

CPR Commercial Property Review

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County



www.svnhighland.com
530-470-1740

Commercial Real Estate Market Activity, Grass Valley & Nevada City 3rd Quarter 2017

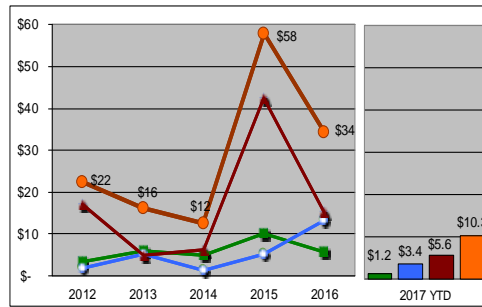
Trending Now

This quarter I wanted to highlight some interesting trends affecting commercial real estate (CRE) markets. While these trends stem from national metrics, they will ultimately affect our local markets and may offer valuable insight to investors, owner/users, developers and tenants who are considering acquisition, disposition, expansion or relocation decisions.

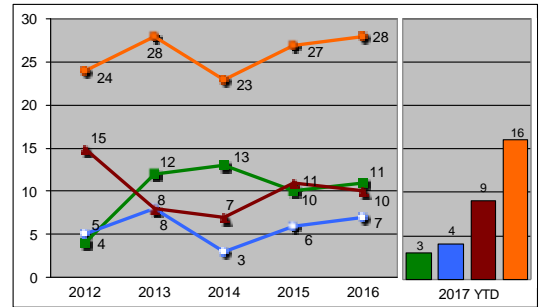
Nationally, over the last eight quarters, sales volume has been trending lower, while sale prices have been trending higher. The same pattern can be seen locally and can be partially attributed to the lack of new supply. The cost of new construction has increased much faster than the rents that support it, and as a result, planned projects are held back until the economics justify moving forward. The takeaway here, especially for tenants, is that now may be a good time to sign that new long term lease or move to that new building in order to take advantage of still relatively low rents.

Another national trend relates to the differentiation between large institutional-type properties, which are declining in sales volume, and smaller individual investor-type properties that are seeing increasing demand and greater sales volume. The never-ending "hunt for yield" is now leading investors to smaller tertiary markets located outside of the major metros, where returns are generally a 100 basis points or more higher. The takeaway here is for investors or owner/users considering a purchase. Demand is increasing locally, which should lead to further price increases, so now may be a strategically wise time to buy.

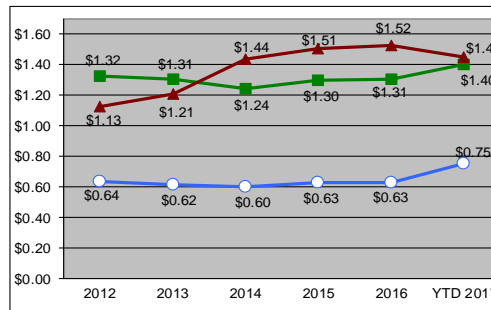
Sale Dollar Volume (Millions)



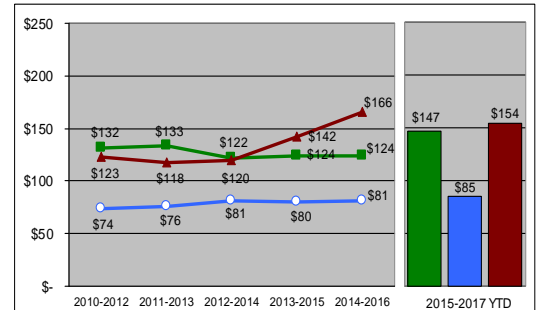
of Sale Transactions



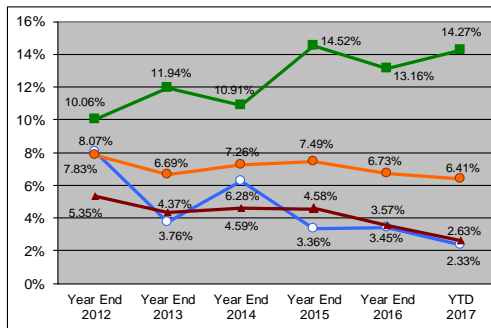
Median "Asking" Rents - Gross (SF/Month)



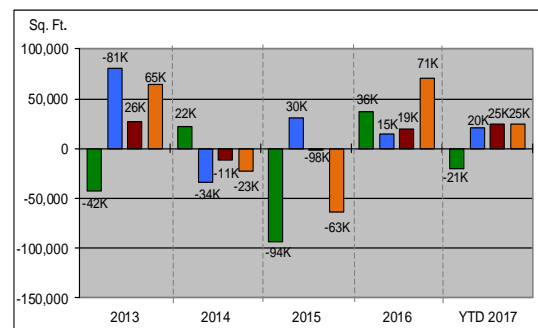
Median "Closed" Sale Prices Based on 3-Year Moving Averages



Vacancy



Net Lease Absorption



Office Industrial Retail All Product Types



Lock Richards
DRE#01302767

Note: Statistics based on SVN proprietary database consisting of approximately 2.4m sq. ft. office (377 props), 1.8m sq. ft. industrial (191 props), and 2.7m sq. ft. retail (363 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.

Lock Richards, Managing Director
lock.richards@svn.com

Sperry Van Ness - Highland Commercial
11300 Willow Valley Rd., Nevada City, CA 95959

Susie Richards, Leasing Advisor
susie.richards@svn.com

CPR Commercial Property Review – 3rd Quarter 2017

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County

FOR LEASE

Location	Sq. Ft.	Price Range
Industrial		
12048 - 12050 Charles Dr, Grass Valley	1,000	\$0.80 - \$0.80
416 Crown Point Cir, Grass Valley	8,000	\$0.63 - \$0.63
13366 Grass Valley Ave, Grass Valley	7,850	\$0.64 - \$0.64
12523 Loma Rica Dr, Grass Valley	1,344	\$0.70 - \$0.70
13185 Nevada City Ave, Grass Valley	1,900	\$0.60 - \$0.60
143 Spring Hill Dr Ste 1A, Grass Valley	5,082	\$1.23 - \$1.23
155 Spring Hill Dr # 201, Grass Valley	1,350	\$0.79 - \$0.79
Office		
120 N Auburn St, Grass Valley	679	\$1.59 - \$1.59
124 S Auburn St, Grass Valley	5,100	\$0.55 - \$0.55
131 S Auburn St, Grass Valley	1,807	\$1.51 - \$1.57
12392-14498 Bitney Springs Rd., Nevada City	2,540	\$0.80 - \$0.80
375 Brunswick Rd, Grass Valley	6,791	\$1.28 - \$1.28
464-458 Brunswick Rd, Grass Valley	7,376	\$1.73 - \$1.98
512 - 528 Brunswick Rd, Grass Valley	720	\$1.10 - \$1.10
124 Clydesdale Ct, Grass Valley	1,852	\$0.97 - \$0.97
333 Crown Point Cir, Grass Valley	1,955	\$1.45 - \$1.45
345 Crown Point Cir, Grass Valley	815	\$1.55 - \$1.55
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
400 Crown Point Cir, Grass Valley	19,754	\$0.78 - \$1.18
431 Crown Point Cir, Grass Valley	11,100	\$0.85 - \$0.85
488 Crown Point Cir, Grass Valley	5,168	\$1.62 - \$1.62
13100 Grass Valley Ave, Grass Valley	4,352	\$0.65 - \$0.65
200 Litton Dr, Grass Valley	3,000	\$1.40 - \$1.40
224 Main St, Nevada City	3,522	\$1.65 - \$1.65
900 E Main St, Grass Valley	9,200	\$1.20 - \$1.20
970 E Main St, Grass Valley	2,095	\$1.10 - \$1.10
944 - 1020 McCourtney Rd, Grass Valley	6,804	\$1.55 - \$1.55
108 New Mohawk Rd & 208 Gold Flat Ct, Nevada City	11,016	\$0.70 - \$0.90
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
351-357 Providence Mine Rd, Nevada City	1,152-1,800	\$1.60 - \$1.80
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
420 Sierra College Dr, Grass Valley	1,437	\$1.80 - \$1.80
165 Spring Hill Dr, Grass Valley	2,500	\$1.00 - \$1.00
401 Spring St, Nevada City	4,628	\$1.29 - \$1.29
1415 Whispering Pines Ln, Grass Valley	8,009	\$1.60 - \$1.60
819 Whispering Pines Ln, Grass Valley	5,176	\$0.75 - \$0.75
830 Zion St, Nevada City	1,960	\$1.28 - \$1.28
Medical/Dental		
563 Brunswick Rd # 10, Grass Valley	1,463	\$1.20 - \$1.20
150 Glasson Way, Grass Valley	5,720	\$1.35 - \$1.35
123 Margaret Ln, Grass Valley	1,200	\$1.50 - \$1.20
590 Searls Ave, Nevada City	1,375	\$1.10 - \$2.50
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	1,000	\$1.65 - \$1.65
Retail		
102 Catherine Ln, Grass Valley	5,496	\$1.15 - \$1.15
650 Freeman Ln, Grass Valley	15,717	\$2.20 - \$2.20
533-537 E Main St, Grass Valley	10,300	\$1.15 - \$1.15
840 E Main St, Grass Valley	8,513	\$1.50 - \$1.60
671 Maltman Dr, Grass Valley	1,200	\$1.00 - \$1.00
111 W McKnight Way, Grass Valley	9,373	\$1.58 - \$1.58
138 Mill St, Grass Valley	2,732	\$1.39 - \$1.39
2032 - 2118 Nevada City Hwy, Grass Valley	10,669	\$1.76 - \$1.76
984 Plaza Dr, Grass Valley	5,600	\$1.35 - \$1.35
399-471 Sutton Way, Grass Valley	2,826	\$1.25 - \$1.25
821 Zion St, Nevada City	814	\$1.50 - \$1.50

FOR SALE

Location	Sq. Ft.	Price	Price/SF
Industrial			
10662 E Bennett Rd, Grass Valley	5,202	\$689,000	\$132.45
11958 Charles Dr, Grass Valley	1,750	\$232,000	\$132.57
12150 Charles Dr #4, Grass Valley	1,577	\$224,000	\$142.04
Office			
563 Brunswick Rd # 7, Grass Valley	1,591	\$179,000	\$112.51
256 Buena Vista St A-F, Grass Valley	7,156	\$670,000	\$93.63
333 Crown Point Cir, Grass Valley	16,700	\$2,216,000	\$132.69
964 Golden Gate Ter, Grass Valley	5,740	\$610,000	\$106.27
972 Golden Gate Ter, Grass Valley	4,864	\$599,000	\$123.15
901 La Barr Meadows Rd C, Grass Valley	1,492	\$145,000	\$97.18
17748 Lower Colfax Rd, Chicago Park	1,624	\$355,000	\$218.60
900 E Main St, Grass Valley	23,500	\$2,225,000	\$94.68
1061 E Main St # 103, Grass Valley	1,224	\$146,800	\$119.93
140 Manor Dr, Grass Valley	2,500	\$365,000	\$146.00
111 Margaret Lane, Grass Valley	2,679	\$495,000	\$184.77
944 - 1020 McCourtney Rd, Grass Valley	50,933	\$6,450,000	\$126.64
131 Mill St, Grass Valley	10,560	\$1,250,000	\$118.37
351-357 Providence Mine Rd, Nevada City	1,530-1,800	From \$299,000	\$195.42
880 Whispering Pines Ln, Grass Valley	8,000	\$1,400,000	\$175.00
715 Zion St, Nevada City	2,074	\$625,000	\$301.35
Medical/Dental			
150 Glasson Way, Grass Valley	6,462	\$990,000	\$153.20
590 Searls Ave, Nevada City	5,575	\$1,695,000	\$304.04
300 Sierra College Dr #165/250, Grass Valley	1,740-4,787	From 595,000	\$341.90
Retail			
426 Broad St, Nevada City	1,333	\$799,000	\$599.40
421 Colfax Ave, Grass Valley	2,088	\$339,950	\$162.81
448 Colfax Ave, Grass Valley	3,520	\$325,000	\$92.33
12685 Colfax Hwy, Grass Valley	1,000	\$749,000	\$749.00
202 W Main St, Grass Valley	1,650	\$479,000	\$290.30
217 W Main St, Grass Valley	1,188	\$399,999	\$336.70
535 Mill St, Grass Valley	5,112	\$675,000	\$132.04
16282 Mount Olive Rd, Grass Valley	5,655	\$795,000	\$140.58
1924 Nevada City Hwy, Grass Valley	1,500	\$1,400,000	\$933.33
110 S Pine St, Nevada City	2,948	\$699,000	\$237.11

RECENT TRANSACTIONS

Location	Sq. Ft.	Sale/Lease	Close Date
430 S Auburn St, Grass Valley	1,498	Sale	7/26/2017
1061 E Main St # 202, Grass Valley	1,120	Lease	7/27/2017
262 S Auburn St, Grass Valley	2,450	Lease	7/27/2017
350 Crown Point Cir, Grass Valley	1,200	Lease	7/27/2017
305 Railroad Ave, Nevada City	1,100	Lease	7/27/2017
930 Idaho Maryland Rd, Grass Valley	3,944	Sale	8/24/2017
2391 Nevada City Hwy, Lot 3, Grass Valley	Land	Sale	8/25/2017
142-158 Olympia Park Rd, Grass Valley	3,760	Lease	9/1/2017
312 Colfax Ave, Grass Valley	1,635	Sale	9/21/2017
535 Mill St, Grass Valley	5,112	Sale	9/27/2017

IN THE WORKS

Location - Description
141 E Main Street, GV – Planned 7,000+ SF Brewery & Tap Room, Opening soon
900 Sutton Way, GV – DMV New Construction, 7,600 SF, Completion early 2018
2391 Nevada City Hwy, GV – "Tractor Supply" Anchored Retail Center, Completion 2018
12871 Loma Rice Drive, GV – 32,000 SF Mini-Storage Facility, Completion 2018
500 Idaho Maryland Rd, GV – Two Planned 22,500 SF Trailer Mfg. Buildings, Start 2018
340 Railroad Ave, GV – 3,200 SF Planned Auto Repair Shop, Start 2018
464 Sutton Way, GV – Planned 5,000+ SF Brew Pub, Start 2018
Dorsey Dr & Hwy 49, GV – Planned 220,000 SF Community Shopping Center, Start 2018
580 Brunswick Rd, GV – River Valley Community Bank, 3,500 SF Bank, Start 2018
821 S. Auburn, GV – 3,000 SF AM/PM Arco Station, Start 2018
Bear River Mill site, La Barr Meadows Rd, GV – Planned Industrial Park, Unknown Start

Lock Richards, Managing Director
lock.richards@svn.com
530.470.1740x1

Susie Richards, Leasing Advisor
susie.richards@svn.com
530.470.1740x2

