

CPR Commercial Property Review

Monitoring the Heartbeat of Commercial Real Estate Activity in Nevada County



HighlandCRE.com
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Commercial Real Estate Market Activity, Grass Valley & Nevada City 2nd Quarter 2023

UNCERTAIN TIMES

The commercial real estate market today is plagued by significant uncertainty which is leading to falling activity levels and property values throughout much of the U.S. Many investors are on the sidelines waiting for the Fed's quarterly interest rate hikes to cease, which would likely signal the bottom of the market and begin to spur renewed activity. However, at this moment, recession remains a prevalent concern, high interest rates and increasing operating expenses are eating into cash flow, and bank failures are leading to tightened underwriting standards including lower LTVs and recourse requirements, further restricting transaction activity. Most commercial real estate experts are now predicting increasing distress (especially in the office sector) through at least the first half of 2024.

Successfully completing a sale transaction in this environment may require certain measures to counteract these negative factors. Options would include procuring buyers with strong banking relationships and financial statements; structuring creative financing; correcting offerings to keep pace with *current-market* economics; finding motivated sellers; and motivating brokers with attractive financial or other incentives. Attractive seller financing might possibly be the most productive option today in light of the financing issues detailed above. With a strong down payment, this can also be an unexpectedly beneficial situation for many sellers.



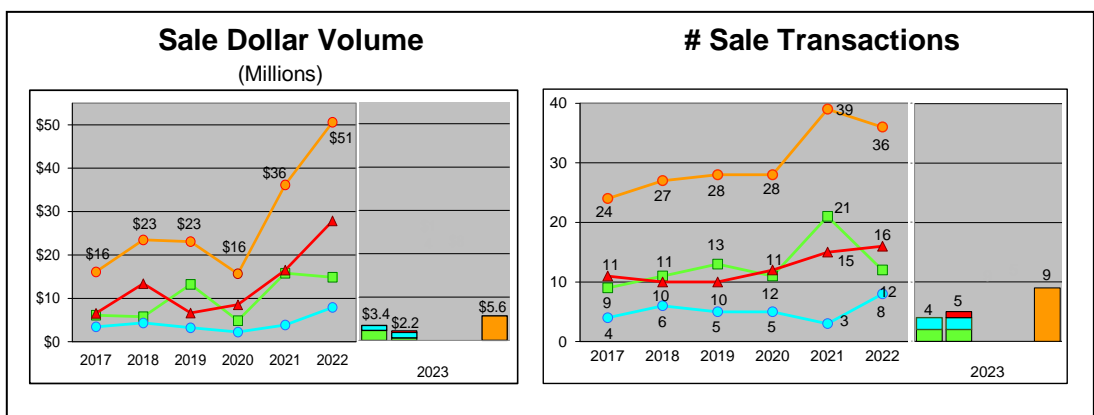
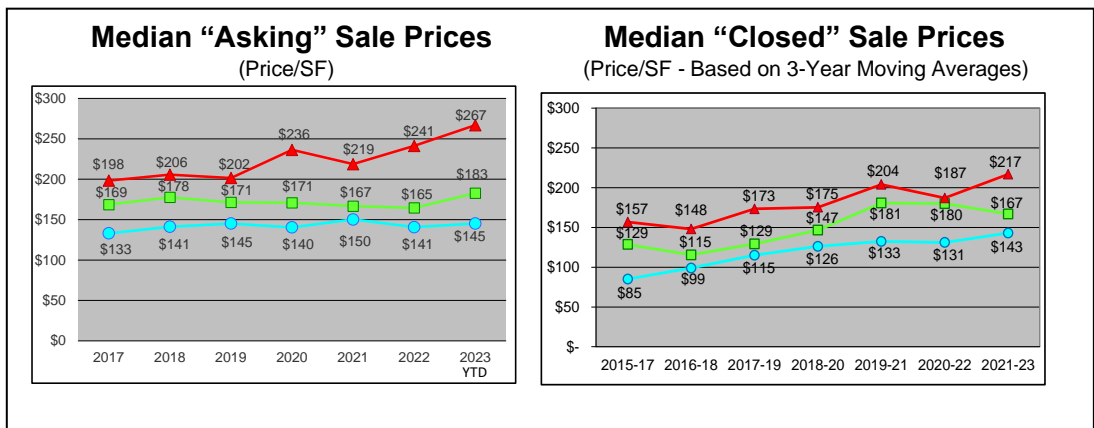
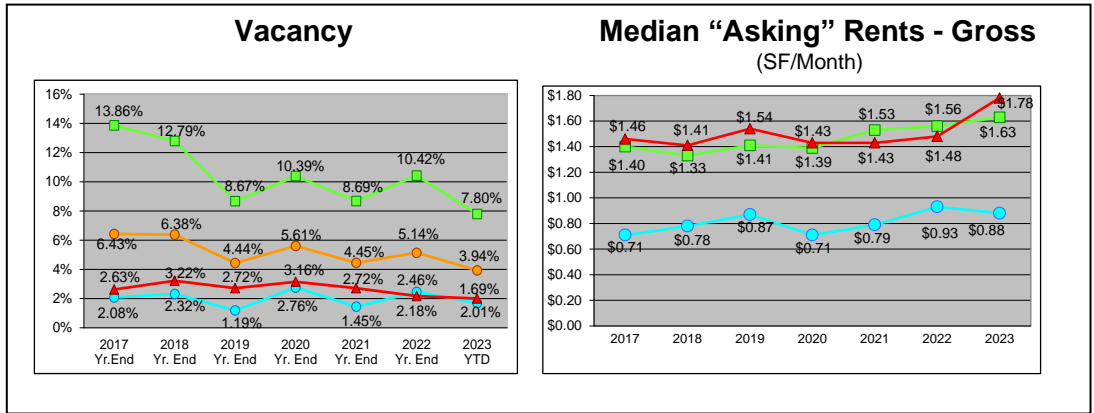
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NNN • Office • Industrial • Retail • Apartments • Land • Leasing • Sales



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.

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FOR LEASE

Location	Sq. Ft.	Price Range/SF	Gross
Industrial			
1204812048 - 12050 Charles Dr, Grass Valley	1,500	\$1.00 - \$1.00	
416 Crown Point Cir, Grass Valley	8,000	\$0.75 - \$0.75	
155 Spring Hill Dr #104, Grass Valley	2,977	\$1.00 - \$1.25	
155 Spring Hill Dr # 201, Grass Valley	2,777	\$0.54 - \$0.54	
Office			
512 - 528 Brunswick Rd, Grass Valley	1,458	\$1.39 - \$1.39	
565 Brunswick Rd # 9, Grass Valley	1,450	\$1.24 - \$1.24	
505 Coyote St, Nevada City	6,749	\$1.65 - \$1.65	
333 Crown Point Cir, Grass Valley	6,463	\$1.55 - \$1.55	
345 Crown Point Cir, Grass Valley	7,071	\$0.92 - \$0.92	
350 Crown Point Cir, Grass Valley	5,737	\$1.55 - \$1.55	
360 Crown Point Cir, Grass Valley	8,629	\$1.49 - \$1.49	
431 Crown Point Cir, Grass Valley	5,471	\$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	
964 Golden Gate Ter, Grass Valley	1,800	\$1.20 - \$1.20	
175 Joerschke Dr, Grass Valley	500	\$1.00 - \$1.00	
170 E Main St, Grass Valley	2,030	\$2.26 - \$2.26	
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	
970 E Main St, Grass Valley	1,350	\$1.18 -	
749 Maltman Dr, Grass Valley	768	\$1.00 - \$1.00	
944 - 1020 McCourtney Rd, Grass Valley	11,412	\$1.53 - \$1.73	
117 New Mohawk Rd, Nevada City	6,182	\$1.35 - \$1.35	
138 New Mohawk Rd, Nevada City	8,700	\$1.95 - \$1.95	
101 - 208 Providence Mine Rd, Nevada City	17,406	\$1.60 - \$1.60	
310 Providence Mine Rd, Nevada City	10,000	\$1.75 - \$1.85	
351 - 356 Providence Mine Rd, Nevada City	1,736	\$1.78 - \$1.78	
400 Providence Mine Rd, Nevada City	36,000	\$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	
841 - 857 Sutton Way, Grass Valley	10,172	\$2.45 - \$2.45	
Medical/Dental			
563 Brunswick Rd # 5, Grass Valley	1,473	\$1.15 - \$1.15	
140 Litton Dr, Grass Valley	2,034	\$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	
311-313 Commercial St, Nevada City	740	\$2.03 - \$2.03	
650 Freeman Ln, Grass Valley	9,214	\$1.95 - \$2.20	
400 Idaho Maryland Rd, Grass Valley	1,500	\$1.85 - \$1.85	
840 E Main St, Grass Valley	17,260	\$1.60 - \$2.85	
107 W Main St, Grass Valley	1,020	\$1.00 - \$1.00	
116 W Main St, Grass Valley	850	\$1.24 - \$1.24	
111 W McKnight Way, Grass Valley	10,575	\$3.00 - \$3.00	
2032 - 2118 Nevada City Hwy, Grass Valley	5,180	\$1.76 - \$1.76	
984 Plaza Dr, Grass Valley	1,709	\$1.25 - \$1.25	
521 Searls Ave, Nevada City	1,000	\$1.80 - \$1.80	
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 CON'T

423 Broad St, Nevada City	904	\$330,000	\$365.04
422 Henderson St, Grass Valley	13,300	\$2,600,000	\$195.49
400 Idaho Maryland Rd, Grass Valley	10,595	\$2,775,000	\$261.92
120 W Main St, Grass Valley	1,632	\$585,000	\$358.46
615 Maltman Dr, Grass Valley	3,185	\$1,600,000	\$502.35
143 Mill St #1/2, Grass Valley	9,256	\$899,000	\$ 97.13
163 Mill St, Grass Valley	12,600	\$2,450,000	\$194.44
984 Plaza Dr, Grass Valley	15,000	\$3,950,000	\$263.33

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
13082 John Bauer Ave, Grass Valley	20,000	\$600,000	\$30.00
12807 Loma Rica, Grass Valley	9,800	\$1,500,000	\$153.06
174-178 Lower Grass Valley Rd, Nevada City	8,590	\$1,249,000	\$145.40
142-158 Olympia Park Rd, Grass Valley	9,593	\$1,200,000	\$125.09
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
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	\$275,000	\$176.96
152 Catherine Ln., Suite E & F, Grass Valley	1,393	\$360,000	\$258.44
424 Crown Point Cir, Grass Valley	16,000	\$3,050,000	\$190.62
443 Crown Point Cir, Grass Valley	15,264	\$2,500,000	\$163.78
194 Gold Flat Rd, Nevada City	2,214	\$1,250,000	\$564.59
964 Golden Gate Ter, Grass Valley	5,740	\$749,000	\$130.49
224 Main St, Nevada City	4,670	\$1,225,000	\$262.31
406 - 412 E Main St, Grass Valley	7,714	\$1,260,000	\$173.06
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	\$1,850,000	\$83.54
819 Whispering Pines Ln, Grass Valley	24,426	\$2,900,000	\$135.10
Medical/Dental			
402 S Auburn St, Grass Valley	2,880	\$650,000	\$225.69
509 S Auburn St, Grass Valley	1,429	\$455,000	\$318.40
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	\$1,650,000	\$171.88
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

RECENT TRANSACTIONS

Location	Sq. Ft.	Sale/Lease	Close Date
200 - 208 Providence Mine Rd, Nevada City	3,055	Lease	3/24/2023
208 Gold Flat Ct, Nevada City	1,500	Lease	3/13/2023
944 - 1020 McCourtney Rd, Grass Valley	1,194	Lease	4/18/2023
371 Railroad Ave, Grass Valley	3,740	Sale	5/1/2023
565 Brunswick Rd # 9, Grass Valley	1,387	Sale	5/1/2023
319 Broad St, Nevada City	1,587	Sale	5/2/2023
11235 Cliffs Place, Grass Valley	1,764	Sale	5/2/2023
110 Spring Hill Dr #19, Grass Valley	3,774	Sale	5/3/2023

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
375 Hollow Way, NC – 1,627 SF Café with Drive-Thru, Start 2023
1012 Sutton Ave, GV – Best Western Hotel 27 room expansion, Start 2023
403 Idaho Maryland Rd, GV – "Provisions", A new cannabis dispensary, Opening 2023
300 Spring St, NC – New BrewBilt taphouse & beer garden, Completion Fall 2023
2059 Nevada City Hwy, GV – 3,600 SF Quick Quack Carwash, Completion Fall 2023
111 W. McKnight, GV – "Five Below" Kids Retailer, Opening Late 2023
1812 E Main St, GV – 74 Room Hotel/Conference Center, Start 2024
Dorsey Marketplace, GV – 104K SF Retail, 9K SF Office, 172 Apts., Start 2024
Loma Rica Dr, GV – 20 K SF BTS to lease for County Facilities Dept., Start 2024
961 Plaza Dr, GV – 80-room Holiday Inn Express, Start 2024

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