

SANTA CLARITA VALLEY Economic Snapshot

a publication of the Santa Clarita Valley Economic Development Corporation

Data through September 2011 | Published on December 2, 2011

WHAT'S INSIDE

Commercial Real Estate	1
Residential Real Estate	2
Employment	3
Enterprise Zone	3
Tourism	4
Film	4
Sales Tax	5

COMMERCIAL REAL ESTATE

New Permits

- No new permits for commercial space were issued in September 2011 by the City of Santa Clarita, the same as in September 2010.

Tenant Improvements/Alterations

- A total of 11 building permits for tenant improvements were issued in September 2011, up 57% from the 7 permits in August 2011, yet down 54% from the 24 permits in September 2010.
- In September 2011, a total of 29 permits for commercial alterations were issued, up 38% from the 21 permits in August 2011, yet down 49% from the 57 permits for commercial alterations in September 2010.

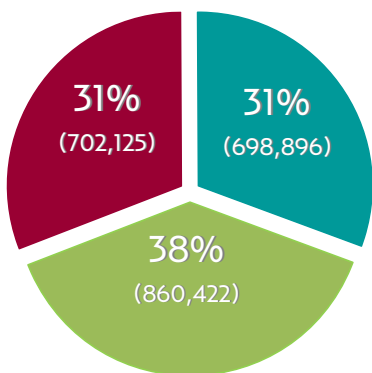
Certificates of Occupancy

- In September 2011, a total of three Certificates of Occupancy were issued, two of which were for office space and the remaining certificate for retail space. By comparison, there were nine Certificates of Occupancy issued in September 2010 (six for retail space, two for office space and one for office).
- The Certificates of Occupancy issued in September 2011 represent a total of 14,342 square feet, of which 57% was for office space and the remaining 43% was for retail space. This represents a 77% decrease from the 61,485 square feet covered in Certificates of Occupancies issued in September 2010.

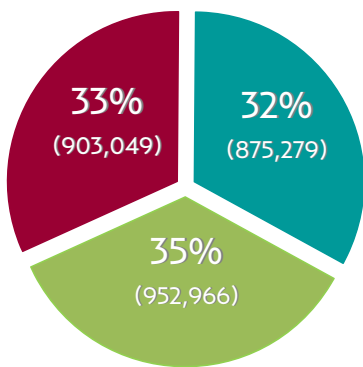
Vacancy Rates

- In the entire Santa Clarita Valley (including the City) office, retail and industrial vacancy rates have begun to trend downward in Third Quarter 2011 from the previous quarter.
- During the Third Quarter 2011, the Santa Clarita Valley's office vacancy rate was 18.9% and retail and industrial vacancy rates were 7.4% and 4.5%, respectively.
- Within the City of Santa Clarita, the office vacancy rate was 16.9% and retail and industrial vacancy rates were 6.9% and 5.5%, respectively.

City of Santa Clarita
Square Footage Vacancy - Q3 2011

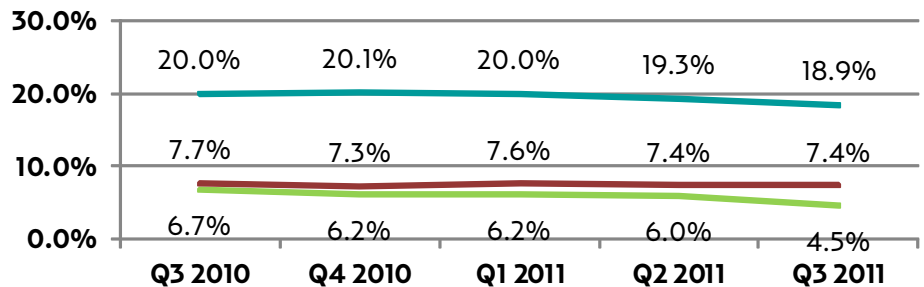


Santa Clarita Valley (includes City)
Square Footage Vacancy - Q3 2011



● Office ● Industrial ● Retail

Santa Clarita Valley Vacancy Rates



September 2011 Economic Snapshot Presented By



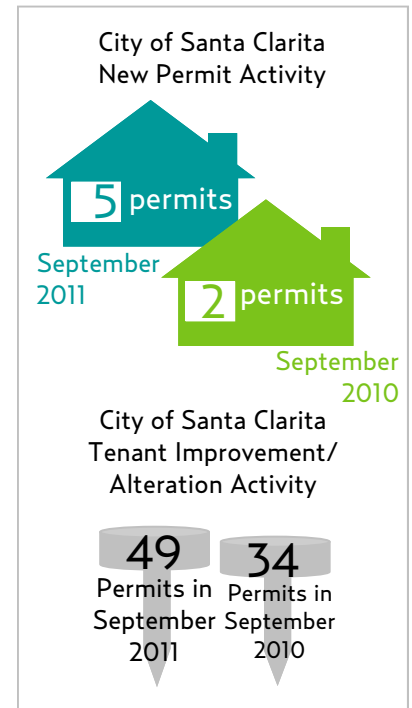
RESIDENTIAL REAL ESTATE ACTIVITY

Santa Clarita Valley Home Values & Sales

- In the Santa Clarita Valley (including the City of Santa Clarita), single-family home values and sales volumes hold steady with those seen at the beginning of the year, though still below figures from one year ago.
- Median home values decreased 3% to \$360,000 in September 2011 from August 2011, and were lower than the \$410,000 median home value seen in September 2010.
- A total of 164 single family homes were sold in September 2011, down 26% from August 2011 and 2% below sales volume in September 2010.
- Median condominium values decreased 3% to \$195,000 in September 2011 from August 2011, and were down 11% from September 2010.
- Condominium sales fell 30% to 66 sales in September 2011 from August 2011, and were down 7% from sales in September 2010.

City of Santa Clarita Home Values & Sales

- Single-family average home values in September 2011 were \$400,300 or 1% above August 2011, and 7% below September 2010.
- A total of 126 single family homes were sold in September 2011, down 25% from August 2011, and down 3% from September 2010.
- Condominium prices fell 2% to \$214,200 in September 2011 from August 2011, and dropped 5% from one year ago.
- Condominium sales decreased 31% to 59 units in September 2011 from August 2011, and were down 12% from September 2010.



APARTMENTS

Vacancies and Rents

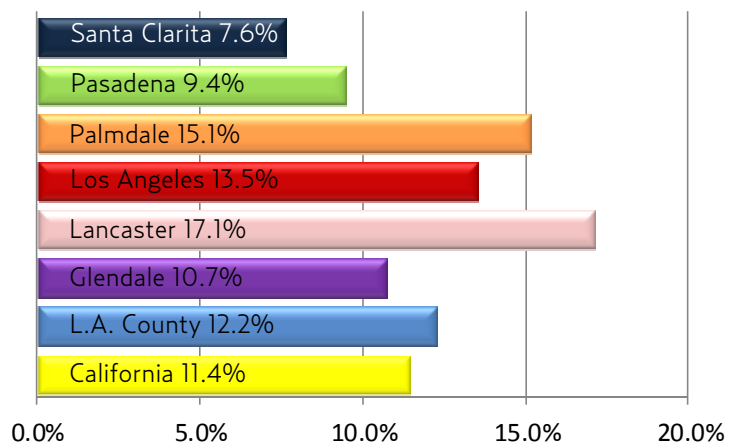
- The Apartment vacancy rate during Q3 2011 in Santa Clarita Valley was 6.5%, considerably less than the vacancy rate of 8% in Q3 2010.
- Vacancy rates declined in all comparison markets in the L.A. Metro area, with Santa Clarita Valley vacancy rates dropping at a faster rate compared to all other communities.
- Average apartment rents in the Santa Clarita Valley remain steady at \$1,437 in Q3 2011, below those in Burbank and considerably lower than those in Pasadena.

	SEPTEMBER 2011	SEPTEMBER 2010	% Chg.
Median Home Value	\$360,000	\$410,000	-12%
# of Single Family Homes Sold	164	167	-2%
Median Condominium Value	\$195,000	\$219,000	-11%
# of Condominiums Sold	66	71	-7%
Avg. Days on Market (Single-Family) (City)	58	67	-13%
Single-Family Home Inventory (City)	562	645	-13%
Apartment Vacancy Rate (Q2 2011 v. 2010)	6.5%	8.0%	-19%
Avg. Apartment Rents (Q2 2011 v. 2010)	\$1,437	\$1,428	-0.3%
NODs recorded	166	152	13%

UNEMPLOYMENT RATE

- The City of Santa Clarita's unemployment rate was 7.6% in September 2011 compared to 12.2% for Los Angeles County and 11.4% for California
- Unemployment in Santa Clarita is slightly lower from one year ago when the rate was 7.7%
- The SCVEDC continues to work with the City of Santa Clarita, College of the Canyons and the Santa Clarita WorkSource Center to attract jobs, create hiring opportunities and provide training programs for the region. For more information on the available programs, please contact the SCVEDC at (661) 288-4400.

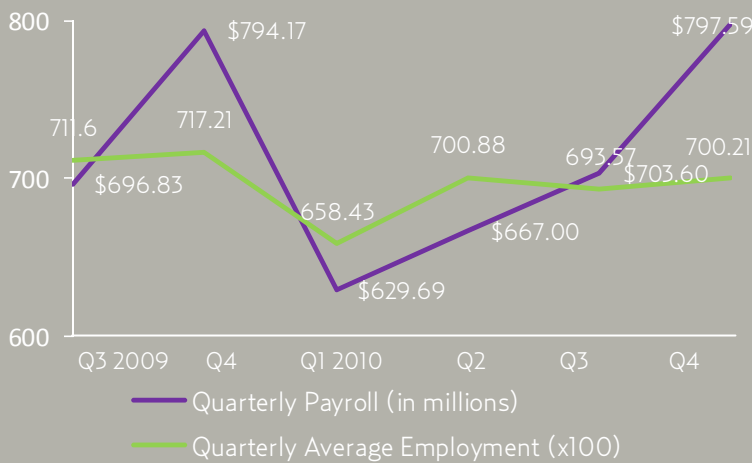
Unemployment Rate Comparison - September 2011



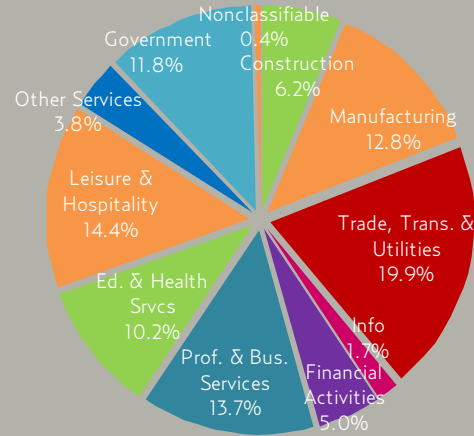
EMPLOYMENT | Santa Clarita Valley†

- In the fourth quarter of 2010 there were a total of 6,051 establishments reporting employment and wages, down 0.4% from the 6,074 in fourth quarter of 2009.
- Total employment in the Santa Clarita area was down 2% to 70,021 jobs in the fourth quarter of 2010 from the same period in 2009.
- Employment fell during the fourth quarter 2010 from the previous year in every sector except construction, which rose 8%.
- Quarterly wages in the Santa Clarita area were up 0.4% to \$797.59 million in fourth quarter of 2010 from \$794.17 million in fourth quarter 2009.

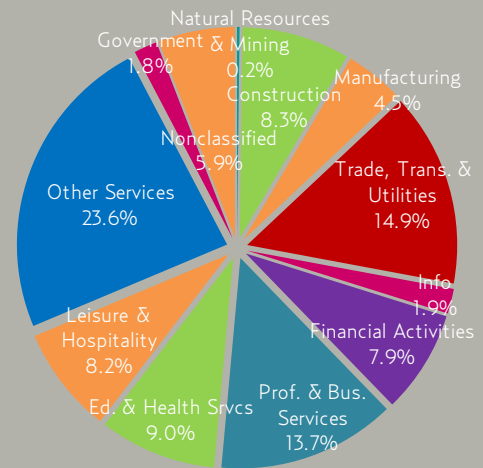
Total Number of Area Jobs on Payroll



Employment by Industry | Q4 2010



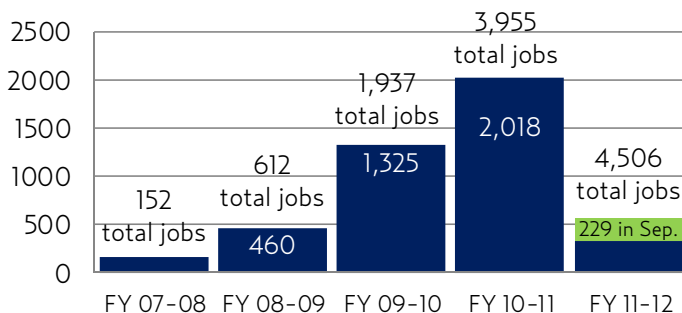
Share of Business by Industry | Q4 2010



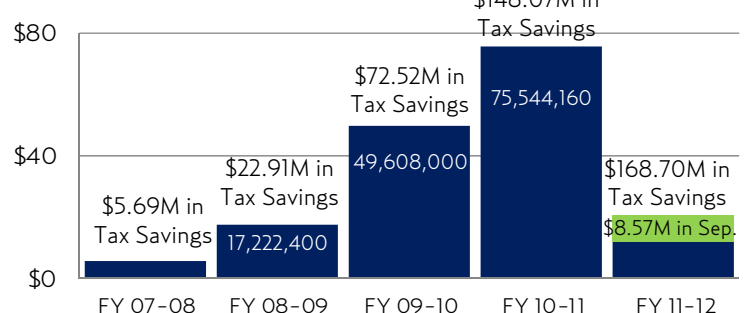
SANTA CLARITA VALLEY ENTERPRISE ZONE

Since 2007, the award-winning Santa Clarita Valley Enterprise Zone has been creating jobs, encouraging local investment and saving businesses money. For more information on how your business might benefit, visit www.scventerprisezone.com.

Jobs Created or Retained by Fiscal Year



Tax Savings for Local Business by Fiscal Year



TOURISM | Santa Clarita Valley

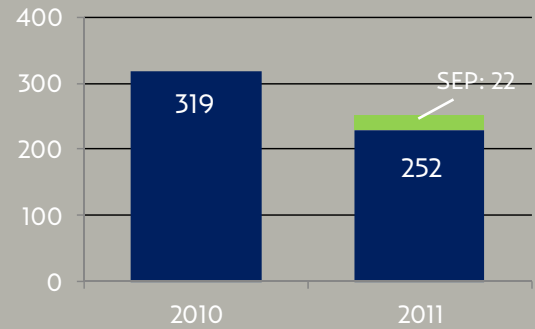
- PKF Consulting reported hotel occupancy in the Santa Clarita Valley was 72% in September 2011, significantly higher than the reported occupancy of 66% in September 2010.
- In comparison, occupancy rates at hotels in the Los Angeles region were at nearly 76%, up from 72% in September 2010.
- The year-over-year increase in occupancy rate for the SCV was higher than all survey areas except Beverly Hills and the I-5 Corridor/Whittier.
- Local average daily room rates (ADR) decreased 2% in September 2011 to \$101.00 from the previous year, while the region's ADR increased 6% to \$151.31.
- Year-to-date (YTD) SCV occupancy rates have increased 9% to 75%.
- The City of Santa Clarita collected \$173,356 in transient occupancy taxes (TOT) in September 2011, up 6% from September 2010.

September 2011 Southern California Occupancy & Rate Summary				
TOURISM SUBREGION	OCCUPANCY RATE SEP 2011	OCCUPANCY RATE SEP 2010	ADR SEP 2011	ADR SEP 2010
Santa Clarita	71.59%	66.32%	\$101.00	\$102.71
San Fernando Valley	71.43%	66.84%	\$125.22	\$123.15
Pasadena	75.13%	72.60%	\$146.49	\$138.29
Long Beach	70.92%	65.67%	\$119.65	\$127.87
San Gabriel Valley	71.07%	67.73%	\$96.35	\$93.37
Downtown	65.22%	65.07%	\$133.47	\$127.56
Los Angeles Region	75.96%	71.77%	\$151.31	\$142.22

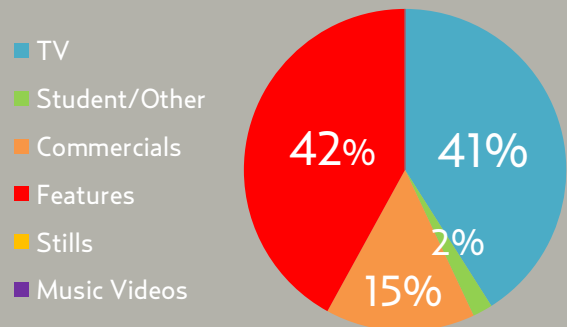
FILM | City of Santa Clarita

- In September 2011 a total of 22 film permits were issued within the City of Santa Clarita, down 12% from September 2010
- Year to date, 252 film permits have been issued in 2011, up 15% from the 219 permits issued during the same period in 2010
- The 22 permits represent a total of 59 filming days in September 2011, down 14% from 69 filming days in September 2010
- September 2011 film days included: 41% for television shows, 42% for features, 15% for commercials and 2% for student/other projects. No music video production or still shoots occurred in September 2011.
- The estimated economic impact from location filming in September 2011 of \$1,606,500, was 3% above the \$1,564,000 in September 2010.
- With the September 2011 increase from the previous year, the year-to-date economic impact, is also up 3% to \$13,122,500 compared to \$12,154,500 for this same period last year.

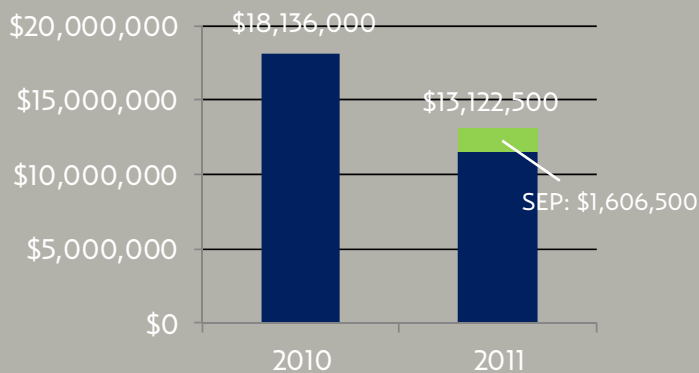
Number of Permits Issued



Percentage of Filming Days



Estimated Economic Impact of Filming



BOARD OF DIRECTORS
Executive Committee

Bill Kennedy – Co-Chairman
Wingspan Business Consulting

Don Fleming – Co-Chairman
Valencia Acura

Calvin Hedman – CFO
Hedman Partners

Dr. Dianne Van Hook – Secretary
College of the Canyons

Tim Burkhart
Six Flags California

Nate Butcher
Real Estate Nate, Inc.

Greg McWilliams
Newhall Land

Ken Pulskamp
City of Santa Clarita

Larry Rasmussen
Spirit Holding, Inc.

Roger Seaver
Henry Mayo Newhall Memorial Hospital

John Shaffery
Poole & Shaffery, LLP

Laurel Shockley
Southern California Edison

William Sloan
California United Bank

Arthur Sohikian
AVS Consulting

Morris Thomas
The Signal

Rosalind Wayman
Supervisor Michael D. Antonovich

Board Members

Kerry Carmody
Providence Health & Services

Chris Chase
Triple C Electric Inc.

Jon Collard
American Tax Incentives

Mark Delmarter
Klassen Corporation

Thomas Dudley
Liberty Building Maintenance & Services

Michael Gibraltar
Valencia Country Club

Adam Gilbert
Disney Corporate Real Estate

Casey Kirkman
AQMS Mayflower

Joe Messina
Wildcat Business Group

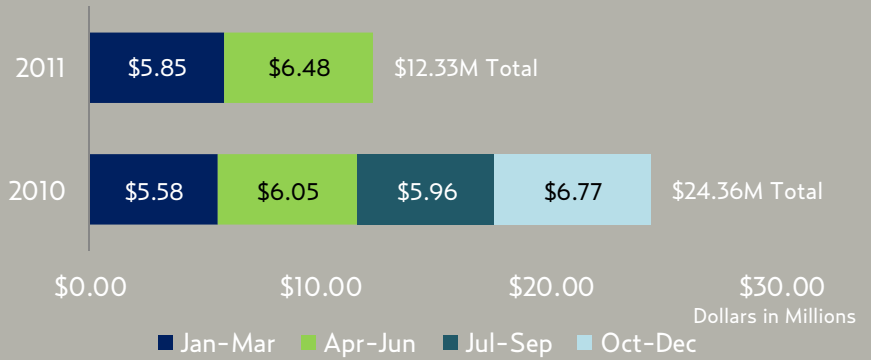
Rick Robb
Valencia Travel Village

Nigel Stout
Jones Lang LaSalle

Ken Wiseman
AMS Fulfillment

SALES TAX | City of Santa Clarita†

- Sales tax generated in Second Quarter 2011 was above that generated during Second Quarter 2010
- Total Second Quarter Sales Tax revenue was \$6.48 million, up 7% from the \$6.05 million generated in Second Quarter 2010
- The sales tax revenue figures presented are adjusted for economic data, by removing retroactive payments of \$5,000 or more into the quarter the sale was generated



REFERENCES

The Santa Clarita Valley Monthly Economic Snapshot is a publication of the Santa Clarita Valley Economic Development Corporation, using information provided by the following sources:

- City of Santa Clarita, Building & Safety Division
- Southland Association of Realtors
- First American RealQuest Pro
- Reis, Inc.
- City of Santa Clarita, Film & Tourism Office
- PKF Consulting
- California Board of Equalization Data from City of Santa Clarita, Finance Division
- CoStar
- City of Santa Clarita, Economic Development Division
- CA Employment Development Department
- Bureau of Labor Statistics

†Updated quarterly. The next update will in the December Economic Snapshot to be released March 2012.

ECONOMIC DEVELOPMENT NEWS from scvedc.org

- Five SCV Firms Make Fastest Growing List SCVEDC
- Santa Clarita’s Courtship of the Film Industry Pays Off Los Angeles Daily News
- Honda Performance Revvs Its Engine SFVBJ

SCVEDC NEWSLETTER

To join our bi-weekly “Business Update” e-newsletter mailing list, email info@scvedc.org or call (661) 288-4400.

SANTA CLARITA VALLEY
Economic Development Corporation

scvedc.org | (661) 288-4400