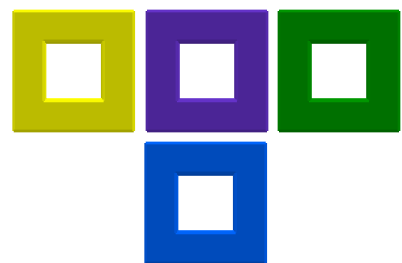


Quarterly Market Trend Analysis for Economic Development in Cerritos

City of Cerritos  
**Economic Profile**  
**2011-Q3**



*A City With Vision*

# ECONOMIC PROFILE



## Cerritos City Council

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## Cerritos Economic Development Commission

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Leslie Machado, Commissioner

## City of Cerritos

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2010 Winner  
Most Business-Friendly City Award

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# Introduction

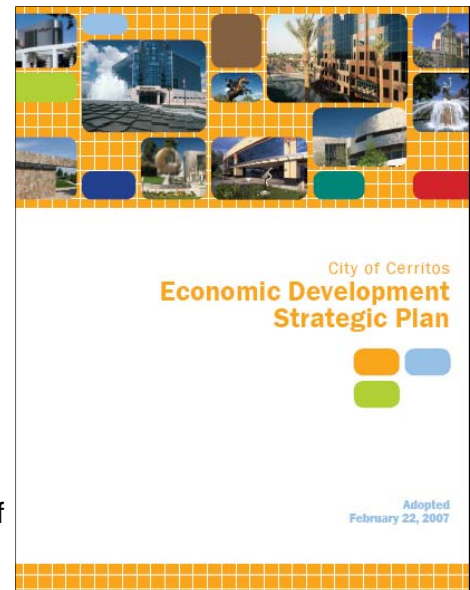
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The Cerritos *Economic Profile* is a report that is prepared on a quarterly basis to conduct market trend analysis and to develop strategies for the City's Business Retention and Expansion (BRE) Program. The BRE program was created in order to identify business climate issues and individual actions that would improve upon the operating conditions of existing businesses. It also provides the mechanism by which to identify "at risk" businesses and respond to their specific needs.

The development of the BRE was identified in the City of Cerritos Economic Development Strategic Plan (EDSP), which was adopted by the Cerritos City Council in 2007. As identified in the EDSP, Goal BAR-1 recommends that the City identify the "best customers" among existing Cerritos businesses and initiate an outreach program. In addition, Goal BAR-7 recommends that staff dedicate resources to track market trends.

With this in mind, this *Economic Profile* is a product of the EDSP and complements the BRE by tracking market trends for the preparation of economic development strategies. The *Economic Profile* will assist City staff in responding proactively to the ever changing business climate. In addition, this report supports the City's commitment to creating a business-friendly environment in which quality jobs may grow and prosper. The report will also assist the City to expand its tremendous success with its economic base, by identifying growth industries as well as declining industries in need of reinvigoration.

The *Economic Profile* is comprised of several sections, which includes Major Revenues, Employment, Unemployment and Commercial Real Estate. The statistical data is compiled from a wide variety of sources, such as the California Employment Development Department, Cerritos' Finance Division, and several real estate publications. The quarterly report provides a wealth of information and will be used by City staff to monitor the economic profile of the City in order to develop precise strategies to improve the business climate in Cerritos. The *Economic Profile* is the first of its kind in the local Gateway Cities region and it illustrates the commitment of Cerritos to its tradition of being "A City with Vision."



## Mission Statement

The mission of the Cerritos Economic Profile is for the City of Cerritos to think strategically towards economic development in order to foster a healthy local economy, maintain the City's strong fiscal position and to be proactive and adapt to the changing business climate.

## Select Strategic Plan Goals

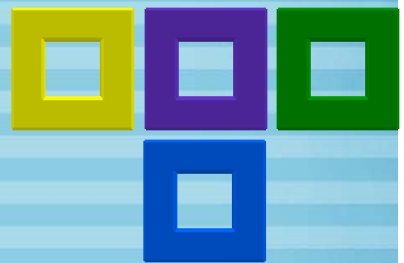
BAR-1: Identify the "best customers" among existing Cerritos businesses and initiate an outreach program.

BAR-6: Use a targeted approach to business attraction.

BAR-5: Maintain a proactive approach to addressing the needs of important businesses that might be looking to relocate out of Cerritos.

BAR-7: Dedicate staff resources to tracking market trends.

# Major Revenues



# Major Revenues

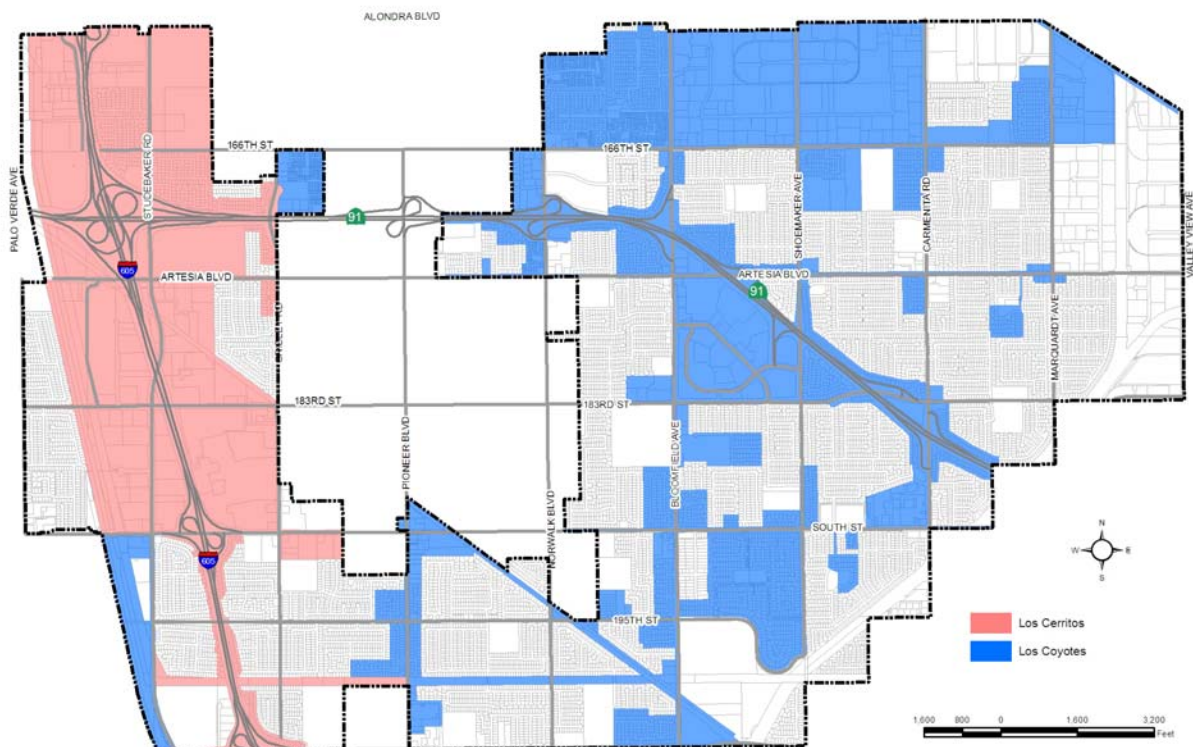
## Redevelopment Tax Increment

The Cerritos Redevelopment Agency (Agency) has historically provided the City with a significant source of funding for a variety of public improvements and other projects that have enhanced the economic capacity of the community. Redevelopment agencies have certain powers and a dedicated revenue source – tax increment financing – to assist in revitalizing neighborhoods and business districts.

In Cerritos, redevelopment has helped fund public facilities and infrastructure improvements, and has facilitated major job-producing developments. The most important role redevelopment serves in Cerritos is the generation of revenues in the form of tax increment that can be used to finance redevelopment activities. Once a redevelopment project area is formed, a portion of future property taxes generated within the specified redevelopment project area, known as tax increment, is directed to pay for redevelopment activities. The tax increment allocations received by the Agency are based only on future increases in the assessed values of properties within the Redevelopment Area. This works on the assumption that as a redevelopment agency invests in a project area, it will attract new private investment, which in turn will increase property values and tax revenues.

Cerritos has two (2) redevelopment project areas: Los Cerritos and Los Coyotes. The Los Cerritos project area is located in the western section of the City and the Los Coyotes project area is located in the central section of the City.

**Redevelopment Project Areas**

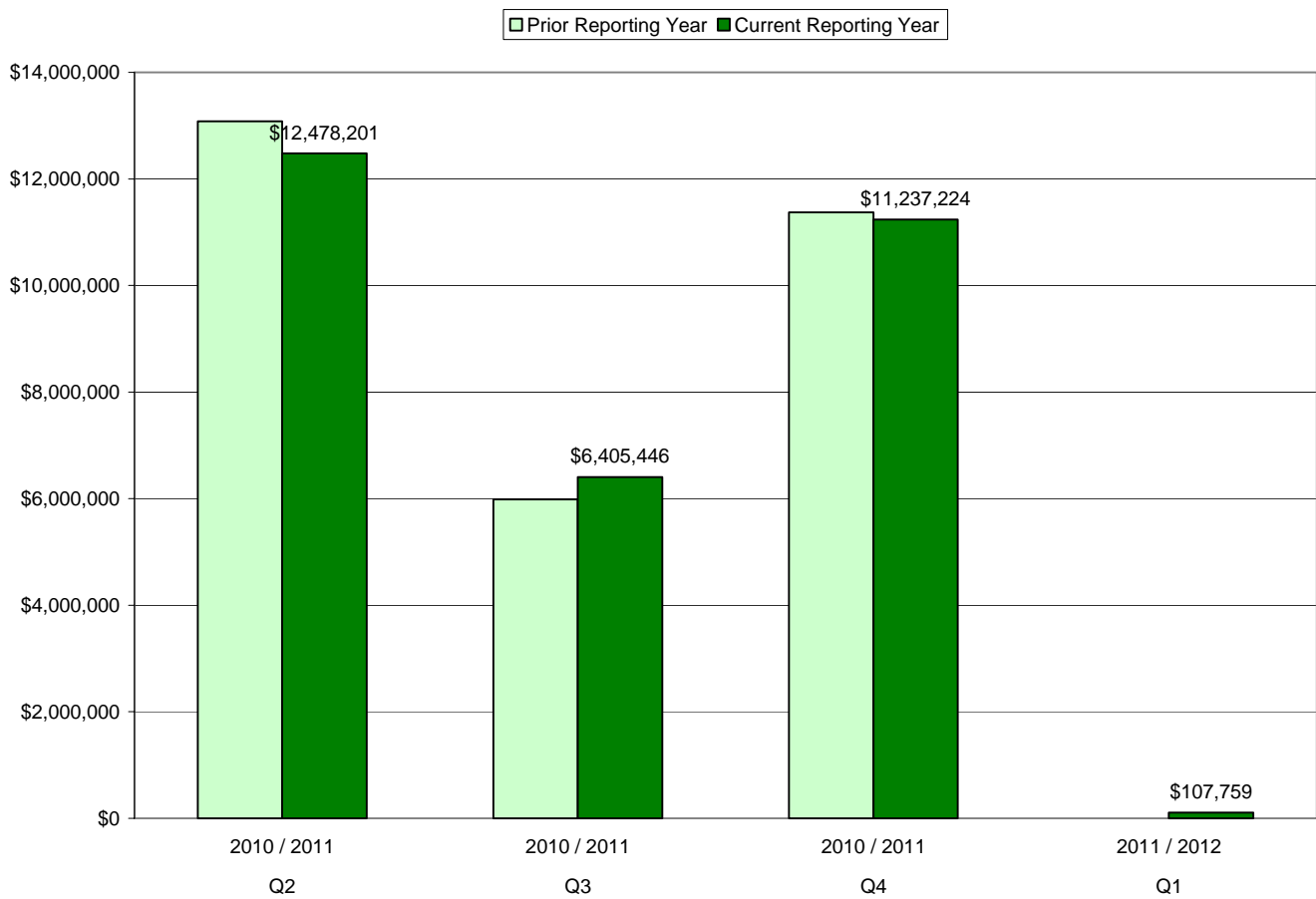


# Major Revenues

## Redevelopment Tax Increment

As mentioned, the City has two redevelopment project areas: Los Coyotes and Los Cerritos. These two areas are comprised of major regional commercial centers including the Cerritos Towne Center, the Los Cerritos Center and the Cerritos Auto Square. In 2012-Q1, the Cerritos Redevelopment Agency's tax increment revenue increased from the previous year. The Redevelopment Agency received \$107,759 in tax increment revenue for 2012-Q1. (\*Note: Tax increment for quarter one and quarter three are always lower because taxes are collected on February 1st (second quarter) and November 1st (fourth quarter) of each year by the Los Angeles County Office of the Assessor. Any late payments submitted to the Los Angeles County Assessor's Office are recorded in quarter one or in quarter three.)

### Redevelopment Tax Increment



#### 2011-Q2 to 2012-Q1

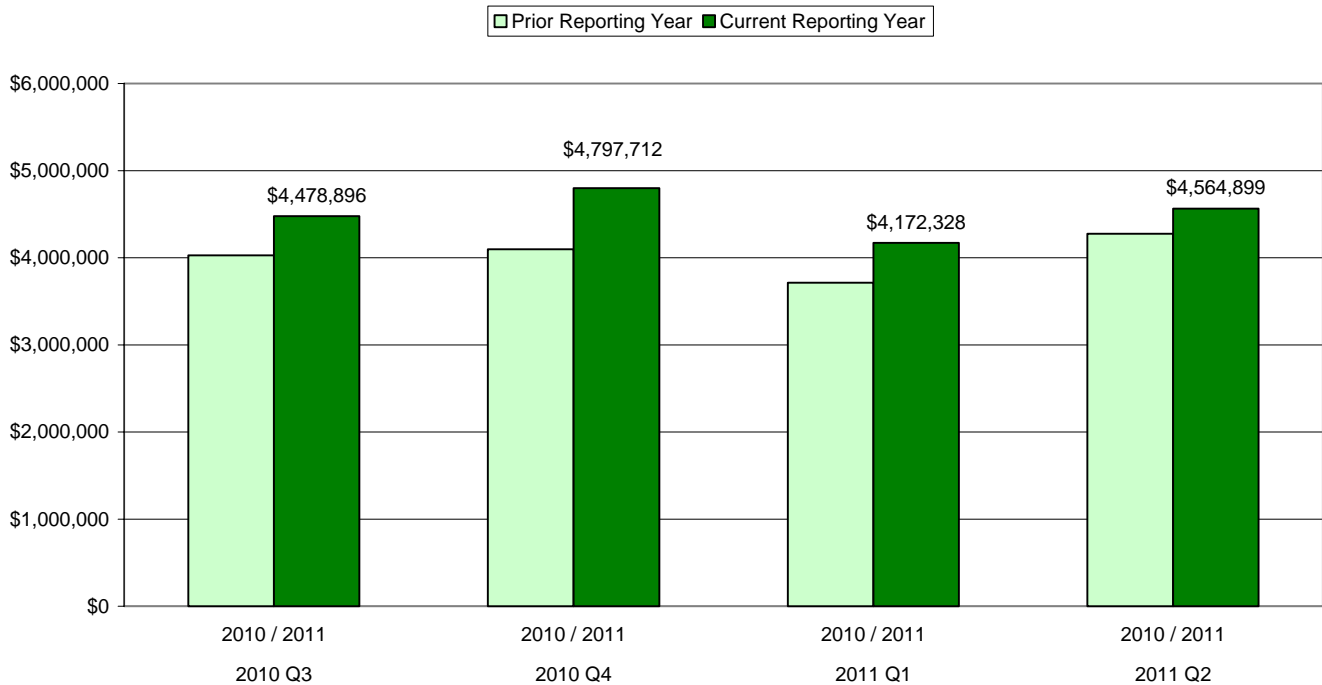
2011-Q2	2011-Q3	2011-Q4	2012-Q1
\$12,478,201	\$6,405,446	\$11,237,224	\$107,759

# Major Revenues

## Sales Tax

For 2011-Q2, businesses in the City generated \$4,564,899 in sales tax revenue, which is a 7% increase (\$287,282) over the same quarter in 2010. In a quarter by quarter comparison, sales tax revenue increased in 2011 over the same quarter in 2010. This continued increase in sales tax revenue may indicate that the economy is beginning to show signs of recovery.

**Sales Tax Revenue**



Beginning in 2006, the City's sales tax revenues over the past six calendar years have declined, with the exception of calendar year 2010. From 2005 through 2009, sales tax revenue decreased from \$24,818,712 to \$16,695,608, equaling a 33% decrease. However, in 2010, sales tax revenue increased by \$507,889 equaling a 9% increase from 2009. This is the first increase in sales tax revenue since 2005 and may indicate that the local economy is recovering from the Great Recession.

**Sales Tax Revenue from the Past Six Calendar Years**

<b>2004</b>	<b>2005</b>	<b>2006</b>
\$24,139,942	\$24,818,712 ↑	\$23,948,949 ↓
<b>2007</b>	<b>2008</b>	<b>2009</b>
\$23,115,557 ↓	\$20,431,957 ↓	\$16,695,608 ↓
<b>2010</b>		
17,266,497 ↑		

**TREND ANALYSIS: ↑ Increase**

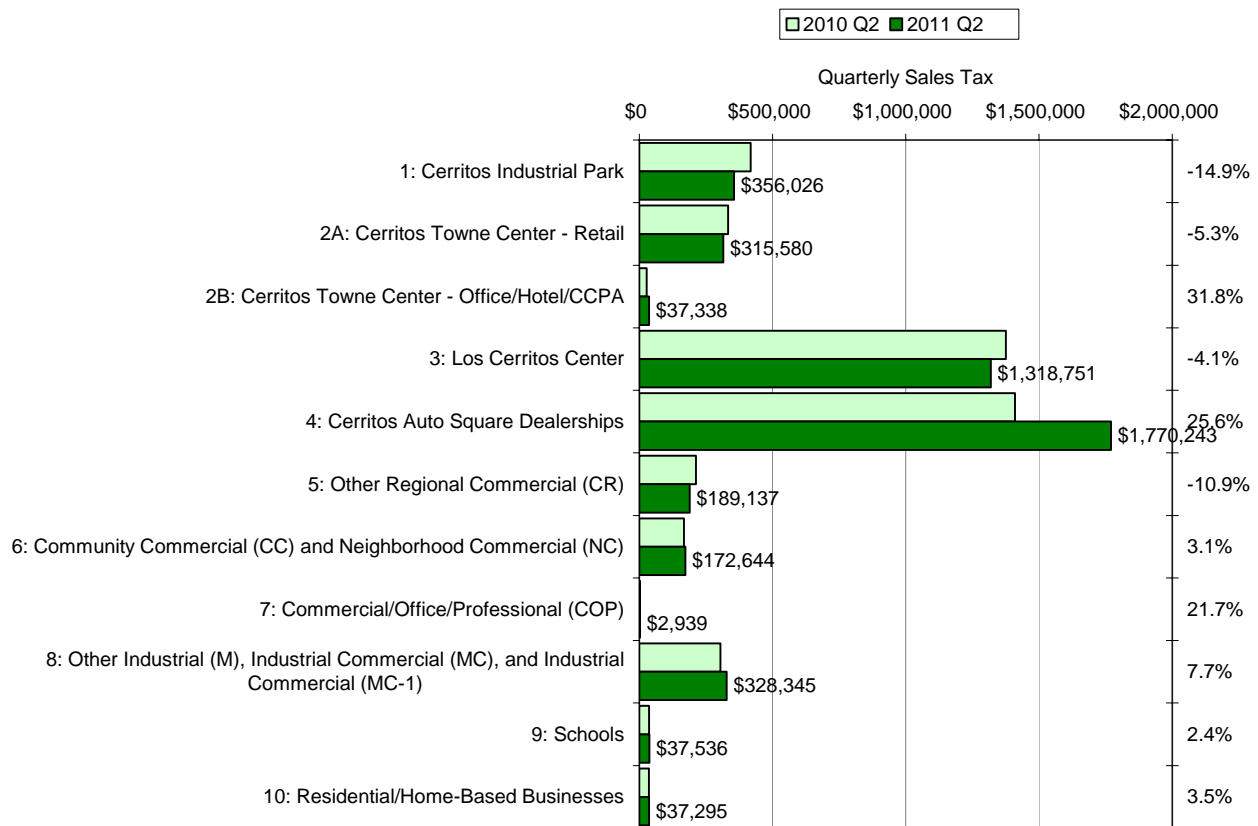


# Major Revenues

## Sales Tax

The City of Cerritos is home to four major areas of business activity: Cerritos Industrial Park, Cerritos Towne Center, Los Cerritos Center and Cerritos Auto Square. Businesses are also found in other commercial and industrial zones throughout the City. For 2011-Q2, the Cerritos Auto Square generated the most sales tax at approximately \$1,770,243, which is a 25.6% increase from the same quarter last year. The Los Cerritos Center generated the second highest sales tax at approximately \$1,318,751, which is a 4.1% decrease over FY 2010-Q2. The Cerritos Industrial Park generated \$356,026. The Cerritos Towne Center, which includes a retail and office component, generated the fourth highest sales tax revenue at \$352,918. During this quarter, the Cerritos Auto Square (64.4%) was the only business sector that experienced a significant increase in sales tax revenue from the previous year.

### Geographic Sectors

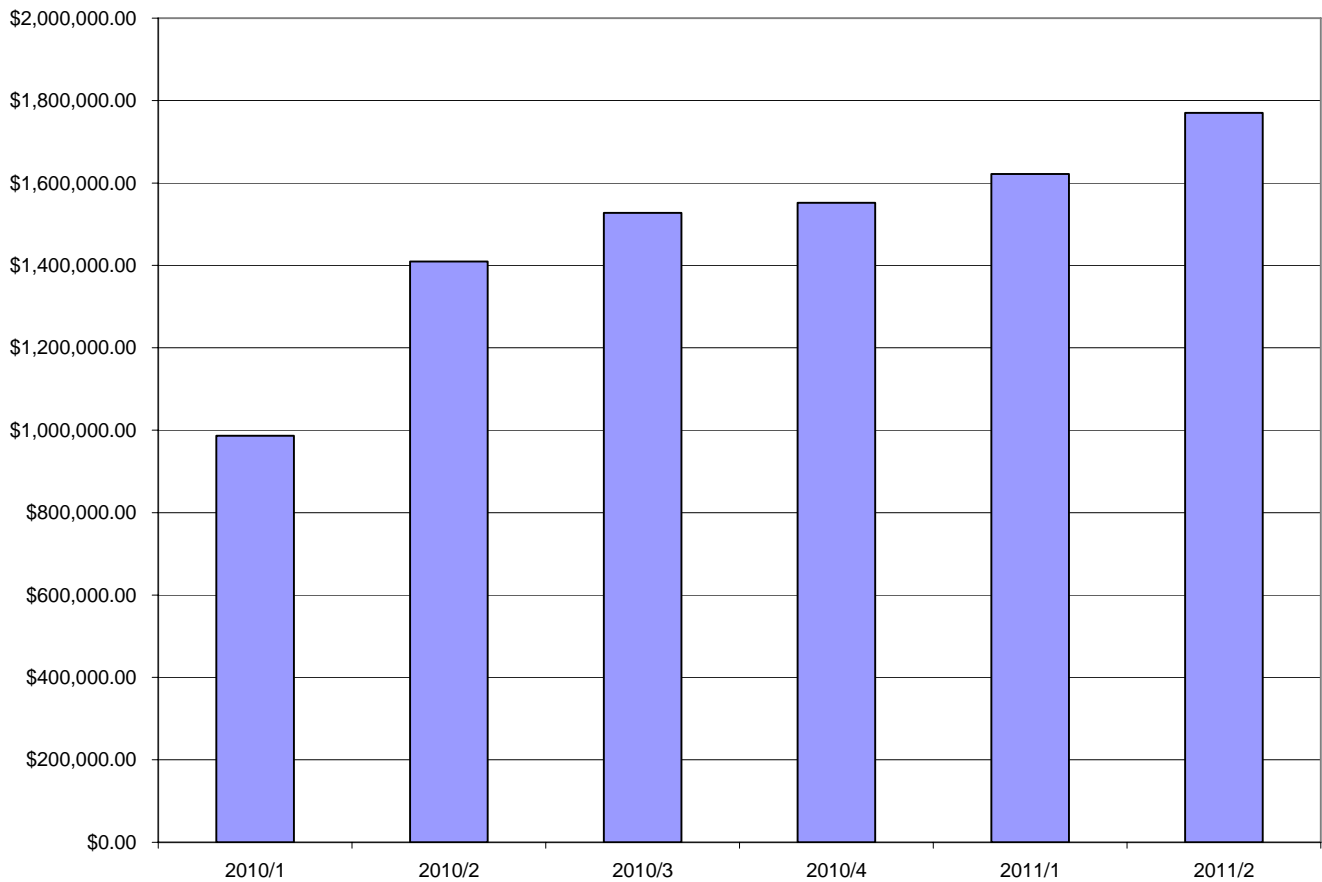


# Major Revenues

## Sales Tax

The Cerritos Auto Square generated the greatest amount of sales tax in 2011-Q2 and experienced an increase from the previous quarter. In addition, sales tax revenue has steadily increased since 2010-Q1. The trend analysis indicates an increase in auto sales and a recovering local economy. The addition of two dealerships that opened in 2010 and an increase in consumer confidence may have contributed to the increased auto sales.

**Cerritos Auto Square**



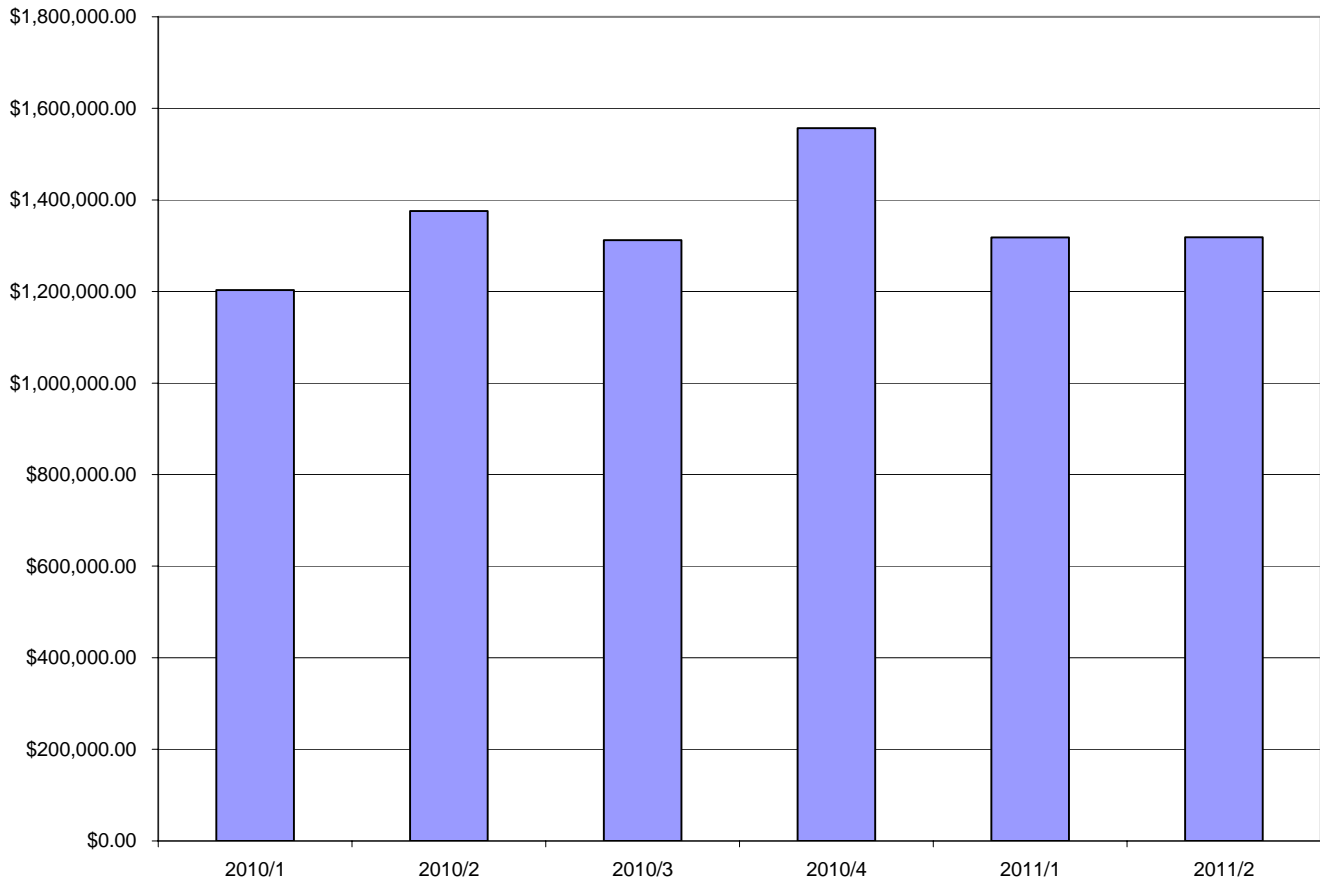
**TREND ANALYSIS: ↑ Increase**

# Major Revenues

## Sales Tax

The Los Cerritos Center generated the second greatest amount of sales tax revenue for the City's General Fund at \$1.3 million dollars in 2011-Q2. Based on the trend analysis, sales tax revenue remained constant from the previous quarter. Since 2010 Q-1, sales tax revenue at the Los Cerritos Center has remained relatively constant at approximately \$1.3 million dollars per quarter.

**Los Cerritos Center**



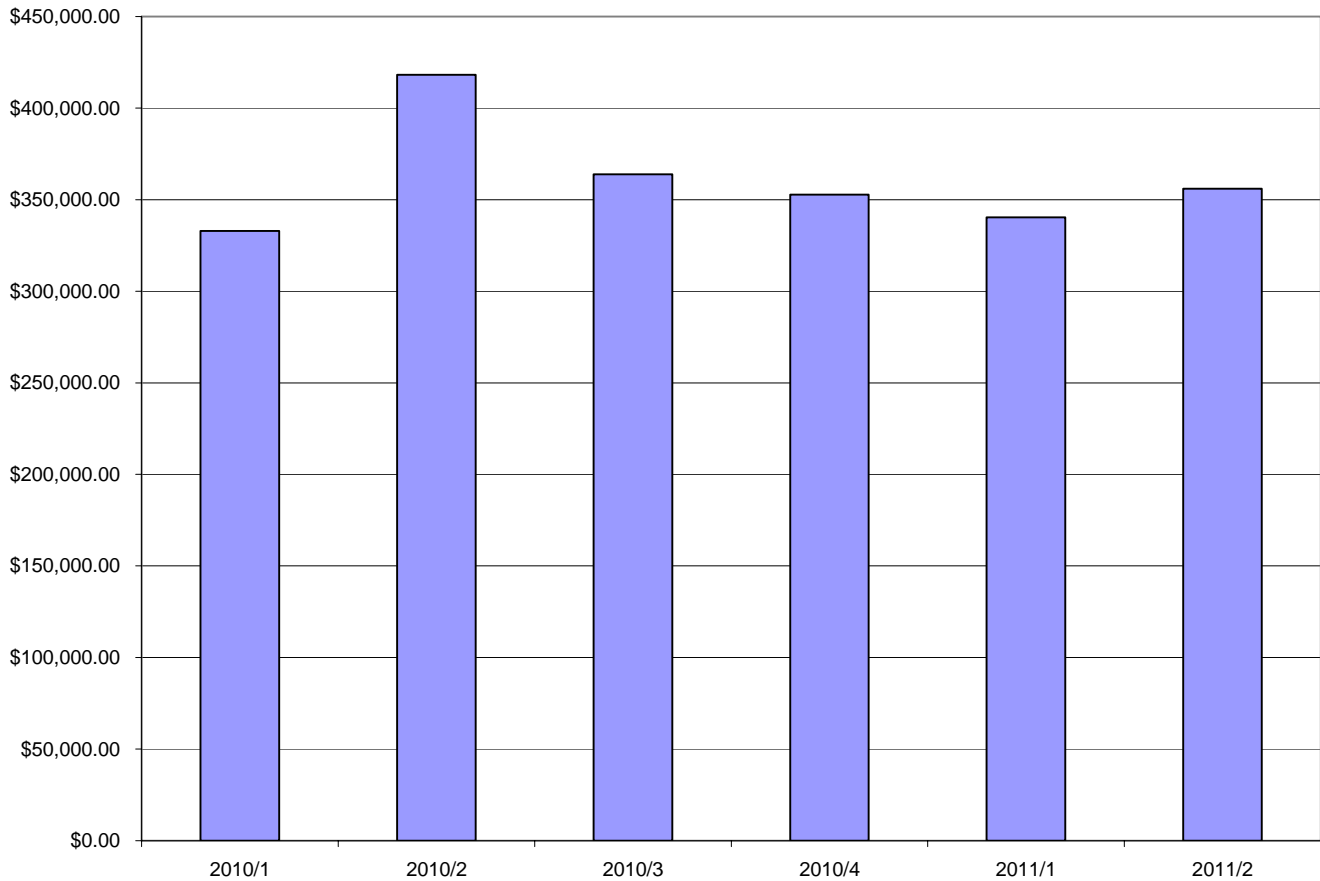
**TREND ANALYSIS: → Constant**

# Major Revenues

## Sales Tax

The Cerritos Industrial Park is the third highest sales tax generator in Cerritos. The Cerritos Industrial Park generated \$356,026 in 2011-Q2, which is a 14.9% decrease from 2010-Q2. Based on the trend analysis, sales tax revenue continues to decreased from 2010-Q2 to 2010-Q3; however, sales tax revenues have remained consistent from 2010-Q3 to 2011-Q2.

**Cerritos Industrial Park**



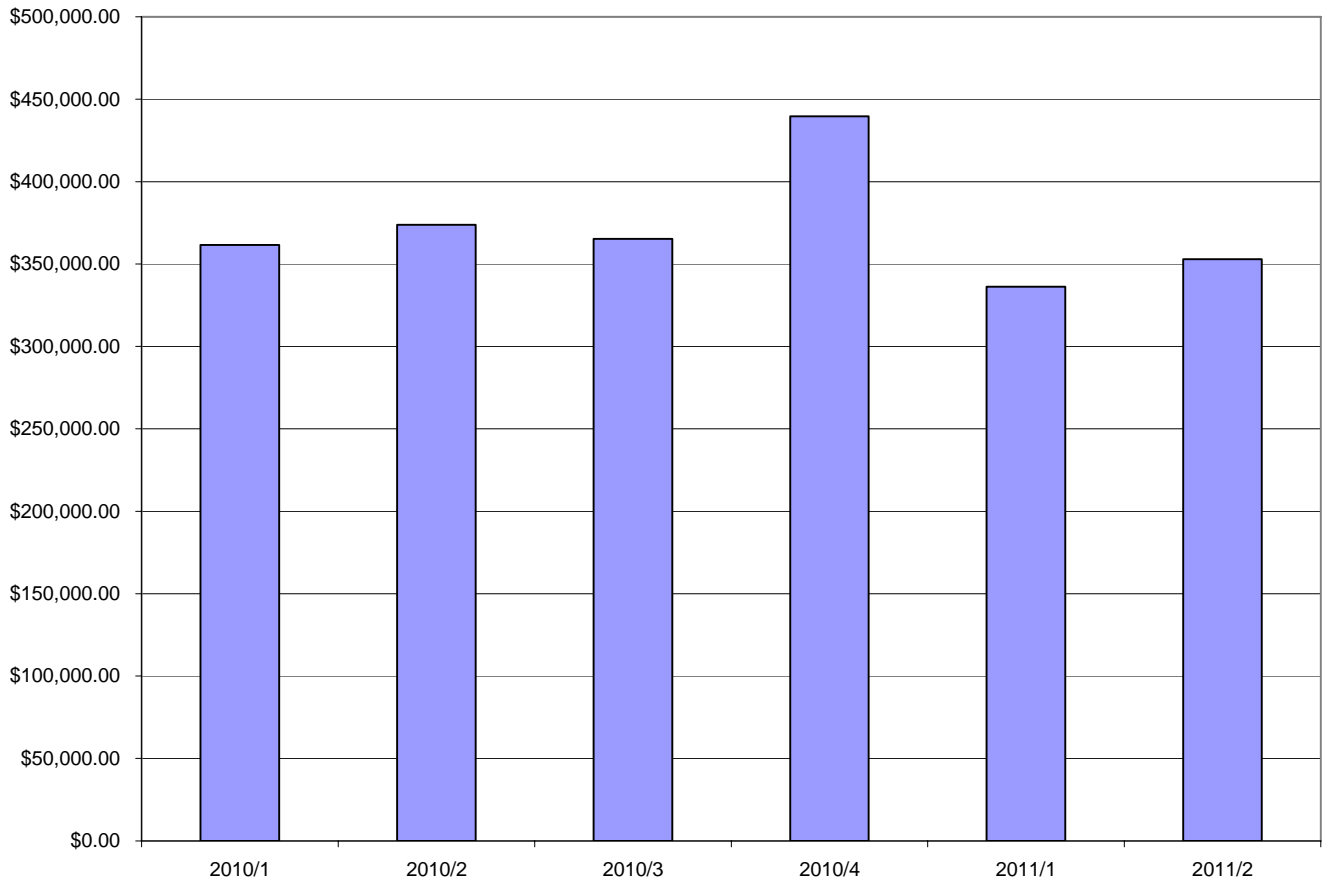
**TREND ANALYSIS: → Constant**

# Major Revenues

## Sales Tax

Sales tax revenue at the Cerritos Towne Center was \$352,918 for 2011-Q2, which is a decrease from 2010-Q2. However, based on a trend analysis, sales tax data increased from 2011-Q1. In addition, sales tax revenues have remained constant from 2010-Q1 to 2011-Q2 (with the exception of 2010-Q4).

**Cerritos Towne Center**



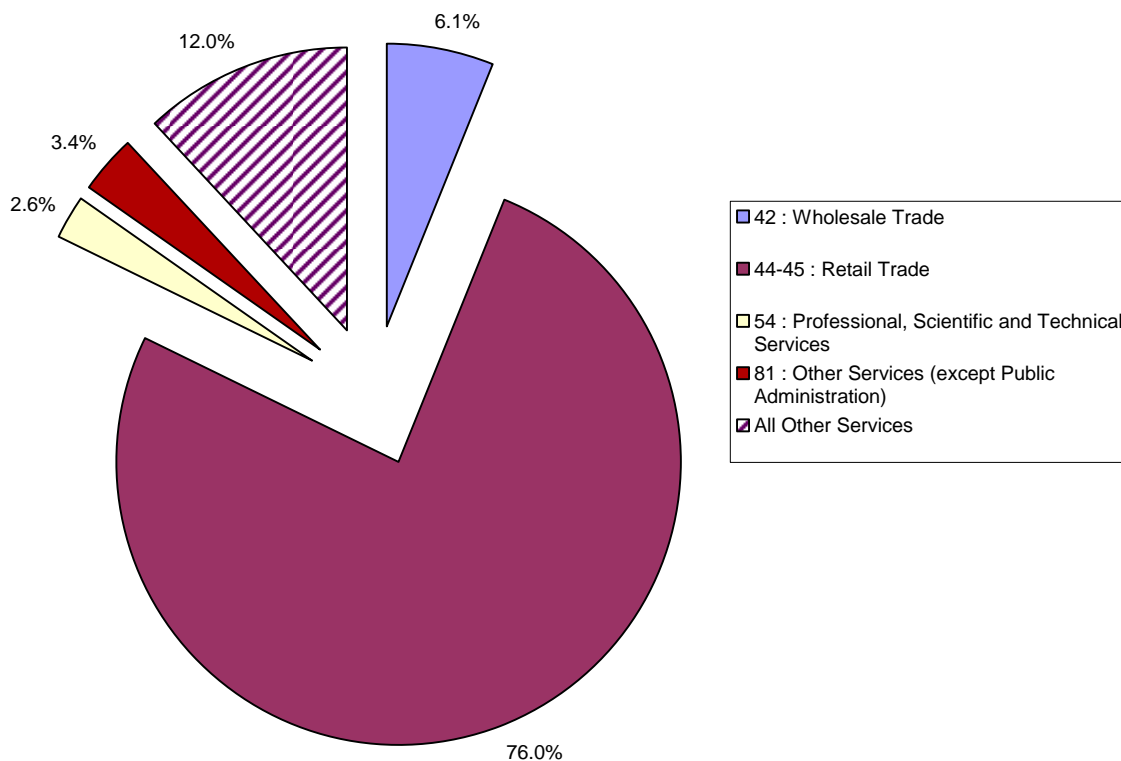
**TREND ANALYSIS: → Constant**

# Major Revenues

## Sales Tax – Top Five Generators

Cerritos has identified the top five (5) sales tax generating business sectors or industries based on the NAICS\* classification. The City's top sales tax generator in 2011-Q2 is the Retail Trade industry, which generates 76% of Cerritos' total sales tax. Retail Trade includes major businesses in the Cerritos Auto Square, the Los Cerritos Center and the Towne Center. The second highest sales tax generator is All Other Industries (12%) followed by Wholesale Trade (6.1%). Other Services (except Public Administration) is fourth (3.4%) and Professional and Technical Services is fifth (2.6%).

**Top Five Sales Tax Generating Industries – 2011-Q2**



**Top Five Sales Tax Generating Industries**

2011 Quarter	Retail Trade	All Other Industries	Wholesale Trade	Other Services (except Public Administration)	Professional, Scientific and Technical Services
2011-Q1	\$3,309,995	\$349,922	\$258,643	\$141,819	\$109,339
2011-Q2	\$3,470,171	\$546,097	\$277,822	\$153,128	\$117,679
<b>Total</b>	<b>\$6,780,166</b>	<b>\$896,019</b>	<b>\$536,465</b>	<b>\$294,947</b>	<b>\$227,018</b>

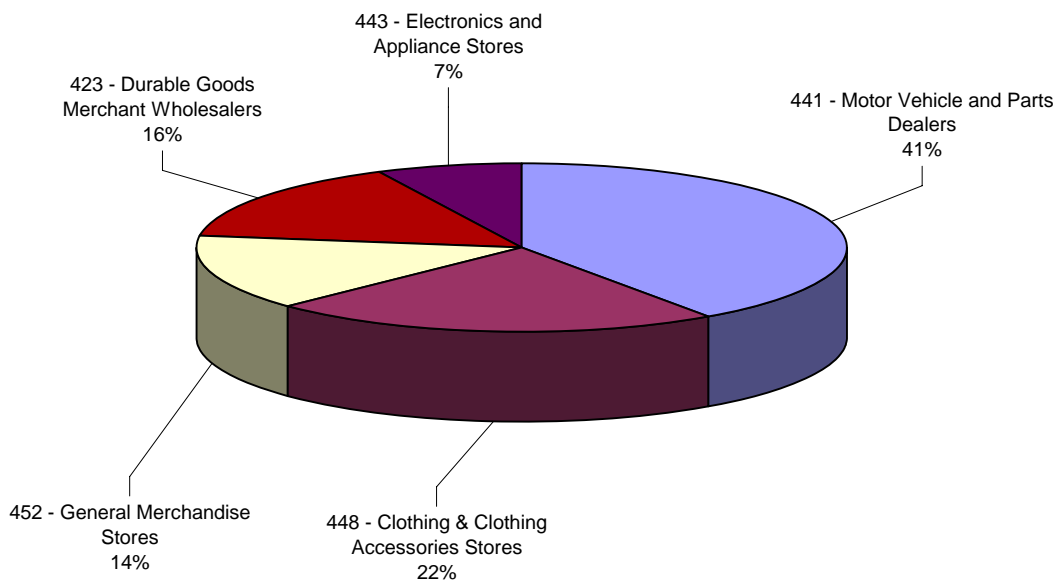
\*North American Industry Classification System

# Major Revenues

## Sales Tax – Top Five Generators

As mentioned in the previous page of this report, Retail Trade generates 76% of the City's sales tax. Cerritos has identified the top five (5) sales tax retail subsectors or industries within the Retail Trade sector based on the NAICS\* classification. Retail Trade may include a wide variety of industries, such as auto sales, clothing, and general merchandise sales. In Cerritos, Motor Vehicles and Parts Dealers make up 41% of retail sales and is the top sales tax generator. Clothing and Clothing Accessories Stores make up 22%, Durable Goods Merchant Wholesalers make up 16%, while General Merchandise Stores makes up 14% of retail sales. Finally, Electronics and Appliance Stores make up 7% of retail sales.

**Top Retail Trade Industries by NAICS Code - 2011-Q2**



441 Motor Vehicles and Parts Dealers	448 Clothing & Clothing Accessories Stores	423 Durable Goods Merchant Wholesalers	452 General Merchandise Stores	443 Electronics and Appliance Stores
\$663,805	\$370,271	\$256,345	\$237,997	\$121,141

\*North American Industry Classification System

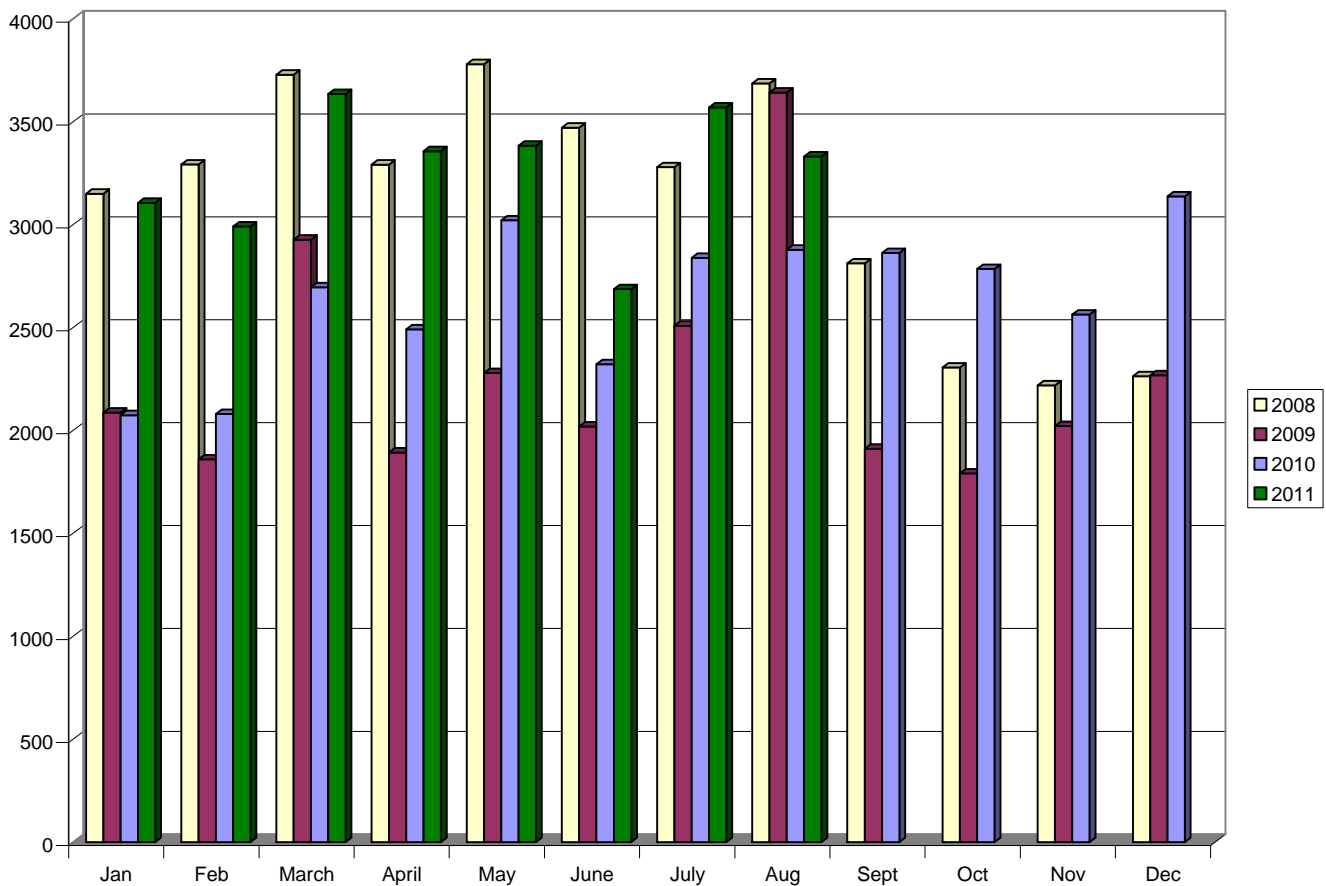
# Major Revenues

## Auto Sales

Cerritos is well known for the Cerritos Auto Square—the world's first and most successful auto mall. With 23 dealerships, the Cerritos Auto Square is located on Studebaker Road off the 605 Freeway at South Street. Developed in the early 1980's in partnership with the City of Cerritos and the Cerritos Redevelopment Agency, the Cerritos Auto Square generates approximately half of the City's sales tax revenue.

For 2011-Q3, sales increased in June 2011, July 2011 and August 2011 from the previous year. In fact, in June 2011 and July 2011, sales were higher than in 2009 and 2010. In June 2011, a total of 2,687 cars were sold, which is a 16% increase over June 2010. In addition, a total of 3,569 cars were sold in July 2011 (26% increase) and 3,331 cars were sold in August 2011 (16% increase).

**Number of Vehicles Sold in Cerritos Auto Square, Three Year Period**



**Cars Sold in 2011**

June	July	August
2,687	3,569	3,331

**TREND ANALYSIS: ↑ Increase**



# Major Revenues

## Auto Sales

The Cerritos Auto Dealers Association has been compiling data since 1993 in order to conduct annual sales comparisons. From 1993 to 2010, a total of 821,001 cars have been sold, equating to an annual average of 45,611 cars. Sales have fluctuated over the years from a low of 27,208 cars sold in 2009 to a high of 54,191 cars sold in 2003.

The Cerritos Auto Square experienced a significant increase in auto sales in 2010. In fact, there was a 17% increase in auto sales from 2009 to 2010 (a total of 4,539 more cars were sold). This is the first time since 2003 that annual sales exceeded sales totals of the previous year. Weekly averages have also increased for 2011-Q3 from 2010-Q3 and 2009-Q3.

1993	1994	1995	1996	1997
37,431	43,920	42,556	42,879	45,026

1998	1999	2000	2001	2002
47,341	51,825	52,925	54,164	53,288

2003	2004	2005	2006	2007
54,191	52,857	52,290	48,836	45,240

2008	2009	2010	2011*	
37,277	27,208	31,747	26,060	

\*Most recent data. Represents a portion of year and is not reflective of a 12 month period (year to date).

### Weekly Averages

Weekly Average 2011-Q3: June 2011 (672 cars sold), July 2011 (892 cars sold) and August 2011 (833 cars sold)

Weekly Average 2010-Q3: June 2010 (581 cars sold), July 2010 (710 cars sold) and August 2010 (720 cars sold)

Weekly Average 2009-Q3: June 2009 (505 cars sold), July 2009 (627 cars sold) and August 2009 (911 cars sold)

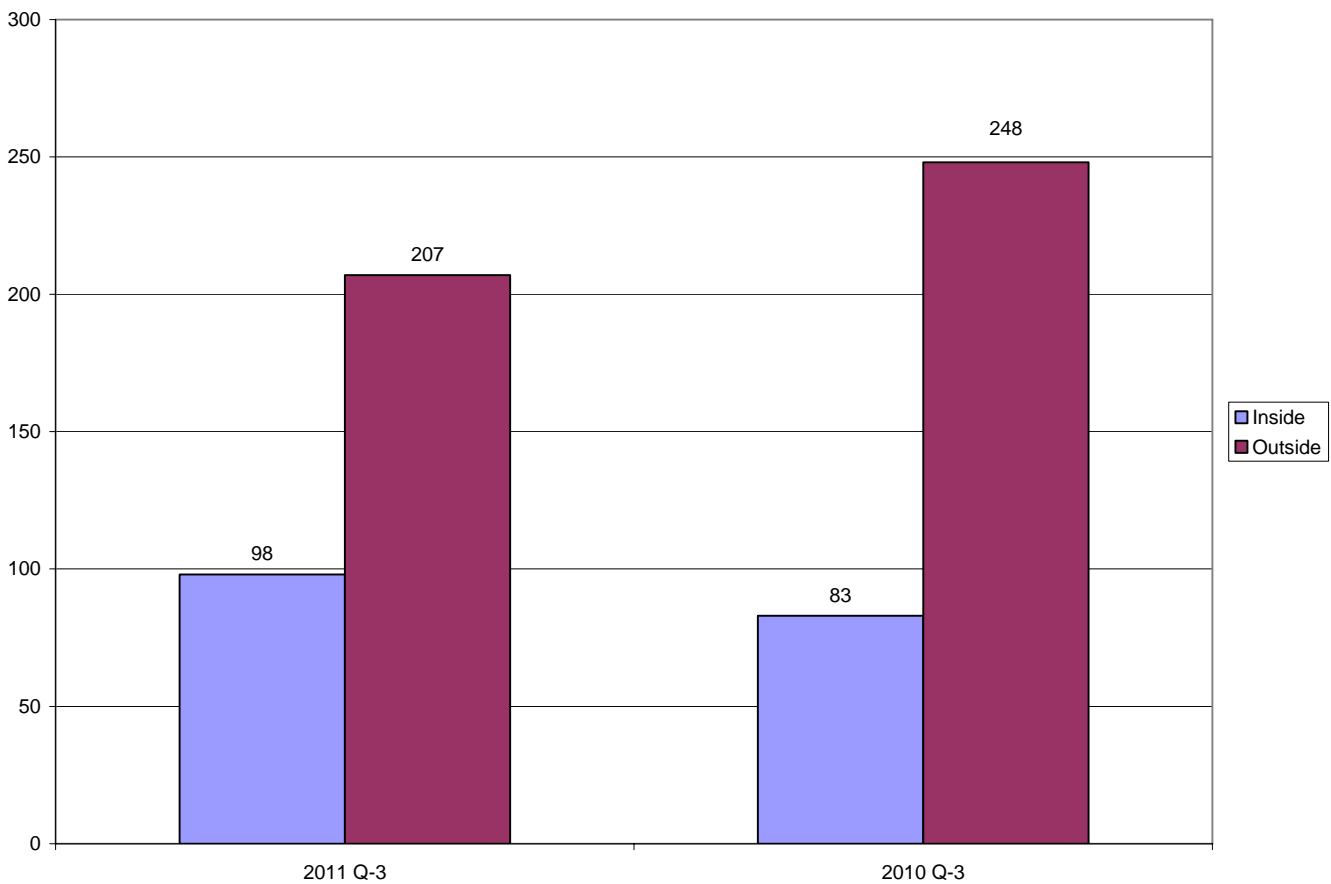
**TREND ANALYSIS: ↑ Increase**

# Major Revenues

## Business License

The tracking of new business licenses is one method of forecasting business growth in the City. For 2011-Q3, a total of 305 new business licenses were processed by the City's Finance Division. In Cerritos, there is a higher proportion of businesses that have a City business license that are located outside the City boundaries. These businesses are largely made up of contractors, which are required to have a City issued business license; however, their business offices are not located within the City's jurisdictional boundaries.

**2011-Q3 New Business Licenses - Located in Cerritos and Located Outside Cerritos**



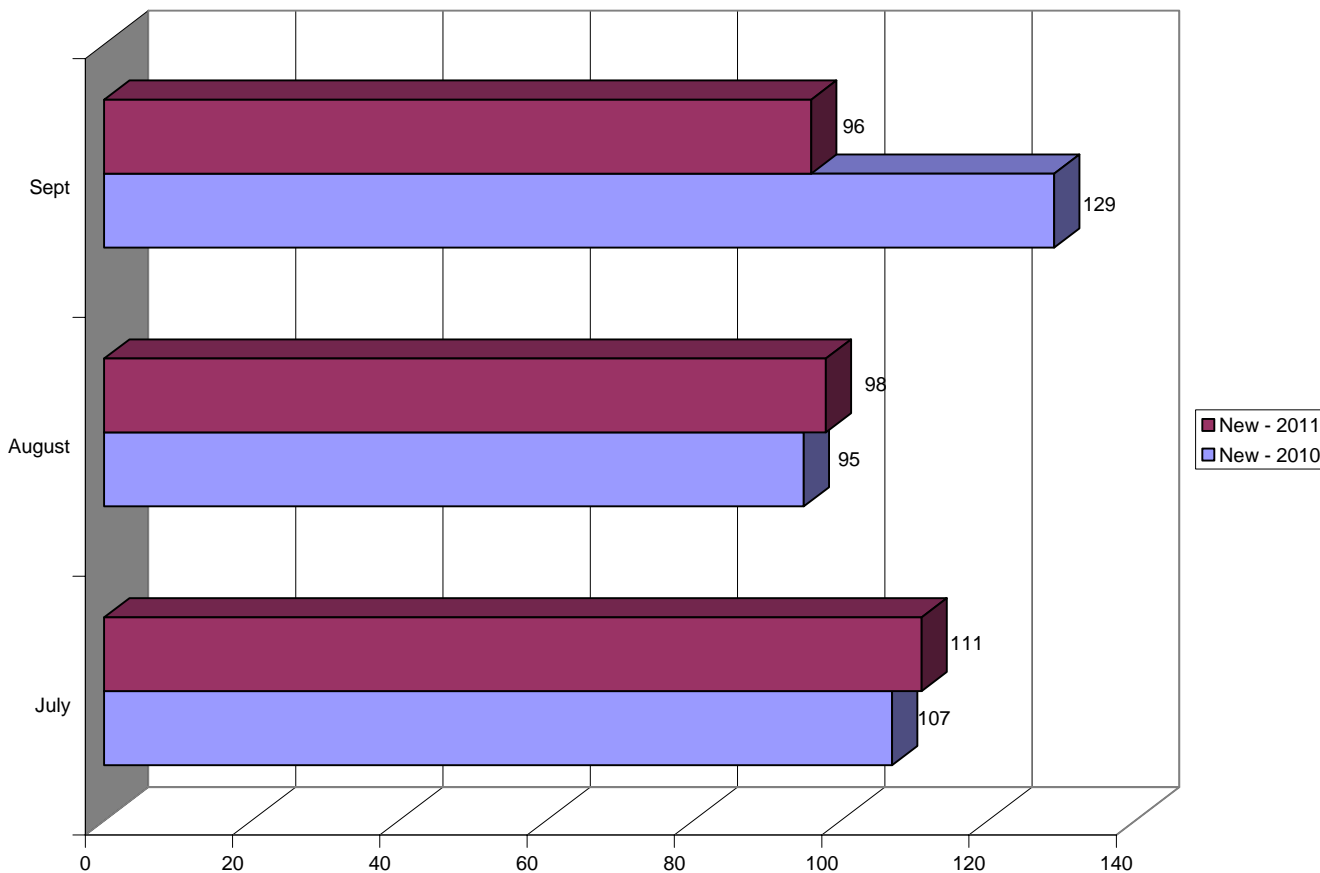
**2011-Q3 New Business Licenses - Located in Cerritos and Located Outside Cerritos**

Location	July	August	September
Inside Cerritos	29	37	32
Outside Cerritos	82	61	64
Total	111	98	96

# Major Revenues

## Business License

Based on data from the City's Finance Division, the City processed 305 new business licenses in 2011-Q3, which equated to an 8% decrease from the previous year of 331 new business licenses. However, the City experienced a 3% percent increase in July and a 4% increase in August 2011 from the previous year.



**Business License Decrease/Increase from 2010 to 2011**

Month	Change
July	3% ↑
August	4% ↑
September	26% ↓

### 2011-Q3 New Business Licenses - Top Three Industries

1. Retail Sales
2. Business Consulting Services
3. Warehousing and Storage

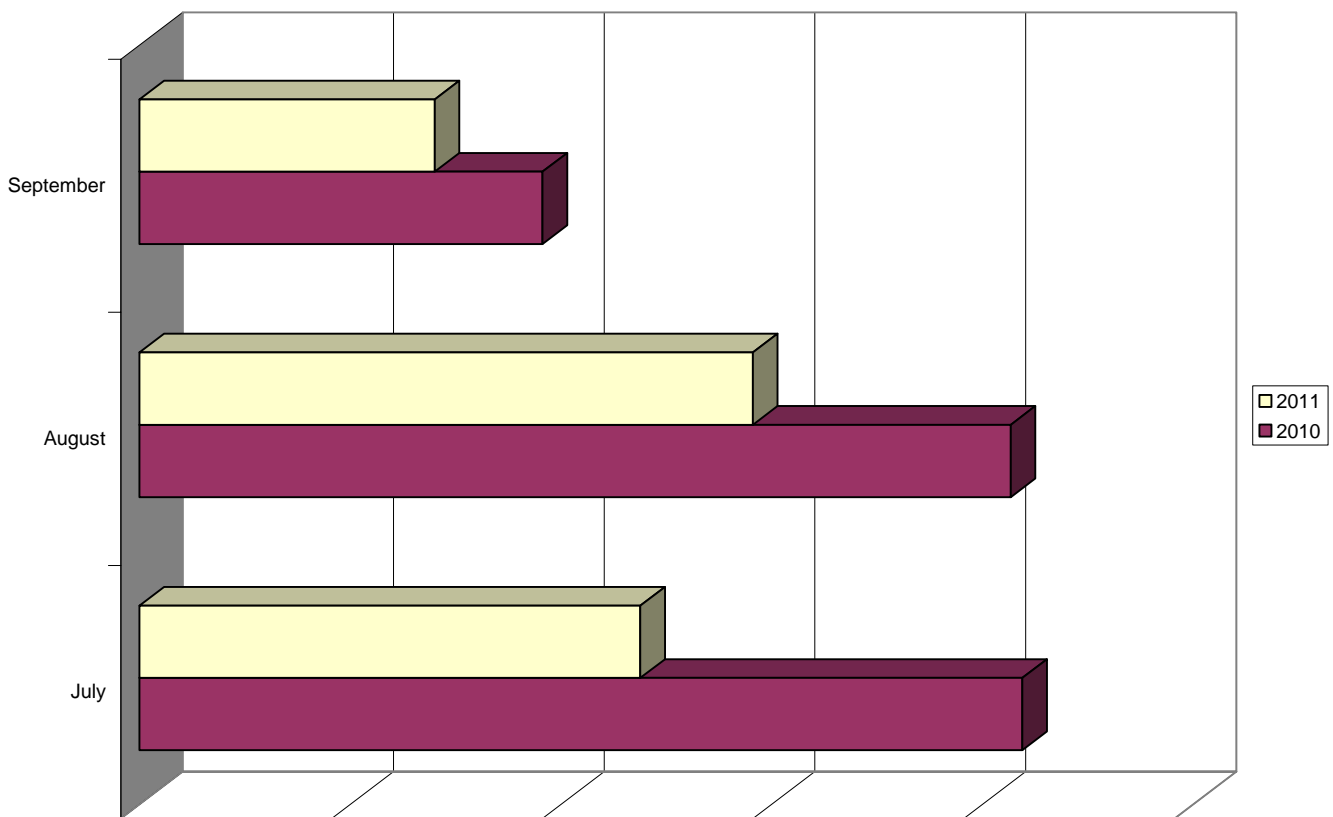
**TREND ANALYSIS: ↓ Decrease**

# Major Revenues

## Los Cerritos Center

The tracking of visitors at the Los Cerritos Center is another method of forecasting business growth and consumer confidence in retail sales. The Los Cerritos Center, which was the second largest sales tax generator in the City for 2011-Q3, experienced a 4% decrease in visitors from the previous year. In 2011-Q3, the Los Cerritos Center experienced a decrease in each month from the previous year. This decrease in number of visitors to the Los Cerritos Center may be attributed to the former Nordstrom building remaining vacant. The lack of an additional anchor tenant may translate to a decrease in visitors at the mall.

**Monthly Visitors – Los Cerritos Center**

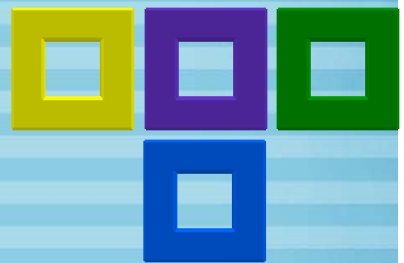


\*At the request of Macerich, the Los Cerritos Center property management company, the actual numbers of monthly visitors are not provided. The bar graphs represent the percentage gain or loss from 2010 to 2011.

**Monthly Traffic—Percentage Gain/Loss from 2010 to 2011**

July	August	September
11% ↓	7% ↓	3% ↓

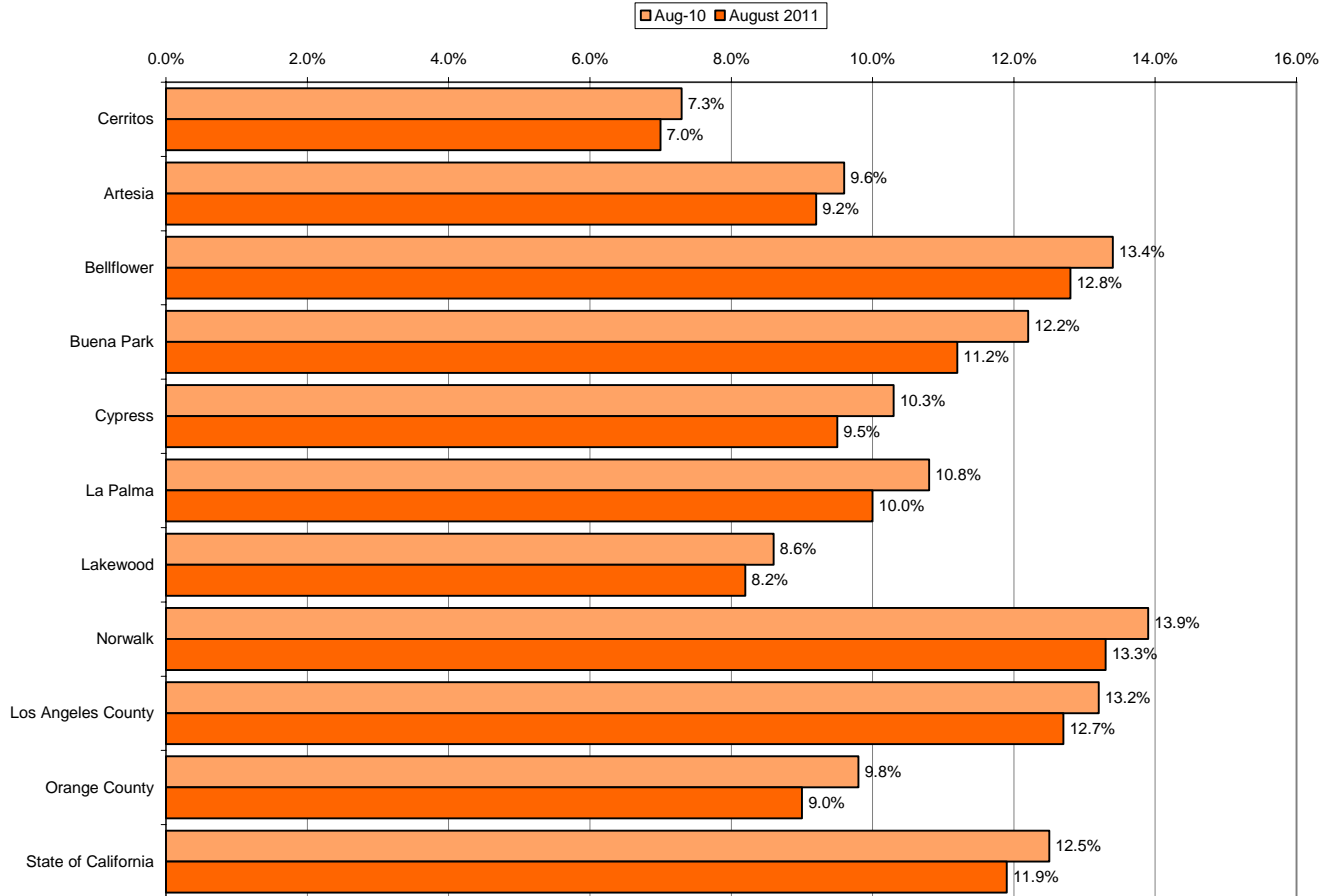
# Unemployment



# Unemployment

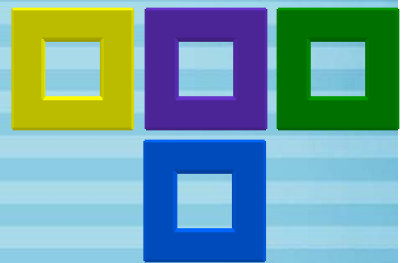
## Surrounding Cities

According to the California Employment Development Department, the unemployment rate among Cerritos residents in August 2011 was approximately 7%, which is the lowest unemployment rate among surrounding cities. Cerritos unemployment rate has remained constant for several quarters. Lakewood has the second lowest unemployment rate at 8.2%. In addition, the Cerritos unemployment rate is lower than Los Angeles County (12.7%), Orange County (9%) and the State of California (11.9%). All surrounding cities have remained constant or have experienced a slight decline in their unemployment rate.



**TREND ANALYSIS: → Constant**

# Commercial Real Estate

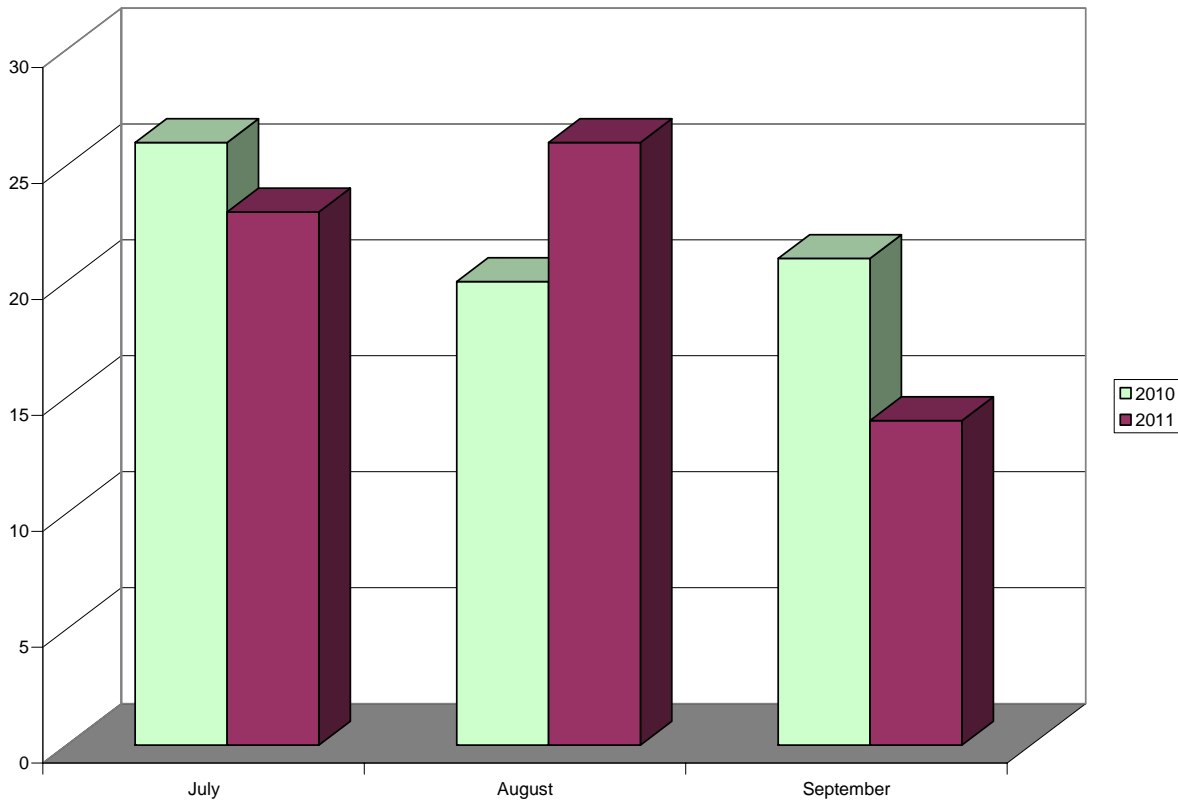


# Commercial Real Estate

## Certificate of Occupancy

The tracking of tenant improvements, new buildings, and the issuance of a Certificate of Occupancy (CO) is one method to determine the activity of commercial real estate in Cerritos. A CO is a required document issued by the City after the completion of construction and the final building department inspection for the purposes of authorizing occupancy. A high number of CO, new buildings, and tenant improvements are indications that the local economy is growing. For 2011-Q3, CO's increased in August in comparison from a year ago.

**Certificate of Occupancy for 2011-Q3**



**Certificate of Occupancy – Increases/Decreases from 2010 to 2011**

2011								
Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
17% ↓	8% ↑	32% ↑	15% ↓	10% ↑	28% ↑	15% ↓	37% ↑	33% ↓

**TREND ANALYSIS: ↓ Decrease**

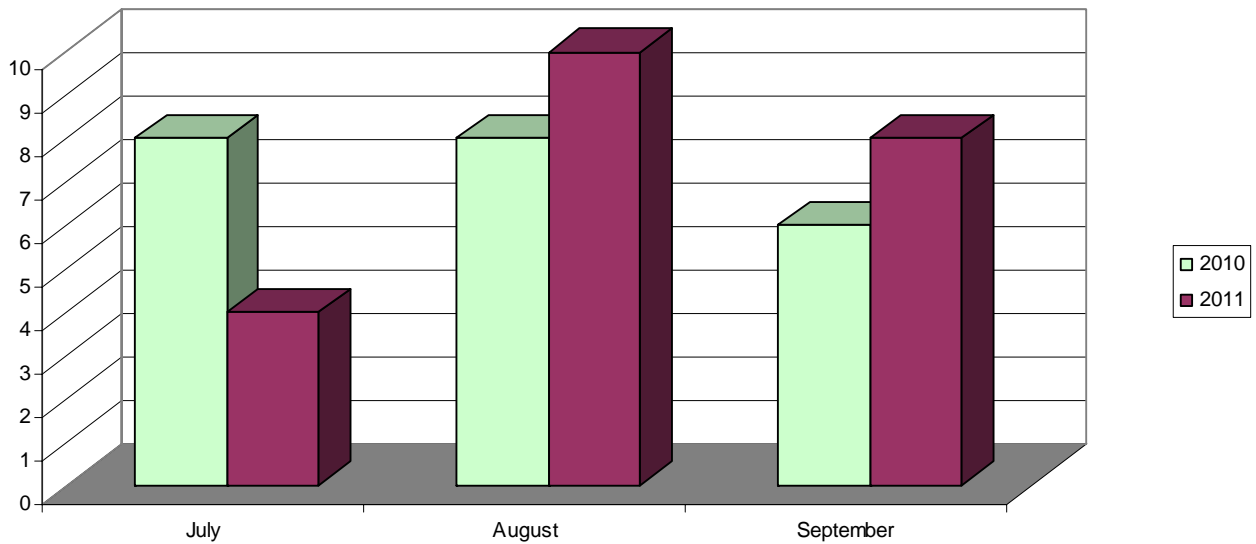


# Commercial Real Estate

## Tenant Improvement

A Tenant Improvement (TI) refers to changes made to the interior of a commercial or industrial property by its owner to accommodate the needs of a tenant such as the installation or relocation of interior walls or partitions, carpeting or other floor covering. A TI is an indicator of a new business starting in the City or an existing business expanding to meet their needs. For 2011-Q3, tenant improvements increased in August and September from the previous year, which is a positive sign for the local economy.

**Tenant Improvements for 2011-Q3**



**Tenant Improvements – Increases/Decreases from 2010 to 2011**

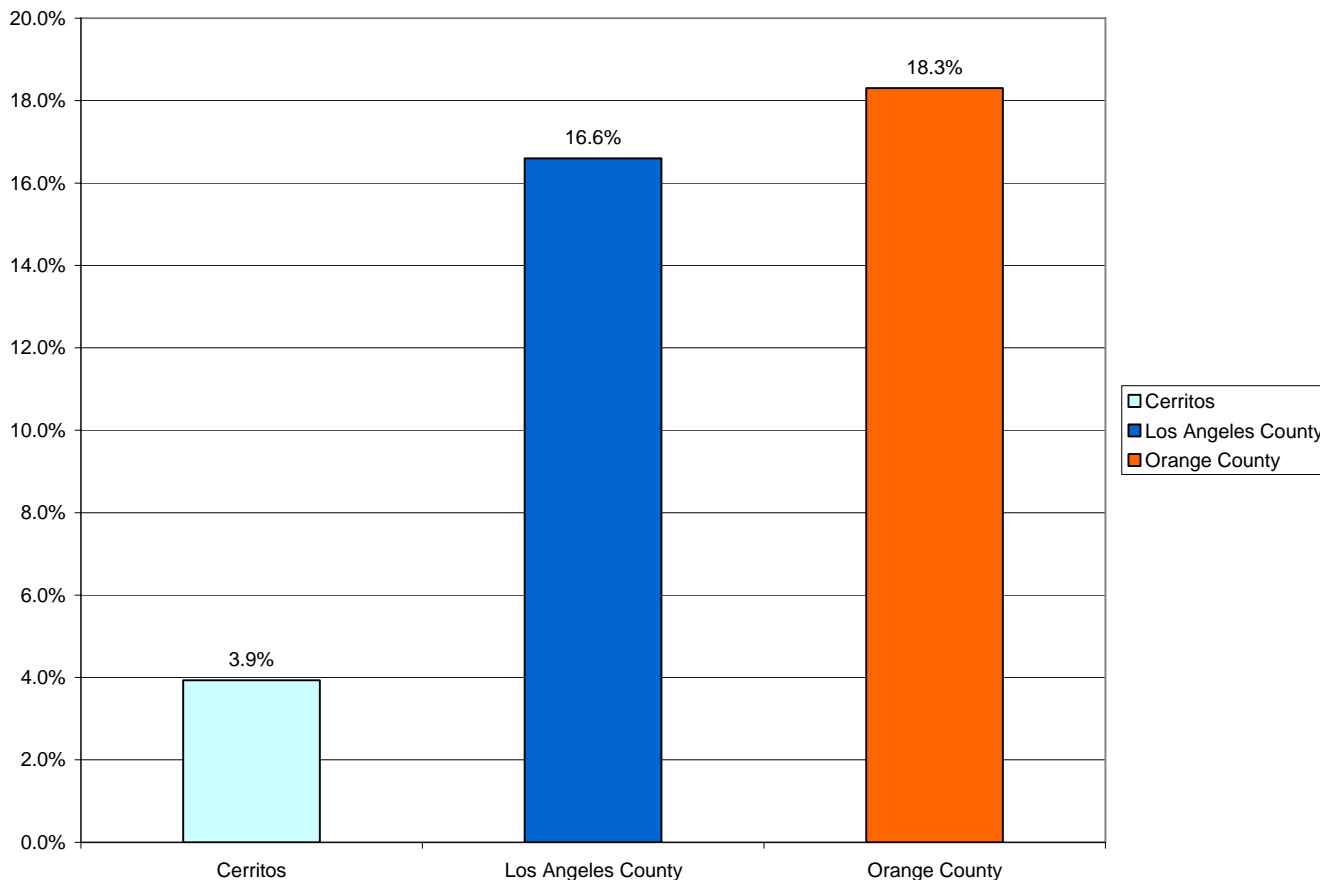
2011								
Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
25% ↓	29% ↓	46% ↓	79% ↓	67% ↑	11% ↓	50% ↓	25% ↑	33% ↑

**TREND ANALYSIS: ↑ Increase**

# Commercial Real Estate

## Regional Vacancy Rates

Cerritos' office market vacancy and rental rates are lower than those in Orange County and Los Angeles County. In 2011-Q2, the office market vacancy rate in Cerritos was 3.9%, which is lower than Los Angeles County (16.6%) and Orange County (18.3%). Cerritos office vacancy rate has remained constant at approximately 3% over several quarters.



## Cerritos Retail Vacancy Rate

Based on available data, Cerritos has a retail vacancy rate of 0.4%. This low vacancy rate indicates that retail space is in great demand in Cerritos. In addition, Cerritos' strategic location along the 91 and 605 Freeways, contributes toward a greater demand for retail space. The Cerritos Towne Center and Los Cerritos Center are located along these freeways and consumers have easy access to these centers for their retail shopping needs. The low vacancy rate of 0.4% has remained constant since 2010 Q-3.

2010 Q-3	2010 Q-4	2011 Q-1	2011 Q-2	2011 Q-3
0.4%	0.4%	0.3%	0.4%	0.4%

**TREND ANALYSIS: → Constant**

# Commercial Real Estate

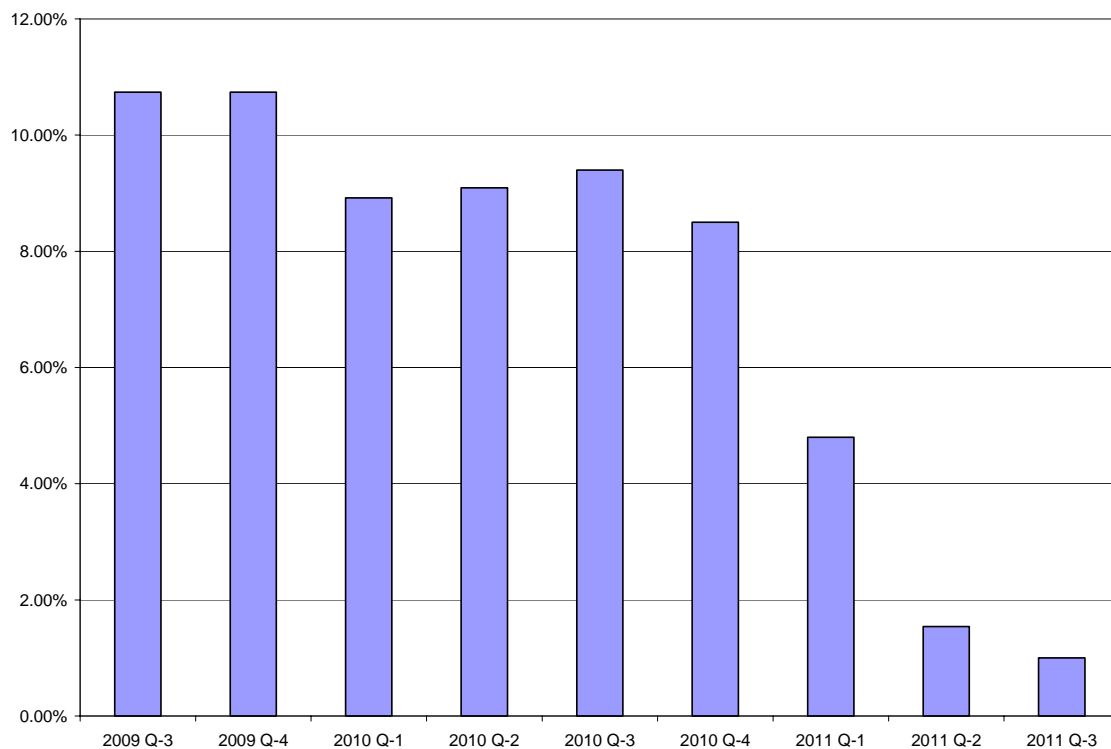
## Cerritos Vacancy Rates

The City of Cerritos currently has a low vacancy rate when compared to the overall total available space for industrial, office, and retail uses. Currently, there is approximately 147,867 square feet of vacant industrial space, which equates to 1% of the total available citywide industrial space. In addition, the City has approximately 55,905 square feet of vacant office space (4% of the total office space in Cerritos) and approximately 16,514 square feet of available retail space (0.4% of the total retail space in Cerritos).

### Total Available and Vacant Space in Cerritos

Use	Total Space (Sq. Ft.)	Total Vacant Space (Sq. Ft.)	Percent (%) of Vacancy in Cerritos
Industrial	15,185,149	147,867	1%
Office	1,422,575	55,905	4%
Retail	4,685,788	16,514	0.4%
Total	20,449,552	220,286	1%

### Commercial Real Estate—Cerritos Industrial Vacancy Rates



Based on data from 2009-Q3 to 2011-Q3, industrial vacancy rates in Cerritos have decreased by approximately 91%, which may be an indicator that new industrial businesses are locating to the City. In 2009-Q3, the industrial vacancy rate was at 10.7% and in 2011-Q3, the industrial vacancy rate was at 1%. (Note: Industrial vacant space in Cerritos includes a greater proportion of warehousing and

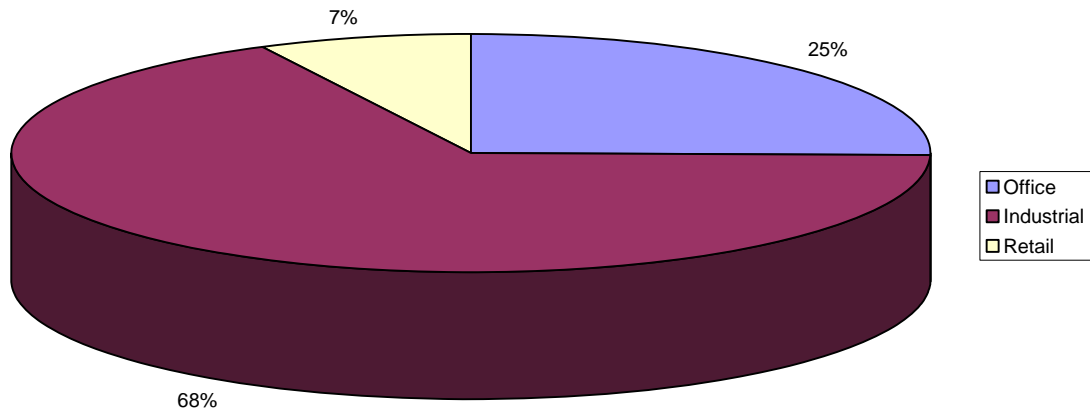
# Commercial Real Estate

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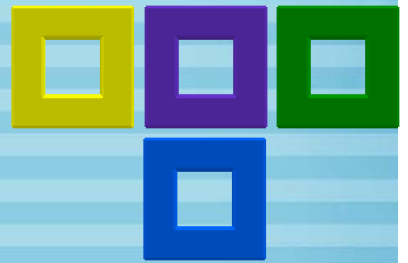
## Vacancy Breakdown by Use

distribution businesses, which require large facilities. Therefore, a single vacancy may contribute a large amount of square footage to the overall vacancy rate.)

In Cerritos, there is approximately 220,286 square feet of total vacant space (1%) for 2011 Q-3. Within the total available space, 68% (147,867 square feet) is available for industrial use, 25% (55,905 square feet) is available for office use and 7% (16,514 square feet) is available for retail use.



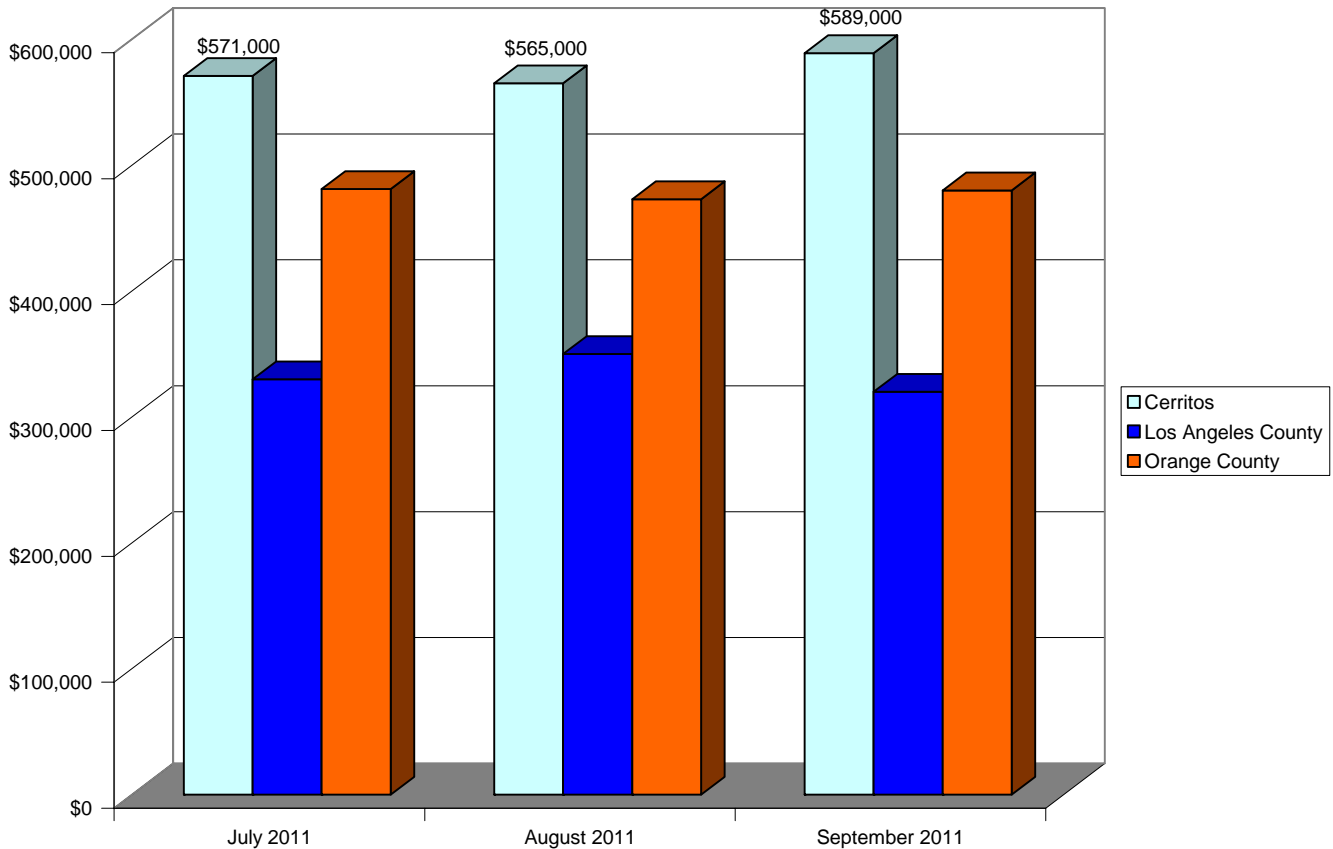
# Housing



# Housing

## Single Family Residential

In Cerritos, the average median home price for 2011-Q3 was \$575,000. Housing prices in Cerritos have remained constant for 2011-Q3. In fact, housing prices have remained constant with an average of \$544,444 for this year. In comparison, Cerritos has a higher median home price than Orange County (\$478,000) and Los Angeles County (\$333,333). Housing prices have remained fairly constant for Los Angeles County and Orange County.



### Median Home Sales Price Per Square Foot—Single Family Residential

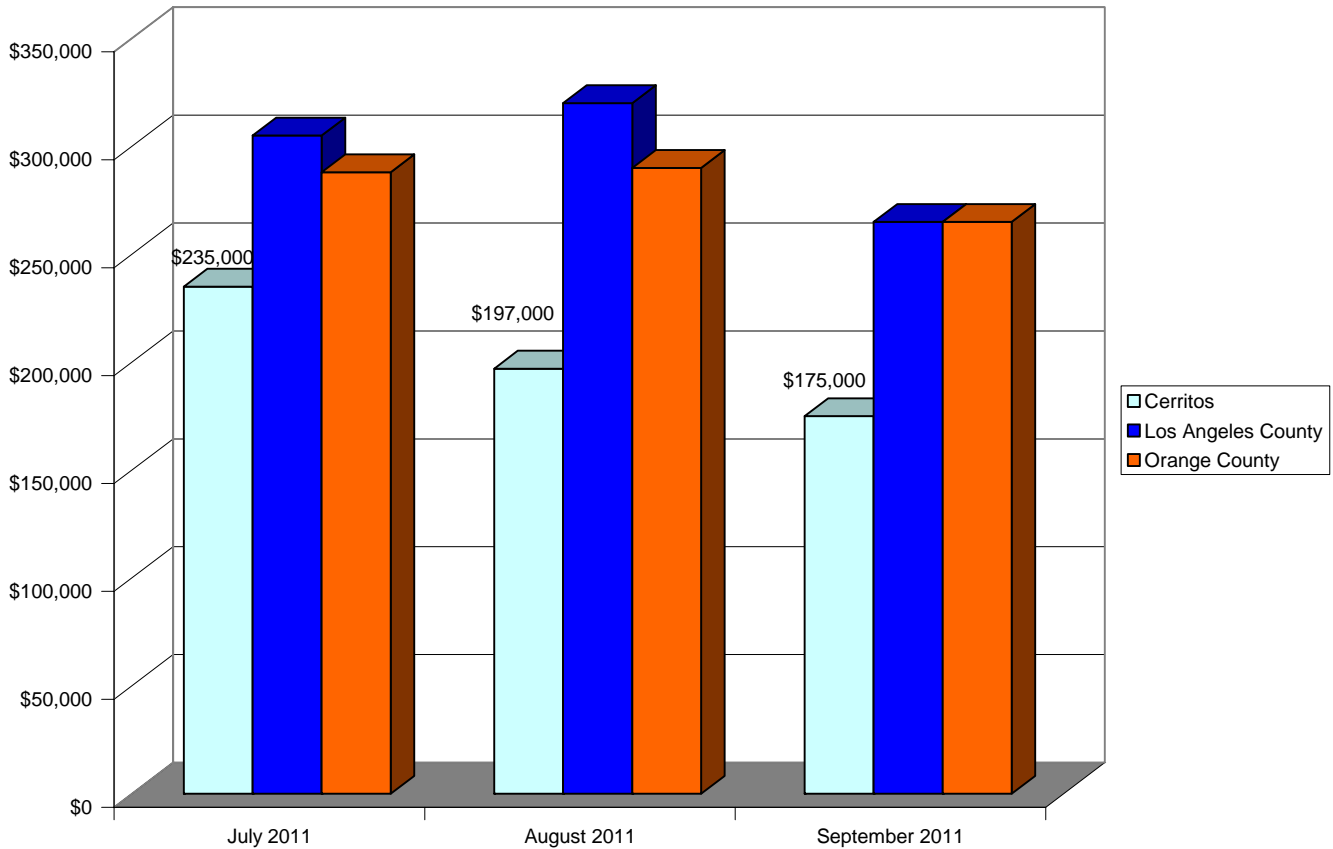
Month	Cerritos	Los Angeles County	Orange County
July 2011	\$347	\$236	\$281
August 2011	\$309	\$249	\$287
September 2011	\$257	\$225	\$267

**TREND ANALYSIS: → Constant**

# Housing

## Condominiums

Condominiums have a niche in housing between renting and owning single-family homes. The median condominium sale price in Cerritos was \$202,333, which is lower than Orange County (\$281,000) and Los Angeles County (\$296,666). Condominiums prices have decreased in Cerritos for 2011-Q3. In Cerritos, a total of 27 condominiums were sold and a total of 78 single family residential homes were sold in 2011-Q3.



### Total Number of Units Sold

Month	July 2011	August 2011	September 2011	Total
Single Family	33	30	15	78
Condo	10	8	9	27

**TREND ANALYSIS: ↓ Decrease**

# Statistical Summary

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## Economic Profile 2011 Q-3

Based on the data analysis from a wide variety of sources, Cerritos maintains a relatively healthy economic base as compared to the region, despite the current nationwide economic decline. Below is a summary of the major findings of the Cerritos *Economic Profile* for 2011 Q-3.

### Major Revenues

The City of Cerritos has two major revenue sources: redevelopment tax increment and sales tax. Both of these sources provide funding for a wide variety of service and infrastructure improvements. The Cerritos Redevelopment Agency received \$107,759 tax increment revenue for 2012-Q1. Sales tax revenue for the 2011 Q-3 (calendar year) totaled \$4,564,899 which is a 7% increase from the same quarter in 2010.

Cerritos has four major areas of business activity: Cerritos Industrial Park, Cerritos Towne Center, Los Cerritos Center and the Cerritos Auto Square. The Cerritos Auto Square generated the most sales tax at \$1,770,243. The Los Cerritos Center generated the second highest sales tax at \$1,318,751.

Based on a review of businesses by NAICS code, Retail Trade generates the greatest amount of revenue for the City of Cerritos. In fact, 76% of the City's sales tax comes from the retail sector, which includes the Cerritos Towne Center, the Los Cerritos Center and Cerritos Auto Square. Within the Retail Trade sector, the Motor Vehicles and Parts Dealers subsectors generate the greatest percentage of sales tax for the City at 41%, Clothing and Clothing Accessories Stores generated 22%, Durable Goods and Merchant Wholesalers generated 16%, General Merchandise Stores generated 14%, and Electronics and Appliance Stores generated 7%.

The Cerritos Auto Square experienced another increase in auto sales for the third quarter of 2011. In fact, June 2011 (16%), July 2011 (26%) and August 2011 (16%) experienced increased auto sales from the pervious year. In addition, weekly sales averages have increased from 2010-Q3 to 2011 Q-3. In the third quarter 2011, new business licenses decreased 8% from a year ago.

The Los Cerritos Center experienced a decrease in monthly visitors for 2011-Q3. In fact, attendance decreased in July 2011 (11%), August 2011 (7%) and September 2011 (3%). This decrease in number of visitors to the Los Cerritos Center may be attributed to the former Nordstrom building remaining vacant. The lack of an additional anchor tenant may translate to a decrease in visitors at the mall.

### Unemployment

The unemployment rate among Cerritos residents is approximately 7%, which is the lowest among its surrounding cities and one of the lowest in comparison to cities with similar size and/or demographics in the region. In addition, the Cerritos unemployment rate is lower than Los Angeles County (12.7%), Orange County (9%) and the State of California (11.9%).

### Commercial Real Estate

Cerritos office vacancy rate of 3.9% is lower than Orange County (18.3%) and Los Angeles County (16.6%). Cerritos currently has a total vacancy of 220,286 square feet, which is approximately 1% of the total available real estate space in Cerritos (20,449,552 sq. ft.). Of the total vacant space in Cerritos, 1% is industrial space (147,867 sq. ft.), 4% is office space (55,905 sq. ft.), and 0.4% is retail space (16,514 sq. ft.). Industrial vacant space in Cerritos includes a greater proportion of warehousing and distribution businesses, which require large facilities. Due to the large amount of space required for industrial warehousing, a single vacancy may have a significant impact on available industrial space.



# Statistical Summary

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## Economic Profile 2011 Q-3

### Housing

For 2011-Q3, the single family median home sale price in Cerritos was approximately \$575,000. The home sale price for a condominium is approximately \$202,333 for the same time period. Housing in Cerritos has maintained its values as compared to Los Angeles County and Orange County and housing prices have remained constant.

### Statistical Trend Analysis—Cerritos

Based on statistical trend analysis of all economic sectors in the City, some industries are showing gains, some are remaining constant and others have experienced some decline. Below is a summary of some of the economic trends in Cerritos:

#### ↑ Increase

- Sales tax
- Redevelopment Tax Increment
- Auto sales at the Cerritos Auto Square

#### → Constant

- Housing in Cerritos
- Unemployment
- Retail vacancy rate
- Office vacancy rate
- Sales tax at the Los Cerritos Center

#### ↓ Decrease

- Business licenses
- Visitors at the Los Cerritos Center
- Tenant Improvements/New Buildings
- Certificate of Occupancy
- Industrial vacancy rate

# Data Sources

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## **Major Revenues**

City of Cerritos, Finance Division  
City of Cerritos, GIS Division  
Los Cerritos Center - Macerich

## **Auto Sales**

Cerritos Auto Dealers Association

## **Employment/Unemployment**

California Employment Development Department  
<http://www.labormarketinfo.edd.ca.gov>

## **Real Estate**

Rofo  
<http://www.rofo.com/Cerritos-Commercial-Real-Estate>

Grubb & Ellis  
[www.grubb-ellis.com](http://www.grubb-ellis.com)

## **Housing**

DataQuick  
<http://www.dqnews.com/Charts/Monthly-Charts/LA-Times-Charts/ZIPLAT.aspx>