

Sunset Pier 94 Purpose-Built Studio Development

August 2023



Off-market joint venture to own, develop and manage Sunset Pier 94 Studios, delivering Manhattan's first purpose-built studio and expanding Sunset Studios' brand and operating platform into another key global media market

Purpose-Built	Construction Ready	Partner Expertise
Total Sq Ft: 232,000[1] Sound Stages: 6 Support Space Sq Ft: 60,000 Production Office Sq Ft: 85,000	Est. Construction Start: 3Q23 Est. Delivery: 4Q25 Est. Stabilization: 3Q26	VNO (49.9% ownership) HPP (25.6% ownership) BX (24.5% ownership)
Leasing Momentum	**Minimal Capital Outlay[2]**	**Attractive Returns[2]**
Interest from leading production companies in multi-year, full-studio or multi-stage leases	HPP Capital Spent Through Closing: $13M HPP Est. Capital Requirement (Fully Funded): $39M	HPP Est. Stabilized Yield: ~9%

Note: See appendix for definitions of commonly used terms. (1) Reflects management's estimate of leasable square footage excluding parking. (2) Reflects HPP's Share of Capital Spent Through Closing, Est. Capital Requirement and Est. Stabilized Yield based on 25.6% ownership. See slide 8 for additional details.

New York: A Global Epicenter for Content Creation

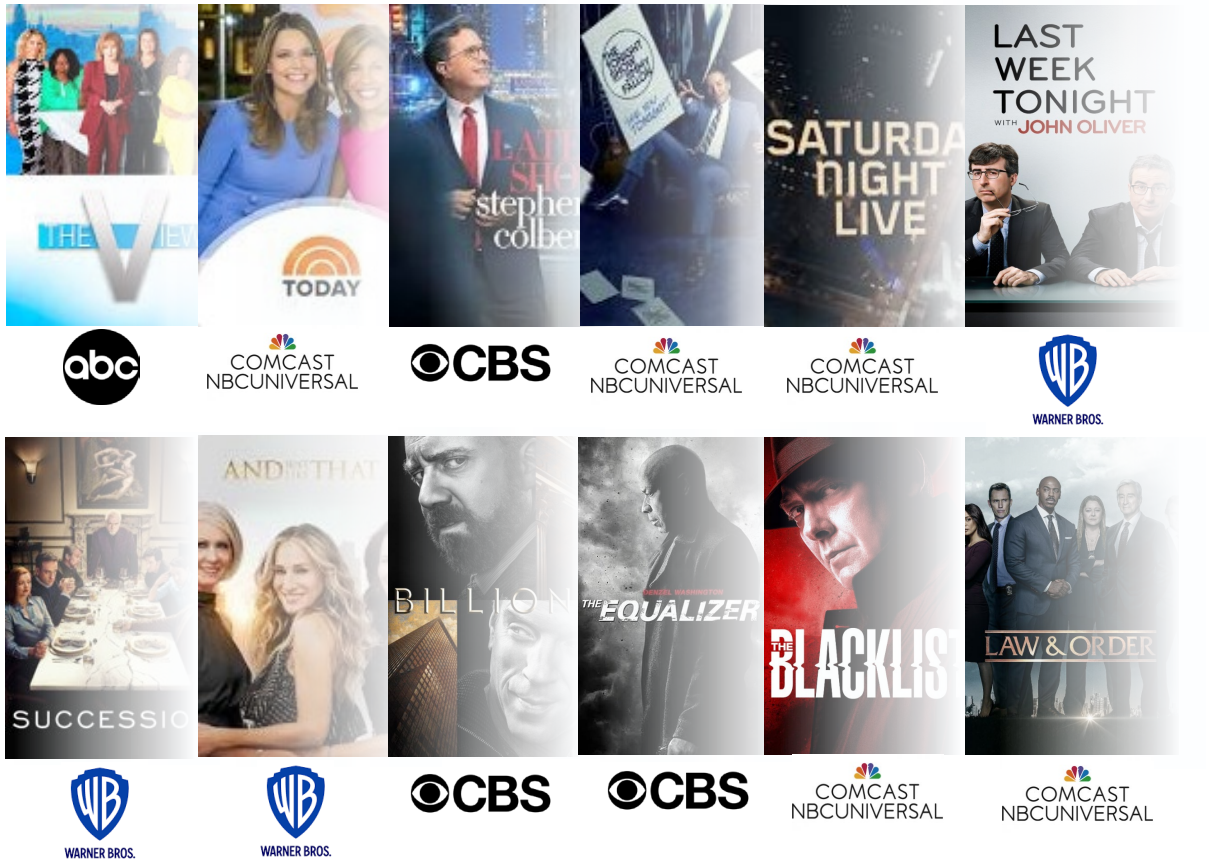
New York is second only to Los Angeles in productions and related jobs and wages with the highest concentration of behind camera talent residing in Manhattan

57K+
Jobs Supported Annually by NY State's Film Tax Credits

#2
in U.S. for Production Jobs, Wages and # Productions

$12B+
Wages in NY State Directly Attributable to Film & TV Industry

Sample NYC Recent Filming



Sources: Empire State Development, June 2023; CBRE Research, June 2023.

NY Film Tax Credit to Increase Draw for Productions

Tax credits are a key determinant of production location—New York's program has been in place since 2004 and was expanded and extended in May 2023

	Previous[1]		Current[1]
Tax Credit on Total Spend	25%	→	**30%**
Program Annual Cap	$420M	→	**$700M**
Above-The-Line Expenses	Excluded	→	**Up to $500K / Individual**
Program Expiration	2025	→	**2034**

70%
Increase in State Tax Incentive Package[2]

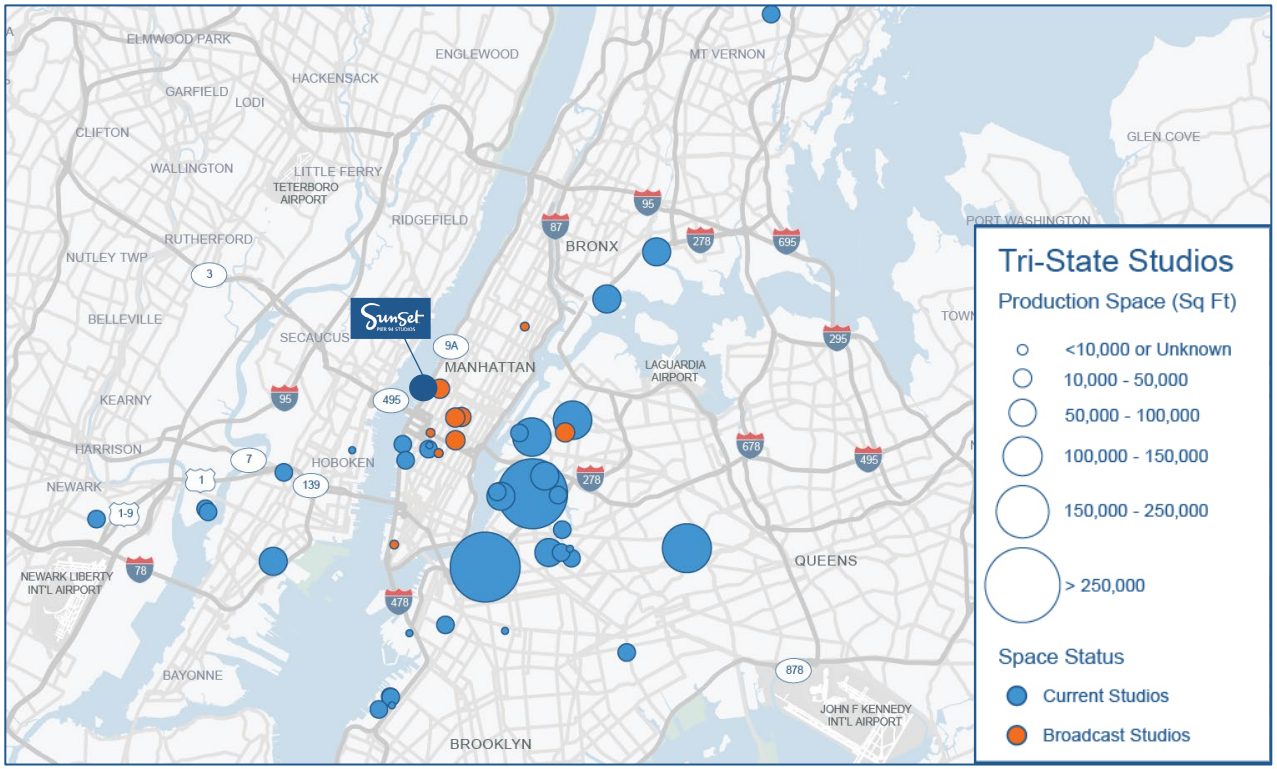
225
Productions Received Incentives in 2022[2]



(1) Empire State Development, June 2023. (2) CBRE Research, June 2023.

Lack of Comparable Stage Supply for Local Production

Sunset Pier 94 will be the first purpose-built studio in Manhattan—optimally designed with 10,000+ sq ft stages adjacent to growing major media companies in Manhattan



No Existing Purpose-Built Stages

Existing Manhattan Stage Supply					
	Purpose Built	Industrial	Office	Other	**Total**
# Stages	-	7	35	9	**51**
Avg. Sq Ft	-	3.7K	3.3K	7K	**4K**

Only ~4K Sq Ft Avg. Stage Size

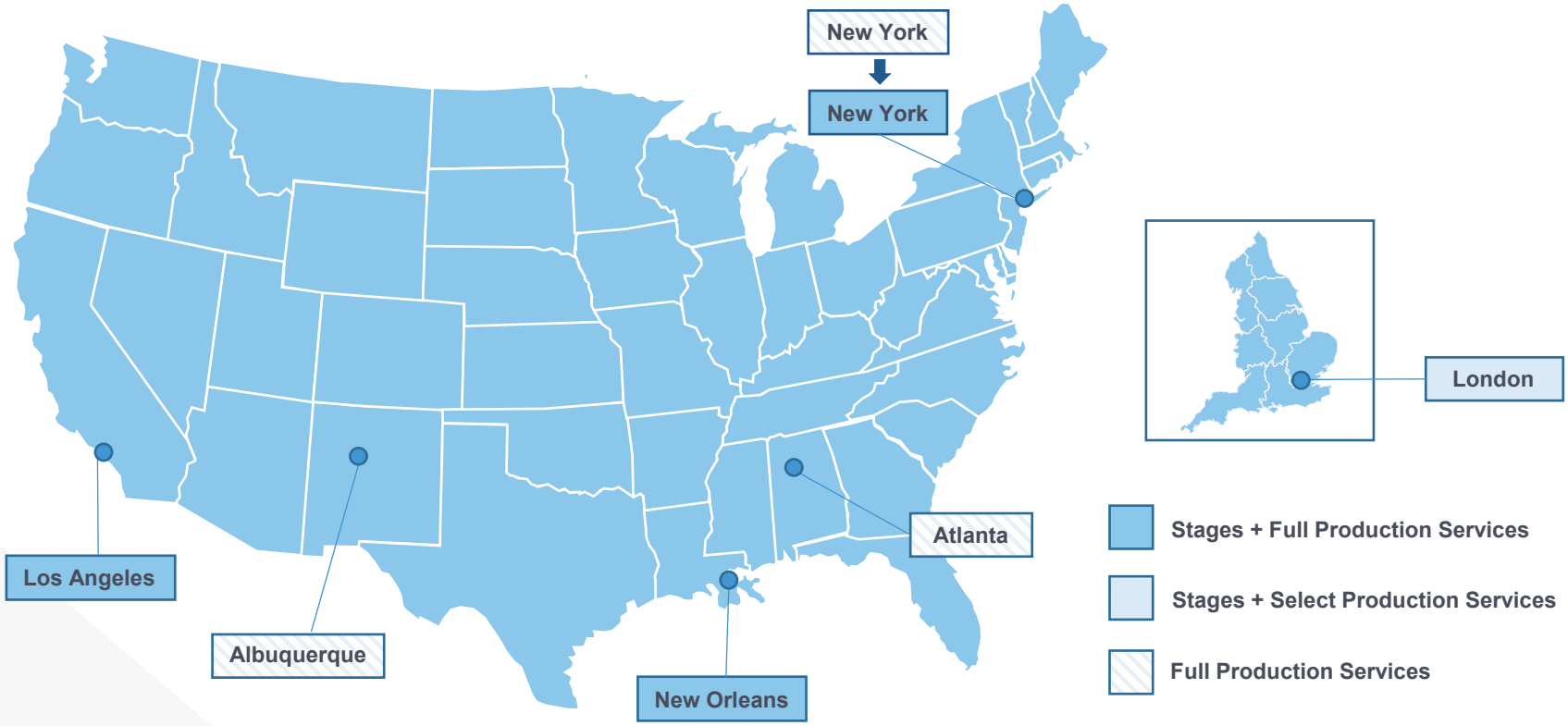
Sunset PIER 94 STUDIOS
6 Purpose-Built Stages / Avg. 14.2K Sq Ft

(1) Source: CBRE, June 2023. Production space square footage reflects stage square footage.

Increased Capture of NY Media Market

Sunset Pier 94 scales HPP's existing New York production services business to provide a full-service offering and opportunity to capture a greater share of local production spend

Global Studio & Production Services Footprint[1]



(1) Includes facilities and stages that are existing, under construction and potential future development.

Building Upon Existing HPP/BX Studio Partnership

Hudson Pacific

+ Expert studio investor, developer, operator
+ Strategic industry & client relationships
+ Broader studio platform efficiencies & synergies

Blackstone

+ Existing studio joint venture partner
+ Strategic & industry relationships
+ Leading institutional real estate investor

Vornado

+ Existing lessee on Pier 94 ground lease
+ Local sharpshooter with development & operating expertise
+ 60-year track record



Small Capital Requirement with Fee-Enhanced Returns

For HPP, Sunset Pier 94 represents a minimal capital outlay with strong asset-level returns further enhanced through development and management fees

Sunset Pier 94 Project-Level & HPP's Share Returns	
Est. Project Costs (Unlevered)[1]	$316.0M
Est. Stabilized NOI	$25.0M
Est. Stabilized Yield	**7.9%**
HPP's Share Est. Project Costs (Unlevered)[2]	$77.3M
HPP's Share Est. Stabilized NOI[3]	$6.9M
HPP's Share Est. Stabilized Yield	**8.9%**
HPP's Share Est. Capital Requirement[4]	**$38.5M**

Note: See appendix for definitions of commonly used terms. Project-level and HPP's Share returns based on management current estimates. There can be no assurance that actual results will not differ materially from estimates. (1) Excludes capitalized operating costs (such as ground lease expense), capitalized interest / financing costs, and legal fees related to joint venture formation. (2) Includes HPP's legal fees related to joint venture formation and shown net of HPP's Share of development fee, estimated at $5.0 million. (3) Includes HPP's Share of management fee, estimated at $0.5 million per annum. (4) Reflects HPP's fully funded capital requirement calculated as HPP's Share of Estimated Projects Costs (Unlevered) plus HPP's Share of capitalized operating and financing costs, less HPP's Share of $183.2 million construction loan.

Optimized Design, Enhanced Marketability

HPP leveraged its studio expertise to design a premier facility that addresses content creators' needs and preferences including streamlined production and sustainability

Design Highlights

+ 6 highly flexible sound stages with 36 ft clear heights
+ Support spaces with 10,000 sq ft mill
+ State-of-the-art control rooms
+ Virtual production adaptability, high-speed & fiber connectivity
+ Production office suites with Hudson River views
+ Optimized circulation and 105 below grade parking spaces



Sustainability Highlights

+ LEED Gold certification target
+ Energy Star & Fitwel certification targets
+ 100% carbon neutral operations
+ Zero waste goal (diverting 90% minimum waste from landfill)
+ Clean energy (rooftop solar, all-electric/fossil fuel-free heating)
+ Energy & water efficient design with focus on indoor air quality

U.S. GREEN BUILDING COUNCIL LEED USGBC

energy ENERGY STAR

fitwel

Building Operations 100% CARBON NEUTRAL

Site Plan

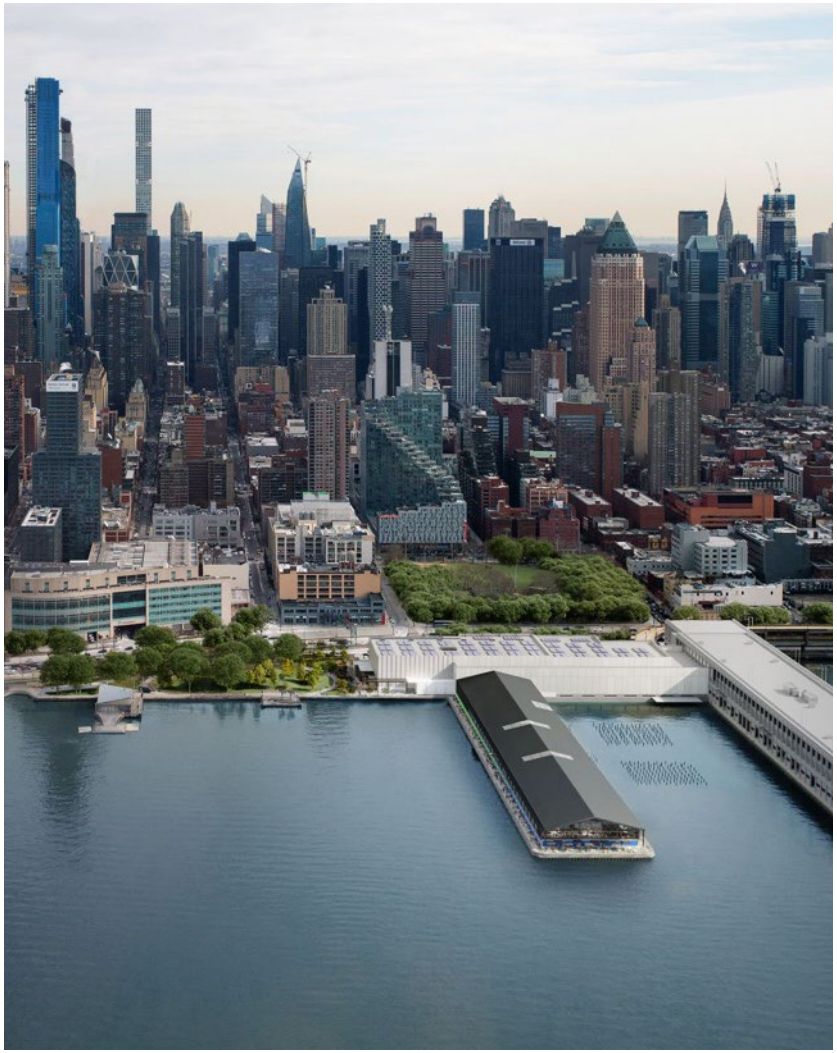


Note: Plan is illustrative and actual site may vary.

Exterior Renderings







Note: Images are renderings and actual appearance may vary.

Interior Renderings







Note: Images are renderings and actual appearance may vary.

Appendix – Definitions

Estimated Project Costs: Estimated project costs exclude interest costs capitalized in accordance with ASC 835-20-50-1, personnel costs capitalized in accordance with ASC 970-360-25 and operating expenses capitalized in accordance with ASC 970-340.

Estimated Stabilized Yield: Calculated as the quotient of estimated NOI and our investment in a property once project stabilizes and initial rental concessions, if any, have elapsed, excluding the impact of leverage. Cash rents related to development and redevelopment projects are expected to increase over time and average cash yields are expected to be greater than estimated initial stabilized yields. Our estimates for cash yields and total costs at completion represent our current estimates, which may be updated upon project completion or sooner, if there are significant changes to expected yields or costs. We caution against placing undue reliance on the estimated stabilized yields which are based solely on our estimates, using data available to us during the development process. The amount of total investment required to reach stabilized occupancy may differ substantially from our estimates due to various factors. We can provide no assurance that the actual stabilized yields will be consistent with the estimated stabilized yields set forth herein.

HPP's Share: Non-GAAP financial measures calculated as the measure on a consolidated basis, in accordance with GAAP, plus our Operating Partnership's share of the measure from our unconsolidated joint ventures (calculated based upon the Operating Partnership's percentage ownership interest), minus our partners' share of the measure from our consolidated joint ventures (calculated based upon the partners' percentage ownership interests). We believe that presenting HPP's share of these measures provides useful information to investors regarding the Company's financial condition and/or results of operations because we have several significant joint ventures, and in some cases, we exercise significant influence over, but do not control, the joint venture. In such instances, GAAP requires us to account for the joint venture entity using the equity method of accounting, which we do not consolidate for financial reporting purposes. In other cases, GAAP requires us to consolidate the venture even though our partner(s) own(s) a significant percentage interest.

Net Operating Income ("NOI"): We evaluate performance based upon property NOI from continuing operations. NOI is not a measure of operating results or cash flows from operating activities or cash flows as measured by GAAP and should not be considered an alternative to income from continuing operations, as an indication of our performance, or as an alternative to cash flows as a measure of liquidity, or our ability to make distributions. All companies may not calculate NOI in the same manner. We consider NOI to be a useful performance measure to investors and management because when compared across periods, NOI reflects the revenues and expenses directly associated with owning and operating our properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing a perspective not immediately apparent from income from continuing operations. We calculate NOI as net income (loss) excluding corporate general and administrative expenses, depreciation and amortization, impairments, gains/losses on sales of real estate, interest expense, transaction-related expenses and other non-operating items. We define NOI as operating revenues (rental revenues, other property-related revenue, tenant recoveries and other operating revenues), less property-level operating expenses (external management fees, if any, and property-level general and administrative expenses). NOI on a cash basis is NOI adjusted to exclude the effect of straightline rent and other non-cash adjustments required by GAAP. We believe that NOI on a cash basis is helpful to investors as an additional measure of operating performance because it eliminates straight-line rent and other non-cash adjustments to revenue and expenses.

Operating Partnership: The Company conducts all of its operations through the Operating Partnership, Hudson Pacific Properties, L.P., and serves as its sole general partner. As of June 30, 2023, the Company owned 97.2% of the ownership interest in the Operating Partnership, including unvested restricted units.

Disclaimer

Hudson Pacific Properties, Inc. is referred to herein as the "Company," "Hudson Pacific," "HPP," "we," "us," or "our." This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. You should not rely on forward-looking statements as predictions of future events. Forward-looking statements involve numerous risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ materially from those expressed in any forward-looking statement made by us. These risks and uncertainties include, but are not limited to: adverse economic and real estate developments in the markets where we invest; general economic conditions; decreased rental rates or increased tenant incentives and vacancy rates; defaults on, early terminations of, or non-renewal of leases by tenants; increased interest rates and operating costs; failure to obtain necessary outside financing or maintain an investment grade rating; failure to generate sufficient cash flows to service our outstanding indebtedness and maintain dividend payments; difficulties in identifying properties to acquire and completing acquisitions; risks related to acquisitions generally, including the diversion of management's attention from ongoing business operations and the impact on customers, tenants, lenders, operating results and business; inability to successfully integrate pending and recent acquisitions, realize the anticipated benefits of acquisitions or capitalize on value creation opportunities; failure to successfully operate acquired properties and operations; failure to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended; possible adverse changes in laws and regulations; environmental uncertainties; risks related to joint venture investments, including as a result of our lack of control of such investments; the expected operating performance of certain properties and descriptions relating to these expectations, including without limitation, the estimated stabilized NOI and estimated stabilized yields; the ability to successfully complete development and redevelopment projects on schedule and within budgeted amounts; delays or refusals in obtaining all necessary zoning, land use and other required entitlements, governmental permits and authorizations for our development and redevelopment properties; risks related to adverse weather conditions and natural disasters; lack or insufficient amount of insurance; financial market and foreign currency fluctuations; inability to successfully expand into new markets or submarkets; risks associated with property development; conflicts of interest with our officers; changes in real estate and zoning laws and increases in real property tax rates; and other factors affecting the real estate industry generally. These factors are not exhaustive. For a discussion of important risks related to HPP's business and an investment in its securities, including risks that could cause actual results and events to differ materially from results and events referred to in the forward-looking information, see the discussion under the caption "Risk Factors" in the Company's Annual Report on Form 10-K as well as other risks described in documents we file with the Securities and Exchange Commission, or SEC. You are cautioned that the information contained herein speaks only as of the date hereof and HPP assumes no obligation to update any forward-looking information, whether as a result of new information, future events or otherwise. This document also includes non-GAAP financial measures, which are accompanied by what we consider the most directly comparable financial measures calculated and presented in accordance with GAAP. In addition, quantitative reconciliations of the differences between the most directly comparable GAAP and non-GAAP financial measures presented are also provided within this Supplemental Information. Definitions of these non-GAAP financial measures, along with that of HPP's Share of certain of these measures, can be found in the definitions section of this document.

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