

Done deal: Google has leased the massive Spruce Goose hangar in Playa Vista

Lease for 319K sf hangar on Hercules campus recently closed: sources

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By [Hannah Miet](#)

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Google CEO Sundar Pichai and the Spruce Goose hangar on the Hercules campus while it was under renovation (credit: Matt Construction)

In 2014, Google spent almost \$120 million on 12 acres of land adjacent to the “Spruce Goose” hangar in Playa Vista, where Howard Hughes built his famous airplane.

Now, the tech giant has fully leased the hangar itself, *The Real Deal* has exclusively learned.

Sources with knowledge of the transaction told *The Real Deal* that Google and landlord Ratkovich Company recently closed a lease deal for the 319,000-square-foot hangar at 5865 South Campus Center Drive. It was built in 1943 for aircraft assembly and has more recently been used for soundstages, set design and various elements of production. The hangar sits on the Hercules Campus, owned by Ratkovich and partner Invesco.

Jeff Pion, Deron White and Michelle Esquivel-Hall of [CBRE](#) are listed as the leasing brokers on the Hercules website, but could not be reached for comment.

The L.A. Times reported in 2014 that Google was interested in leasing the hangar as an expansion of its Los Angeles offices, but the talks did not reach a close until last week, sources said.

Google, Ratkovich and Invesco could not be reached for comment.

The terms of the lease, and Google’s move-in date, are not known. It is also unknown what Google will do with the adjacent land it acquired from [Lincoln Property Company](#), which is zoned for almost 900,000 square feet of office space. Back when it first bought the land, Google told the L.A. Times that the firm had no immediate plans to develop it.

The Spruce Goose office will greatly increase Google’s footprint in L.A. It already leases 100,000 square feet across three buildings in Venice, including the 69,000-square-foot Binoculars Building, designed by [Frank Gehry](#).

It also has a 41,000-square-foot YouTube production facility in Playa Vista.

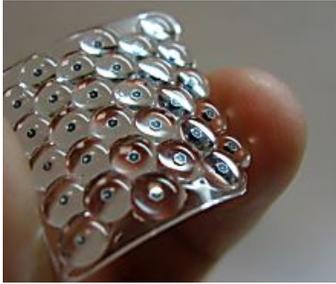
Google's land grab in Playa was a catalyst for other tech firms. *The Real Deal* reported earlier this year that [Facebook signed a lease for 35,000 square feet](#) at Playa Jefferson. Facebook recently exercised an option to take additional space, and now has a 50,000 square foot footprint on the campus at 12777 West Jefferson Boulevard, sources said.

Rents in the Playa Vista submarket have been rising. They averaged \$53.52 a square foot a year, or \$4.46 a square foot a month, in the first quarter of the year, according to a [report by Savills Studley](#). Rents increased from the previous quarter's rate of \$50.32 a square foot a year, as well as from last year's rate of \$43.08.

Invesco bought Runway Playa Vista, a mixed-use development that serves as the submarket's 14-acre downtown for \$475 million in the first quarter of 2016. *The Real Deal* previously reported that the [\\$34 million-an-acre price tag](#) is expected to drive up values across the submarket.

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