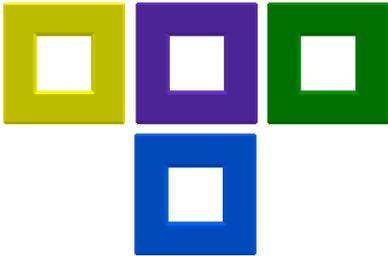


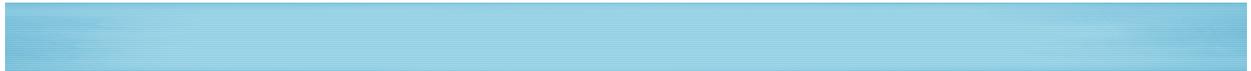


Quarterly Market Trend Analysis for Economic Development in Cerritos

City of Cerritos
Economic Profile
Winter 2014-2015



A City With Vision



ECONOMIC PROFILE



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2010 Winner
Most Business-Friendly City Award

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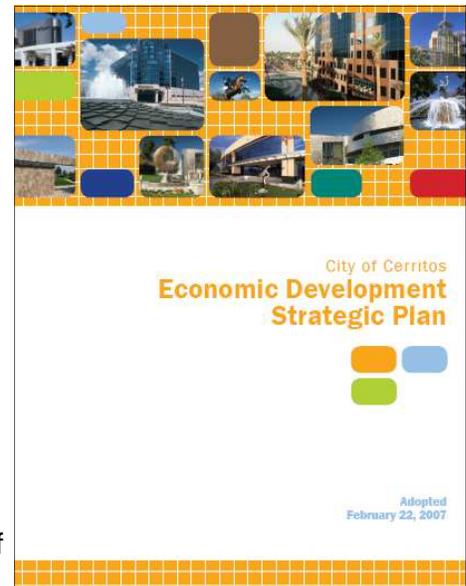
Introduction

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 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 in expanding on 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

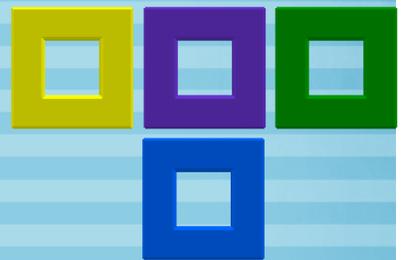
BAR-1: Identify the "best customers" among existing Cerritos businesses and initiate an outreach program.

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

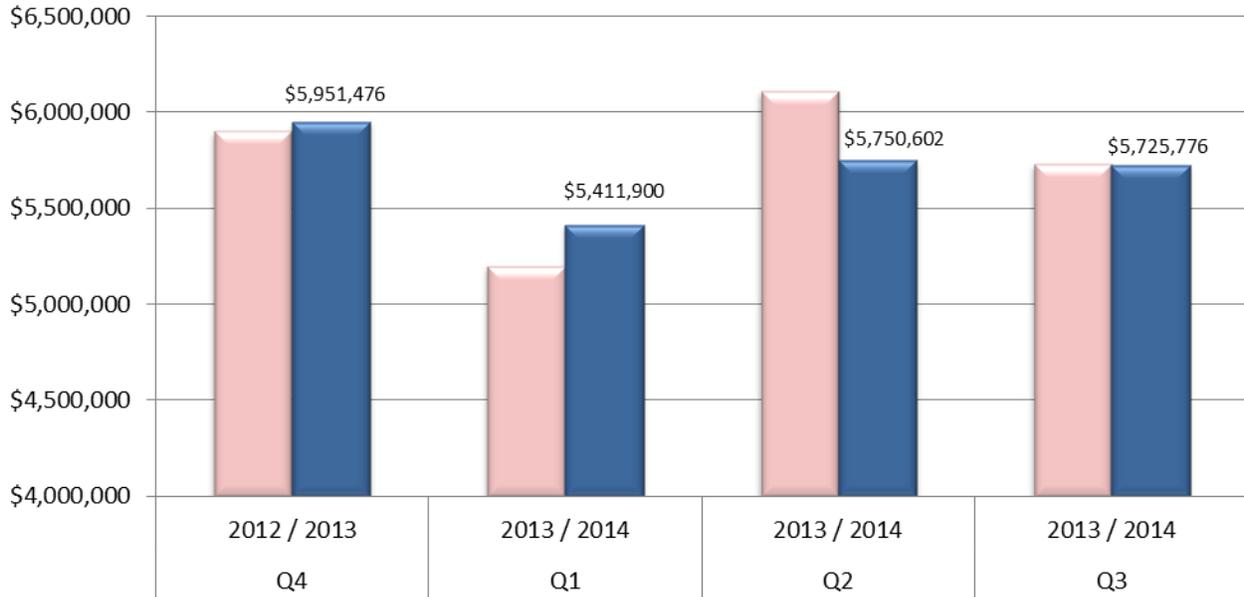


Major Revenues

Sales Tax

For 2014-Q3, businesses in the City generated \$5,725,776 in sales tax revenue, which is a 1% decrease (\$4,399) over the same quarter in 2013. Over the past four quarters, the average sales tax revenue was \$5.7 million. Please note that sales tax reporting is one quarter behind and the data presented herein is the most current data available.

Sales Tax Revenue – Calendar Year



From 2010 through 2013, annual sales tax revenue increased from \$17,266,497 to \$22,994,232, resulting in a 33% increase. However, sales tax revenue has remained constant for 2012 and 2013 at \$22 million.

Sales Tax Revenue from the Past Four Calendar Years

2010	2011	2012	2013
17,266,497 ↑	\$18,833,756 ↑	\$22,424,662 ↑	\$22,994,232 ↑

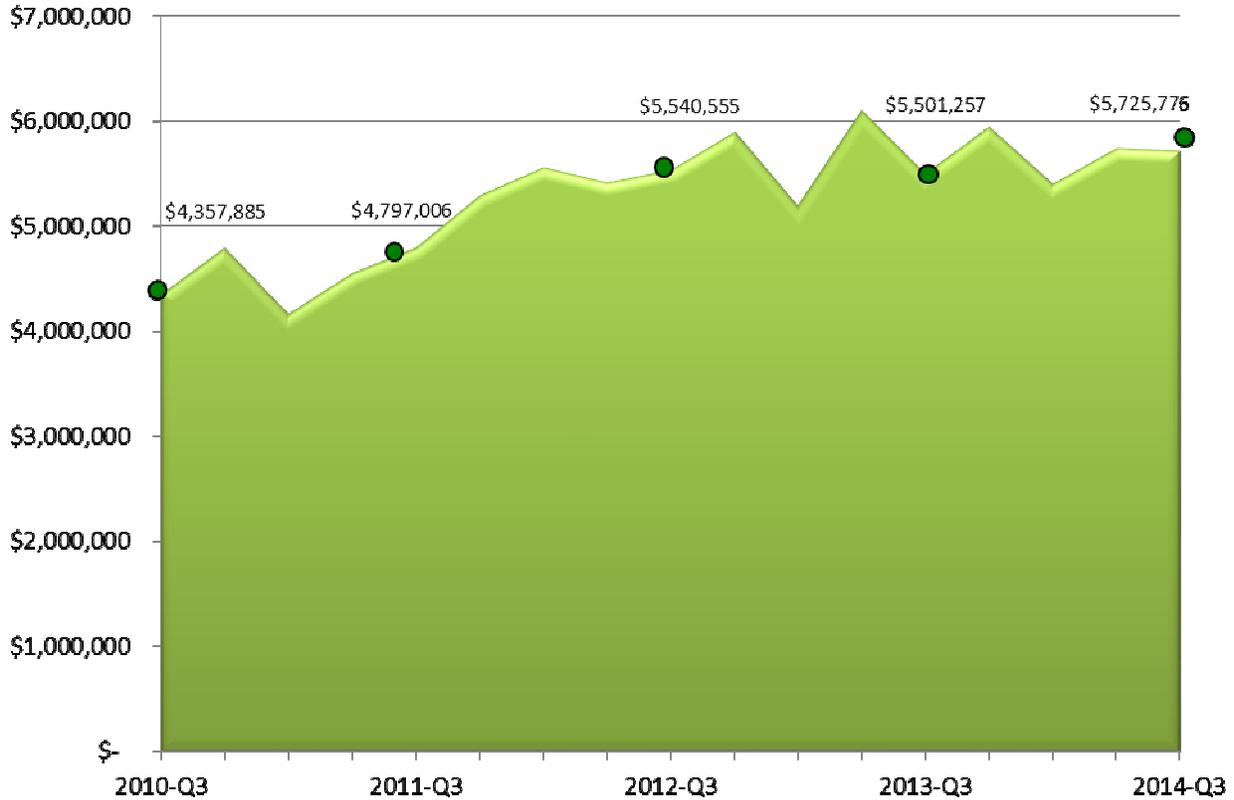
TREND ANALYSIS: ↑ Increase

Major Revenues

Sales Tax – Third Quarter Analysis

Based on a trend analysis, quarterly sales tax has gradually increased from a low of \$4.3 million in 2010-Q3 to its current level of \$5.7 million in 2014-Q3. The trend line indicates an increase in sales tax revenue in a quarter-per-quarter comparison starting from 2010-Q3 to 2014-Q3. Sales tax revenue has remained constant at \$5.5 million for the past three quarters with no significant decreases.

Third Quarter Trend Analysis



Third Quarter Analysis

2010-Q3	2011-Q3	2012-Q3	2013-Q3	2014-Q3
\$4,357,885	\$4,797,006	\$5,540,555	\$5,501,257	\$5,725,776

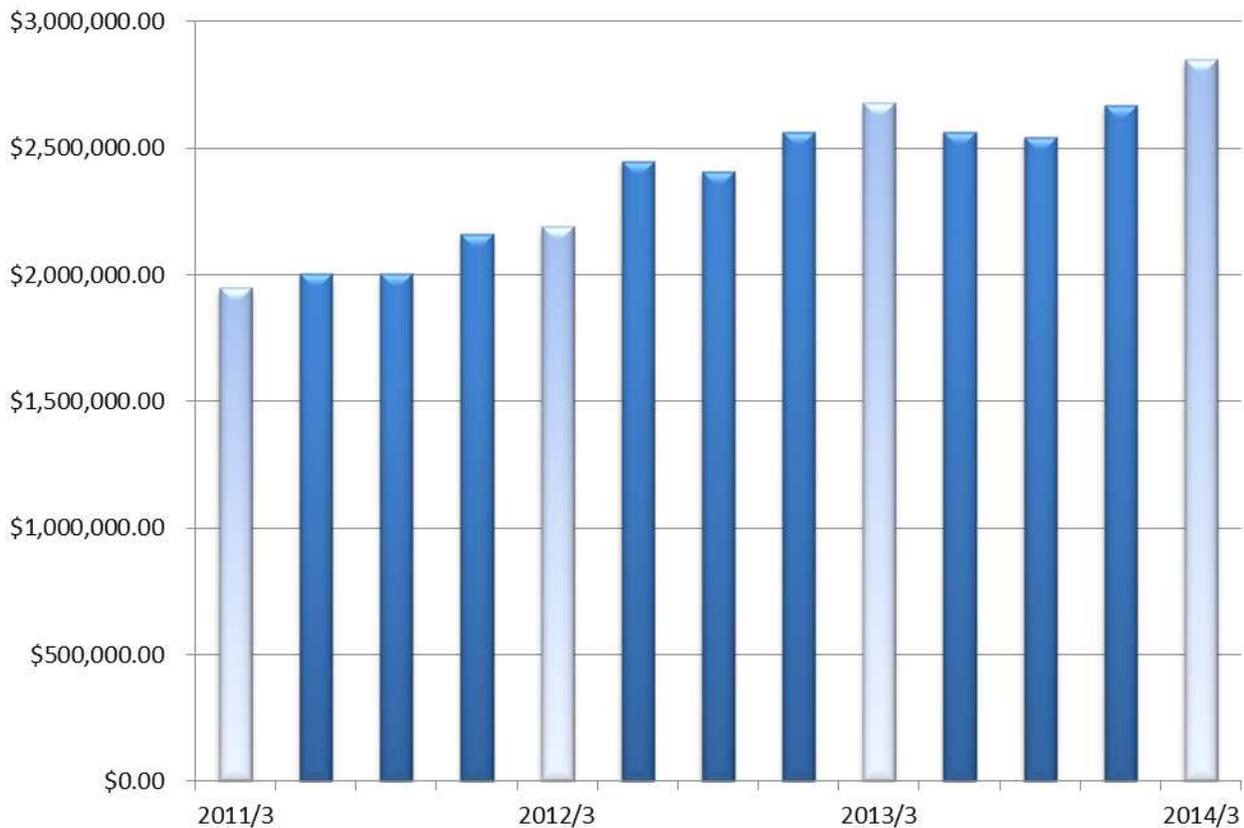
TREND ANALYSIS: → Constant

Major Revenues

Sales Tax – Cerritos Auto Square

The Cerritos Auto Square generated the greatest amount of sales tax of any business sector in the City in 2014-Q3 (\$2.8 million). In a quarter-to-quarter comparison, 2014-Q3 (\$2.8 million) increased from 2013-Q3 (\$2.6 million) or an increase of \$169,773, which equates to 6%. Additionally, 2014-Q3 was higher than 2012-Q3 and 2011-Q3. This trend analysis indicates an increase in auto sales and a recovering local economy. Ongoing renovations and upgrades to dealerships located at the Cerritos Auto Square, an effective marketing campaign by the Auto Dealers Association, and an increase in consumer confidence may be contributing factors in the increase of auto sales.

Cerritos Auto Square



2011-Q3 to 2014-Q3

Average: \$2,386,996

Auto sales generated sales tax has consistently increased in a quarter-by-quarter comparison of third quarter sales. This increasing slope on the bar chart for the past four years illustrates a positive sign for the Cerritos Auto Square. For example, in a quarter-to-quarter comparison of sales tax revenue, 2013-Q3 was 22% higher than 2012-Q3. Additionally, 2012-Q3 was 12% higher than 2011-Q3.

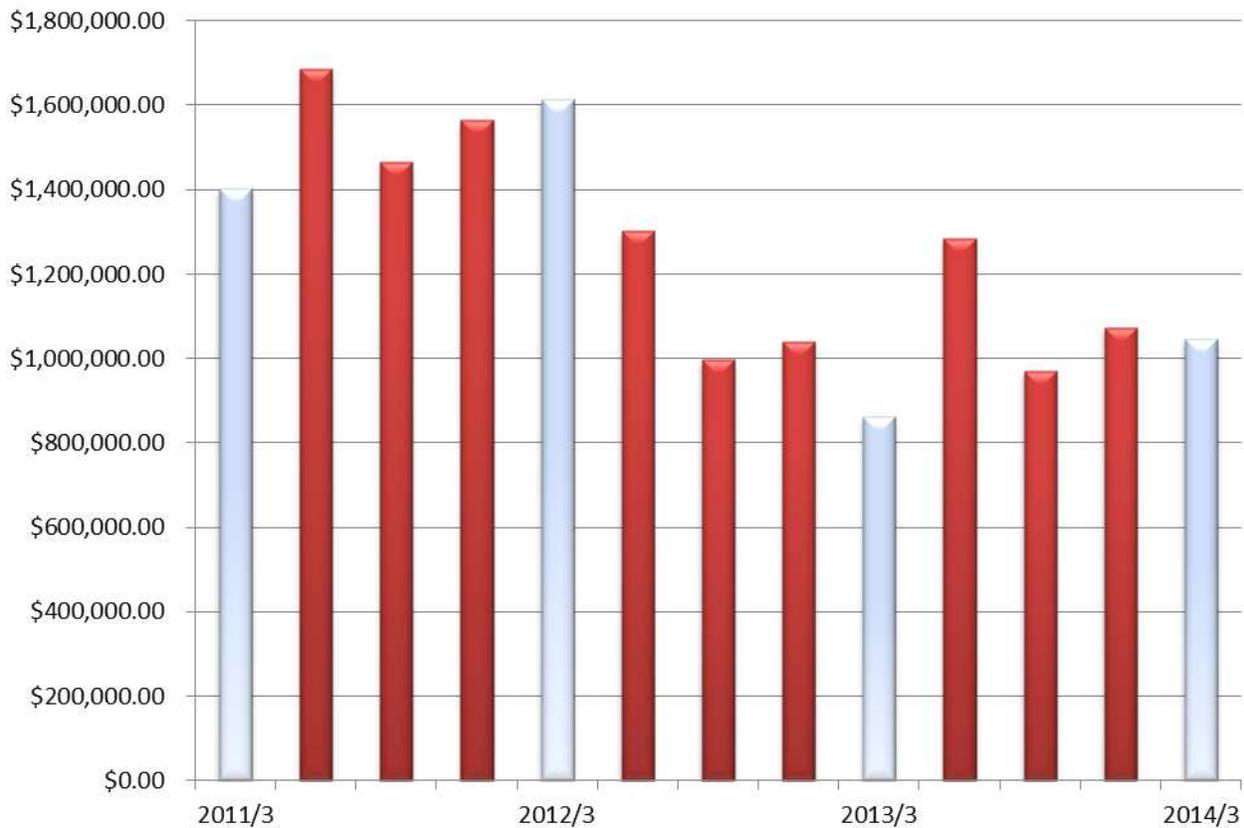
TREND ANALYSIS: ↑ Increase

Major Revenues

Sales Tax – Los Cerritos Center

In 2014-Q3, the Los Cerritos Center generated the second highest amount of sales tax revenue for the City's General Fund at \$1,044,375. Based on the trend analysis, sales tax revenue increased 21% from 2013-Q3 (\$182,430 increase). Additionally, sales tax revenue at the Los Cerritos Center has averaged approximately \$1.2 million dollars per quarter from 2011-Q3 to 2014-Q3 (with the exception of seasonal increases that correspond with fourth quarter holiday sales).

Los Cerritos Center



2011-Q3 to 2014-Q3

Average: \$1,254,377

A trend analysis (quarter-to-quarter comparison of sales tax revenue) from 2011-Q3 to 2014-Q3 indicates a decrease in sales tax revenue, which may be attributed to the vacancy at the former Nordstrom building on the southwest corner of the Los Cerritos Center and an increase in internet sales. However, recent developments at the Los Cerritos Center (construction of a new Dicks Sporting Goods, Harkins Theatre, a new Cheesecake Factory Restaurant and new in-line shops) are expected to have a positive impact on sales tax revenue for the City upon the completion of the referenced projects.

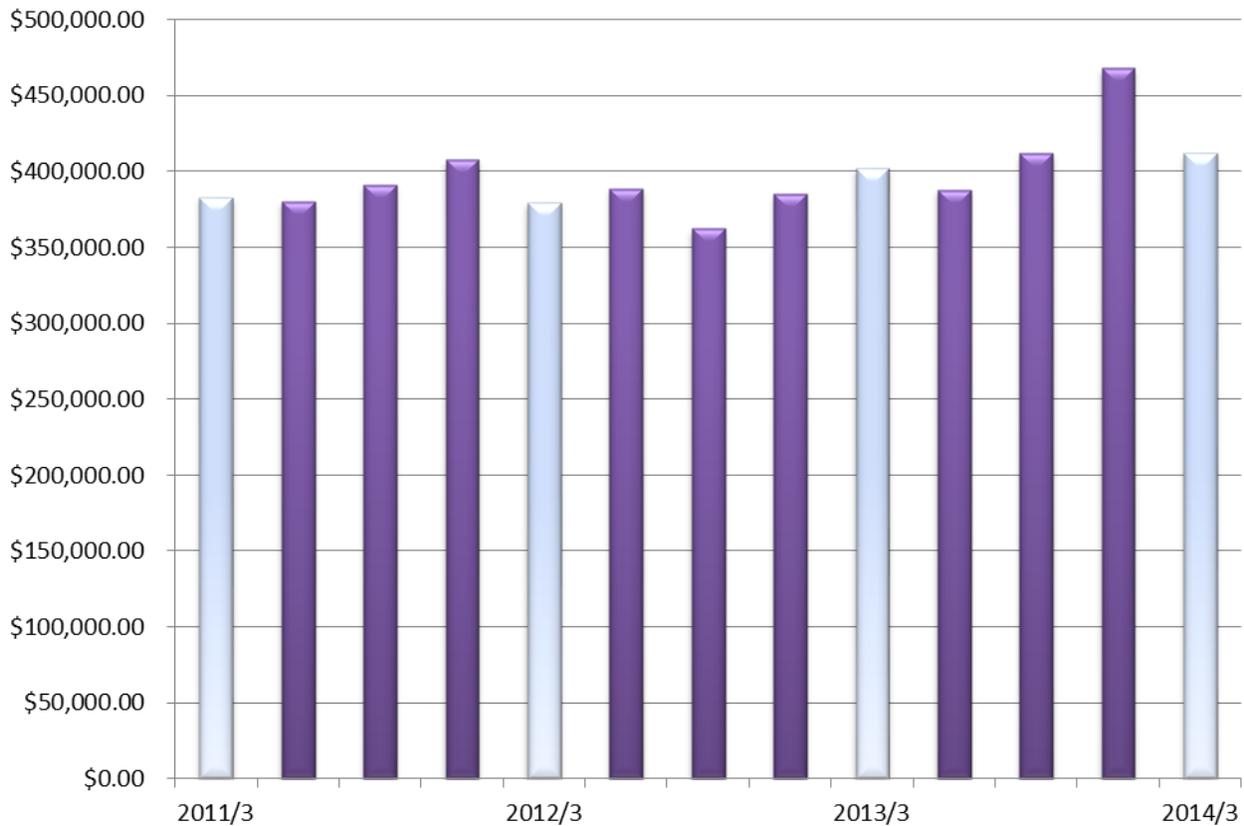
TREND ANALYSIS: ↑ Increase

Major Revenues

Sales Tax – Cerritos Industrial Park

The Cerritos Industrial Park is one of the highest sales tax generators in Cerritos. The Cerritos Industrial Park generated \$411,940 in 2014-Q3, which is a 2% increase from 2013-Q3. Based on the trend analysis, sales tax revenue has remained relatively constant throughout the review period with no significant changes, with the exception of a significant increase in 2014-Q2. However, 2014-Q3 had the highest quarter in sales tax revenue in three years.

Cerritos Industrial Park



2011-Q3 to 2014-Q3

Average: \$403,710

In a quarter-to-quarter trend analysis, sales tax revenue has remained relatively constant. Over 13 quarters, the average sales tax for the industrial park was \$403,710, with a low of \$356,025 in 2011-Q2 and a high of \$468,241 in 2014-Q2.

TREND ANALYSIS: → Constant

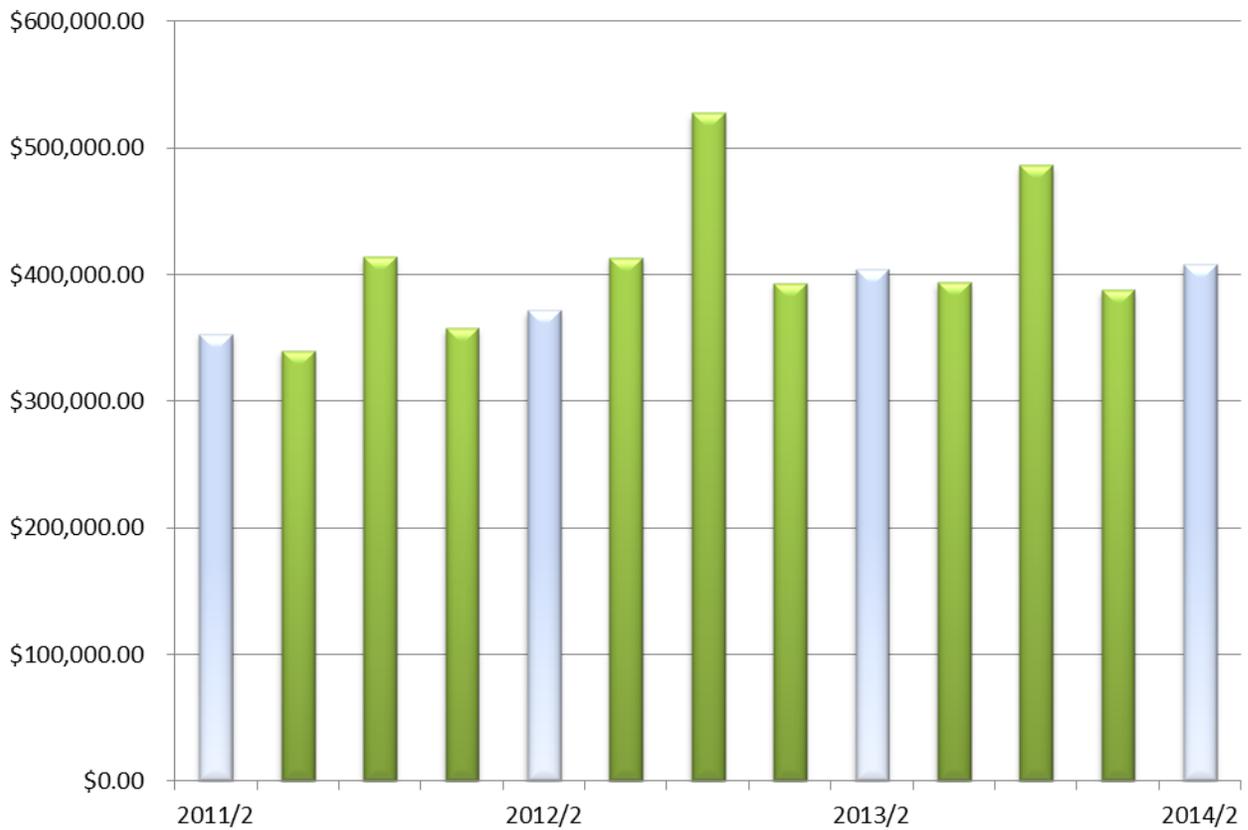
Major Revenues

Sales Tax – Cerritos Towne Center

*Please note that sales tax data provided by the State of California to the City for 2014-Q3 was incomplete for the Cerritos Towne Center. The City contacted the State for the correct data; however, at the time of the publication of this report, the information was not available. Therefore, 2014-Q2 data is illustrated in this report and the Spring 2015 report will be updated to reflect the accurate data.

Sales tax revenue at the Cerritos Towne Center was \$407,534 for 2014-Q2, which is an increase of 1% from 2013-Q2. Based on a trend analysis from 2011-Q2 to 2014-Q2, the Cerritos Towne Center is showing signs of increased sales tax activity in a second quarter comparison.

Cerritos Towne Center*



2011-Q2 to 2014-Q2

Average: \$403,710

Based on a trend analysis in a second quarter-to-quarter comparison of sales tax revenue, 2014-Q2 was slightly higher than 2013-Q2 (1% increase) and 2013-Q2 was higher than 2012-Q2 (9% increase).

TREND ANALYSIS: ↑ Increase

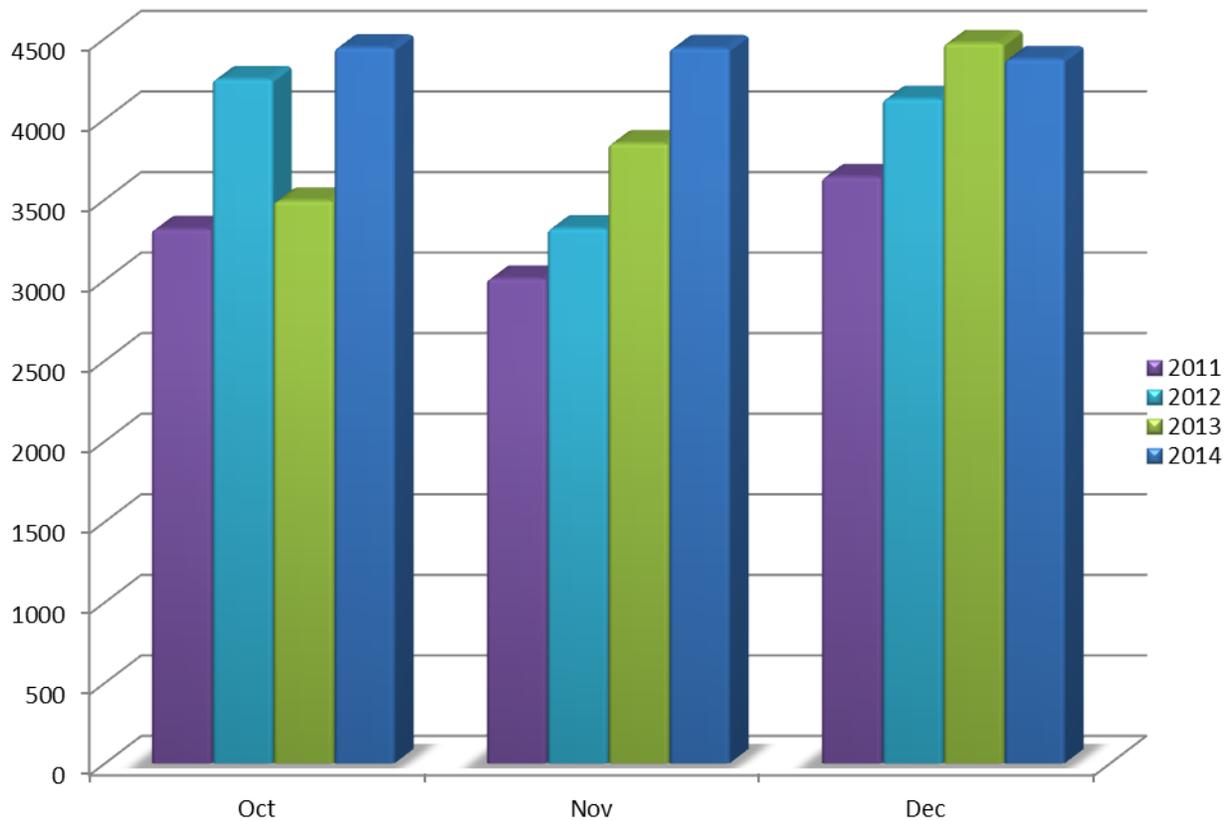
Major Revenues

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 former Cerritos Redevelopment Agency, the Cerritos Auto Square generates approximately half of the City's sales tax revenue.

For 2014-Q4, sales increased in October and November from the previous year, averaging approximately 5,229 vehicles sold per month. Overall, sales were higher for 2014-Q4 (13,253) from 2013-Q4 (11,810) a difference of 1,443 cars.

Number of Vehicles Sold in Cerritos Auto Square, Four Year Period



Cars Sold in 2014-Q4

October	November	December
4,443	4,439	4,371

2014-Q4 Total: 13,253
 2013-Q4 Total: 11,810
 Difference: (1,443)

TREND ANALYSIS: ↑ Increase

Major Revenues

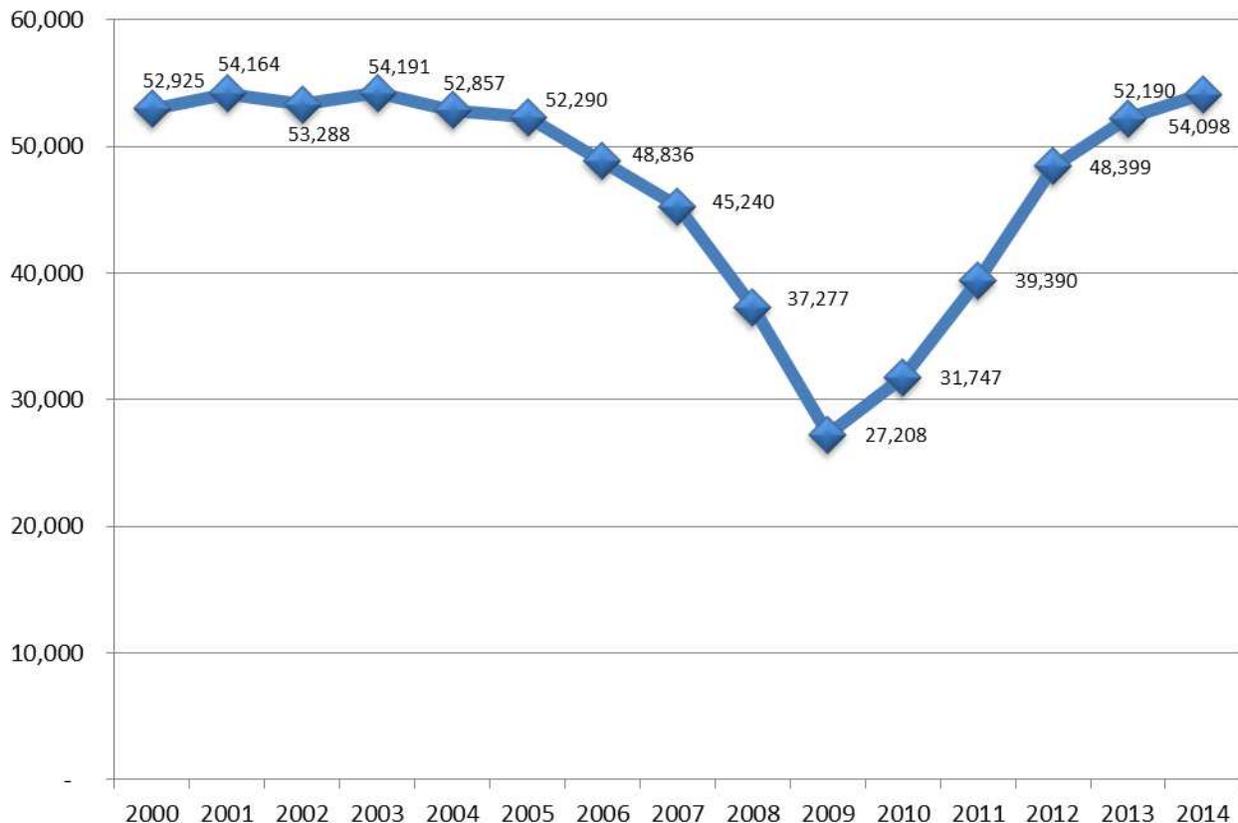
Auto Sales – Annual Totals

The Cerritos Auto Dealers Association has been compiling data since 1993 in order to conduct annual sales comparisons. From 1993 to 2013, a total of 960,980 cars have been sold, equating to an annual average of 45,761 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 another significant increase in sales in 2014 over sales in 2013. In fact, there was a 4% increase in auto sales from 2013 to 2014 with a total of 1,908 more cars sold. The 2014 year marks a total of five years in a row that total annual sales exceeded sales totals from the previous year (2010, 2011, 2012, 2013 and 2014).

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	2012	2013	2014
37,277	27,208	31,747	39,390	48,399	52,190	54,098

Trend Analysis – 1993 to 2014

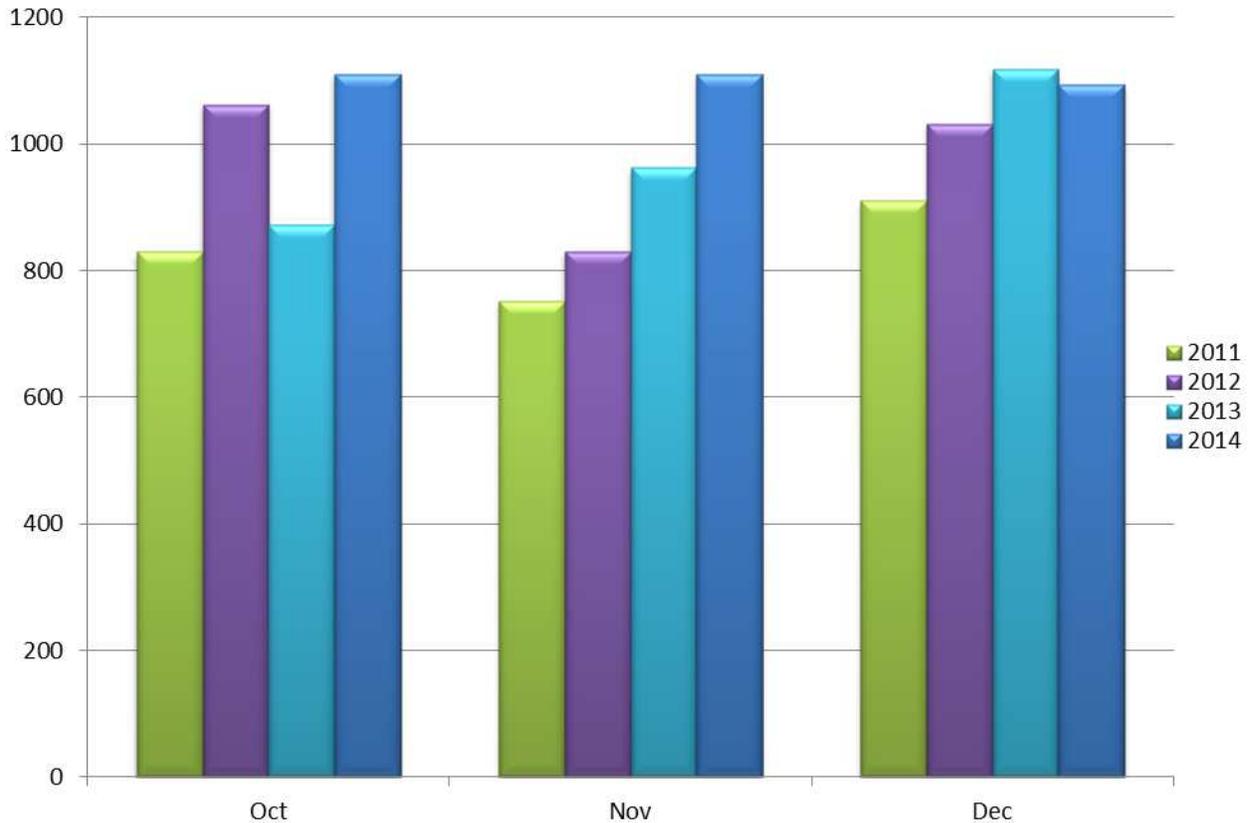


Major Revenues

Auto Sales – Weekly Averages

Based on a trend analysis, weekly sale averages for October and November 2014 exceeded weekly averages for the same month for 2011, 2012 and 2013. However, weekly averages were lower for December 2014 from December 2013.

Weekly Averages: 2011-Q4 to 2014-Q4



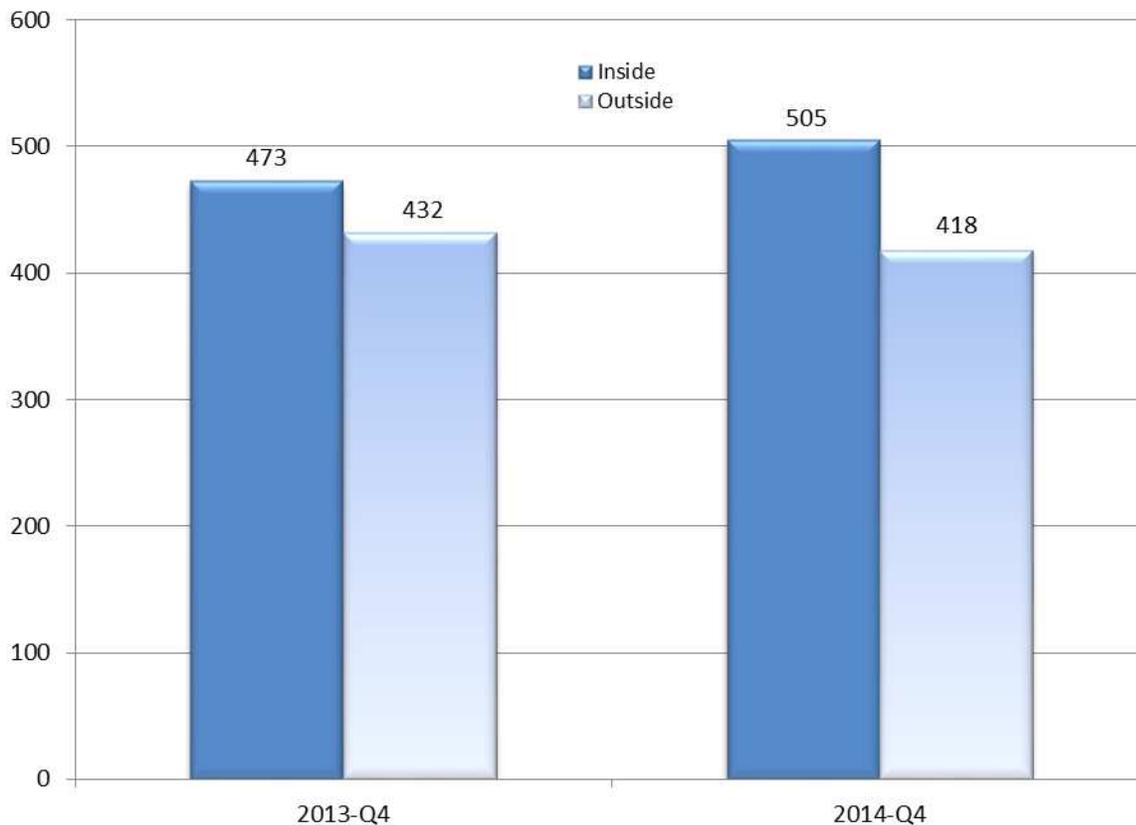
<p>Weekly Average 2014-Q4</p> <ul style="list-style-type: none"> • October 2014 (1,111 cars sold) • November 2014 (1,110 cars sold) • December 2014 (1,093 cars sold) 	<p>Weekly Average 2013-Q4</p> <ul style="list-style-type: none"> • October 2013 (873 cars sold) • November 2013 (962 cars sold) • December 2013 (1,118 cars sold) 	<p>Weekly Average 2012-Q4</p> <ul style="list-style-type: none"> • October 2011 (1,062 cars sold) • November 2011 (830 cars sold) • December 2011 (1,081 cars sold)
<p>Weekly Average 2011-Q4</p> <ul style="list-style-type: none"> • October 2010 (829 cars sold) • November 2010 (752 cars sold) • December 2010 (910 cars sold) 		

Major Revenues

Business License

The tracking of new and renewed business licenses is one method of forecasting business growth in the City. For 2014-Q4, a total of 923 new and renewal business licenses were processed by the City, which is an increase from 2013-Q4 (905). In 2014-Q4, the City experienced a 2% increase (increase of 18 licenses) in the issuance of new and renewal business licenses from 2013-Q4. In Cerritos, there are 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, who are required to have a City issued business license; however, their business offices are not located within the City's jurisdictional boundaries.

2014-Q4 New and Renewal of Business Licenses – Located in Cerritos and Located Outside Cerritos

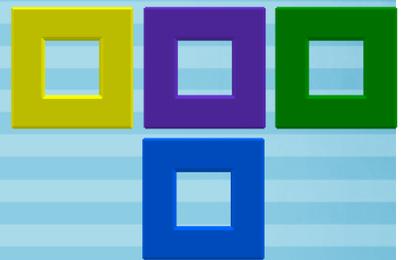


2014-Q4 New and Renewal of Business Licenses

2013-Q4 Total New and Renewal of Business Licenses: 905
2014-Q4 Total New and Renewal of Business Licenses: 923
Difference: (18)

TREND ANALYSIS: ↑ Increase

Unemployment



Unemployment

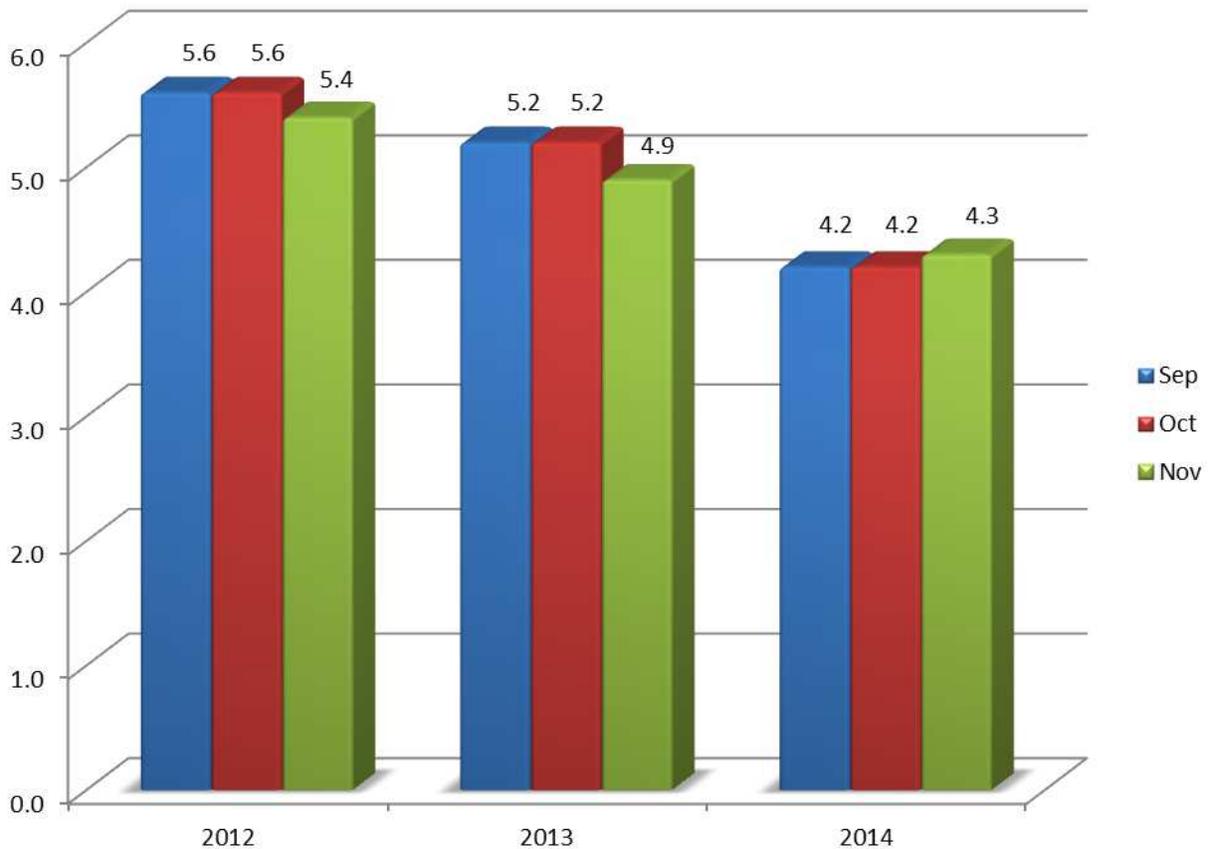
Current Rate

According to the Federal Bureau of Labor and Statistics, the unemployment rate among Cerritos residents in November 2014 was approximately 4.3%, which is consistent with November 2013 (4.9%); however, lower than November 2012 (5.4%). Additionally, no month has experienced a significant increase in the unemployment rate over a three year period. Overall, for the months of September, October, and November of 2014, were lower than the same reporting period for 2012 and 2013. This reduction in the unemployment rate is a positive sign for the local economy and an indicator of potential increased consumer confidence. The unemployment rate in 2014 has remained constant at approximately 4%.

Quarterly Unemployment Rate

February 2014	May 2014	August 2014	November 2014
4.8%	4.3%	4.6%	4.3%

**Unemployment Rate – Quarterly Comparison
2012 to 2014**



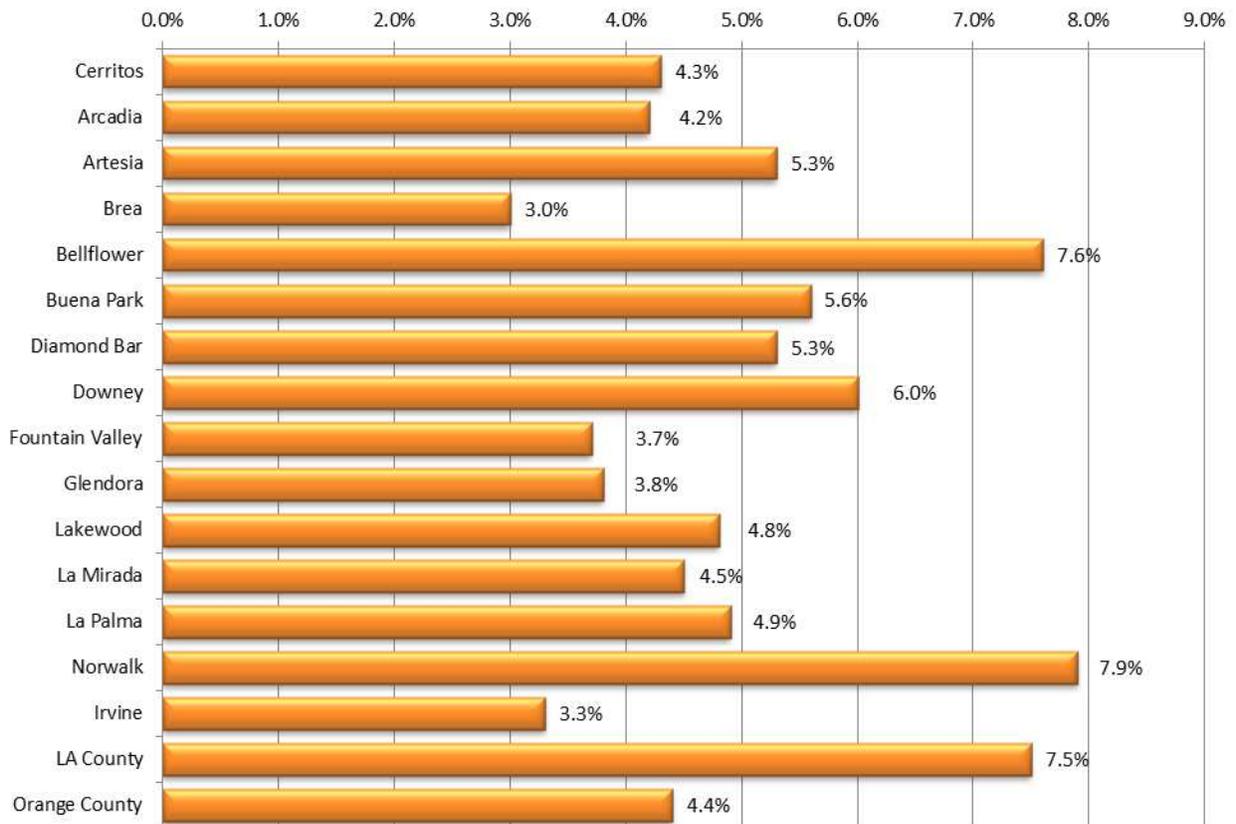
TREND ANALYSIS: ↓ Decrease

Unemployment

Surrounding Cities, Comparable Cities and Counties

According to the California Employment Development Department, the unemployment rate among Cerritos residents in November 2014 was approximately 4.3%, which is the lowest unemployment rate with adjacent cities, such as Artesia, Buena Park, Lakewood, Bellflower, and Norwalk. The Cerritos unemployment rate was slightly higher than comparable cities in Los Angeles County and Orange County. However, the Cerritos unemployment rate is lower than Los Angeles County (7.5%) and Orange County (4.4%).

**Unemployment Rate – Surrounding Cities and Comparable Cities
November 2014**



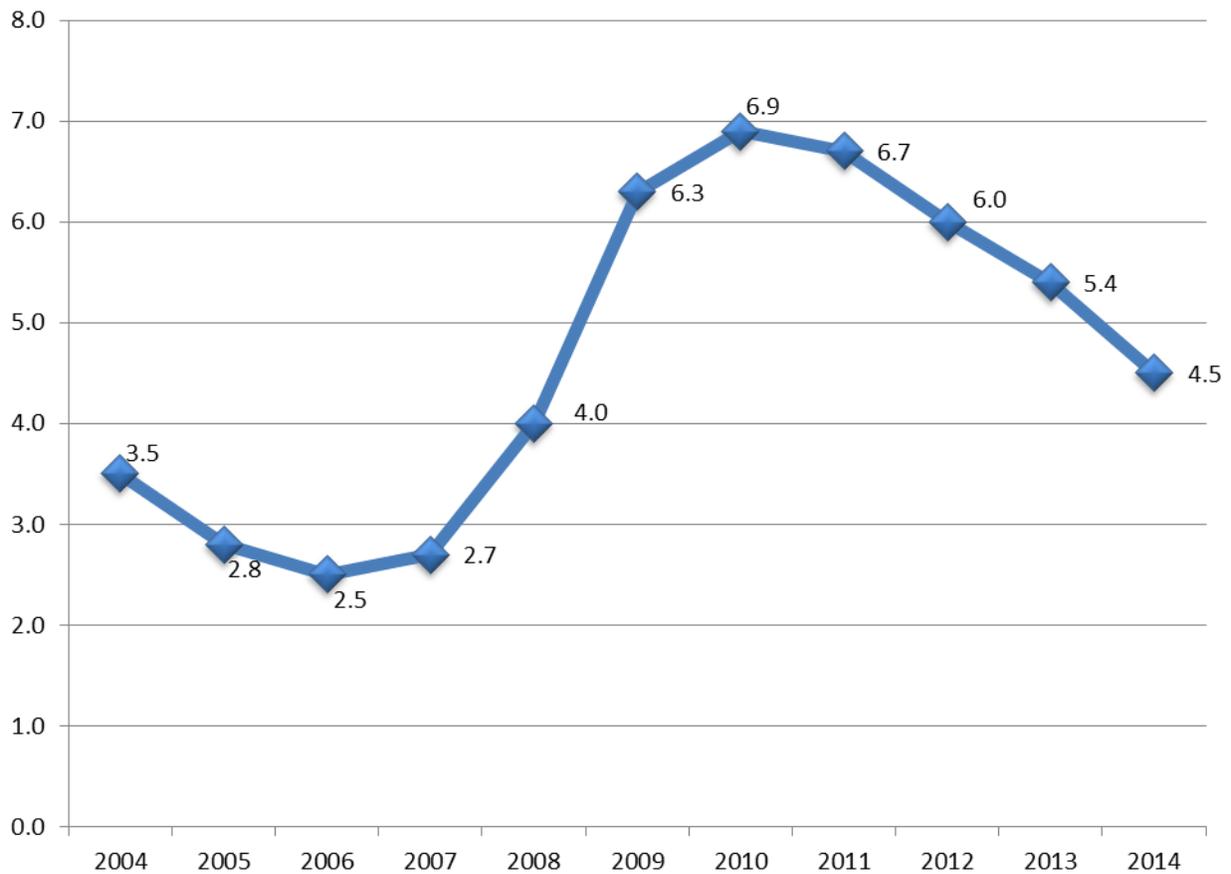
TREND ANALYSIS: ↓ Decrease

Employment

Annual Unemployment Rate

In 2010, the City's unemployment rate reached a high of 6.9% and has decreased for three straight years. Currently, the unemployment rate is at 4.3% (November 2014) and the average unemployment rate from January 2014 to November 2014 is also 4.5%. Based on a trend analysis of the current calendar year, it appears that the unemployment rate will be lower than the previous year unemployment rate of 5.4% and remain at 4.5% for 2014.

Average Annual Unemployment Rate



Average Annual Unemployment Rate

2009	2010	2011	2012	2013	2014*
6.3%	6.9%	6.7%	6.0%	5.4%	4.5%

*Projection based on the average unemployment rate for 2014.

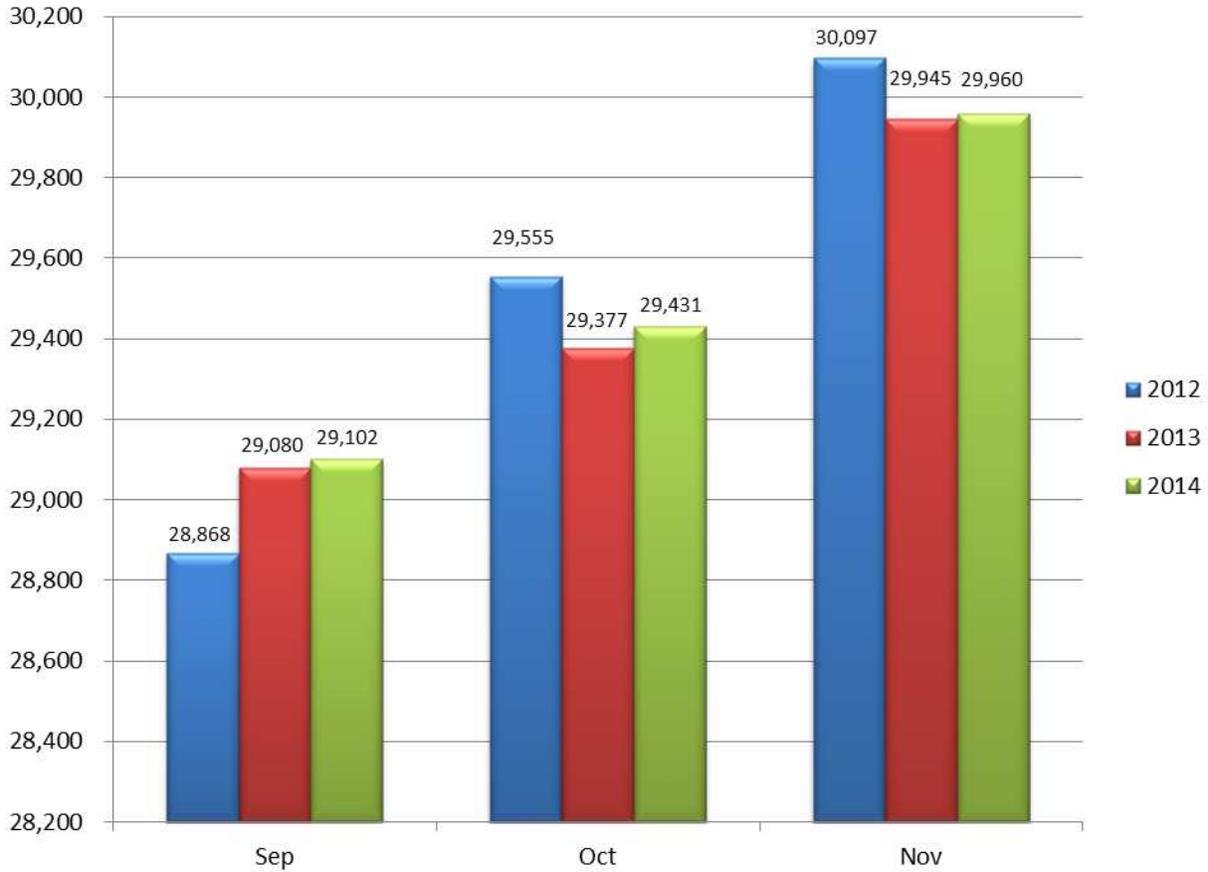
TREND ANALYSIS: ↓ Decrease

Employment

Labor Force

According to the United States Bureau of Labor and Statistics, labor force refers to the sum of all employed and unemployed individuals in the economy. In Cerritos, there were 29,960 persons as of November 2014 in the local workforce, an increase of 15 persons from the same month last year. Based on a trend analysis, the labor force in the City has remained consistent at approximately 29,000 persons.

Labor Force – Cerritos



Annual Average Cerritos Labor Force

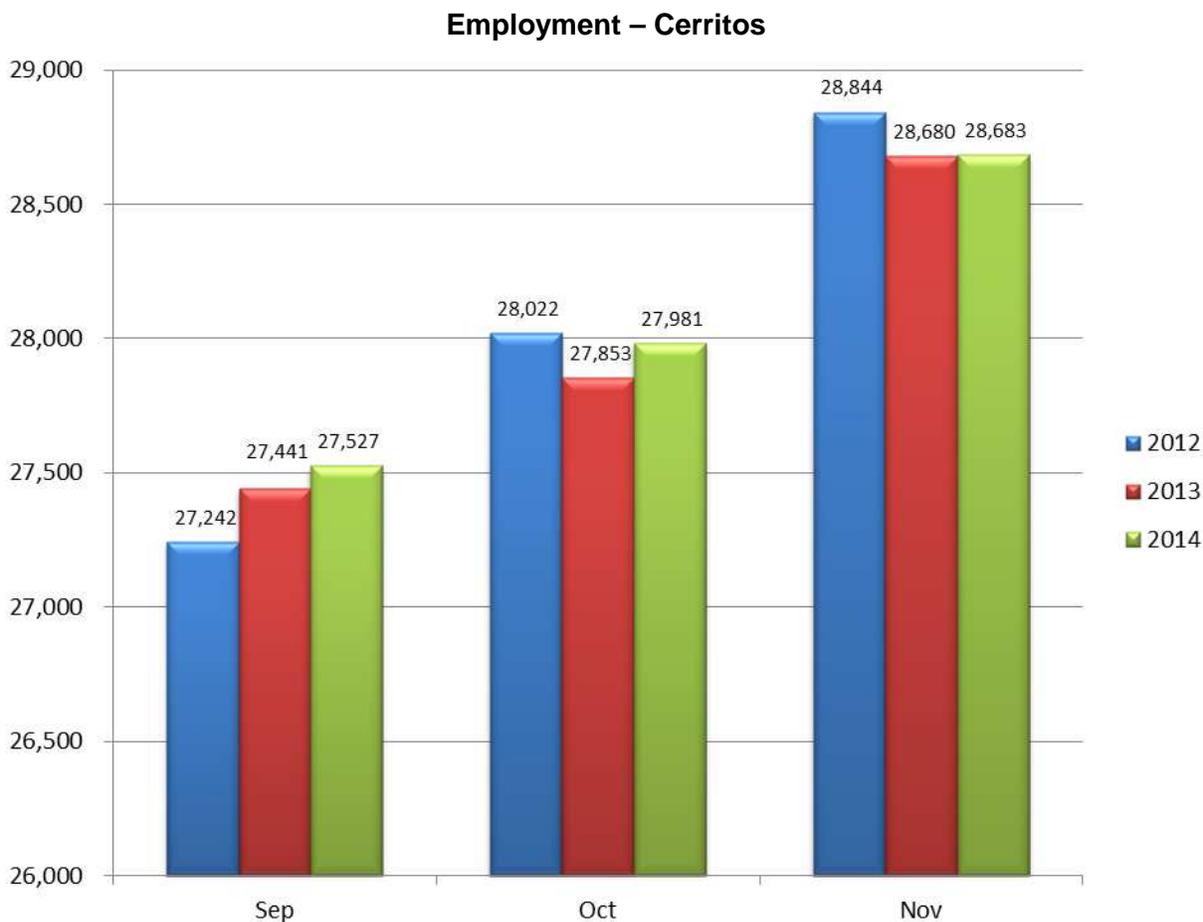
2009	2010	2011	2012	2013
28,709	28,597	28,725	28,520	29,254

TREND ANALYSIS: → Constant

Employment

Employment in Cerritos

There were 28,683 jobs in November 2014 within the City that employ both Cerritos residents and persons that reside outside of Cerritos. Based on the trend analysis, employment from November 2012 through November 2014 has remained constant at 28,000 persons. Additionally, employment has remained constant without any significant decreases or increases. On a 2014-Q4 trend analysis, employment increased from September 2014 (27,527 persons) through November 2014 (28,683 persons) for a total of 1,156 persons; however, this increase might be attributed to hiring of seasonal workers for the holiday season.



Annual Average Employment in Cerritos

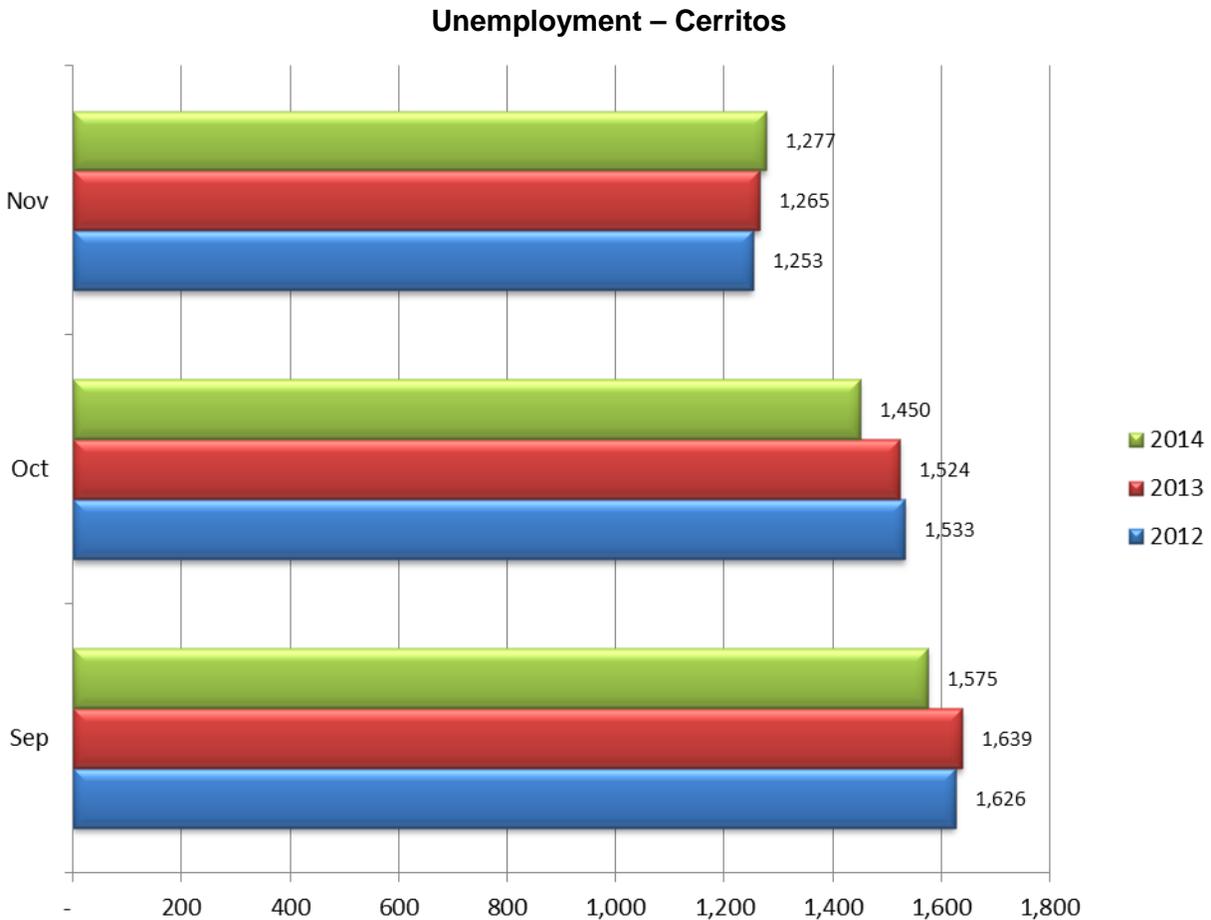
2009	2010	2011	2012	2013
26,887	26,615	26,786	26,800	27,699

TREND ANALYSIS: → Constant

Unemployment

Unemployment in Cerritos

According to the United States Bureau of Labor and Statistics, the number of individuals unemployed is calculated with the following formula: $\text{unemployment} = \text{labor force} - \text{employment}$. Based on the data from November 2014, there are currently 1,277 (4.3%) individuals unemployed in Cerritos, which is an increase of 12 persons from November 2013. Additionally, November 2014 experienced a decrease from October 2014 and September 2014; however, this decrease might be attributed to hiring of seasonal workers for the holiday season.

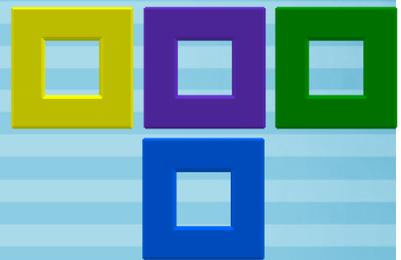


Annual Average Unemployed in Cerritos

2009	2010	2011	2012	2013
1,822	1,982	1,939	1,720	1,555

TREND ANALYSIS: ↓ Decrease

Commercial Real Estate

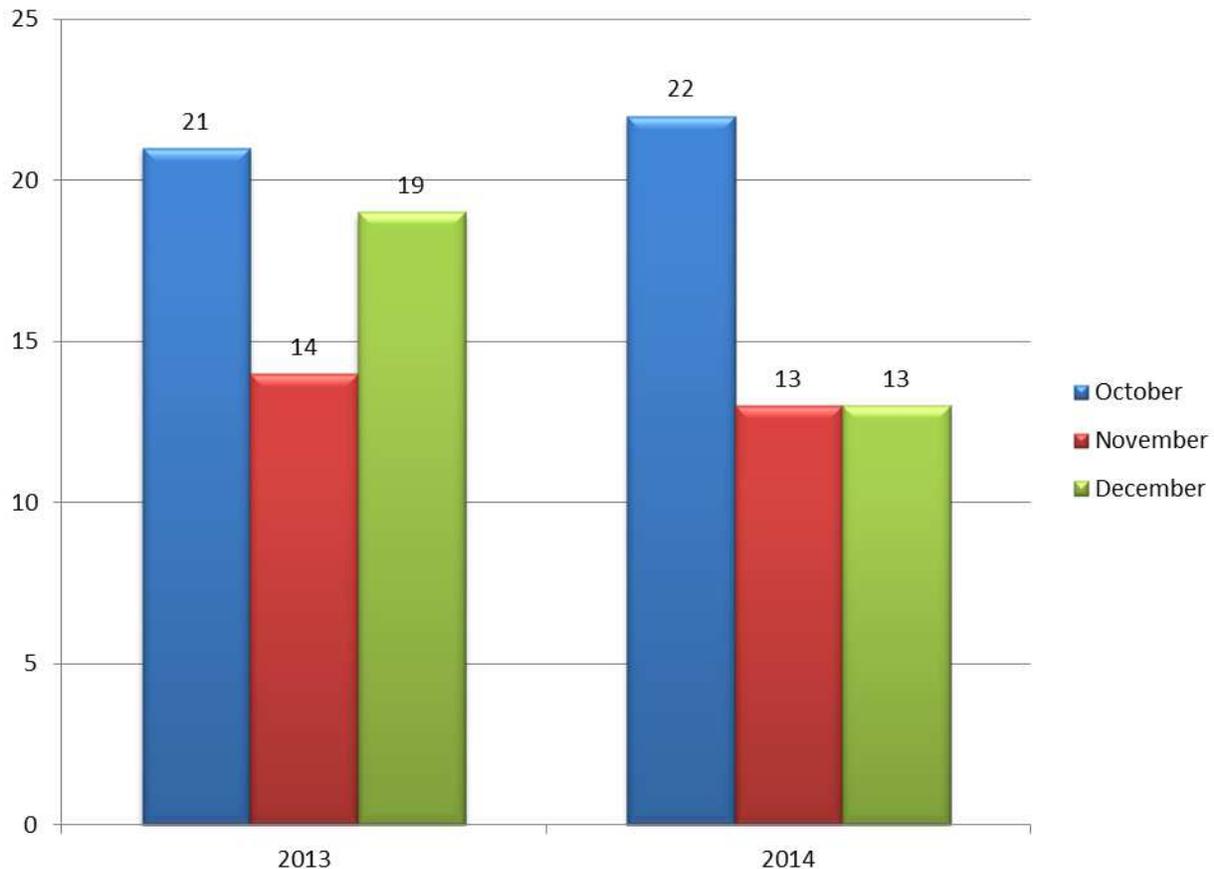


Commercial Real Estate

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 2014-Q4, CO's decreased slightly from a year ago. A total of 48 CO's were processed in 2014-Q4, a decrease of 6 from 2013-Q4, in which 54 CO's were processed.

Certificates of Occupancy for 2014-Q4



Certificate of Occupancy – 2014

Jan	Feb	Mar	Apr	May	June
21	24	21	26	15	22
July	Aug	Sept	Oct	Nov	Dec
22	14	18	22	13	13

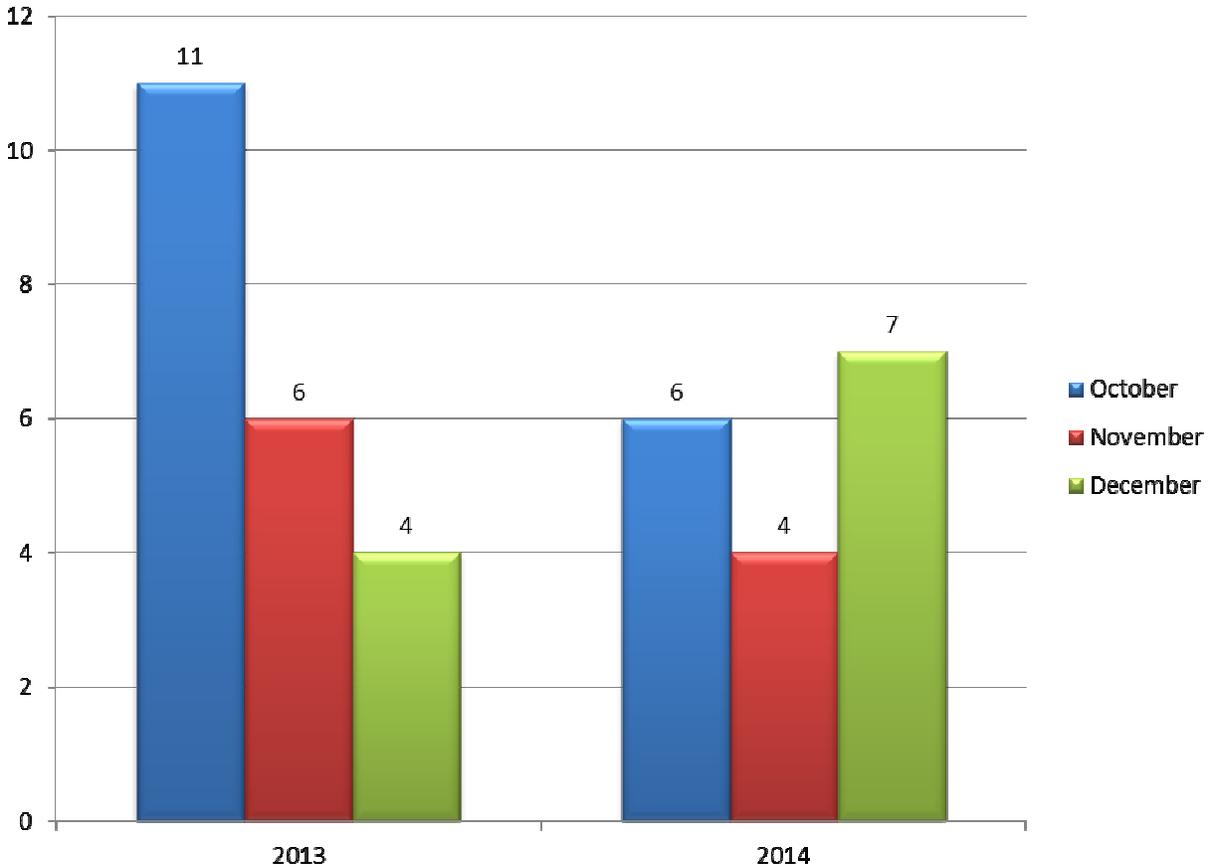
TREND ANALYSIS: ↓ Decrease

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. A TI is an indicator of a new business starting in the City or an existing business expanding to meet their needs. For 2014-Q4, tenant improvements decreased from the previous year. A total of 17 TI's were processed in 2014-Q4, a decrease of 4 from 2013-Q4, in which 21 TI's were processed.

Tenant Improvements for 2014-Q4



Tenant Improvements – 2014

Jan	Feb	Mar	Apr	May	June
14	7	9	13	11	18
July	Aug	Sept	Oct	Nov	Dec
4	4	11	6	4	7

TREND ANALYSIS: ↓ Decrease

Commercial Real Estate

Total Vacancy in Cerritos

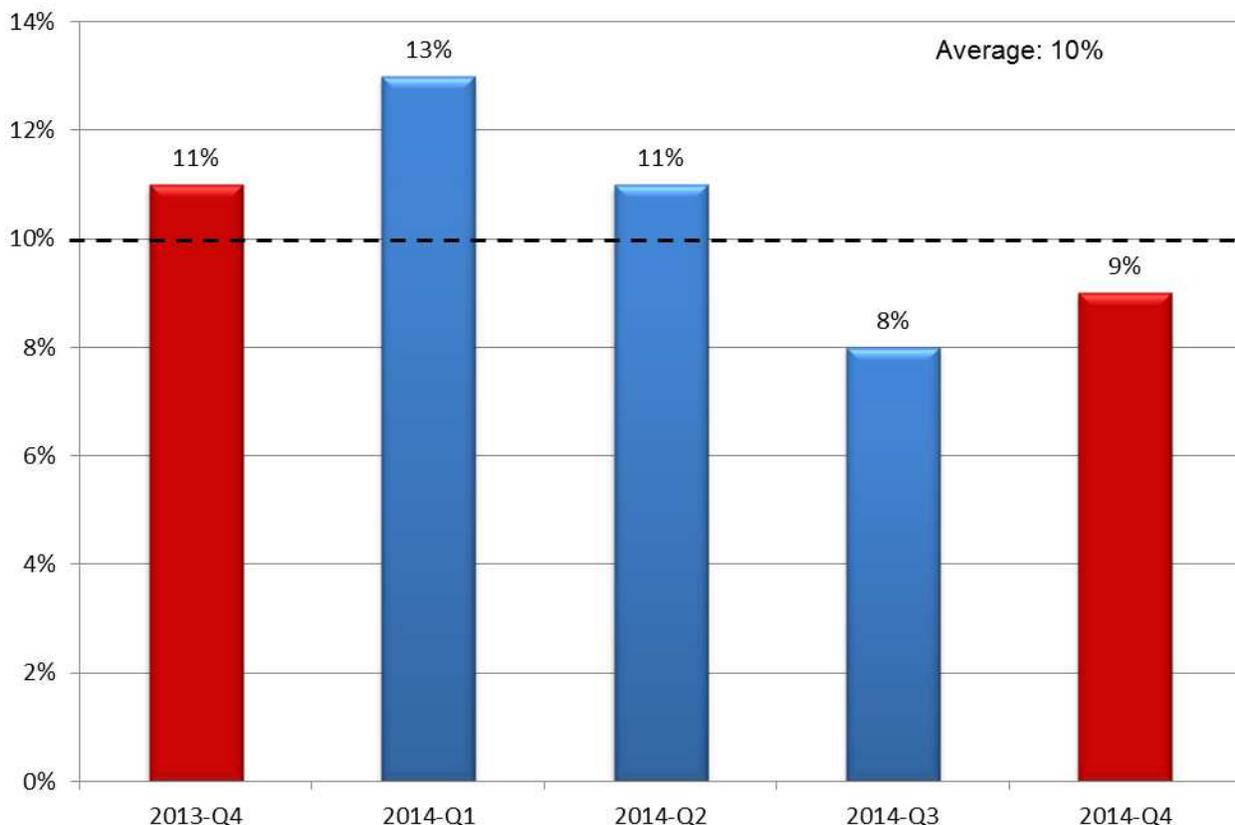
The City of Cerritos currently has a low vacancy rate when compared to the overall total available space for industrial, office, and retail uses. Currently, there is approximately 422,249 square feet of vacant industrial space, which equates to 3% of the total available citywide industrial space. Additionally, the City has approximately 124,486 square feet of vacant office space (9% of the total office space in Cerritos) and approximately 75,307 square feet of available retail space (2% of the total retail space in Cerritos). This equates to a total of 622,042 square feet of available commercial space in the City, which is equal to 3% of the total amount of commercial square footage within the City.

Total Available and Vacant Space in Cerritos

Use	Total Space (Sq. Ft.)	Total Vacant Space (Sq. Ft.)	Percent (%) of Vacancy in Cerritos
Industrial	15,088,117	422,249	3%
Office	1,422,575	124,486	9%
Retail	4,685,788	75,307	2%
Total	21,196,480	622,042	3%

Cerritos Office Vacancy Rates

In 2014-Q4, the Cerritos office market vacancy rate was at 9%, which is a decrease of 11% from 2013-Q4. Over the past five quarters, the City office vacancy rate averaged approximately 10%.

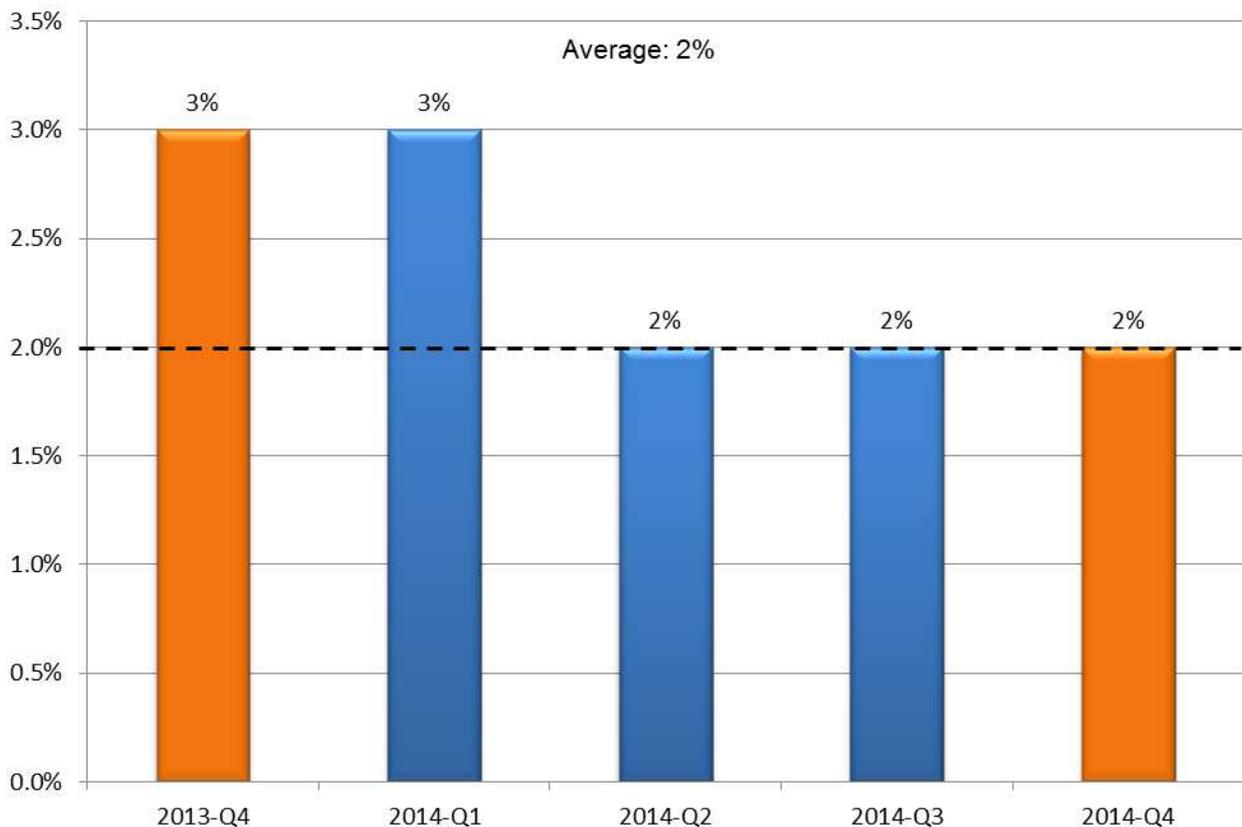


Commercial Real Estate

Retail Vacancy Rates

Cerritos currently has approximately 4,685,788 square feet of total retail space, which includes the Los Cerritos Center and the Cerritos Towne Center. Based on available data, Cerritos has a retail vacancy rate of 2% for 2014-Q4, which is a decrease from 3% in 2013-Q4. Based on a trend analysis, the retail vacancy rate has remained at 2% over the past five quarters.

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 contribute toward a greater demand for retail space. The Cerritos Towne Center and Los Cerritos Center are located along these freeways providing consumers with easy access to these centers for their retail shopping needs.

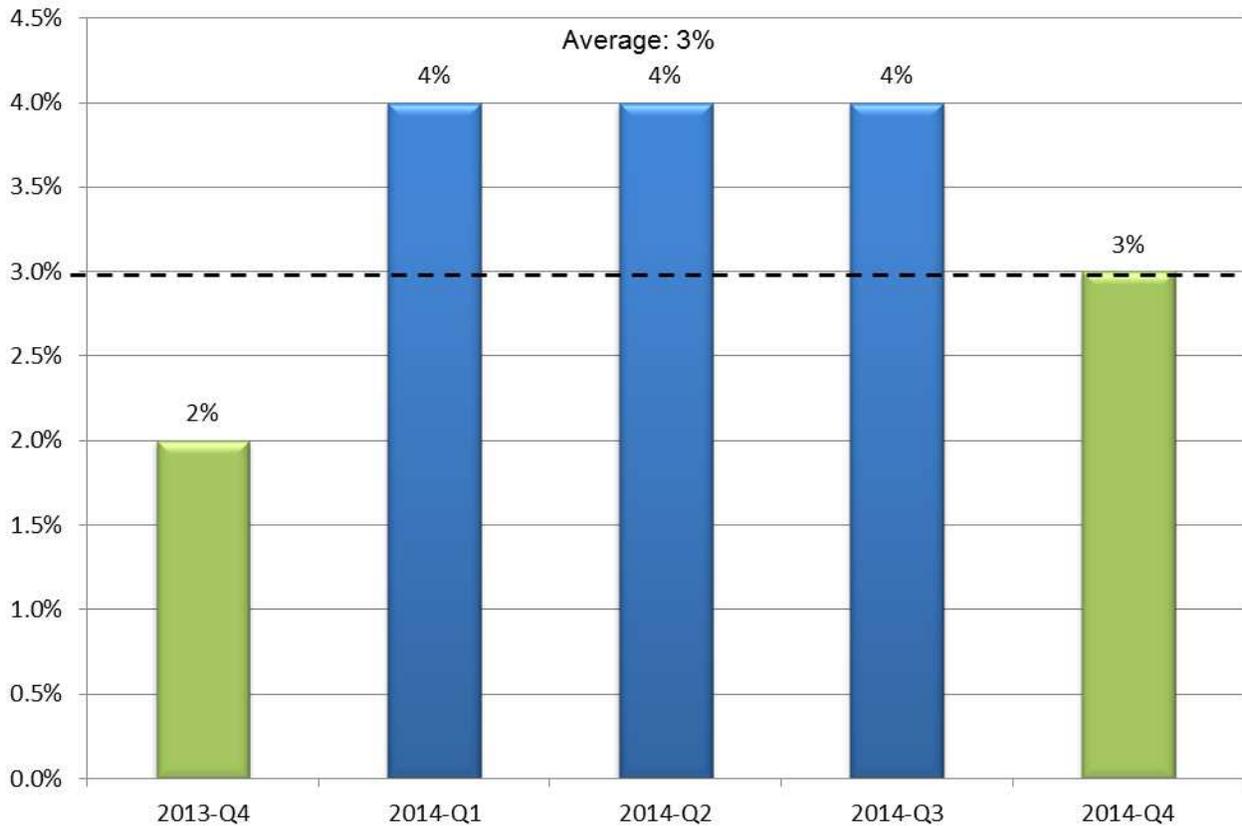


TREND ANALYSIS: ↓ Decrease

Commercial Real Estate

Industrial Vacancy Rates

Cerritos currently has approximately 15,088,117 square feet of total industrial space, which includes the Cerritos Industrial Park. Based on available data, Cerritos had an industrial vacancy rate of 3% for 2014-Q4, which is higher than 2013-Q4. Based on a trend analysis, the industrial vacancy rate has increased from a low of 2% in 2013-Q4 to a high level of 4% in 2014-Q1 through 2014-Q3 and dropped in 2014-Q4 to 3%. Over the past five quarters, the average retail vacancy rate for the City was at 3%.



(Note: Industrial vacant space in Cerritos includes a greater proportion of warehousing and distribution businesses, which require large facilities. Therefore, a single vacancy may contribute a large amount of square footage to the overall vacancy rate. Industrial vacancy rates are calculated using available data from Loop.net for properties that are available for lease. Further, there is a possibility of additional vacant industrial properties; however, these properties may not be available for lease or reported on Loop.net at the time of the preparation of this report.)

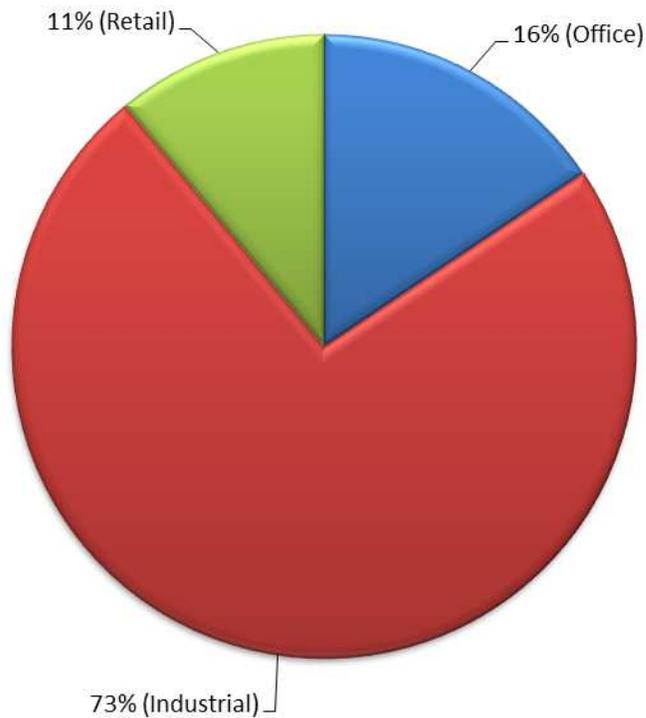
TREND ANALYSIS: ↑ Increase

Commercial Real Estate

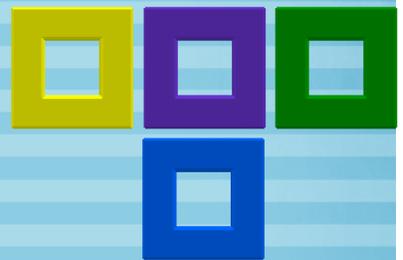
Vacancy Breakdown by Use

In Cerritos, there is approximately 622,042 square feet of total vacant commercial space (3% of the total available space for 2014-Q4). Within the total available space, 73% (422,249 square feet) is available for industrial use, 16% (124,486 square feet) is available for office use, and 11% (75,307 square feet) is available for retail use.

Vacancies By Use



Housing



Housing

Single-Family Residential

For 2014-Q4, the average median home sales price in Cerritos was \$652,867. Housing prices in Cerritos increased from 2013-Q4; in fact, October 2014, November 2014 and December experienced a 5.9% increase from a year ago. The trend analysis for this quarter indicates that the sale price of single-family residential homes has increased and it is a positive indicator for the housing sector.

Single-Family Residential Home Sales Price in Cerritos - 2014-Q4



Single Family Home Sale Prices – County Comparison for December 2014

Cerritos	Los Angeles County	Orange County
\$655,600	\$507,000	\$660,000

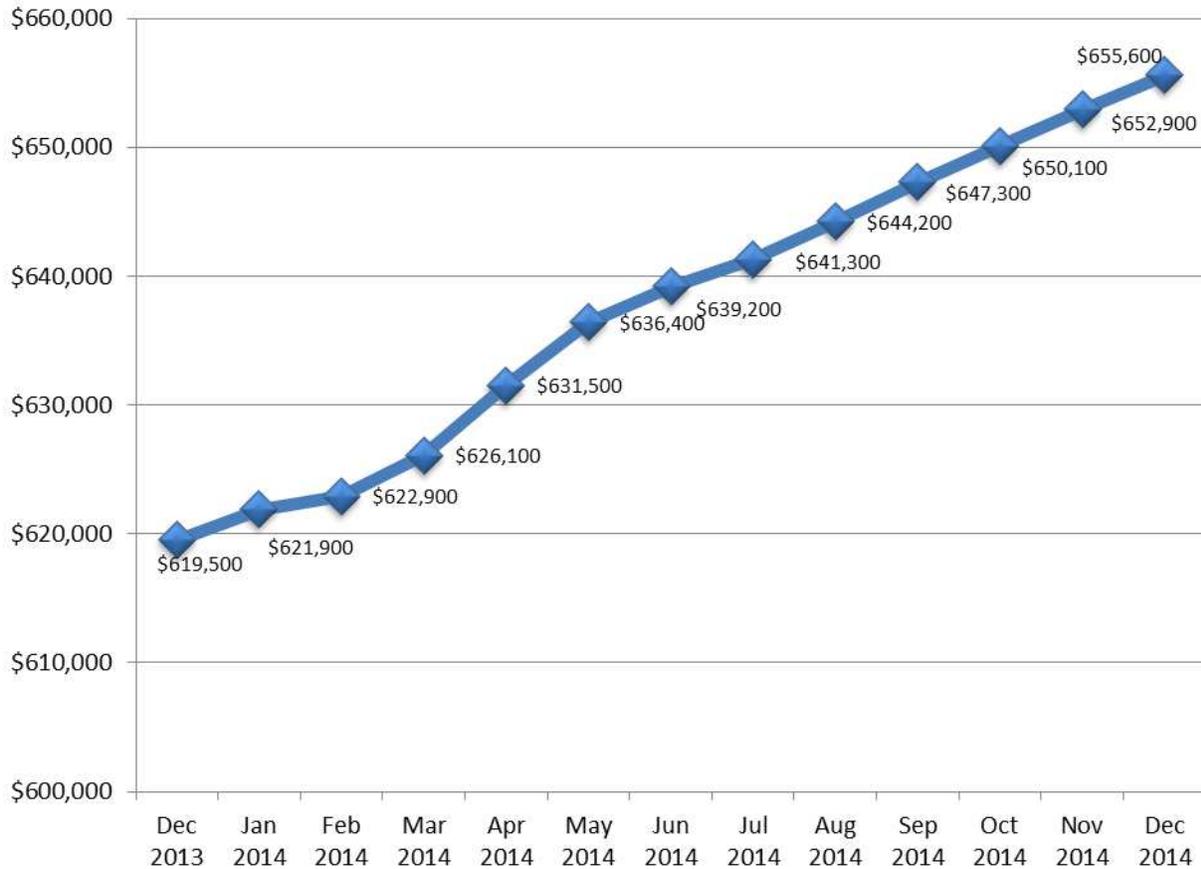
TREND ANALYSIS: ↑ Increase

Housing

Single-Family Residential – One Year Trend Line

Based on a one year trend line analysis, the average sale price for a single-family residential home in Cerritos was \$619,500 in December 2013 and peaked to its high of \$655,600 in December 2014. Housing prices have gradually increased each month and remained above the \$619,000 range. This significant increase over a one year period is a positive sign for the housing market in Cerritos.

One Year Housing Sale Price Trend Line - December 2013 to December 2014



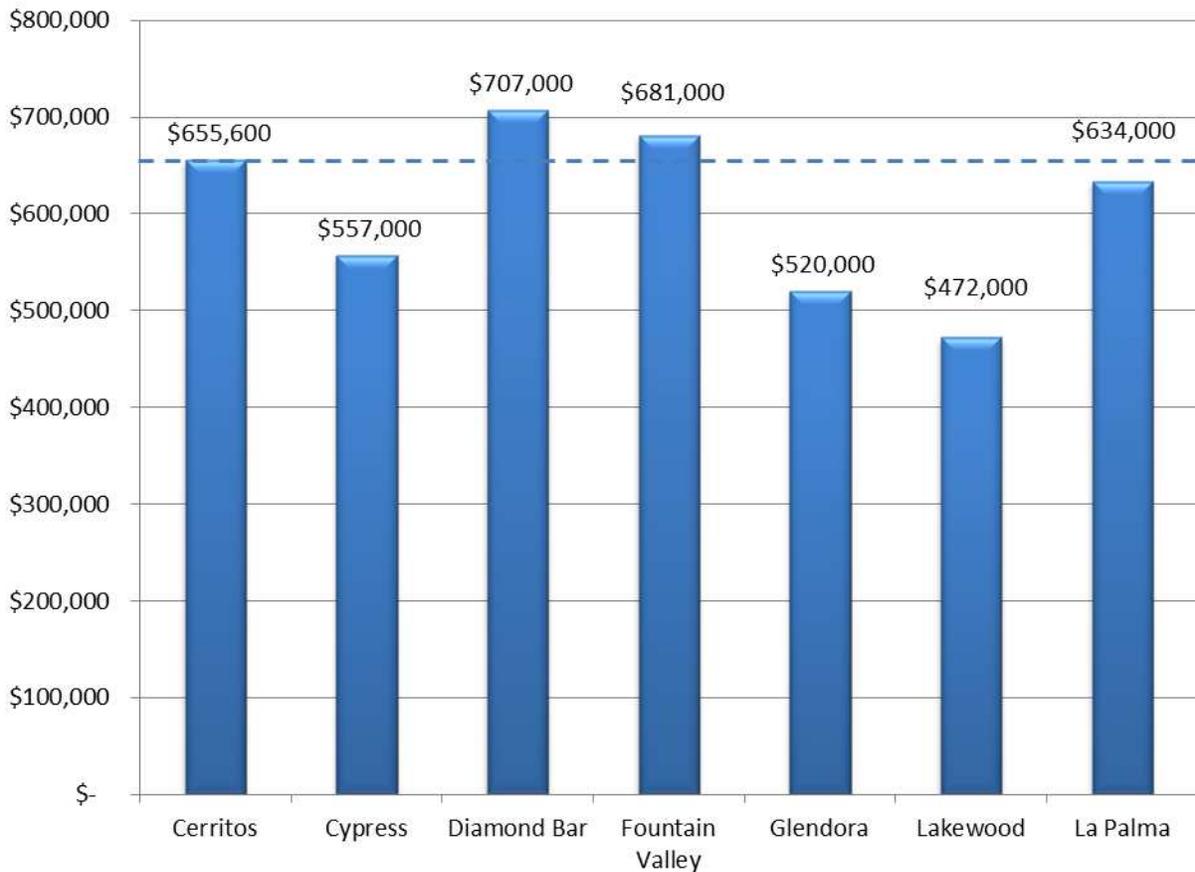
TREND ANALYSIS: ↑ Increase

Housing

Single-Family Residential – Regional Comparison

In a regional comparison, Cerritos' property values have maintained their value and are higher than most surrounding cities and regionally comparable cities. In a sample of December 2014 home sale prices, Cerritos home sale prices were \$655,600, which was higher than four comparable cities. Only the cities of Diamond Bar (\$707,000) and Fountain Valley (\$681,000) had a higher home sales price than Cerritos for the month of December 2014.

Regional Comparison – December 2014



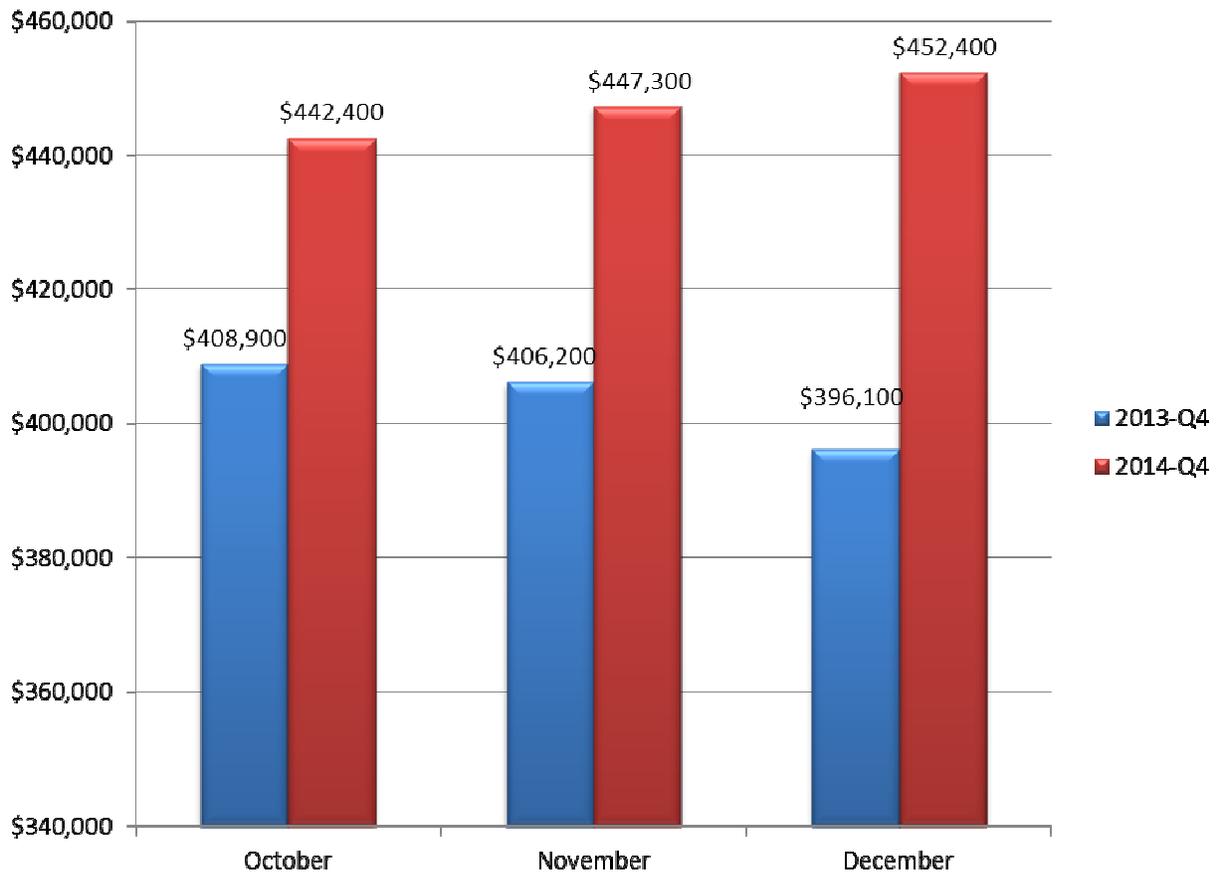
TREND ANALYSIS: ↑ Increase

Housing

Multi-Family Residential - Condominiums

Condominiums have a niche in housing between renting and owning single-family homes. For 2014-Q4, the average median condominium home sales price in Cerritos was \$447,367. Condominium sale prices in Cerritos increased in October 2014 by 8.2%, in November 2014 by 10.1% and in December 2014 by 14.2% from the previous year. In a regional comparison, Cerritos (\$452,400) was higher on average in comparison to Los Angeles County (\$431,000) and Orange County (\$446,000).

Condominium Home Sales Price in Cerritos - 2014-Q4



Condominium Home Sale Prices – County Comparison for December 2014

Cerritos	Los Angeles County	Orange County
\$452,400	\$431,000	\$446,000

TREND ANALYSIS: ↑ Increase

Statistical Summary

Economic Profile – Winter 2014-2015

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 slow nationwide economic recovery. Below is a summary of the major findings of the Cerritos *Economic Profile* for Winter 2014.

Major Revenues

Sales tax revenue for the 2014-Q3 (calendar year) totaled \$5,725,776 which is a 1% increase from the same quarter in 2013. Additionally, in a second quarter analysis, sales tax revenue increased from \$4.3 million to \$5.7 million. However, sales tax for the third quarter has remained constant at \$5.5 million.

The Cerritos Auto Square generated the greatest amount of sales tax for the City in 2014-Q3, totaling \$2.8 million, which was a 6% increase from last year. The Los Cerritos Center generated the second highest sales tax at \$1 million, which was a 21% increase from last year.

In the third quarter of 2014, the Cerritos Auto Square sold a total of 13,253 cars, which was an increase of 1,443 cars from last year for the same quarter and an average of 4,417 cars sold per month. New business licenses and renewals increased 2% from a year ago. A total of 923 new and renewal of business licenses were processed (increase of 18).

Unemployment/Employment

The unemployment rate among Cerritos residents is approximately 4.3% (November 2014), 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. Additionally, the Cerritos labor force for August 2014 was 29,960 and was constituted by 28,683 employed and 1,277 unemployed residents.

Commercial Real Estate

Cerritos currently has 622,042 square feet of vacant commercial space, which is approximately 3% of the total available commercial real estate space in Cerritos (21,196,480 sq. ft.). Of the total vacant space in Cerritos, 73% is industrial space (422,249 sq. ft.), 16% is office space (124,486 sq. ft.), and 11% is retail space (75,307 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.

Housing

For 2014-Q4, the single family median home sale price in Cerritos was approximately \$652,867. In a regional comparison, homes in Cerritos have maintained their values and were higher than most cities of comparable size and demographics. Condominium sale prices remained constant at an average of \$447,367.

Statistical Summary

Economic Profile – Winter 2014-2015

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

- Single family home sale prices
- Multi-family home sale prices
- Sales tax at Cerritos Auto Square
- Sales tax at the Los Cerritos Center
- Labor force
- Industrial vacancy rate
- New and renewal of business licenses
- Auto sales at Cerritos Auto Square
- Industrial vacancy rate
- Unemployment (persons)

→ Constant

- Sales tax at the Cerritos Industrial Park
- Employment

↓ Decrease

- Sales tax for 2014-Q3
- Unemployment rate
- Tenant improvements
- Office vacancy rate
- Retail vacancy rate

Data Sources

Major Revenues

City of Cerritos, Finance Division
City of Cerritos, GIS Division

Auto Sales

Cerritos Auto Dealers Association

Employment/Unemployment

California Employment Development Department
United States Bureau of Labor and Statistics

Real Estate

Loop.net

Housing

Zillow