

PILLARS OF RESPONSIBLE PROPERTY INVESTING

Sustainability Profile

Park Place

Property name: Park Place

Location: Irvine, CA

Building detail:

OFFICE

3337-3355 Michelson

("The Campus Buildings"):

1,630,522 SF

Built: 1974, Renovated: 2012

3333 Michelson

("Landmark Tower"):

241,660 SF

Built: 1976 Renovated: 2012

3121 Michelson:

149,112 SF

Built: 2003, Renovated: 2014

RETAIL

3021 Michelson:

46,762 SF

Built: 2013

2957-3041 Michelson:

106,009 SF

Built: 1994, Renovated: 2012

Acquired: 2015

Property manager: LBA



Property Overview

The Park Place mixed-use campus in Irvine, CA consists of office, residential, retail, and hotel properties. In 2015, Principal, along with joint venture partner and property manager LBA, purchased 12 assets in the park: nine office buildings, two retail properties, and a 3.0-acre land parcel.

LBA has worked hard to continuously identify creative sustainability solutions, with the goal of ultimately making the property carbon neutral. Significant upgrades have improved the property's energy efficiency and tenant health and comfort.

Improving Sustainability

Lighting Retrofit

In the Campus Buildings and Landmark Tower, over 23,000 compact fluorescent lights were replaced with LED lighting, reducing CO2 emissions by 803 metric tons (1.8M lbs) and saving over 1,100,000 kWh annually. The project cost \$446k, but was offset by a \$262k rebate from the energy provider (SCE). With annual savings projected to be \$142k, the payback period will be less than two years.

In common areas, 415 light fixtures were replaced with LED light fixtures that were repurposed from vacant suites and a white box project. On top of the cost savings due to repurposing fixtures, the LED fixtures save \$12k per year.

Fluorescent lighting was also replaced with LEDs in two parking structures and the transformer room, saving an estimated 312,000 kWh and \$67k per year.

Energy Efficiency

At installation, Park Place was home to the west coast's largest indoor battery storage system. The system uses artificial intelligence-driven energy storage to store energy when demand is low for the property's use at peak times. This reduces the property's impact on the grid and saves costs by limiting grid energy usage during peak times. Cumulative savings associated with the system have totaled over \$351k (2021-2024). With the success of the system, the property has received the Smart Energy Decisions Award for the largest indoor battery storage system and the 2018 Energy Manager Today Project of the Year Award.

The Park Place team continuously identifies and implements energy efficiency projects. Team members are incentivized to participate in an energy "Treasure Hunt", which rewards participants for identifying opportunities for energy saving projects throughout the property. In addition, night walks are performed annually by the engineering and property management teams.

Other energy efficiency projects at the property include the installation of variable frequency drives (VFDs), roof replacement, and negotiating a direct energy contract. The VFDs were installed on the main supply and return fans to more efficiently manage the energy used to air condition the buildings. This has resulted in 180,000 kWh of annual energy savings and nearly \$22k in annual cost savings. The roof replacements on 3349 and 3351 Michelson used Sika Sarnafil, a PVC roofing

replacement system that is estimated to reduce energy needs by 112,000 kWh annually. By renegotiating the Direct Energy contract in 2025, Park Place will save an estimated \$1.4 million annually and 100% of the property's energy is from National Green-e Certified renewable energy credits.

Electric Vehicles

Property teams including engineers, security, and management use electric GEM cars to get around the 105-acre campus efficiently and with a lower environmental impact than conventional vehicles.

For tenant, visitor, and employee electric vehicles, there are 49 Chargepoint charging stations and 12 Tesla super charging stations located in the four parking structures. The Tesla charging stations are very popular, as Tesla owners can charge their vehicles in less than 90 minutes. Tesla paid for 100% of the installation cost and has agreed to cover all associated utility expenses during the term of the agreement.

Water

To reduce the property's water usage, all manual faucets, toilets, and soap dispensers have been replaced with touchless technology. Further, filters were installed on the cooling towers to reduce chiller tube water deposits, saving over 330k gallons of water and \$52k annually. In 2023, Park Place upgraded all campus irrigation controllers to Weather Trak PRO3 OXR Smart Controls. These controllers can be managed via smartphones, providing real-time alerts to staff about any issues, enabling quick responses to prevent water waste. They adjust for precipitation and topography conditions and have a useful life of over 15 years. The system is estimated to save \$58k annually, conserving over 10 million gallons of water.

Waste Management/Recycling

Many recycling programs have been implemented on the Park Place campus. On an ongoing basis, the property has a battery and toner recycling station and an organics recycling program for the campus restaurants and Public Market Café. Fruit, vegetables, rice, beans, pasta, bakery items, coffee and tea filters, meats, dairy and egg products are able to be recycled totalling over 1,000 lbs of compost collected in 2024. The organic recycling collected is used for animal feed or composted into a soil amendment.

Further, Park Place hosts weekly e-cycle events, collecting thousands of pounds of e-waste annually.

Tenant Engagement

The success of Park Place's many sustainability initiatives can be attributed to the property management team and their consistent tenant engagement practices. LBA shares posts via social media for all Park Place tenants, featuring sustainability tips for the office and home. Monthly "Save the Kilowatt" posts also give helpful tips on ways everyone can save energy, and ENERGY STAR educational information is published in lobby directories and elevator screens for real-time tips and feedback.

Building certifications and achievements are prominently displayed in building entrances and marketing materials. These show the property's commitment to sustainable operations on a building level through certifications including LEED, ENERGY STAR, Fitwel, UL Verified Healthy Building Tier II Mark for Indoor Environment, and more.

Health & Wellness

Health and wellness are a high priority for the Park Place team. On a daily basis, tenants benefit from a variety of health and wellness amenities including onsite dining with healthy options; access to running, hiking, and biking trails; outdoor and community gathering spaces; an on-site fitness center; and natural light via floor-to-ceiling windows.

To ensure best practices are being utilized and to give tenants peace of mind, the team engaged Healthy Buildings to pursue Fitwel certification at Park Place. This certification provides third-party validation of the benefits that a healthy workplace offers to customers, including reduction of healthcare cost, increased productivity, and more.

Park Place is one of the first properties in the U.S. to achieve the UL Verified Healthy Building Mark for Indoor Environment. To show our commitment to providing a healthier work environment for our valued customers, the team partnered with Underwriter's Laboratories, the global independent safety company, to ensure that the property meets the highest level of standards in performance and building protocols in indoor air and water quality. To earn the UL Verification Mark, the buildings must undergo a rigorous, science-based assessment that entails visual on-site inspections and comprehensive performance tests that evaluate a range of building conditions. To maintain verification, UL conducts on-site inspections twice a year to ensure excellent indoor environmental quality performance.

KEY FACTS, AWARDS, AND RECOGNITION

3333-3355 Michelson

- LEED Existing Buildings: Operations and Maintenance (EBOM) Gold Certified¹
- Fitwel certified¹
- BOMA360 certified¹
- Participated in the ENERGY STAR Tenant Space pilot program and received ENERGY STAR Charter Tenant Space recognition for one of the tenant suites
- ENERGY STAR certified; score: 85
- IREM Certified Sustainable Property (CSP) certified¹

3121 Michelson

- LEED Existing Buildings: Operations and Maintenance (EBOM) Gold certified¹
- BOMA360 certified¹
- ENERGY STAR certified; score: 95
- SPIRE Smart Building certified
- Fitwel Certified¹
- IREM Certified Sustainable Property (CSP) certified¹

PORTFOLIO

- UL's Verified Healthy Building Mark for Indoor Environment
- Participating in DOE Better Building Low Carbon pilot
- Cornerstone Award Returning Champion

¹In order to receive a certification, a fee was paid to LEED, IREM, Fitwel, and BOMA to be evaluated and for rights to use the certification.



About PRPI: The Pillars of Responsible Property Investing (PRPI) initiative is a unique sustainable investment platform developed to drive asset management and fiduciary governance. For more information on how PRPI is delivering positive financial and environmental results for Principal Real Estate, please visit <https://www.principalam.com/us/investment-strategies/real-estate/responsible-property-investing>

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