

Headquarters Real Estate Update

August 22, 2022

Current Headquarters Lease Highlights

- Actual rentable square footage of 172,680 based on BOMA standard
- Current lease rate is \$2.14 per square foot, which increases annually on February 1st
 - Current annual lease cost is \$4.7 million
 - Cost for remainder of lease term is \$34 million
- Lease matures January 31, 2029
- OCTA has the right to terminate the lease at a cost, which became available on January 31, 2021
 - Termination date must be 12 months after notice of termination is delivered
 - Termination amount is currently \$6.2M and decreases by ~ \$1M each year
- UBS Building Complex was recently sold to Lincoln Properties

BOMA – Building Owners and Managers Association International

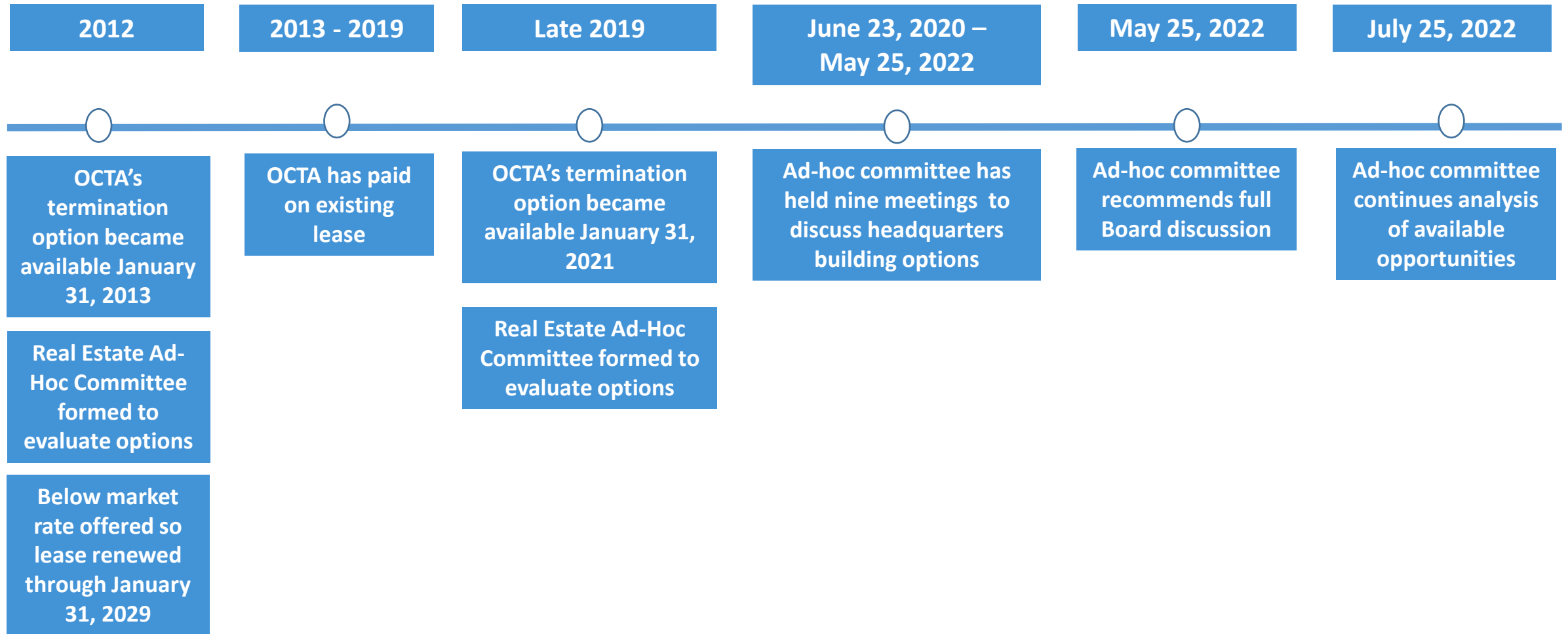
OCTA – Orange County Transportation Authority

UBS – Union Bank Square

Why Discuss This Now?

- On February 1, 2021, OCTA entered the period in which it has a right to terminate its lease
- OCTA currently has several options it may consider for a headquarters location
- Moving to a new location could take up to 5 years
 - Current lease expires in 6.5 years

Headquarters and Ad-Hoc Committee Background



*Board – Board of Directors

Real Estate Ad-Hoc Committee Members

June 23, 2020,
Sep 1, 2020
& Jan 14, 2021
Meetings

Steve Jones
Mike Hennessey
Tim Shaw
Richard Murphy

Jun 10, 2021,
July 26, 2021,
Oct 14, 2021,
& Dec 6, 2021
Meetings

Steve Jones
Mike Hennessey
Tim Shaw
Brian Goodell

Feb 11, 2022,
May 25, 2022
July 25, 2022
Meetings

Steve Jones
Mike Hennessey
Mark Murphy
Brian Goodell

Next Step

- Discuss potential OCTA Headquarters options in Closed Session