

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

- 1 permit for new commercial space were issued during April 2016 in the Santa Clarita Valley, one more than was issued in March 2016. There were no permits for commercial space issued during April 2015.

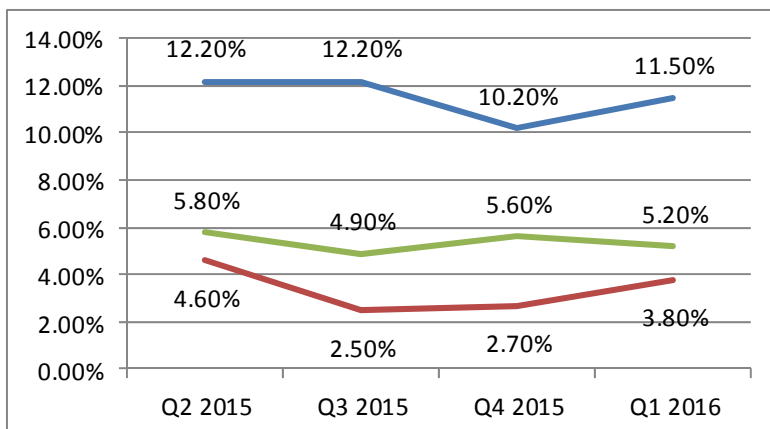
Tenant Improvements/Alterations

- A total of 14 permits for tenant improvements were issued in the Santa Clarita Valley during April 2016, two more than were issued in March 2016. There were 15 permits issued in April 2015.
- In April 2016, 34 commercial alteration permits were issued, up 54.5% from 22 permits in March 2016; this is an increase of 3% from 33 permits issued in April 2015.

Certificates of Occupancy

- In April 2016, a total of 27 Certificates of Occupancy were issued in the Santa Clarita Valley totaling 206,370 sq. ft., with 35,700 sq. ft. issued for commercial space. There were 16 permits issued in April 2015.

Santa Clarita Valley Commercial Vacancy Rates



Vacancy Rates

Source: Co-Star Group

- In the Santa Clarita Valley, Q1 2016 office vacancy rates increased 12.75%, while industrial rates increased 40.74% and retail vacancy rates decreased by 7.14%.
- During Q1 2016, Santa Clarita Valley's office vacancy rate was 11.5%; retail and industrial vacancy rates were 5.2% and 3.8%, respectively.

Office - Industrial - Retail

Presented by:



RESIDENTIAL REAL ESTATE ACTIVITY

Source: Southland Assoc. of Realtors / MLS Statistics

Santa Clarita Valley Home Values & Sales

- Median home values increased 3.5% in April 2016 to \$538,200, compared to \$520,000 in March 2016. A total of 212 single-family homes were sold in April, an increase of 4.43% from March 2016, and a decrease of 7.42% from April 2015 sales volume of 229 homes.
- Median condominium values decreased 5.45% to \$348,000 in April 2016 from \$330,000 in March 2016; it is a 20% increase from April 2015 sales value of \$290,000.
- Condominium sales increased 42.17% to 118 in April 2016 from 83 sold in March 2016; it is an increase of 28.26% from April 2015 with 92 sales.

Santa Clarita Valley Permits:

New Residential



Residential Alteration

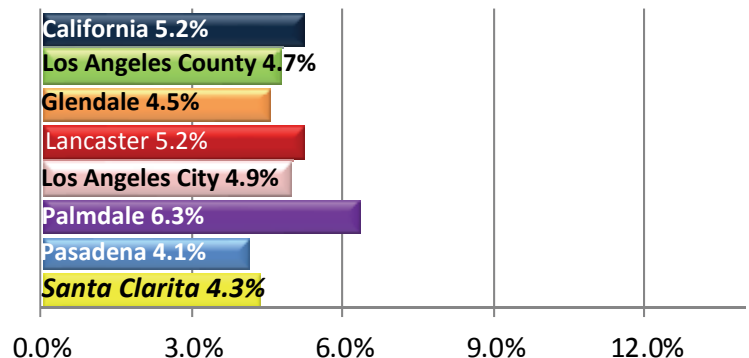
SCV Residential Real Estate Summary					
	April-16	Mar-16	M/M % Chg	April -15	Y/Y % Chg
Median Home Value	\$538,200	\$520,000	3.5%	\$500,000	7.64%
# of Single Family Homes Sold	212	203	4.43%	229	-7.42%
Median Condominium Value	\$348,000	\$330,000	5.45%	\$290,000	20.00%
# of Condominiums Sold	118	83	42.17%	92	28.26%
Avg. Days on Market (Single-Family - SCV)	67	75	10.67%	70	-4.29%
Single-Family Home Inventory (SCV)	451	449	.45%	573	-21.29%
	April-16	Mar-16	M/M % Chg	April-15	Y/Y % Chg
NODs recorded (SCV)	33	43	-23.25%	47	-29.79%
	Q1 2016	Q4 2015	Q/Q % Chg	Q1 2015	Y/Y % Chg
Apartment Vacancy Rate	3.3%	3.4%	-2.94%	3.7%	-10.81%
Avg. Apartment Rents	\$1,786.00	\$1,783.00	0.07%	\$1,563.00	14.27%

Unemployment Rate Comparison— April 2016

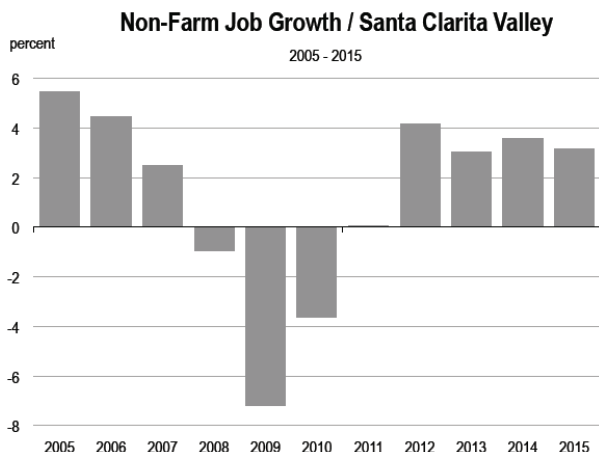
UNEMPLOYMENT RATE

Source: Bureau of Labor Statistics

- The City of Santa Clarita's unemployment rate was 4.3% in April 2016, compared to 4.7% for Los Angeles County, and 5.2% for the state of California.
- The current unemployment rate in Santa Clarita is 33.8% lower than the rate of 6.5% recorded in April 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%

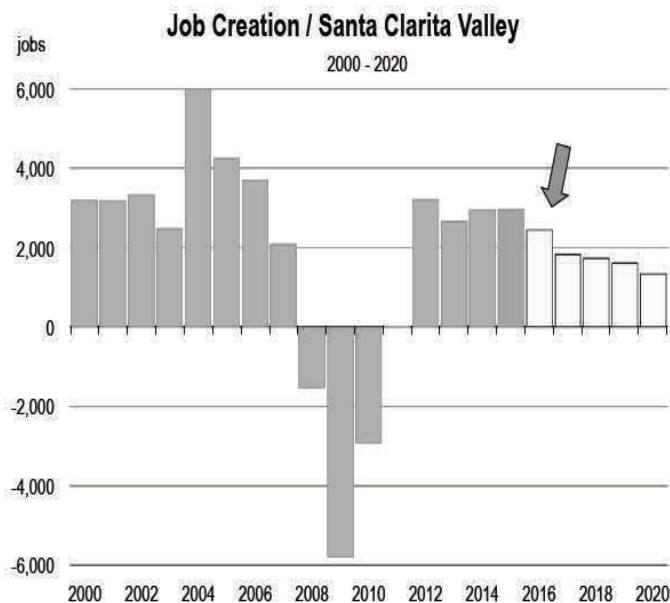
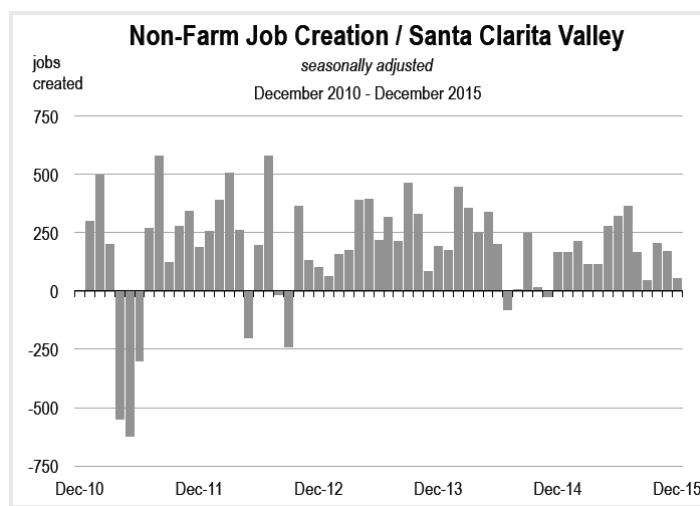
Source: Labor Market Information Division / California Economic Forecast

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 and TRENDS® Reports

- STR reports that hotel occupancy in Santa Clarita was 95.8% in March 2016, an increase of 11.14% from the March 2015 rate of 86.2%.
- By comparison, PKF reports the average occupancy rates at hotels for the Los Angeles region during March 2016 was 87.71%, up 7.19% from 81.83% in March 2015.
- Local average daily room rates (ADR) increased by 22.94% in March 2016 to \$161.97 from \$131.75 the previous year; LA region's ADR increased 3.42% to \$228.04 over the previous year at \$220.49.

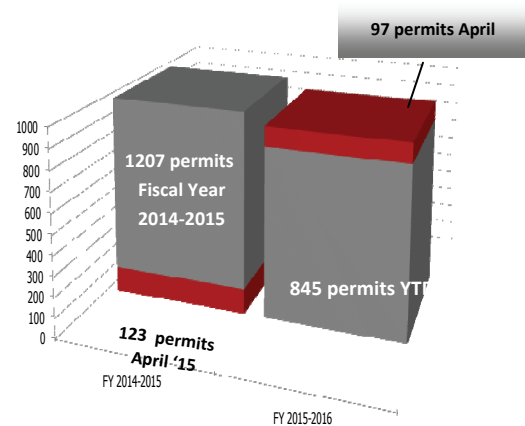
Tourism Sub-Region	Occupancy Rate Mar 2016	Occupancy Rate Mar 2015	ADR Mar 2016	ADR Mar 2015
Santa Clarita	95.8%	86.2%	\$161.97	\$131.75
San Fernando Valley	89.38%	82.89%	\$195.84	\$150.90
Pasadena	90.40%	87.77%	\$194.97	\$175.36
San Gabriel Valley	82.27%	81.17%	\$125.02	\$118.95
Hollywood	81.75%	72.57%	\$239.92	\$199.49
South Bay	91.69%	88.45%	\$156.41	\$138.80
Los Angeles Region	87.71%	81.83%	\$228.04	\$220.49

FILM | Santa Clarita Valley

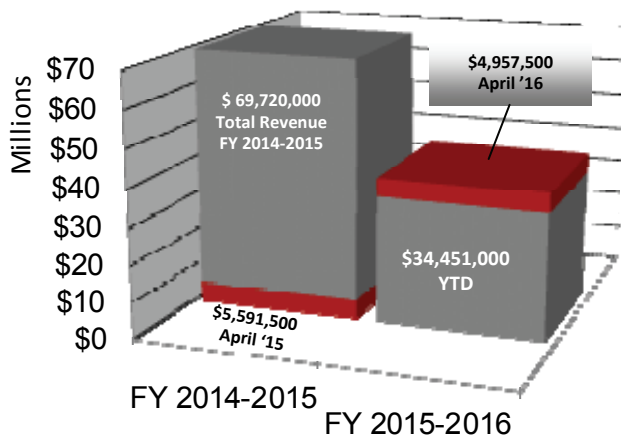
Source: City of Santa Clarita; Film L.A.

- In April 2016, a total of 97 film permits were issued in the Santa Clarita Valley, for a fiscal YTD of 942 permits (July 2015 through June 2016.)
- The permits represented a total of 235 filming days in Santa Clarita for April 2016, an decrease of 8.2% from 256 filming days in April 2015.
- The April 2016 film days included: 105 television shows, 45 student/other projects, 35 commercials, 37 features, 9 still shoots and 4 music videos.
- The estimated economic impact in Santa Clarita from location filming in April 2016 is \$4,957,500 which is 11.34% decrease from \$5,591,500 in April 2015.

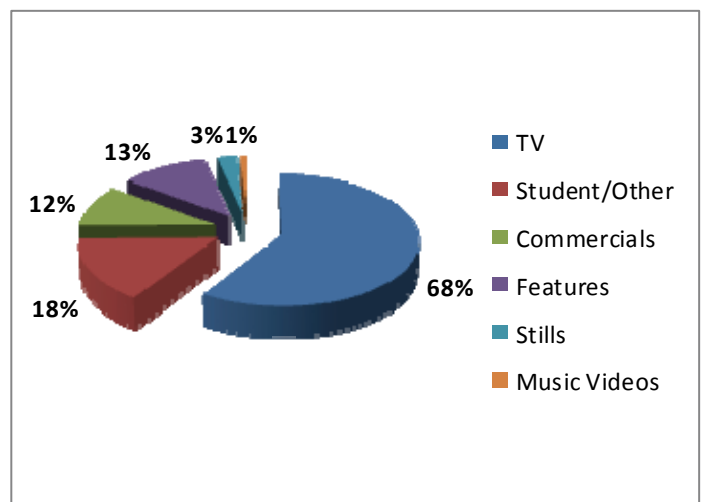
Number of Film Permits Issued in April 2016



Estimated Economic Impact of Filming in April 2016



Percentage of Filming Days—April 2016



Local Company Stock Prices

Local Company Stock Prices	April-16	Mar-16	% Change	April-15	% Change
Bank of Santa Clarita (BSCA)	9.95	9.6	3.65%	9.45	5.29%
CA Resources Corp (CRC)	2.20	1.03	113.59%	9.30	-76.34%
California United Bank (CUNB)	23.04	21.17	8.83%	20.72	11.19%
Carnival Corp. (CCL)	49.05	52.77	-7.05%	43.97	11.55%
Mission Valley Bank (MVLY)	7.85	8.17	-3.92%	6.30	24.60%
Six Flags * (SIX)	60.05	55.49	8.24%	47.02	27.71%
Mannkind (MNKD)	1.35	1.61	-16.15%	4.29	-68.53%
Wesco Aircraft (WAIR)	14.43	14.39	4.19%	15.68	-7.97%
Woodward (WWD)	54.20	52.02	4.19%	47.05	15.19%

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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