



LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION



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News Release

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LAEDC Business Expansion Report Reveals Signs of Economic Recovery in Southern California Five-County Region

International trade and professional business services set the expansion pace in 2009

Los Angeles— Major business expansions jumped more than 10 percent in the L.A. five-county region, according to a new report released today by the Los Angeles County Economic Development Corporation (LAEDC). A "major business expansion" is defined as a new lease or expansion of at least \$1 million in value or of 20,000 square feet or more.

"This is welcome news," said LAEDC Chief Economist and co-author Nancy D. Sidhu, Ph.D. "Activity had been declining since 2004 when 348 major expansion projects were recorded. The total square footage recorded in 2009 was 21.5 million, up by 4.6 million square feet from 2008. Activity varied across the region and largely reflected the disparity of the economic situations in the five counties, with some areas posting sizable gains while others continued to languish."

Orange County enjoyed a considerable boost in leasing activity. Major projects there used more than six million square feet of space in 2009 in contrast to just 2.2 million square feet in the prior year. Similarly, expansion projects in San Bernardino County totaled more than five million square feet compared with 2.2 million in 2008. Riverside County's major expansions totaled more than 4.3 million square feet, an increase of 180,776 square feet over 2008.

On the downside, Los Angeles County's major expansions came in at only about 5.7 million square feet during 2009, a drop of 1.9 million square feet from 2008. Ventura County's total square footage fell by nearly 600,000 square feet to just 145,855 square feet during 2009.

"There is some light at the end of the recovery tunnel with Orange County and San

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