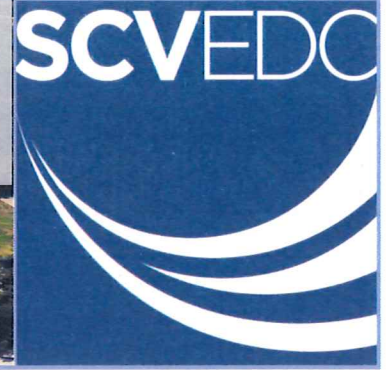


Santa Clarita Valley December 2016 Economic Snapshot



Monthly Data

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, the economic impact of filming, and local stock prices.

Highlights

SCVEDC's efforts to support company attraction & expansion resulted in over 2000 jobs in 2016

The economic impact of filming in the Santa Clarita Valley during November 2016 was \$6,317,500 representing 277 filming days

Escrows closed on 205 single-family homes and 89 condominiums throughout Santa Clarita during November. The median price of homes sold was \$545,000, up 4.8% over a year ago.

The local unemployment rate is 4.4%, while California's is 5.3%

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 November 2016 in the Santa Clarita Valley, two more than were issued in October 2016. There were zero (0) permits for commercial space issued during November 2015.

Tenant Improvements/Alterations

A total of ten (10) permits for tenant improvements were issued in the Santa Clarita Valley during November 2016, two less than were issued in October 2016. There were eight (8) permits issued in November 2015.

In November 2016, thirty-eight (38) commercial alteration permits were issued, up 46% from twenty-six (26) permits in October 2016, and an increase of 23% from thirty-one (31) permits issued in November 2015.

Certificates of Occupancy

In November 2016, a total of 59 Certificates of Occupancy were issued in the Santa Clarita Valley totaling 249,902 SF with 80,027SF issued for commercial space. There were 39 permits issued in November 2015.

SANTA CLARITA VALLEY PERMITS



RESIDENTIAL REAL ESTATE | Santa Clarita Valley

Source: Southland Assoc. of Realtors/ MLS Statistics

Median home values decreased .5% in November 2016 to \$545,000, compared to \$548,000 in October 2016. A total of 205 single-family homes were sold in November, an increase of .1% from October 2016, and an increase of 33% from the November 2015 sales volume of 154 homes.

Median condominium values increased 4% to \$340,000 in November 2016 from \$327,000 in October 2016; it is a 3% increase from a November 2015 sales value of \$330,000. Condominium sales decreased 6.3% to 89 in November 2016 from 95 sold in October 2016; it is an increase of 3.5% from November 2015 with a sales volume of 86 condos.

SCV Residential Real Estate Summary					
	Nov-16	Oct-16	M/M % Chg	Nov-15	Y/Y % Chg
Median Home Value	\$545,000	\$548,000	-.5%	\$520,000	4.8%
Number of Single Family Homes Sold	205	203	.1%	154	33%
Median Condominium Value	\$340,000	\$327,000	4%	\$330,000	3%
Number of Condominiums Sold	89	95	-6.3%	86	3.5%
Avg. Days on Market (Single-Family - SCV)	95	80	18.75%	93	18.75%
Single-Family Home Inventory (SCV)	494	576	-14.23%	502	-1.6%
	Nov-16	Oct-16	M/M % Chg	Nov-15	Y/Y % Chg
NODs recorded (SCV)	25	36	-30%	23	8.7%
	Q3 2016	Q2 2016	Q/Q % Chg	Q3 2015	Y/Y % Chg
Apartment Vacancy Rate	3.3%	3.4%	-3%	3.5%	-6%
Avg. Apartment Rents	\$1,919	\$1,594	20%	\$1,555	23%

Unemployment Rate Comparison— Nov 2016 UNEMPLOYMENT RATE

Source: Bureau of Labor Statistics

California	5.3%
LA County	4.8%
Glendale	4.7%
Lancaster	5.4%
Los Angeles	5.1%
Palmdale	6.5%
Pasadena	4.3%
Santa Clarita	4.4%

The current unemployment rate in Santa Clarita is 4.4%, 15% lower than the rate of 5.2% recorded November 2015.

California's unemployment rate fell to 5.3 percent and the state's employers added 13,600 nonfarm payroll jobs in November.

SCVEDC's effort to support company attraction and expansion resulted in 2000 jobs in 2016.

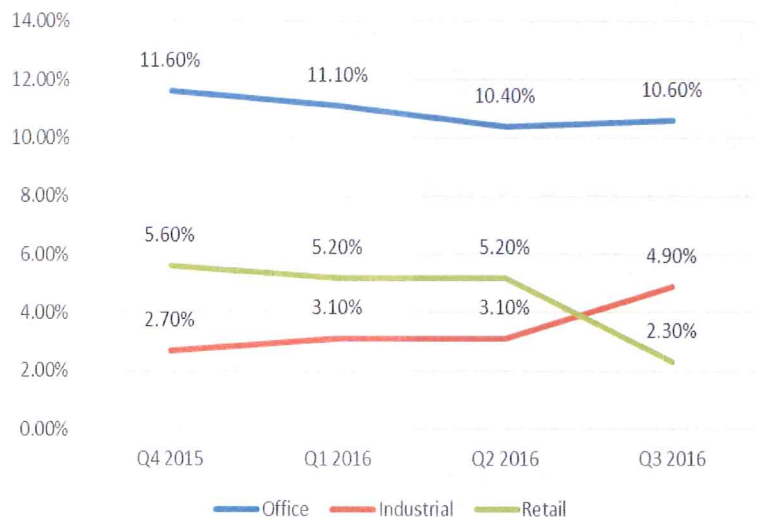
COMMERCIAL VACANCY RATES

Santa Clarita Valley

Source: Co-Star Group

In the Santa Clarita Valley, Q3 2016 office vacancy rates increased 2% while industrial increased 58% and retail decreased 56%.

During Q3 2016, Santa Clarita Valley's office vacancy rate was 10.6%; retail and industrial vacancy rates were 2.3% and 4.9% respectively.



TOURISM | City of Santa Clarita

Source: STR and TRENDS® Reports

STR reports that hotel occupancy in Santa Clarita was 81.32% in September 2016, an increase of 7.5% from the September 2015 rate of 75.68%.

By comparison, TRENDS reports the average occupancy rates at hotels for the Los Angeles region during September 2016 was 84.86%, a 3.3% increase from 82.14% in September 2015.

Local average daily room rates (ADR) increased by 7.8% in September 2016 to \$137.64 from \$127.70 the previous year; LA region's ADR increased 10.8% to \$202.41 over the previous year at \$182.62.

September 2016 Southern California Occupancy & Rate Summary

Tourism Sub-Region	Occupancy Rate Sept 2016	Occupancy Rate Sept 2015	ADR Sept 2016	ADR Sept 2015
Santa Clarita	81.32%	75.68%	\$137.64	\$127.70
San Fernando Valley	80.01%	81.68%	\$171.99	\$155.88
Pasadena	80.55%	84.34%	\$187.22	\$178.28
San Gabriel Valley	79.04%	78.99%	\$122.36	\$116.21
Hollywood	86.35%	82.97%	\$235.35	\$217.80
South Bay	87.29%	85.01%	\$171.93	\$158.15
Los Angeles	84.86%	82.14%	\$202.41	\$182.62

FILM | Santa Clarita Valley

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

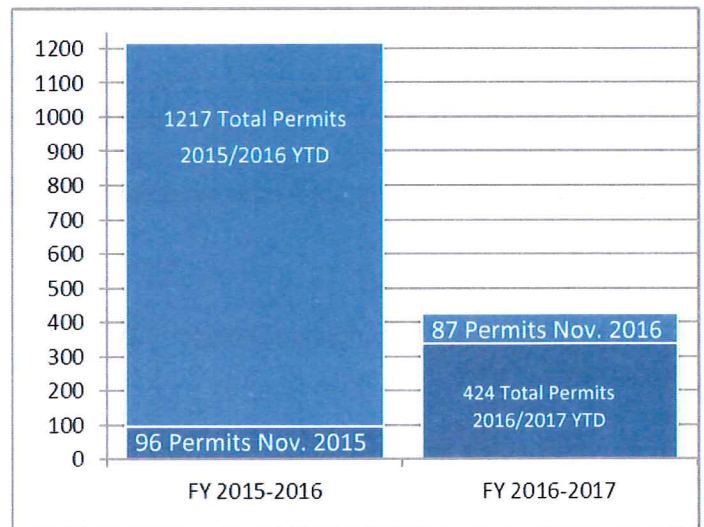
In November 2016, a total of 87 film permits were issued in the Santa Clarita Valley, for a fiscal YTD of 424 permits (July 2016 through June 2017.)

The permits represented a total of 277 filming days in Santa Clarita for November 2016, an increase of 34% from 206 filming days in November 2015.

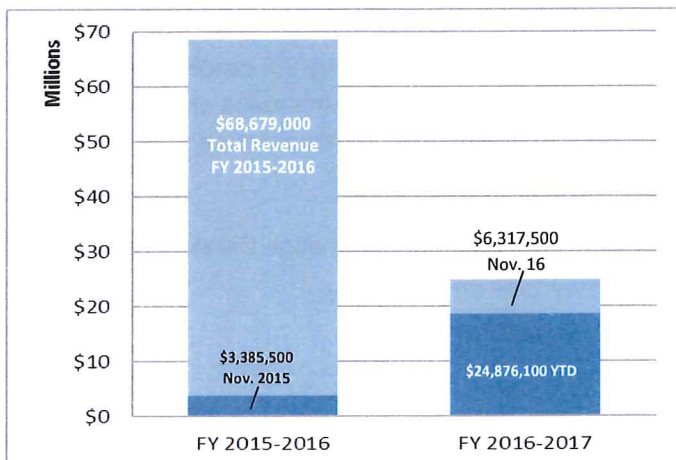
The November 2016 film days included: 134 television shows, 45 student/other projects, 25 commercials, 58 features, 11 still shoots and 4 music videos.

The estimated economic impact in Santa Clarita from location filming in November 2016 is \$6,317,500 which is a 65% increase from \$3,835,500 in November 2015.

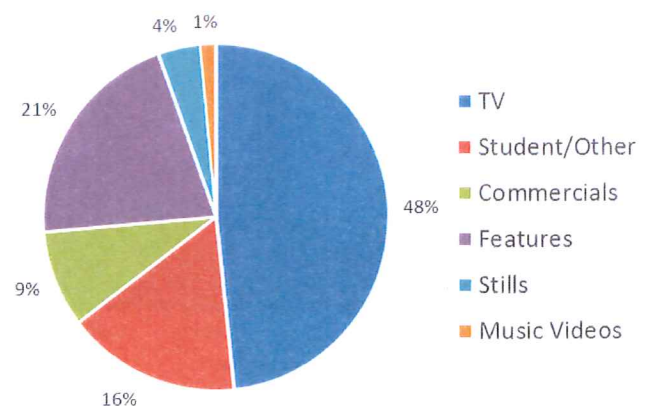
Number of Film Permits Issued in November 2016



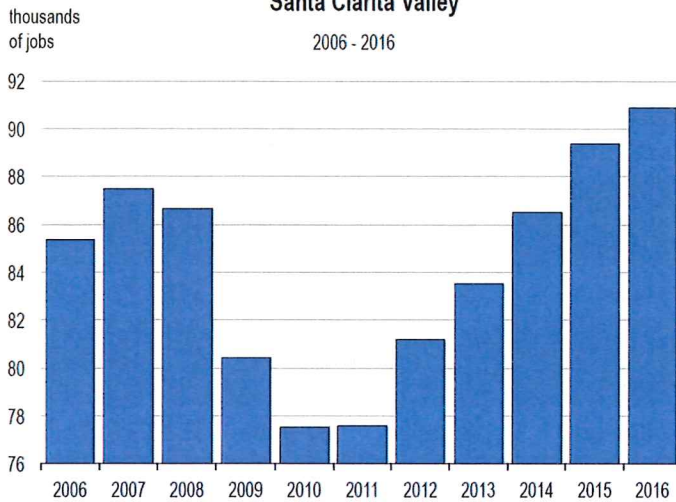
Estimated Economic Impact of Filming in November 2016



Percentage of Filming Days—November 2016



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



NON-FARM EMPLOYMENT

On an average annual basis, non-farm employment is on pace to rise at a moderate rate in 2016. If the trend from the first ten months of the year persists, the region's labor market will expand by 1.5%.

The sectors that have experienced the strongest growth in the past year include professional, scientific, and technical services (+10%), real estate (+4%), and local government (+4%).

The largest losses were in management (-8 percent), construction (-1%), and information (-1%).

Source: Labor Market Information Division / California Economic Forecast

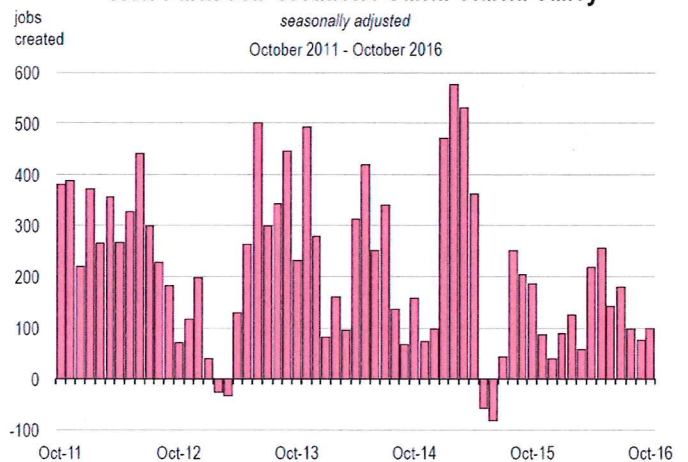
NON-FARM JOB CREATION

So far in 2016, the Santa Clarita Valley has gained 1,431 jobs on a seasonally-adjusted basis.

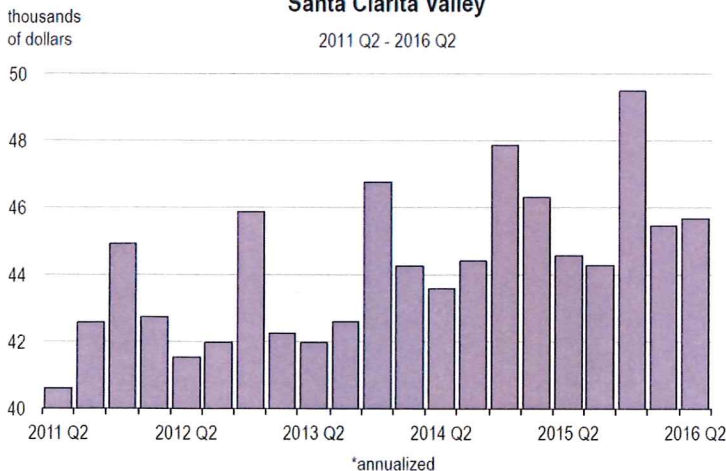
Although job creation has slowed from last year, 2016 is still on pace for moderate growth. At the same time, the unemployment rate continues to improve and the labor market is now relatively tight, causing salaries to increase at healthy rates.

Source: Labor Market Information Division / California Economic Forecast

Non-Farm Job Creation / Santa Clarita Valley



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



AVERAGE SALARIES

In the second quarter of 2016, the average non-farm worker earned an annualized salary of \$45,700.

Average salaries have risen by 2.5 percent over the past four quarters, generally the result of a tighter labor market with an improving unemployment rate.

Source: Labor Market Information Division / California Economic Forecast