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EastLake Business Center becoming South County's office destination

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It used to be that companies looking for office space in San Diego focused their search north of Interstate 8. Not anymore. Many are choosing to locate in South County.

Already, big companies like Hitachi's (NYSE: HIT) North American headquarters, Leviton and DNP have located at the EastLake Business Center, and other companies continue to consider the area because of convenience and the available labor pool.

"Before the first home was built here and EastLake was just a plan, our goal was to make this a community where people live, work and play," explained Bill Ostrem, president and CEO of The EastLake Co. "So we included the EastLake Business Center in our master plan. We knew it would be successful, but we didn't anticipate the high demand it has now."

That demand is being answered by the development of a number of medical office, executive office, research and development and industrial buildings being built at the EastLake Business Center. Also locating there will be the EastLake Design District, a 450,000-square-foot, upscale center comprising a variety of home furnishing and home decorating showrooms and retailers in one area, the first phase of which is scheduled to open in late spring 2005. Plans are also underway for The EastLake Corporate Center, which will consist of two Class A office buildings totaling approximately 170,000 square feet that will be marketed for use by professionals in the law, insurance, finance, real estate and other industries.

There also has been an opportunity for businesses to buy their own buildings such as those recently offered at The Collection at EastLake, a group of 12 small, freestanding office/industrial buildings ranging from 4,770 square feet to 7,698 square feet for sale or lease at the EastLake Business Center.

"Initially, we expected that by the completion of construction we'd have half of them in escrow," said Ward Mace, vice president of master development, developer of The Collection at EastLake. "In reality, by the time construction is completed at the end of this year, we'll have all the buildings in escrow. In fact, they're all in escrow now."

Mace says the EastLake Business Center was a logical choice to locate the collection of buildings because of the large



A rendering of the proposed EastLake Design Center, a 450,000-square-foot, upscale center comprising a variety of home furnishing and home decorating showrooms and retailers in one area, the first phase of which is scheduled to open in late spring 2005.

pool of labor in the area and amenities such as Scobee Park, a 7-acre park for use by employees in the area; an employee recreation and fitness center with softball, soccer, basketball and volleyball area; tennis courts; restroom and locker facilities; a picnic area; and fitness course.

"People want to work where they live, and this location allows them to do that," Mace added.

"Companies of all sizes are finding that this is a great place to do business, and when they locate here, they bring their employees, who become loyal patrons of the shops and restaurants in the area," Ostrem said. "There's a solid labor pool and customer base here."

A recent survey revealed that among homebuyers at The Woods by EastLake, 84 percent earn \$120,000 or more. Among homebuyers at EastLake Vistas, 15 percent earn \$90,000 to \$100,000, 20 percent earn \$100,000 to \$120,000, and 36 percent earn more than \$120,000. (For comparison, median household income in Hillcrest is less than \$40,000, and in UTC is less than \$65,000.)

When Leviton moved from Otay Mesa to the EastLake Business Center in 2001, the company took several factors into consideration.

"We felt with the future of SR 125 it would possibly allow us to attract more professional

employees," said John Nelson, general manager of operations for Leviton, and a resident of EastLake. "Having the business park, the community here and other amenities made good sense. Most of our managers and employees already resided in EastLake, Otay Ranch and Rolling Hills Ranch."

"The people who live and work here enjoy the fact that they don't have to battle rush hour traffic to get to work," Ostrem added. "Everything they need is right here, so they have no need to leave the area."

Even the problem of South County residents having to travel north of Interstate 8 in order to visit home furnishing and decorating showrooms such as those located at Miramar Road, Morena Boulevard and Cedros in Solana Beach, is being solved by The EastLake Design District. When completed, it will include furniture, flooring, window covering, appliance and other decorating showrooms so that homebuyers can take care of all their home furnishing and decorating needs in one location.

"We noticed that there are no significant home furnishing and decorating showrooms located in the South County area," said Michael Vogt, of VTS Development LLC, developer of the EastLake Design District. "There are hundreds of new homes being built east of

Interstate 805 right now, so this location provides a significant customer base and makes it easy for us to attract big names in the home furnishing and decorating industry."

Located in Chula Vista, east of Interstate 805, EastLake is one of the largest master-planned communities in San Diego County. It totals 3,200 acres, including 180 acres of industrial land, more than 110 acres of commercial property, and more than 1,100 acres of parks, recreation and open space. EastLake is developed by The EastLake Co., which markets land to individual builders and commercial/industrial/retail users.

When completed, EastLake will include seven distinct residential neighborhoods, with private amenities, schools, public parks, civic facilities, protected land, the renowned U.S. Olympic Training Center, EastLake Business Center, EastLake Design District, EastLake Village Center, EastLake Village Marketplace, Restaurant Row and two additional retail/commercial sites.

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