

Report to Economic Development Sub-Committee

TO: Economic Development Subcommittee
FROM: Mike Lee, Economic Development Director
AGENDA DATE: October 10, 2017
TITLE: MARKET UPDATES

RECOMMENDED ACTION

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

ATTACHMENTS

EXHIBIT A: Market Report for Moreno Valley's RETAIL activity
EXHIBIT B: Market Report for Moreno Valley's OFFICE activity
EXHIBIT C: Market Reports for Moreno Valley's INDUSTRIAL activity

Prepared By: Michele Patterson
Economic Development Manager

Department Head Approval: Mike Lee
Economic Development Director

CoStar Report RETAIL Q3 2017

Availability	Survey	5-Year Avg
NNN Rent Per SF	\$13.65	\$16.12
Vacancy Rate	12.3%	12.0%
Vacant SF	978,167	963,848
Availability Rate	16.1%	14.5%
Available SF	1,286,291	1,166,737
Sublet SF	45,600	84,570
Months on Market	17.5	30.3

Inventory	Survey	5-Year Avg
Existing Buildings	505	495
Existing SF	7,940,575	8,032,503
12 Mo. Const. Starts	78,668	41,784
Under Construction	63,759	30,396
12 Mo. Deliveries	53,436	33,357

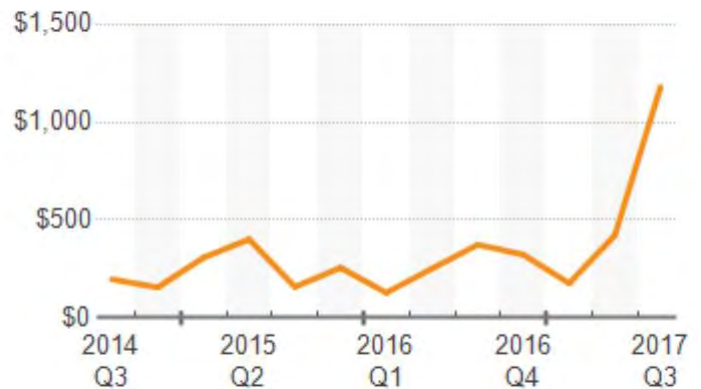
Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-67,585	65,801
12 Mo. Leasing SF	232,816	300,027

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$373	\$188
Asking Price Per SF	\$215	\$215
Sales Volume (Mil.)	\$12	\$46
Cap Rate	5.3%	6.3%

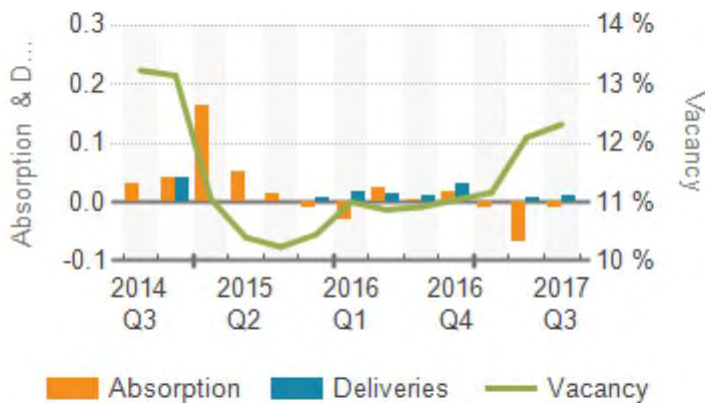
Vacancy & Rental Rates



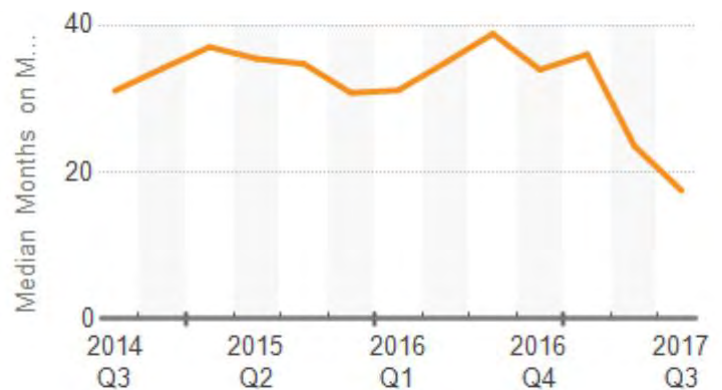
Average Sale Price Per SF



Absorption, Deliveries, Vacancy



Months on Market



CoStar Report OFFICE Q3 2017

Availability	Survey	5-Year Avg
Gross Rent Per SF	\$17.21	\$15.61
Vacancy Rate	4.3%	4.7%
Vacant SF	56,629	59,412
Availability Rate	3.8%	6.2%
Available SF	50,212	77,839
Sublet SF	0	309
Months on Market	10.1	19.2

Inventory	Survey	5-Year Avg
Existing Buildings	93	90
Existing SF	1,320,365	1,257,692
12 Mo. Const. Starts	0	23,963
Under Construction	0	11,981
12 Mo. Deliveries	0	30,809

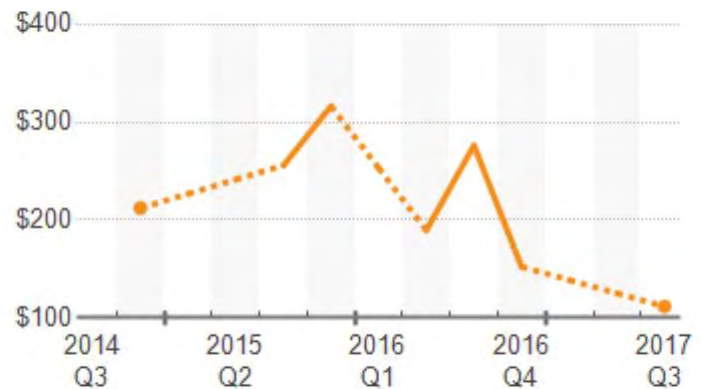
Demand	Survey	5-Year Avg
12 Mo. Absorption SF	29,648	4,657
12 Mo. Leasing SF	62,290	27,163

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$119	\$215
Asking Price Per SF	\$191	\$201
Sales Volume (Mil.)	\$1.8	\$8.2
Cap Rate	-	7.0%

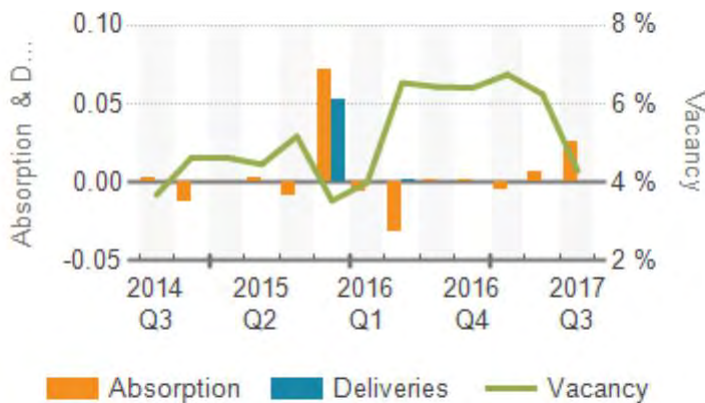
Vacancy & Rental Rates



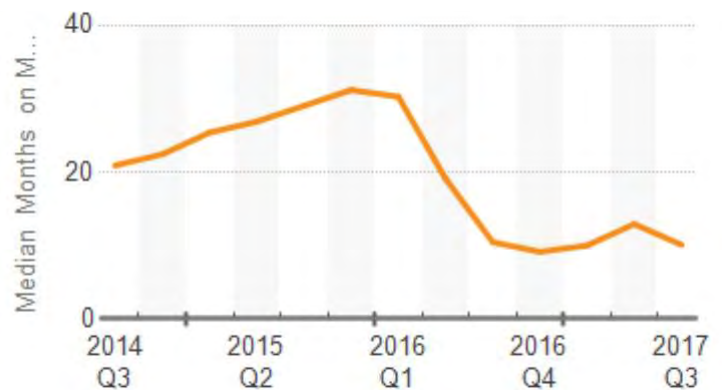
Average Sale Price Per SF



Absorption, Deliveries, Vacancy



Months on Market



CoStar Report INDUSTRIAL Q3 2017

Availability	Survey	5-Year Avg
Rent Per SF	\$3.90	\$4.10
Vacancy Rate	5.0%	7.5%
Vacant SF	1,067,351	1,269,697
Availability Rate	19.6%	13.6%
Available SF	4,742,428	2,526,292
Sublet SF	0	254,649
Months on Market	3.7	14.8

Inventory	Survey	5-Year Avg
Existing Buildings	105	98
Existing SF	21,318,868	16,896,630
12 Mo. Const. Starts	2,112,123	2,231,760
Under Construction	2,901,387	1,675,178
12 Mo. Deliveries	1,969,166	1,918,829

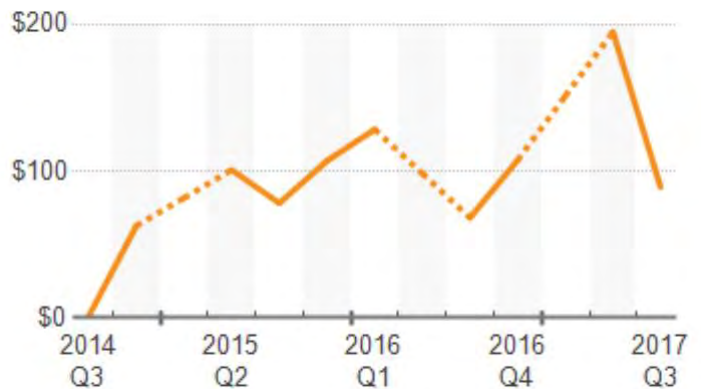
Demand	Survey	5-Year Avg
12 Mo. Absorption SF	1,452,379	1,942,793
12 Mo. Leasing SF	1,431,594	2,596,964

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$90	\$78
Asking Price Per SF	\$137	\$135
Sales Volume (Mil.)	\$108	\$104
Cap Rate	5.1%	5.4%

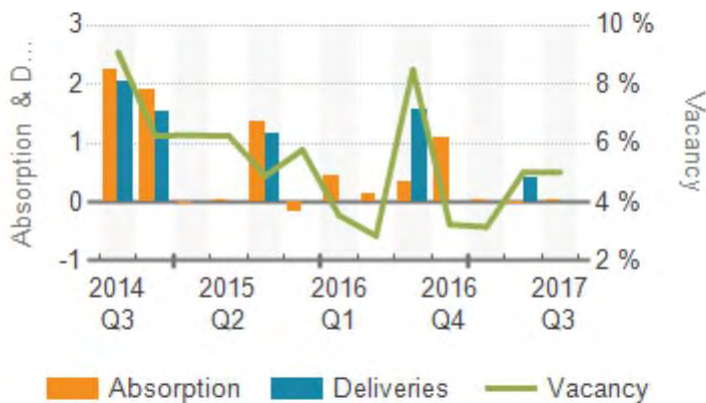
Vacancy & Rental Rates



Average Sale Price Per SF



Absorption, Deliveries, Vacancy



Months on Market

