



COMMERCIAL REAL ESTATE

# OUT OF SPACE

Image: alvarez

Thousand Oaks is facing low lab supply in its high-demand biotech sector

Los Angeles lacks enough supply to meet expanding demand for biotech space.

ALVAREZ VIA GETTY IMAGES



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*This is part two of L.A. Business First's two-part deep dive into Thousand Oaks' biotech industry. [Part one](#) explored the foundation of the sector and the success of companies grounded in the market.*

In Los Angeles' thriving life-science cluster in Thousand Oaks, Amgen's decades-long presence and a biotech-friendly city have fostered talent and startup growth.

But lab space isn't keeping up.

While life-science hubs San Francisco and Boston markets have seen a lot of development over the last two or three years, lab space in Thousand Oaks isn't coming online at a matching rate, Patrick Church, managing director at [JLL](#), told L.A. Business First.

A recent lab space report from JLL shows that demand for lab space has grown across the entirety of the U.S. since the fall of 2023, up 6.3% in the first quarter of 2024. However, most of this uptick in demand is concentrated in the top three markets: Boston, the Bay Area and San Diego.

Meanwhile, Los Angeles lacks enough supply to meet expanding demand for biotech space. Since JLL began tracking L.A. in early 2023, there has generally been 2.5 times more demand circulating the market than available space, per the report.

Los Angeles and Orange County contain approximately 8.4 million square feet of lab inventory, the ninth-highest of the 16 markets reviewed in [Cushman & Wakefield's February 2024 Life Sciences Update](#).

Church said JLL is working with a number of companies in and around Thousand Oaks, including a handful that moved to the area from L.A.'s Westside, [which is also facing supply constraints](#).

To supplement low supply in Thousand Oaks, several major developments are in the works. Last year, Pasadena-based Alexandria Real Estate Equities, which already owns four biotech lab buildings in Thousand Oaks, received approvals for a 350,000-square-foot biotech campus on a former Amgen property that has been vacant since 2017. San Diego County-based developer Cruzan has a 120,000-square-foot industrial biotech building under construction in the city, with delivery expected by the end of the year, [according to the developer's website](#) and Thousand Oaks Economic Development Manager Haider Alawami.

Alawami told L.A. Business First via email that San Francisco-based Graymark Capital acquired a 99,000-square-foot office building in Thousand Oaks with plans to convert it into biotech lab space, and Los Angeles-based Shapell Properties submitted plans for Conejo Summit, a 750,000-square-foot business park in Thousand Oaks.

Still, until those projects open their labs, Church said Thousand Oaks' lack of vacant lab space is an issue for companies interested in relocating to the city.

"You've got a couple pockets here and there of space, but if we've got larger-sized tenants and it's tough to find them the right space, some of our clients don't necessarily have a year or two to wait for space to be built. They need space today," Church said.

## **Looking beyond Thousand Oaks for lab space**

Beyond Thousand Oaks and the Conejo Valley, the biotech industry is proliferating farther into Ventura County.

Church and Dan Gober, executive director of Biocom California in L.A., both named Camarillo, a 13-mile drive up the 101 freeway from Thousand Oaks, as the next potential life-science hot spot. Already home to biotech firms ImmPact Bio, Hygiena and REMD Biotherapeutics, Camarillo could become to Thousand Oaks what Playa Vista is to Santa Monica, forming a cluster comparable to Silicon Beach.

Church said Ventura County city officials are pushing to continue the expansion of life sciences past Thousand Oaks to Camarillo, Oxnard and

Ventura. Gober went as far as mentioning Santa Barbara as an area to keep an eye on for biotech growth, thanks to talent at the [University of California](#), Santa Barbara.

“I think the next few years will tell us whether or not Camarillo, Santa Barbara and Ventura start to link together as well,” Gober said. “There's an incubator up at UCSB that I think has very good promise. The city of Camarillo is also positioning itself to be a life science-friendly community.”

Whether or not the life-science industry takes hold in Ventura County, Thousand Oaks is digging in its heels as a hub.

“It's a little different than some of the other clusters that we see, and I think that's good,” Gober said of the market. “It gives us good options for people to think about in the Greater L.A. area.”

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