



*The Santa Clarita Valley Economic Snapshot* contains important indicators, data, and statistics about the growth of our region such as construction permits, vacancy rates, residential real estate activity, employment statistics, tourism trends, and the economic impact of filming.

## Highlights

The Santa Clarita Valley has gained 296 jobs on a seasonally-adjusted basis for the January to April period of 2017

Total revenue for film production in the Santa Clarita Valley for August was \$6,551,000 up 39% from the August 2016 total of \$4,706,000

The current unemployment rate in Santa Clarita is 4.9%, 2% higher than the rate of 4.8% recorded August 2016. The state's unemployment increased to 5.1%

Median home values decreased 1.73% in Aug. to \$574,500, compared to \$584,600 in July

## COMMERCIAL REAL ESTATE | Santa Clarita Valley

Source: City of Santa Clarita; County of Los Angeles

### New Permits

Two (2) permits for new commercial space were issued during August 2017 in the Santa Clarita Valley, two more than were issued in Jul 2017. There were five (5) permits for commercial space issued during August 2016.

### Tenant Improvements/Alterations

A total of eight (8) permits for tenant improvements were issued in the Santa Clarita Valley during August 2017, one less than were issued in July 2017. There were ten (10) permits issued in August 2016.

In August 2017, thirty-one (31) commercial alteration permits were issued, five more than in July 2017, and down 3% from thirty-two (32) permits issued in August 2016.

### Certificates of Occupancy

In August 2017, a total of 74 Certificates of Occupancy were issued in the Santa Clarita Valley totaling 287,509 SF with 10,274 SF issued for commercial space. There were 57 permits issued in August 2016.

### SANTA CLARITA VALLEY PERMITS



New Residential



Residential Alteration



Certificates of Occupancy

## RESIDENTIAL REAL ESTATE | Santa Clarita Valley

Source: Southland Assoc. of Realtors/ MLS Statistics

Median home values decreased 1.73% in August 2017 to \$574,500 compared to \$584,600 in July 2017. A total of 262 single-family homes were sold in August, an increase of 18% from July 2017, and an increase of 7.4% from the August 2016 sales volume of 244 homes.

Median condominium values increased .56% to \$360,000 in August 2017, compared to \$358,000 in July 2017; it is a 3.6% increase from the August 2016 sales value of \$347,500. Condominium sales decreased 31% to 91 in August 2017 from 132 sold in July 2017; it is an decrease of 7.14% from August 2016 with a sales volume of 98.

SCV Residential Real Estate Summary					
	Aug-17	Jul-17	M/M % Chg	Aug-16	Y/Y % Chg
Median Home Value	\$574,500	\$584,600	-1.73%	\$539,000	6.59%
Number of Single Family Homes Sold	262	222	18%	244	7.4%
Median Condominium Value	\$360,000	\$358,000	.56%	\$347,500	3.6%
Number of Condominiums Sold	91	132	-31%	98	-7.14%
Avg. Days on Market (Single-Family - SCV)	81	38	113%	72	12.5%
Single-Family Home Inventory (SCV)	397	399	-0.5%	597	-33.5%
	Aug-17	Jul-17	M/M % Chg	Aug-16	Y/Y % Chg
NODs recorded (SCV)	34	28	21.43%	40	-15%
	Q2 2017	Q1 2017	Q/Q % Chg	Q2 2016	Y/Y % Chg
Apartment Vacancy Rate	2.7%	3.0%	-10%	3.4%	-20.6%
Avg. Apartment Rents	\$1,881	\$1,590	18.3%	\$1,594	18%

## Unemployment Rate Comparison—Aug. 2017 UNEMPLOYMENT RATE

Source: Bureau of Labor Statistics | California Economic Forecast

California	5.1%
LA County	5.4%
Glendale	5.2%
Lancaster	6.0%
Los Angeles	5.7%
Palmdale	7.2%
Pasadena	4.8%
Santa Clarita	4.9%

The current unemployment rate in Santa Clarita is 4.9%, 2% higher than the rate 4.8 recorded August 2016.

California's unemployment rate rose to 5.1%, while the state's nonfarm payroll employment fell by 8,200 jobs in August. California has now gained a total of 2,591,200 jobs since the economic expansion began in February 2010.

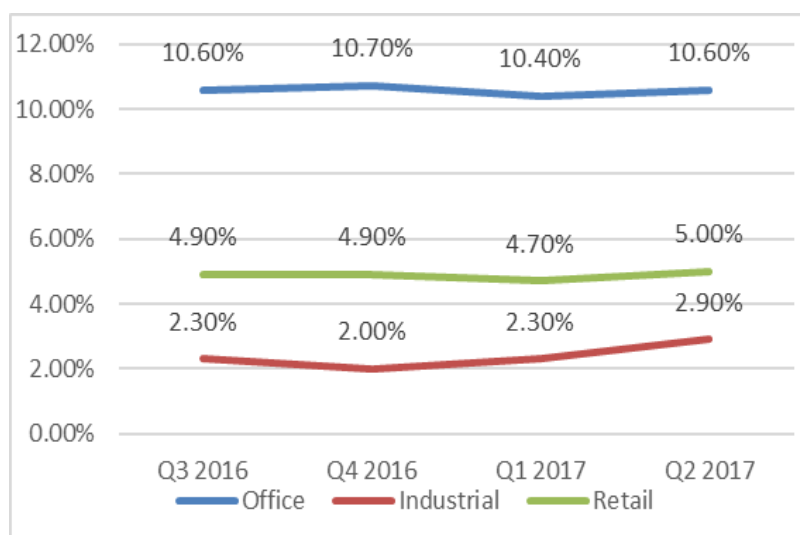
## COMMERCIAL VACANCY RATES

### Santa Clarita Valley

Source: Co-Star Group

In the Santa Clarita Valley, Q2 2017 office vacancy rates increased 2%, retail increased 6.3%, while industrial increased 3.6%.

During Q2 2017, Santa Clarita Valley's office vacancy rate was 10.6%; retail and industrial vacancy rates were 5.0% and 2.9% respectively.



## TOURISM | City of Santa Clarita

Source: STR and TRENDS® Reports

STR reports that hotel occupancy in Santa Clarita was 90.9% in July 2017, a decrease of 1.94% from the July 2016 rate of 92.7%.

By comparison, TRENDS reports the average occupancy rate at hotels for the Los Angeles region during July 2017 was 86.50%, a 1.8% decrease from 88.11% in July 2016.

Local average daily room rates (ADR) increased by 9% in July 2017 to \$158.75 from \$145.58 the previous year; LA region's ADR increased 0.4% to \$226.52 over the previous year at \$225.60.

### July 2017 Southern California Occupancy & Rate Summary

Tourism Sub-Region	Occupancy Rate July 2017	Occupancy Rate July 2016	ADR July 2017	ADR July 2016
Santa Clarita	90.9%	92.7%	\$158.75	\$145.58
San Fernando Valley	87.02%	85.21%	\$193.35	\$190.72
Pasadena	78.59%	88.35%	\$207.71	\$190.56
San Gabriel Valley	85.82%	89.74%	\$139.94	\$134.08
Hollywood	88.69%	87.49%	\$258.24	\$260.01
South Bay	87.84%	91.26%	\$188.90	\$192.35
Los Angeles Region	86.50%	88.11%	\$226.52	\$225.60

## FILM | Santa Clarita Valley

Source: City of Santa Clarita; Film L.A.

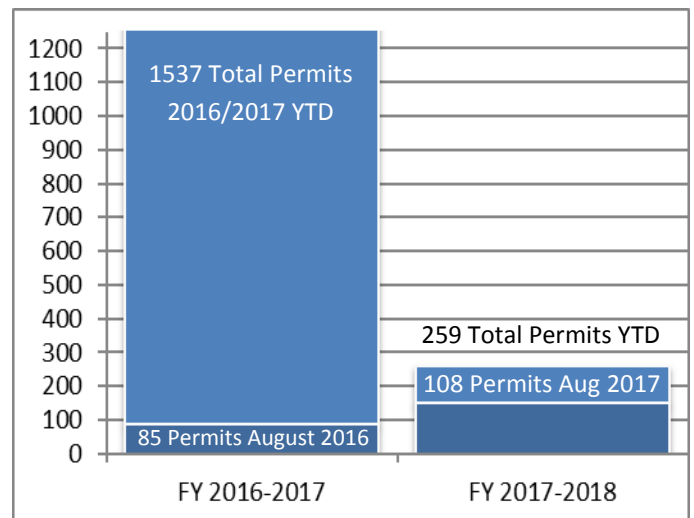
In August 2017, a total of 108 film permits were issued in the Santa Clarita Valley, for a fiscal YTD of 259 permits (July 2017 through June 2018.)

The permits represented a total of 249 filming days in Santa Clarita for August 2017, an increase of 35% from 184 filming days in August 2016.

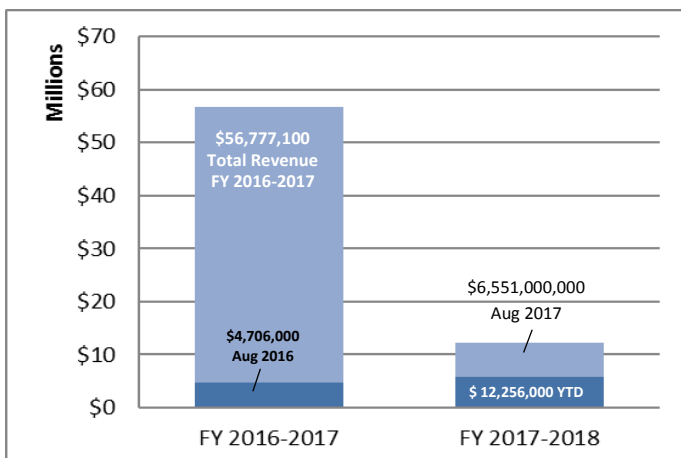
The August 2017 film days included: 161 television shows, 14 student/other projects, 27 commercials, 27 features, 4 still shoots and 1 music video.

The estimated economic impact in Santa Clarita from location filming in August 2017 is \$6,551,000 which is a 39% increase from \$4,706,000 in August 2016.

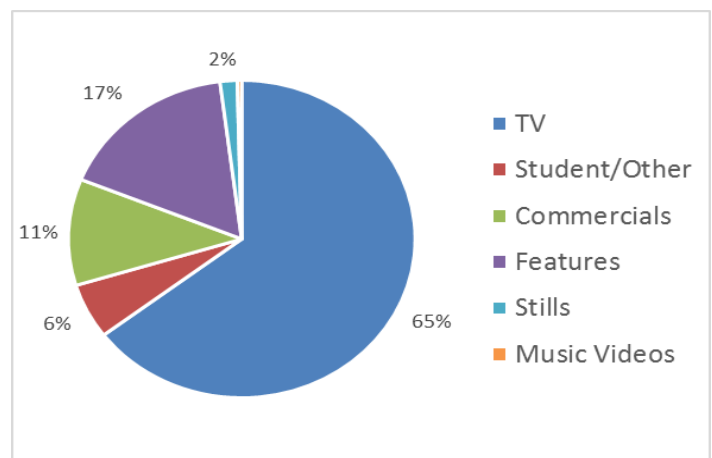
### Number of Film Permits Issued in August 2017



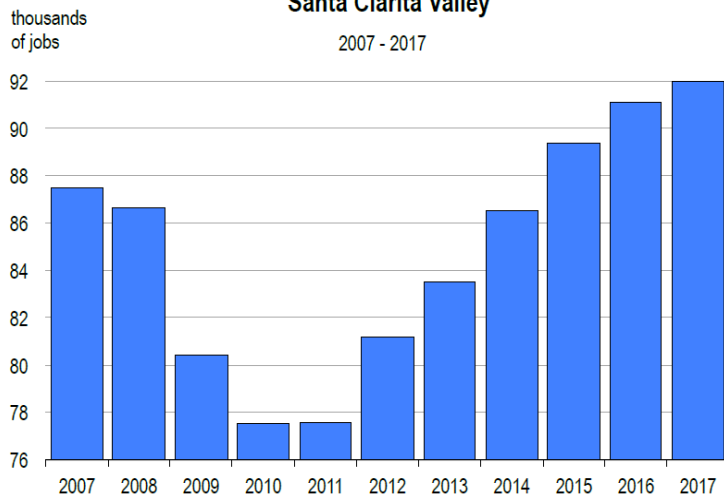
### Estimated Economic Impact of Filming in August 2017



### Percentage of Filming Days in August 2017



### Average Annual Non-Farm Employment Santa Clarita Valley



Source: Labor Market Information Division / California Economic Forecast

## NON-FARM EMPLOYMENT

Santa Clarita Valley employment will rise at a modest pace in 2017 as the region’s labor market will expand by 1.0 percent. However, this was expected, as Southern California reaches “full employment.”

The sectors that have experienced the strongest growth in the past year include information (+7%), health care (+6%), and transportation and warehousing (+6%). The largest losses were in arts and entertainment (-15%), manufacturing (-13%), and private education (-3%).

Source: Labor Market Information Division / California Economic Forecast

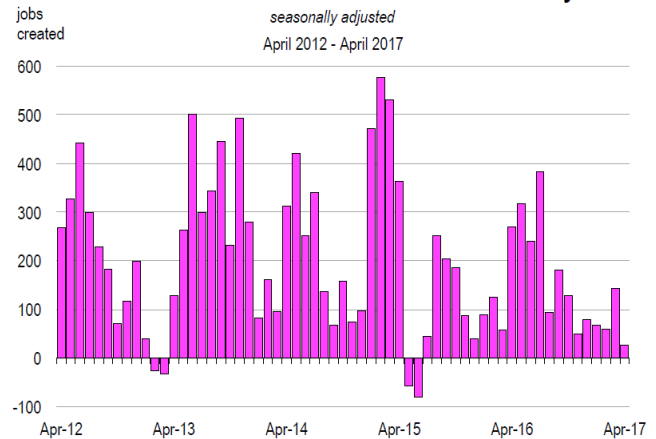
## NON-FARM JOB CREATION

The Santa Clarita Valley has gained 296 jobs on a seasonally-adjusted basis for the January to April period of 2017.

Job creation has slowed since last year. In 2017, the Santa Clarita Valley economy is on pace to create 900 new jobs, an increase of 1.0 percent.

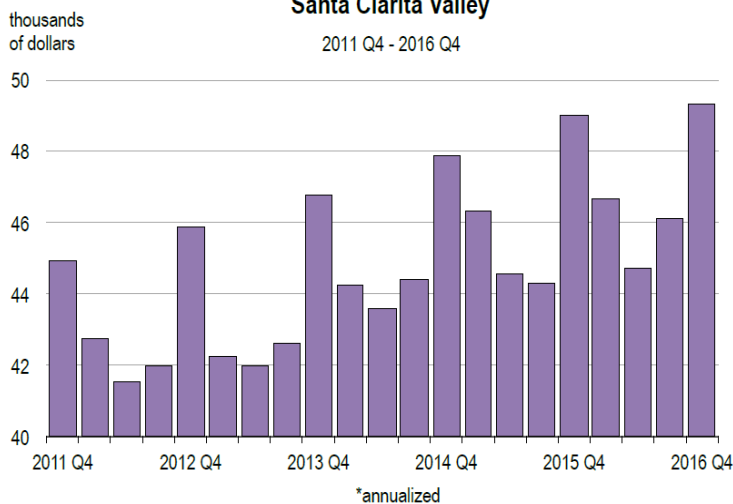
Source: California Economic Forecast

### Non-Farm Job Creation / Santa Clarita Valley



Source: Labor Market Information Division / California Economic Forecast

### Average Non-Farm Salary per Worker\* Santa Clarita Valley



Source: Labor Market Information Division / California Economic Forecast

## AVERAGE SALARIES

In the fourth quarter of 2016, the average non-farm worker earned an annualized salary of \$49,300.

Average salaries have risen by 0.7 percent over the past four quarters. This is a relatively modest rate, but 4th quarter comparisons should be taken with a grain of salt, as they frequently rely on year-end bonuses, which can vary from year to year.

Source: Labor Market Information Division / California Economic Forecast