

CPR Commercial Property Review

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County



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Commercial Real Estate Market Activity, Grass Valley & Nevada City 4th Quarter 2016

The Tortoise and the Hare

As in Aesop's Tortoise and the Hare fable, California's coastal communities (the "Hare") continued enjoying a fast-paced and robust economic recovery in 2016, while smaller inland suburbs and tertiary markets like Nevada County (the "Tortoise") continued on a much slower and steadier growth trajectory. Continuing with the story line, the moral looking forward may be that the Hare is now feeling spent and over-heated (i.e. over-priced with little remaining upside) while the Tortoise is just getting its second-wind and approaching top speed (i.e. primed for strong growth and much greater appreciation in the coming year).

Commercial transactions - defined as the number of office, industrial and retail closed sales - ended the year slightly up from 2015, while transaction dollar volume dropped. This anomaly was primarily due to the inordinate effect of a very large retail deal occurring in 2015.

The overall vacancy rate for all property types stood at a healthy 6.7% at year end. Breaking this down further, office space remained our softest market with about 13% vacancy, while retail and industrial space ended the year with very limited supplies of under 4%. Median prices for office and industrial product climbed just slightly year-over-year, while retail prices experienced a larger 17% increase.

With a new pro-business President-elect, 2017 could be a very interesting and exciting year for commercial real estate in Nevada County.

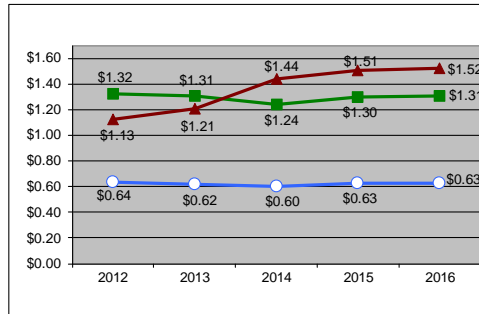
Sale Volume



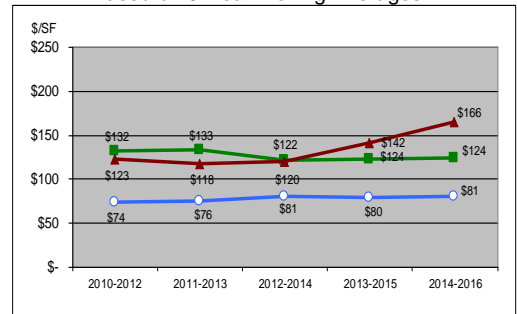
of Sale Transactions



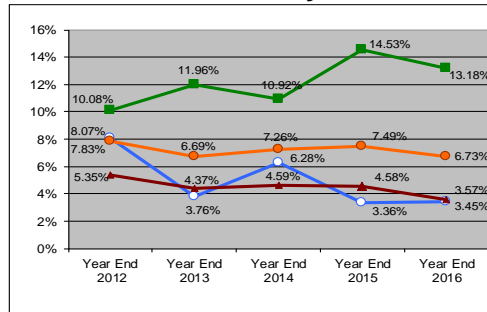
Median "Asking" Lease Rates



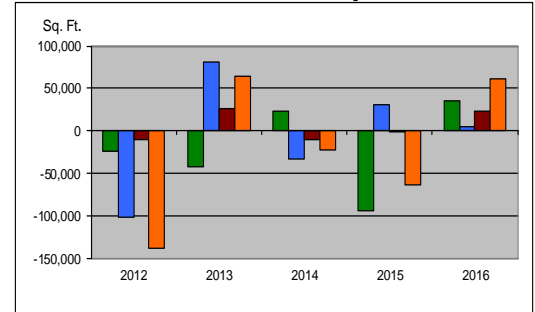
Median "Closed" Sale Prices Based on 3-Year Moving Averages



Vacancy



Net Lease Absorption



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Office Industrial Retail All Product Types

Note: Statistics based on SVN proprietary database consisting of approximately 2.4m sq. ft. office (375 props), 1.8m sq. ft. industrial (188 props), and 2.7m sq. ft. retail (925 props), located in Grass Valley & Nevada City areas. We attempt to provide the most accurate data at each quarter's end, however revisions may be made throughout the year accounting for past reporting discrepancies. Vacancy information is based on current market listings and subject to short-term discrepancies due to lag periods between lease signings and tenants occupying; and lease postings and tenants vacating.

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CPR Commercial Property Review – 4rd Quarter 2016

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FOR LEASE

Location	Sq. Ft.	Price Range
Industrial		
111952 Charles Dr, Grass Valley	1,750	\$0.66 - \$0.66
13340-13346 Grass Valley Ave, Grass Valley	1,950	\$0.60 - \$0.60
13366 Grass Valley Ave, Grass Valley	7,850	\$0.64 - \$0.64
12506 Loma Rica Dr, Grass Valley	1,000	\$0.78 - \$0.78
2391 Nevada City Hwy, Grass Valley	47,000	\$0.35 - \$0.50
155 Spring Hill Dr #206, Grass Valley	2,720	\$1.20 - \$1.20
Office		
131 S Auburn St, Grass Valley	1,987	\$1.57 - \$1.57
375 Brunswick Rd, Grass Valley	6,791	\$1.27 - \$1.27
464-458 Brunswick Rd, Grass Valley	6,116	\$1.73 - \$1.73
256 Buena Vista St A-F, Grass Valley	932	\$0.91 - \$0.91
124 Clydesdale Ct, Grass Valley	4,748	\$0.85 - \$1.05
333 Crown Point Cir, Grass Valley	3,041	\$1.50 - \$1.50
345 Crown Point Cir, Grass Valley	3,378	\$1.50 - \$1.50
350 Crown Point Cir, Grass Valley	5,550	\$1.40 - \$1.40
355 Crown Point Cir, Grass Valley	12,000	\$0.60 - \$0.60
360 Crown Point Cir, Grass Valley	9,603	\$1.39 - \$1.49
431 Crown Point Cir, Grass Valley	11,100	\$0.85 - \$0.85
149 Crown Point Ct, Grass Valley	1,161	\$1.50 - \$1.50
154 Hughes Rd #6, Grass Valley	648	\$0.69 - \$0.69
175 Joerschke Dr, Grass Valley	588	\$0.85 - \$0.85
15688 Johnson Pl, Grass Valley	1,591	\$1.10 - \$1.10
901-B La Barr Meadows Rd, Grass Valley	1,359	\$0.63 - \$0.63
200 Litton Dr, Grass Valley	3,000	\$1.40 - \$1.40
1740 - 1744 E Main St, Grass Valley	1,617	\$0.80 - \$0.80
640 E Main St, Grass Valley	1,579	\$0.65 - \$0.65
900 E Main St, Grass Valley	11,150	\$1.20 - \$1.20
204 W Main St & 215 Richardson St, Grass Valley	1,009	\$0.50 - \$0.50
944 - 1020 McCourtney Rd, Grass Valley	3,958	\$1.55 - \$1.55
104 New Mohawk Rd, Nevada City	4,000	\$0.95 - \$0.95
117 New Mohawk Rd, Nevada City	3,384	\$1.25 - \$1.25
2118 Nevada City Hwy, Grass Valley	1,950	\$1.40 - \$1.40
101 - 106 Providence Mine Rd, Nevada City	6,676	\$1.41 - \$1.43
200 - 208 Providence Mine Rd, Nevada City	13,529	\$1.47 - \$1.48
351 Providence Mine Rd, Nevada City	1,152	\$1.80 - \$1.80
352 Providence Mine Rd, Nevada City	1,530	\$1.60 - \$1.60
353 Providence Mine Rd, Nevada City	1,704	\$1.70 - \$1.70
354 Providence Mine Rd, Nevada City	1,494	\$1.75 - \$1.75
357 Providence Mine Rd, Nevada City	1,800	\$1.75 - \$1.75
400 Providence Mine Rd, Nevada City	6,265	\$0.95 - \$0.95
400 Providence Mine Rd, Nevada City	72,110	\$0.95 - \$0.95
400 Providence Mine Rd, Nevada City	71,985	\$0.95 - \$0.95
305 Railroad Ave, Nevada City	674	\$1.41 - \$1.41
206 Sacramento St, Nevada City	542	\$1.61 - \$1.61
165 Spring Hill Dr, Grass Valley	2,500	\$1.00 - \$1.00
401 Spring St, Nevada City	3,628	\$1.29 - \$1.29
1415 Whispering Pines Ln, Grass Valley	8,009	\$1.60 - \$1.60
819 Whispering Pines Ln, Grass Valley	5,276	\$0.75 - \$0.75
692-698 Whiting St, Grass Valley	1,470	\$1.00 - \$1.35
Medical/Dental		
470 S Auburn St, Grass Valley	1,059	\$1.13 - \$1.13
563 Brunswick Rd # 10, Grass Valley	1,463	\$1.20 - \$1.20
1061 E Main St # 104, Grass Valley	1,813	\$1.30 - \$1.30
109 Margaret Ln, Grass Valley	1,792	\$1.35 - \$1.35
123 Margaret Ln, B1, Grass Valley	1,100	\$1.00 - \$1.00
123 Margaret Ln, C2, Grass Valley	1,200	\$1.00 - \$1.00
590 Searls Ave, Nevada City	1,462	\$2.19 - \$2.19
280 Sierra College Dr, Grass Valley	6,000	\$2.15 - \$2.15
300 Sierra College Dr #250, Grass Valley	1,740	\$2.00 - \$2.00
404 Sierra College Dr, Grass Valley	5,376	\$1.90 - \$1.90
Retail		
434 Colfax Ave, Grass Valley	1,150	\$1.13 - \$1.13
246 Commercial St & 204 N Pine St, Nevada City	644	\$1.65 - \$1.65
650 Freeman Ln, Grass Valley	27,400	\$1.62 - \$1.97
122 E Main St, Grass Valley	1,350	\$1.26 - \$1.26
533-537 E Main St, Grass Valley	11,804	\$1.15 - \$1.15
840 E Main St, Grass Valley	12,760	\$1.50 - \$1.60
116 W Main St, Grass Valley	841	\$1.18 - \$1.18
671 Maltman Dr, Grass Valley	1,200	\$1.25 - \$1.25
111 W McKnight Way, Grass Valley	6,000	\$1.58 - \$1.58
105 - 121 Neal St, Grass Valley	4,200	\$1.43 - \$1.43
2032 - 2118 Nevada City Hwy, Grass Valley	12,356	\$1.51 - \$1.61
521 Searls Ave, Nevada City	4,000	\$1.50 - \$1.50
399-471 Sutton Way, Grass Valley	2,826	\$1.25 - \$1.25
526-720 Sutton Way, Grass Valley	3,300	\$2.11 - \$2.11
102 - 108 Union St, Nevada City	3,401	\$1.65 - \$1.65

FOR SALE

Location	Sq. Ft.	Price	Price/SF
Industrial			
10662 E Bennett Rd, Grass Valley	5,202	\$699,000	\$134.37
11960 Charles Dr, Grass Valley	1,750	\$245,000	\$140.00
11976 Charles Dr, Grass Valley	2,550	\$340,000	\$133.33
12289 Loma Rica Dr, Grass Valley	1,250	\$147,500	\$118.00
12291 Loma Rica Dr, Grass Valley	1,350	\$147,500	\$109.26
2391 Nevada City Hwy, Grass Valley	47,000	\$2,400,000	\$51.06
13115 Ridge Rd, Grass Valley	2,851	\$269,000	\$94.35
Office			
256 Buena Vista St, A-F, Grass Valley	7,156	670,000	93.63
302 S Auburn St, Grass Valley	1,719	395,000	229.78
430 S Auburn St, Grass Valley	1,498	\$465,000	\$310.41
470 S Auburn St, Grass Valley	4,798	\$250,000	109.42
312 Colfax Ave, Grass Valley	1,620	\$315,000	\$194.44
419 Colfax Ave, Grass Valley	874	299,000	342.11
972 Golden Gate Ter, Grass Valley	4,864	\$599,000	\$123.15
154 Hughes Rd, Grass Valley	6,650	\$759,000	\$114.14
154 Hughes Rd #1, Grass Valley	1,350	\$219,000	\$162.22
154 Hughes Rd #4, 6 & 8, Grass Valley	648	\$115,000	\$177.47
154 Hughes Rd #5, Grass Valley	1,401	\$199,000	\$142.04
154 Hughes Rd #7, Grass Valley	1,428	\$219,000	\$153.36
901 La Barr Meadows Rd C, Grass Valley	1,492	\$168,000	\$112.60
13440 Lower Grass Valley Road, Nevada City	3,131	\$549,000	\$175.34
900 E Main St, Grass Valley	23,500	\$310,000	\$131.91
1465 E Main St, Grass Valley	1,200	\$375,000	\$312.50
131 Mill St, Grass Valley	10,560	\$1,250,000	\$118.37
2380 Nevada City Hwy, Grass Valley	1,222	\$110,000	\$90.02
351 Providence Mine Rd, Nevada City	1,152	\$275,000	\$238.72
352 Providence Mine Rd, Nevada City	1,530	\$299,000	\$195.42
353 Providence Mine Rd, Nevada City	1,704	\$349,000	\$204.81
351 Providence Mine Rd, Nevada City			
Medical/Dental			
150 Catherine Ln., Suite D & E, Grass Valley	2,189	\$435,000	\$198.72
1061 E Main St # 103, Grass Valley	1,224	\$146,800	\$119.93
590 Searls Ave, Nevada City	5,575	\$1,595,000	\$286.10
300 Sierra College Dr #250, Grass Valley	1,740	\$399,000	\$229.31
300 Sierra College Dr #165, Grass Valley	3,634	\$1,450,000	\$321.15
Retail			
450 Colfax Ave, Grass Valley	4,308	\$480,000	\$111.42
231 E Main St, Grass Valley	2,264	\$429,000	\$189.49
202 W Main 633 - 653 Maltman Dr, Grass Valley	9,020	\$760,000	\$84.26
535 Mill St, Grass Valley	5,112	\$650,000	\$127.15
110 S Pine St, Nevada City	2,948	\$699,000	\$237.11
345 Railroad Ave, Nevada City	7,884	\$899,900	\$114.14
1125-1165 Sutton Way, Grass Valley	24,539	\$3,680,000	\$149.97
997-1005 Sutton Way, Grass Valley	26,536	\$3,550,000	\$133.78
819 Whispering Pines Ln, Grass Valley	24,426	\$2,600,000	\$106.44

RECENT TRANSACTIONS

Location	Sq. Ft.	Sale/Lease	Close Date
147 S Auburn St, Grass Valley	3,666	Sale	8/25/2016
150 Catherine Ln., Suite D & E, Grass Valley	2,189	Sale	10/11/2016
242 Colfax Ave, Grass Valley	1,269	Sale	10/14/2016
233 Broad St, Nevada City	7,927	Sale	10/21/2016
440 Lower Grass Valley Road, Nevada City	3,131	Sale	10/31/2016

IN THE WORKS

Location - Description
2391 Nevada City Hwy, GV – "Tractor Supply" Anchored Retail Center – Start 2017
900 Sutton Way, GV – DMV New Construction, 7,600 SF, Completion Late 2017
Alpha Building, NC – Community Collaborative Project, 28,000 SF, Start 2017
Bear River Mill site, La Barr Meadows Rd, GV – Planned Industrial Park, Unknown Start
Dorsey Dr & Hwy 49, GV – Planned 220,000 SF Community Shopping Center, Start 2018
500 Idaho Maryland Rd, GV – Two Planned 22,500 SF Trailer Mfg. Buildings, Start 2017
E. Main St/W. Olympia Dr, GV – Planned 44K SF Hotel with 9K SF Retail, Unknown Start
12871 Loma Rice Drive, GV – 32,000 SF Mini-Storage Facility, Start 2017
340 Railroad Ave, GV – 3,200 SF Planned Auto Repair Shop, Start 2017
141 E Main St., GV – Planned 7,000+ SF Brewery & Tap Room, Start 2017
464 Sutton Way, GV – Planned 5,000+ SF Brew Pub, Start 2017

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