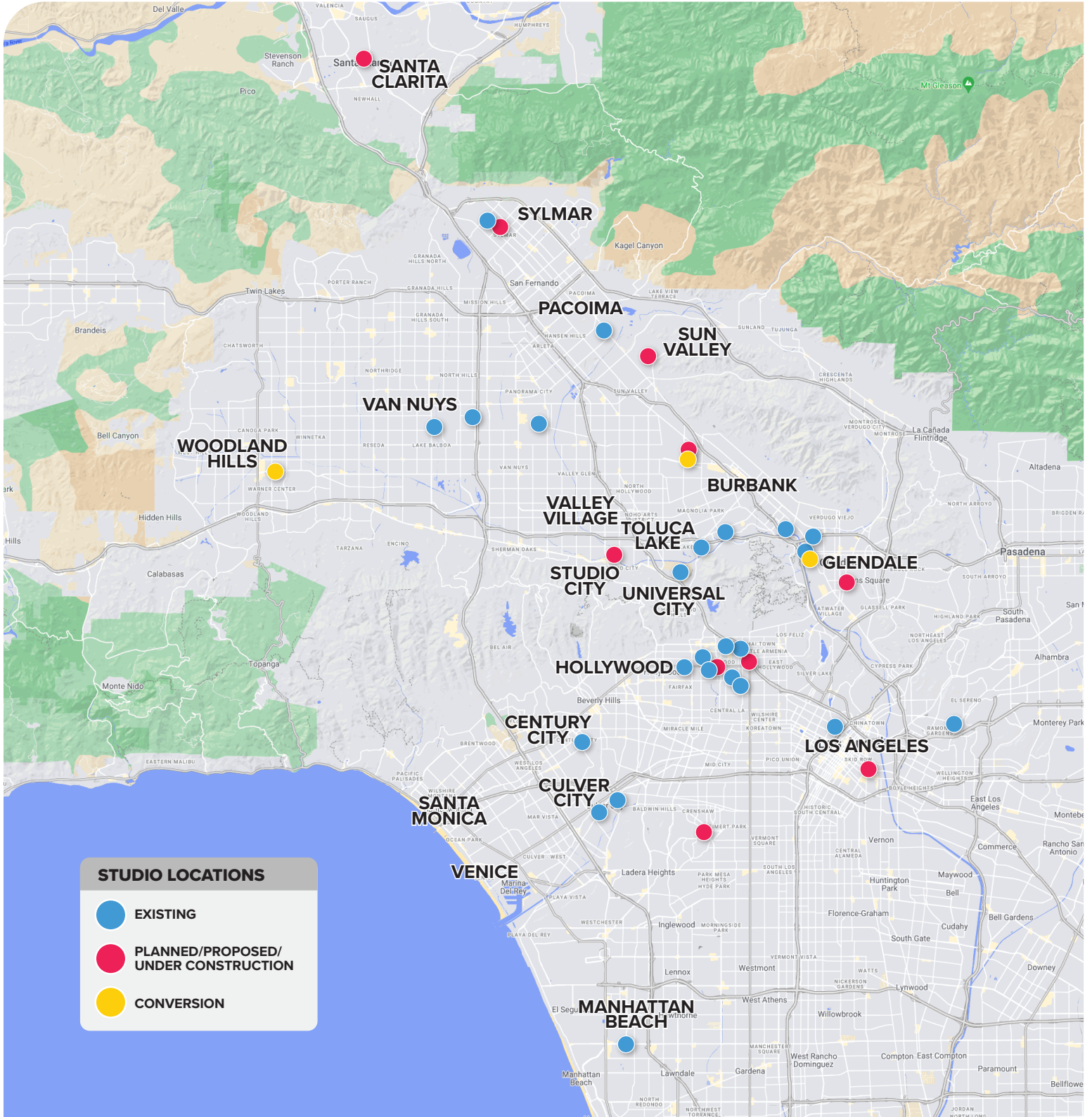
The zones are used by entertainment labor union to determine per diem rates and driving distances for crew members. Hollywood entertainment industry prefers to film movies and television shows within the zones to reduce labor cost.

Dubbed as The “Movie Capital of the World,” Hollywood is home to The Walk of Fame, The iconic Hollywood Sign and literally many movie stars. “Location, Location, Location!” is as important in real estate, as it is in the entertainment industry. Thirty-Mile Zone (TMZ), a 30-mile radius from the southeast corner of Beverly Blvd & La Cienega Blvd in Los Angeles, and the Secondary Studio Zone, another 10-mile radius extension from TMZ, are the preferred boundaries for entertainment companies to reduce labor cost. Labor unions use the zones to determine work and per diem rates, along with driving distances and various rules for crew members.

According to FilmLA, which tracks production trends, the occupancy of soundstages in the Los Angeles area has been at 95% capacity for the last five years. Streaming platforms such as Netflix, Amazon Prime, Disney+, Apple TV and Paramount+ are continuously adding more and better content than its competitors. A lack of studios, combined with the surge in video streaming and online gaming after the pandemic lockdown and competitions for market share, have driven demands for more studios in the Greater Los Angeles Area.



# LOS ANGELES STUDIO CAMPUS REPORT



### STUDIO LOCATIONS

- EXISTING
- PLANNED/PROPOSED/  
UNDER CONSTRUCTION
- CONVERSION

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.