

CITY OF SIMI VALLEY

Quarterly Economic Review

Welcome to the Simi Valley Quarterly Review, an economic snapshot of valuable information pertaining to the Simi Valley and Ventura County area. As there is always a delay in the reporting of most economic data, the statistics presented are affiliated with the third quarter (July-September) of 2015.

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Commercial/Industrial Tenant Improvement by Type

Q3, 2015 Type	Square Footage
Restaurant	5,353
Retail	40,307
Office	33,472
Manufacturing/Warehouse	21,717
Total	100,849

Residential Building Permit Activity Q3, 2015



609

City of Simi Valley
Economic Development Division
(805) 583-6701

COMMERCIAL REAL ESTATE

Tenant Improvements/Alterations

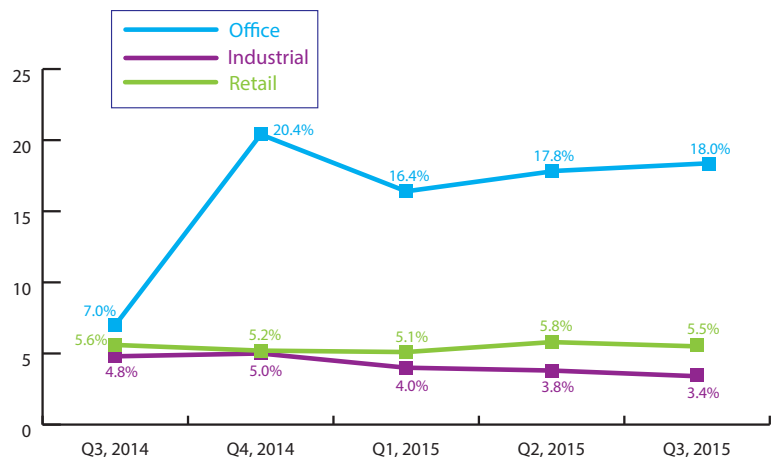
Commercial and Industrial construction outlook remains positive as businesses continue to relocate or expand operations within the City of Simi Valley.

- In Q3, 2015, a total of 95 tenant improvements were performed resulting in 100,849 of remodeled square footage.
- Activity for Q3, 2015 included tenant improvements for Optical Physics, General Research Lab, and Smart and Final.

Vacancy Rates

- Vacancy Rates for Q3, 2015 for both Industrial and Retail decreased when compared to Q2, 2015; of the three, only Office rates increased when compared to Q3, 2014.
- Available rates during Q3, 2015 decreased for both Industrial and Office sectors while Retail rates increased when compared to Q2, 2015; of the three, available rates for both Retail and Office sectors increased when compared to Q3, 2014.
- The five-year average vacancy rate is 6.20% for retail, 6.50% for industrial and 9.00% for office.

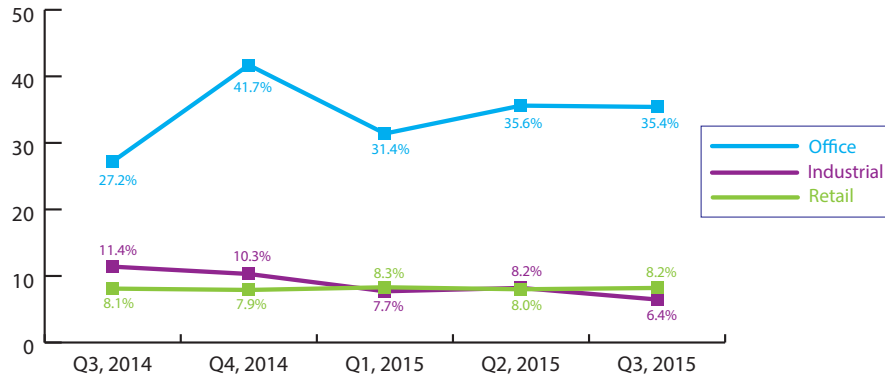
Simi Valley Vacancy Rates



Total Vacancy rates refers to space in existing buildings that are vacant and immediately available for direct labor lease, for sublease or sale.

Available Rates

- The five-year average available rate is 8.60% for retail, 13.20% for industrial, and 23.40% for office.



Source: CoStar Group

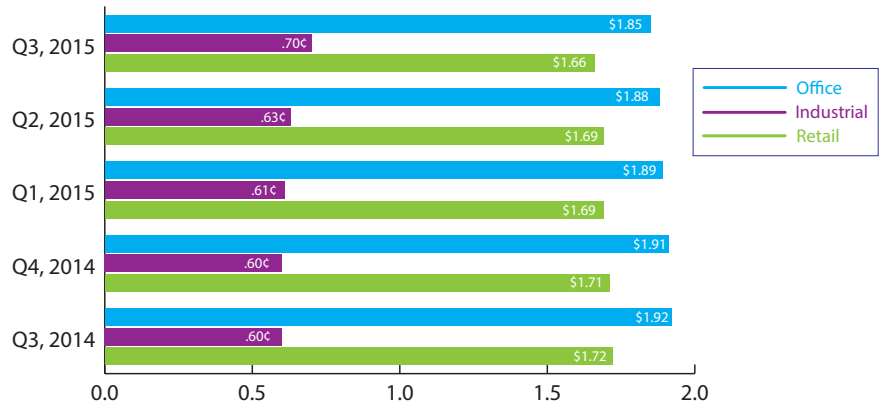
Available Rates refer to all space that is currently marketed for occupancy, includes space which may be currently occupied or which may be under construction or renovation.

Preliminary Q3, 2015 Asking Rents

Type	Asking Rent
Retail	\$1.66 NNN psf
Industrial	\$0.70 NNN psf
Office	\$1.85 Full Service

Source: CoStar Group

Asking Rents Q3, 2015



Source: CoStar Group

RESIDENTIAL REAL ESTATE ACTIVITY

Simi Valley Single Family Home & Condominium Sales Data

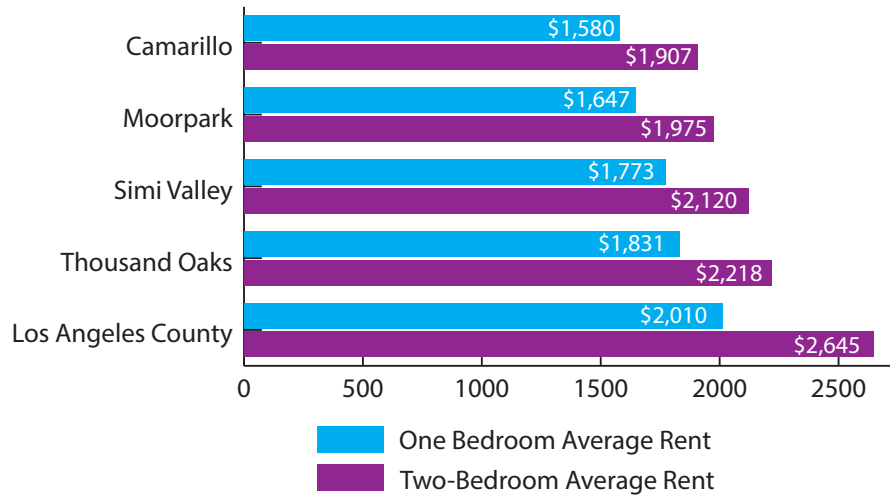
- The median home value has increased to **\$538,000** for the Q3, 2015 period, an increase of **6.53%** from the median home value of \$505,000 for Q3, 2014.
- A total of 367 single-family homes were sold during the Q3, 2015 period, an increase of **13.98%** when compared to home sales of 322 during Q3, 2014.
- The median condominium value increased to **\$366,000** for the Q3, 2015 period, an increase of **20.00%** when compared to the median condominium value of \$305,000 for Q3, 2014.
- A total of 93 condominiums were sold during the Q3, 2015 period, an increase of **38.81%** from 67 condominium sales in Q3, 2014.

Source: Area Market Survey, Local Multiple Listing Service

APARTMENT RENTALS

Average apartment rents for a one and two-bedroom unit in Simi Valley amounted to \$1,773 and \$2,120 respectively for Q3, 2015, and rental rates vary when compared with neighboring communities such as Moorpark, Thousand Oaks, and Camarillo. According to Hendricks-Berkadia Apartment Guide, rent appreciation in Ventura County slowed but remained healthy at a 6.1% increase to \$1,890 per month during the recent 12-month period.

Asking Rents, Q3, 2015



Source: RentJungle.com, Findthedata.com, Apartmentupdate.com

FILM PERMITS AND PERCENTAGE OF FILMING DAYS

The City of Simi Valley encourages filming projects within the City and recognizes the economic benefits it provides to our community.

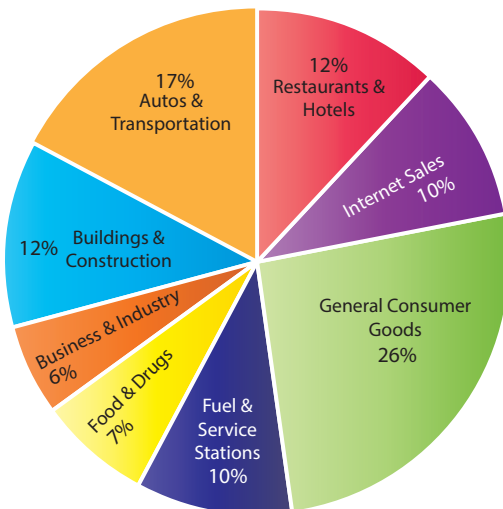
- In Q3, 2015, 18 film permits were issued, an increase from the 15 permits issued in Q3, 2014.
- The 18 permits represent a total of 36 filming days in Simi Valley for the quarter, down from 50 days in Q3, 2014.
- Q3, 2015 film days include: 31 for television shows and movies, 3 for commercials, 1 for still photography, and 1 for reality television.

SALES TAX - CITY OF SIMI VALLEY

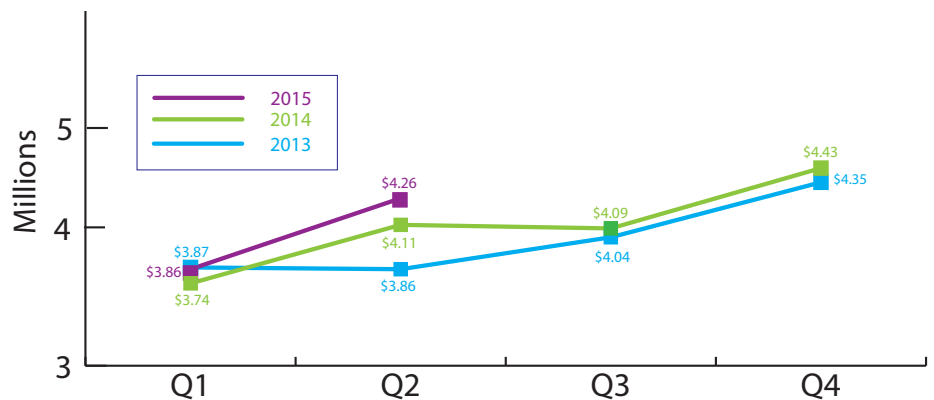
Sales Tax currently represents a significant source of income to fund City services and serves as a measure to evaluate local market conditions.

- Sales Tax figures reported for Q2, 2015 amount to \$4,261,282, which are higher when compared to Q1, 2015.
- Sales tax revenues for Q2, 2015 represents a 10.28% increase from the \$3,863,968 generated in Q1, 2015 and a 3.67% increase from the \$4,110,274 generated in Q2, 2014.

Sales Tax by Major Industry Groups Q2, 2015



Sales Tax



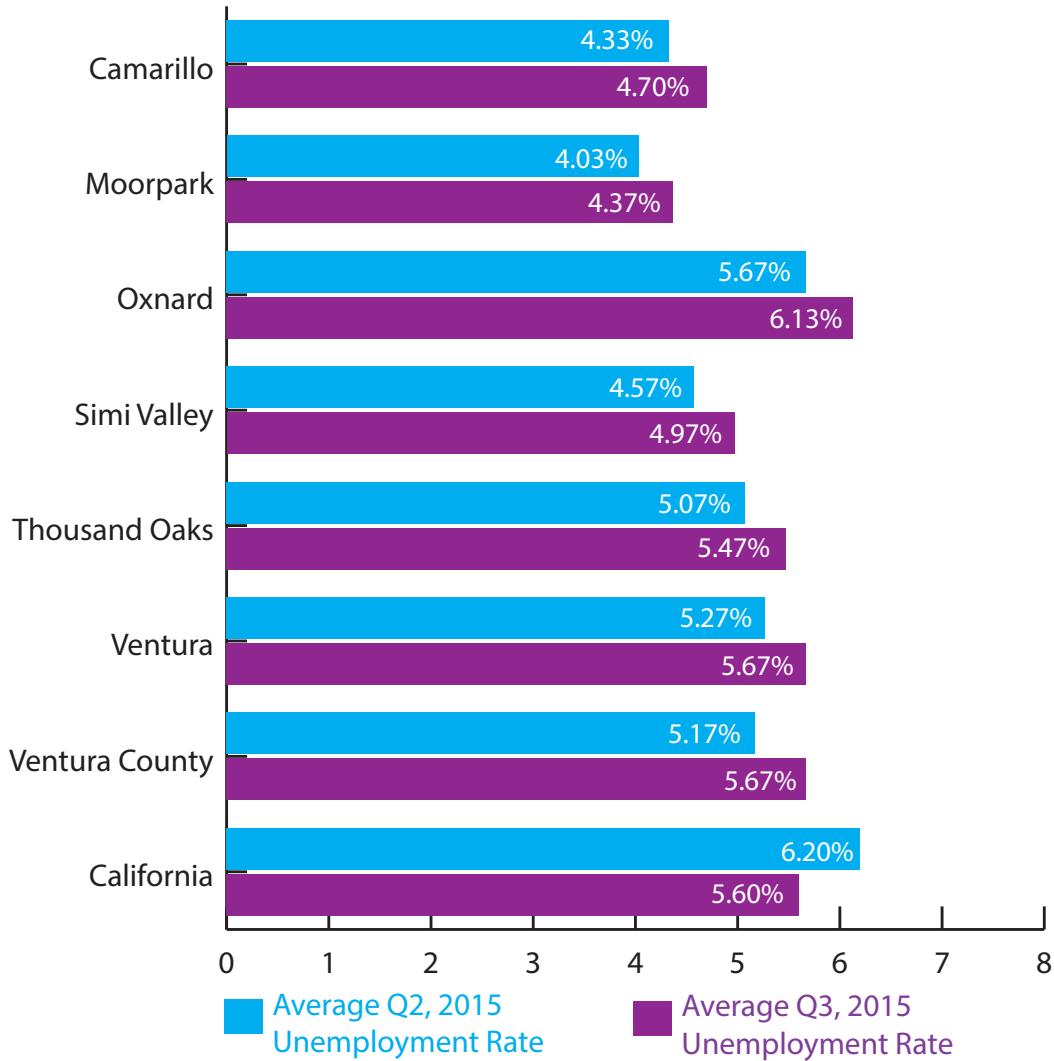
Source: City of Simi Valley

Note: Sales Tax revenue figures presented are adjusted for economic data, which removes retroactive payments of \$5,000 or more into the actual quarter the sale was initiated.

UNEMPLOYMENT RATE

- The preliminary unemployment rate averaged 4.97% for the City in Q3, 2015 compared to 5.67% for Ventura County and 5.60% for California.
- The City's current preliminary unemployment rate average is lower than the average for Q3, 2014 when the rate was 6.07%.
- The Chamber of Commerce, the Ventura County Workforce Development Board, the Simi Valley City Council and the Economic Development Division work diligently to attract employers, create hiring opportunities, and provide training programs for the area.

**Average Unemployment Rate Comparison
Q2, 2015/Q3, 2015**



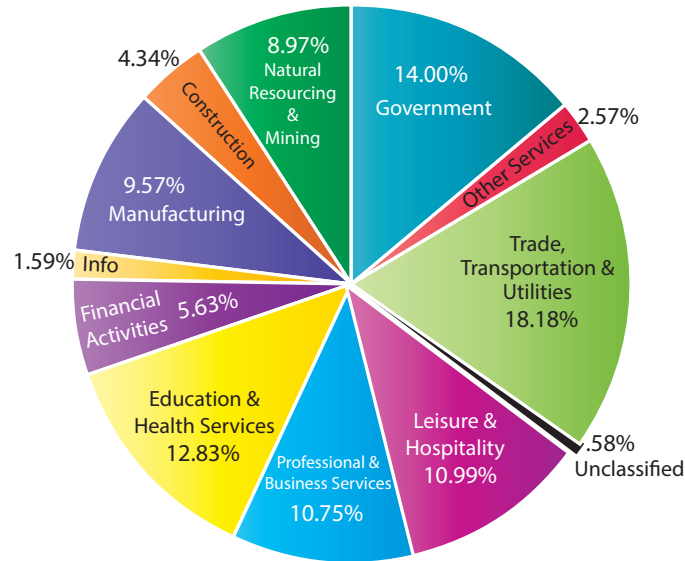
*(Data not seasonally adjusted)
Source: Bureau of Labor Statistics*

America's Jobs Center of Ventura County (AJC), located in Simi Valley, provides a variety of no cost, high value employment and training services to employers and job seekers. America's Jobs Center of Ventura County (AJC) offers a variety of services to business owners and resources to job seekers who are entering or re-entering the workforce. And, all services are FREE! For more information regarding the AJC call (805) 955-2282 or visit www.venturacountyjcc.org.

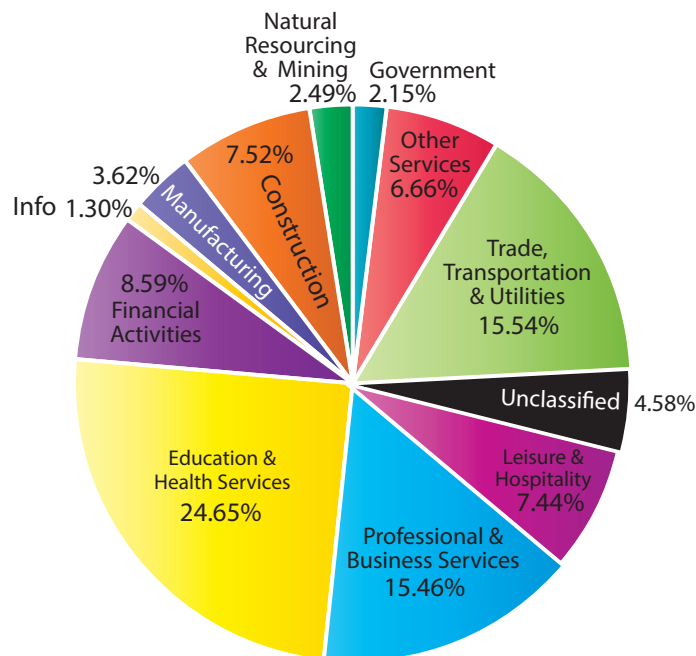
EMPLOYMENT - VENTURA COUNTY & CITY OF SIMI VALLEY

- The preliminary average for total employment in the City of Simi Valley for Q3, 2015 is 65,976 jobs. Employment figures for Q3, 2015 decreased 1.24% when compared to the average of 66,807 jobs for Q2, 2015 and increased 1.23% when compared to the Q3, 2014 average of 65,172.
- The current Quarterly Census of Employment and Wages (QCEW) for Q1, 2015 reports an estimated average weekly wage of \$1,079.11 resulting in an average annual salary of \$56,114 for Ventura County.

**Employment by Industry - Monthly Average
Ventura County - Q1, 2015**



**Business by Industry - Monthly Average
Ventura County - Q1, 2015**



Source: California Employment Development Department
 1) Quarterly Census of Employment and Wages
 2) Occupational Employment Statistics (OES) Survey

Partnering Agencies

Economic Development Collaborative - Ventura County (EDC-VC)

www.edc-vc.com

(805) 384-1800

Small Business Development Center

www.edcsbdc.org

(805) 384-1800

Workforce Development Board - Ventura County (WDB)

www.workforceventuracounty.org

(805)477-5306

America's Job Center of Ventura County (AJC)

www.venturacountyjcc.org

(805) 955-2282

Service Corps of Retired Executives (SCORE)

www.ventura.score.org

(805) 204-6022

City of Simi Valley - Office of Economic Development

Are you starting a new venture, growing an existing business or looking to relocate to Simi Valley? Look no further as the City's Economic Development Office has dedicated staff waiting to assist you. Did you know that the City subscribes to proprietary software, which gives staff the ability to provide custom reports of available properties and vacant spaces? Our reporting services can include listings of building and tenant spaces available, asking rents and sales prices, comparable data for lease rates, demographic and analytical property data. Moving, building, or simply expanding, we understand the urgency to getting a business up and running. Our staff partners with business owners to ensure that deadlines are met; the Office of Economic Development will assemble staff project teams to assist business owners from the beginning stages of development permit processing through construction inspection and obtaining a Certificate of Occupancy. Our services don't end here. Through local partnerships, the City is able to call upon persons and organizations with expertise in various fields to help businesses in our community succeed. So, if training, recruitment, staffing, or loan financing becomes a concern, let us call upon our partners to lend a helping hand to your organization. **For more information regarding services offered by the City's Office of Economic Development, contact Brian Gabler at (805) 583-6701 or Linda Swan at (805) 583-6853.**

