



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 third quarter of 2021 (July through September), with fourth quarter (October through December) information provided where available.

COMMERCIAL REAL ESTATE ACTIVITY

Tenant Improvements /Alterations

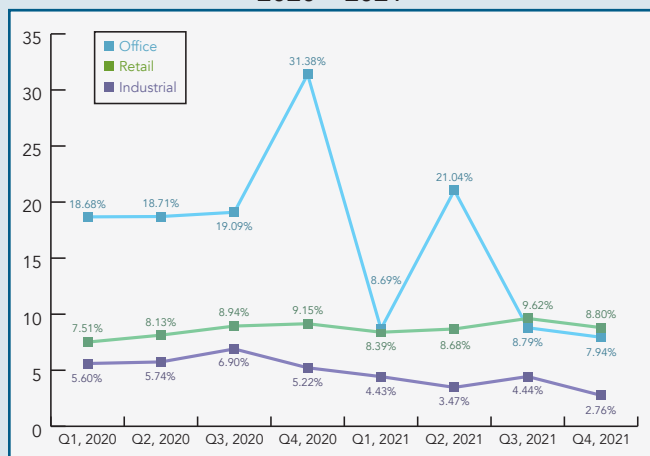
Commercial and Industrial construction continues to improve as businesses relocate or expand operations within the City of Simi Valley.

- July through December, 2021 (Q3 – Q4), a total of 110 commercial permits were issued for tenant improvements/remodeling and new construction.
- Residential construction activity was very strong with 2,617 permits issued for home improvements during Q3 – Q4, 2021.

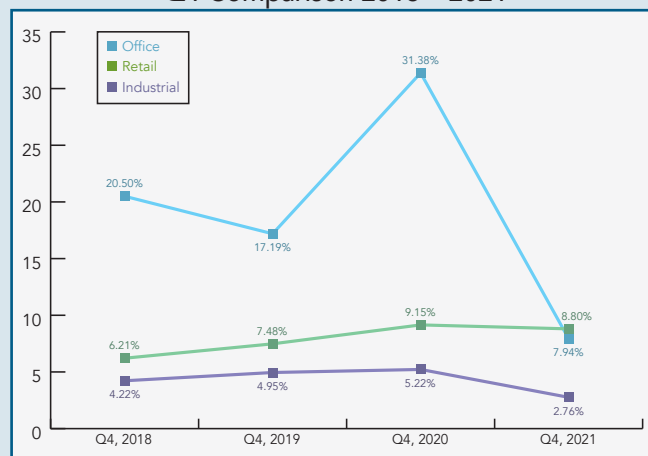
Vacancy Rates

- Vacancy rates for Q4 show a decrease across all commercial sectors when compared to Q3 2021 as well as year-over-year, and remain extremely low in the Industrial Sector at only 2.76% to end 2021.
- Vacancy rates for the Retail Sector have remained relatively flat year-over-year, with Office Sector currently at the lowest vacancy percentage since Q4, 2014, reflecting the right-sizing of the market due to rezoning and mixed-use developments.
- The three-year average vacancy rate is 7.83% for Retail, 4.77% for Industrial, and 17.27% for Office.

Simi Valley Vacancy Rates
2020 – 2021



Simi Valley Vacancy Rates
Q4 Comparison 2018 – 2021

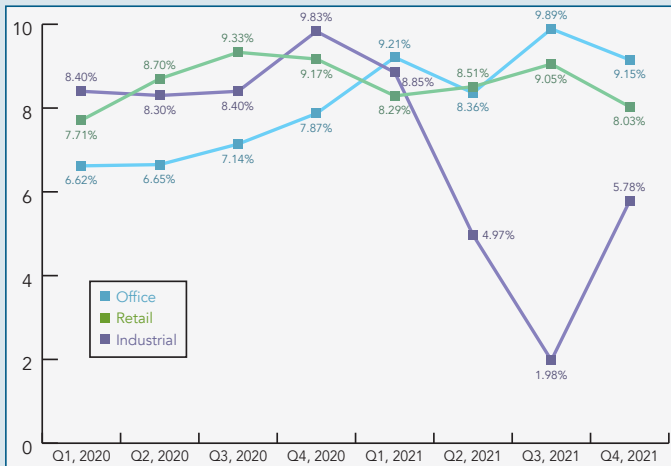


Total vacancy rates refers to space in existing buildings that are vacant and immediately available for direct labor lease, for sublease or sale.
Source: CoStar Group.

Available Rates

- Available rates for Q4, 2021 were 9.15% for the Office Sector, 8.03% for the Retail Sector, and 5.78% for the Industrial Sector.

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 they provide to our community.

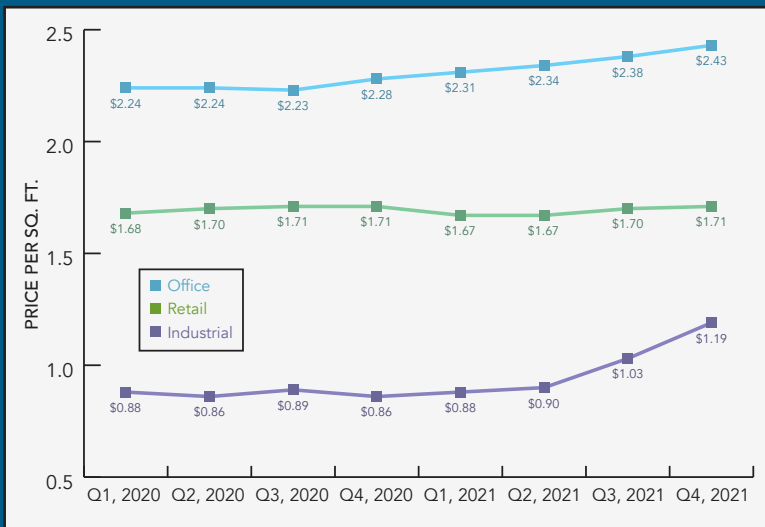
- Filming totals for 2021 include 82 film permits issued, representing an increase of 78.26% from the 2020 calendar year.
- The 82 permits represent a total of 1,963 days of filming in the City, and 13,114 daily jobs created.
- For the 2021 calendar year, there were 1,568 days of filming for television shows and movies; 248 days for commercials; 50 days for reality TV and web series; 20 days for still photography; and 64 days for music videos.

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

Asking Rents

- Asking Rents for the Retail and Office Sectors have remained relatively flat in Q4 when comparing prior quarter data, with the Industrial Sector trending upwards over quarters three and four.

Asking Rents – Q4 Comparison
2018 – 2021



Q4, 2021 Asking Rents (per Sq. Ft.)

Type	Q4, 2021
Retail	\$1.71psf
Industrial	\$1.19psf
Office	\$2.43psf

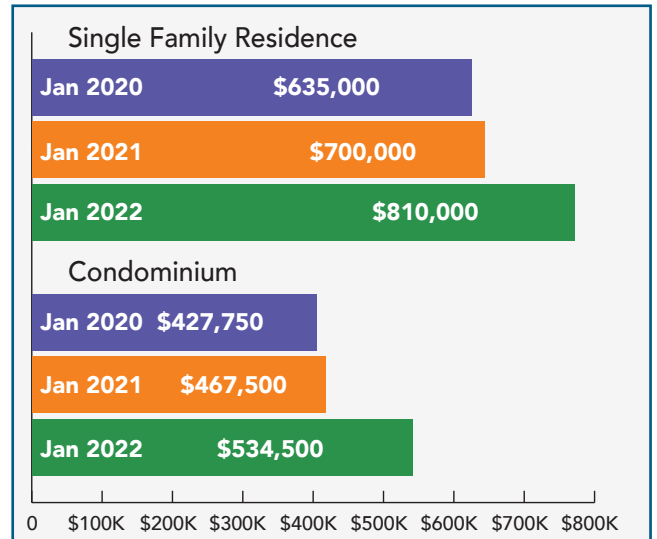
Asking Rent figures are an average of all rent prices for all available properties in each sector (NNN psf, NN psf, Full Service, etc)
Source: CoStar Group

RESIDENTIAL REAL ESTATE ACTIVITY

Simi Valley Single Family Home & Condominium Sales Data

- The median home value in Simi Valley was **\$810,000** for the month of January, 2022, representing an increase of **15.71%** when compared to the median home value of \$700,000 in January, 2021.
- The median condominium/townhome value in Simi Valley was **\$534,500** for the month of January, 2022, representing an increase of **14.33%** when compared to the median value of \$467,500 in June, 2020.

Simi Valley Median Home/Condominium Values



Source: Area Market Report, Local MLS

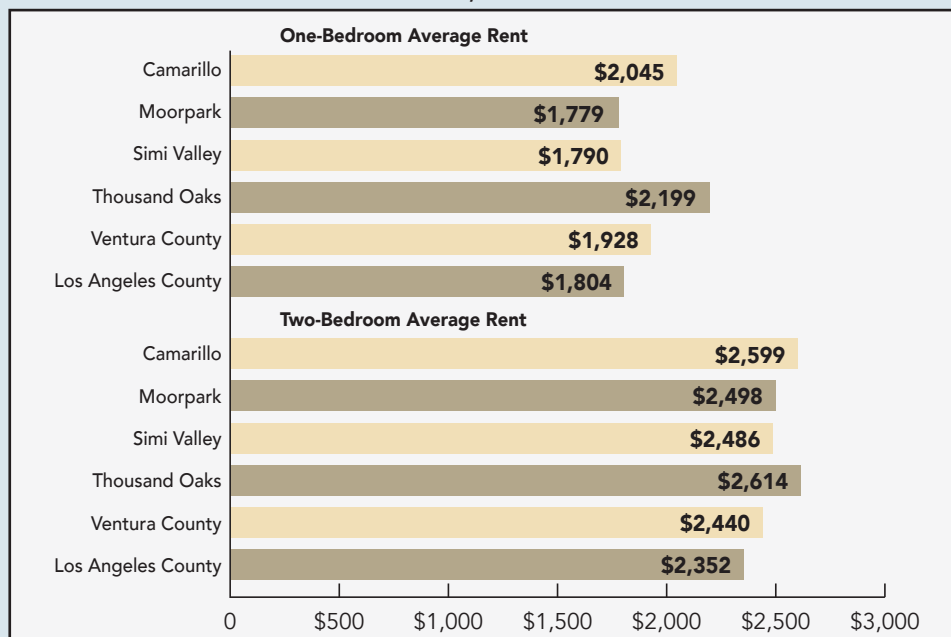
APARTMENT RENTALS

- Average apartment rents for one and two-bedroom units in Simi Valley amounted to \$1,790 and \$2,486 respectively for Q4, 2021. Simi Valley's average apartment rental costs are consistent with those of neighboring communities such as Moorpark, Thousand Oaks, and Camarillo.

Simi Valley Average Apartment Rent - Q4 Comparison 2018-021

	One-Bedroom Average Rent	Two-Bedroom Average Rent
Q4, 2018	\$1,485	\$1,976
Q4, 2019	\$1,512	\$2,050
Q4, 2020	\$1,577	\$2,158
Q4, 2021	\$1,790	\$2,486

Average Apartment Rent Comparison Q4, 2021



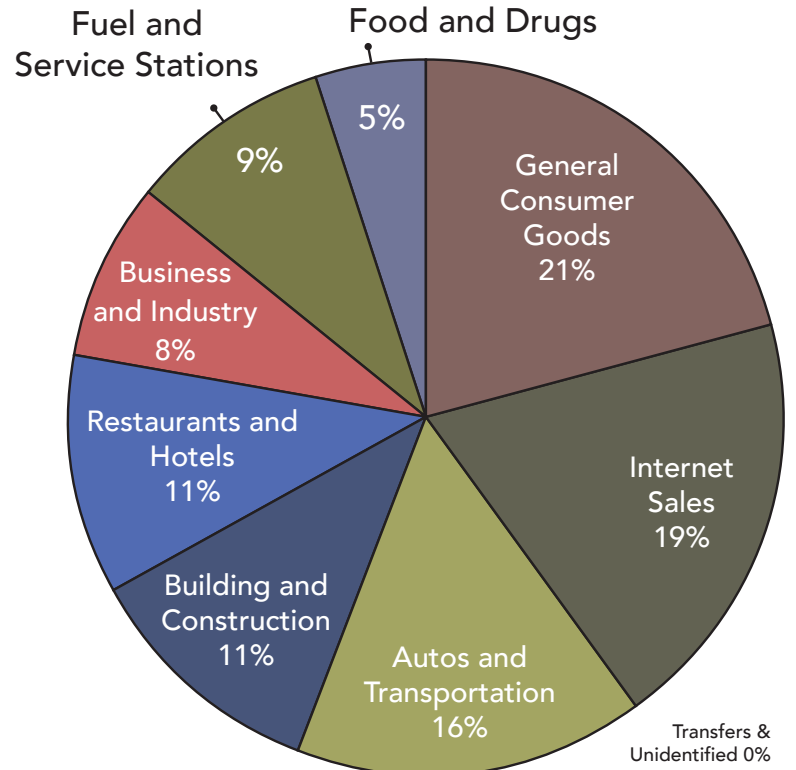
Source: CoStar Group

SALES TAX

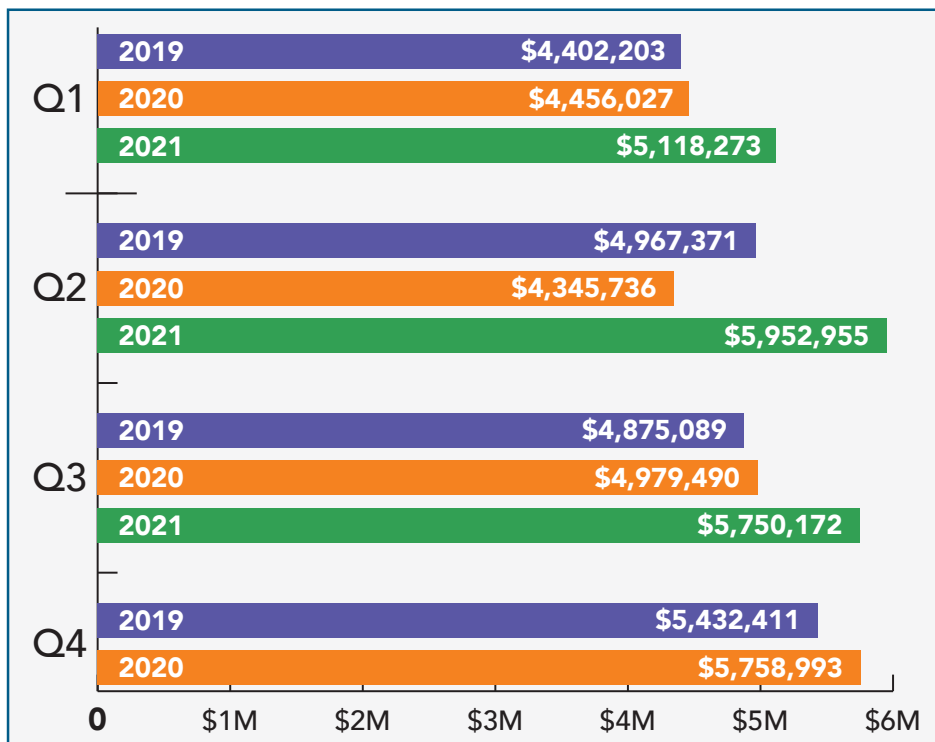
Sales Tax currently represents a significant source of income to fund City services and serves as a measure to evaluate local market conditions.

- Sales Tax figures reported for Q3, 2021 amount to \$5,750,172, which exceed sales tax revenues from Q3, 2020 and Q3, 2019.
- Internet Sales continue to remain a strong contributor to the City's total tax revenue for Q3, 2021, representing 19% of overall revenues. Tax from Internet Sales has averaged more than 20% of the overall tax revenue over the last six quarters.
- Sales tax revenues for Q3, 2021 were slightly down compared to Q2, 2021, however, tax revenues are up 15.48% compared to Q3, 2020.

Sales Tax by Major Industry Groups
Q3, 2021



Simi Valley Sales Tax Revenues
2019-2021



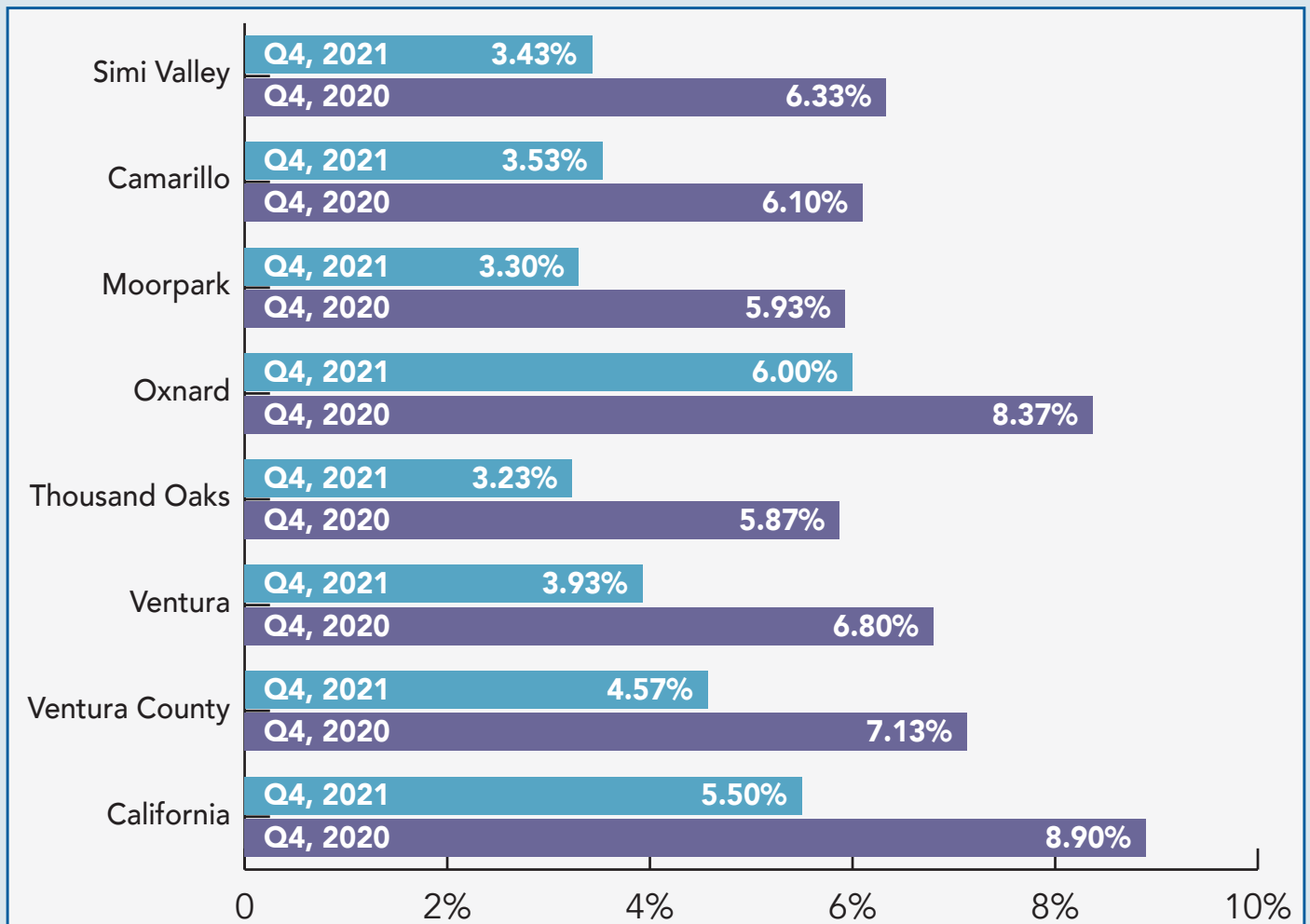
Note: Sales Tax revenue figures presented are adjusted for economic data, which removes retroactive payments of \$5,000 or more into the actual quarter the sale was initiated.)

Source: City of Simi Valley

UNEMPLOYMENT

- Simi Valley's unemployment rate averaged 3.43% in Q4, 2021 compared to 4.57% for Ventura County and 5.50% for California.
- The City's unemployment rates have seen steady decreases each quarter since Q1, 2020, and the Q4, 2021 average of 3.43% is among the lowest in the County.
- 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 – Q4 Comparison
2020-2021



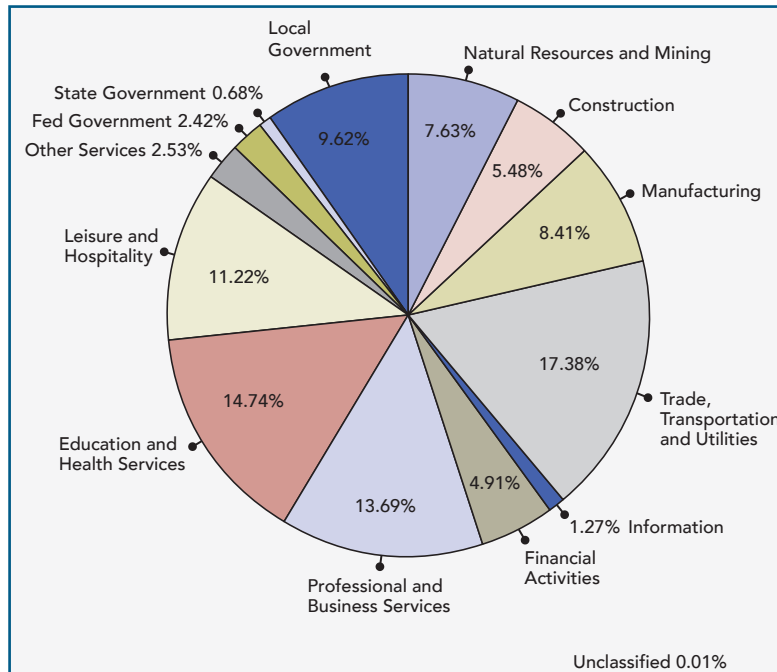
(Data not seasonally adjusted)

Source: California Employment Development Department

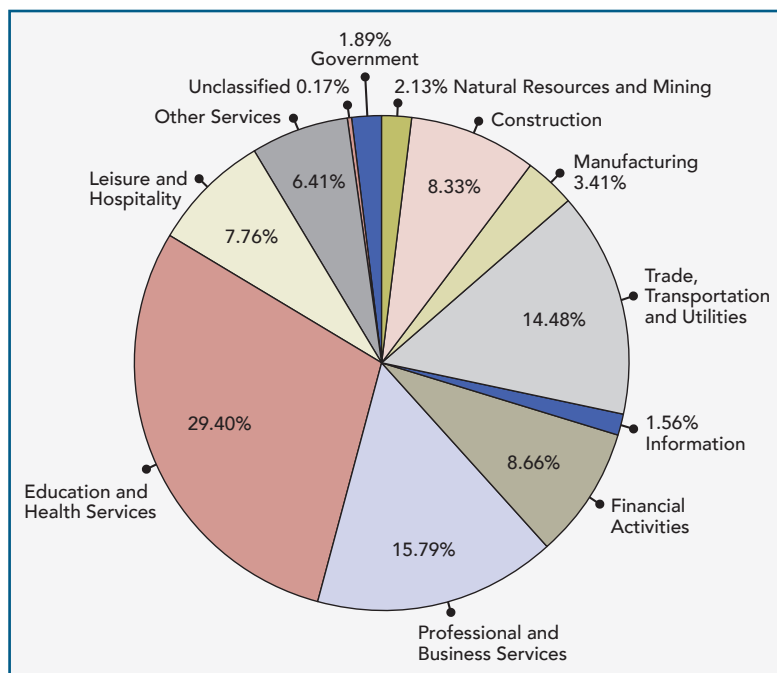
EMPLOYMENT – VENTURA COUNTY & CITY OF SIMI VALLEY

- Total employment average in the City of Simi Valley for Q4, 2021 was 63,300 jobs, up from 62,300 in Q3, 2021 and up from 60,700 jobs in Q4 of 2020.
- Total employment numbers in the City of Simi Valley continue to improve, gaining every quarter since a Q2, 2020 low of 56,766 jobs, but still below 2019 averages of more than 65,000.
- The current Quarterly Census of Employment and Wages (QCEW) for Q3, 2021 reports an estimated average weekly wage of \$1,209 across all industries, down from \$1,220 in Q2, 2021.

Employment by Industry Ventura County
Q3, 2021



Businesses by Industry Ventura County
Q3, 2021



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.