

CPR Commercial Property Review

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County



HighlandCRE.com
530-470-1740

Commercial Real Estate Market Activity, Grass Valley & Nevada City 1st Quarter 2023

BANK FAILURES!

As if high and still climbing interest rates were not enough, the first quarter of 2023 saw two of the 30 largest U.S. banks collapse within a 72-hour window, sending shivers up investors' spines and prompting historic action by the feds to stabilize the financial system. This has caused remaining solvent banks to further tighten their underwriting and lending practices. The effect of all this has been to make real estate transactions tougher to complete thereby prolonging slumping sales and transaction volumes nationally and locally.

Regional banks (ie. those with assets under \$250B) provide roughly 80% of U.S. commercial real estate financing. In a small tertiary market like Nevada County smaller regional banks also dominate commercial lending. The effects of high interest rates and the fallout from the Silicon Valley and Signature bank failures are the logical culprits for the low first quarter transaction and sales volume figures shown to your right.

As of this writing the extent of the bank failure contagion remains to be seen. Fortunately, Nevada County is not overbuilt, as demonstrated by the 5% overall vacancy rate, which should provide for a less volatile market than perhaps many areas in the U.S. As always, opportunities are out there if one knows where to look and what to look for.



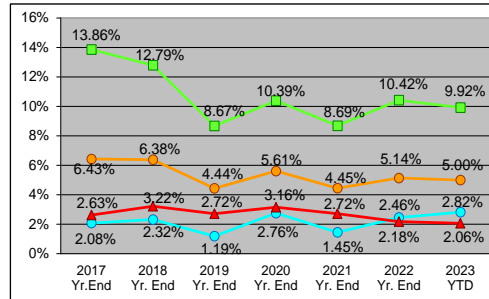
Lock Richards
DRE#01302767

Lock Richards, Broker
lock@highlandcre.com

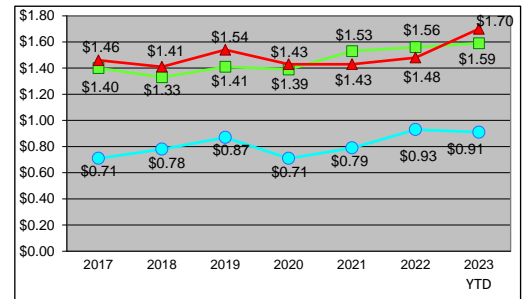
SperryCGA-Highland Commercial, Inc.
11300 Willow Valley Rd., Nevada City, CA 95959

Susie Richards, Manager
susie@highlandcre.com

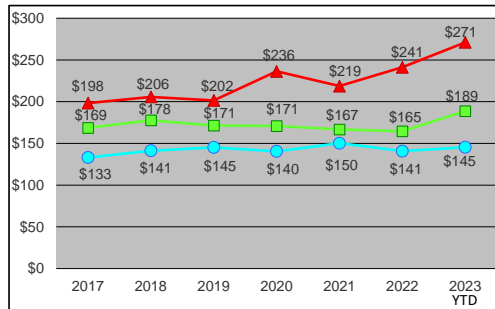
Vacancy



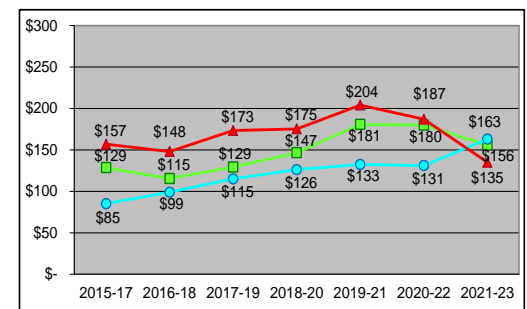
Median "Asking" Rents - Gross (SF/Month)



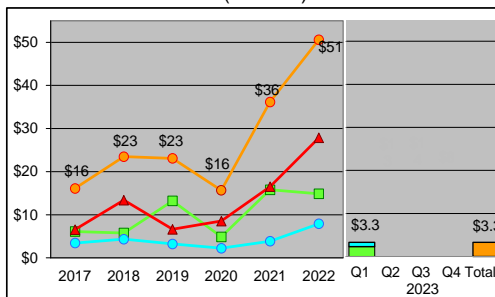
Median "Asking" Sale Prices (Price/SF)



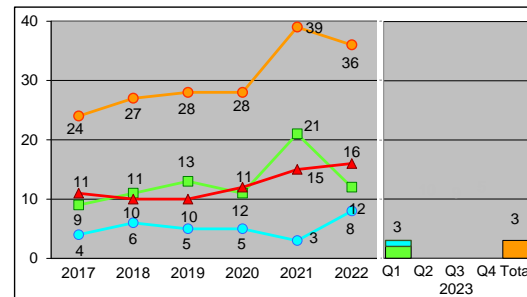
Median "Closed" Sale Prices (Price/SF - Based on 3-Year Moving Averages)



Sale Dollar Volume (Millions)



Sale Transactions



Office Industrial Retail All Product Types

Note: Statistics based on our proprietary database consisting of approximately 2.5m sq. ft. office (387 props), 1.9m sq. ft. industrial (190 props), and 2.7m sq. ft. retail (365 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.

CPR Commercial Property Review – 1st Quarter 2023

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County

FOR LEASE

Location	Sq. Ft.	Price Range/SF	Gross
Industrial			
12048 - 12050 Charles Dr, Grass Valley	1,500	\$1.00 - \$1.00	
416 Crown Point Cir, Grass Valley	22,922	\$0.81 - \$0.81	
972 Golden Gate Ter, Grass Valley	2,536	\$1.14 - \$1.14	
12836 Greenhorn Rd, Grass Valley	6,578	\$1.25 - \$1.25	
155 Spring Hill Dr # 201, Grass Valley	2,777	\$0.54 - \$0.54	
Office			
375 Brunswick Rd, Grass Valley	5,798	\$1.28 - \$1.28	
512 - 528 Brunswick Rd, Grass Valley	800	\$1.39 - \$1.39	
505 Coyote St, Nevada City	6,749	\$1.65 - \$1.65	
333 Crown Point Cir, Grass Valley	5,444	\$1.55 - \$1.55	
345 Crown Point Cir, Grass Valley	7,071	\$0.92 - \$0.92	
350 Crown Point Cir, Grass Valley	5,089	\$1.55 - \$1.55	
355 Crown Point Cir, Grass Valley	4,800	\$0.60 - \$0.60	
360 Crown Point Cir, Grass Valley	8,629	\$1.49 - \$1.49	
431 Crown Point Cir, Grass Valley	7,900	\$0.85 - \$0.85	
443 Crown Point Cir, Grass Valley	15,264	\$1.25 -	
149 Crown Point Ct, Grass Valley	1,161	\$1.50 - \$1.50	
962 Golden Gate Ter, Grass Valley	6,206	\$0.85 - \$0.85	
964 Golden Gate Ter, Grass Valley	1,800	\$1.25 - \$1.25	
13100 Grass Valley & 12438 Loma Rica, Grass Valley	4,960	\$0.69 - \$0.69	
200 Litton Dr, Grass Valley	1,570	\$1.40 - \$1.40	
12190 Loma Rica Drive, Grass Valley	2,600	\$1.10 - \$1.10	
224 Main St, Nevada City	775	\$2.11 - \$2.90	
1740 - 1744 E Main St, Grass Valley	2,728	\$2.25 - \$2.25	
900 E Main St, Grass Valley	5,900	\$1.84 - \$1.90	
749 Maltman Dr, Grass Valley	1,288	\$1.00 - \$1.00	
944 - 1020 McCourtney Rd, Grass Valley	12,662	\$1.73 - \$1.73	
138 New Mohawk Rd, Nevada City	8,700	\$1.95 - \$1.95	
101 - 106 Providence Mine Rd, Nevada City	5,209	\$1.60 - \$1.60	
200 - 208 Providence Mine Rd, Nevada City	20,382	\$1.60 - \$1.60	
310 Providence Mine Rd, Nevada City	20,282	\$1.75 - \$1.85	
351 - 356 Providence Mine Rd, Nevada City	1,736	\$1.78 - \$1.78	
400 Providence Mine Rd, Nevada City	72,110	\$1.15 - \$2.15	
360 Sierra College Dr, Grass Valley	803	\$2.17 - \$2.17	
420 Sierra College Dr, Grass Valley	1,750	\$2.20 - \$2.20	
1012 Sutton Way, Grass Valley	3,200	\$1.87 - \$1.87	
426 Sutton Way, Grass Valley	850	\$1.63 - \$1.63	
841 - 857 Sutton Way, Grass Valley	601	\$1.75 - \$1.75	
Medical/Dental			
563 Brunswick Rd # 5, Grass Valley	1,473	\$1.15 - \$1.15	
140 Litton Dr, Grass Valley	3,378	\$1.96 - \$2.26	
300 Sierra College Dr #250, Grass Valley	1,740	\$2.98 - \$2.98	
700 Zion St, Nevada City	10,300	\$1.36 -	
Retail			
114 Argall Way, Nevada City	1,159	\$1.21 - \$1.21	
133 Argall Way, Nevada City	2,700	\$1.25 - \$1.25	
452 S Auburn St, Grass Valley	1,150	\$1.83 - \$1.83	
408 Broad St & 405 Commercial Street, Nevada City	1,200	\$2.08 - \$2.08	
650 Freeman Ln, Grass Valley	9,214	\$1.95 - \$2.20	
840 E Main St, Grass Valley	17,260	\$1.60 - \$2.85	
111 W McKnight Way, Grass Valley	8,183	\$1.50 - \$2.15	
2032 - 2118 Nevada City Hwy, Grass Valley	1,950	\$1.56 - \$1.56	
984 Plaza Dr, Grass Valley	2,809	\$1.25 - \$1.25	
399-471 Sutton Way, Grass Valley	1,402	\$1.45 - \$1.45	
526-720 Sutton Way, Grass Valley	2,250	\$2.85 - \$2.85	
102 - 108 Union St, Nevada City	1,843	\$2.00 -	

FOR SALE

Location	Sq. Ft.	Price	Price/SF
Industrial			
12481 Charles Dr, Grass Valley	34,950	\$4,785,000	\$136.91
972 Golden Gate Ter, Grass Valley	4,864	\$799,000	\$164.27
12507 Loma Rica Dr, Grass Valley	1,332	\$140,000	\$105.11
174-178 Lower Grass Valley Rd, Nevada City	8,590	\$1,249,000	\$145.40
258 Railroad Ave, Grass Valley	1,824	\$479,900	\$263.10
371 Railroad Ave, Grass Valley	3,740	\$650,000	\$173.80
211 School St, Grass Valley	2,200	\$250,000	\$113.64
110 Spring Hill Dr # 3 & 4, Grass Valley	3,952	\$605,000	\$153.09
110 Spring Hill Dr # 1 & 2, Grass Valley	5,500	\$795,000	\$144.55
Office			
2344 & 2352 Nevada City Hwy, Grass Valley	3,212	\$600,000	\$186.80
10015 Alta Sierra Dr, Grass Valley	4,176	\$699,000	\$167.39
512 - 528 Brunswick Rd, Grass Valley	6,164	\$825,000	\$161.42
563 Brunswick Rd # 2, Grass Valley	1,151	\$199,000	\$172.89
565 Brunswick Rd # 15, Grass Valley	1,554	\$299,000	\$192.41
11235 Cliffs Place, Grass Valley	1,501	\$429,900	\$286.41
424 Crown Point Cir, Grass Valley	16,000	\$3,050,000	\$190.62
964 Golden Gate Ter, Grass Valley	5,740	\$749,000	\$130.49
224 Main St, Nevada City	4,670	\$1,225,000	\$262.31
900 E Main St, Grass Valley	23,137	\$3,395,000	\$146.73
2611 Nevada City Hwy, Grass Valley	2,172	\$580,000	\$267.03
104 New Mohawk Rd, Nevada City	26,336	\$2,200,000	\$83.54
819 Whispering Pines Ln, Grass Valley	24,426	\$3,100,000	\$135.10
Medical/Dental			
402 S Auburn St, Grass Valley	2,880	\$650,000	\$225.69
509 S Auburn St, Grass Valley	1,429	\$475,000	\$332.40
1061 E Main St # 104, Grass Valley	1,813	\$265,000	\$146.17
700 Zion St, Nevada City	12,000	\$2,700,000	\$225.00
Retail			
800 S Auburn St, Grass Valley	9,600	\$1,900,000	\$197.92
210 Broad St, Nevada City	21,675	\$2,250,000	\$103.81
214 Broad St, Nevada City	1,684	\$835,000	\$495.84
315 Broad St, Nevada City	4,979	\$1,350,000	\$271.14
423 Broad St, Nevada City	904	\$365,000	\$403.76
202 Colfax Ave, Grass Valley	1,492	\$495,000	\$331.77
163 Mill St, Grass Valley	12,600	\$2,450,000	\$194.44

RECENT TRANSACTIONS

Location	Sq. Ft.	Sale/Lease	Close Date
1061 E Main St # 103, Grass Valley	1,224	Sale	1/6/2023
431 Crown Point Cir, Grass Valley	3,200	Lease	1/9/2023
944 - 1020 McCourtney Rd, Grass Valley	2,188	Lease	2/6/2023
131 S Auburn St, Grass Valley	1,066	Lease	2/13/2023
16282 Mount Olive Rd, Grass Valley	5,655	Sale	2/14/2023
125 Crown Point Ct, Grass Valley	41,604	Sale	3/3/2023

IN THE WORKS

Location - Description
Loma Rica Ranch I, GV – Brunswick & Dorsey, 235 New Homes, Infrastructure Started
1912 Nev. City Hwy, GV – 3,792 SF C-Store w/ 2,400 SF Express Car Wash, Start 2023
403 Idaho Maryland Rd, GV – "Provisions", A new cannabis dispensary, Opening 2023
Dorsey Marketplace, GV – 104K SF Retail, 9K SF Office, 172 Apts., Start 2024
375 Hollow Way, NC – 1,627 SF Café with Drive-Thru, Start 2023
300 Spring St, NC – New BrewBilt taphouse & beer garden, Completion, Summer 2023
2059 Nevada City Hwy, GV – 3,600 SF Quick Quack Carwash, Completion, Fall 2023
1812 E Main St, GV – 74 Room Hotel/Conference Center, Start 2023
1012 Sutton Ave, GV – Best Western Hotel 27 room expansion, Start 2023
Higgins Marketplace, GV – 3,452 SF Quick Quack Car Wash, Completion 2023
Loma Rica Dr, GV – 20 K SF BTS to lease for County Facilities Dept., Start 2023
10715 Brunswick Rd, GV – 61 Unit multi-family project, Proposed 2023

Lock Richards, President/Broker
lock@highlandcre.com
530.470.1740x1

Susie Richards, Manager
susie@highlandcre.com
530.470.1740x2

