

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 second quarter (April-June) of 2015.

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Commercial/Industrial Tenant Improvement by Type

Q2, 2015 Type	Square Footage
Restaurant	13,622
Retail	40,803
Office	16,898
Manufacturing/Warehouse	
Total	71,323

Residential Building Permit Activity Q2, 2015



523

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

COMMERCIAL REAL ESTATE

Tenant Improvements/Alterations

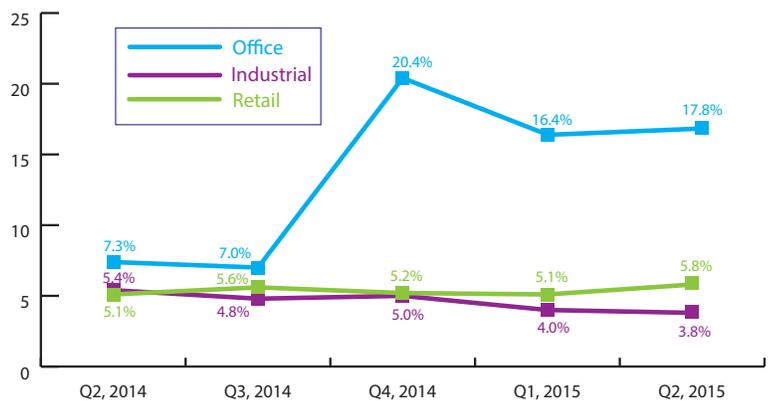
Commercial and Industrial construction outlook remains positive as businesses continue to relocate or expand operations within the City of Simi Valley.

- In Q2, 2015, a total of 71 tenant improvements were performed resulting in 71,323 of remodeled square footage and an additional 433 square footage added to an existing retail building.
- Activity for Q2, 2015 included tenant improvements for DD's Discounts, Theresa's Country Feed and Pet, Buffalo Wild Wings, and Hook Burger.

Vacancy Rates

- Vacancy Rates for Q2, 2015 for both Office and Retail increased when compared to Q1, 2015; of the three, only Industrial rates decreased when compared to Q2, 2014.
- Available rates during Q2, 2015 increased for the Industrial and Office sectors while Retail rates decreased when compared to Q1, 2015; of the three, available rates for the Industrial sector decreased when compared to Q2, 2014.
- The five-year average vacancy rate is 6.30% for retail, 6.80% for industrial and 8.50% for office.

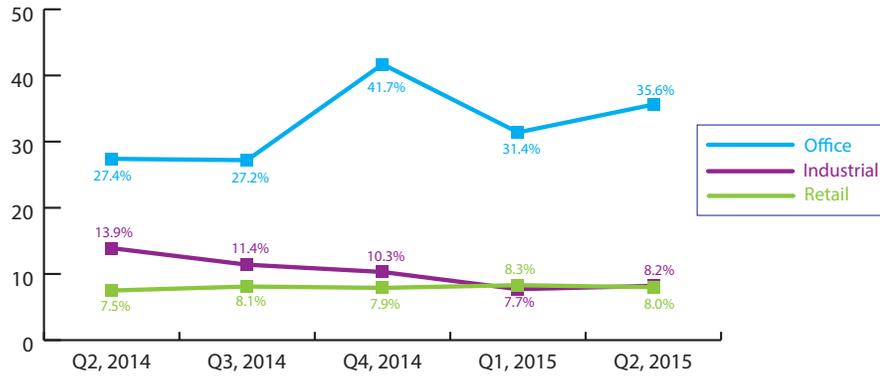
Simi Valley Vacancy Rates



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 8.70% for retail, 13.70% for industrial, and 22.60% for office.



Source: CoStar Group

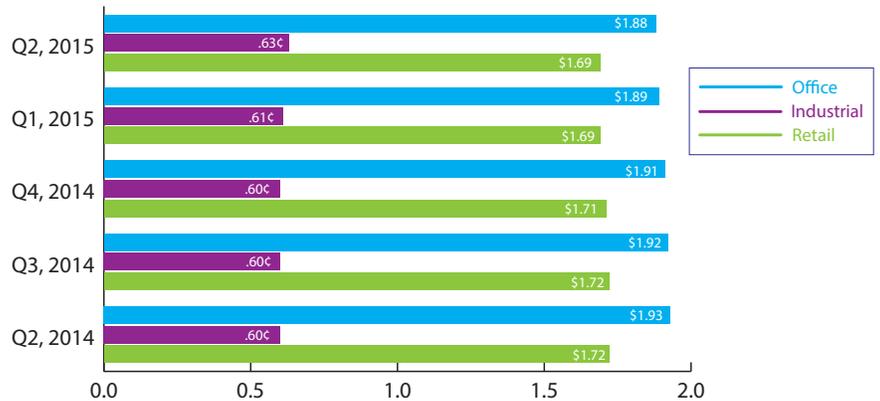
Available Rates refer to all space that is currently marketed for occupancy, includes space which may be currently occupied or which may be under construction or renovation.

Preliminary Q2, 2015 Asking Rents

Type	Asking Rent
Retail	\$1.69 NNN psf
Industrial	\$0.63 NNN psf
Office	\$1.88 Full Service

Source: CoStar Group

Asking Rents Q2, 2015



Source: CoStar Group

RESIDENTIAL REAL ESTATE ACTIVITY

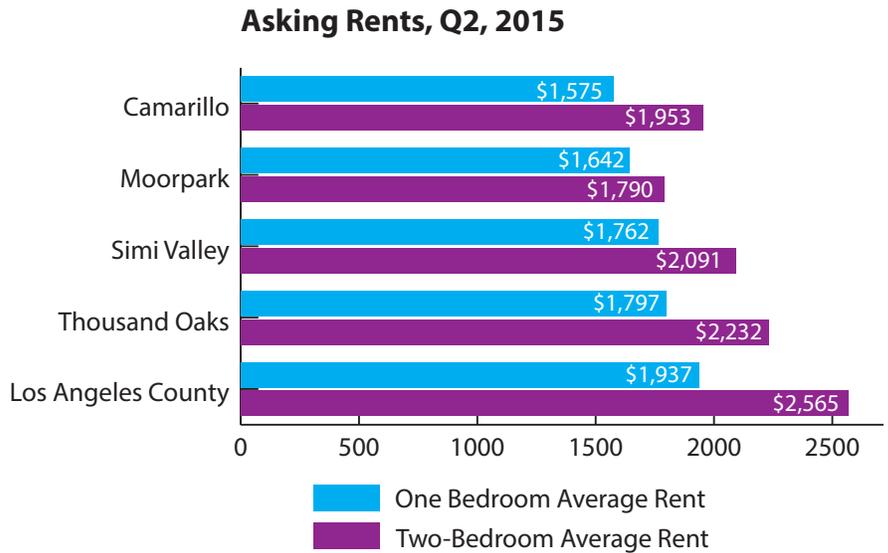
Simi Valley Single Family Home & Condominium Sales Data

- The median home value has increased to **\$525,000** for the Q2, 2015 period, an increase of **9.38%** from the median home value of \$480,000 for Q2, 2014.
- A total of 373 single-family homes were sold during the Q2, 2015 period, an increase of **19.55%** when compared to home sales of 312 during Q2, 2014.
- The median condominium value increased to **\$375,000** for the Q2, 2015 period, an increase of **36.36%** when compared to the median condominium value of \$275,000 for Q2, 2014.
- A total of 103 condominiums were sold during the Q2, 2015 period, an increase of **94.34%** from 53 condominium sales in Q2, 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 \$1,762 and \$2,091 respectively for Q2, 2015, and rental rates vary when compared with neighboring communities such as Moorpark, Thousand Oaks, and Camarillo. According to Hendricks-Berkadia Apartment Guide, average rent in Ventura County increased to \$1,846 per month, a 6.7% annual increase compared to 5.9% rent growth in prior year. Countywide vacancy was 3.7% at the end of the second quarter.



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.

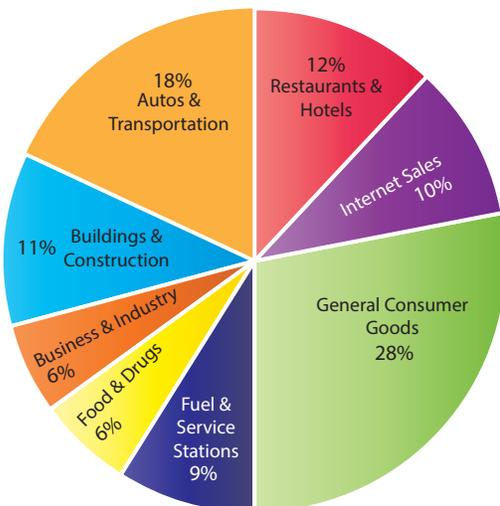
- In Q2, 2015, 22 film permits were issued, a decrease from the 28 permits issued in Q2, 2014.
- The 22 permits represent a total of 67 filming days in Simi Valley for the quarter, up from 66 days in Q2, 2014.
- Q2, 2015 film days include: 60 for television shows and movies, 3 for commercials, 1 for short films, 1 web series, and 2 for student films.

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 Q1, 2015 amount to \$3,863,968, which are lower when compared to Q4, 2014.
- Sales tax revenues for Q1, 2015 represents a 12.86% decrease from the \$4,434,426 generated in Q4, 2014 and a 2.63% increase from the \$3,764,912 generated in Q1, 2014.

Sales Tax by Major Industry Groups Q1, 2015



Sales Tax



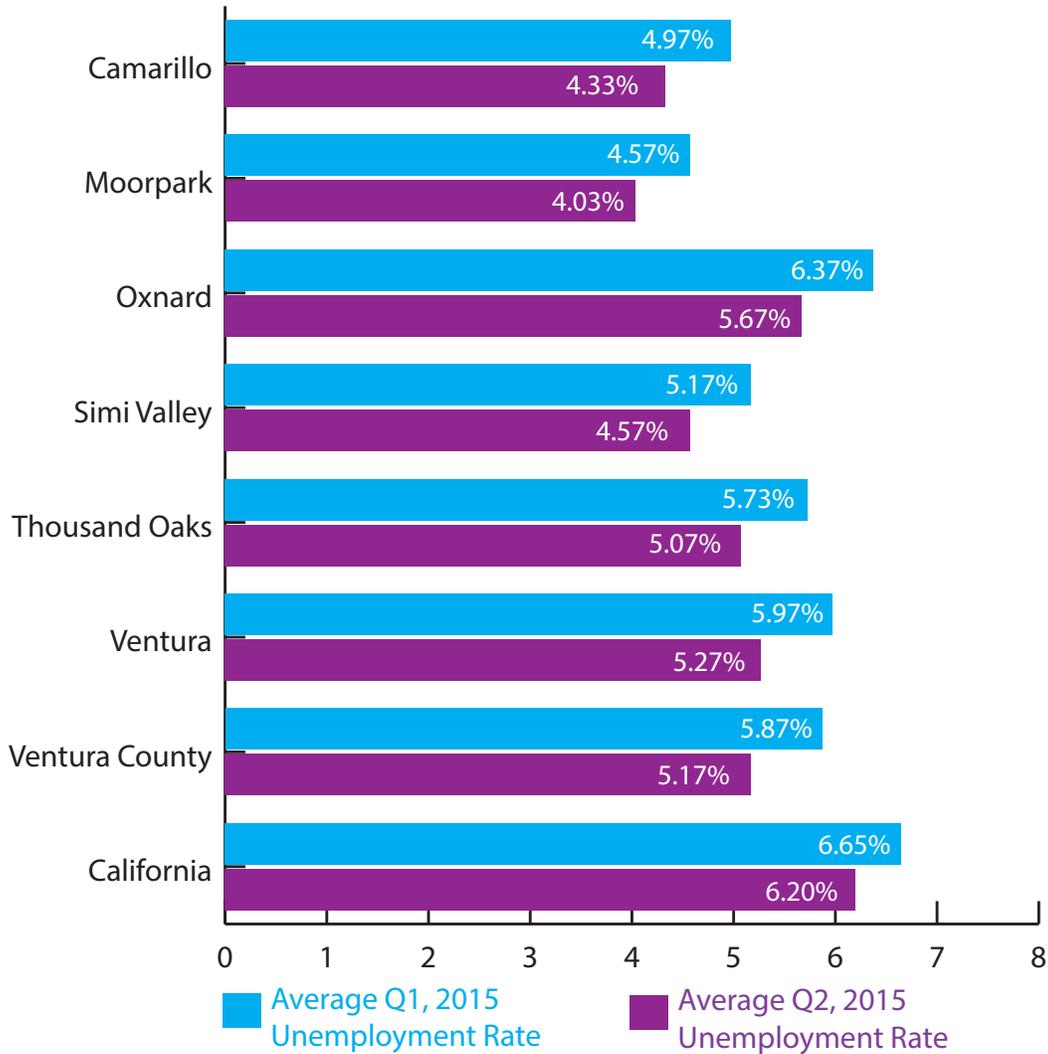
Source: City of Simi Valley

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 4.57% for the City in Q2, 2015 compared to 5.17% for Ventura County and 6.20% for California.
- The City's current preliminary unemployment rate average is lower than the average for Q2, 2014 when the rate was 4.97%.
- 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
Q1, 2015/Q2, 2015**



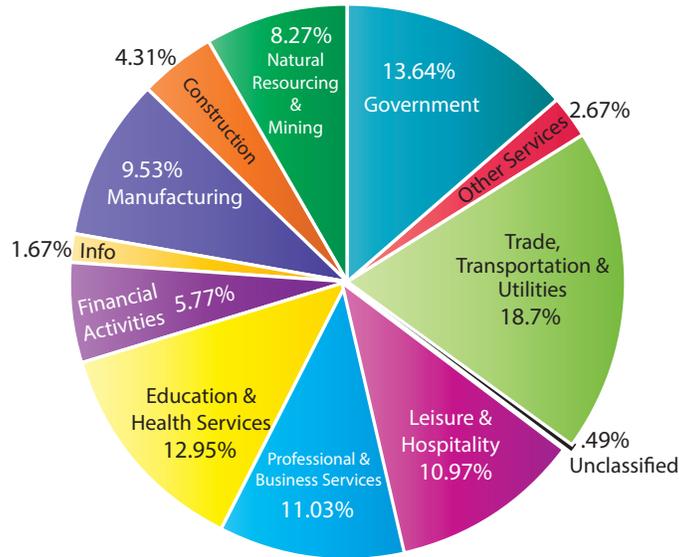
*(Data not seasonally adjusted)
Source: Bureau of Labor Statistics*

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.

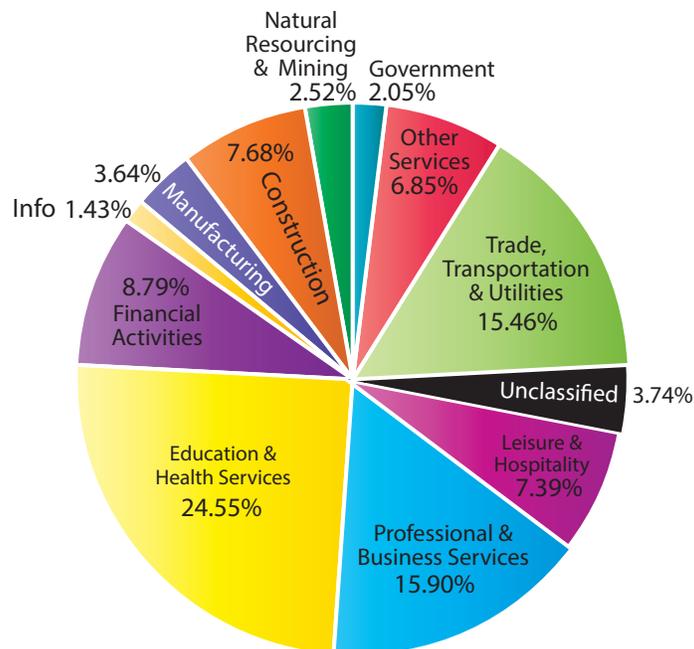
EMPLOYMENT - VENTURA COUNTY & CITY OF SIMI VALLEY

- The preliminary average for total employment in the City of Simi Valley for Q2, 2015 is 66,785 jobs. Employment figures for Q2, 2015 increased .95% when compared to the average of 66,155 jobs for Q1, 2015 and increased .94% when compared to the Q2, 2014 average of 66,165.
- The current Quarterly Census of Employment and Wages (QCEW) for Q4, 2014 reports an estimated average weekly wage of \$1,060.81 resulting in an average annual salary of \$55,161 for Ventura County.

**Employment by Industry - Monthly Average
Ventura County - Q4, 2014**



**Business by Industry - Monthly Average
Ventura County - Q4, 2014**



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.**

