

CITY OF SIMI VALLEY ECONOMIC UPDATE

Welcome to the Simi Valley Economic Update, an economic snapshot of valuable information pertaining to the Simi Valley and Ventura County area. As there is a delay in the reporting of most economic data, some of the statistics presented will be affiliated with the first quarter of 2021 (January through March), with second quarter (April through June) information provided where available.

COMMERCIAL REAL ESTATE ACTIVITY

Tenant Improvements /Alterations

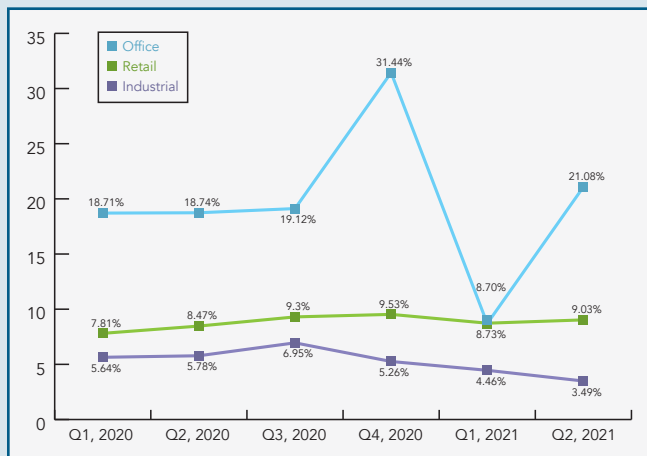
Commercial and Industrial construction continues to improve as businesses relocate or expand operations within the City of Simi Valley.

- January through June, 2021 (Q1 – Q2), a total of 60 commercial permits were issued for tenant improvements/remodeling and new construction.
- Residential construction activity continues to surge with 1,051 permits issued for home improvements during Q1 through Q2.

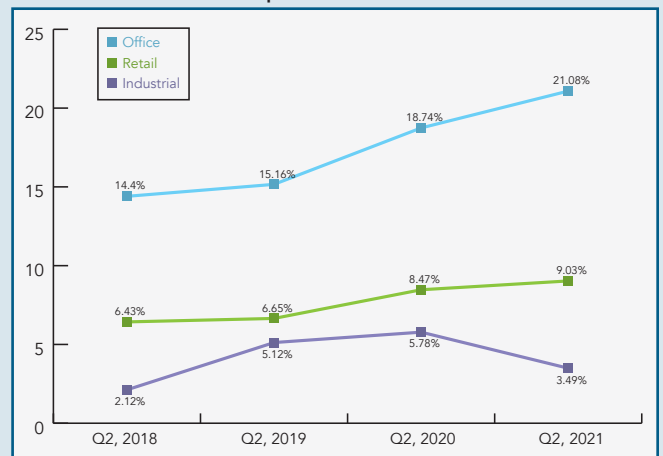
Vacancy Rates

- Vacancy rates for Q2 remain extremely low in the industrial Sector with a minimal decrease from the previous quarter. Retail experienced a minimal increase, while Office vacancy has increased slightly when compared to Q1.
- Vacancy Rates for Retail have remained relatively flat, with Office rates seeing some fluctuations at the end of 2020. Industrial vacancy rates have seen a decrease over the last four quarters.
- The three-year average vacancy rate is 7.54% for Retail, 4.63% for Industrial, and 18.46% for Office.

Simi Valley Vacancy Rates
2020 – 2021



Simi Valley Vacancy Rates
Q2 Comparison 2018 – 2021

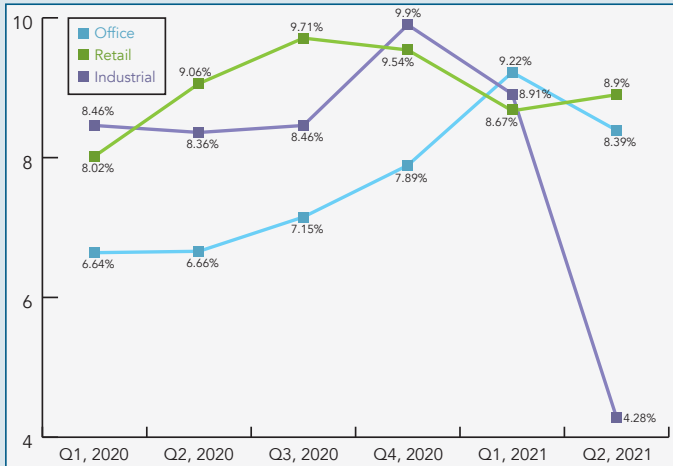


Total vacancy rates refers to space in existing buildings that are vacant and immediately available for direct labor lease, for sublease or sale.
Source: CoStar Group.

Available Rates

- The three-year average available rate is 8.42% for Retail, 6.61% for Industrial, and 6.70% for Office.

Simi Valley Availability Rates
2020 – 2021



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.

Source: CoStar Group

FILM PERMITS

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.

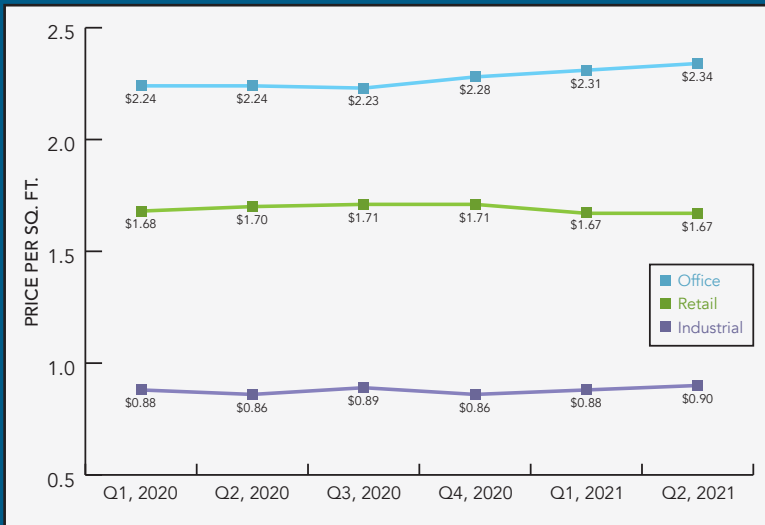
- Year-to-date through June of 2021, a total of 33 film permits have been issued, compared to a total of 47 film permits throughout the 2020 calendar year.
- The 33 permits represent a total of 192 filming days in the City.
- Q1 through Q2 filming days include: 157 days for television shows and movies; 9 days for commercials; 22 days for reality TV and web series; 3 days for still photography; and 1 day for music videos.

Permit information above does not include Allied Studios or Rancho Simi Recreation & Parks District film activities.

Asking Rents

- Asking Rents have remained relatively flat in Q2 when comparing prior quarter data, with only the Office sector trending upwards from 2018.

Asking Rents – Q2 Comparison
2018 – 2021



Q2, 2021 Asking Rents (per Sq. Ft.)

Type	Q2, 2021
Retail	\$1.67psf
Industrial	\$0.90psf
Office	\$2.34psf

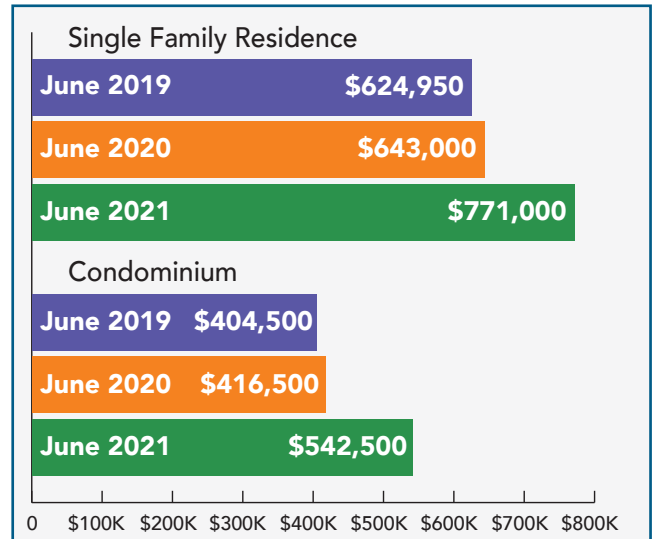
Asking Rent figures are an average of all rent prices for all available properties in each sector (NNN psf, NN psf, Full Service, etc)
Source: CoStar Group

RESIDENTIAL REAL ESTATE ACTIVITY

Simi Valley Single Family Home & Condominium Sales Data

- The median home value in Simi Valley increased to **\$771,000** for the month of June, 2021, representing an increase of **19.90%** from the median home value of **\$643,000** in June, 2020.
- The median condominium value in Simi Valley increased to **\$542,500** for the month of June, 2021, representing an increase of **30.25%** from the median condominium value of \$416,500 in June, 2020.

Simi Valley Median Home/Condominium Values



Source: Area Market Report, Local MLS

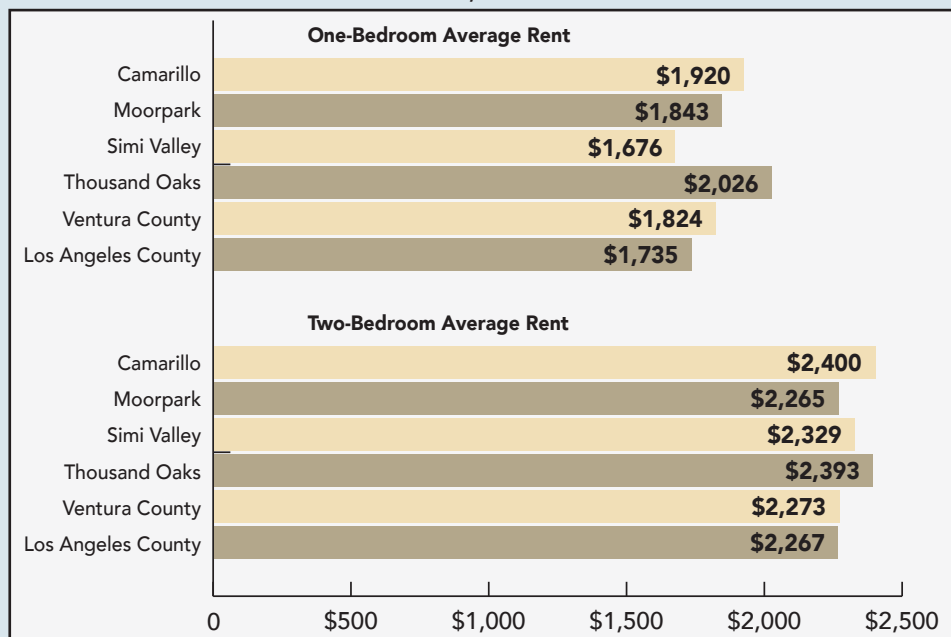
APARTMENT RENTALS

- Average apartment rents for a one and two-bedroom unit in Simi Valley amounted to \$1,676 and \$2,329 respectively for the month of June, 2021, and rental rates vary when compared with neighboring communities such as Moorpark, Thousand Oaks, and Camarillo.

Simi Valley Average Apartment Rent
Q2 Comparison 2018-21

	One-Bedroom Average Rent	Two-Bedroom Average Rent
Q2, 2018	\$1,468	\$2,025
Q2, 2019	\$1,490	\$2,006
Q2, 2020	\$1,501	\$2,007
Q2, 2021	\$1,676	\$2,329

Average Apartment Rent Comparison
Q2, 2021

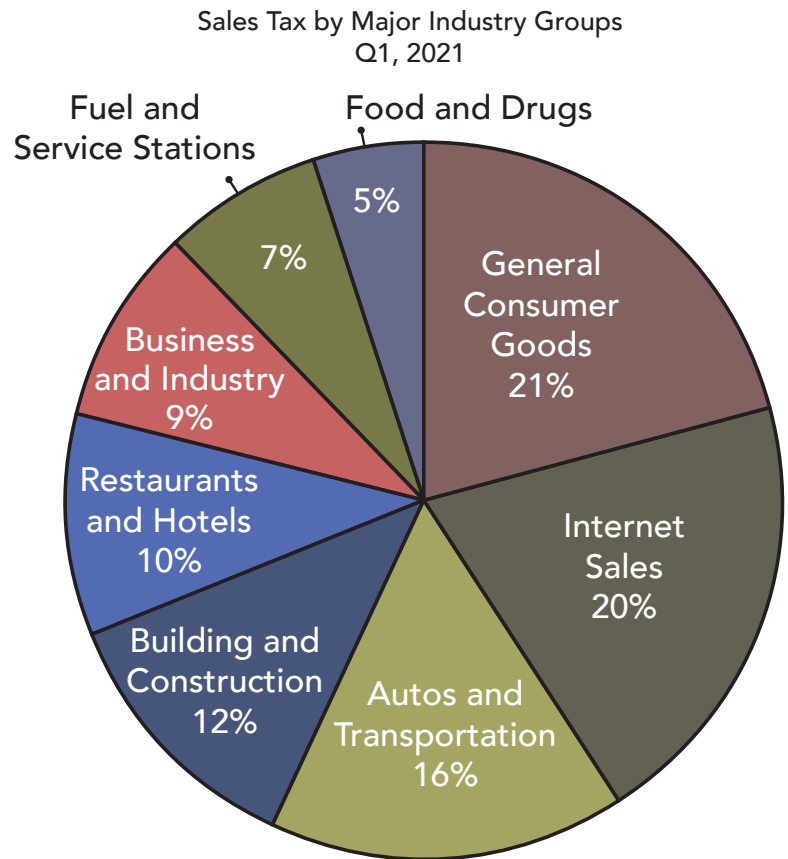


Source:
CoStar Group

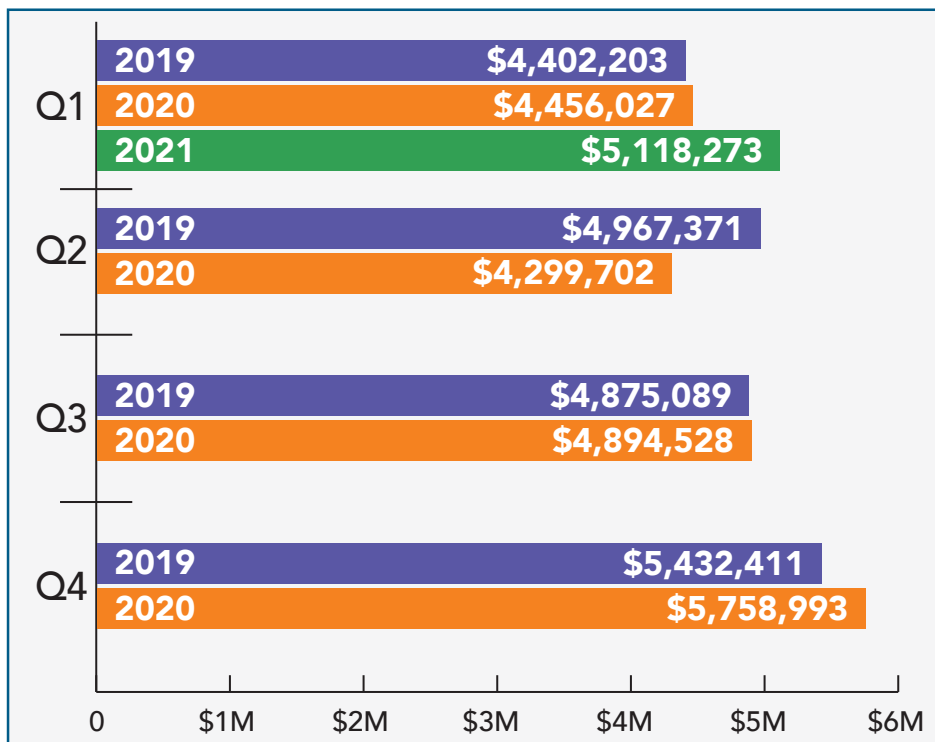
SALES TAX

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 Q1, 2021 amount to \$5,118,273, which exceed sales tax for Q1, 2020 and Q1, 2019.
- Internet Sales represents 20% of the City's total tax revenue for Q1, 2021. Tax from Internet Sales has totaled 20% or more of the overall tax revenue over the last four quarters.
- While sales tax revenue saw a decrease when compared to Q4, 2020, tax revenues are up 14.86% compared to Q1, 2020.



Simi Valley Sales Tax Revenues
2019-2021



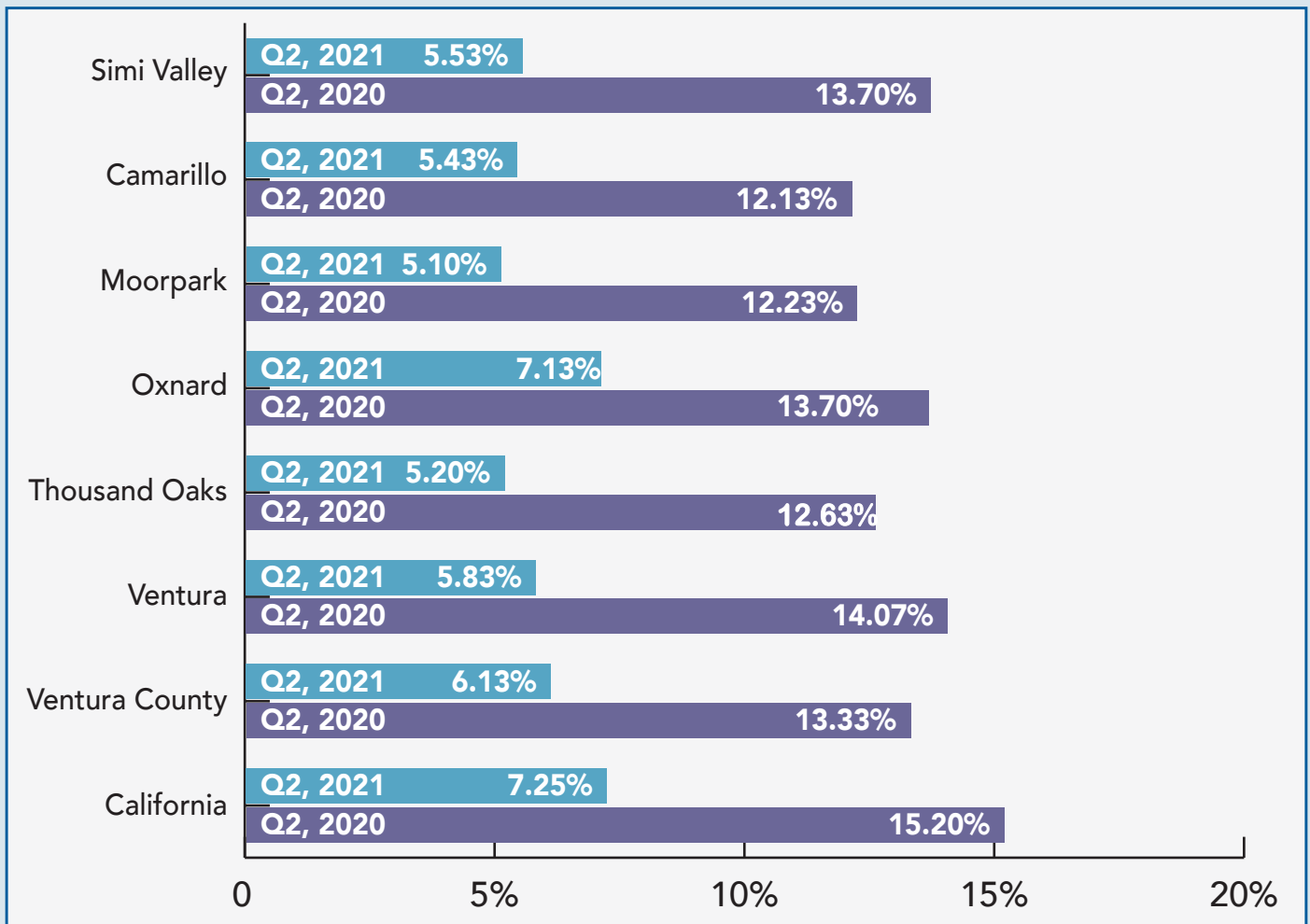
Note: Sales Tax revenue figures presented are adjusted for economic data, which removes retroactive payments of \$5,000 or more into the actual quarter the sale was initiated.)

Source: City of Simi Valley

UNEMPLOYMENT

- Simi Valley's unemployment rate averaged 5.53% in Q2, 2021 compared to 6.13% for Ventura County and 7.25% for California.
- The City's unemployment rate average of 5.53% for Q2, 2021 is down from Q2, 2020 rate average of 13.70%.
- The City is actively partnering with the Chamber of Commerce, the Ventura County Workforce Investment Board, and the Economic Development Collaborative to attract employers, create hiring opportunities, and provide training programs for the area.

Average Unemployment Rate – Q2 Comparison
2020-2021



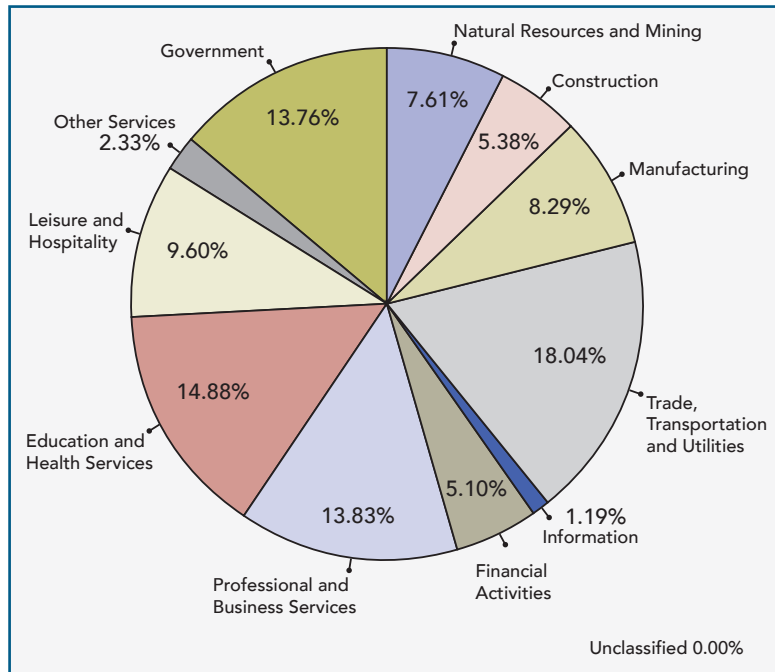
(Data not seasonally adjusted)

Source: California Employment Development Department

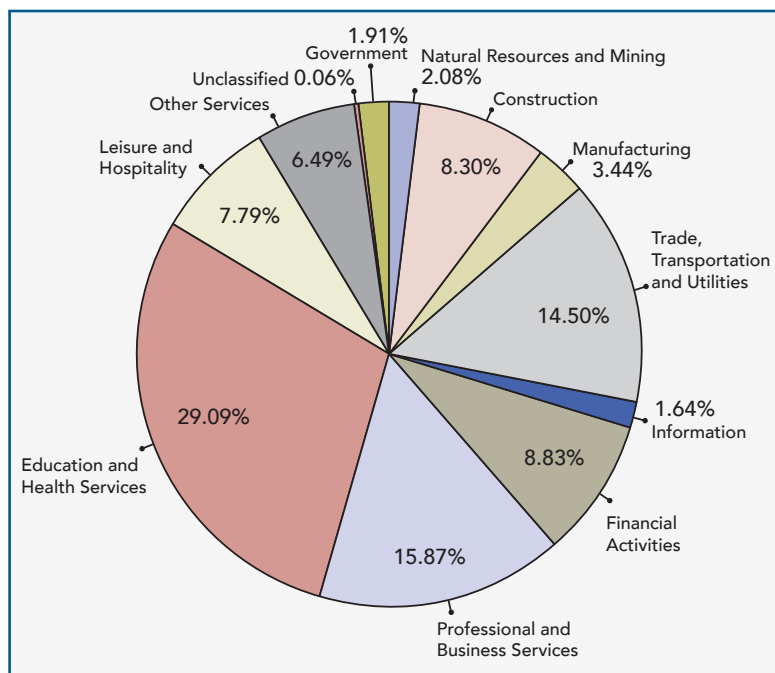
EMPLOYMENT – VENTURA COUNTY & CITY OF SIMI VALLEY

- Total employment average in the City of Simi Valley for Q2, 2021 was 61,600 jobs, up from 60,900 in Q1, 2021 and up from 56,766 jobs in Q2 of 2020.
- Employment numbers in the City of Simi Valley continue to improve toward pre-pandemic levels, gaining every quarter since a Q2, 2020 low of 56,766 jobs.
- The current Quarterly Census of Employment and Wages (QCEW) for Q4, 2020 reports an estimated average weekly wage of \$1,293 resulting in an average annual salary of \$67, 236 for Ventura County.

Employment by Industry Ventura County
Q4, 2020



Businesses by Industry Ventura County
Q4, 2020



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

CITY OF SIMI VALLEY – OFFICE OF ECONOMIC DEVELOPMENT

Looking to grow your existing business? Start a new venture? Know someone that may be looking to relocate their business to Simi Valley? We are here to help! With the City's knowledgeable staff providing business-friendly support, Simi Valley is where your business can succeed and thrive. Did you know that the City subscribes to proprietary software, giving staff the ability to provide custom reports on available properties and vacant spaces? Reporting services can include lists of building and tenant spaces available, asking rents and sale prices, as well as comparable data for lease rates and demographic and analytical property data.

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. 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 Linda Swan at (805) 583-6853, or Kelly Tinker at (805) 583-6732.



AGENCY PARTNERS



EDC – Economic Development Collaborative

A private nonprofit organization, the EDC works in partnership with the Small Business Development Center, and is a regional asset for economic vitality in Ventura, Santa Barbara and Los Angeles counties.



California Small Business Development Center

The California Small Business Development Center Program is devoted to helping all industries and all levels of businesses with accessing capital, human resources, marketing/social media, e-commerce, accounting, pivoting strategies or any other business need.



Women's Economic Ventures (WEV)

Women's Economic Ventures is dedicated to creating an equitable and just society through the economic empowerment of women. WEV provides services in English and Spanish, including training, advisory services, and loans to help entrepreneurs start, grow, and thrive in business. WEV serves Santa Barbara and Ventura counties.



SCORE Ventura County

SCORE Ventura County's primary objective is Client Service, with a mission to assist small business to be successful. We provide this assistance primarily through two avenues: Face-to-face mentoring and educational workshops and seminars.