



EXCLUSIVE

Hypersonic aircraft maker grows in LA's high-profile tech corridor

Hermeus leases office space in El Segundo



Hermeus' new offices will be part of Hackman Capital's 888 Campus in El Segundo. (CoStar)

By [Brannon Boswell](#)

CoStar News

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A hypersonic aircraft manufacturer has leased office space in a former U.S. aerospace hub, as rising government spending accelerates growth among military-focused startups.

Atlanta-based aerospace firm Hermeus Corp. signed a lease for the entirety of 204 Hornet Way in El Segundo. The 60,000-square-foot office building is part of the 888 Campus owned by Hackman Capital Partners.

Hermeus was founded in November 2018 to develop passenger aircraft that can fly faster than the speed of sound, making the trip from New York to London in 90 minutes rather than seven hours. The firm shifted its focus in 2021 to unmanned hypersonic aircraft, and landed a \$60 million deal with the U.S. Air Force to build such uncrewed planes for military missions, including the transport of time-critical cargo and reconnaissance, according to the firm.

El Segundo has become home to a growing cluster of high-growth aerospace and technology companies, thanks in part to its proximity to the Los Angeles International Airport and its longstanding roster of tenants that include Northrop Grumman, Boeing, Raytheon and the U.S. Air Force Base.

"El Segundo is experiencing significant momentum among 'hard tech' industries including aerospace, clean energy and robotics, making it one of the most dynamic markets in the region," said CBRE Executive Vice President John Ayoob, who represented the landlord in the deal.



Hermeus' Quarterhorse Mk1 unmanned aircraft during its successful test at Edwards Air Force Base near Los Angeles in May. (Hermeus)

The deal is a sign of modest momentum in a market that's stabilizing but still tenant-friendly. Improving vacancies, relatively affordable rents versus nearby Silicon Beach, and repurposed creative campuses are drawing space-conscious firms even as long-term demand remains restrained by hybrid work, according to CoStar data.

Hermeus already has a presence in the area, with a lease for a 10,000-square-foot manufacturing facility at 3401 Jack Northrop Ave in Century Business Center in Hawthorne, California, that ends in July 2027, according to CoStar data.

Tech corridor

The Trump administration has announced plans to increase defense spending in 2027 to \$1.5 trillion, up from \$900 billion in 2026 and \$895 billion in 2025.

Meanwhile, venture funding for U.S.-based defense tech startups hit an all-time high in 2025, reaching roughly \$49.1 billion for the year, according to JPMorgan, exceeding the 2021 peak.

Hermeus and other defense companies are using that increased spending to support real estate expansion.

About 20 miles down the coast in Long Beach, government contracts are fueling the [expansion of Anduril Industries](#).

The firm is banking on added government demand for its autonomous fighter jets and submarines with plans for a \$1 billion mixed-use real estate project on property formerly used by Boeing to manufacture aircraft.

Over the past two years alone, more than \$750 million in U.S. Department of Defense funding has poured into space and aerospace companies in Long Beach, according to city officials.

Creative office campuses

El Segundo isn't solely relying on its strong aerospace roots to drive leasing, Ayooob added.

The 888 Campus was built in 1929 as part of a redevelopment of aerospace giant Northrop Grumman's 84-acre office, manufacturing and warehouse complex prior to its acquisition by Hackman Capital Partners in 2016.

Hackman redeveloped the 30-acre site into a four-building office campus and moved in tenants like Beyond Meat, Varda Space Industries and L'Oreal.

Across El Segundo, recent expansions range from [Hyundai opening](#) an 80,000-square-foot design and research facility at 2221 Park Place in the Continental Park complex to Varda Space Industries, a space manufacturing startup backed by \$329 million in venture capital, [growing its footprint](#) by subleasing 54,749 square feet to support its growing R&D and testing operations.

For the record

Andrew Havill with Hughes Marino and Bennett Gottlieb with Capital Real Estate Group represented Hermeus in the transaction.

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[Bennett Gottlieb](#)

President & Founder, Capital Real Estate Group

[Andrew Havill](#)

Senior Vice President, Hughes Marino

[John Ayooob](#)

Executive Vice President, CBRE