



UCI  
GRADUATE  
SCHOOL OF  
MANAGEMENT

Marcus & Millichap

Corporate Real Estate Services

**1993  
CORPORATE  
REAL ESTATE  
SURVEY**

*by*

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There has been a considerable amount of interest, discussion and analysis over the past few years concerning the dynamic relationship among the vicissitudes of a shifting economy, issues of corporate restructuring, and changes in the nature of work and in the design of the workplace. This dynamic has, in turn, been interpreted by firms and corporations and translated into decisions about the appropriate location, amount and configuration of workspace necessary to remain competitive in the emerging business world of the Nineties.

Recently, 219 Orange County companies completed a survey designed to help us understand how these issues are being addressed in this market. The 1993 Corporate Real Estate Survey<sup>1</sup> endeavors to ascertain how Orange County companies

- perceive their short and mid-term fortunes,
- plan for real estate assets and facilities, and
- decide about real estate issues.

In the analysis of survey findings, respondent firms were categorized by industry and by size.<sup>2</sup> We determined that this might yield more precision in our analysis and give more meaning to our findings. Thus, not only can we draw an overall Orange County corporate real estate picture, but we can also evaluate similarities and differences by industry group and by firm size.

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<sup>1</sup>See Appendix A for the questionnaire used.

<sup>2</sup>See Appendix B.

**◆ GOVERNMENTAL AND SOCIOECONOMIC ASPECTS  
OF THE ORANGE COUNTY BUSINESS CLIMATE**

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Whether the outlook is short-term (18-24 months) or long-term (5 years), Orange County companies are optimistic about the future. However, only 66% feel positive in the short run, while an impressive 91% see light at the end of the tunnel five years from now.

Smaller firms are more optimistic in both the short-run (72%) and over the longer term (94%) than large firms, 64% and 83%, respectively.

Medical, Health Care and Computing/Electronics companies are more positive in the short-term while Law and Accounting firms join Medical companies among the industries with very high long-term positive perspectives. Even Manufacturing, with the lowest positive long-term perspective, scores a 79% with only 9% negative.

**Table 1a  
SHORT- AND LONG-TERM BUSINESS OUTLOOKS BY SIZE OF FIRM**

| By Firm Size<br>Focus | Outlook         |           |                  |           |                 |           |
|-----------------------|-----------------|-----------|------------------|-----------|-----------------|-----------|
|                       | % POSITIVE over |           | % NO CHANGE over |           | % NEGATIVE over |           |
|                       | Short-term      | Long-term | Short-term       | Long-term | Short-term      | Long-term |
| <b>Small</b>          |                 |           |                  |           |                 |           |
| Firm                  | 72              | 94        | 18               | 1         | 10              | 5         |
| Industry              | 51              | 83        | 31               | 7         | 18              | 10        |
| <b>Medium</b>         |                 |           |                  |           |                 |           |
| Firm                  | 62              | 90        | 28               | 6         | 10              | 4         |
| Industry              | 46              | 77        | 30               | 10        | 24              | 13        |
| <b>Large</b>          |                 |           |                  |           |                 |           |
| Firm                  | 64              | 83        | 24               | 12        | 12              | 5         |
| Industry              | 54              | 70        | 34               | 15        | 12              | 15        |
| <b>TOTALS</b>         |                 |           |                  |           |                 |           |
| Firm                  | 66              | 91        | 24               | 5         | 10              | 4         |
| Industry              | 49              | 78        | 31               | 10        | 20              | 12        |

