

Report to Economic Development Sub-Committee

TO: Economic Development Subcommittee

FROM: Keith Gemmell, Acting Economic Development & Housing Director

AGENDA DATE: June 10, 2025

TITLE: QUARTERLY MARKET UPDATES

RECOMMENDED ACTION

Staff recommends that the Economic Development Subcommittee members receive and file the attached information about Moreno Valley's Office, Industrial, and Retail markets, plus sales taxes and housing resale values. Staff will provide a verbal presentation at the Subcommittee meeting.

ATTACHMENTS

EXHIBIT A: Market Report for Moreno Valley's OFFICE Activity
EXHIBIT B: Market Report for Moreno Valley's INDUSTRIAL Activity
EXHIBIT C: Market Report for Moreno Valley's RETAIL Activity
EXHIBIT D: Moreno Valley Sales Tax Update – 4th Quarter 2024
EXHIBIT E: Single Family Resale Home Price Average – MAY 2025

Prepared By: Melissa McClain, Economic Development Manager

Approved By: Keith Gemmell, Acting Economic Development & Housing Director

EXHIBIT A – OFFICE MARKET

Search Analytics

INVENTORY SF

1.6M -0.1%

Prior Period 1.6M

UNDER CONSTRUCTION SF

24K +44.4%

Prior Period 16.6K

12 MO NET ABSORPTION SF

(14.3K) +21.7%

Prior Period (18.3K)

VACANCY RATE

4.1% +0.8%

Prior Period 3.3%

MARKET ASKING RENT/SF

\$2.51 +3.7%

Prior Period \$2.42

MARKET SALE PRICE/SF

\$212 +0.3%

Prior Period \$212

MARKET CAP RATE

8.8% +0%

Prior Period 8.8%

Key Metrics

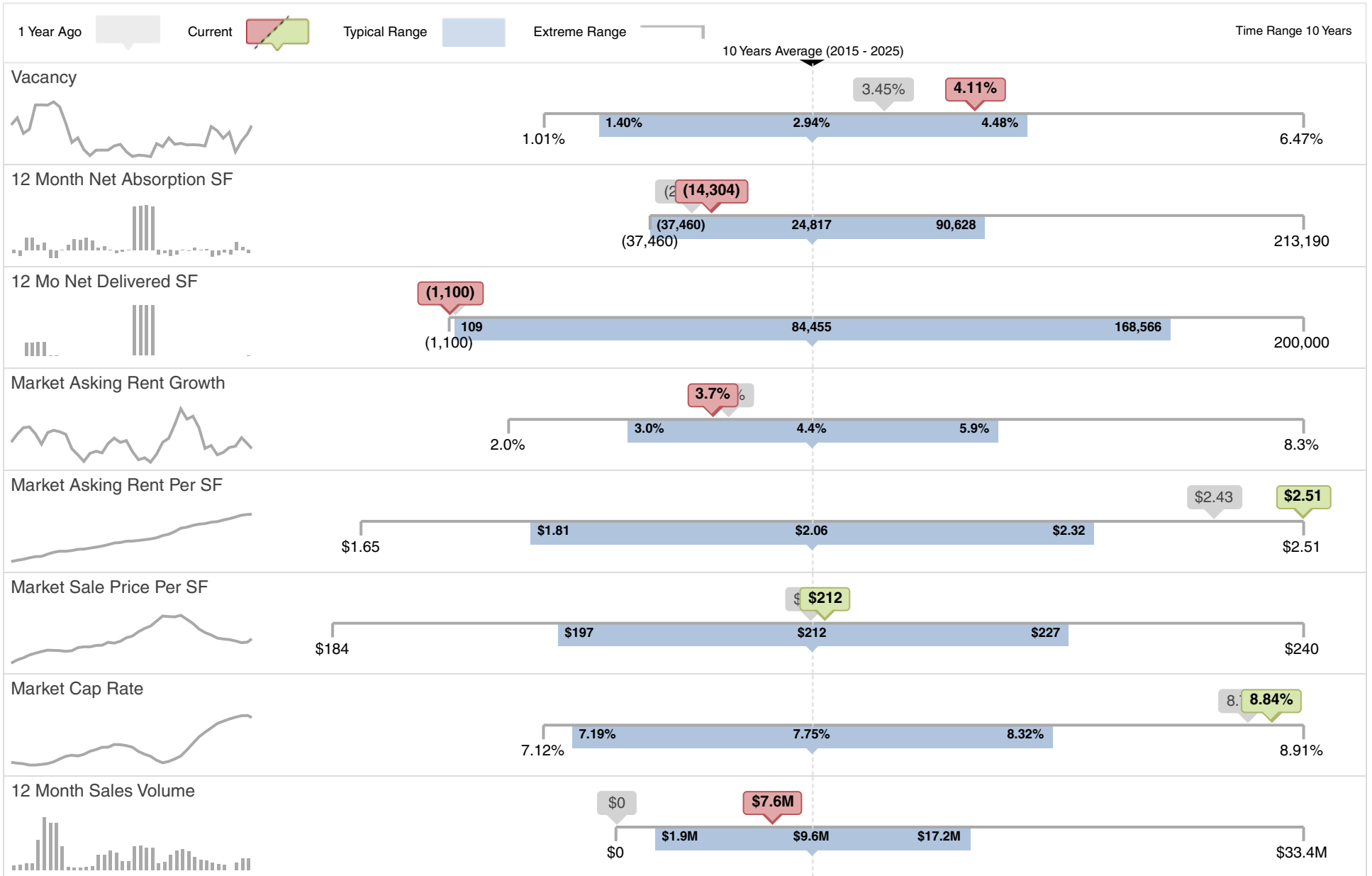
Availability	
Vacant SF	64.8K ↑
Sublet SF	0 ↓
Availability Rate	7.0% ↑
Available SF Total	112K ↑
Available Asking Rent/SF	\$2.38 ↑
Occupancy Rate	95.9% ↓
Percent Leased Rate	96.1% ↓

Inventory	
Existing Buildings	96 ↓
Under Construction Avg SF	24K ↓
12 Mo Demolished SF	1.1K ↑
12 Mo Occupancy % at Delivery	-
12 Mo Construction Starts SF	7.1K ↓
12 Mo Delivered SF	0 ↓
12 Mo Avg Delivered SF	-

Sales Past Year	
Asking Price Per SF	\$380
Sale to Asking Price Differential	0%
Sales Volume	\$7.6M ↑
Properties Sold	6 ↑
Months to Sale	15.1
For Sale Listings	4 ↓
Total For Sale SF	76.9K ↑

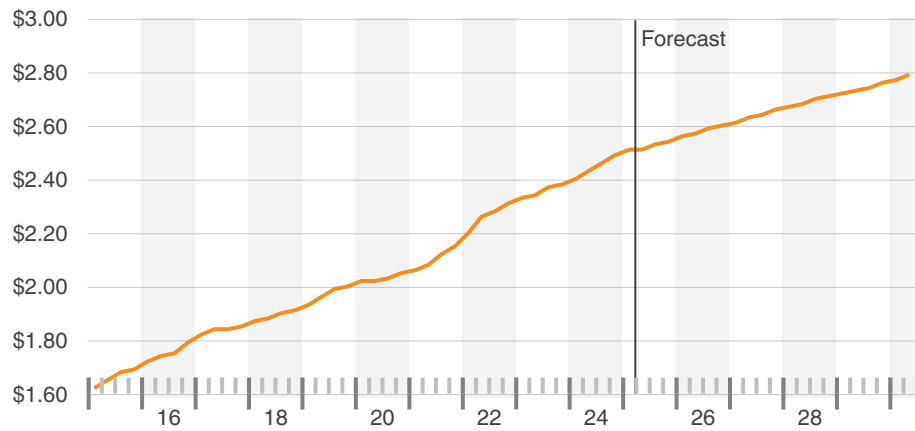
Demand	
12 Mo Net Absorp % of Inventory	-0.9% ↑
12 Mo Leased SF	19.2K ↓
Months on Market	5.7 ↓
Months to Lease	8.4 ↑
Months Vacant	5.0 ↑
24 Mo Lease Renewal Rate	82.7%
Population Growth 5 Yrs	5.0%

Key Performance Indicators

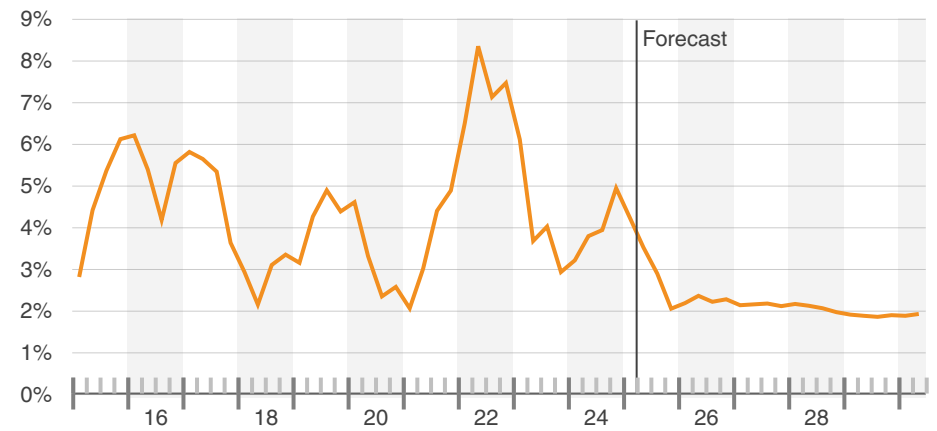


Search Analytics

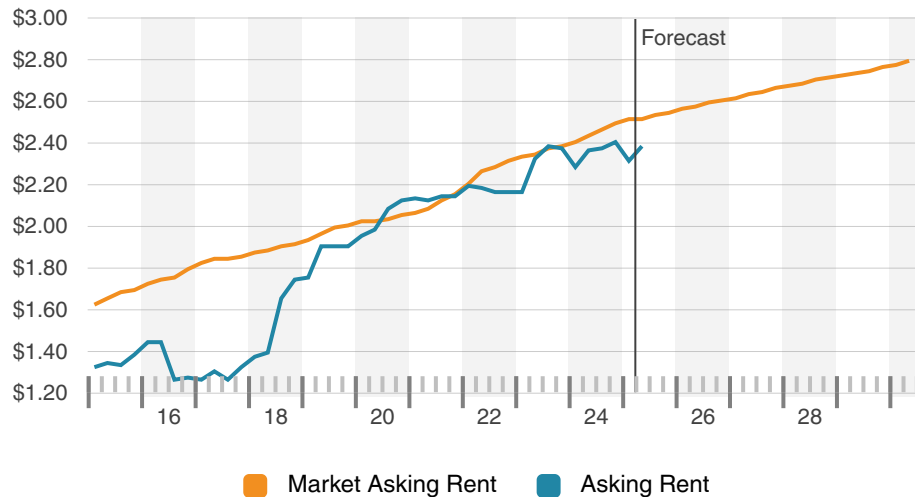
Market Asking Rent Per SF



Market Asking Rent Growth (YOY)



Market Asking Rent & Asking Rent Per SF

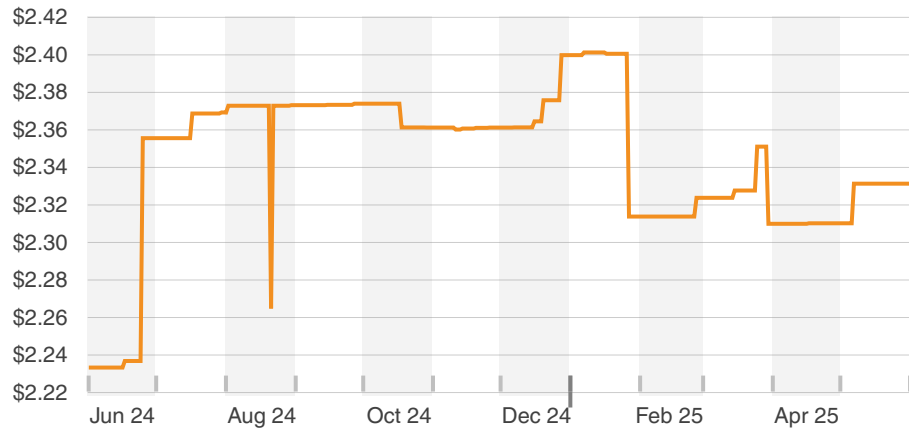


Asking Rent Per SF

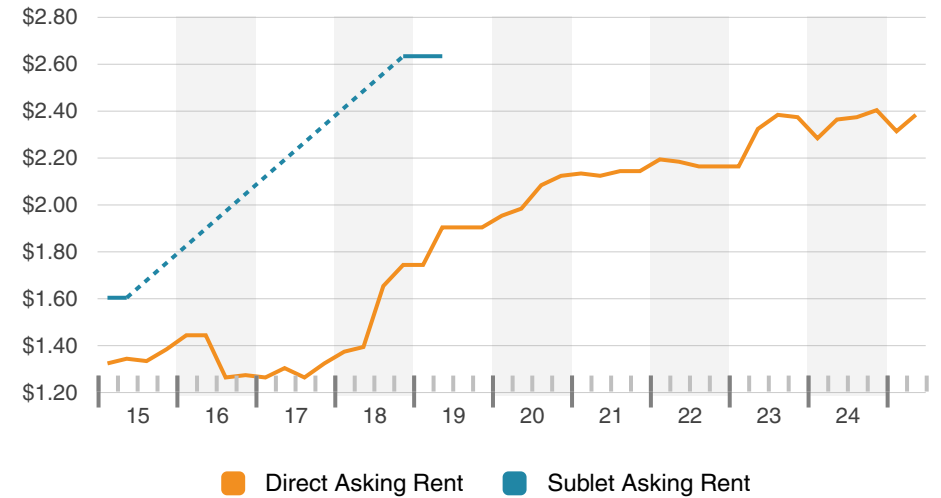


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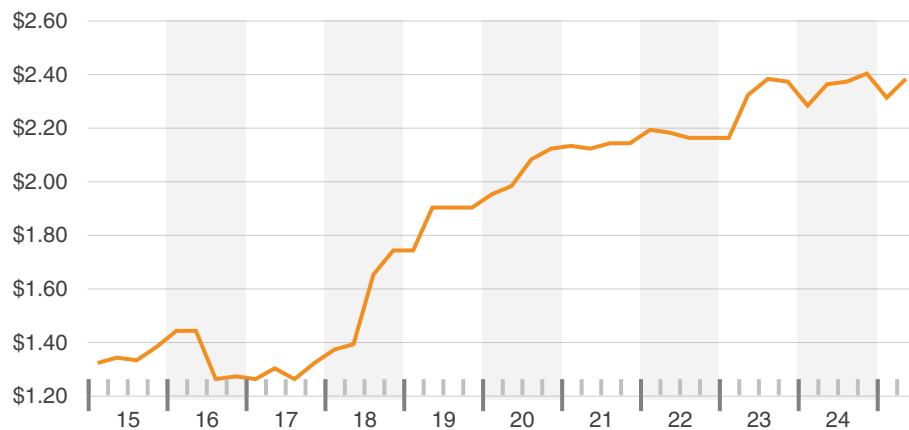
Daily Asking Rent Per SF



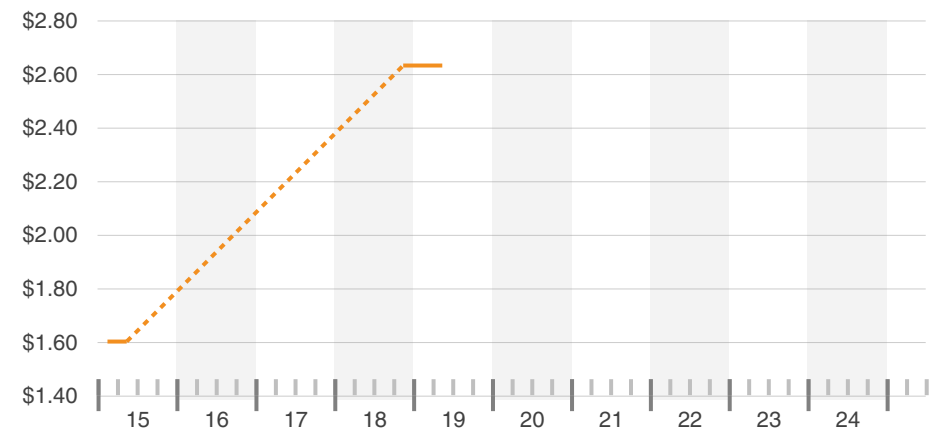
Direct & Sublet Rent Per SF



Direct Rent Per SF

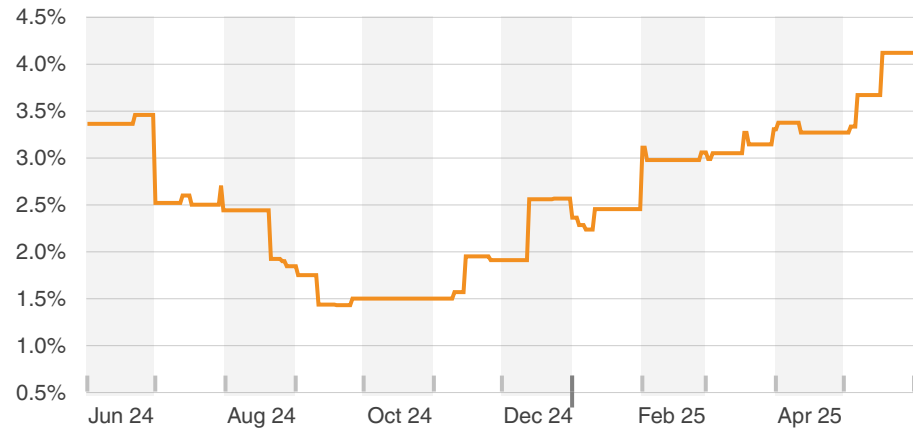


Sublet Rent Per SF

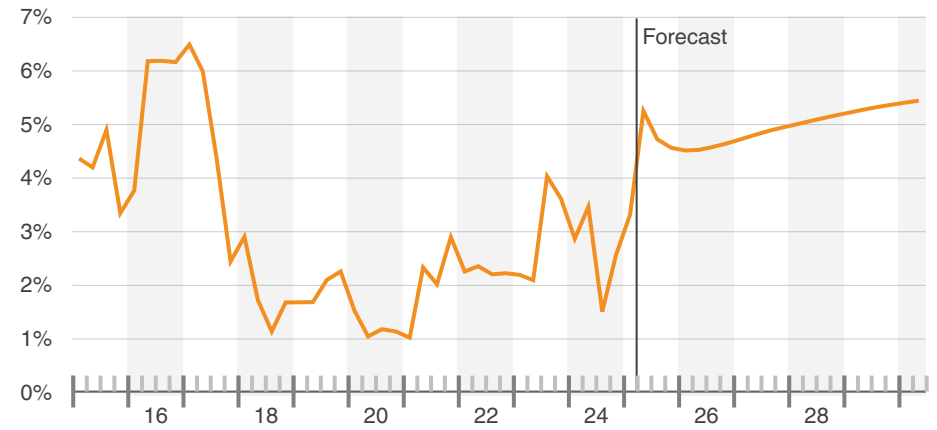


Search Analytics

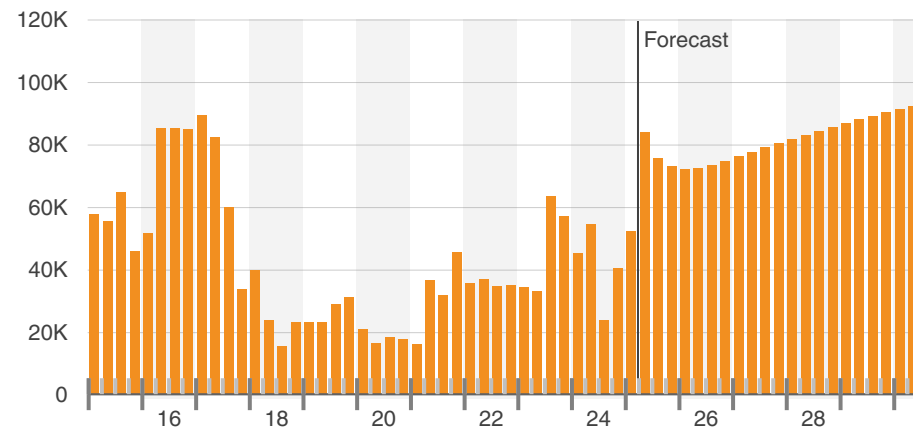
Daily Vacancy Rate



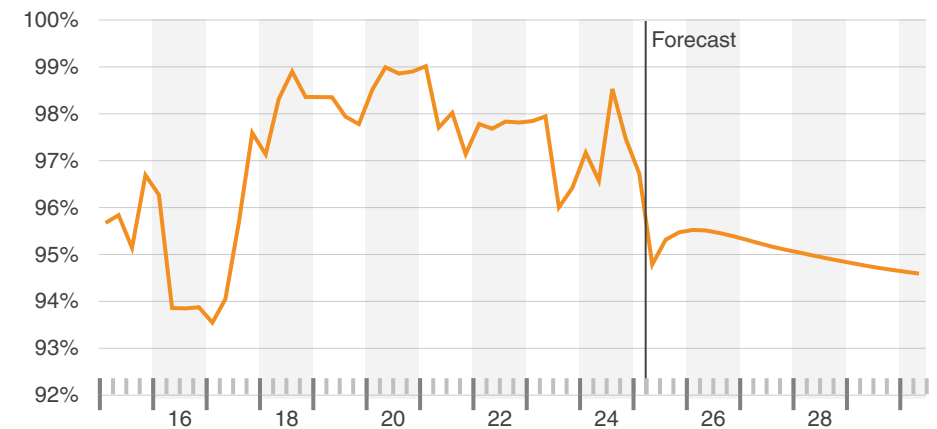
Vacancy Rate



Vacant SF

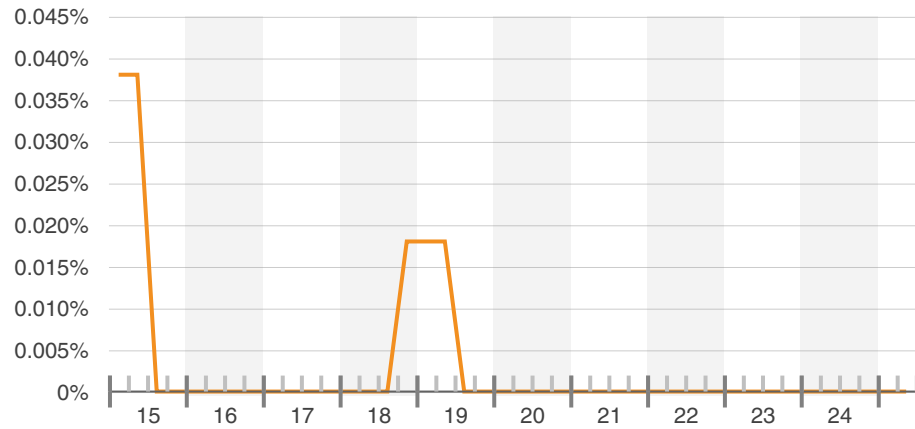


Occupancy Rate



Search Analytics

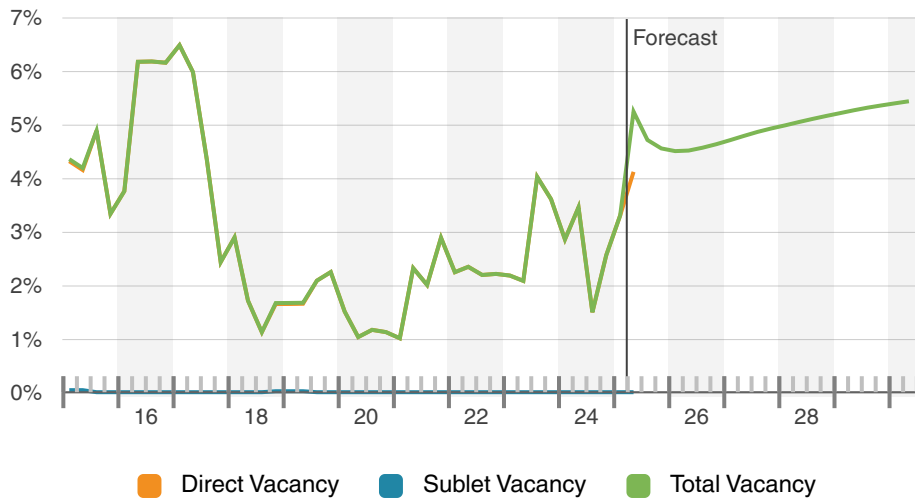
Sublet Vacancy Rate



Direct Vacancy Rate



Direct, Sublet & Total Vacancy Rate

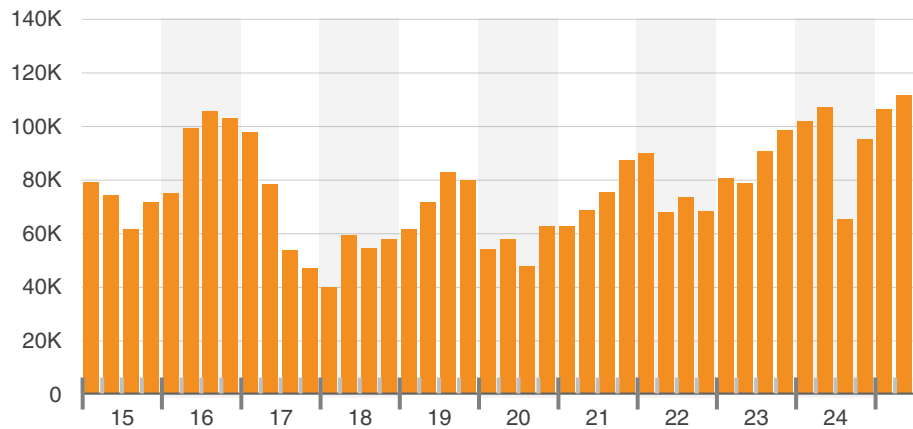


Availability Rate

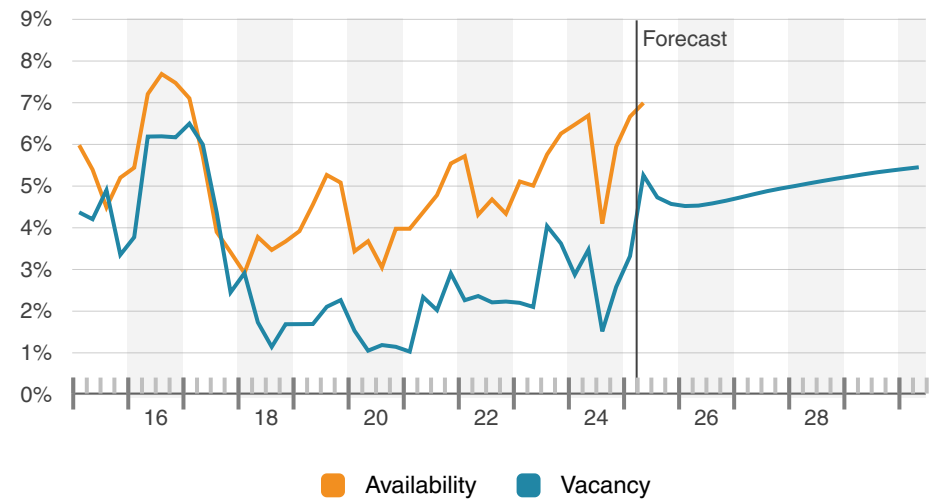


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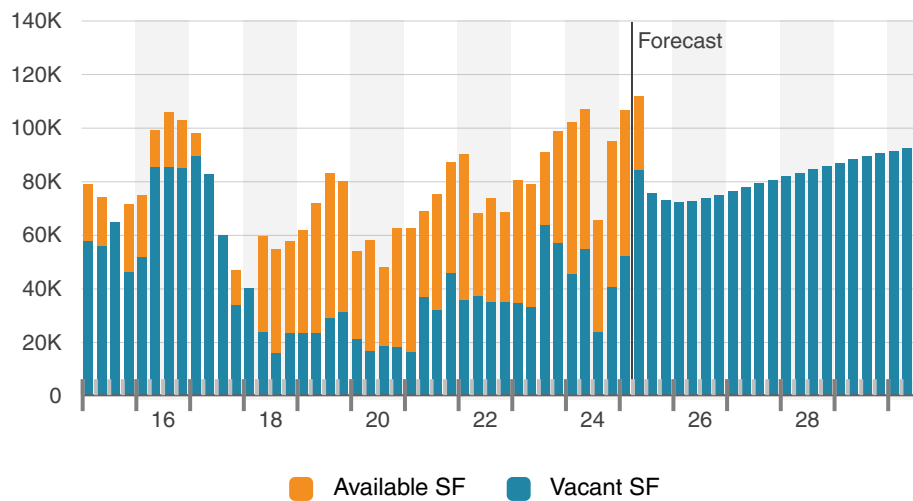
Available SF



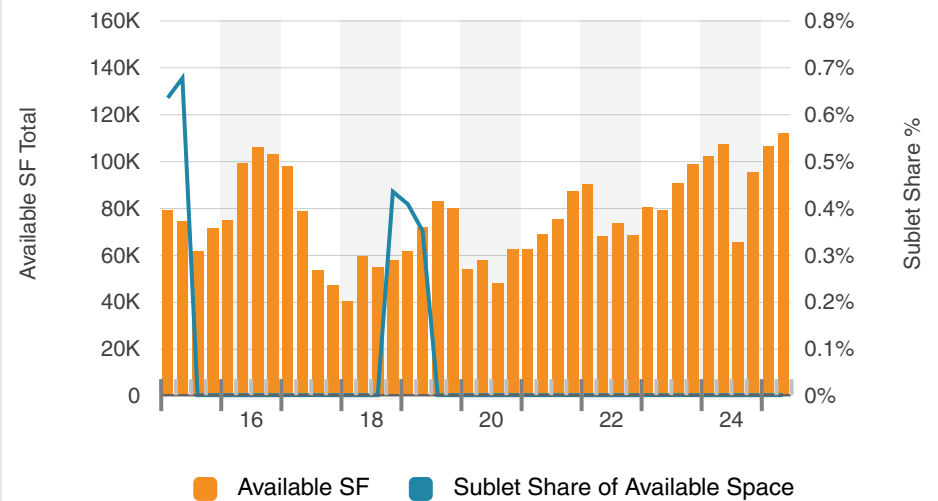
Availability & Vacancy Rate



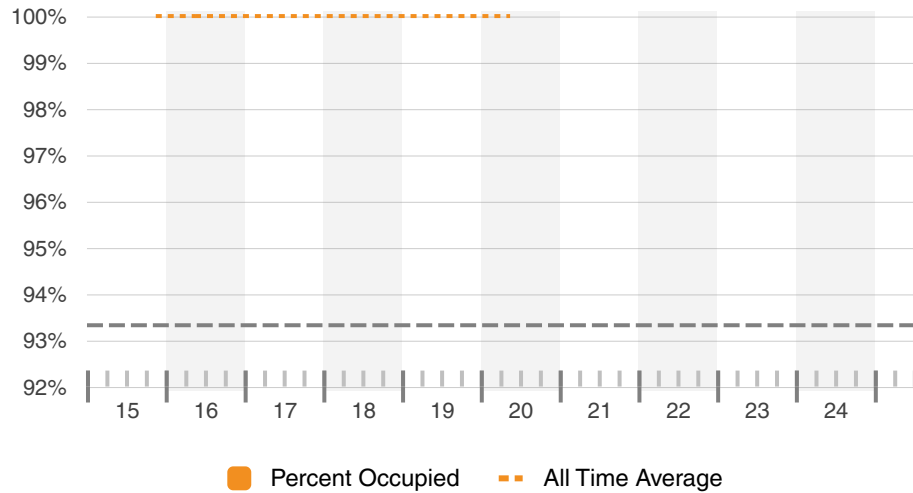
Available & Vacant SF



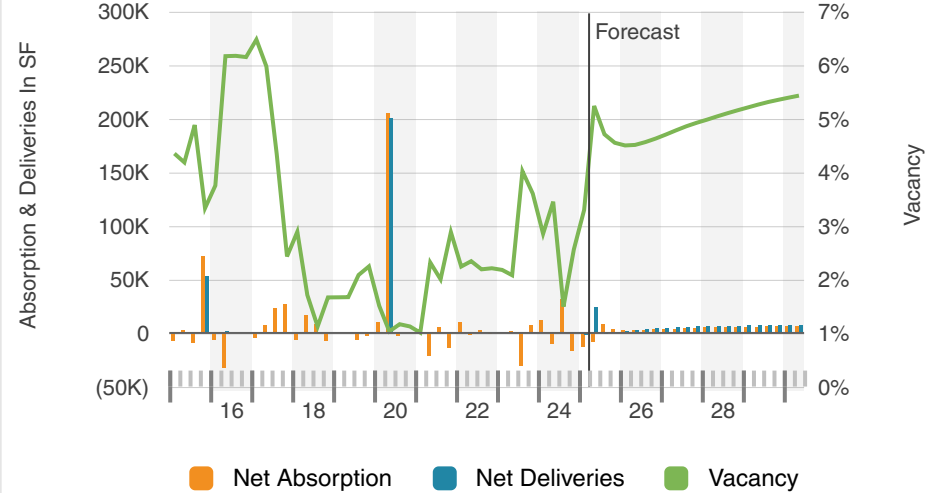
Available SF Total & Sublet Share %



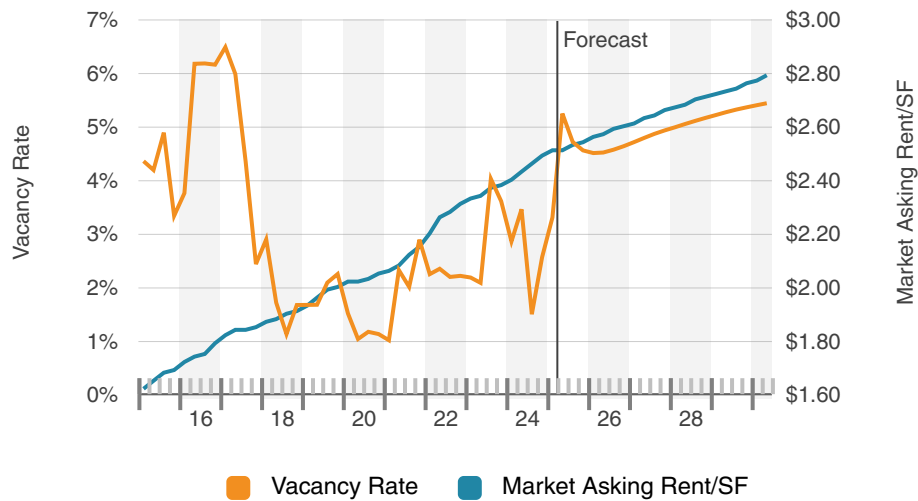
Occupancy At Delivery



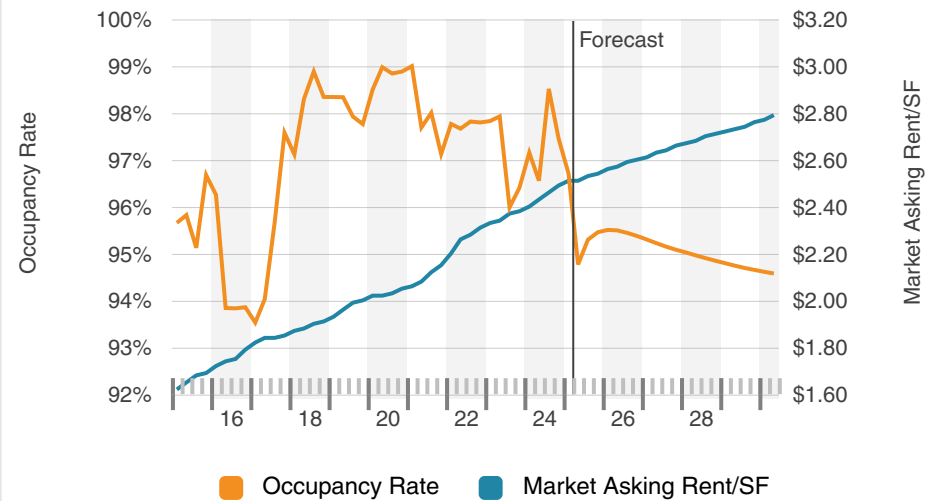
Net Absorption, Net Deliveries & Vacancy



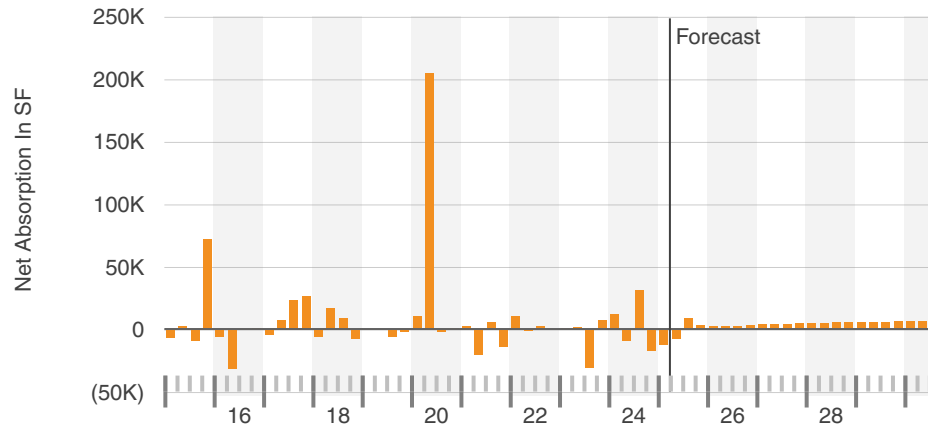
Vacancy & Market Asking Rent Per SF



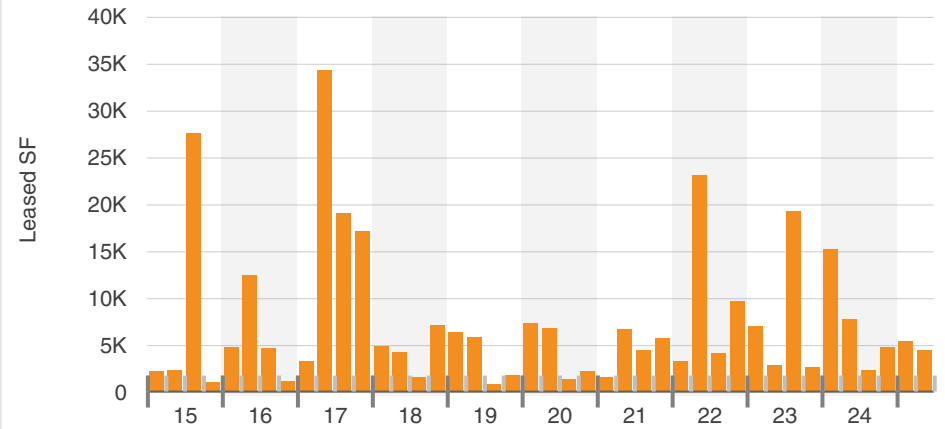
Occupancy & Market Asking Rent Per SF



Net Absorption



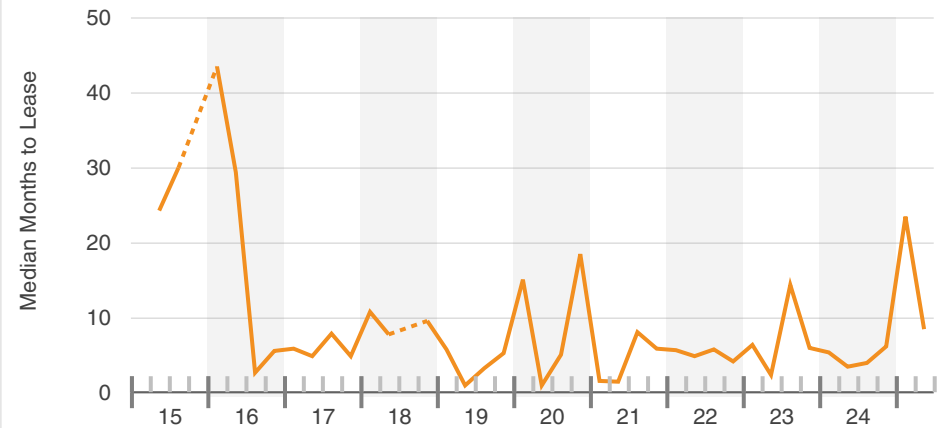
Leasing Activity



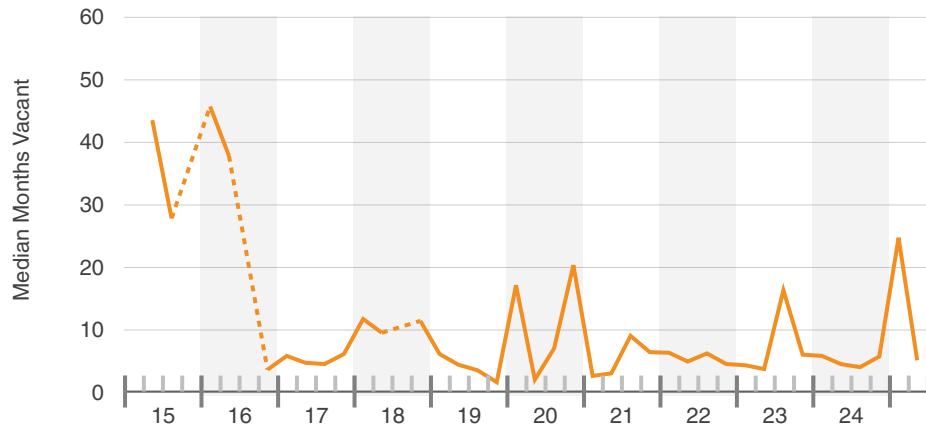
Months On Market



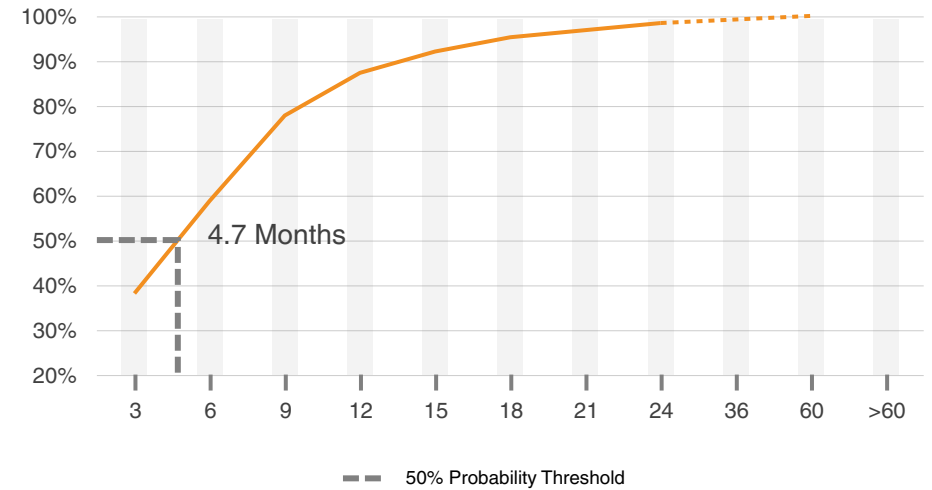
Months To Lease



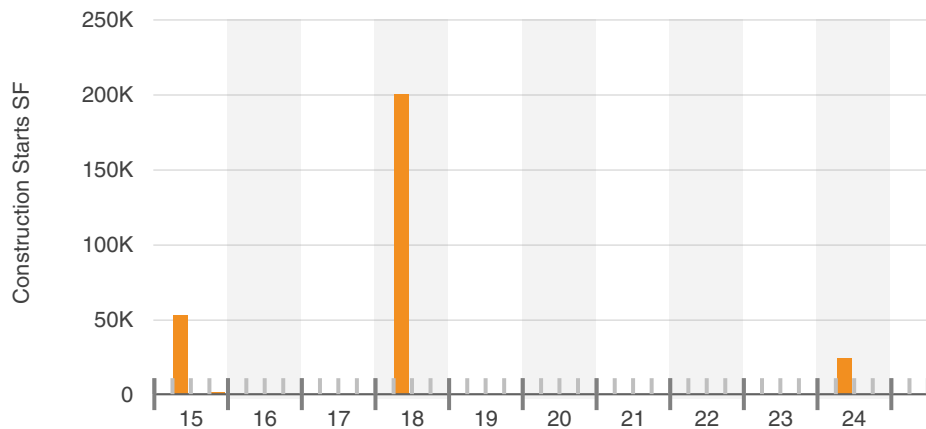
Months Vacant



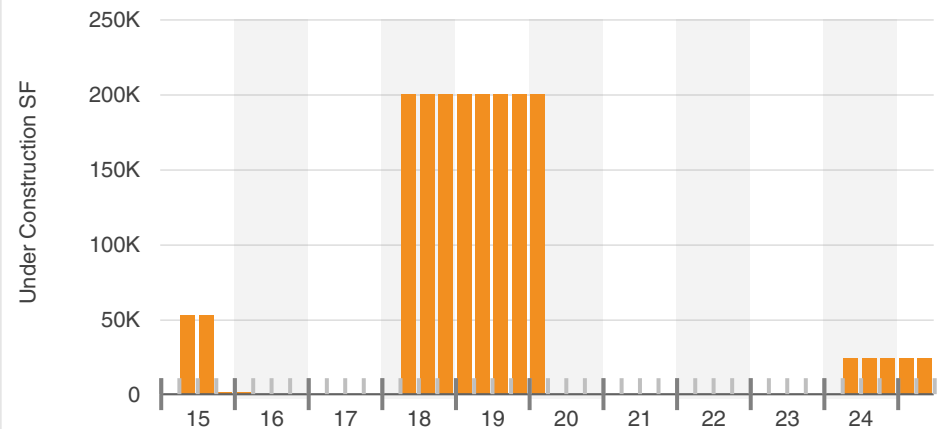
Probability Of Leasing In Months



Construction Starts

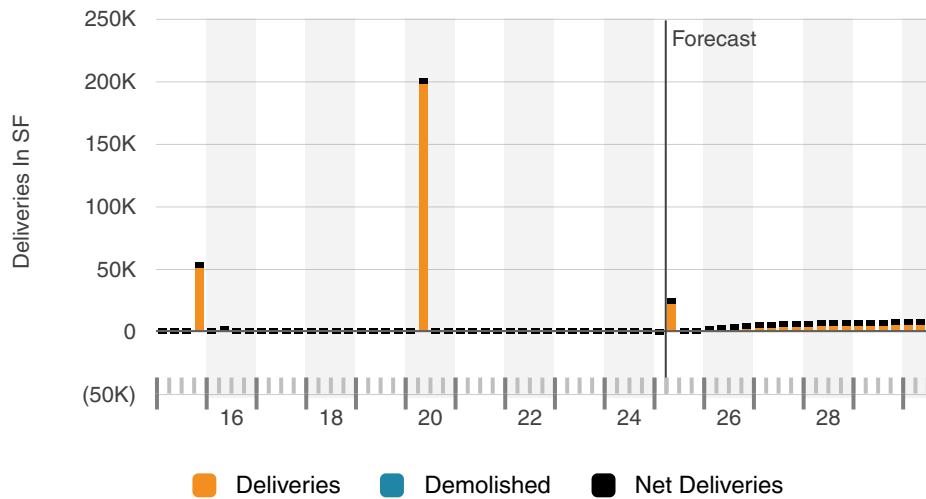


Under Construction

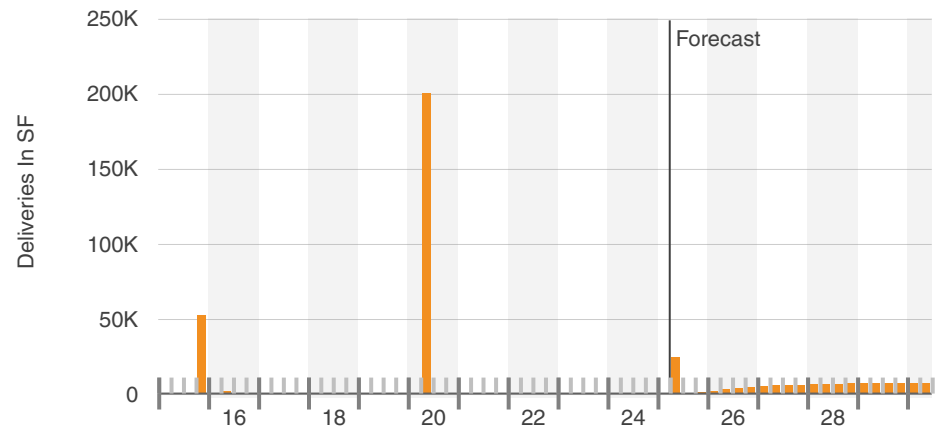


Search Analytics

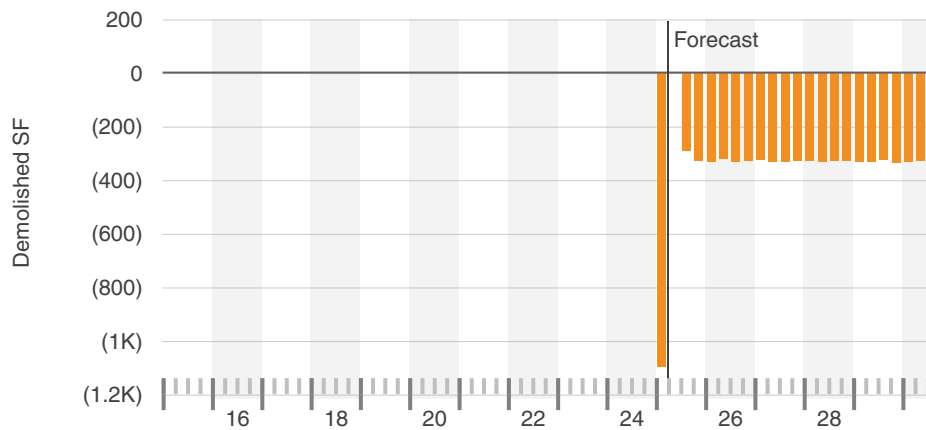
Deliveries & Demolitions



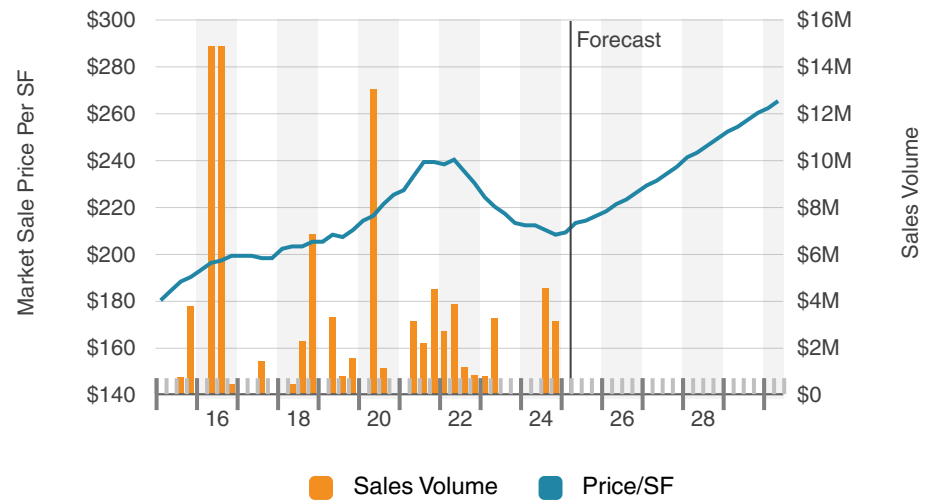
Deliveries



Demolitions

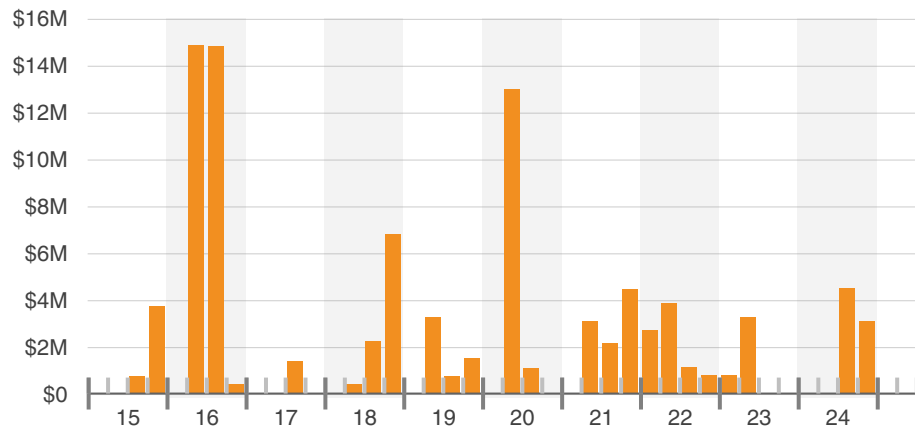


Sales Volume & Market Sale Price Per SF

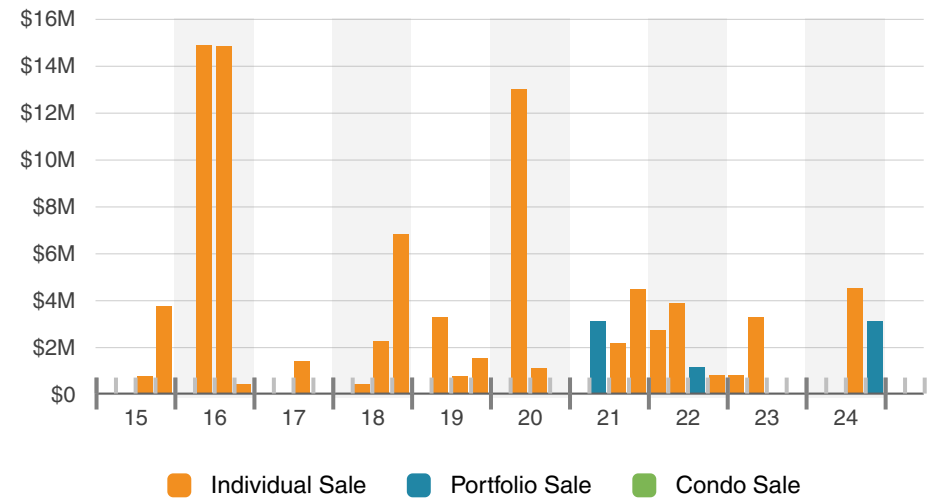


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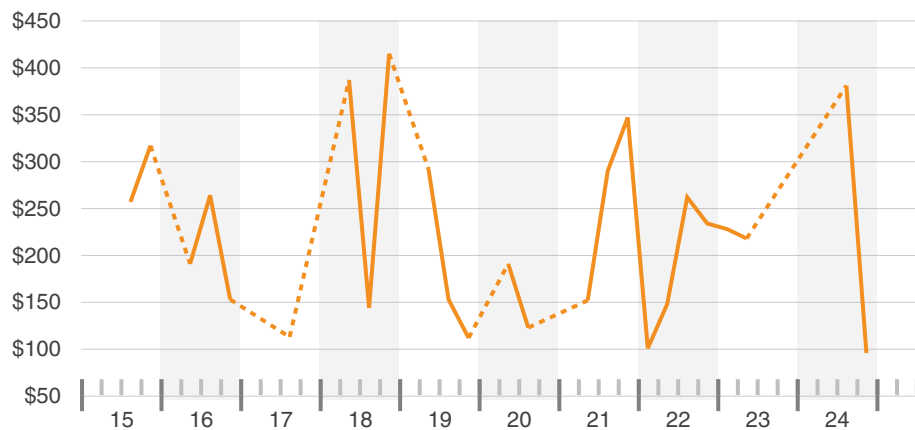
Sales Volume



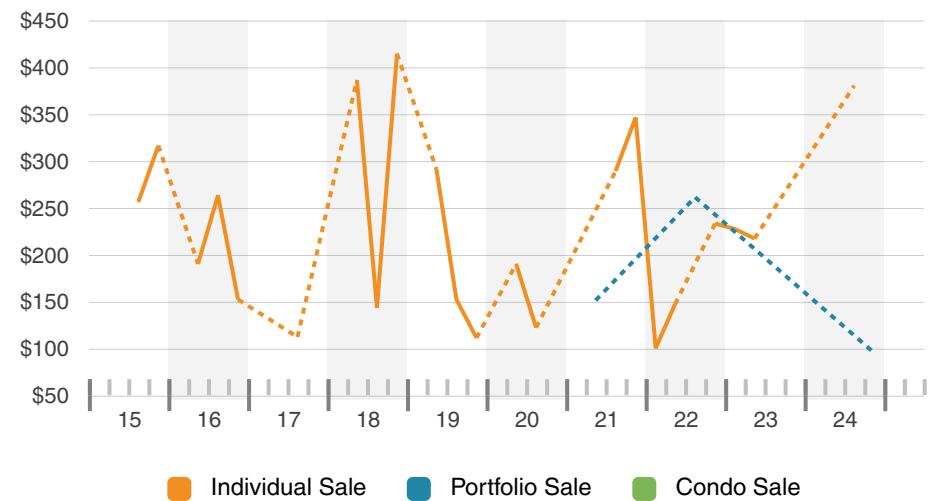
Sales Volume By Transaction Type



Sale Price Per SF

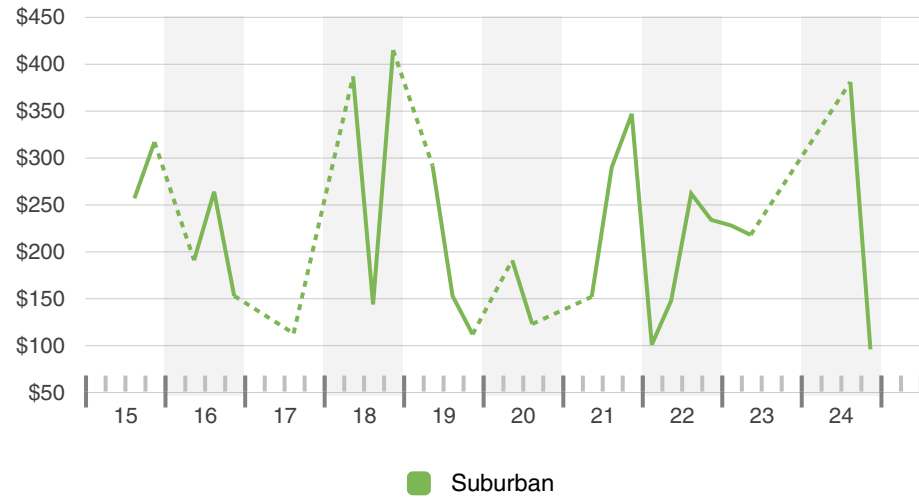


Sale Price Per SF By Transaction Type

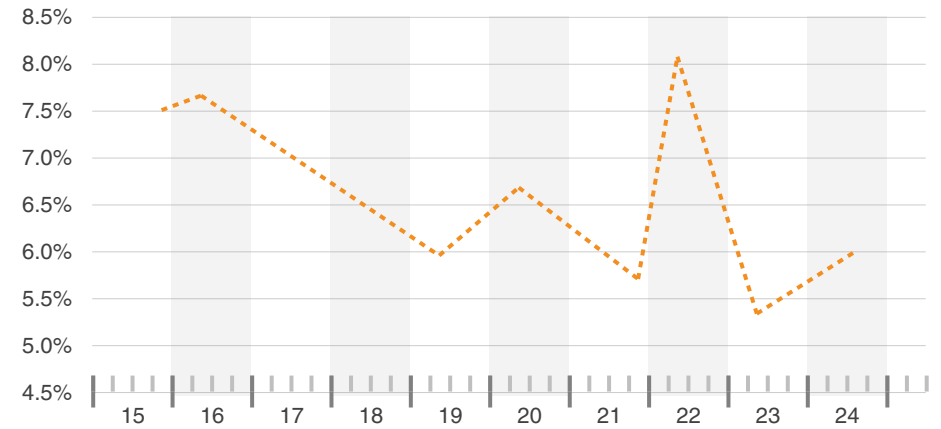


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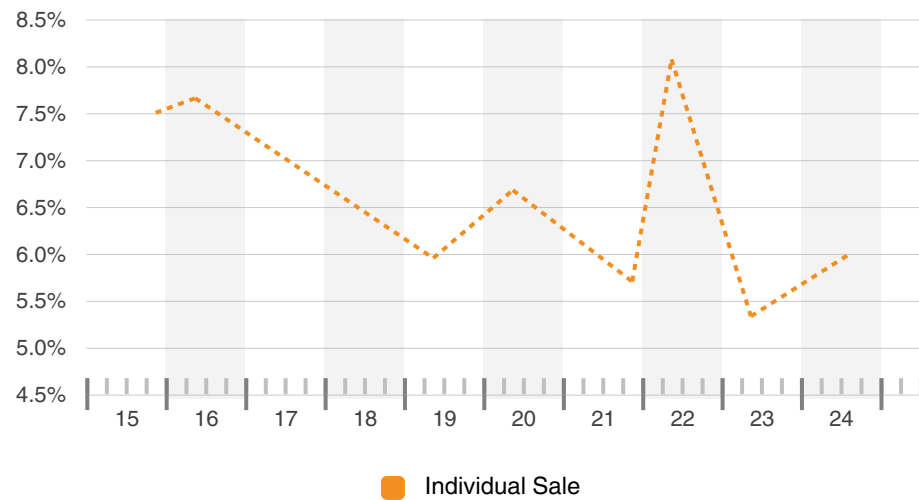
Sale Price Per SF By Location Type



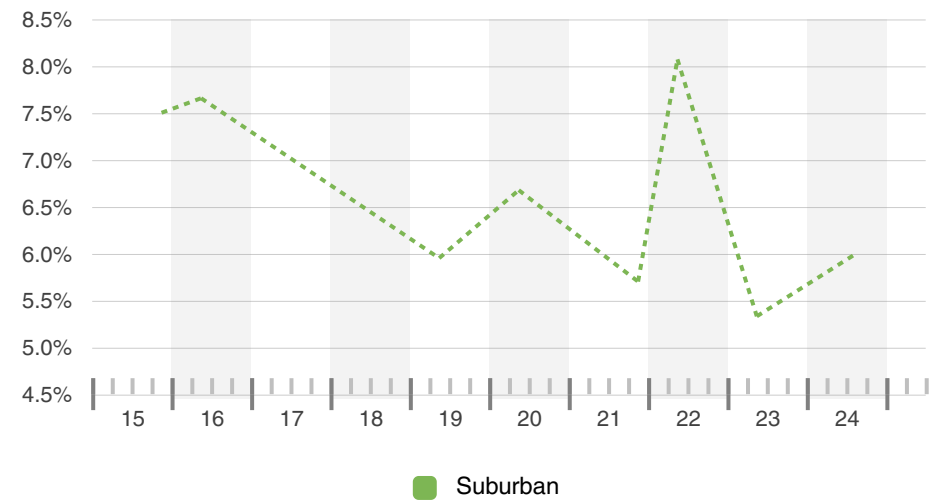
Cap Rate



Cap Rate By Transaction Type

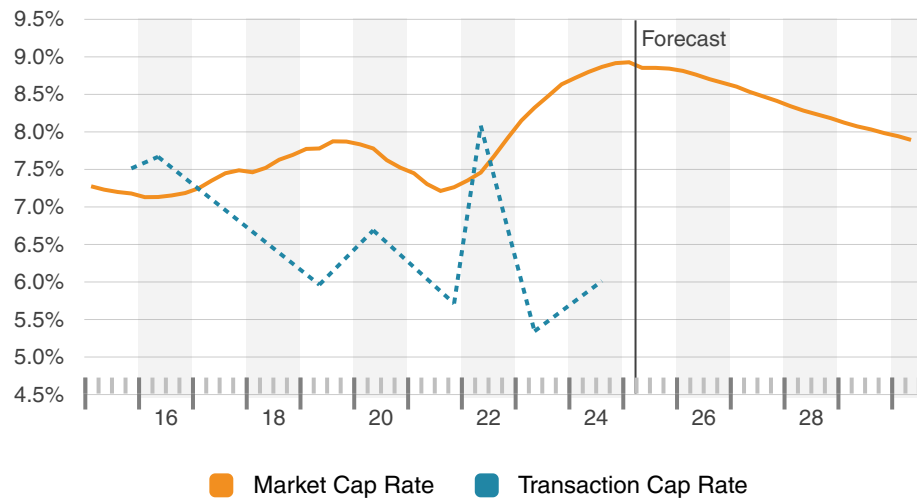


Cap Rate By Location Type

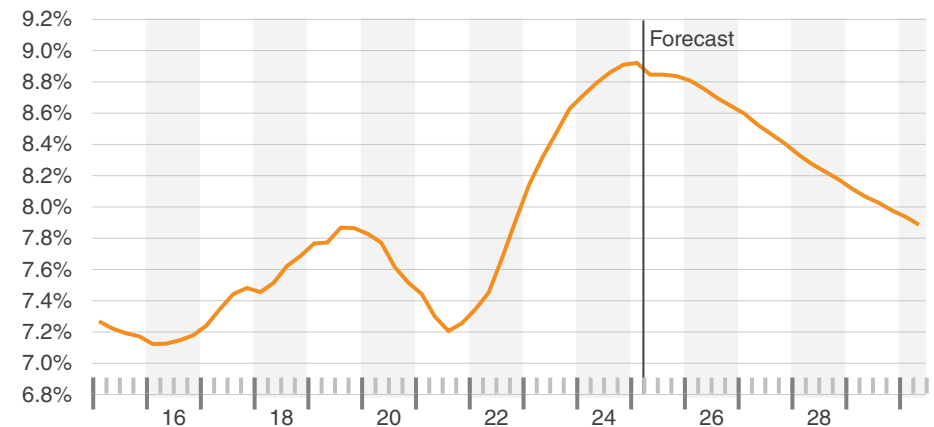


Search Analytics

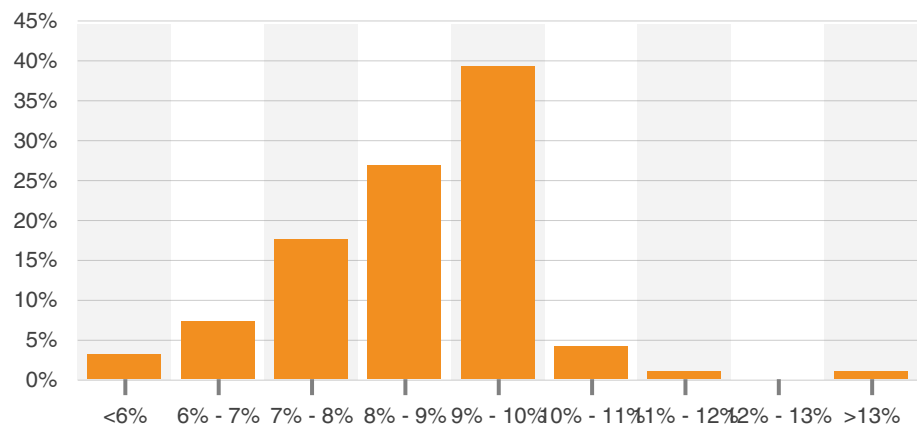
Market Cap Rate & Transaction Cap Rate



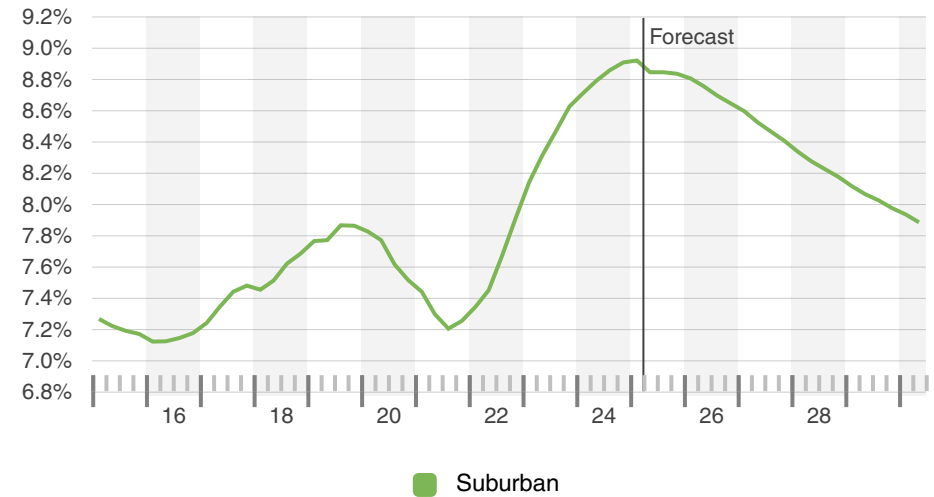
Market Cap Rate



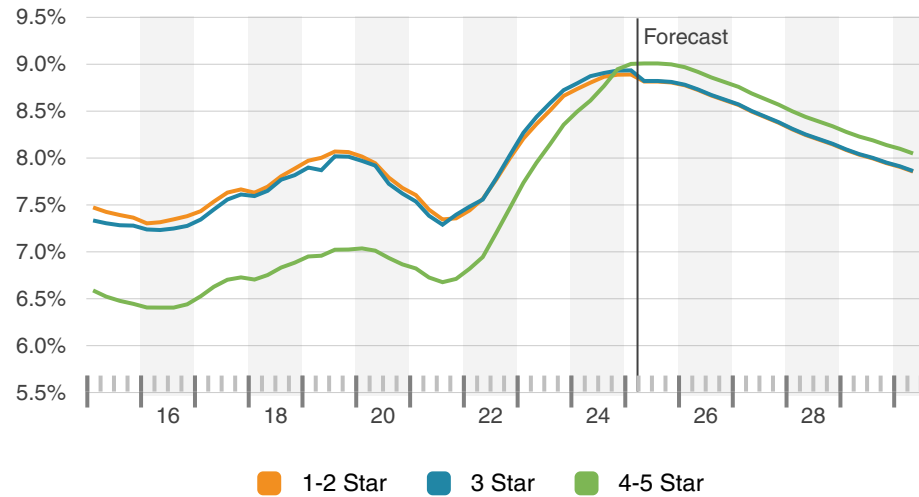
Market Cap Rate Distribution



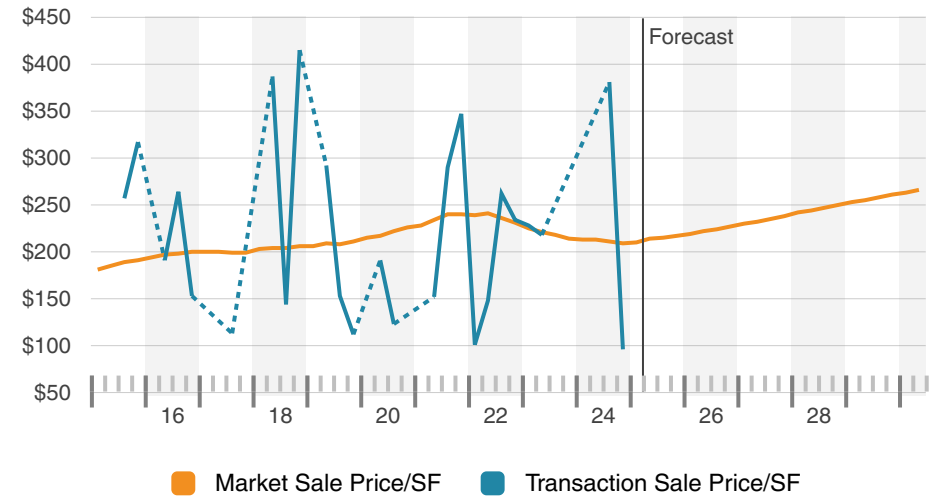
Market Cap Rate By Location Type



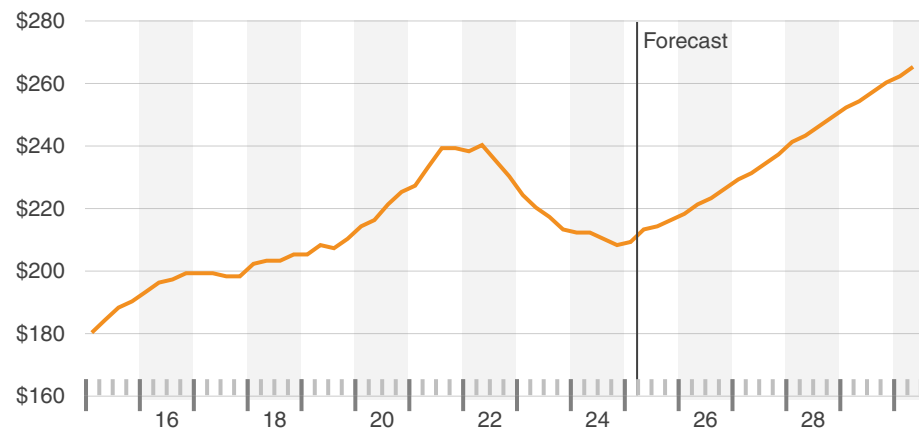
Market Cap Rate By Star Rating



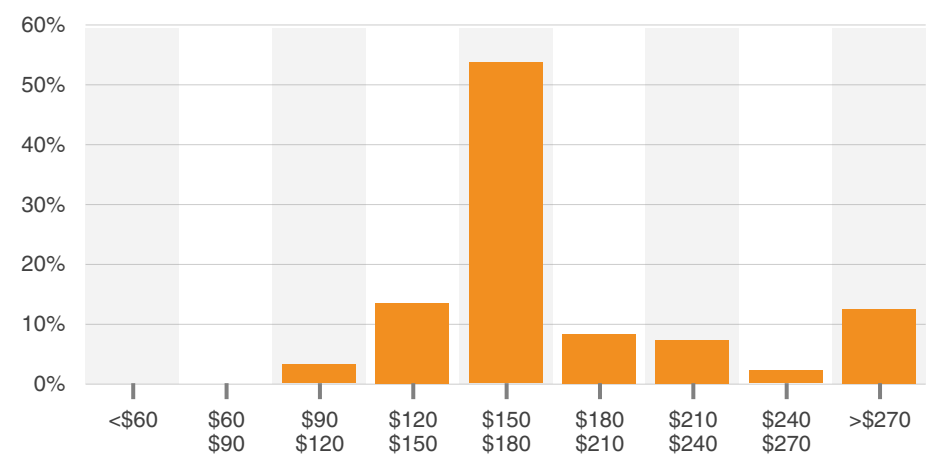
Market Sale Price & Transaction Sale Price Per SF



Market Sale Price Per SF

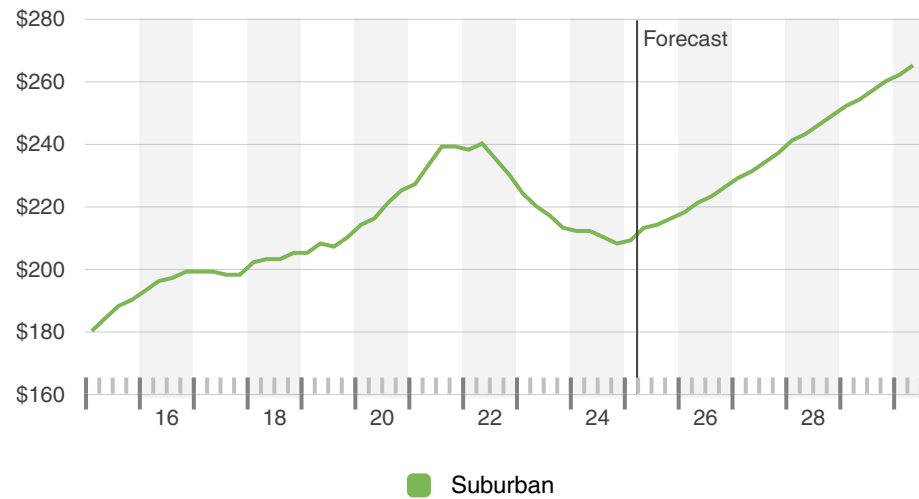


Market Sale Price Per SF Distribution

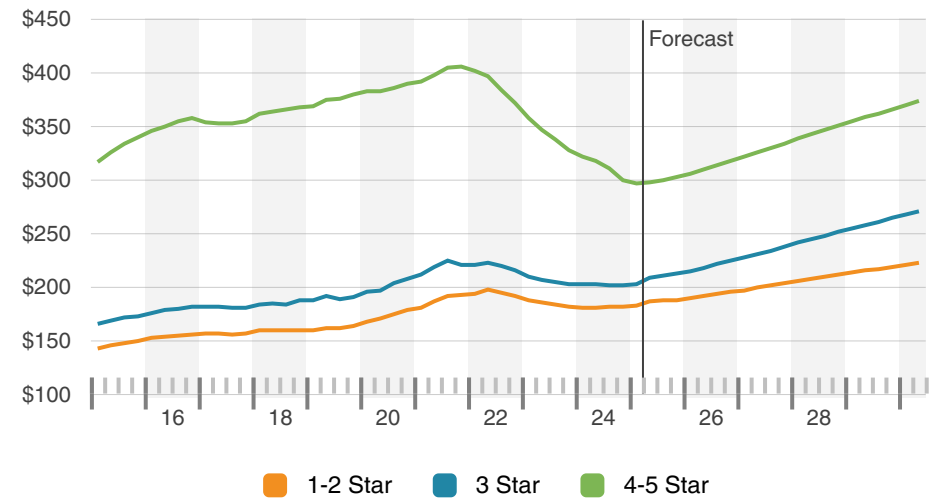


Search Analytics

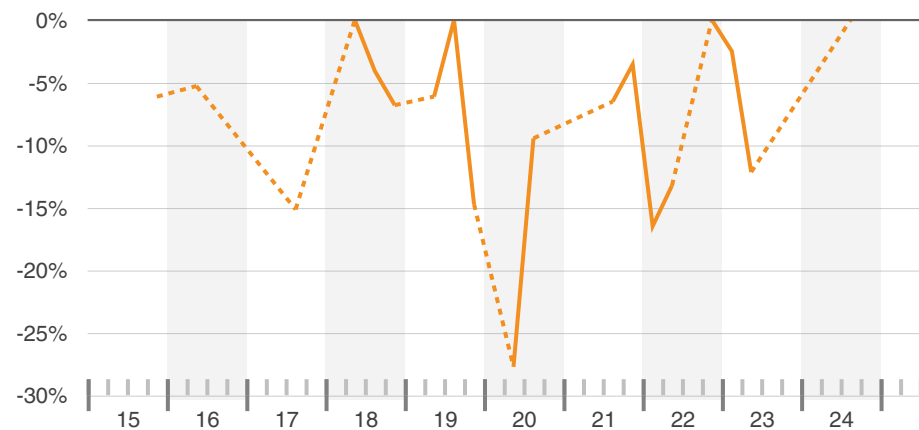
Market Sale Price Per SF By Location Type



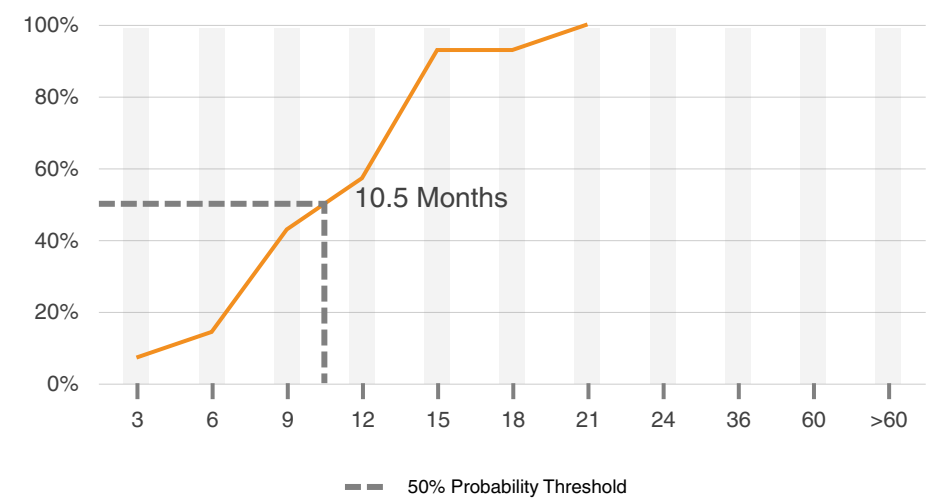
Market Sale Price Per SF By Star Rating



Sale To Asking Price Differential

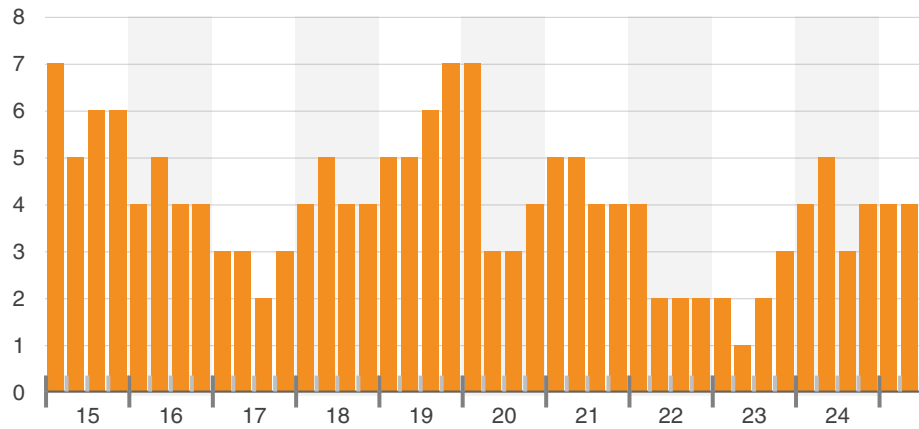


Probability Of Selling In Months

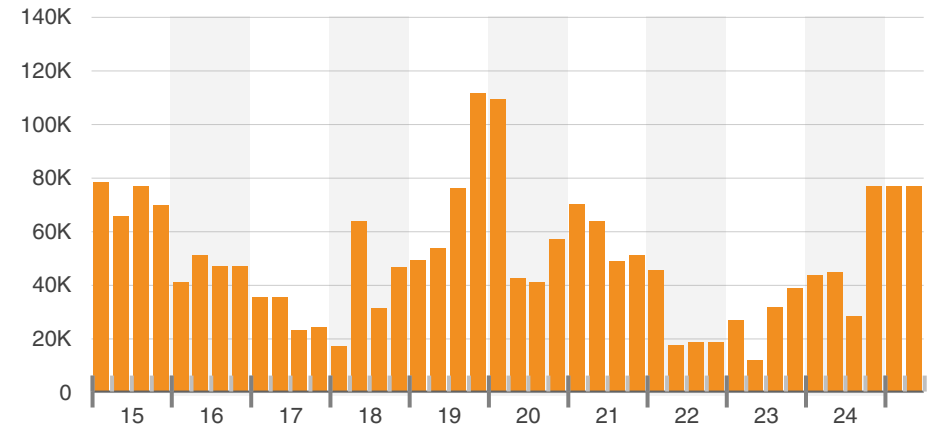


Search Analytics

For Sale Total Listings



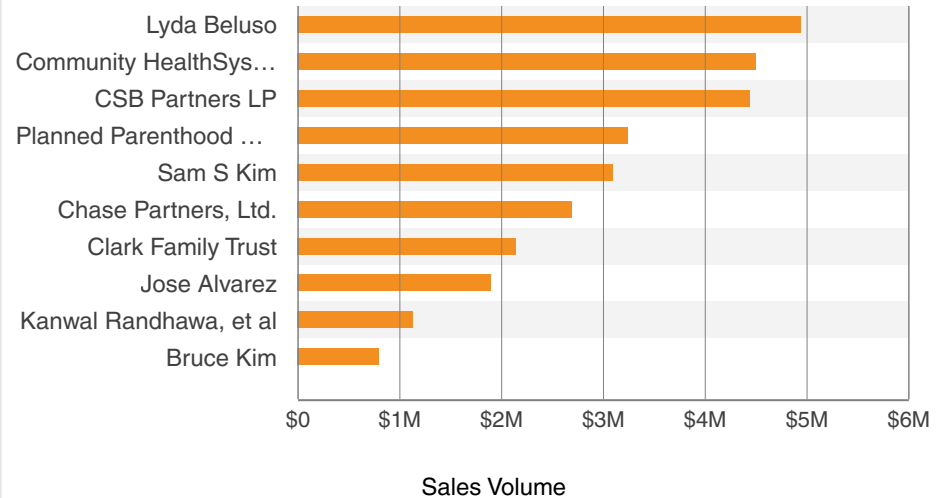
For Sale Total SF



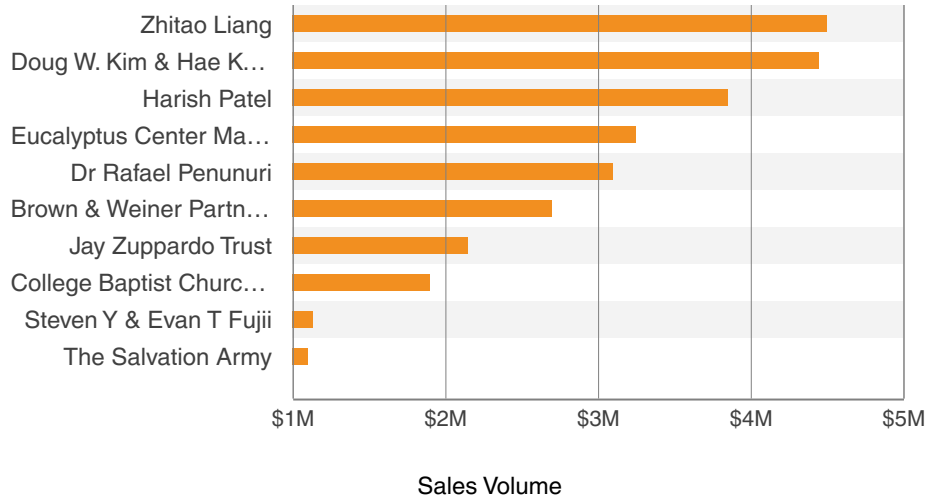
For Sale Asking Price Per SF



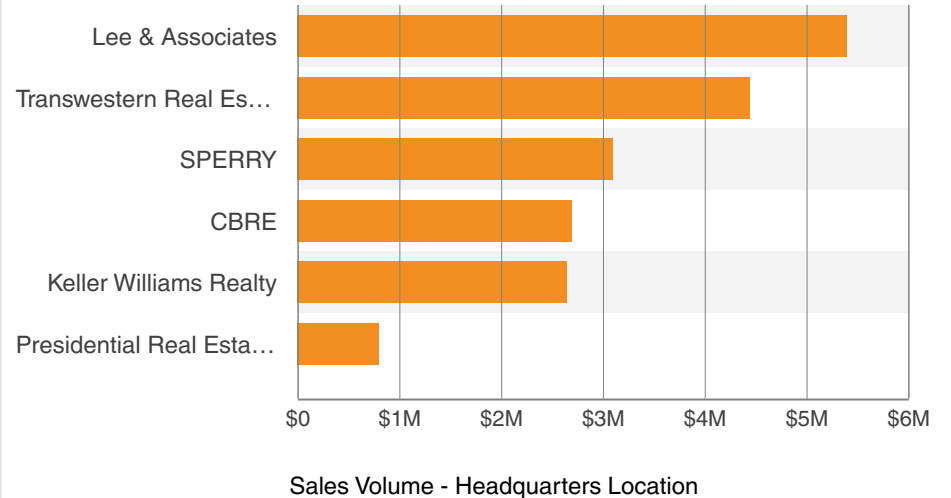
Top Buyers



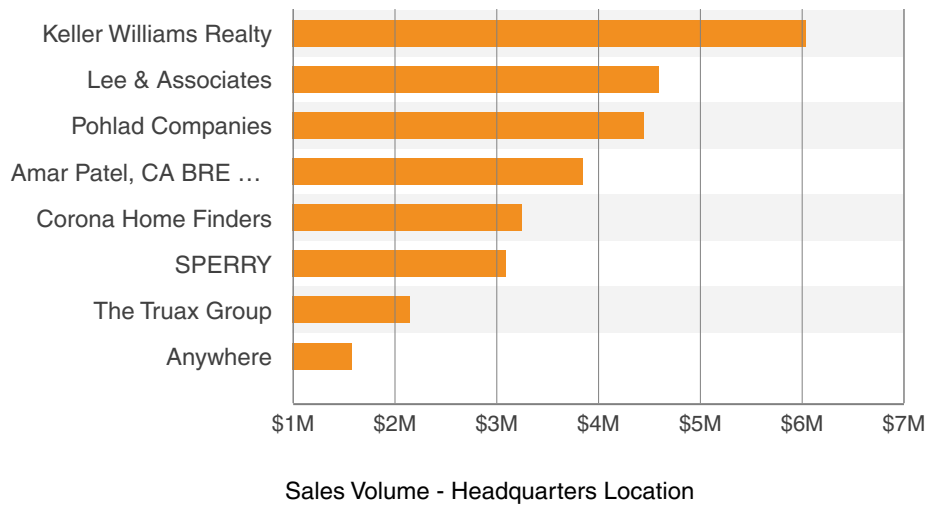
Top Sellers



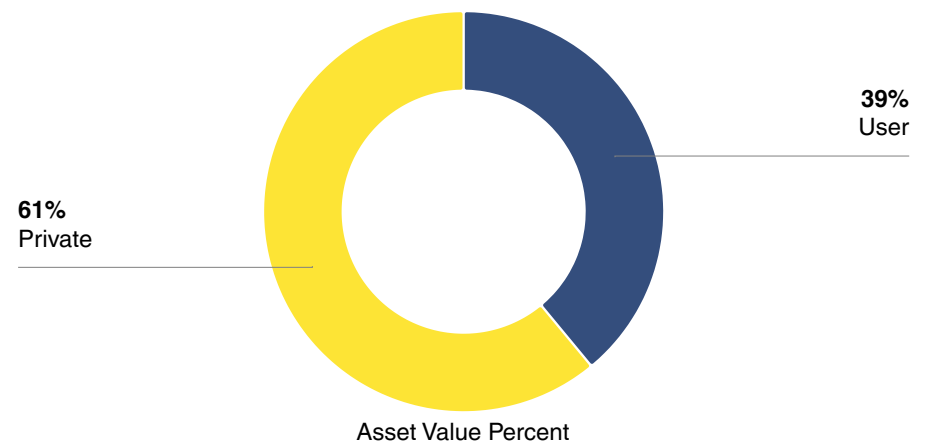
Top Buyer Brokers



Top Seller Brokers

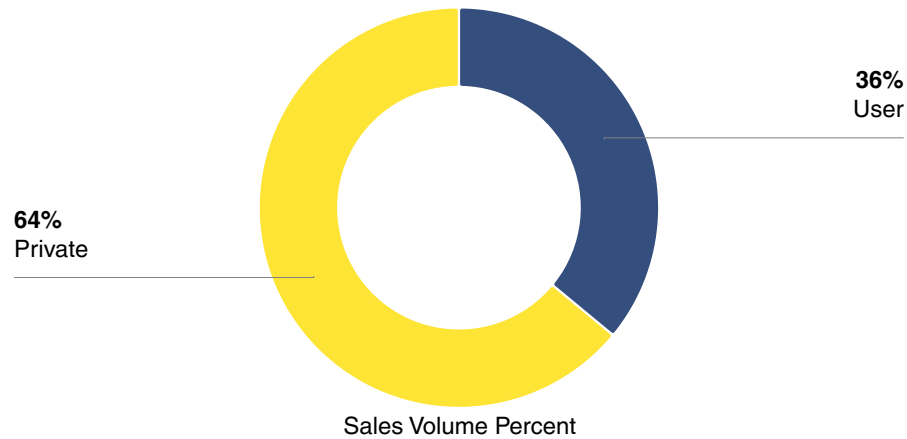


Asset Value By Owner Type

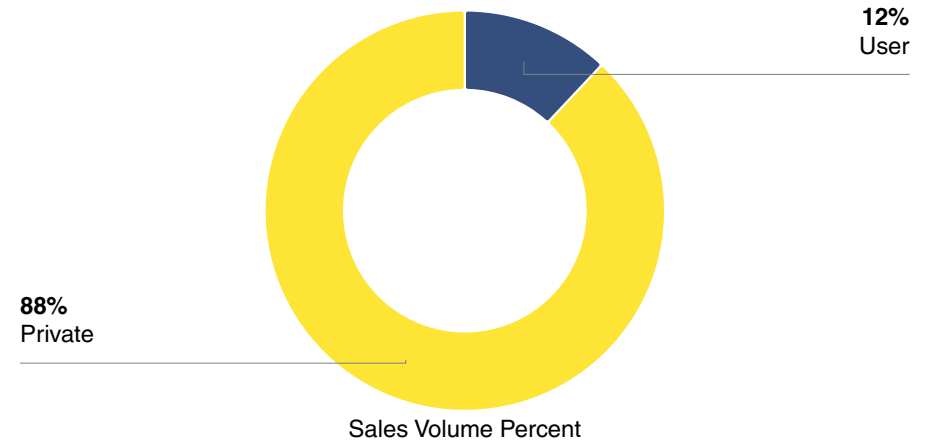


Search Analytics

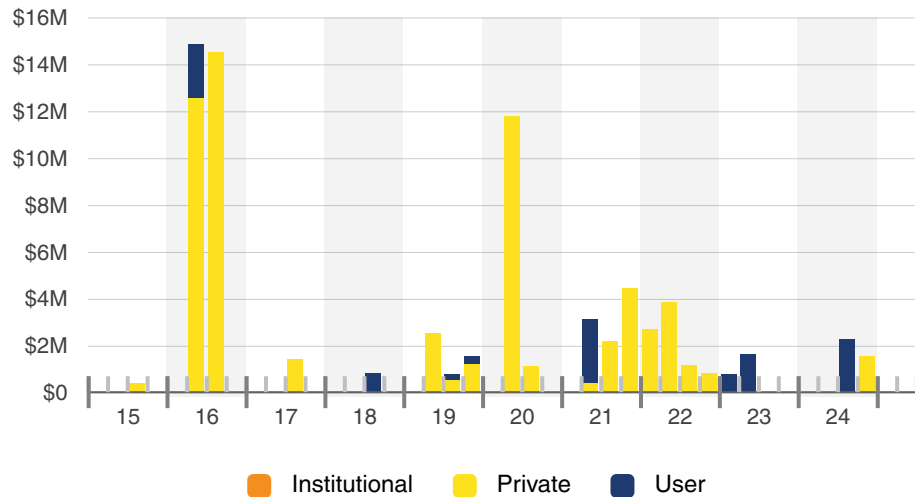
Sales By Buyer Type



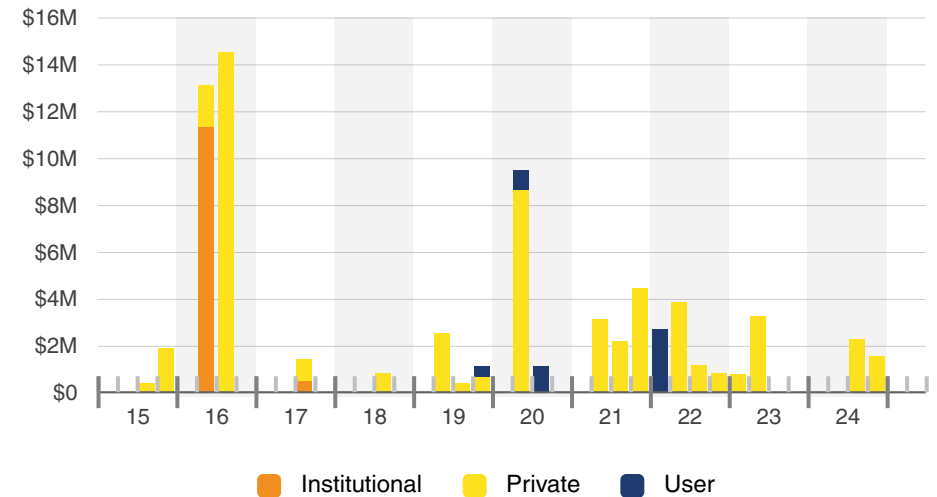
Sales By Seller Type



Sales Volume By Buyer Type

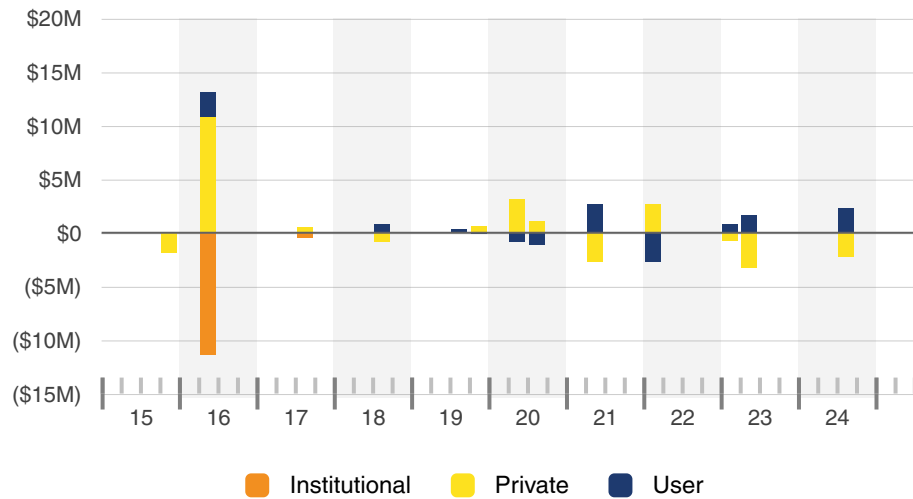


Sales Volume By Seller Type

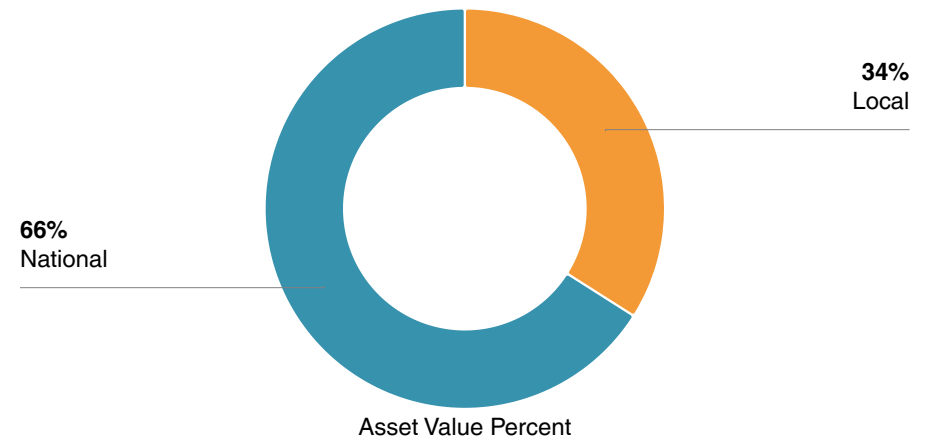


Search Analytics

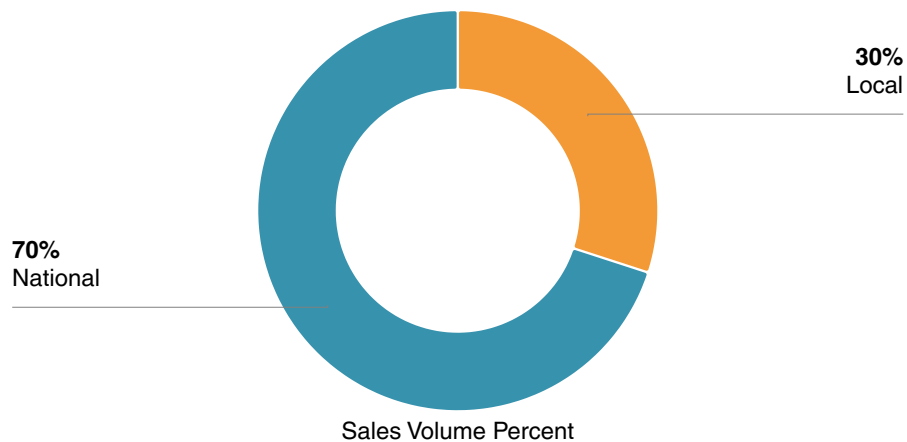
Net Buying & Selling By Owner Type



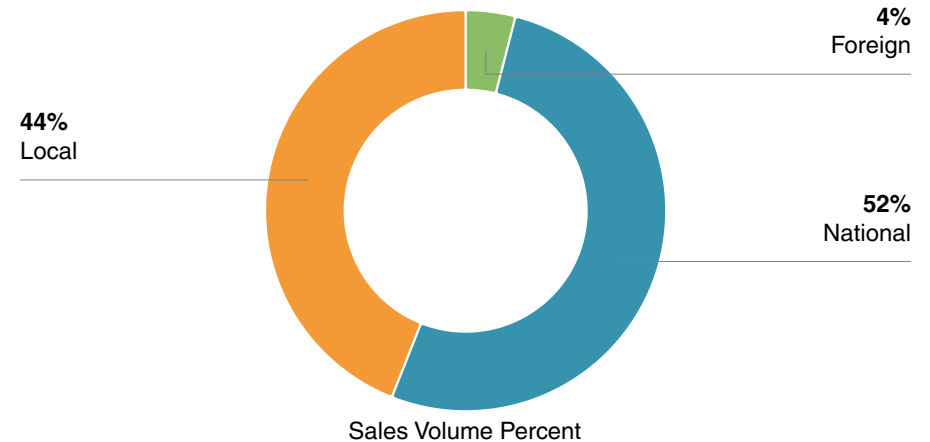
Asset Value By Owner Origin



Sales Volume By Buyer Origin

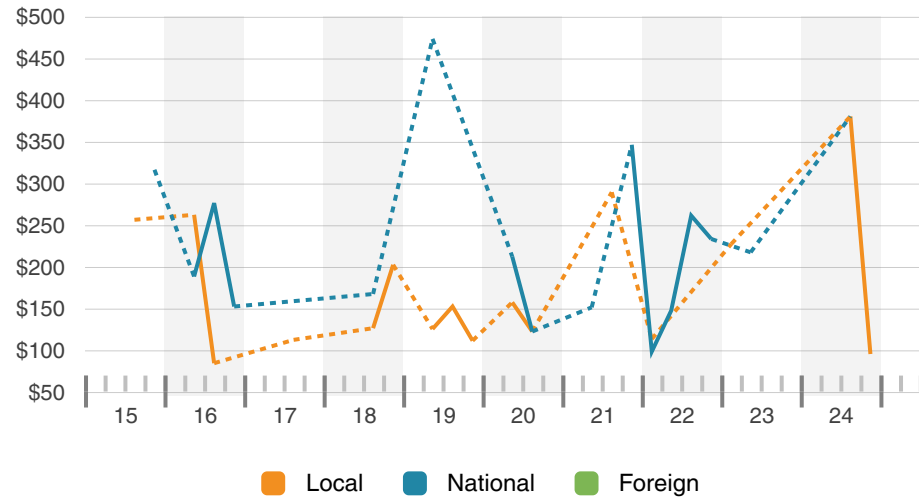


Sales Volume By Seller Origin

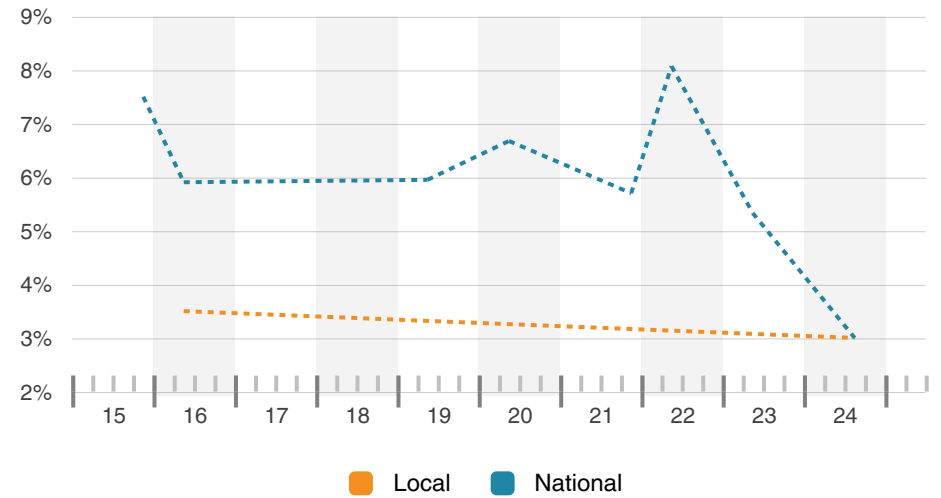


Search Analytics

Average Price Per SF By Buyer Origin



Average Cap Rate By Buyer Origin



Report Criteria

- 103 Properties / 47 Spaces
- City: Moreno Valley, CA
- Property Type: Office

EXHIBIT B – INDUSTRIAL MARKET

Search Analytics

INVENTORY SF

33.3M +0.4%

Prior Period 33.2M

UNDER CONSTRUCTION SF

39K -68.8%

Prior Period 125K

12 MO NET ABSORPTION SF

(1.1M) -326.0%

Prior Period 495K

VACANCY RATE

7.6% +3.8%

Prior Period 3.8%

MARKET ASKING RENT/SF

\$0.91 -3.7%

Prior Period \$0.95

MARKET SALE PRICE/SF

\$221 +3.0%

Prior Period \$214

MARKET CAP RATE

4.6% +0.1%

Prior Period 4.5%

Key Metrics

Availability

Vacant SF	2.5M ↑
Sublet SF	758K ↑
Availability Rate	12.2% ↑
Available SF Total	4.1M ↑
Available Asking Rent/SF	\$0.89 ↓
Occupancy Rate	92.4% ↓
Percent Leased Rate	93.4% ↓

Inventory

Existing Buildings	127 ↑
Under Construction Avg SF	39K ↑
12 Mo Demolished SF	0 ↓
12 Mo Occupancy % at Delivery	34.0% ↓
12 Mo Construction Starts SF	50.4K ↓
12 Mo Delivered SF	134K ↓
12 Mo Avg Delivered SF	32.9K ↓

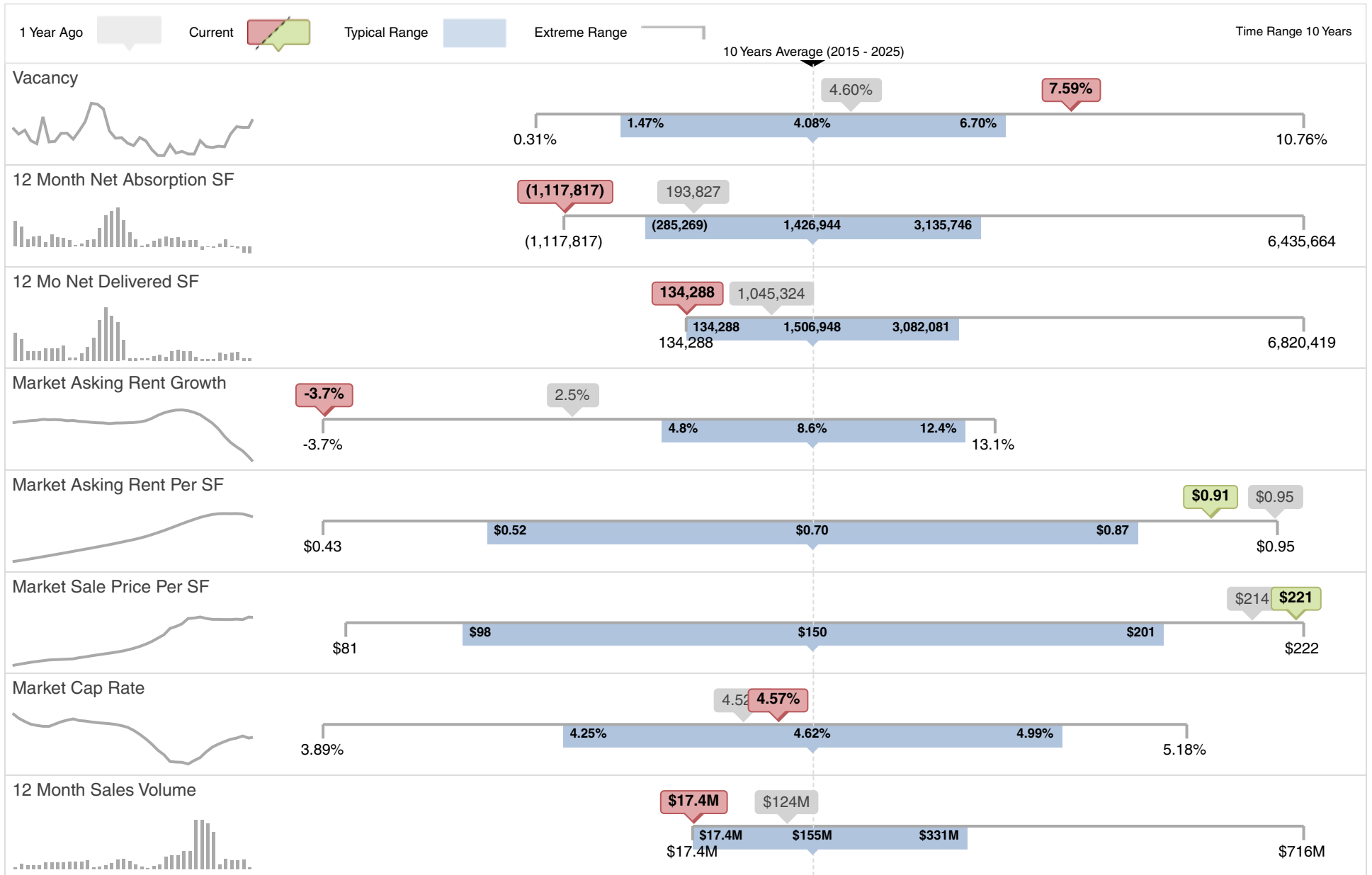
Sales Past Year

Asking Price Per SF	\$260 ↓
Sale to Asking Price Differential	-9.2% ↓
Sales Volume	\$15M ↓
Properties Sold	10 ↓
Months to Sale	17.5 ↑
For Sale Listings	11 ↓
Total For Sale SF	307K ↑

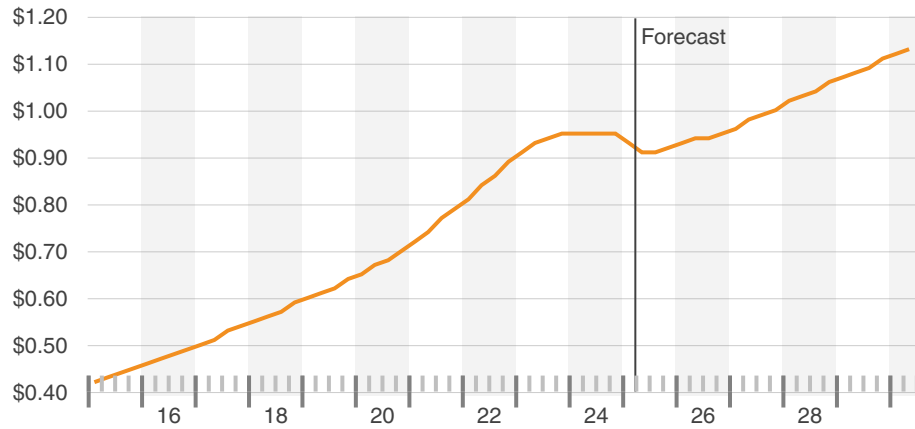
Demand

12 Mo Net Absorp % of Inventory	-3.4% ↓
12 Mo Leased SF	913K ↓
Months on Market	6.8 ↓
Months to Lease	10.3 ↑
Months Vacant	11.3
24 Mo Lease Renewal Rate	65.9%
Population Growth 5 Yrs	4.8%

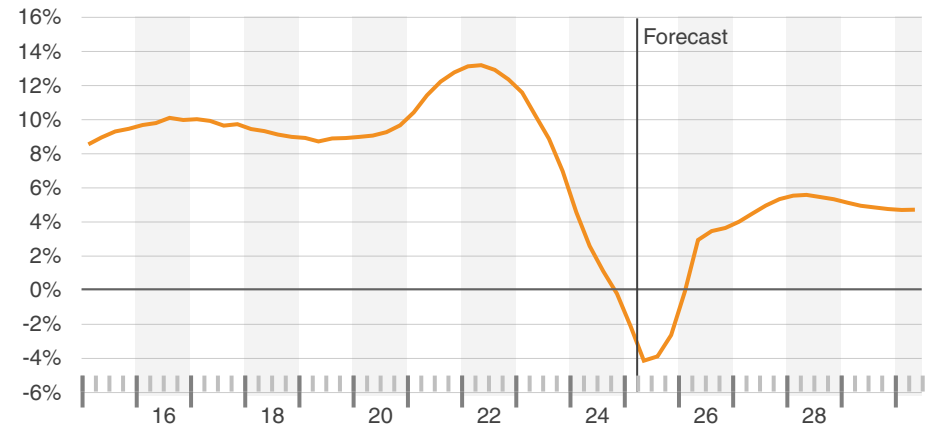
Key Performance Indicators



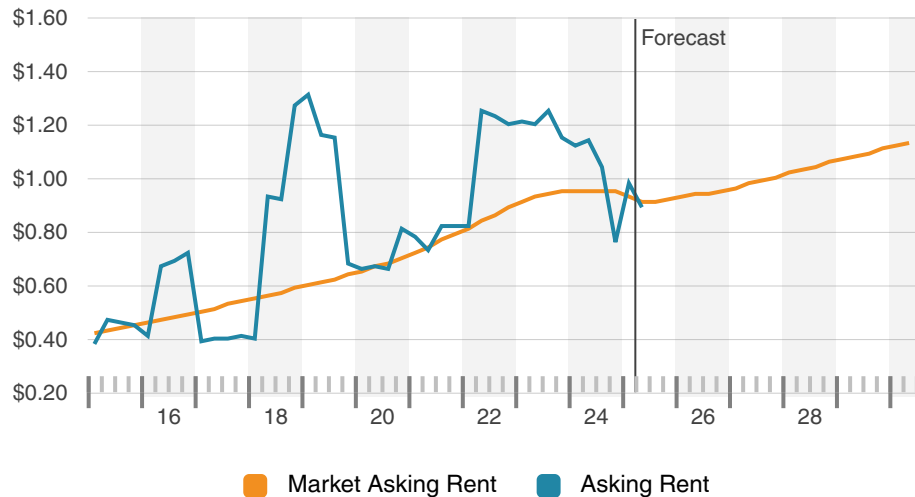
Market Asking Rent Per SF



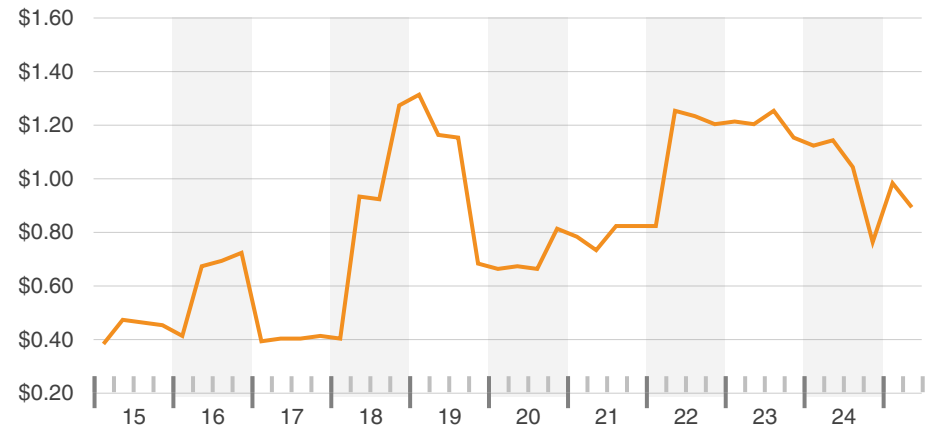
Market Asking Rent Growth (YOY)



Market Asking Rent & Asking Rent Per SF

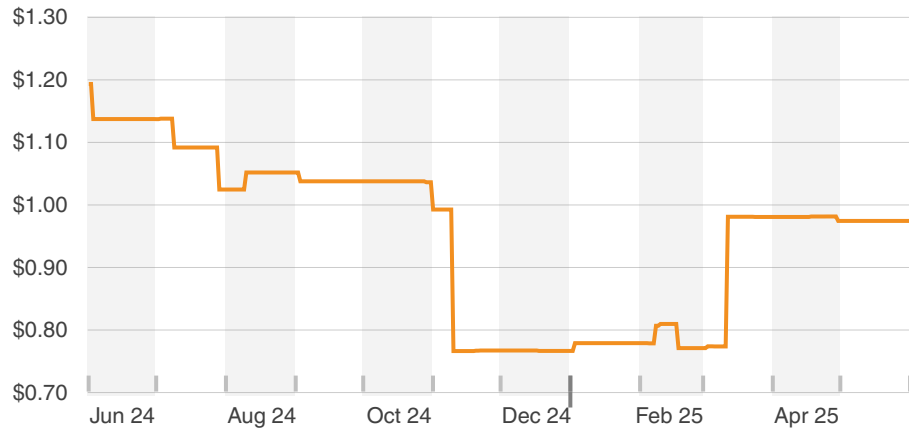


Asking Rent Per SF

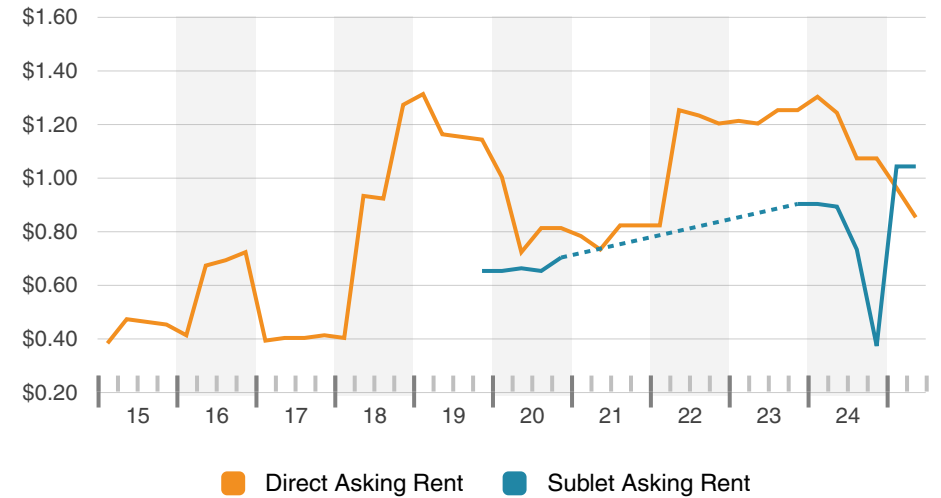


Search Analytics

Daily Asking Rent Per SF



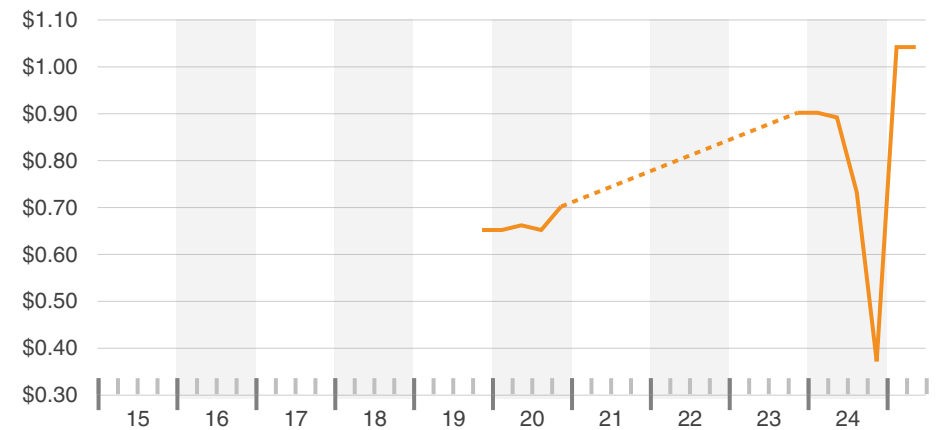
Direct & Sublet Rent Per SF



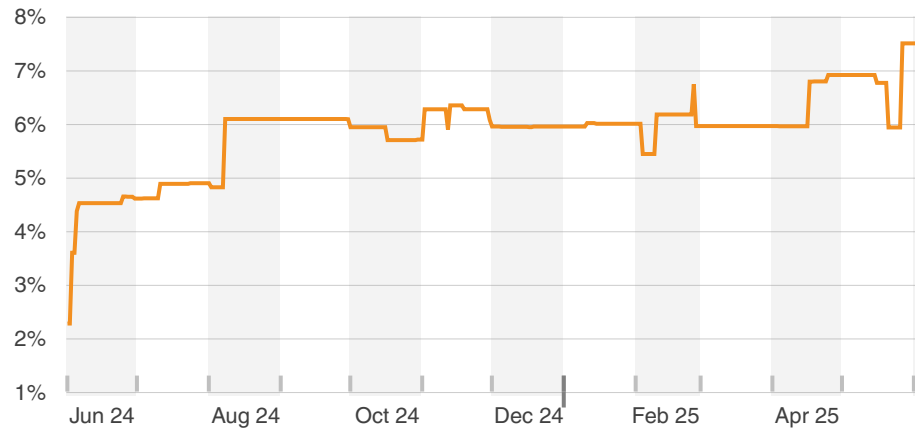
Direct Rent Per SF



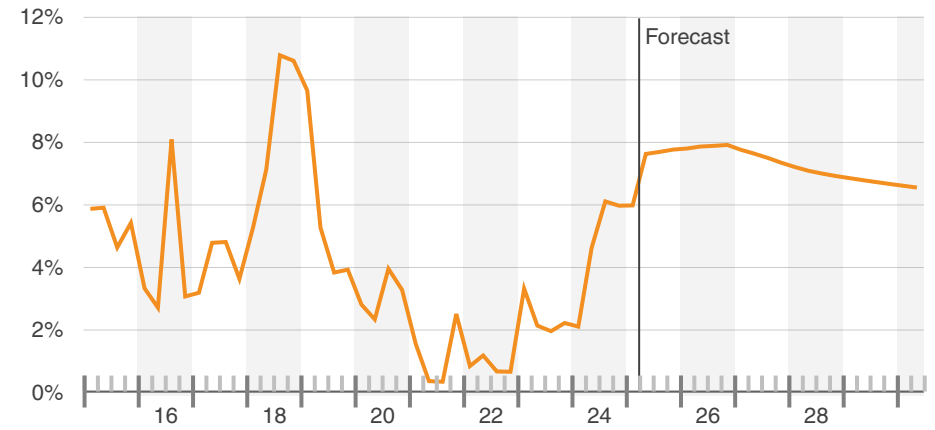
Sublet Rent Per SF



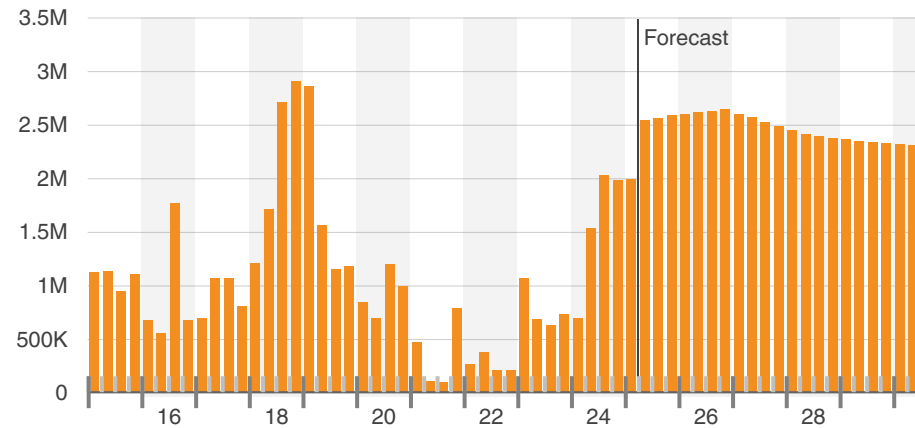
Daily Vacancy Rate



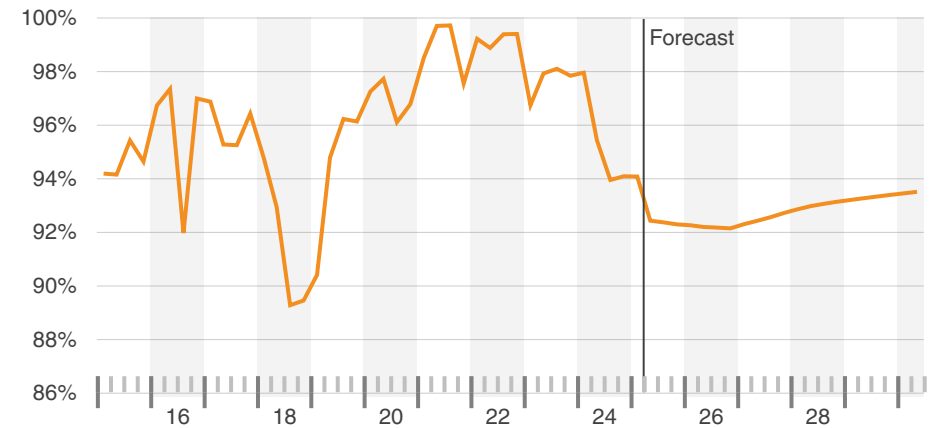
Vacancy Rate



Vacant SF

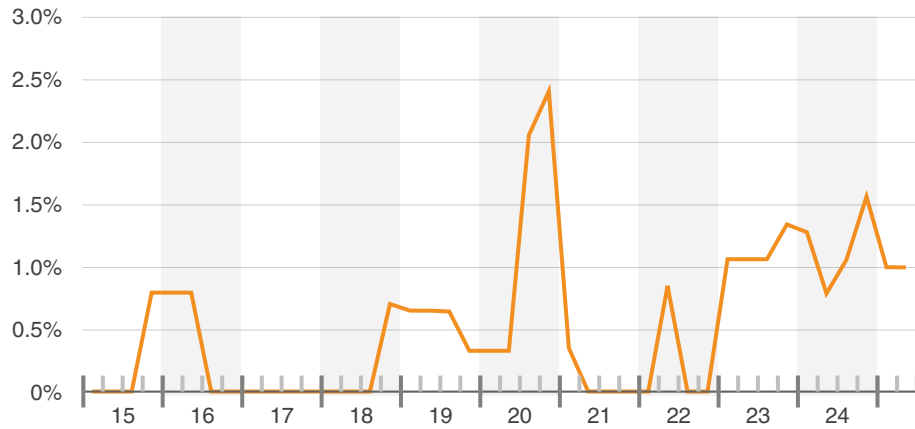


Occupancy Rate

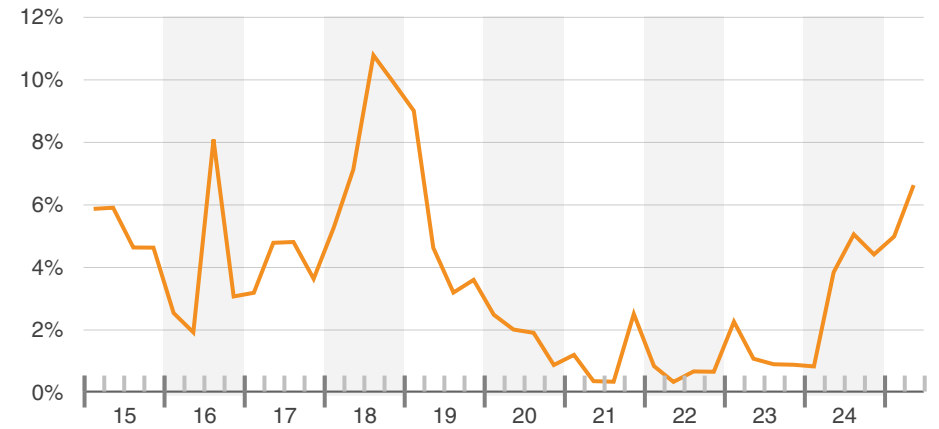


Search Analytics

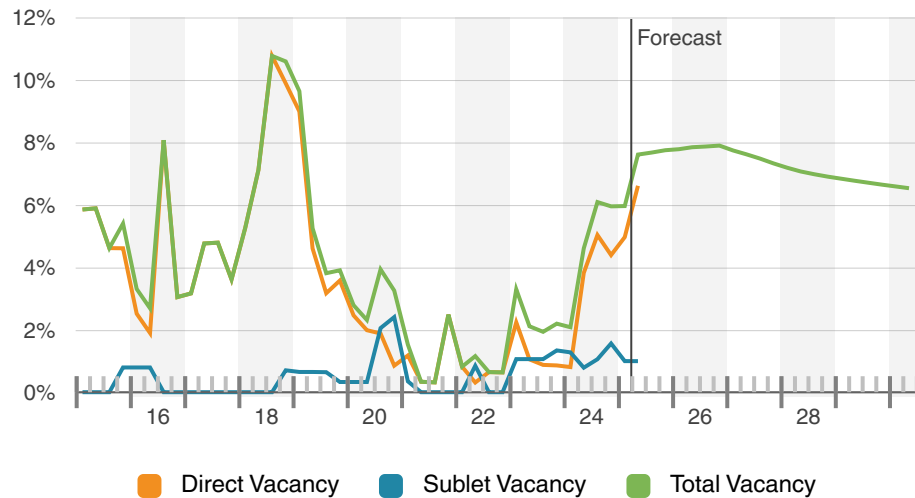
Sublet Vacancy Rate



Direct Vacancy Rate



Direct, Sublet & Total Vacancy Rate

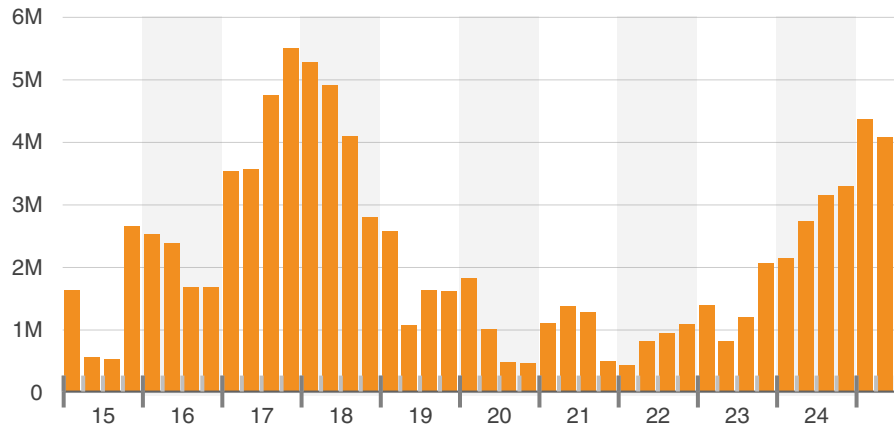


Availability Rate

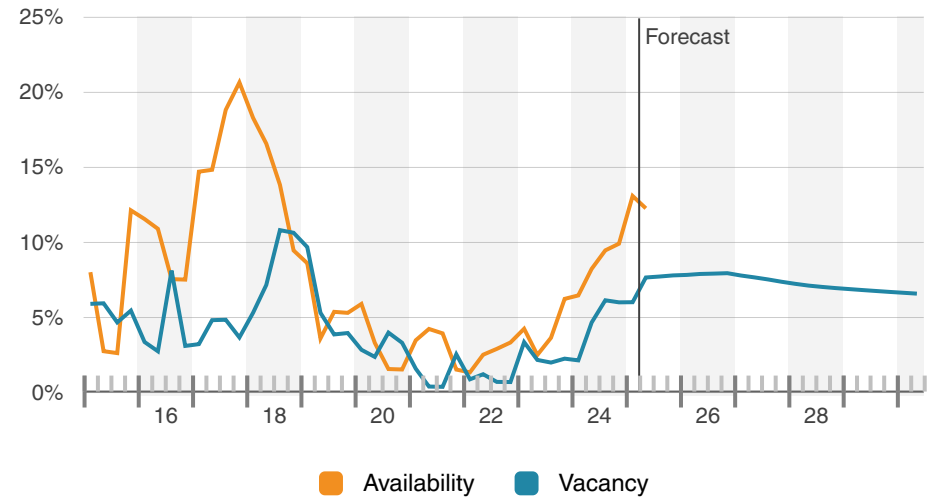


Search Analytics

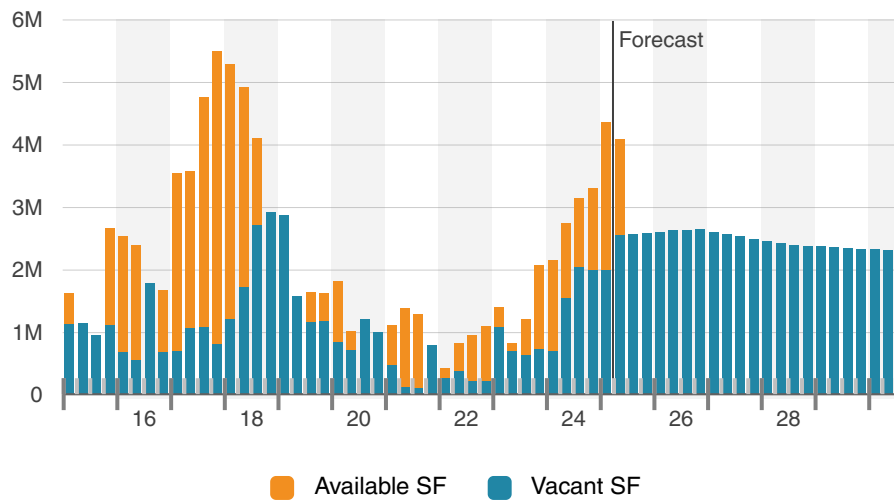
Available SF



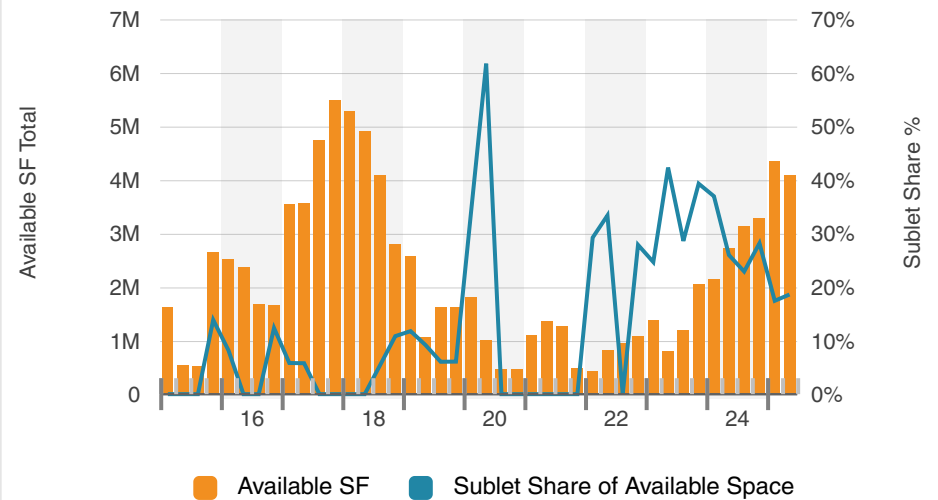
Availability & Vacancy Rate



Available & Vacant SF

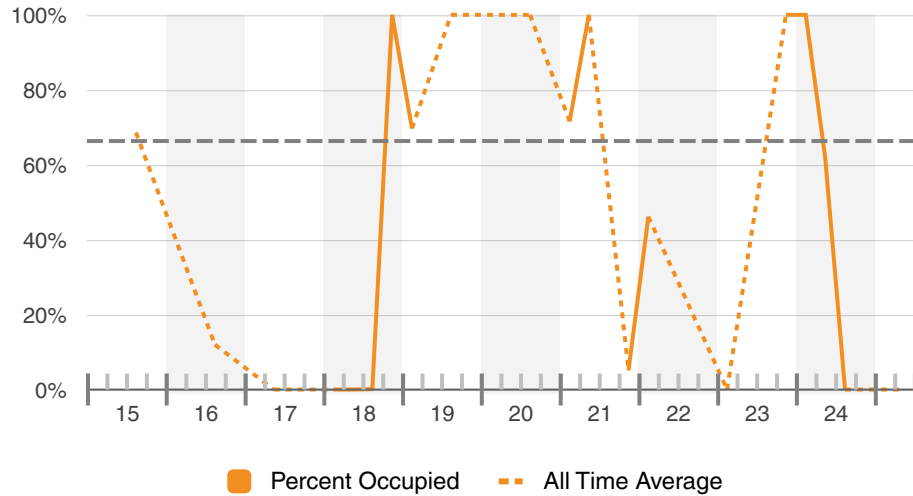


Available SF Total & Sublet Share %

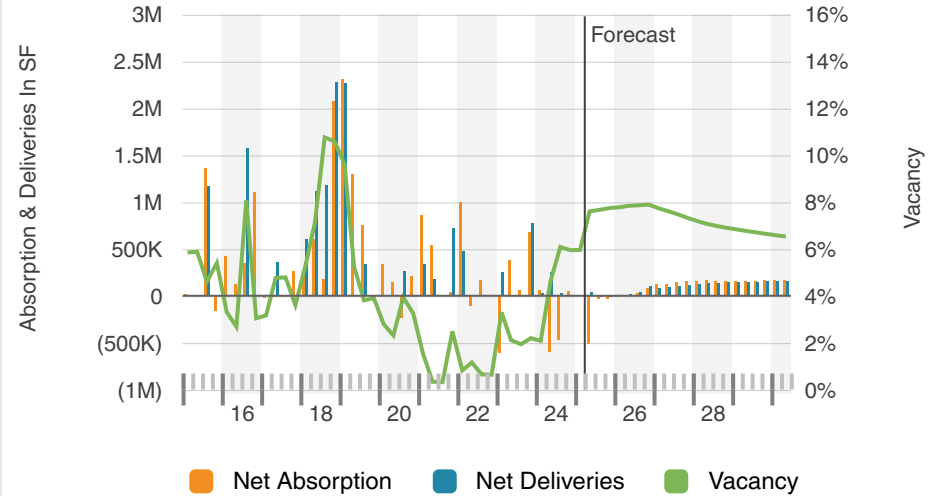


Search Analytics

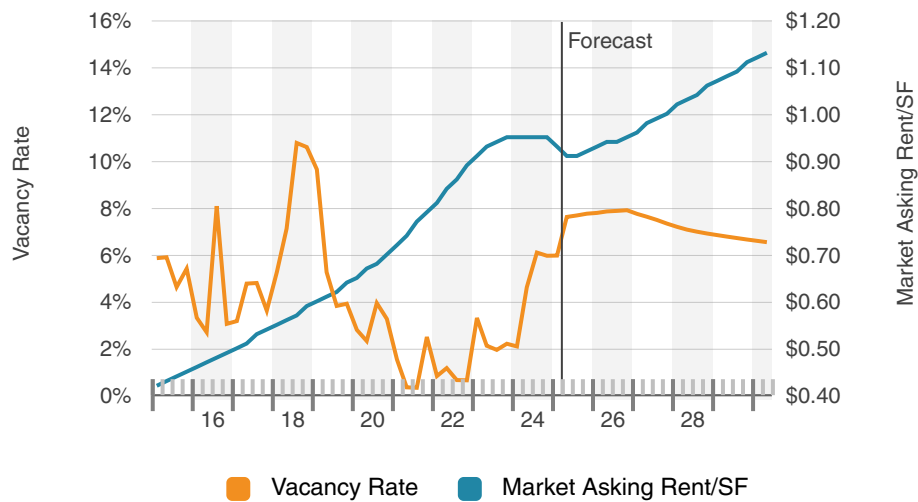
Occupancy At Delivery



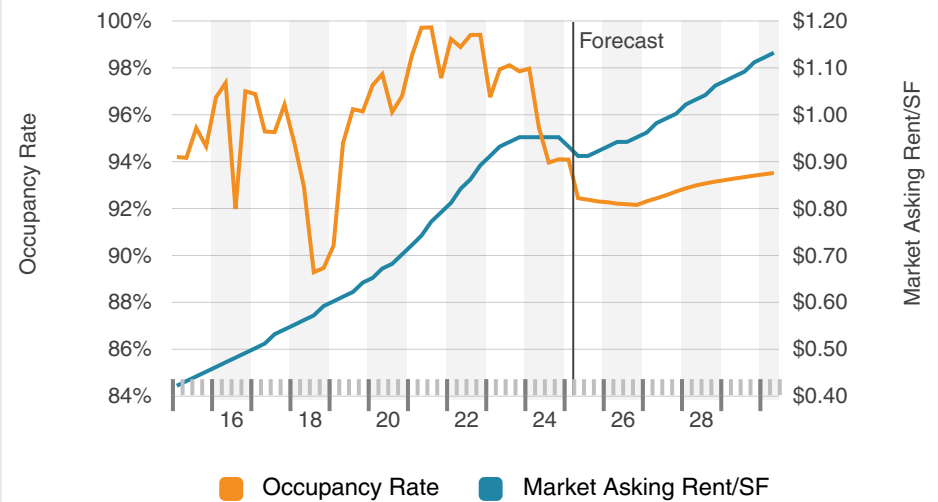
Net Absorption, Net Deliveries & Vacancy



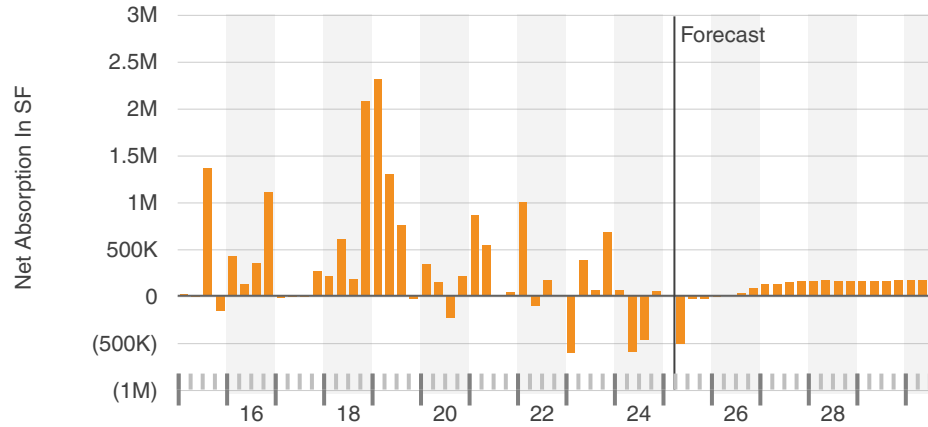
Vacancy & Market Asking Rent Per SF



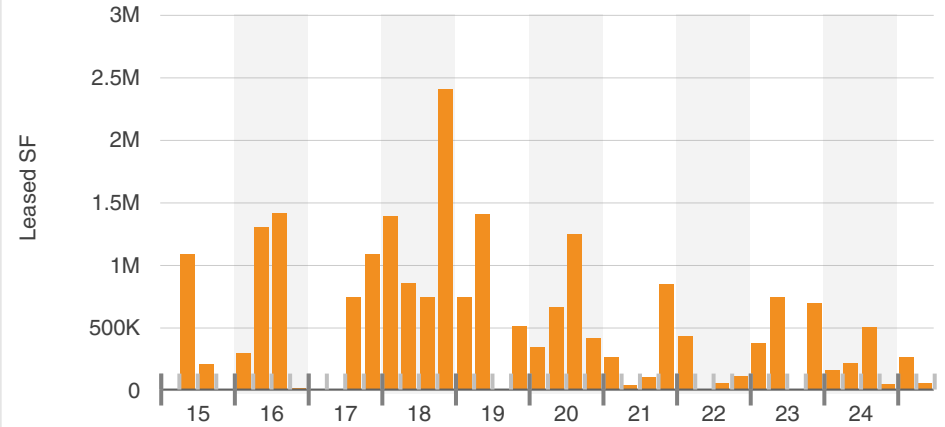
Occupancy & Market Asking Rent Per SF



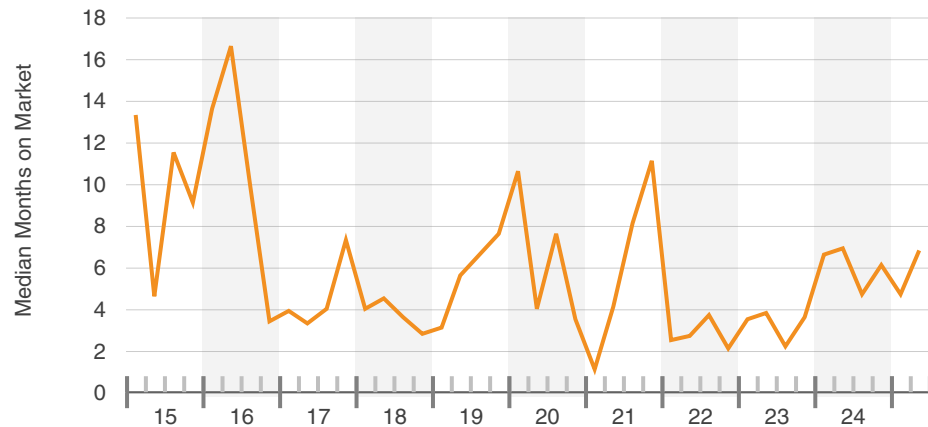
Net Absorption



Leasing Activity



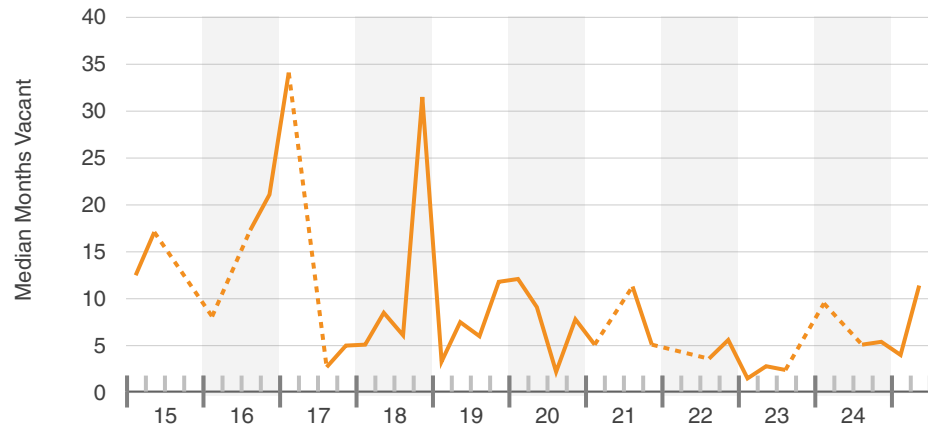
Months On Market



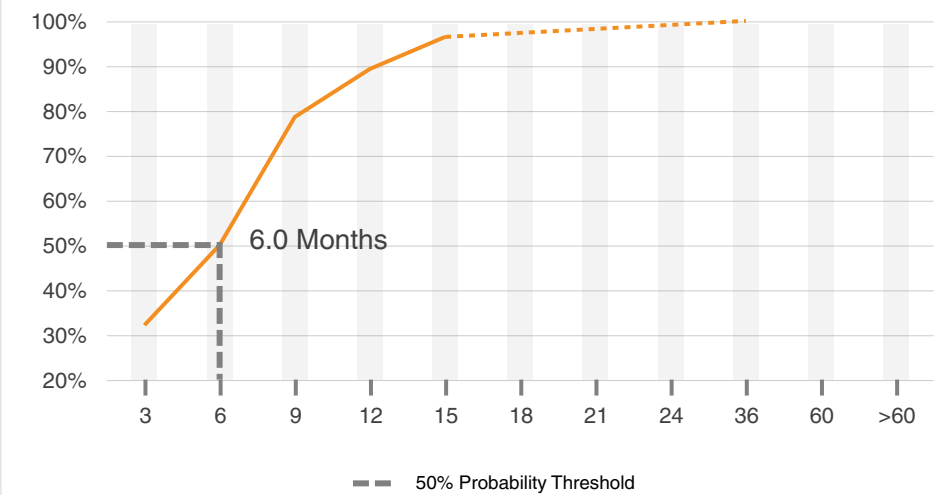
Months To Lease



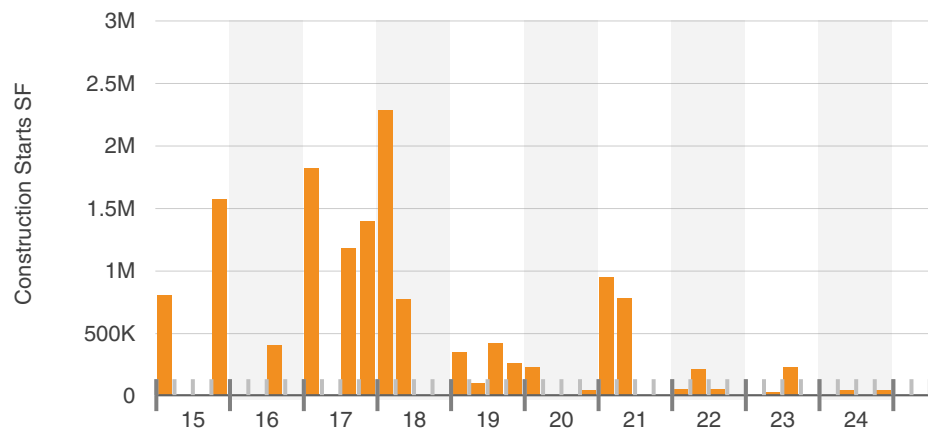
Months Vacant



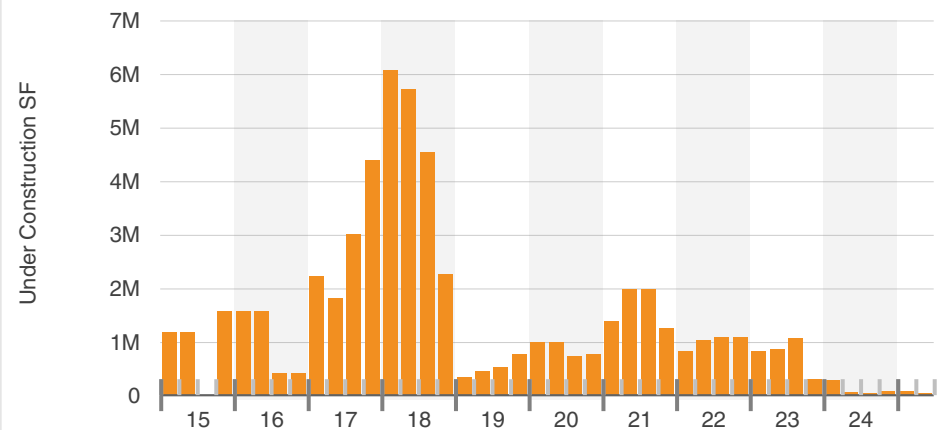
Probability Of Leasing In Months



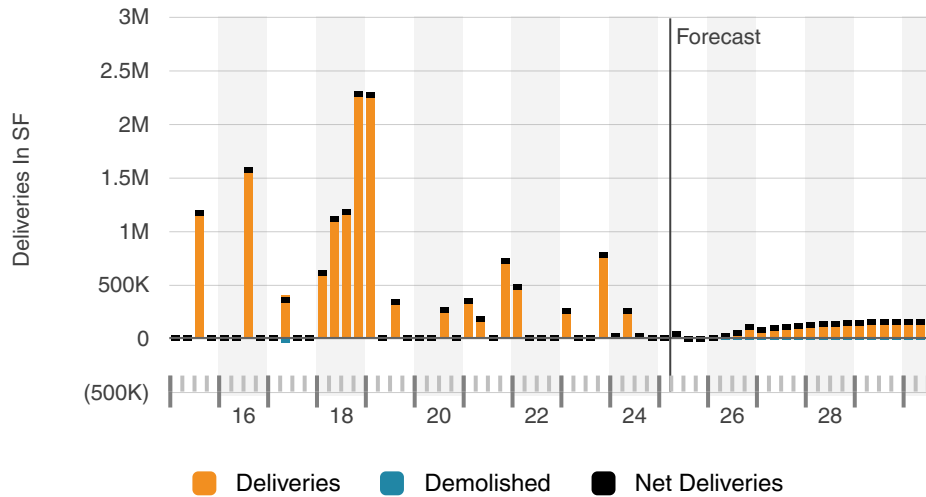
Construction Starts



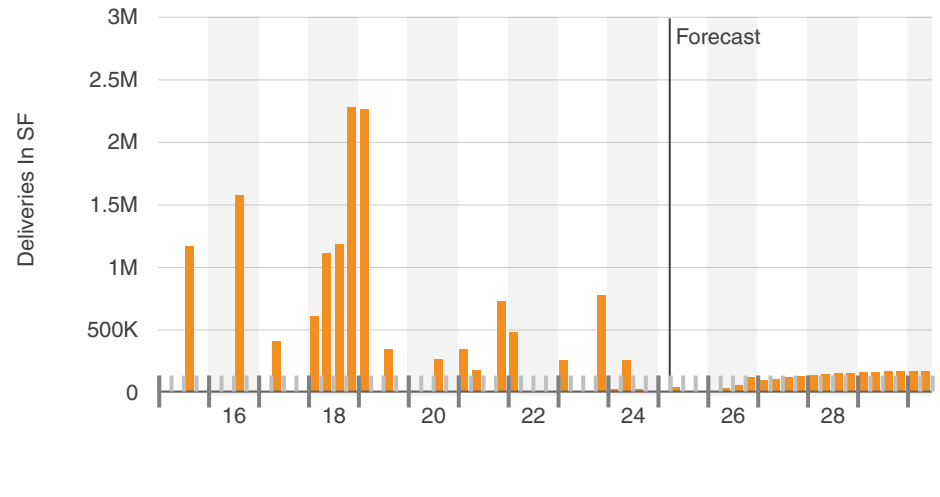
Under Construction



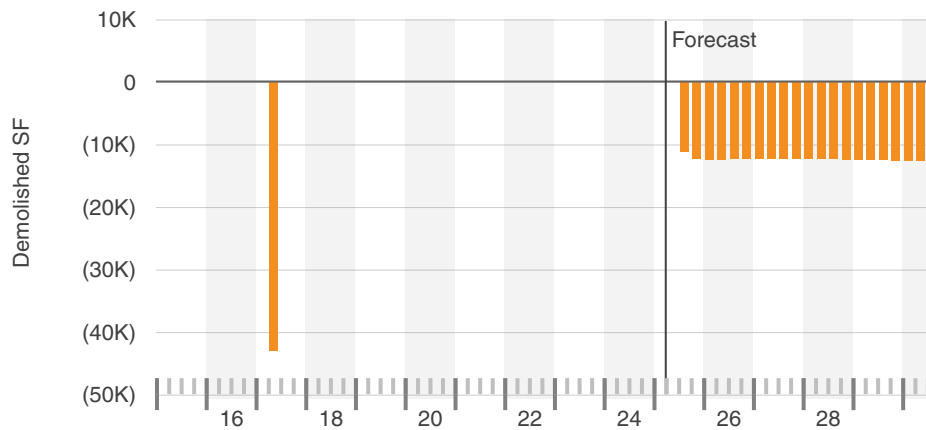
Deliveries & Demolitions



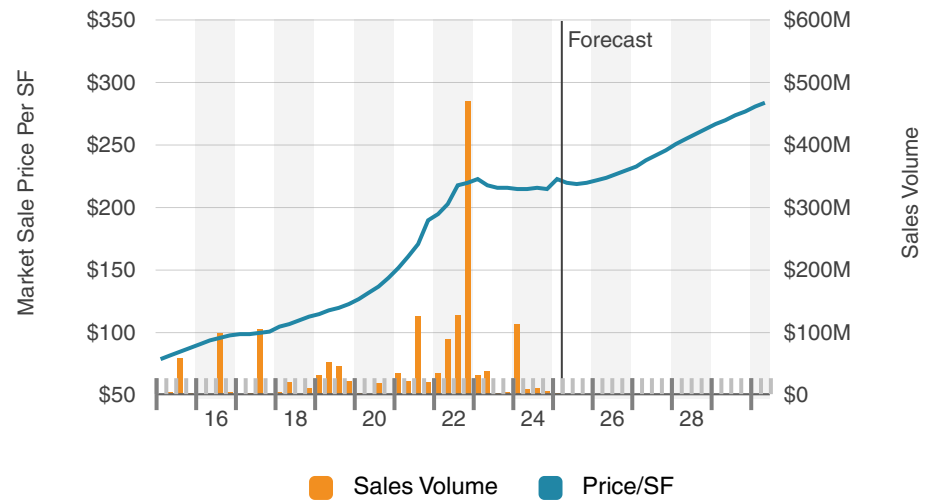
Deliveries



Demolitions

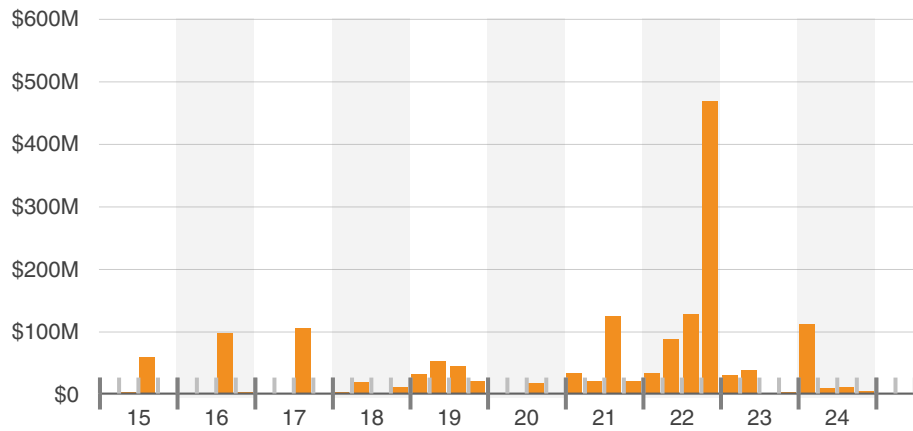


Sales Volume & Market Sale Price Per SF

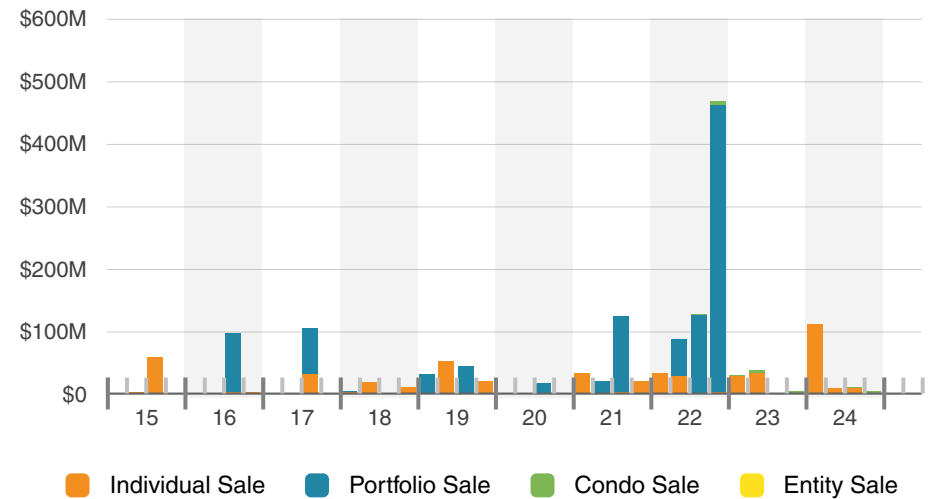


Search Analytics

Sales Volume



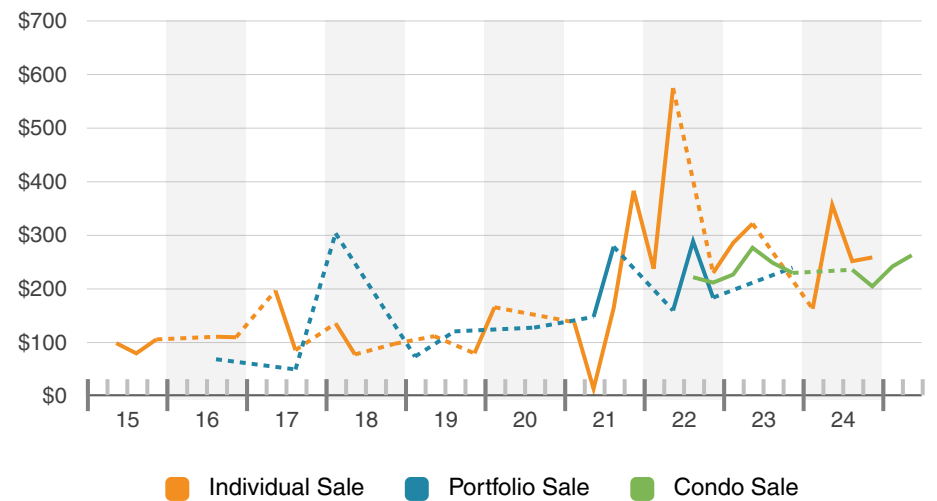
Sales Volume By Transaction Type



Sale Price Per SF

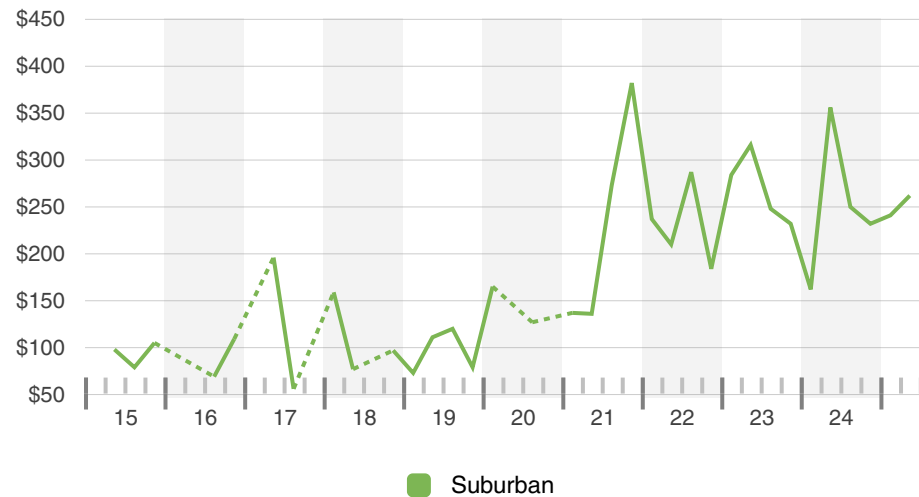


Sale Price Per SF By Transaction Type

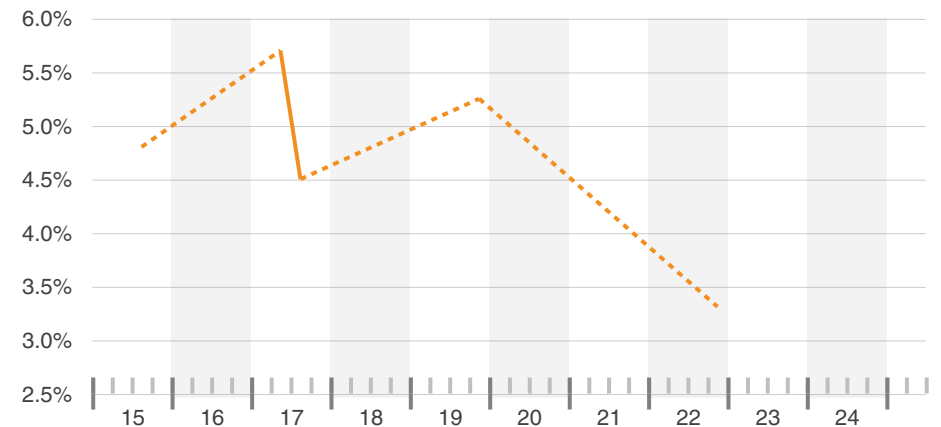


Search Analytics

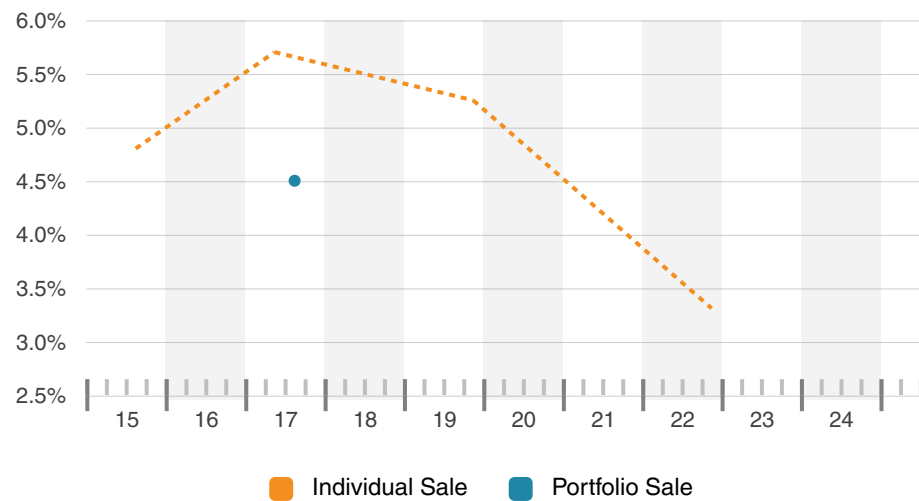
Sale Price Per SF By Location Type



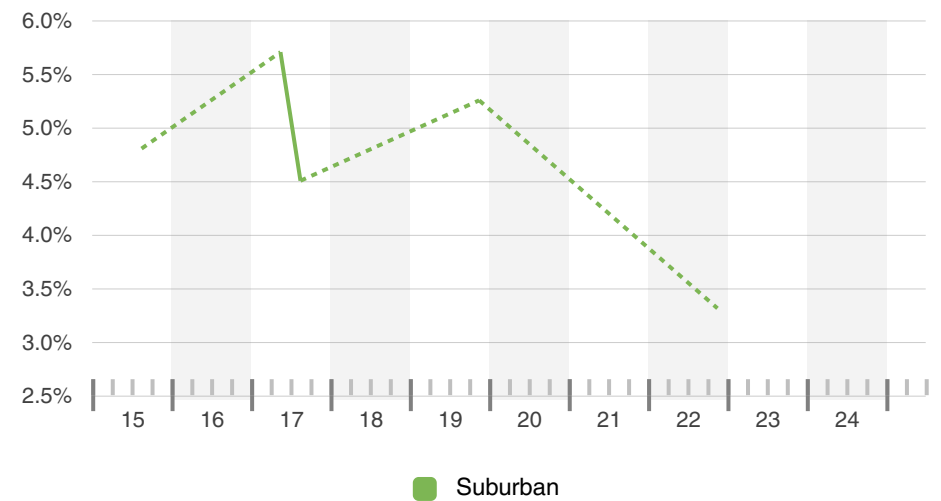
Cap Rate



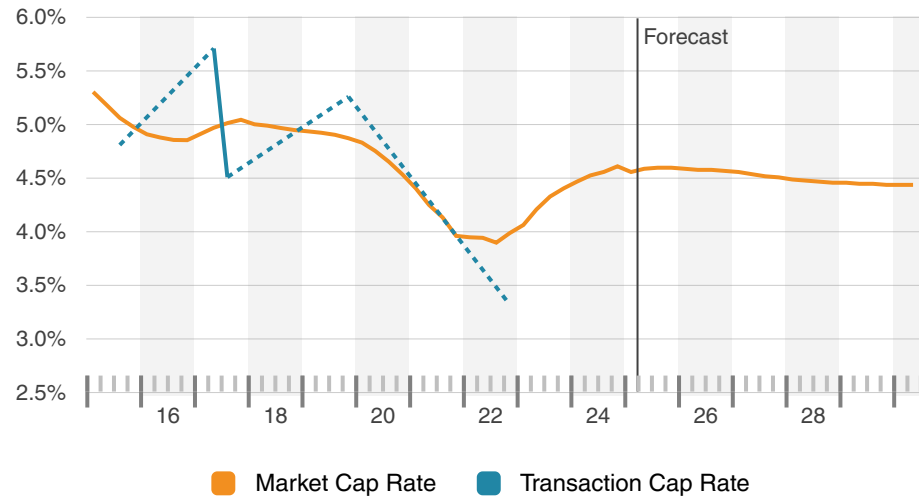
Cap Rate By Transaction Type



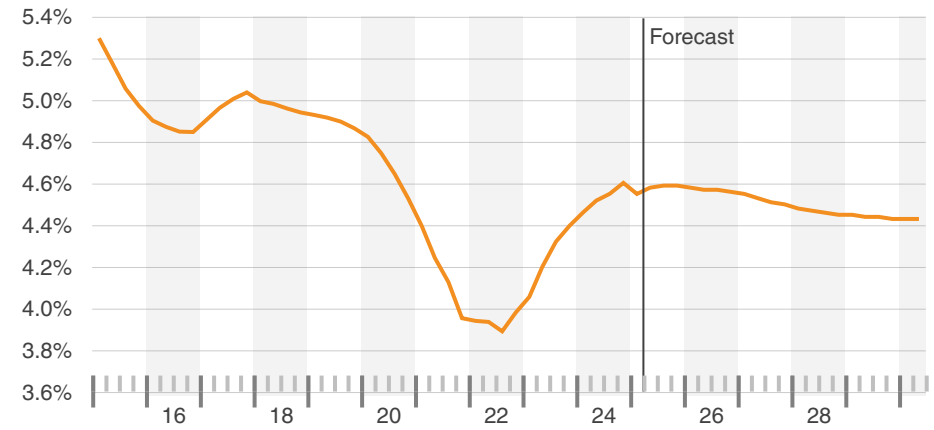
Cap Rate By Location Type



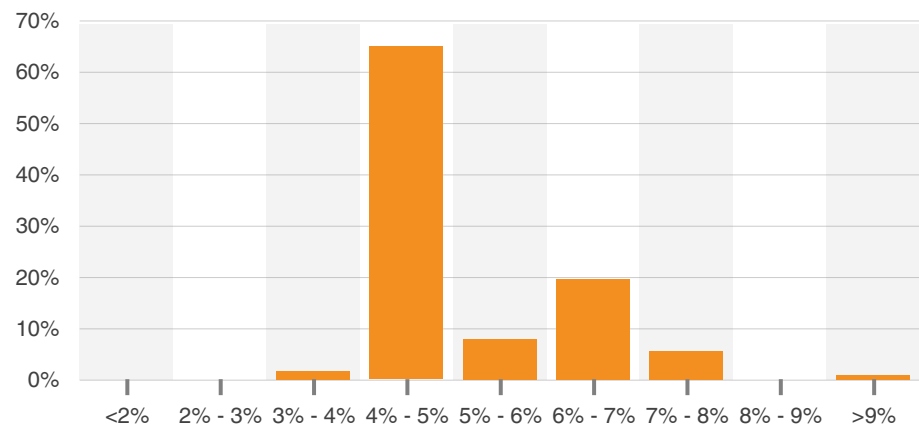
Market Cap Rate & Transaction Cap Rate



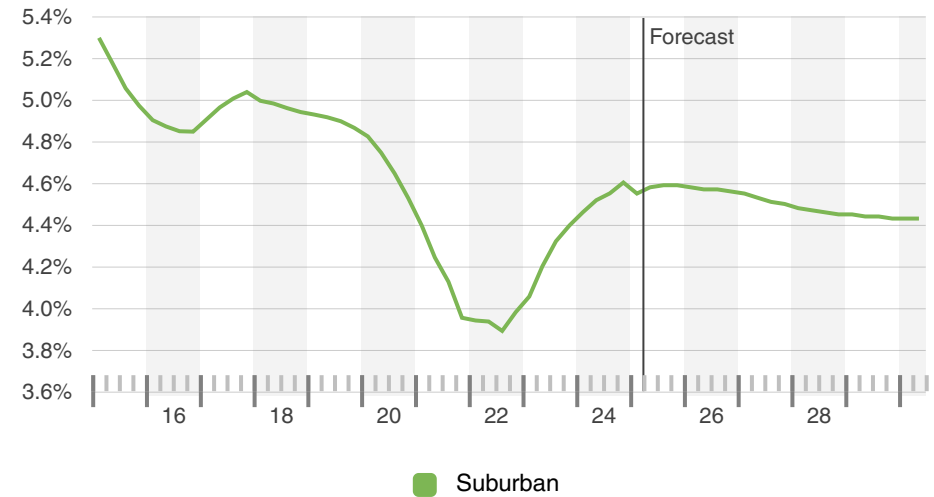
Market Cap Rate



Market Cap Rate Distribution

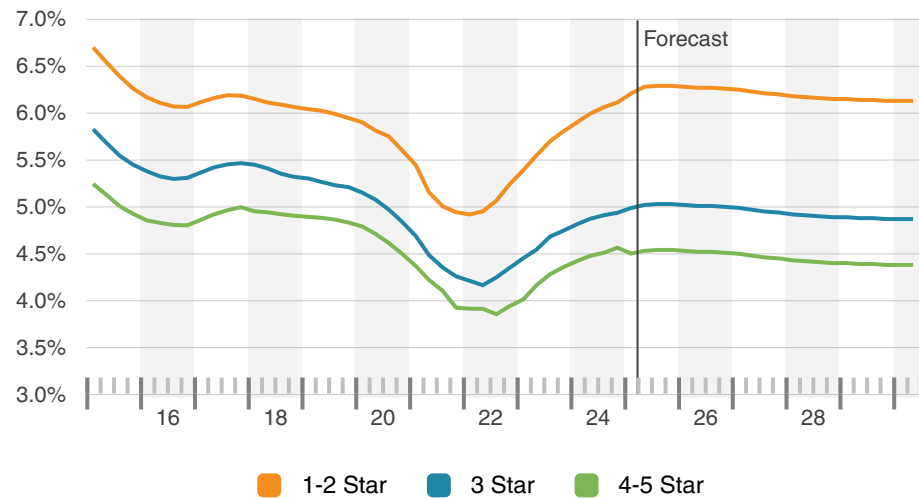


Market Cap Rate By Location Type

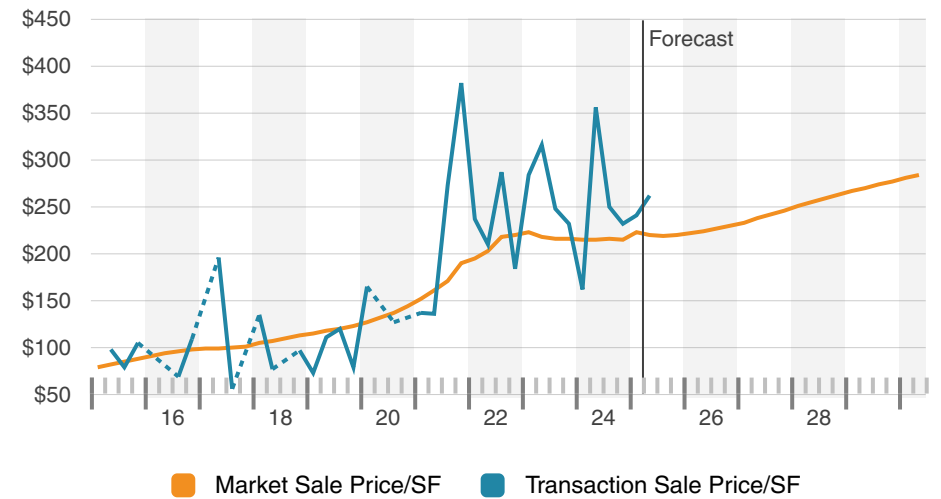


Search Analytics

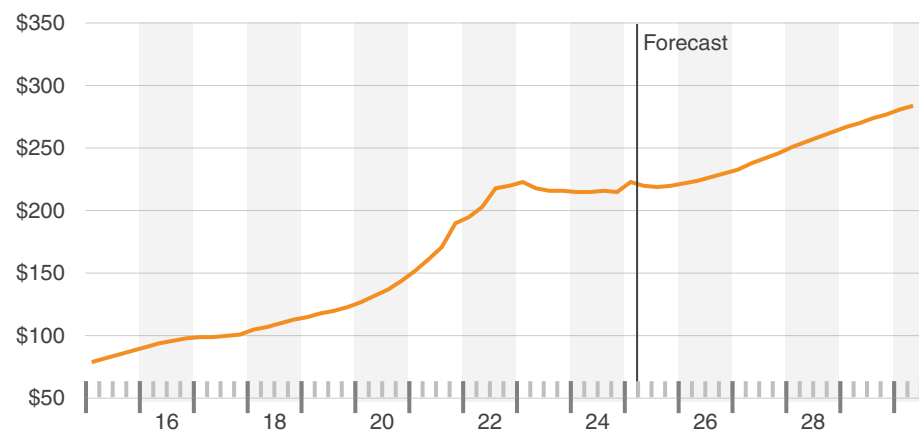
Market Cap Rate By Star Rating



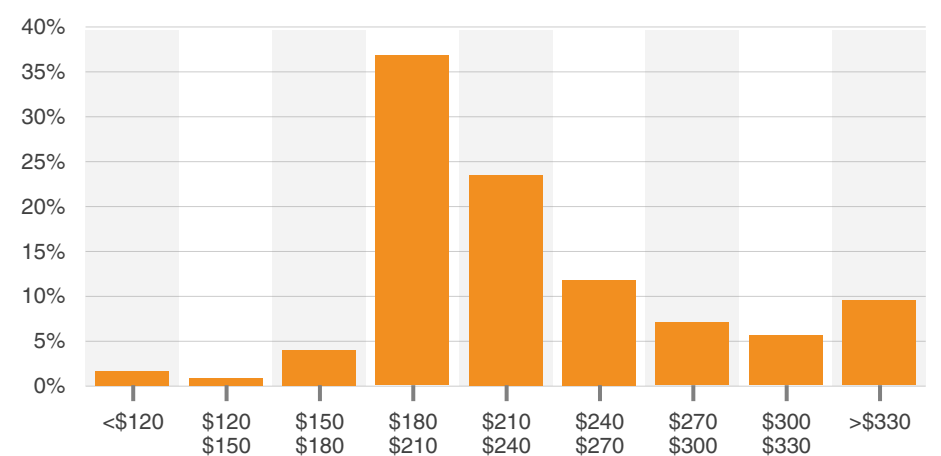
Market Sale Price & Transaction Sale Price Per SF



Market Sale Price Per SF

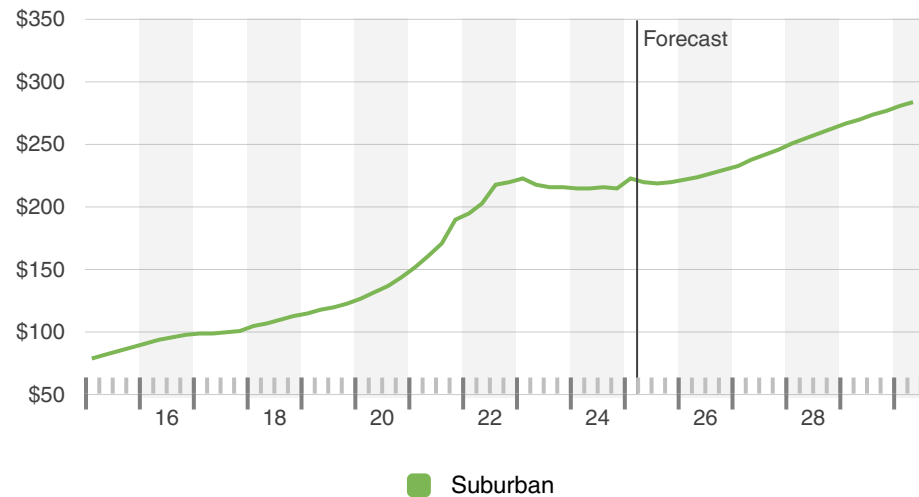


Market Sale Price Per SF Distribution

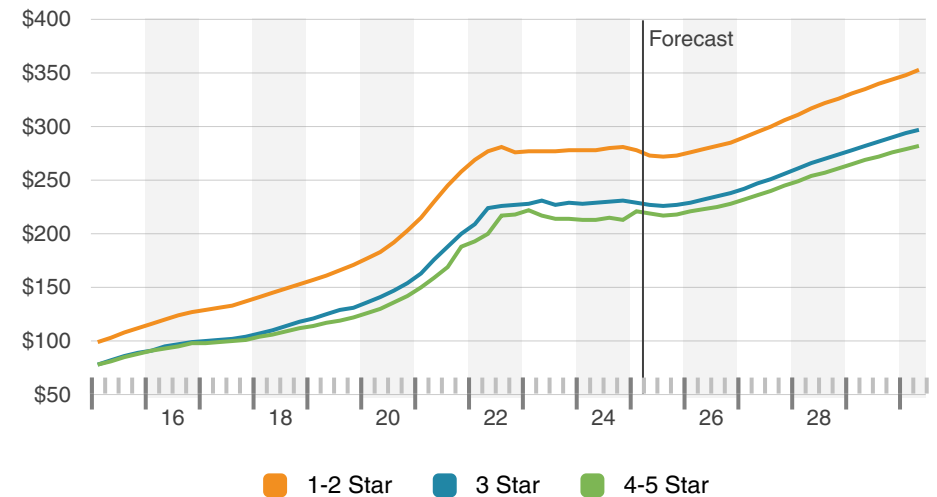


Search Analytics

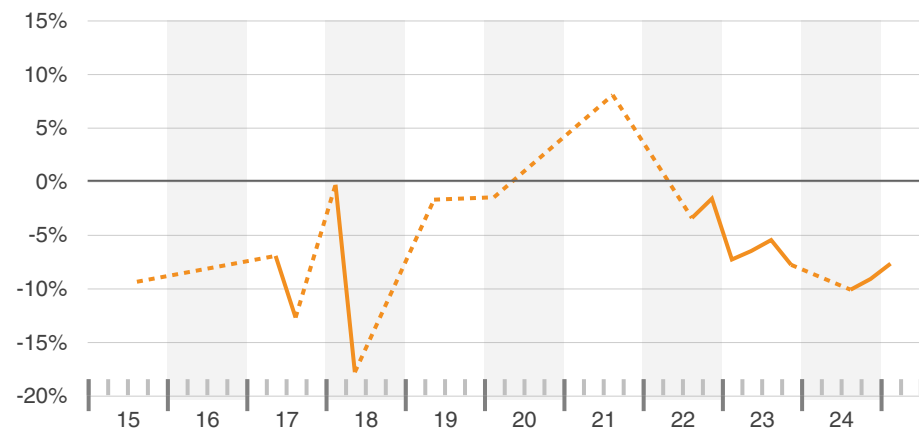
Market Sale Price Per SF By Location Type



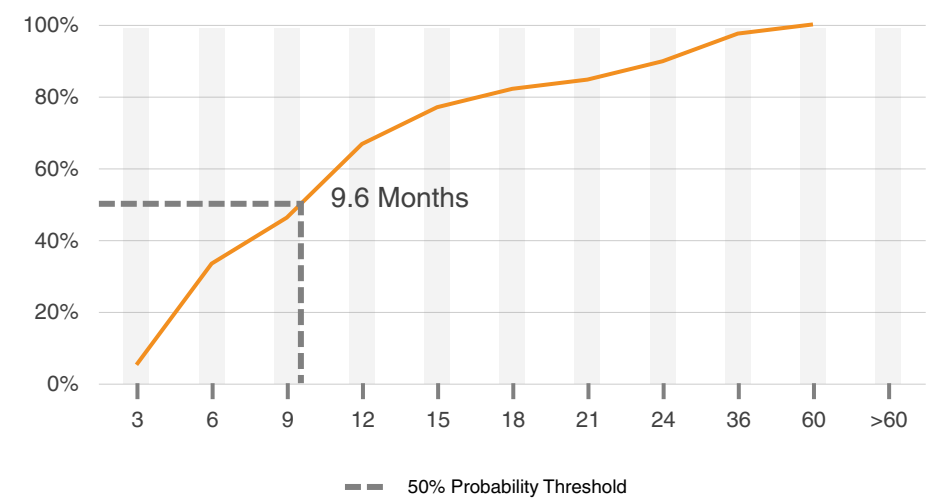
Market Sale Price Per SF By Star Rating



Sale To Asking Price Differential

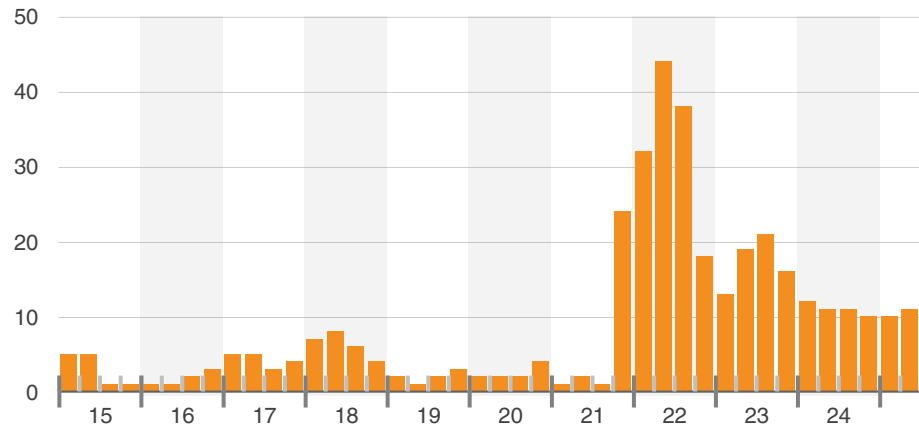


Probability Of Selling In Months

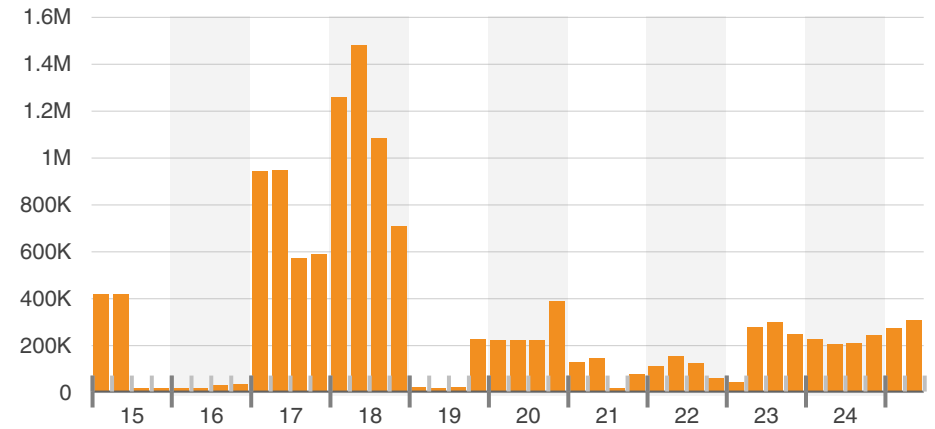


Search Analytics

For Sale Total Listings



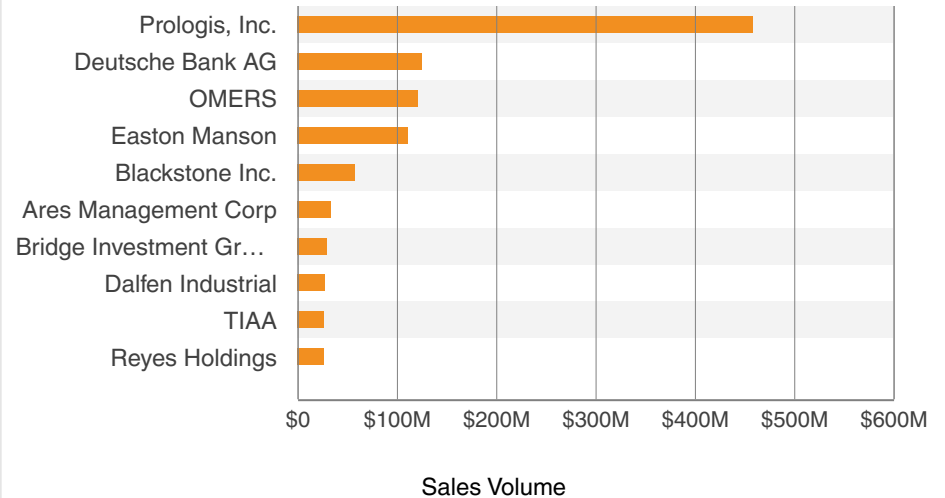
For Sale Total SF



For Sale Asking Price Per SF

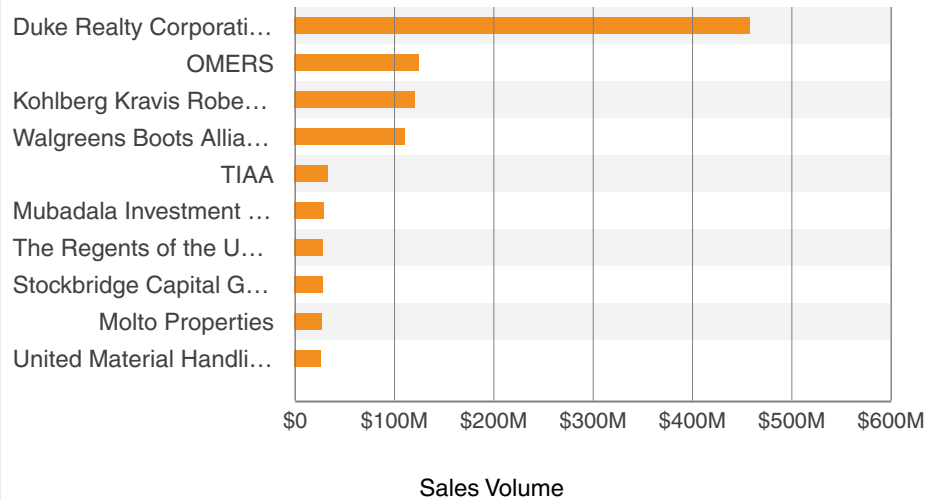


Top Buyers

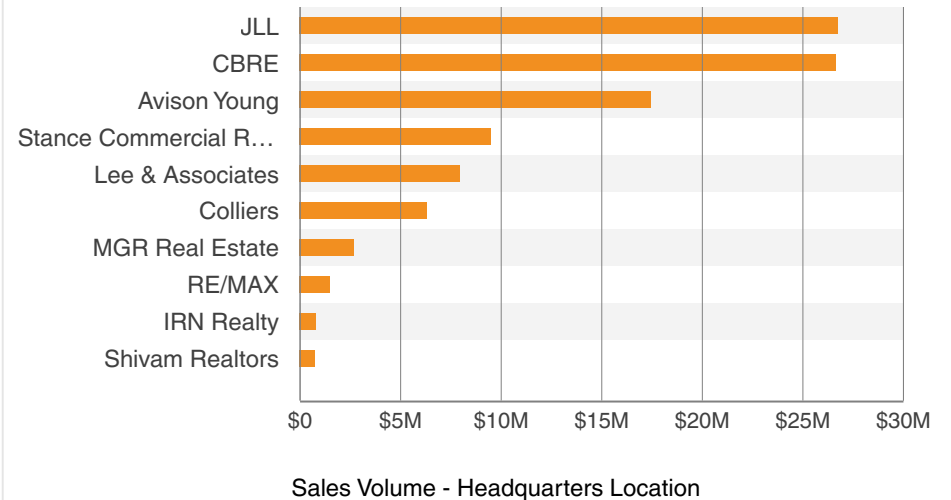


Search Analytics

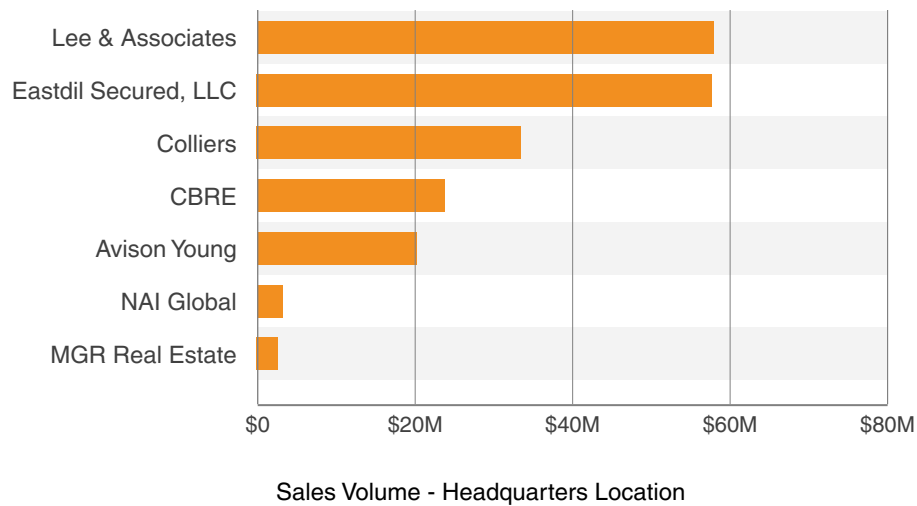
Top Sellers



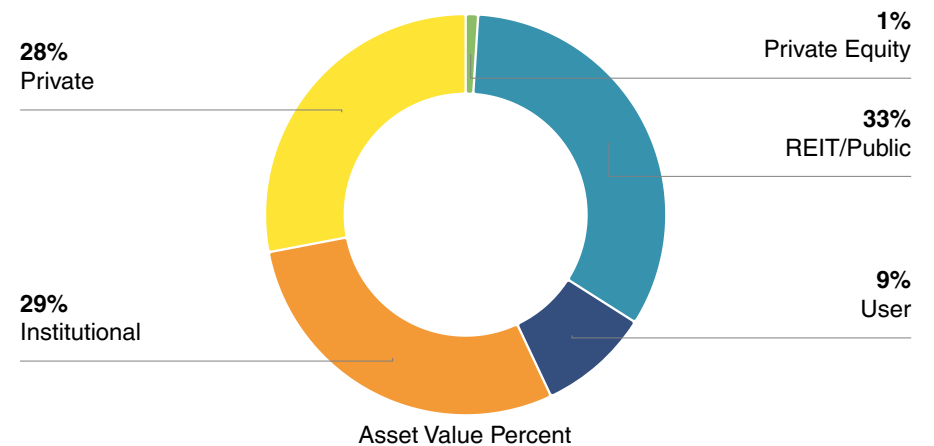
Top Buyer Brokers



Top Seller Brokers

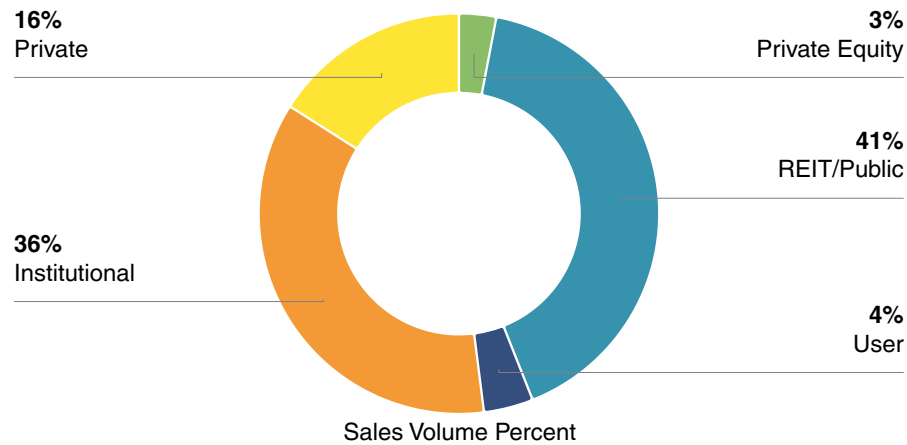


Asset Value By Owner Type

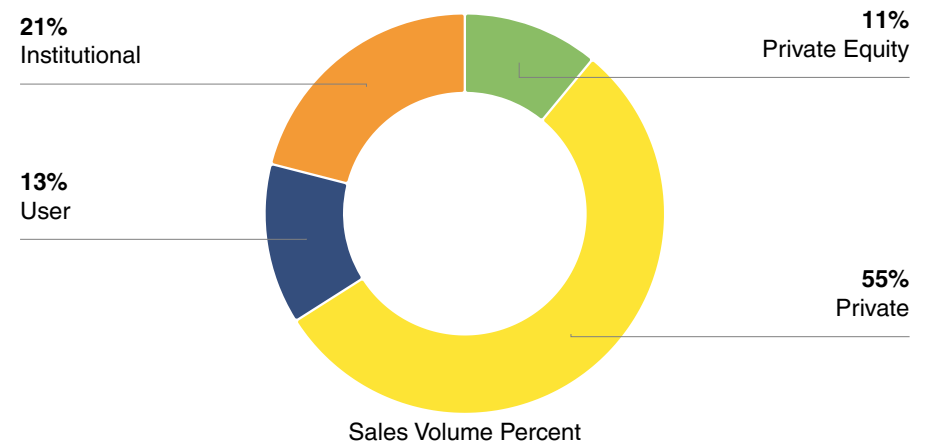


Search Analytics

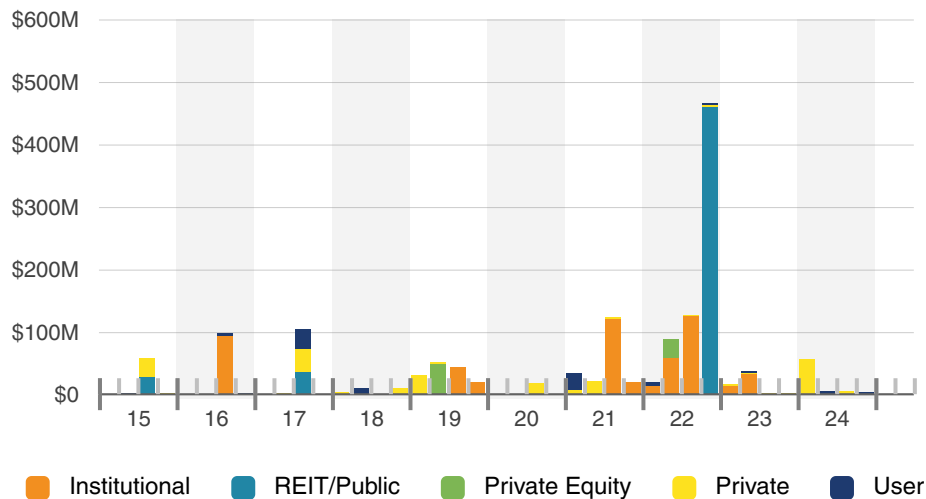
Sales By Buyer Type



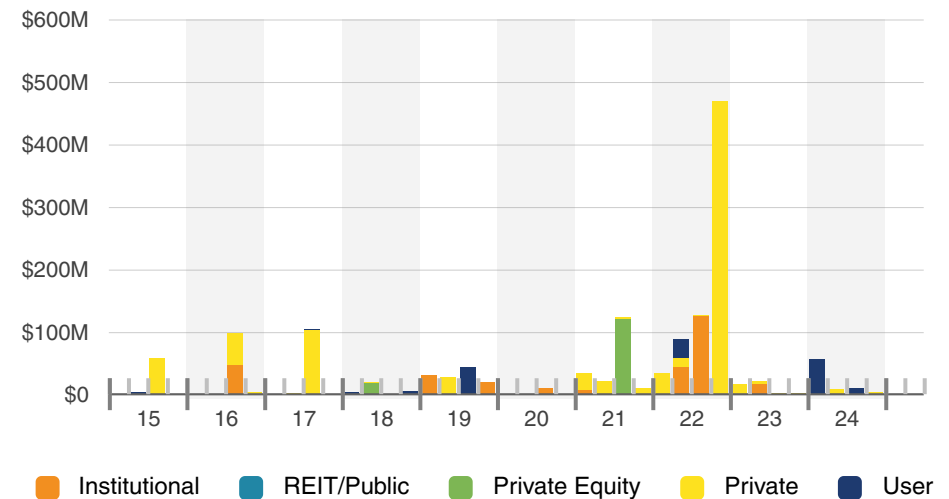
Sales By Seller Type



Sales Volume By Buyer Type

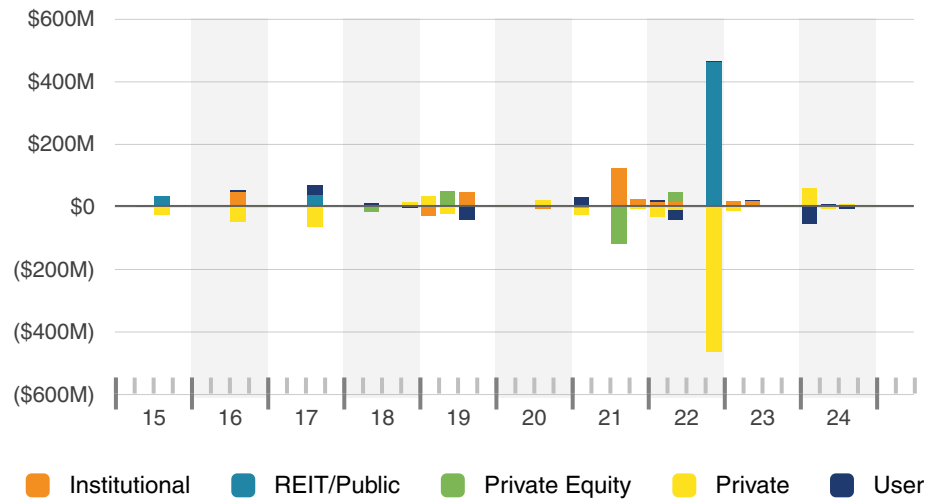


Sales Volume By Seller Type

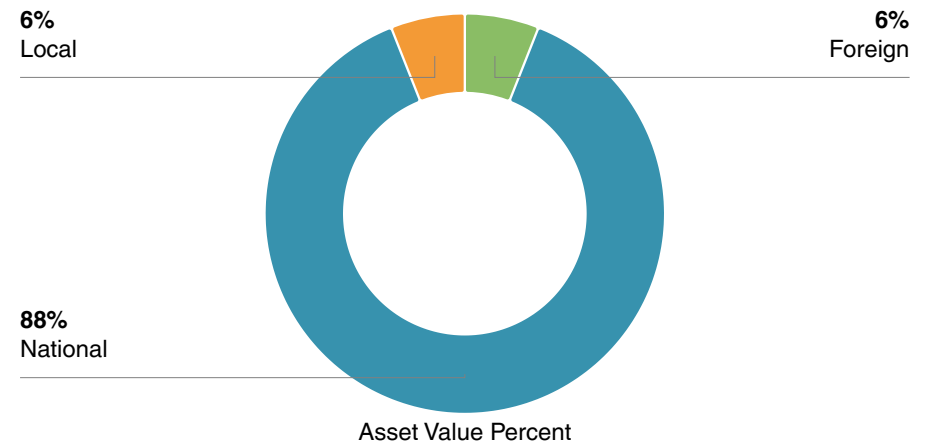


Search Analytics

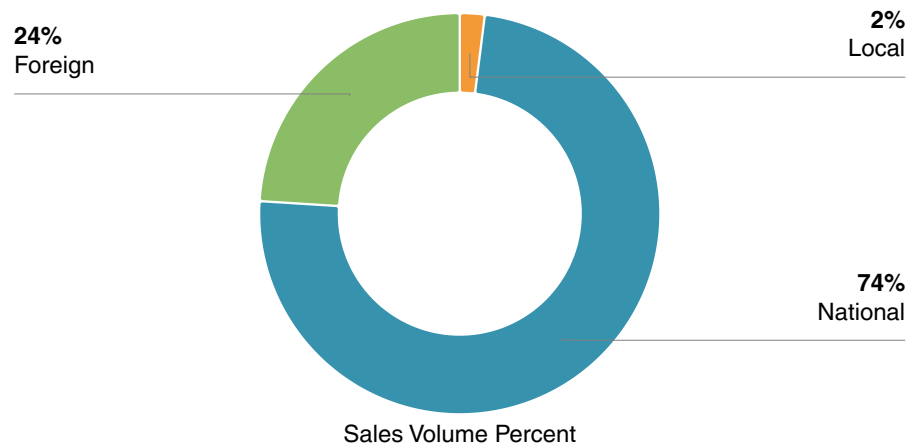
Net Buying & Selling By Owner Type



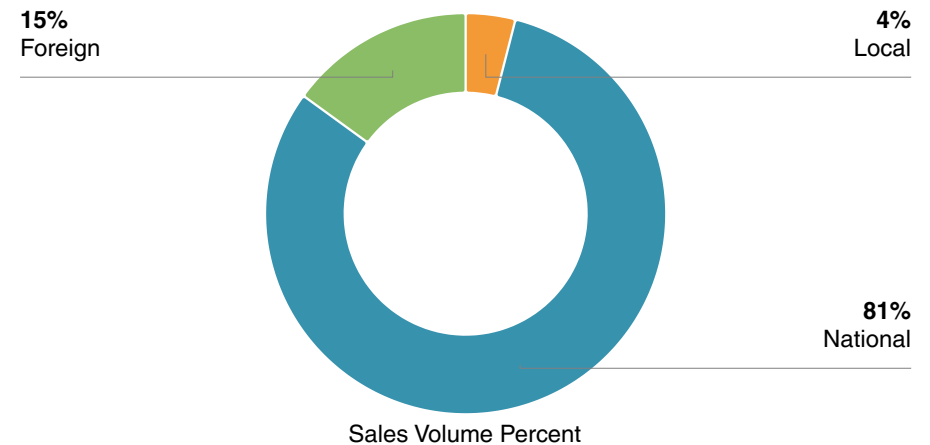
Asset Value By Owner Origin



Sales Volume By Buyer Origin

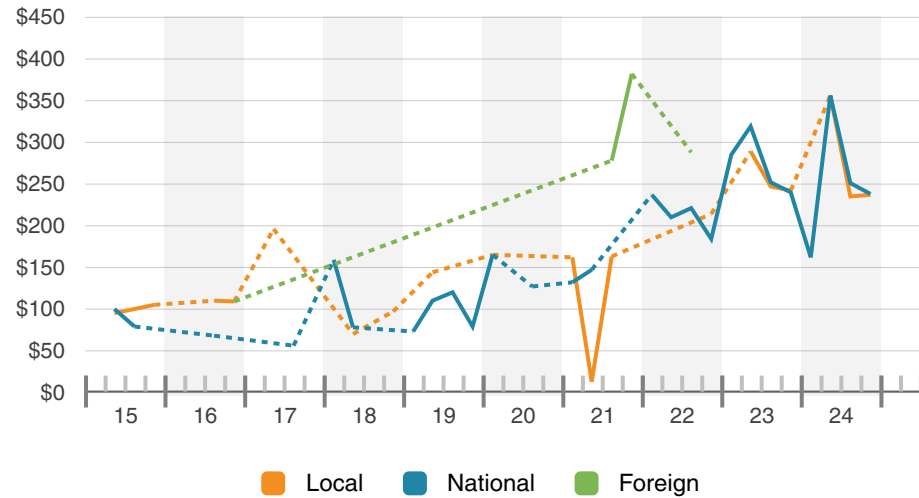


Sales Volume By Seller Origin

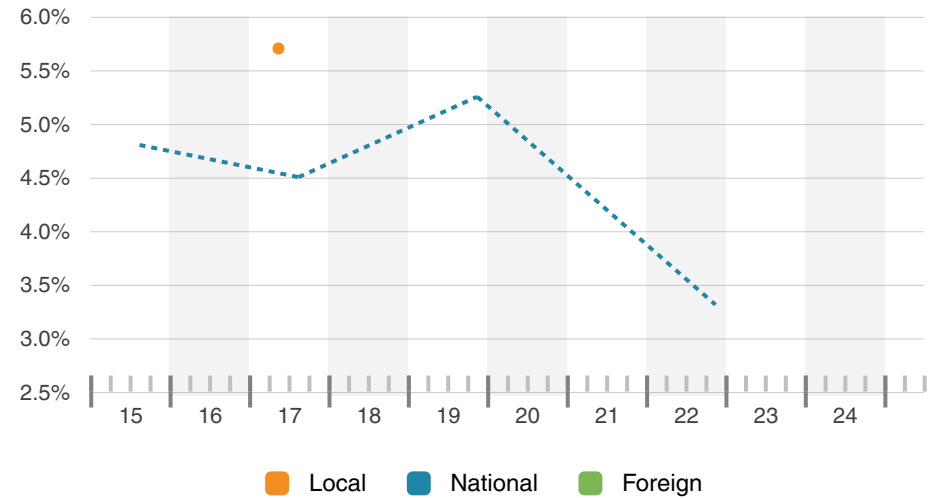


Search Analytics

Average Price Per SF By Buyer Origin



Average Cap Rate By Buyer Origin



Report Criteria

- 139 Properties / 31 Spaces
- City: Moreno Valley, CA
- Property Type: Industrial

EXHIBIT C – RETAIL MARKET

Search Analytics

INVENTORY SF

8.2M +0%

Prior Period 8.2M

UNDER CONSTRUCTION SF

3.6K -27.8%

Prior Period 5K

12 MO NET ABSORPTION SF

(23.9K) +66.6%

Prior Period (71.4K)

VACANCY RATE

9.9% +0.3%

Prior Period 9.6%

MARKET ASKING RENT/SF

\$2.18 +2.5%

Prior Period \$2.13

MARKET SALE PRICE/SF

\$282 +1.6%

Prior Period \$277

MARKET CAP RATE

6.3% +0.1%

Prior Period 6.2%

Key Metrics

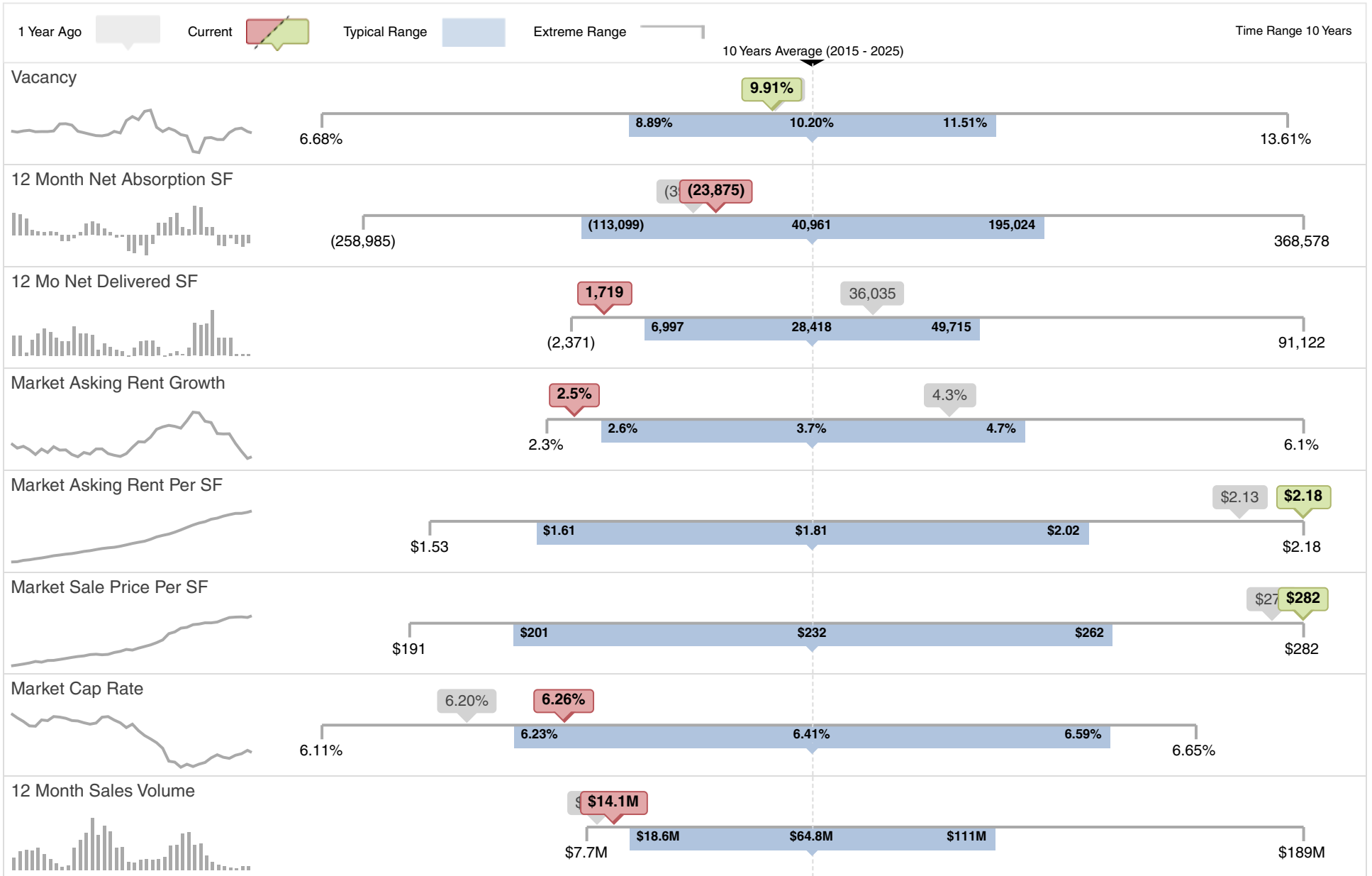
Availability	
Vacant SF	817K ↓
Sublet SF	4.5K ↑
Availability Rate	9.8% ↑
Available SF Total	809K ↑
Available Asking Rent/SF	\$1.75 ↑
Occupancy Rate	90.1% ↑
Percent Leased Rate	91.0% ↑

Inventory	
Existing Buildings	536 ↑
Under Construction Avg SF	3.6K ↑
12 Mo Demolished SF	714 ↓
12 Mo Occupancy % at Delivery	100.0% ↓
12 Mo Construction Starts SF	1.1K ↓
12 Mo Delivered SF	2.4K ↓
12 Mo Avg Delivered SF	1.9K ↓

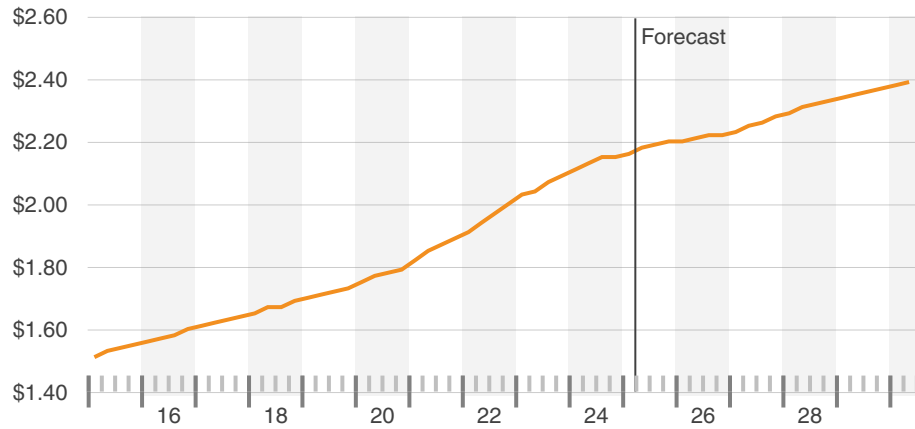
Sales Past Year	
Asking Price Per SF	\$337 ↑
Sale to Asking Price Differential	-5.8% ↑
Sales Volume	\$13.8M ↑
Properties Sold	26 ↑
Months to Sale	5.4 ↓
For Sale Listings	18 ↑
Total For Sale SF	217K ↑

Demand	
12 Mo Net Absorp % of Inventory	-0.3% ↑
12 Mo Leased SF	181K ↑
Months on Market	9.9 ↓
Months to Lease	14.2 ↑
Months Vacant	23.7 ↑
24 Mo Lease Renewal Rate	54.9%
Population Growth 5 Yrs	5.0%

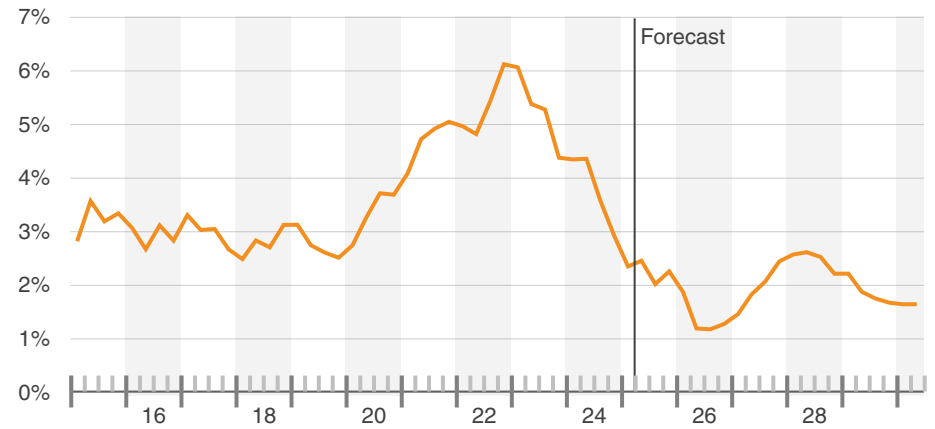
Key Performance Indicators



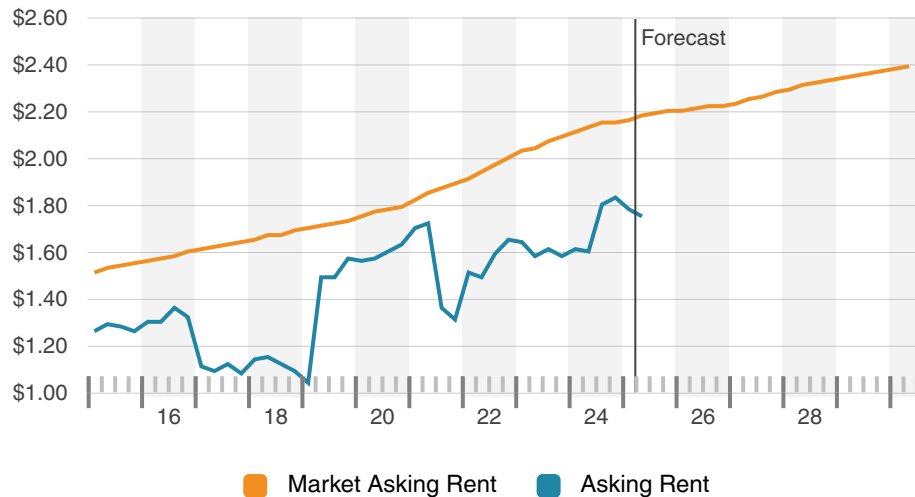
Market Asking Rent Per SF



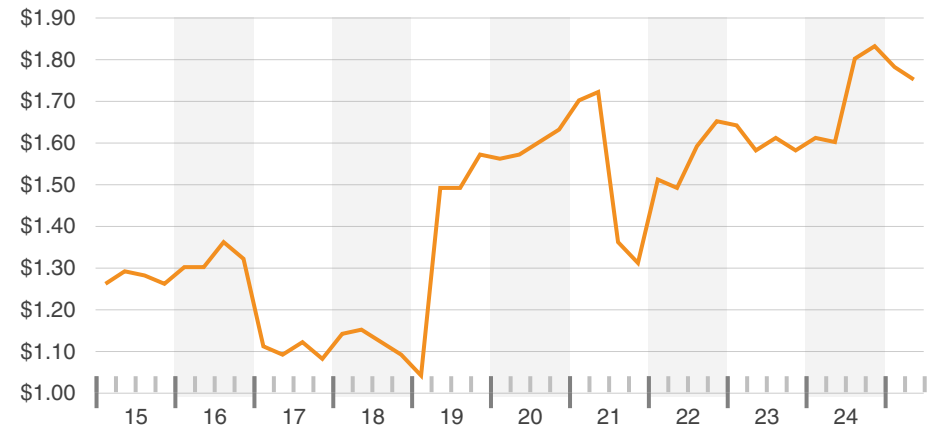
Market Asking Rent Growth (YOY)



Market Asking Rent & Asking Rent Per SF

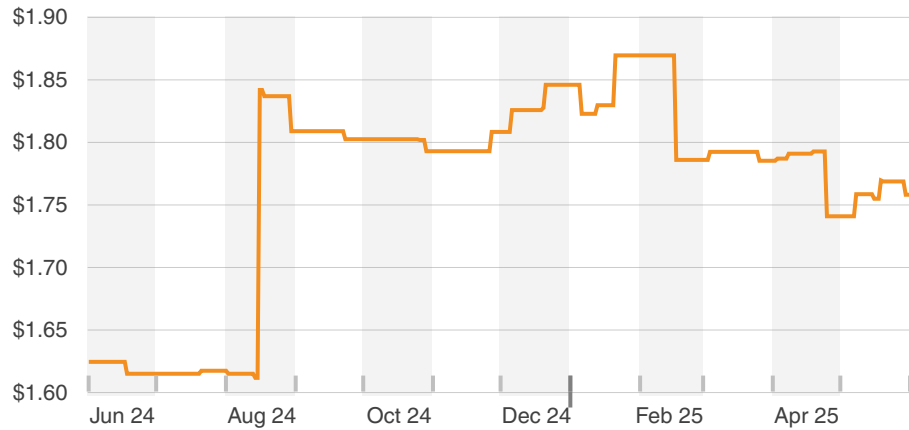


Asking Rent Per SF

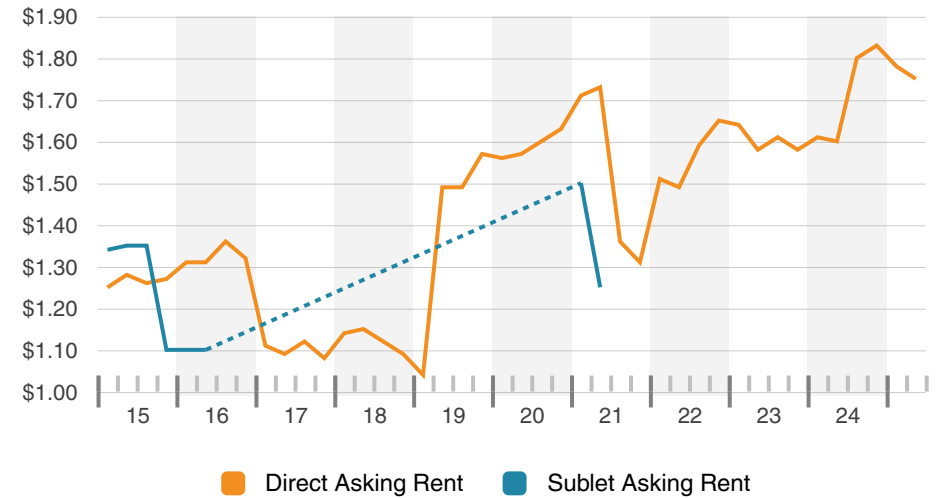


Search Analytics

Daily Asking Rent Per SF



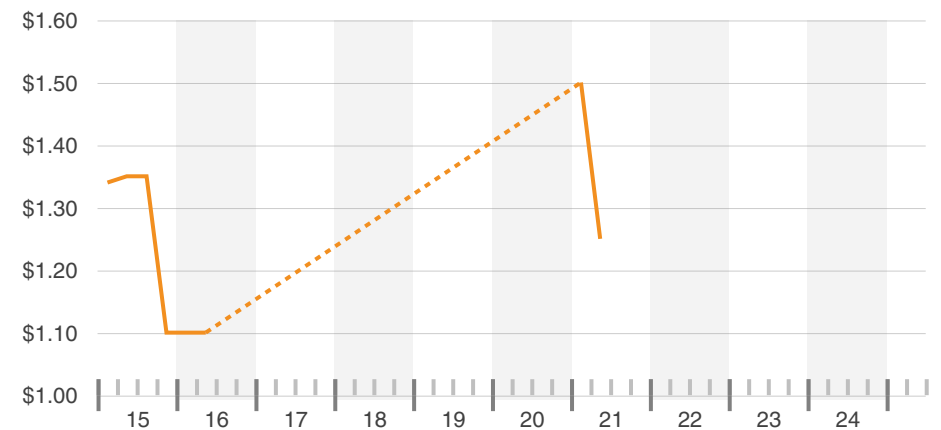
Direct & Sublet Rent Per SF



Direct Rent Per SF

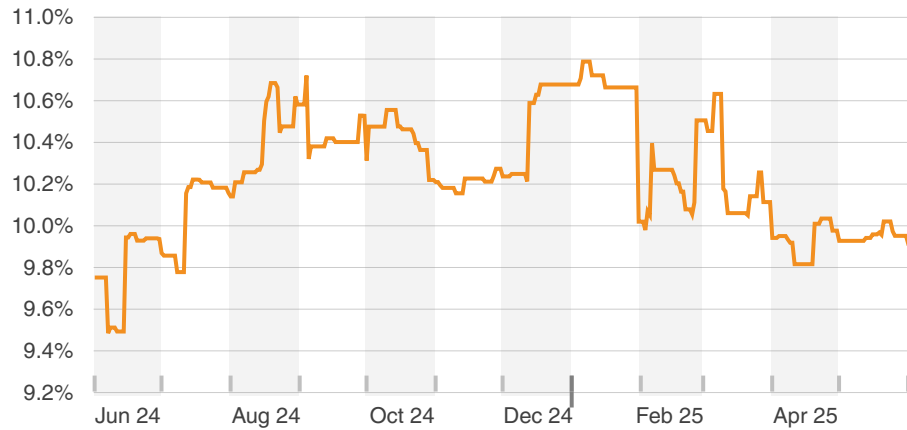


Sublet Rent Per SF

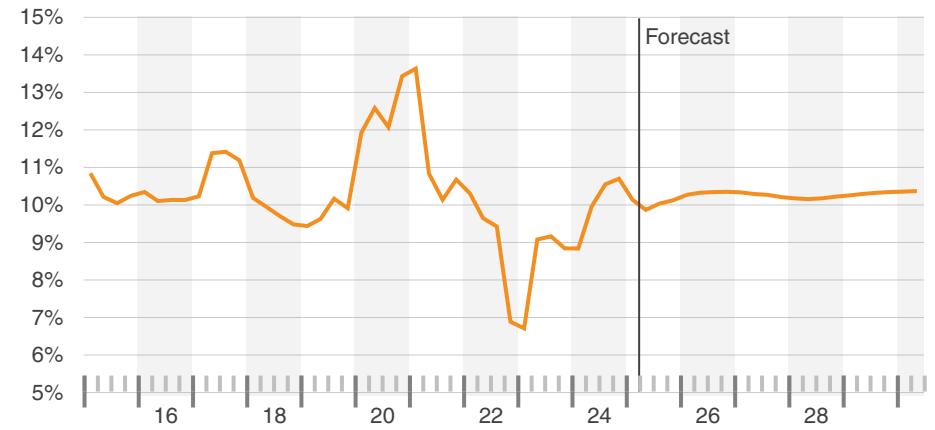


Search Analytics

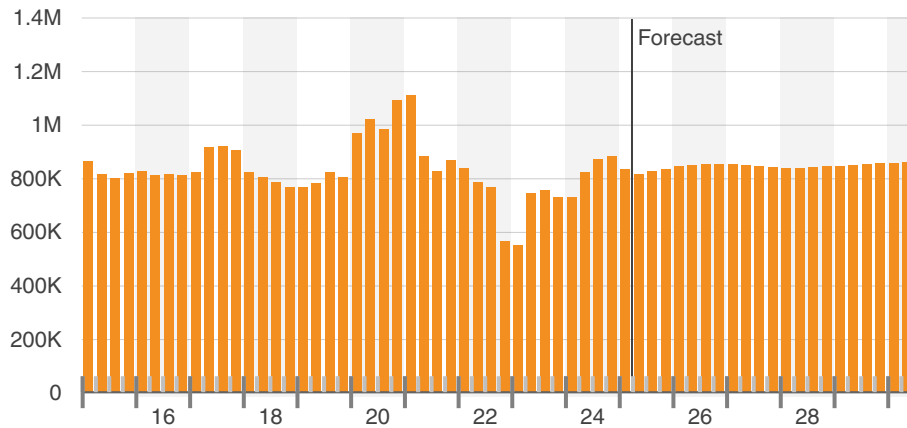
Daily Vacancy Rate



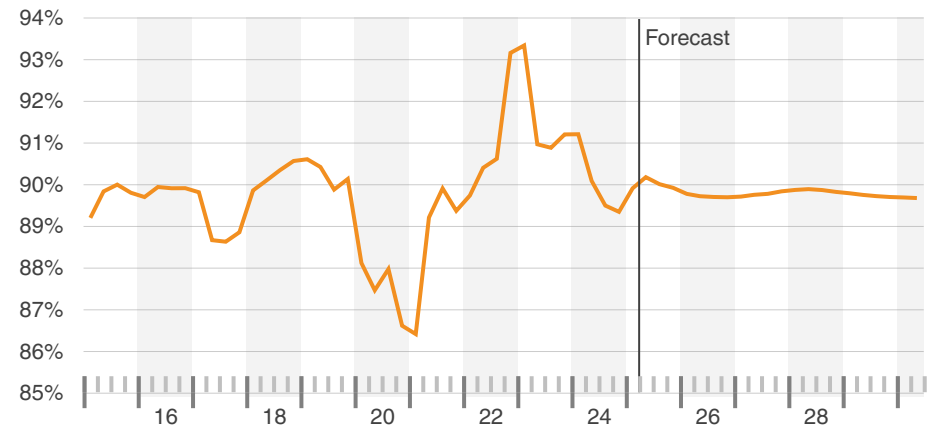
Vacancy Rate



Vacant SF



Occupancy Rate



Search Analytics

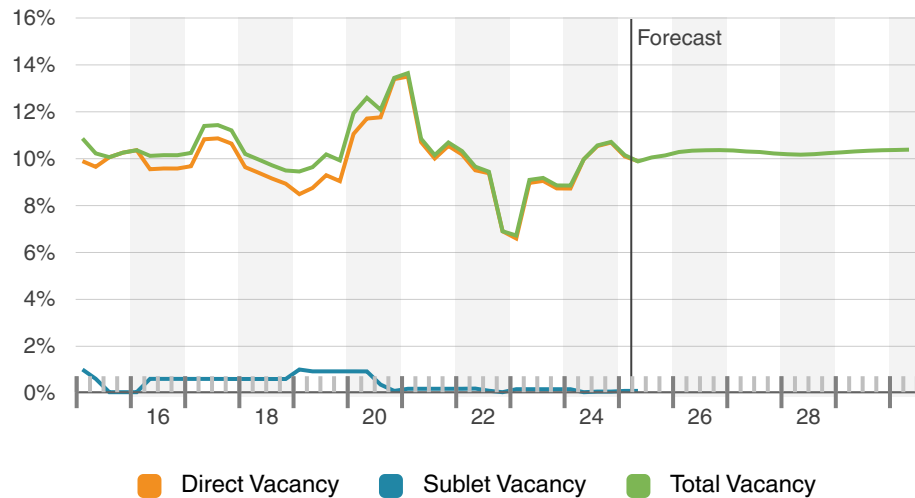
Sublet Vacancy Rate



Direct Vacancy Rate



Direct, Sublet & Total Vacancy Rate

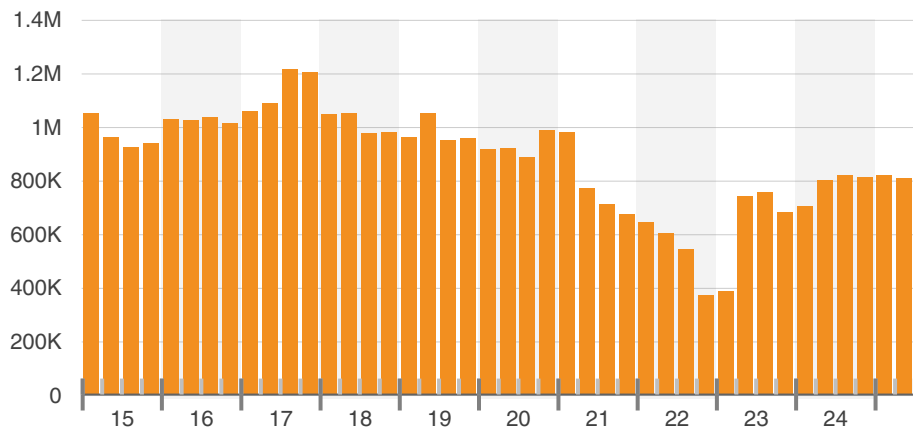


Availability Rate

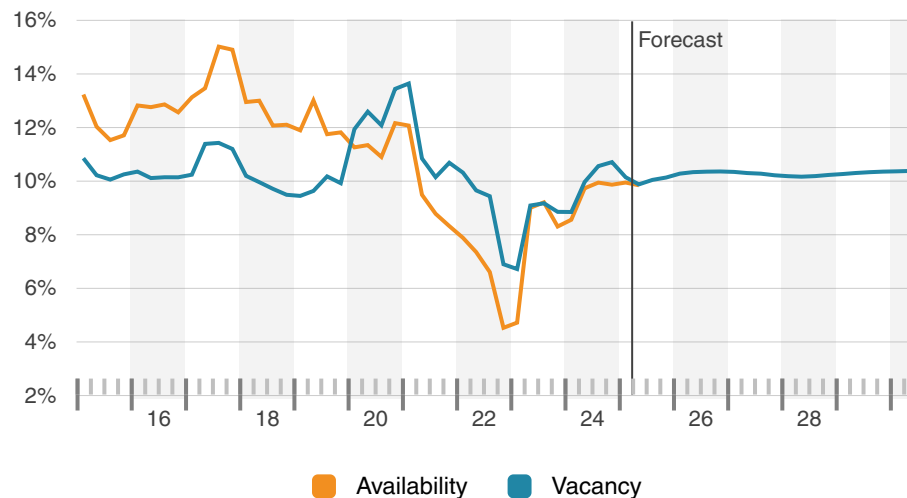


Search Analytics

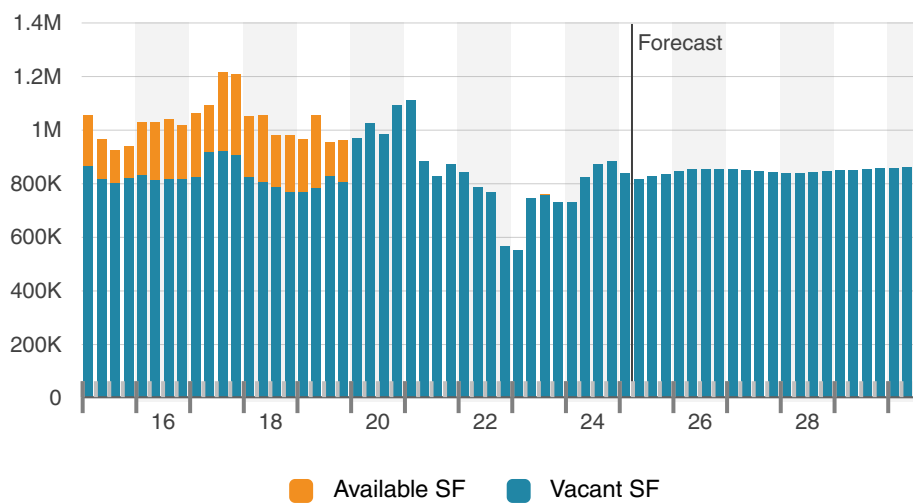
Available SF



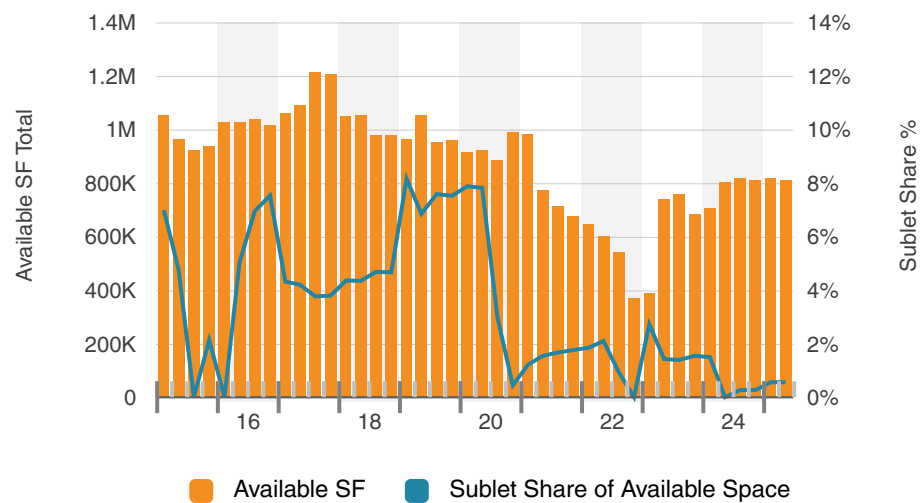
Availability & Vacancy Rate



Available & Vacant SF

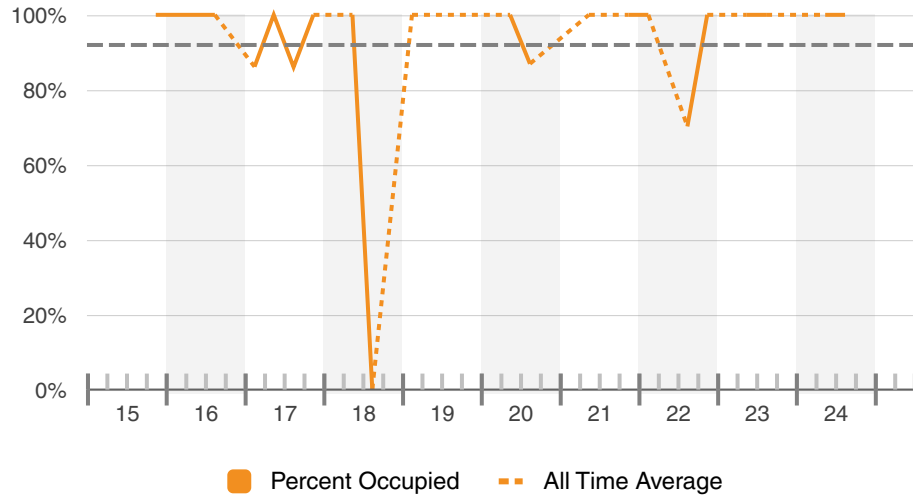


Available SF Total & Sublet Share %

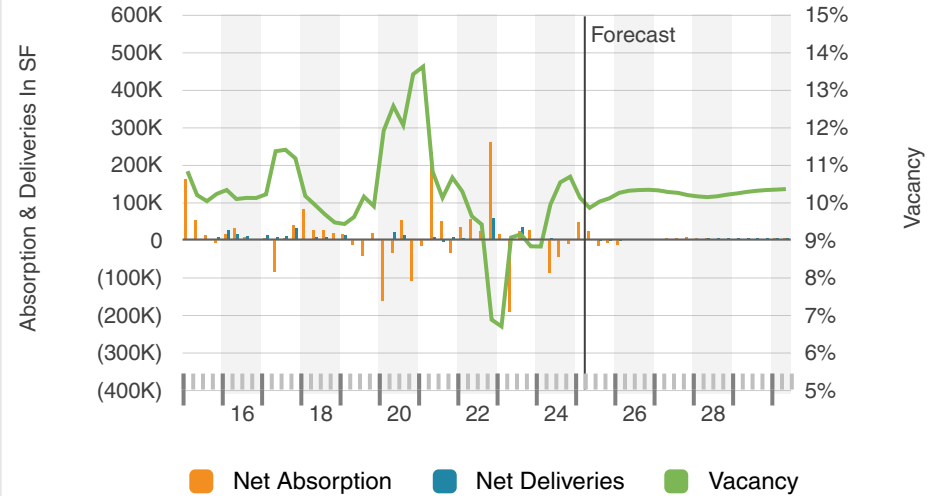


Search Analytics

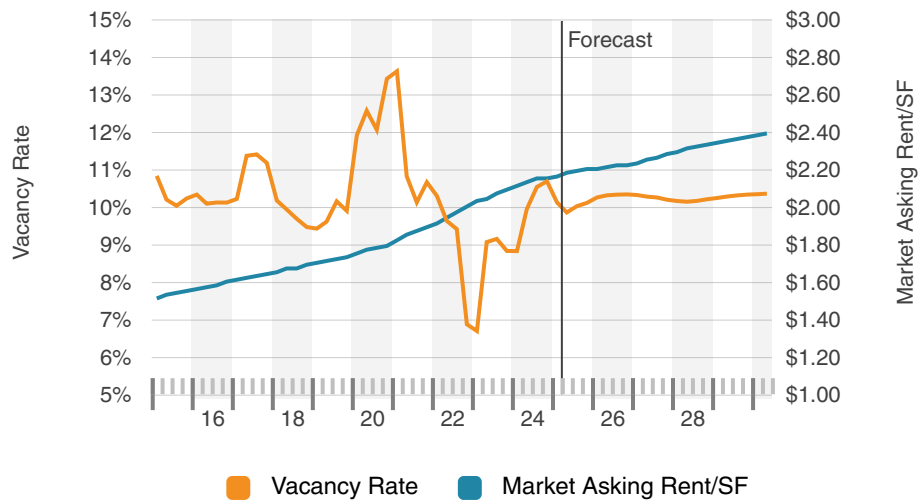
Occupancy At Delivery



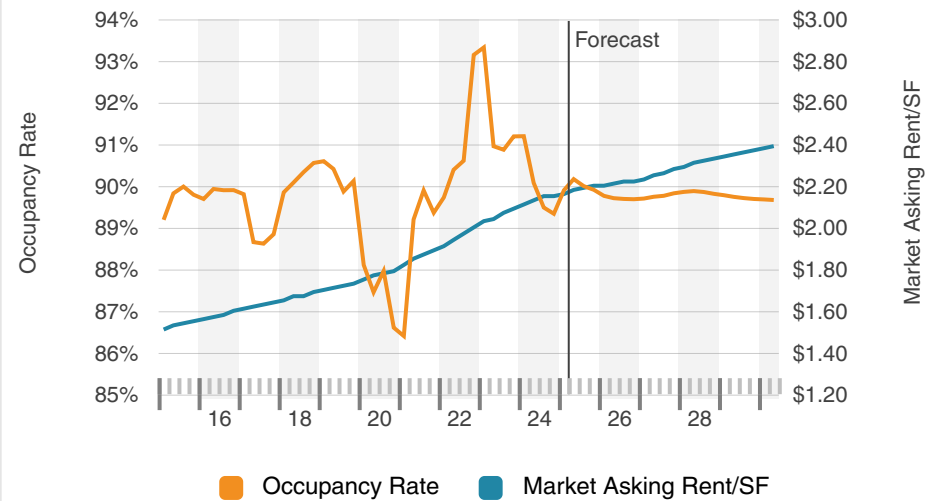
Net Absorption, Net Deliveries & Vacancy



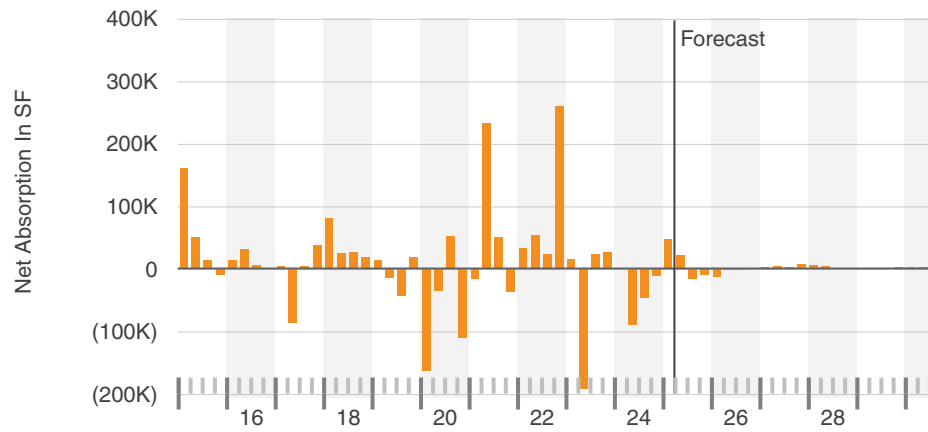
Vacancy & Market Asking Rent Per SF



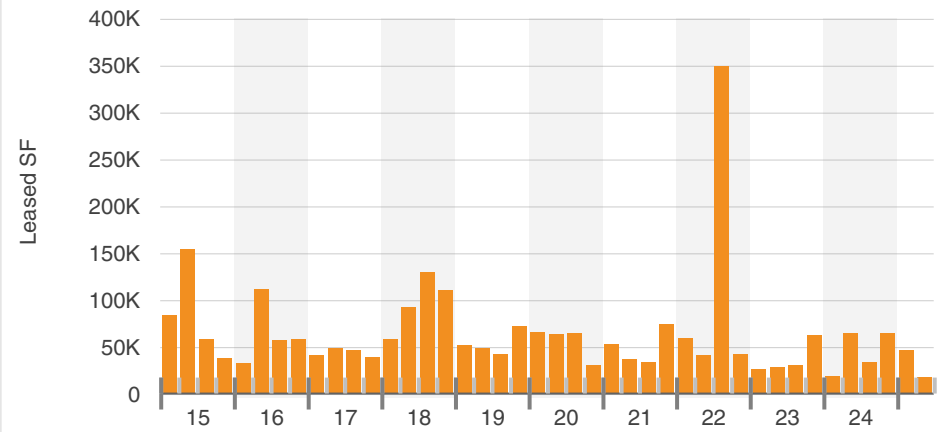
Occupancy & Market Asking Rent Per SF



Net Absorption



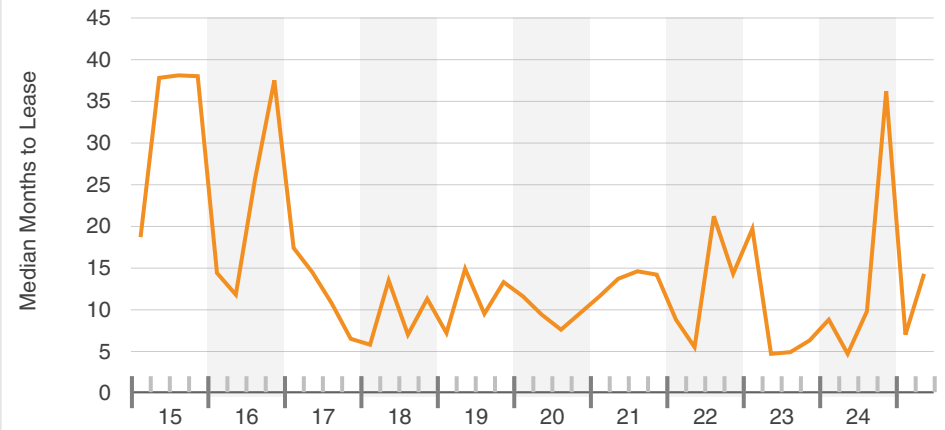
Leasing Activity



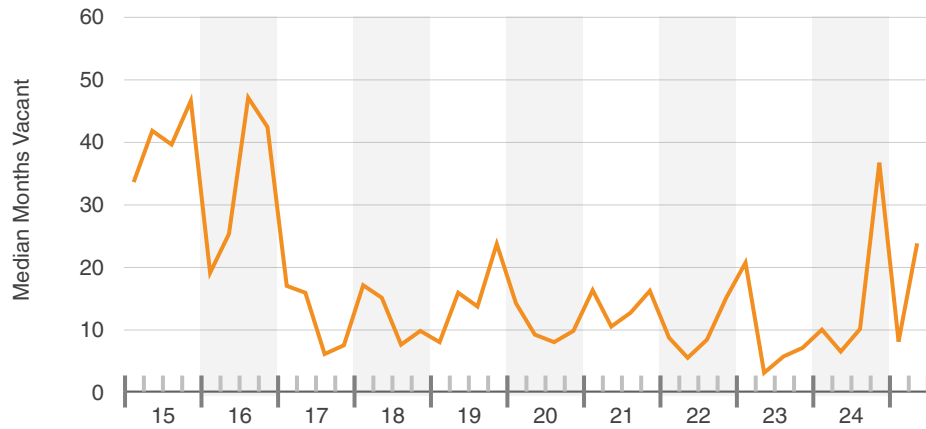
Months On Market



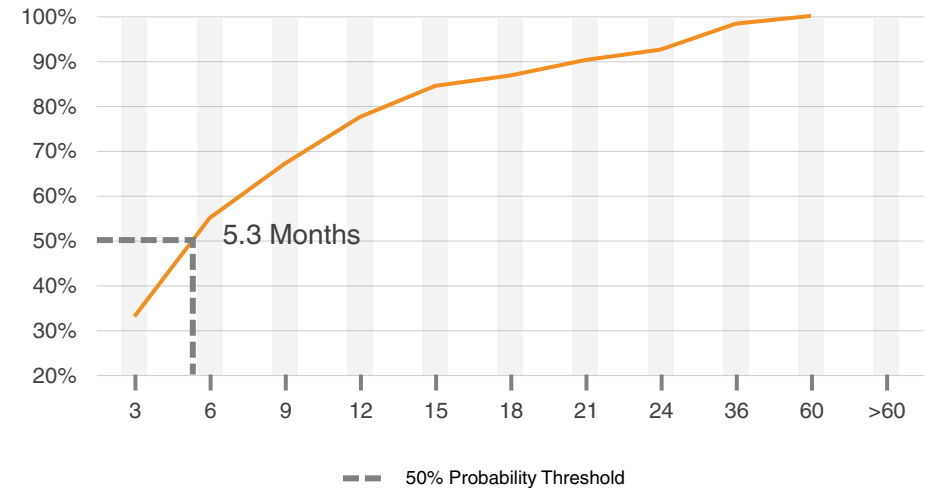
Months To Lease



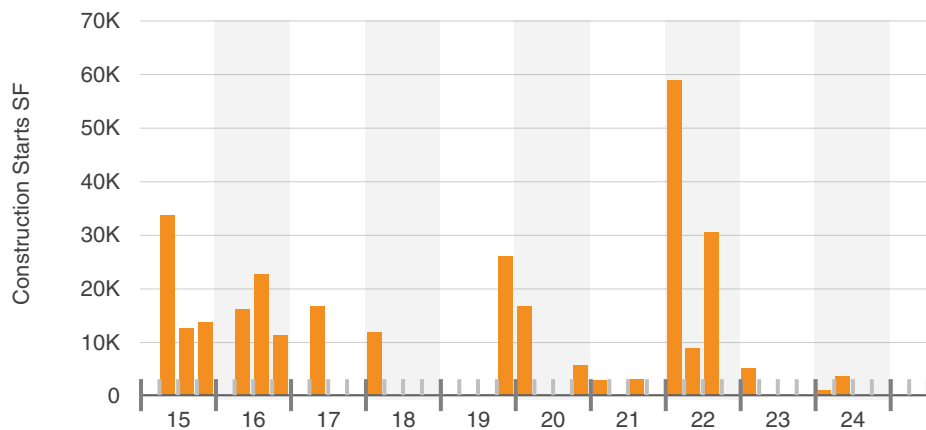
Months Vacant



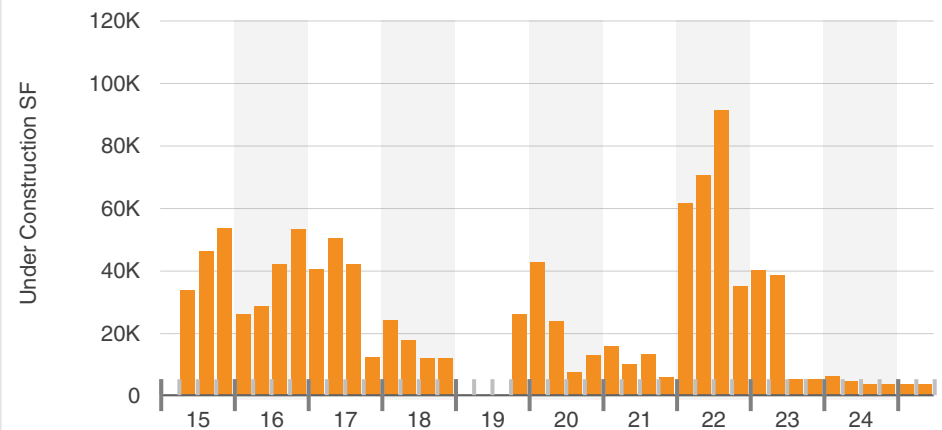
Probability Of Leasing In Months



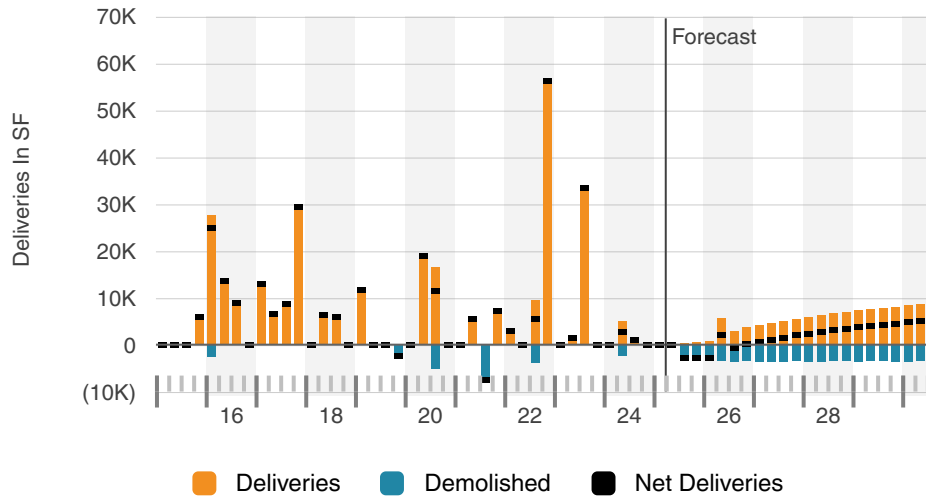
Construction Starts



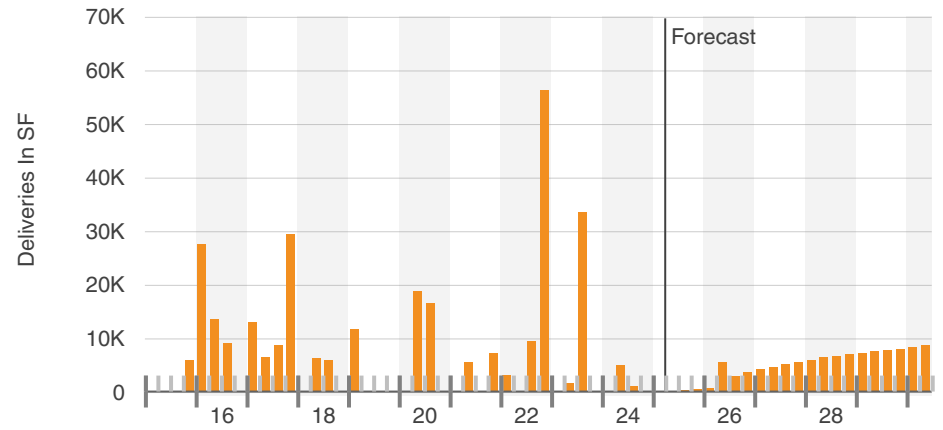
Under Construction



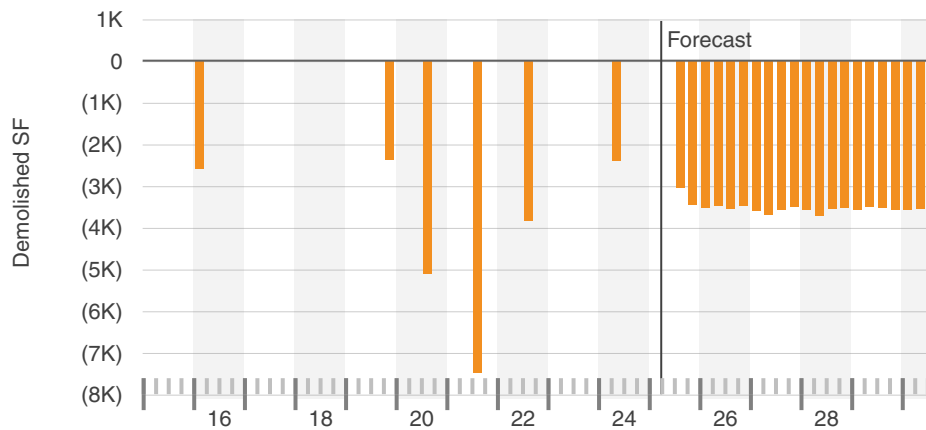
Deliveries & Demolitions



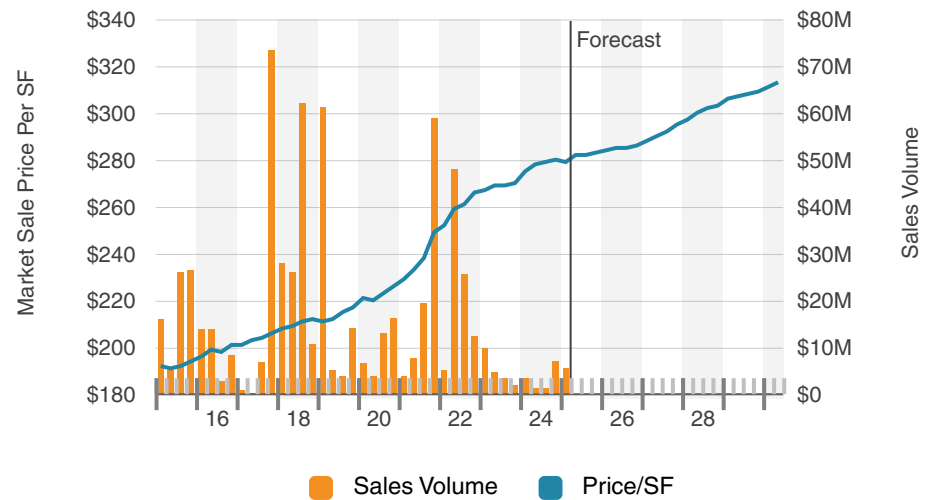
Deliveries



Demolitions

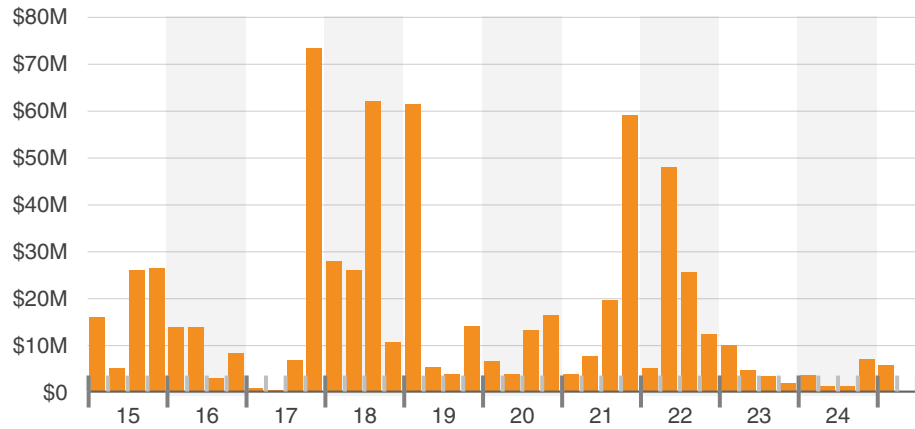


Sales Volume & Market Sale Price Per SF

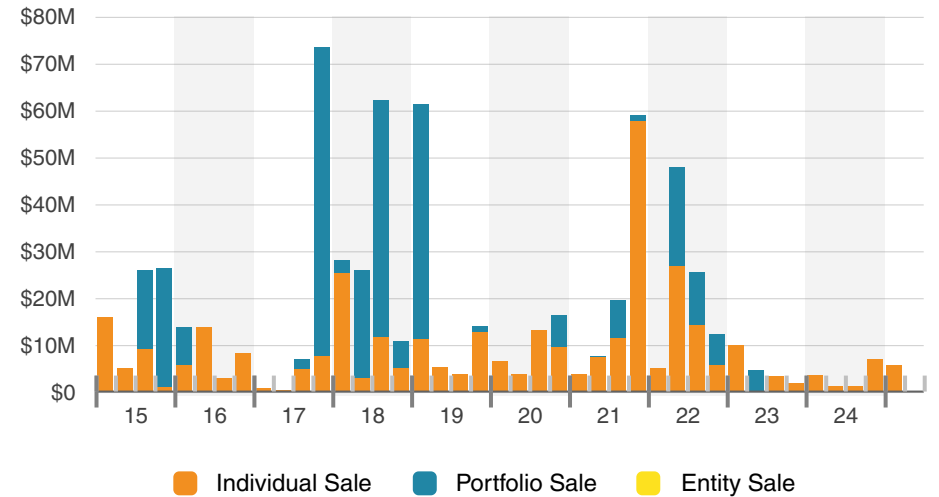


Search Analytics

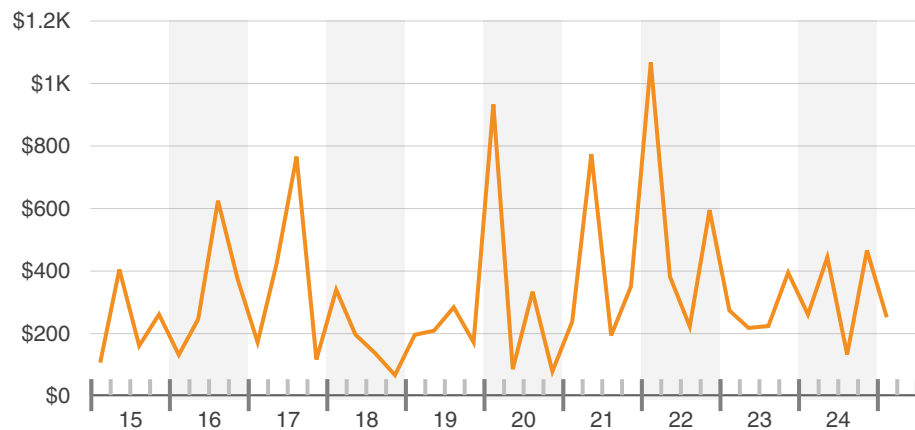
Sales Volume



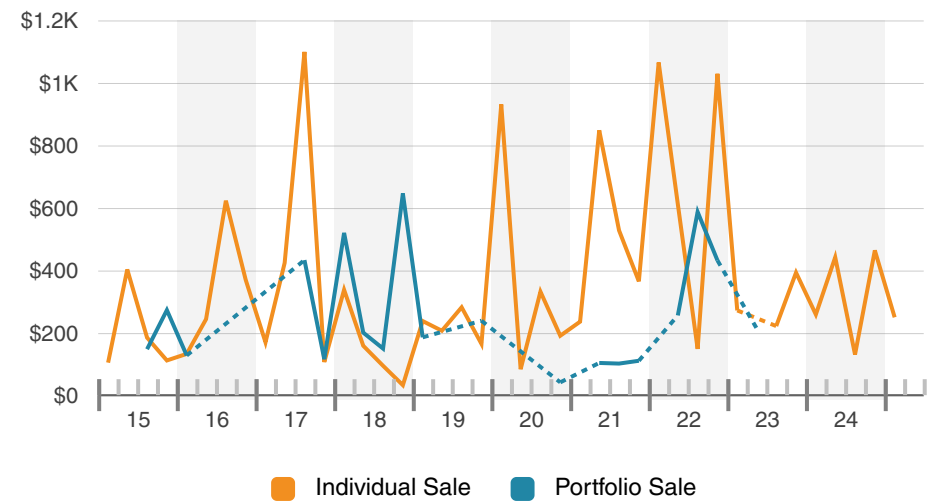
Sales Volume By Transaction Type



Sale Price Per SF

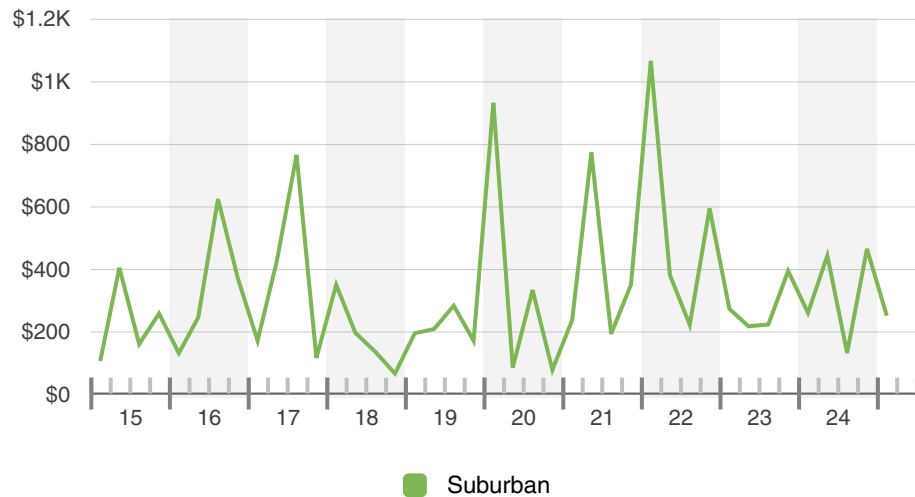


Sale Price Per SF By Transaction Type

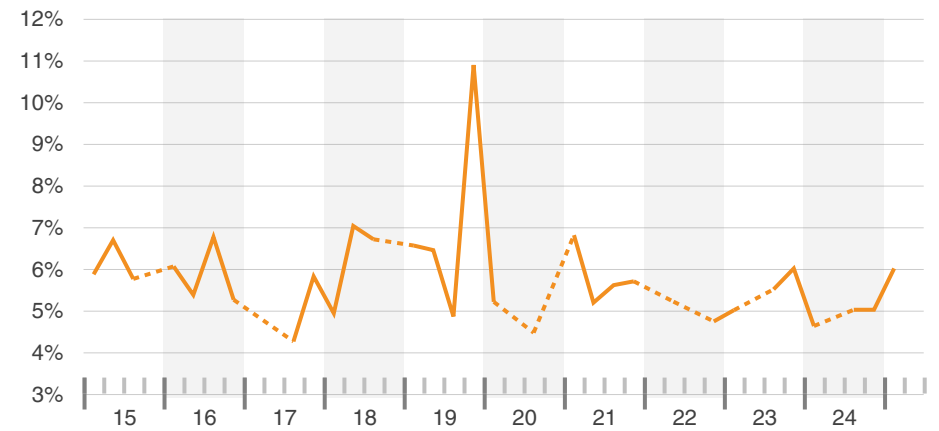


Search Analytics

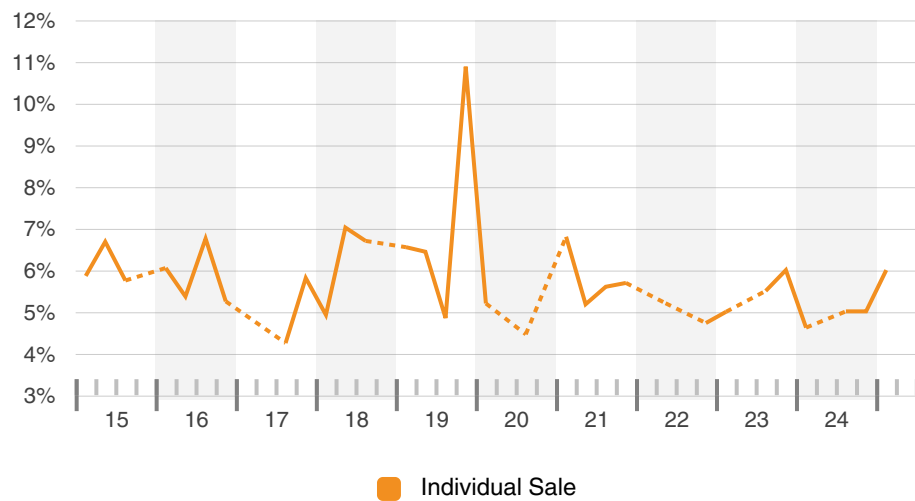
Sale Price Per SF By Location Type



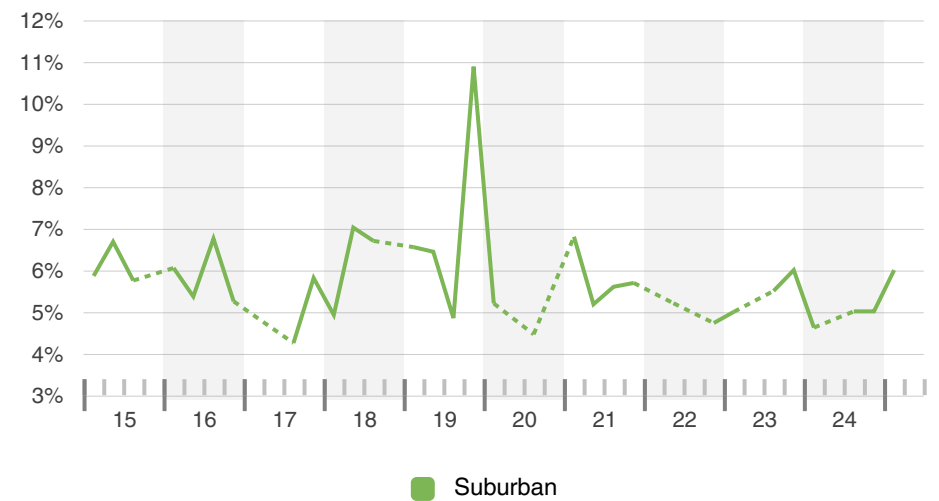
Cap Rate



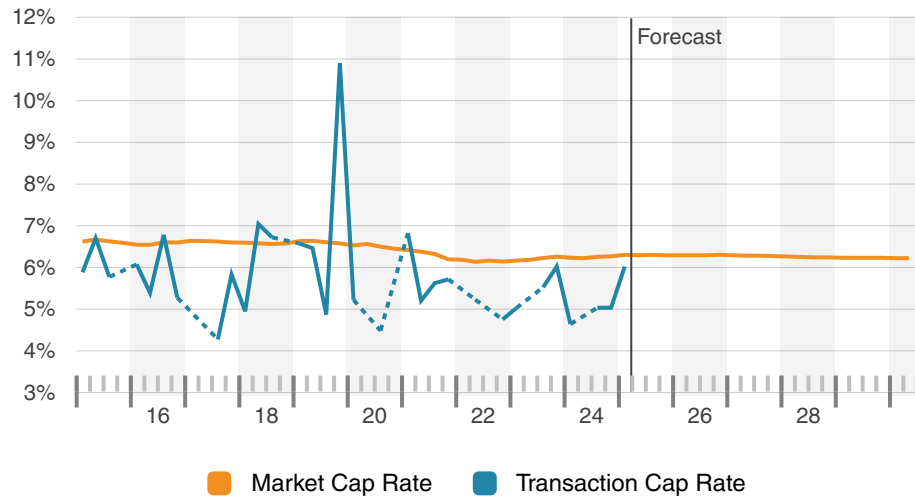
Cap Rate By Transaction Type



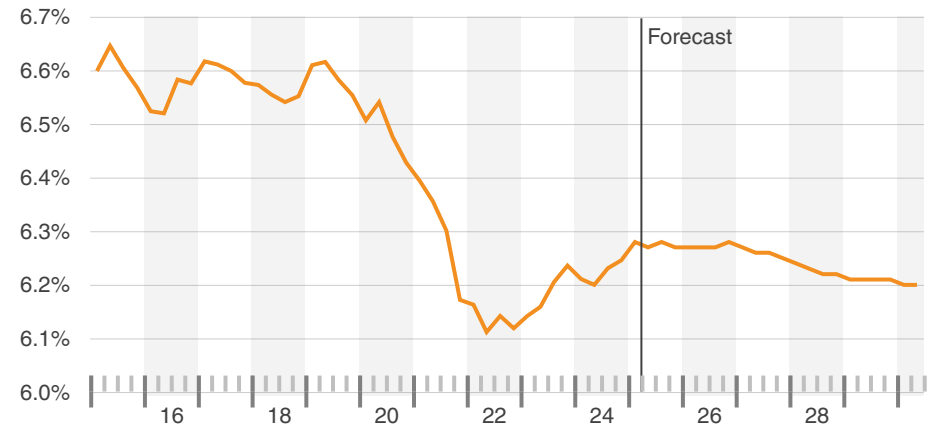
Cap Rate By Location Type



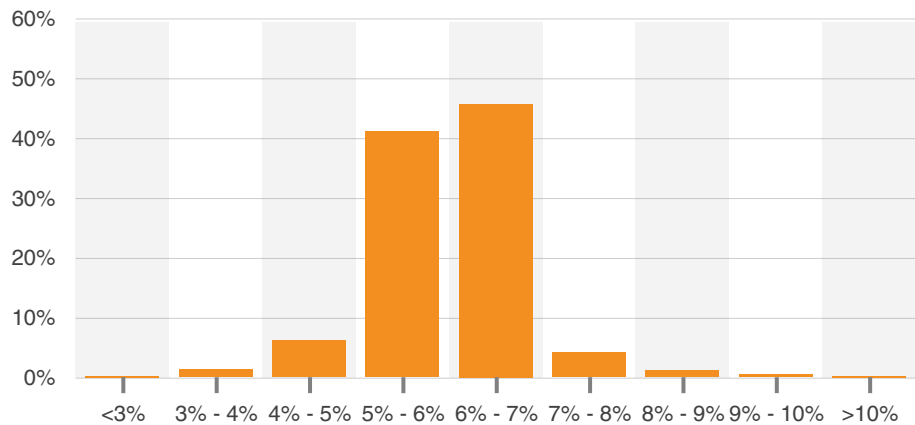
Market Cap Rate & Transaction Cap Rate



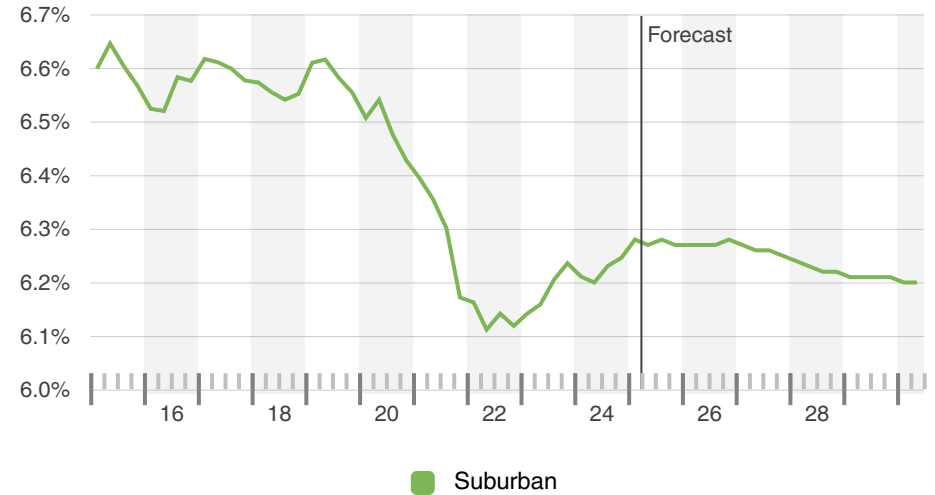
Market Cap Rate



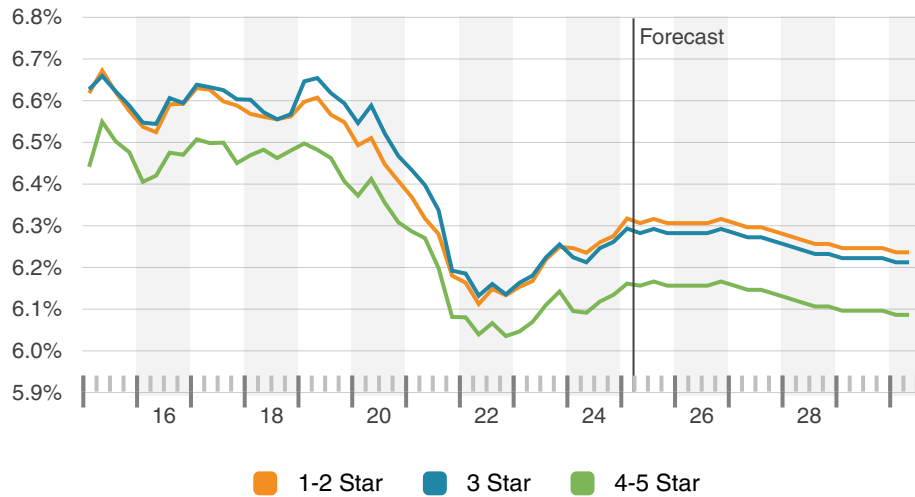
Market Cap Rate Distribution



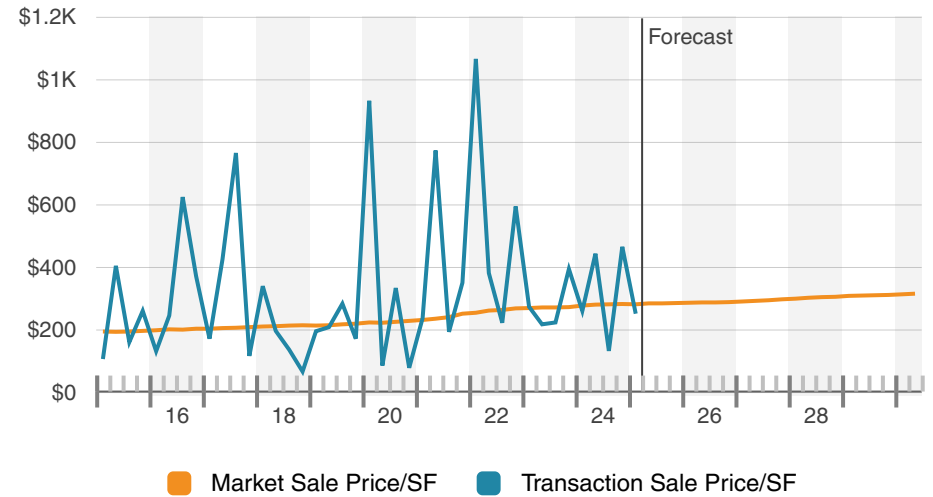
Market Cap Rate By Location Type



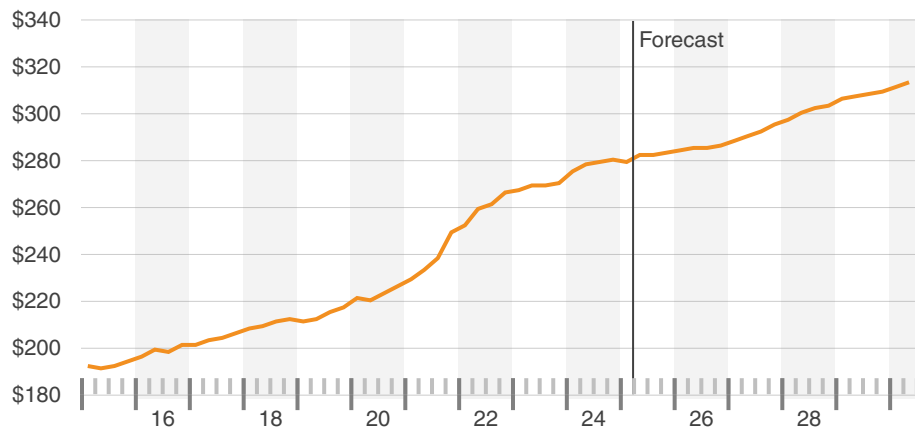
Market Cap Rate By Star Rating



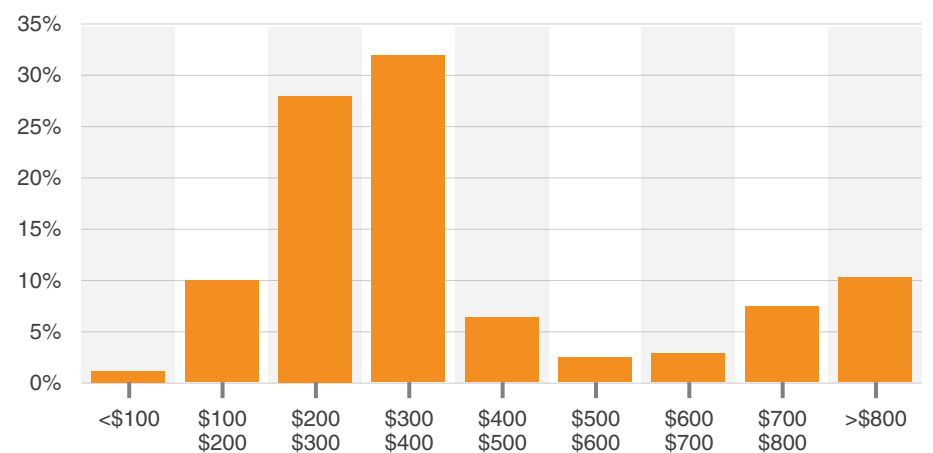
Market Sale Price & Transaction Sale Price Per SF



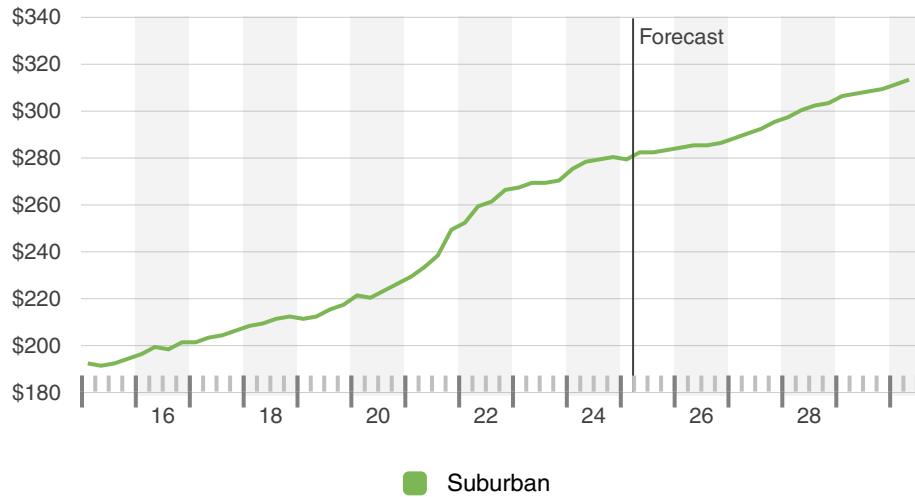
Market Sale Price Per SF



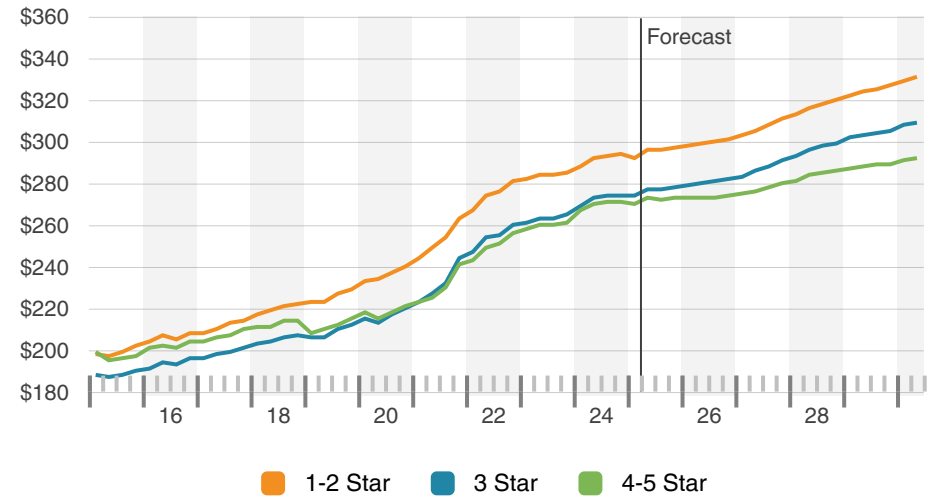
Market Sale Price Per SF Distribution



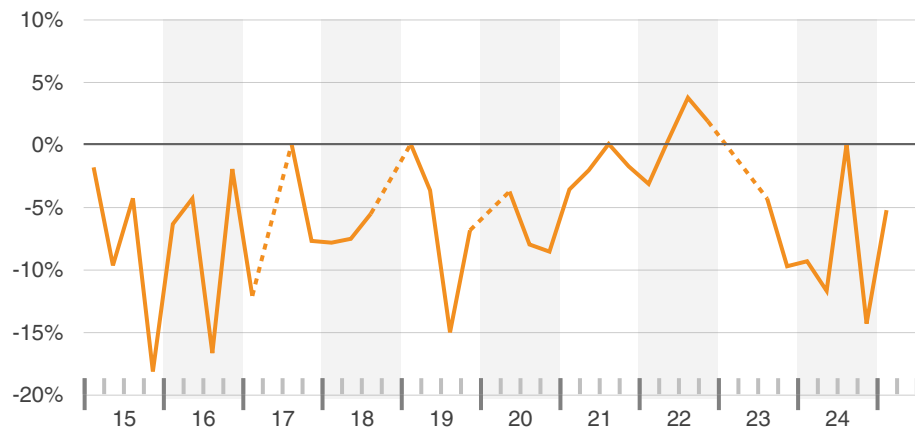
Market Sale Price Per SF By Location Type



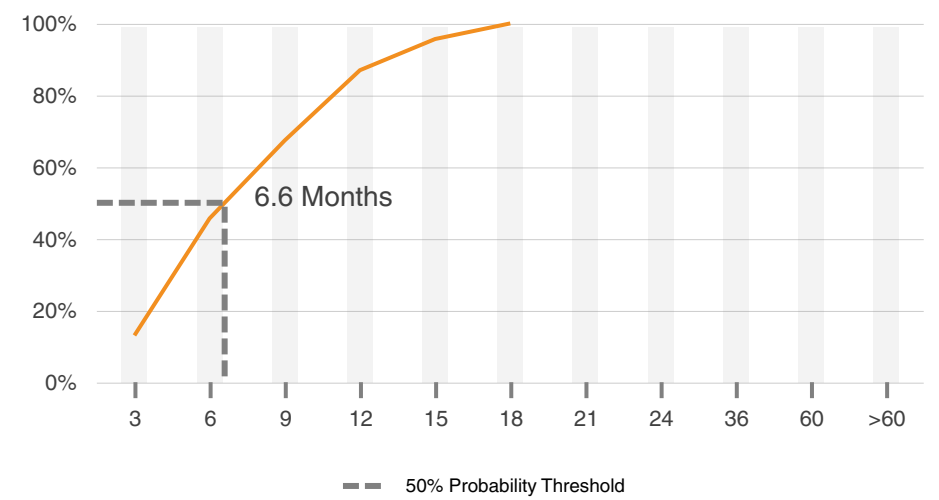
Market Sale Price Per SF By Star Rating



Sale To Asking Price Differential

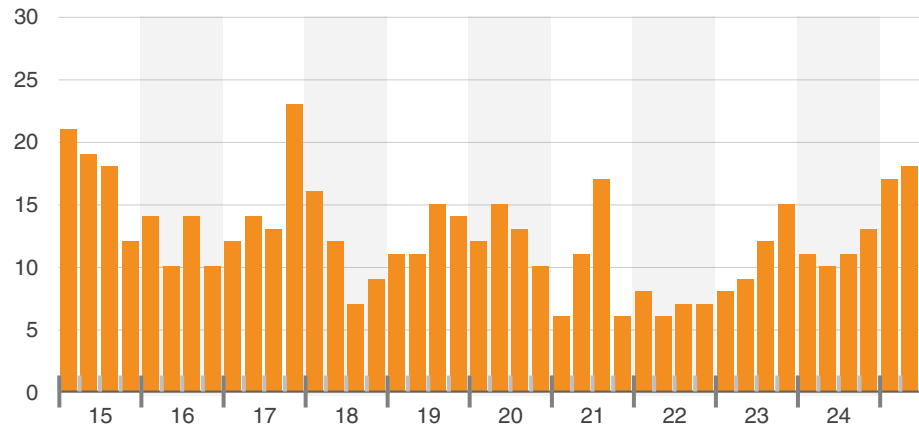


Probability Of Selling In Months

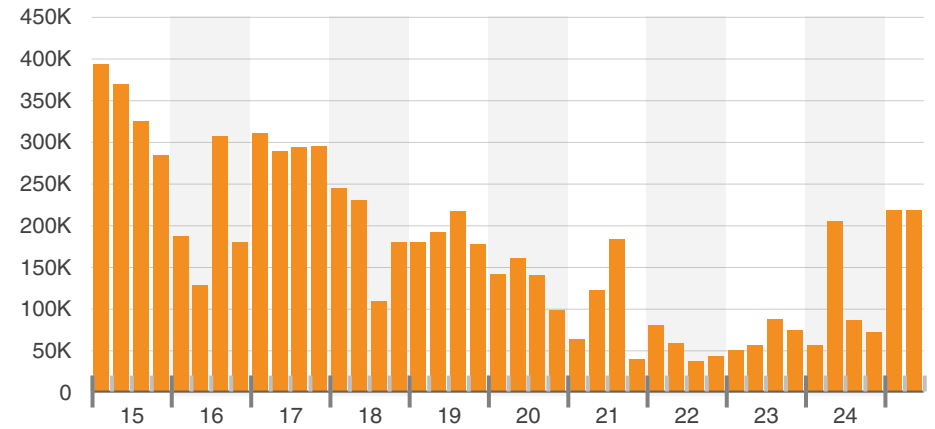


Search Analytics

For Sale Total Listings



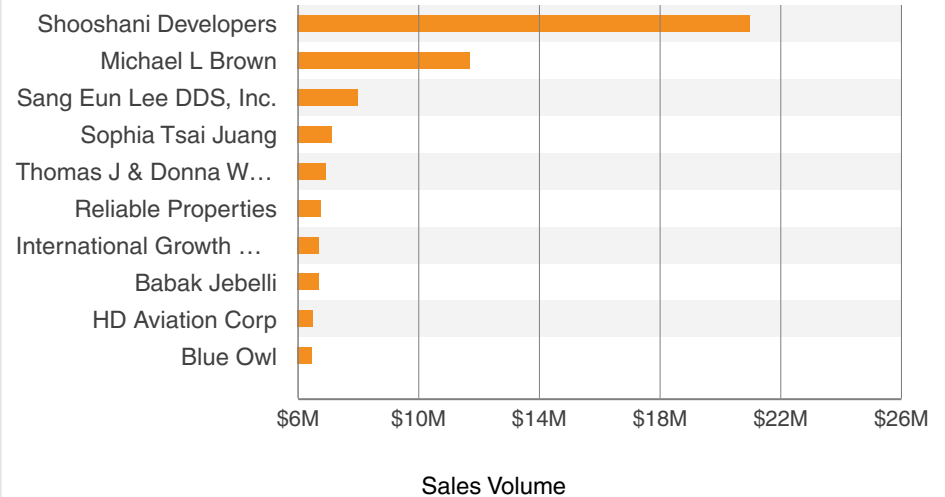
For Sale Total SF



For Sale Asking Price Per SF

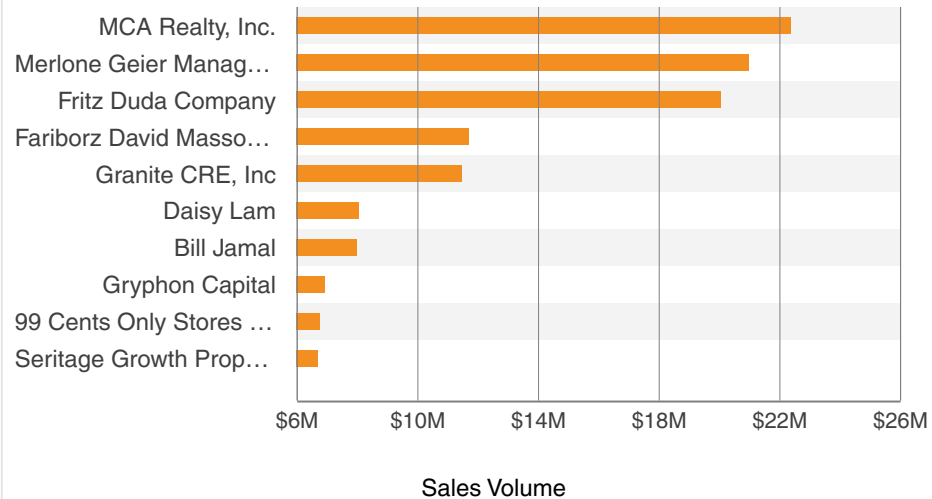


Top Buyers

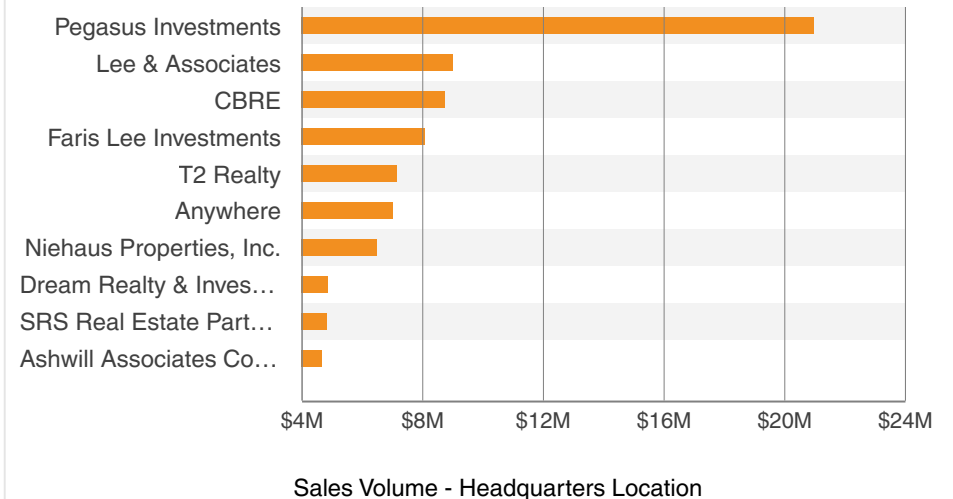


Search Analytics

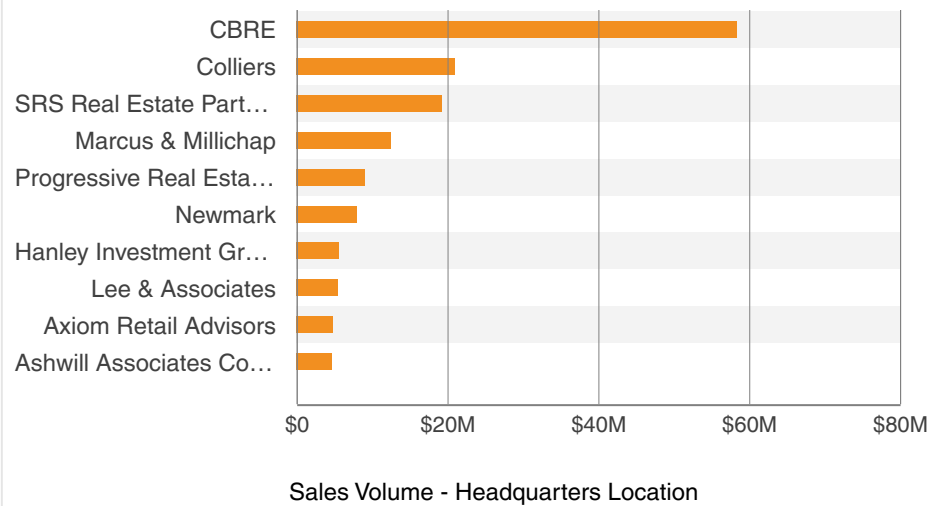
Top Sellers



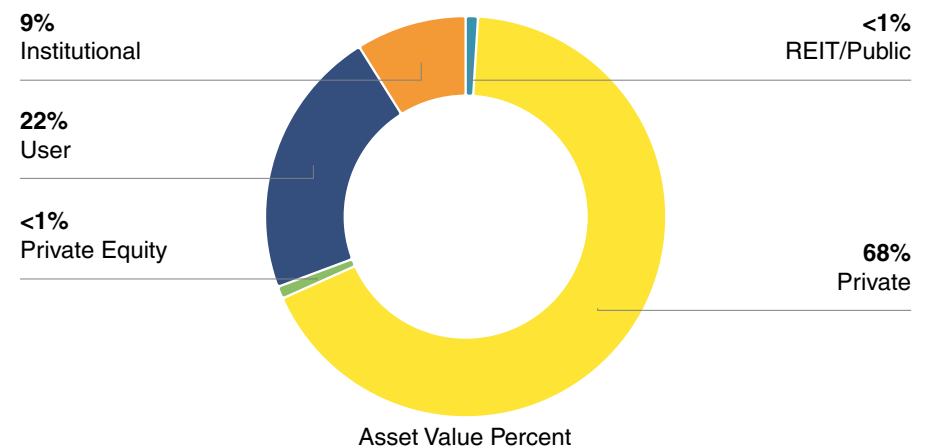
Top Buyer Brokers



Top Seller Brokers

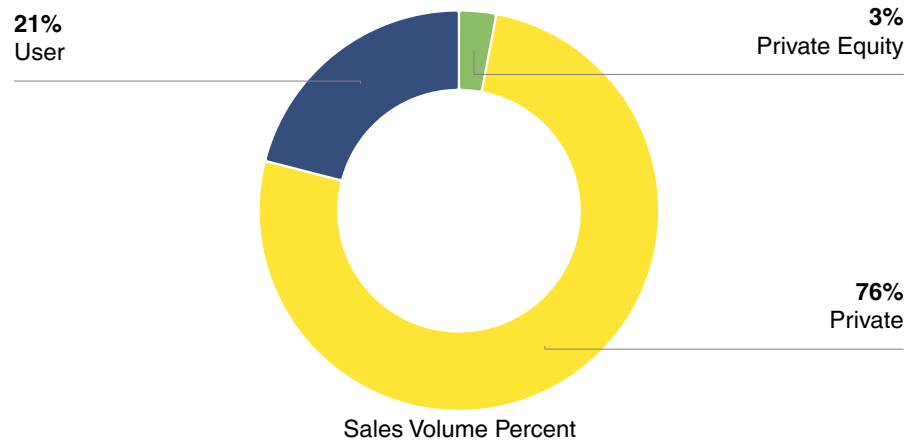


Asset Value By Owner Type

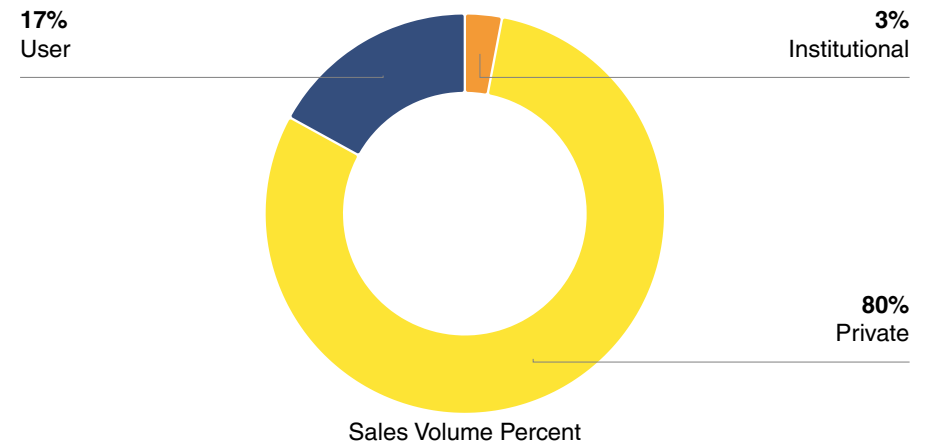


Search Analytics

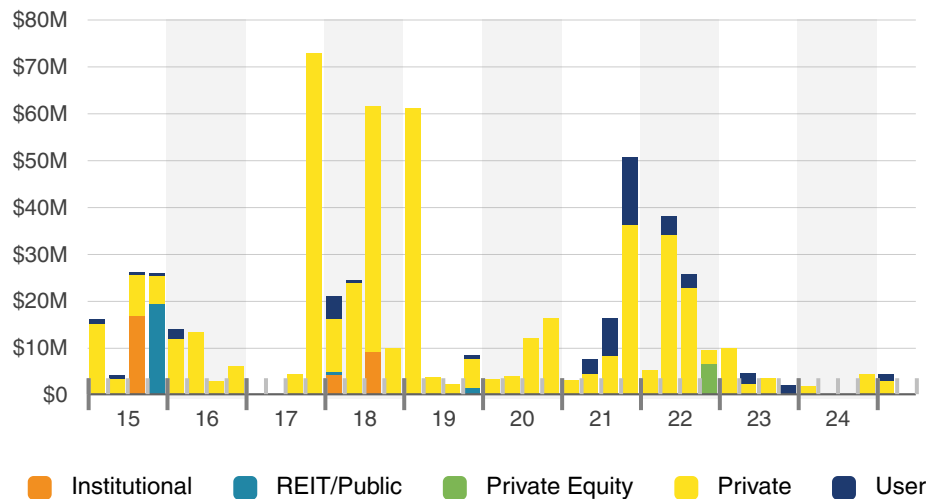
Sales By Buyer Type



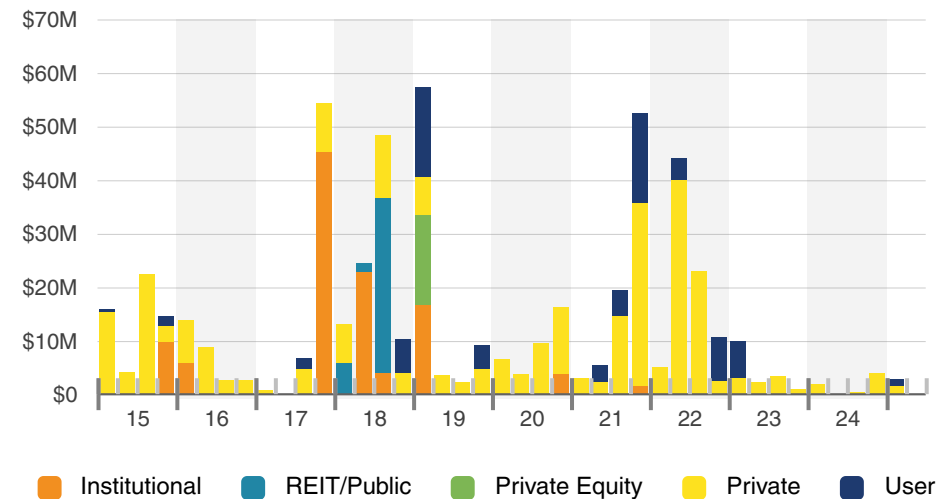
Sales By Seller Type



Sales Volume By Buyer Type

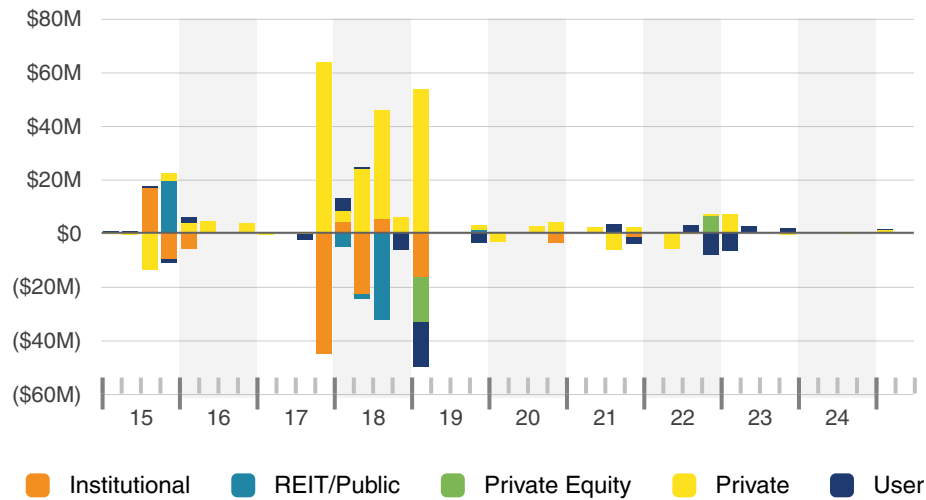


Sales Volume By Seller Type

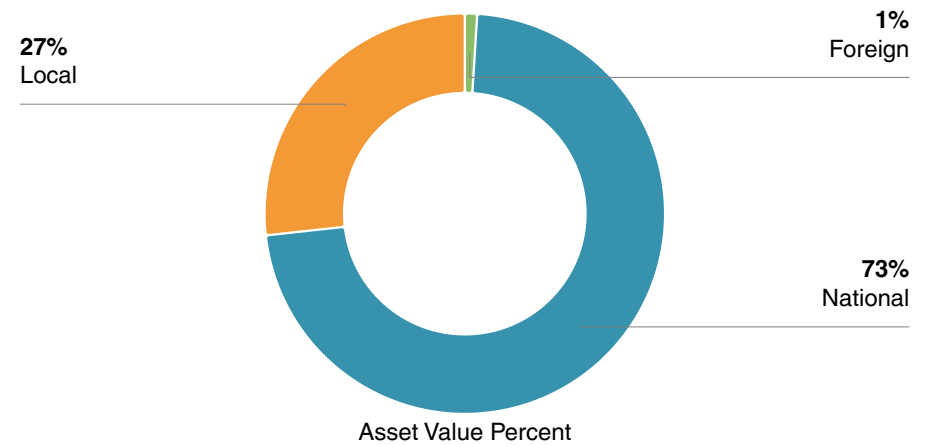


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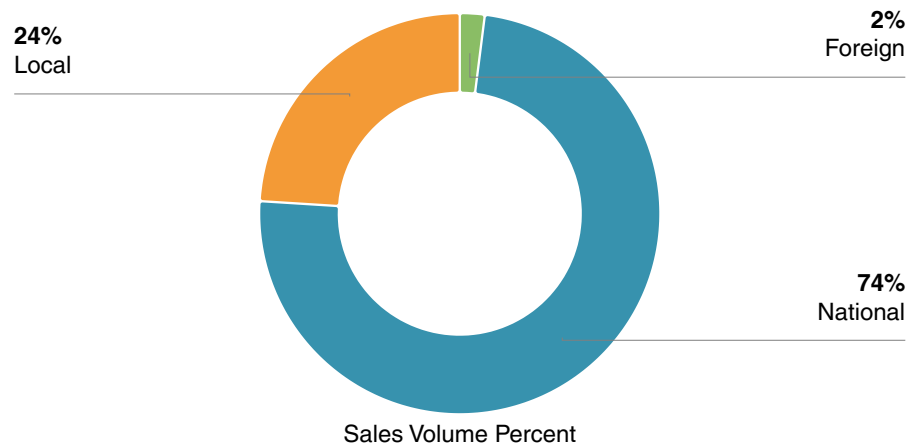
Net Buying & Selling By Owner Type



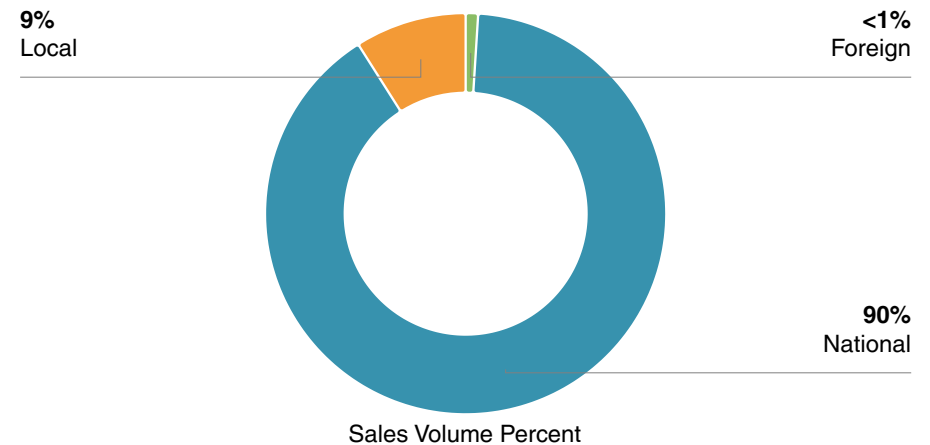
Asset Value By Owner Origin



Sales Volume By Buyer Origin

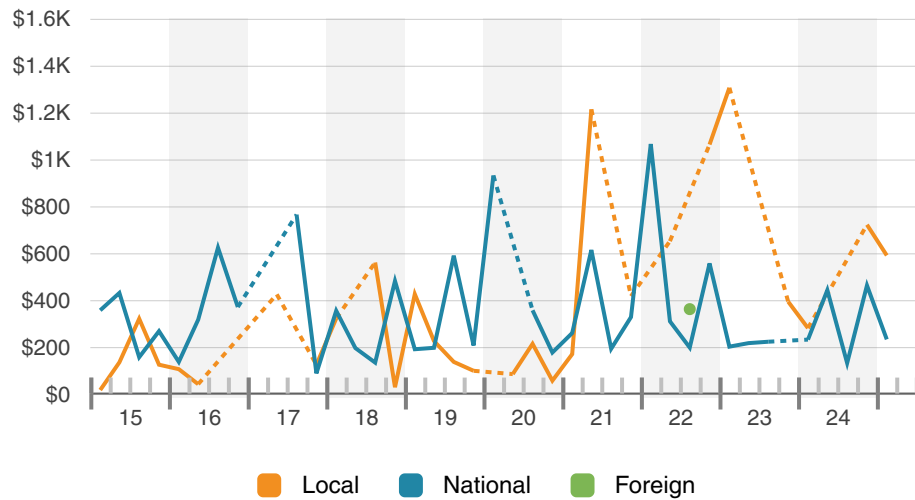


Sales Volume By Seller Origin

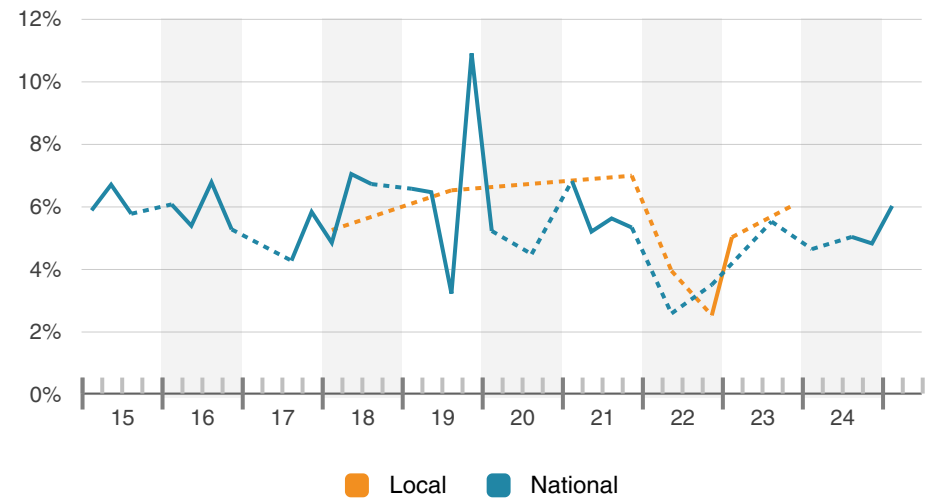


Search Analytics

Average Price Per SF By Buyer Origin



Average Cap Rate By Buyer Origin



Report Criteria

- 569 Properties / 137 Spaces
- City: Moreno Valley, CA
- Property Type: Retail

EXHIBIT D – SALES TAX REVENUES

CITY OF MORENO VALLEY

SALES TAX UPDATE

4Q 2024 (OCTOBER - DECEMBER)



MORENO VALLEY

TOTAL: \$ 9,905,632

-3.2%

4Q2024



-1.1%

COUNTY



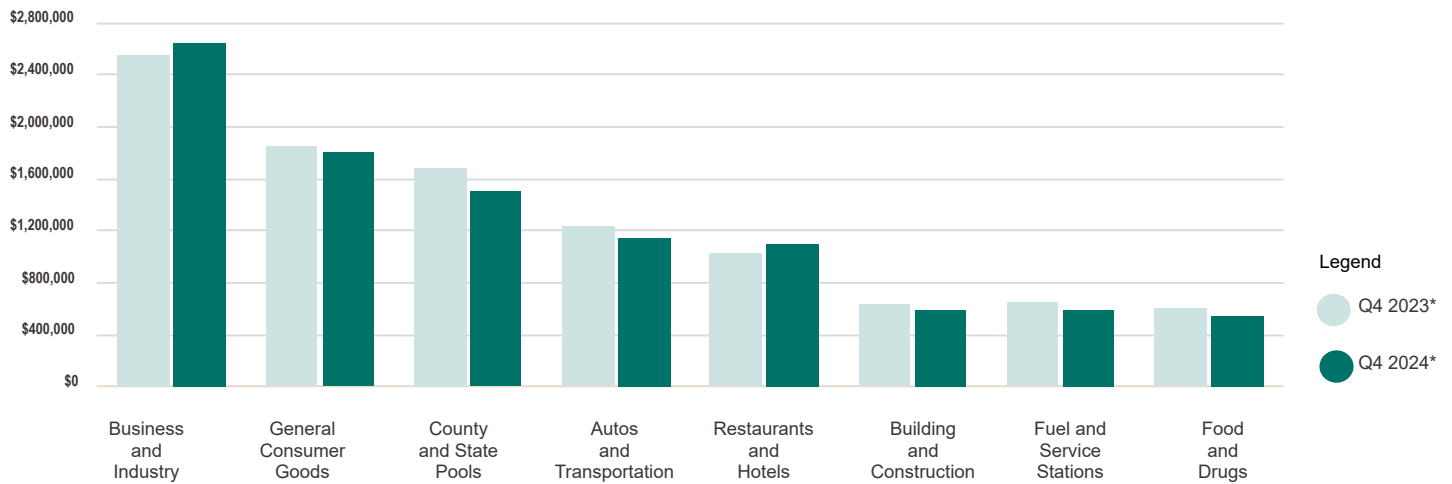
-1.1%

STATE



*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF MORENO VALLEY HIGHLIGHTS

Moreno Valley's receipts from October through December were 20.1% below the fourth sales period in 2023. Excluding missing payments and other reporting issues, receipts for this period were down 3.2%.

New car sales remained in their slump as sales dropped nearly 9% this period. Lower fuel prices further cut receipts as gas stations adjusted to the global price of crude oil and the slowly dropping demand for fossil fuels as the size of the electric vehicle fleet grows. Meanwhile, the food/drug group's sales reflect the second consecutive decline in total cannabis sales. Fewer cannabis outlets remain open but are impacted by the lower pricing available from illegal growers.

High interest rates and the high cost of materials continue to impact the construction sector. Fewer new projects

are being launched as developers hope for a better ROI picture.

The bright spots this quarter were found in two groups. The first was the business/industry which saw results from existing businesses dip slightly, but a tax allocation of nearly \$137,000 from a one-time sale of equipment boosted receipts. The second came from the restaurant group. While sales varied from venue to venue, collectively the group posted a solid gain that was well above the statewide average. Several recently opened dining venues have been well received and are adding to the tax base for the first time.

Net of aberrations, taxable sales for all of Riverside County declined 1.0% over the comparable period while those of the Southern California region were down 1.2%.



TOP 25 PRODUCERS

7 Eleven
Amazon Fulfillment Center ONT6
Amazon MFA
Car Pros Kia
Costco
Decker Brand
Deckers Outdoor
Food 4 Less
Harbor Freight Tools
Home Depot
Korber Supply Chain
Lowes
Macy's
Moss Bros Chevrolet
Moss Bros Chrysler
Jeep Dodge Ram Fiat
Moss Bros Gmc
Moss Bros Honda
Moss Bros Toyota

Premier Hyundai Of Moreno Valley
Robertsons Ready Mix
Ross
Stater Bros
Target
TJ Maxx/Home Goods
Walmart Supercenter



STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of October through December were 1.1% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating period of the year but exhibited diminished year-over-year returns as consumers struggled with tariff concerns and pulling back on discretionary spending.

For the past eight quarters - two calendar years - statewide results have declined; led mostly by autos-transportation and building-construction suppressed activity due to the sustained high interest rate environment. Specifically, this quarter, as new and used car returns pulled back, only leasing activity improved likely representing buyers willingness to wait for more advantageous economic conditions before committing to long term obligations. Furthermore, building-construction drops spanned multiple categories including building materials, plumbing/electrical and contractors as property owners delay repairs and improvements until they're more comfortable tapping available equity.

During this holiday shopping period, brick-and-mortar general retailers slumped 2.4%, further hindered by lower gas prices. Recent closures by merchants selling variety/ low priced items and weaker returns from department stores were most impactful. As consumers appeared more interested in value/discounted items vs higher priced/ luxury goods, overall statewide receipts revealed growth from online retailers by way of local returns through fulfillment centers and allocations via each county's use tax pool demonstrating a desire to spend, just more through different vendors which shifted local tax distributions.

Fuel and service stations experienced a drop of 14% largely due to the decreased price of global crude oil. While this dynamic hurt the sector results, it did allow for more disposable income to be spent in other areas and does not appear to be changing in the near term.

Revenue from restaurants sustained a modest gain of 1.3%, with only a waning from fine dining establishments - consistent with spending trends in other sectors. As eateries try and balance higher menu prices and demand, a 'return to office' call by businesses could inspire future increased foot traffic for many venues in metropolitan centers.

The fourth quarter also marks the end of the calendar year. As expected 2024 was 1.2% lower than 2023 with most sectors taking a hit. Only restaurants, business-industry and allocations via the county use tax pools improved.

With national tariff discussions happening at the federal level, consumers start 2025 wondering if higher priced goods and difficult decisions are on the horizon. Also, the Federal Reserve Board hasn't signified any relief by way of lower interest rates leaving only minimal growth expectations to come. The theme of the current economic outlook is uncertainty.

SALES TAX RATE BREAKDOWN

8.75%

State General Fund	3.9375%
City/County General Fund (Bradley-Burns)	1.0000%
Moreno Valley Measure U (MORE)	1.0000%
County Public Safety (Prop 172)	0.5000%
County Realignment (Mental Health/Welfare/Public Safety)	1.5625%
Countywide Transportation Fund	0.2500%
Riverside County Transportation Commission (RCTC) (RCTC)	0.5000%

Tax Rate Effective April 01, 2025
8.7500%

TOP NON-CONFIDENTIAL BUSINESS TYPES

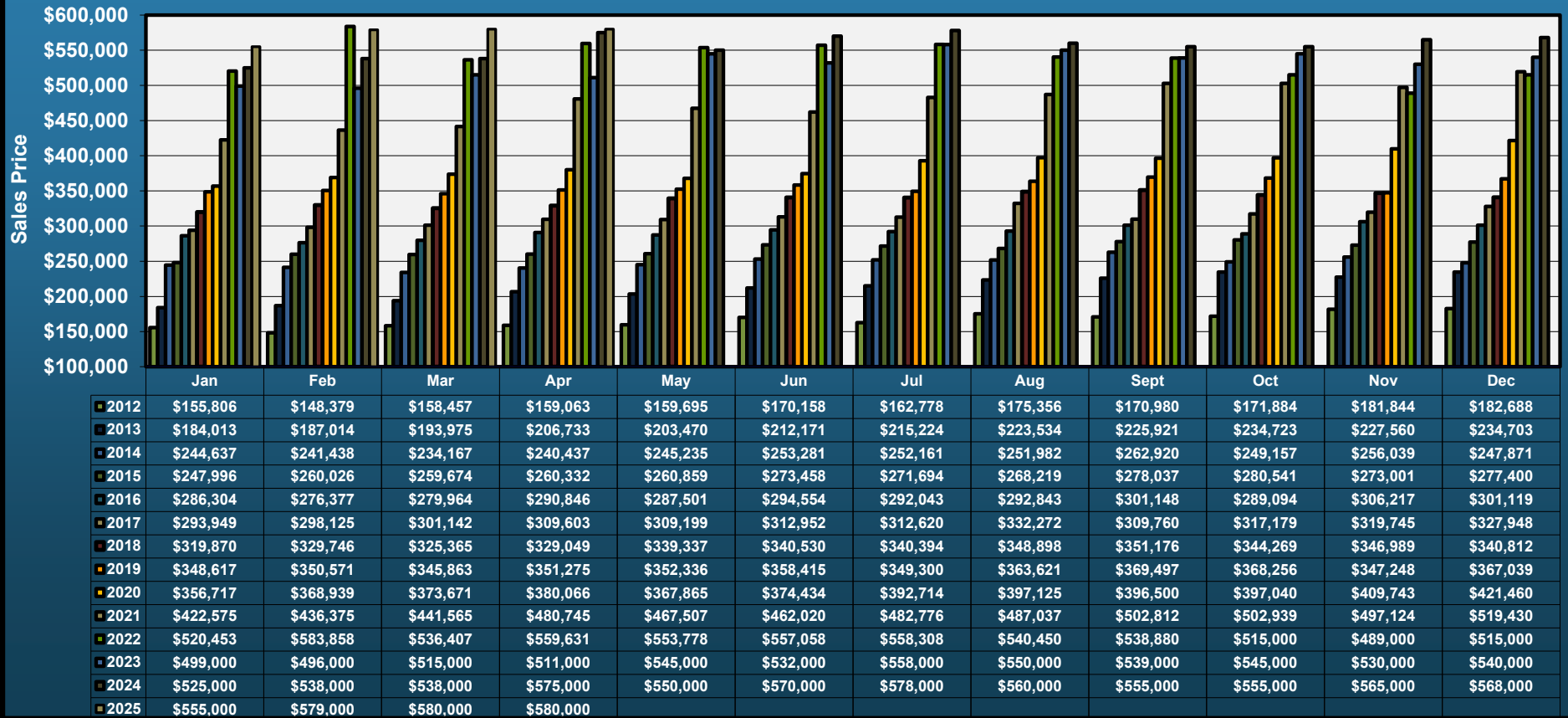
Moreno Valley Business Type	Q4 '24*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	856.0	-8.8% ↓	0.4% ↑	-2.2% ↓
Service Stations	587.2	-9.2% ↓	-13.5% ↓	-13.0% ↓
Quick-Service Restaurants	555.2	6.4% ↑	3.4% ↑	1.6% ↑
Building Materials	437.8	-6.6% ↓	-3.6% ↓	-3.4% ↓
Casual Dining	406.1	8.5% ↑	2.4% ↑	1.9% ↑
Grocery Stores	299.9	-4.7% ↓	-1.8% ↓	-1.0% ↓
Family Apparel	242.4	-1.6% ↓	1.5% ↑	1.3% ↑
Department Stores	167.6	-3.0% ↓	-3.7% ↓	-7.1% ↓
Automotive Supply Stores	115.3	1.4% ↑	0.7% ↑	1.0% ↑
Fast-Casual Restaurants	113.3	5.0% ↑	3.0% ↑	1.5% ↑

**Allocation aberrations have been adjusted to reflect sales activity*
**In thousands of dollars*

EXHIBIT E – RESALE HOUSING MARKET

Moreno Valley Residential Sales Appreciation

**Single Family Median Home Price
2012 thru 2025**



source: California Association of Realtors