

CHICO DIGEST

[Q2 2014]



PO Box 7804, CHICO, CA 95927 | P: 530.518.5914 | F: 530.809.1147 | TARA@BALLOUCOMPANY.COM | WWW.BALLOUCOMPANY.COM

REAL ESTATE TOPICS

1. Local Chico Businesses
2. Commercial Real Estate Market Trends
 - i. Leasing Activity
 - ii. Sales Activity
3. Residential Real Estate Market Trends
 - i. Sales Activity
 - ii. Residential Investment Details
4. Fun Facts about Real Estate

LOCAL CHICO BUSINESSES

WHAT'S GOING ON IN CHICO?

This past month, I helped a few business owners find new commercial space in Chico. They were great people to work with and they offer great services. I am so excited for these two businesses and know that their new locations are so perfect for them!

Reborn Salon & Boutique

Owners - Maddie Arvonon, Jennifer Johnsen, Stephanie Huestis

Now located at 2565 Ceanothus #150. These girls are very talented and offer high-end services for hair, makeup, nails, and skin. The boutique is very cute and cozy inside. On top of that, they have the most comfortable shampoo bowls in Butte County! The girls were so easy and fun to work with and I am so happy they found such a perfect location for their business.



Chico Community Acupuncture (CCA)

Owner - Olivia Peters-Lazaro

Now located at 1815 Mangrove Ave. CCA is Chico's first dedicated community acupuncture clinic. They are thriving and offer effective, affordable, and accessible care. Olivia is a licensed acupuncturist in California. She earned her Masters degree at UC Santa Cruz and studied at Zhejiang University in China. I am so excited for her business at this new location...it is perfect!

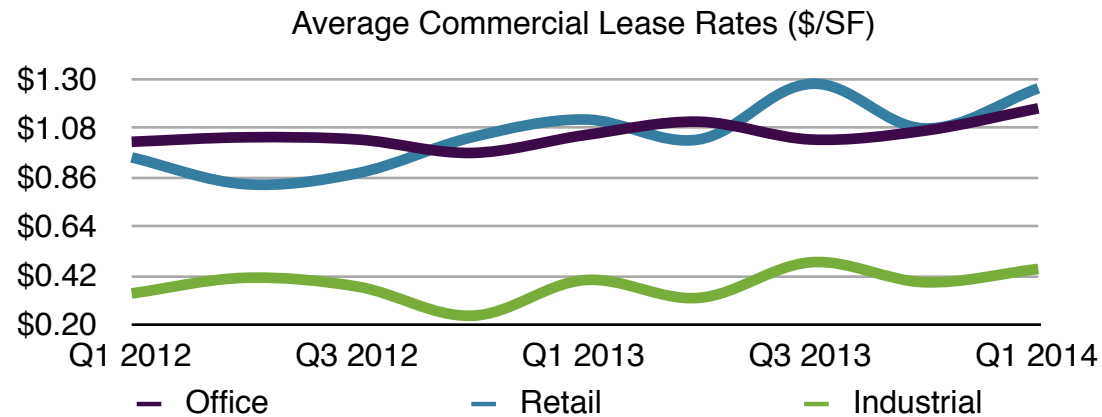


COMMERCIAL LEASING ACTIVITY

Chico, California

The First Quarter, average lease rates were **\$1.17 for Office, \$1.26 for Retail, and \$0.45 for Industrial**. Lease rates increased for all three asset classes from the previous quarter! Office increased by 9%, Retail increased by 17%, and Industrial increased by 15%. This is great news, and you can see by the graph below that lease rates continue to rise in a positive trend.

COMMERCIAL LEASE DATA: Q1 2014			
	Average Lease Rates (\$/SF)	# of New Leases Signed	# of Current Active Listings
Office	1.17	15	97
Retail	1.26	5	45
Industrial	0.45	10	29



Source: CARETS Commercial MLS

Lease Rates represent newly signed leases entered into CARETS Commercial within that particular time period and they may not represent rates for existing leases. Data may not always represent the market, especially if there were not enough transactions to give fair estimates.

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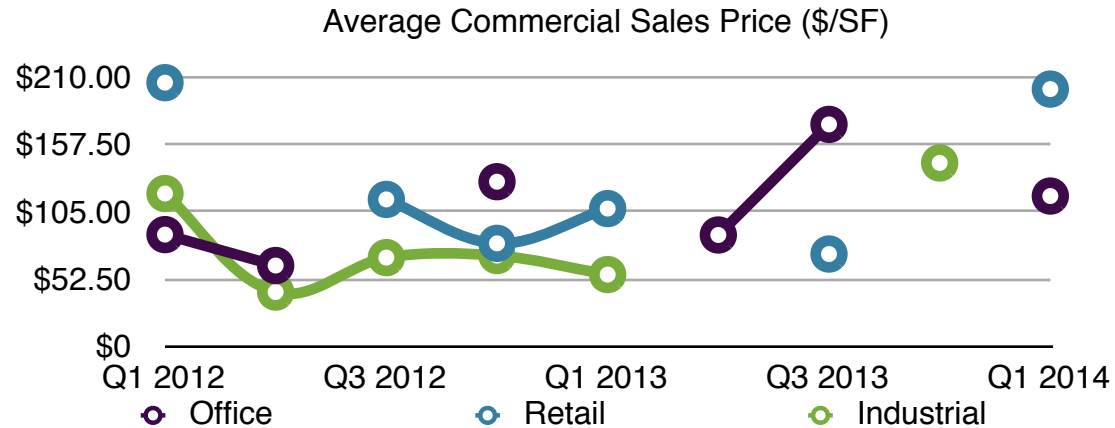
By Tara Davis BRE: 01860993 On 4/1/2014 11:35:am.

COMMERCIAL SALES ACTIVITY

Chico, California

There were six commercial sales this quarter. Although sales activity has increased this quarter, there is still not enough data to produce reliable feedback on the market.

COMMERCIAL SALES DATA: Q1 2014					
	Average Total Sale Price (\$)	Average Sale Price (\$/SF)	Average Days on Market	# of New Sales	Cap Rates*
Office	\$353,333.00	\$117.43	68	3	-
Retail	\$351,333.00	\$200.82	94	3	-
Industrial	-	-	-	-	-



*Cap Rates are seldom entered into the MLS, which is why many spaces are blank.

Source: CARETS Commercial MLS

Data may not always represent the market, especially if there were not enough transactions to give fair estimates.

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By Tara Davis BRE: 01860993 On 4/1/2014 11:14am

RESIDENTIAL SALES ACTIVITY

Chico, California

Although the average sales price decreased for all residential asset classes in the first quarter, the market is still hot. I have quite a few buyers looking to purchase single family homes, and it is a tough market out there for buyers right now. The difference between Original Asking Price and Sales Price for homes this quarter was 8.2%. The difference between Original Asking Price and Sales Price for homes sold last year was 15.9%. What does this mean? It means that houses are selling much closer to asking price in today's market, so buyers need to keep this in mind when making offers on houses. The market is still strong and often times there are multiple offers on homes, which results in a bidding war between buyers.

RESIDENTIAL MARKET DATA: Q1 2014					
	Average Sale Price	% Change in Average Sale Price from previous quarter	Average Days on Market	# of New Sales	
Single Family Residence	\$290,440.00	↓ 3.8%	76	187	
Residential Income	\$296,316.00	↓ 35.6%	57	19	
Condo	\$108,045.00	↓ 29.1%	63	11	



*SFR: Single Family Residence

Source: CRMLS. Data may not always represent the market, especially if there were not enough transactions to give fair estimates.

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By Tara Davis BRE: 01860993 On 4/1/2014 4:33pm

RESIDENTIAL INVESTMENT DETAILS

Chico, California

There were sixteen residential income properties sold this quarter, and the average price per unit decreased by about 20.5% compared to last quarter. Occupancy rates were better for houses and apartments this quarter.

RESIDENTIAL INCOME MARKET DATA: Q1 2014		
	Average Sales (\$/Unit)	% Change in Average Sale Price from previous quarter
Residential Income	\$93,619.00	↓ 20.5%

VACANCY RATES	
	1/15/14
Houses	2.9%
Apartments	2.5%

Sources: CRMLS and NVPOA

Data may not always represent the market, especially if there was not enough data to give honest estimates.

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By Tara Davis BRE: 01860993 On 4/1/2014 5:00pm

FUN FACTS ABOUT REAL ESTATE

DID YOU KNOW...

- ➔ The percentage of Chico houses currently for sale over \$500,000: 16.3%
- ➔ The typical For Sale By Owner (FSBO) home sold for \$46,000 less during the past year than homes sold with the assistance of a REALTOR.
- ➔ Low-flow toilets save about 6.4 gallons per flush
- ➔ By January 1, 2017, all residential properties in California that were built prior to 1994 will be required to retrofit with:
 - ➔ Toilets that use no more than 1.6 gallons per flush
 - ➔ Shower heads with flow rates of no more than 2.5 gallons per minute
 - ➔ Other interior fixtures that use less than 2.2 gallons of water per minute
- ➔ In 2013, 85% of buyers obtained a 30-year loan with a 25% down payment.

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Sources: California Association of Realtors, California Homebuilding Foundation

**'We're always on the go, so we don't need a fancy kitchen.
Do you have anything with a food court?'**

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By Tara Davis BRE: 01860993