

SANTA CLARITA VALLEY

Economic Snapshot

a publication of the Santa Clarita Valley Economic Development Corporation

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COMMERCIAL REAL ESTATE

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

New Permits

- Zero permits for new commercial space were issued during February 2016 in the Santa Clarita Valley, the same number issued in January 2016. There were also no permits for commercial space issued during February 2015.

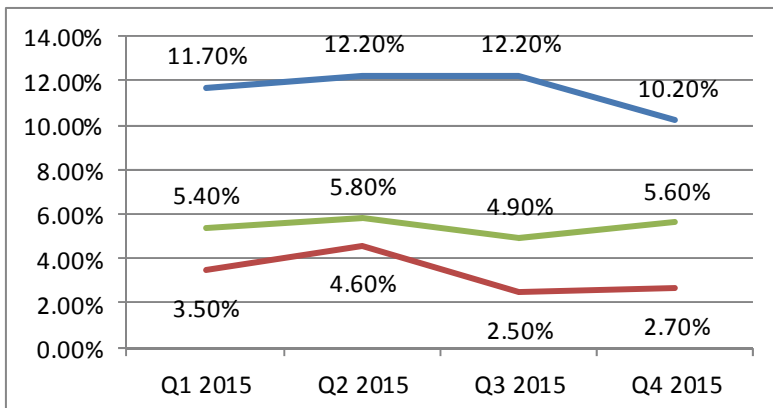
Tenant Improvements/Alterations

- A total of 12 permits for tenant improvements were issued in the Santa Clarita Valley during February 2016, 3 more than were issued in January 2016. There were 7 permits issued in February 2015.
- In February 2016, 33 commercial alteration permits were issued, up 26.92% from 26 permits in January 2016, and an increase of 32% from 25 permits issued in February 2015.

Certificates of Occupancy

- In February 2016, a total of 38 Certificates of Occupancy were issued in the Santa Clarita Valley totaling 128,910 sq. ft., with 30,243 sq. ft. issued for commercial space. There were 13 permits issued in February 2015.

Santa Clarita Valley Commercial Vacancy Rates



Vacancy Rates

Source: Co-Star Group

- In the Santa Clarita Valley, Q4 2015 office vacancy rates decreased 16.4%, while industrial rates increased 8% and retail vacancy rates increased by 14.3%.
- During Q4 2015, Santa Clarita Valley's office vacancy rate was 10.2%; retail and industrial vacancy rates were 5.6% and 2.7%, respectively.

Office - Industrial - Retail

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RESIDENTIAL REAL ESTATE ACTIVITY

Source: Southland Assoc. of Realtors / MLS Statistics

Santa Clarita Valley Home Values & Sales

- Median home values remained the same at \$530,000 in February 2016 as in January. A total of 136 single-family homes were sold in February, an increase of 20.35% from January 2016, and a decrease of 4.25% from February 2015 sales volume of 142 homes.
- Median condominium values increased 9.29% to \$335,000 in February 2016 from \$306,500 in January 2016; it is an 11.66% increase from February 2015 sales value of \$300,000.
- Condominium sales remained the same at 55 in February 2016 as in January, which is a decrease of 3.51% from February 2015 with 47 sales.

Santa Clarita Valley Permits:

New Residential



Residential Alteration

SCV Residential Real Estate Summary

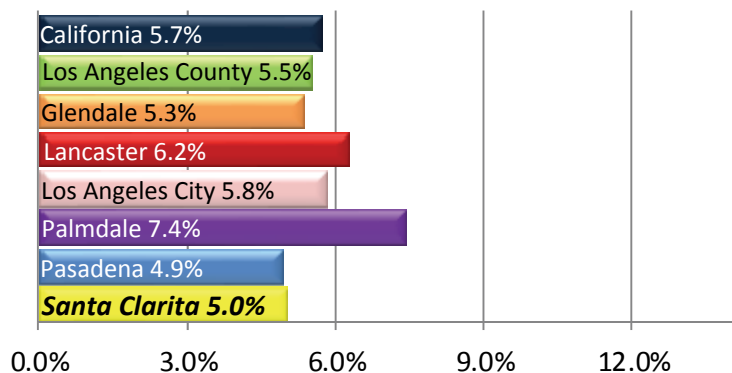
	Feb-16	Jan-16	M/M % Chg	Feb -15	Y/Y % Chg
Median Home Value	\$530,000	\$530,000	0%	\$490,000	10.42%
# of Single Family Homes Sold	136	113	20.35%	142	-4.25%
Median Condominium Value	\$335,000	\$306,500	9.29	\$300,000	11.66%
# of Condominiums Sold	55	55	0%	47	-3.51%
Avg. Days on Market (Single-Family - SCV)	84	93	-9.67%	82	2.44%
Single-Family Home Inventory (SCV)	443	443	0%	362	18.13%
	Feb-16	Jan-16	M/M % Chg	Feb-15	Y/Y % Chg.
NODs recorded (SCV)	29	30	-3.33%	35	-17.14%
	Q4 2015	Q3 2015		Q4 2014	
Apartment Vacancy Rate	3.3%	3.5%		3.6%	
Avg. Apartment Rents	\$1,783.00	\$1,555.00		\$1,548.00	

Unemployment Rate Comparison— February 2015

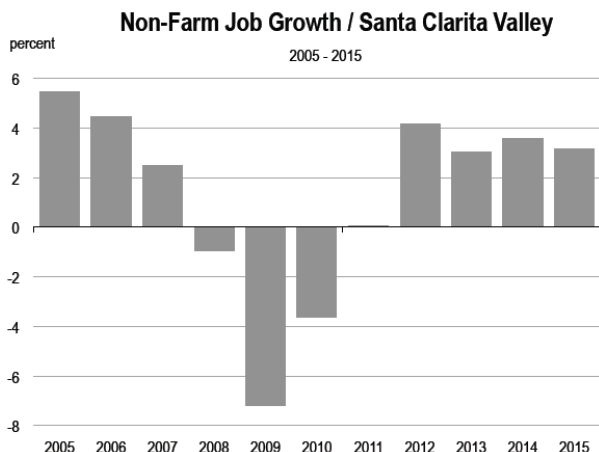
UNEMPLOYMENT RATE

Source: Bureau of Labor Statistics

- The City of Santa Clarita's unemployment rate was 5.0% in February 2016, compared to 5.5% for Los Angeles County, and 5.7% for the state of California.
- The current unemployment rate in Santa Clarita is 28.6% higher than the rate of 7.0% recorded in February 2015.



Non-Farm Employment



In 2015, the California labor market expanded rapidly again. Non-farm employment increased by 3%, generating more than 460,000 new jobs.

In the Santa Clarita Valley, the labor market is heavily concentrated in manufacturing, retail trade, leisure services and professional services. These sectors each account for more than 10,000 local jobs, and when combined, represent 55% of all jobs in the region.

From June 2014 to June 2015, several industries created a large number of jobs, including construction (+650 jobs), healthcare (+362 jobs), and manufacturing (+341 jobs). The largest losses were observed in professional and business services (-488). The administrative support subsector declined sharply, leading the broader industry to fall by 3.6%

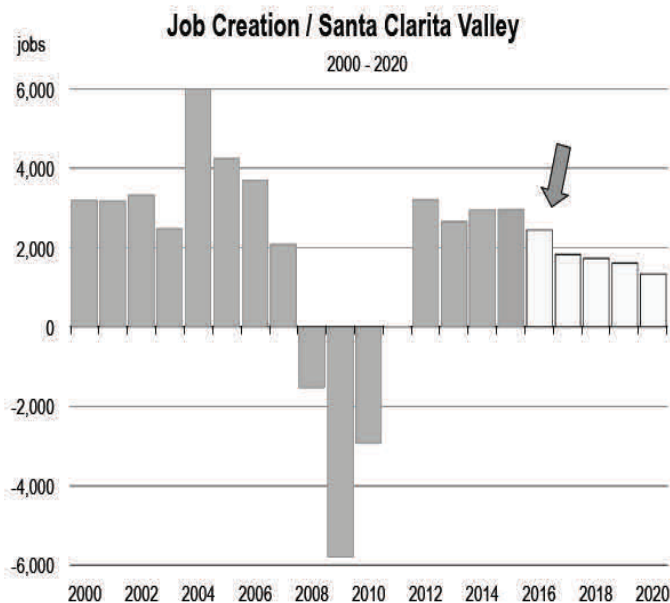
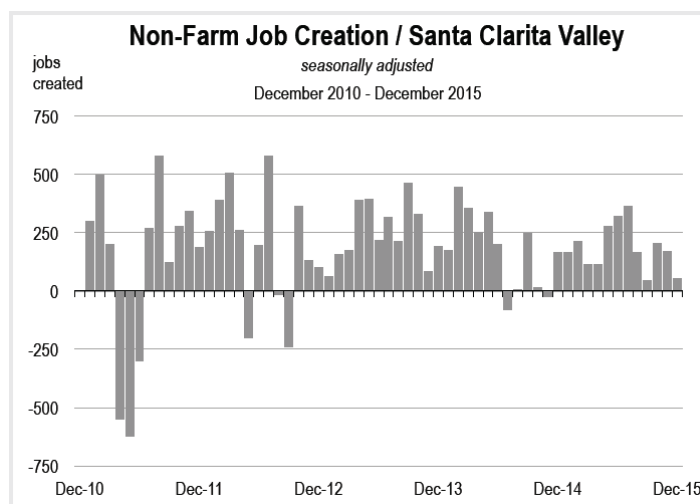
Source: Labor Market Information Division / California Economic Forecast

Non-Farm Job Creation

Seasonally adjusted job creation posted a 3.4% growth rate in 2015, adding 2,952 jobs. The forecast calls for a slightly lower level of job creation for 2016 and even less job creation in 2017.

The SCV is known as a hub for aerospace firms and medical device companies. Employment in the medical device sector has surged over the past 2 years, as local companies remain on the leading edge of advancements in medical device technology.

Source: Labor Market Information Division / California Economic Forecast



The Jobs Market

The kinds of jobs created will be dominated by the usual suspects that have led the labor market recovery to date, with the exception of manufacturing. Expect the professional and business services, the hospitality/leisure, and healthcare sectors to create the majority of new employment in the valley. Construction sector will also rise more sharply in 2016 as more new housing projects are started.

Source: Labor Market Information Division / California Economic Forecast

TOURISM | City of Santa Clarita

Source: STR Reports and PKF

- STR reports that hotel occupancy in Santa Clarita was 87.1% in December 2015, an increase of 19.64% from the December 2014 rate of 72.8%.
- By comparison, PKF reports the average occupancy rates at hotels for the Los Angeles region during December 2015 was 62.58%, down 7.51% from 67.66% in December 2014.
- Local average daily room rates (ADR) increased by 4.54% in December 2015 to \$121.56 from \$113.52 the previous year; LA region's ADR increased 7.47% to \$211.70 over the previous year at \$196.98.

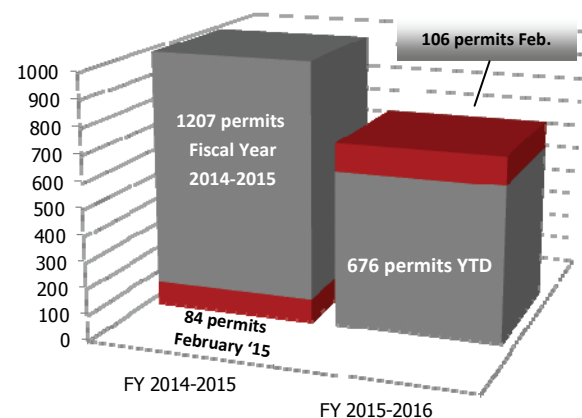
Tourism Sub-Region	Occupancy Rate Dec 2015	Occupancy Rate Dec 2014	ADR Dec 2015	ADR Dec 2014
Santa Clarita	87.1%	72.8%	\$121.56	\$113.52
San Fernando Valley	80.64%	70.00%	\$156.93	\$140.69
Pasadena	81.16%	77.58%	\$178.80	\$176.21
San Gabriel Valley	71.85%	74.42%	\$116.50	\$112.02
Hollywood	64.47%	61.48%	\$201.81	\$184.20
South Bay	76.42%	74.08%	\$134.10	\$121.83
Los Angeles Region	62.58%	67.66%	\$211.70	\$196.98

FILM | Santa Clarita Valley

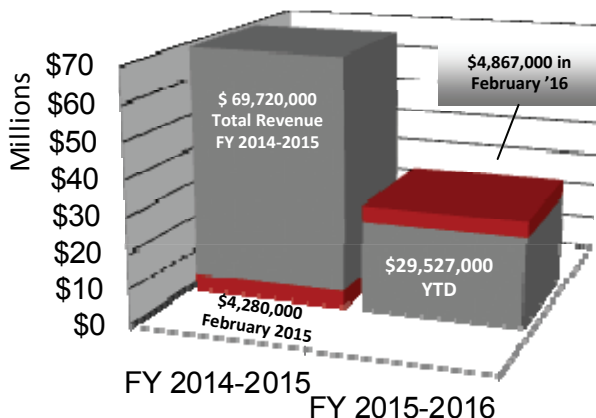
Source: City of Santa Clarita; Film L.A.

- In February 2016, a total of 106 film permits were issued in the Santa Clarita Valley, for a fiscal YTD of 782 permits (July 2015 through June 2016.)
- The permits represented a total of 248 filming days in Santa Clarita for February 2016, an increase of 29.17% from 192 filming days in February 2015.
- The February 2016 film days included: 94 television shows, 68 student/other projects, 24 commercials, 51 features, and 11 still shoots.
- The estimated economic impact in Santa Clarita from location filming in February 2016 is \$4,867,000 which is a 13.7% increase from \$4,280,500 in February 2015.

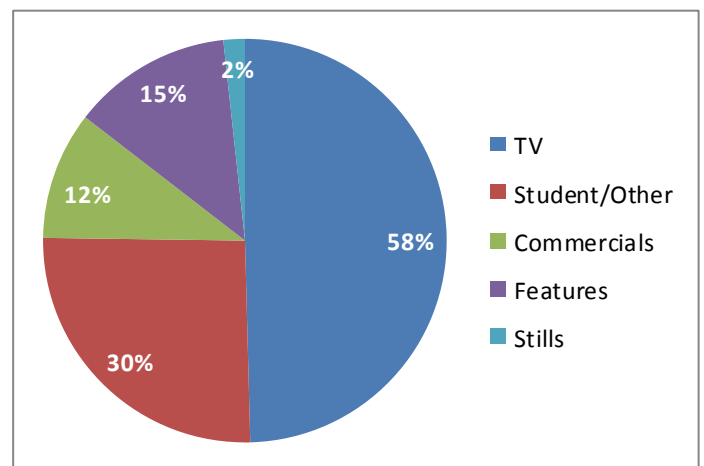
Number of Film Permits Issued in February 2016



Estimated Economic Impact of Filming in February 2016



Percentage of Filming Days—February 2016



Local Company Stock Prices

Local Company Stock Prices	Feb-16	Jan-16	% Change	Feb-15	% Change
Bank of Santa Clarita (BSCA)	9.5	10.05	-5.47%	9.35	1.6%
CA Resources Corp (CRC)	0.56	1.43	-60.84%	7.01	-92.01%
California United Bank (CUNB)	21.88	22.85	-4.24%	20.84	4.99%
Carnival Corp. (CCL)	47.96	48.13	-.35%	43.99	9.02%
Mission Valley Bank (MVLY)	8.0	8.0	0%	6.30	26.98%
Six Flags * (SIX)	50.86	50.27	1.17%	45.29	12.29%
Mannkind (MNKD)	1.03	1.0	3%	6.52	-84.2%
Wesco Aircraft (WAIR)	12.79	11.29	13.29%	15.01	-14.79%
Woodward (WWD)	46.95	49.19	-4.55%	48.55	-3.29%

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REFERENCES

Information provided by: City of Santa Clarita * Los Angeles County * Southland Association of Realtors * First American RealQuest Pro * Reis, Inc. * PKF Consulting * California Board of Equalization Data from City of Santa Clarita, Finance Division * CoStar * CA Employment Development