



ORANGE COUNTY---OFFICE

Being Smart About Creative-Office Amenities

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Utilizing space wisely and coming up with creative solutions that work for your building and location are key to success since no two office buildings are exactly the same, the Saywitz Co.’s Barry Saywitz tells GlobeSt.com.



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NEWPORT BEACH, CA—Utilizing space wisely and coming up with creative solutions that work for your building and location are key to success since no two office buildings are exactly the same, the **Saywitz Co.**’s president **Barry Saywitz** tells GlobeSt.com. Saywitz has more than 27 years of experience in the real estate industry and now runs one of the largest privately held commercial real estate brokerage firms in Southern California. The firm exclusively represents

tenants, companies and users of commercial real estate on an international, national and local basis.

We spoke with Saywitz about [office amenities](#), creative spaces and what tenants are seeking in Orange County office space.

GlobeSt.com: How are amenities, creative spaces and open workforce areas affecting the desirability of office space?

Saywitz: There are two aspects to the question. The first is creative space in the sense of what are people doing in the office interior to make it more modern, tech savvy or Millennial oriented—whatever you want to call the definition of creative space. In the realty world, this is a relatively new term, whether it's in Silicon Valley because of technology or Culver City because of entertainment versus lawyers and accountants who typically seek traditional space. As that concept expands and as these industries expand, developers and owners have been building this new creative space or converting older office or flex space or even warehouse space into what is now called creative space. It's the new, hip thing, but it also caters toward a more specific segment of marketplace, and rents are higher than for normal office space. That makes it attractive to and catering to a certain type of company that will pay more for rent because it's important to its workforce.

In this type of space, there are polished concrete floors, exposed ceilings and more of an open plan. That has been successful over the past several years as the market has recovered. Those who have developed them have been successful and have commanded good rents from them. I had a big developer the other day who asked me, "Do you think the market can sustain it going forward?" You're back to, if you build it they will come—to a point. We'll see how that goes. But so far those doing it have been successful with it, and tenants who find it appealing like it; it's a different atmosphere and a different environment.

The second aspect is the exterior amenities: what do those look like in trying to cater to a company's workforce? You have things like outdoor eating areas—barbecue and lunch areas—bocce-ball courts, meeting spaces wired up with large-screen TVs instead of being inside a boardroom. It all comes back to the question of would you use it? Does it have value on a daily basis or is it just a cool thing to have? The proof is in the pudding: Would your company use those things?

Other factors to consider are rent, parking, the layout or design of a space. What you now see is people looking at those types of amenities to put in their buildings, and newer buildings have more flexibility, but renovations will work as well. A putting green, sand volleyball pit or picnic area are just good outlets for your employees, and they separate you from other places.

GlobeSt.com: What are you noticing about completely open layouts giving way to creative offices that offer both private areas for meetings and heads-down work and open space for collaboration?

Saywitz: It gets back to industry type. Across the board, employers like the idea of collaborative space where people could have a meeting or conversation and not be locked into an office or workplace area. It comes down to the layout and functionality of the space. We represent tenants and users of CRE, so we're talking to folks all the time about what they enjoy. Accounting firms typically like to be in private offices because their partners need private offices, but they're also looking at open and collaborative types of areas to have a modern feel. It also saves on construction costs because fewer walls are less expensive. This helps with employee recruitment and retention, too. Bigger firms look at being able to recruit. It depends on the industry, but if you look at businesses that can function in open environment, it works for them. With smaller and mid-sized firms, you get back to the economic issue: trying to find space that's economically affordable in a market where rents are going up means you're looking for space that requires less to do to it.

GlobeSt.com: What are you noticing in the Orange County office market in particular about the type of office space tenants are seeking and the amenities they most want?

Saywitz: In terms of amenities, you get back to food, food carts, a sundry shop or flower shop or those types of things so you don't have to leave the complex and go drive—especially for larger firms. Employees don't want to kill time on their lunch hour being out of the office running errands. In the newer complexes, they can build in some type of **retail** component to service tenants in the building or hire outside vendor services.

The new project Boardwalk on Jamboree and Michelsen is near retail centers; there are some building services, but there's no need to drive, so that's the whole big pitch: you have an open area, and you don't have to get in your car. There's a 12-story office building in San Diego with no building amenities, but they built a gym in the parking structure; that's an amenity that's also a one-time expense, so it's economical. Also, they have a permanent food cart in front of the

property; there's no room inside the building for food amenities, so they got a good-sized food cart that has a portable piece to it so you really could get a full meal without having to get in your car.

You've got to what you can. As an owner, there's a balancing act between putting in amenities to capitalize on rent and keeping tenants happy so they don't go someplace else. While amenities are a benefit, you also have the economics. As the market gets tighter, landlords don't want to give concessions, so amenities are a plus.