



Central California Region Overview

Highlights of the region's talent, growing industry, real estate and incentives.



CENTRAL CALIFORNIA

EIGHT COUNTIES, ONE CONTACT

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CENTRAL
CALIFORNIA

Center Yourself.

CENTRAL CALIFORNIA

- Value Proposition: People, Property, Pricing
- Home to 4.3 million people
- Center of 4th largest World Economy (40 million people)
- 2nd Largest Growth Market Nation
- Dual Rail Lines and Traffic Corridors
- 4 Deep Water Ports nearby
- 3 Metro Passenger Airports
- 4 Public Universities, 14 Com Colleges
- UNEMPLOYMENT
 - Pre-Covid 7.4% unemployment (Feb 2020)
 - Post-Covid 17.7% (April 20)
 - 1st Qtr 2024 9.8% Central CA, 5.6% State CA

[Central California Brochure Link](#)





- Central Valley's percentage growth (32%) continues to outpace the state (17%), nearly double the states percentage since 2000.

POPULATION & GROWTH

Central Valley County	Population	Growth 2010-2021	Growth 2000-2021	Labor Force	Unempl. Rate
Fresno	1,026,681	10%	28%	425,700	9.5 %
Kern	914,193	9%	38%	400,800	10.2 %
Kings	152,543	0%	18%	51,000	10.5 %
Madera	158,474	5%	29%	58,000	9.0 %
Merced	284,836	11%	35%	86,800	11.9 %
San Joaquin	783,534	14%	39%	289,900	7.6 %
Stanislaus	555,968	8%	24%	248,500	7.8 %
Tulare	481,733	9%	31%	216,800	12.3%
Region	4,357,962	8%	32%	1,777,500	9.85 %
California	39,466,855	2%	17%	19,348,000	5.3%

CENTRAL CALIFORNIA

Market Trends

- 12th Largest Industrial Market in Nation, 2nd largest growth market
- 2023 to date **22.5 M** sf large transactions
- 2022 numbers came in around **27.6 M** sf. Increase in smaller transactions. Seeing increased Cold Storage demand and large box
- 2021 was largest ever absorption at **31M** sf, over previous record in 2020 of 21.6 M sf
- The Central Valley will continue to see migration/expansion from the Bay Area and So Cal. given the availability and cost of land, labor and transportation

381 Million SF Base

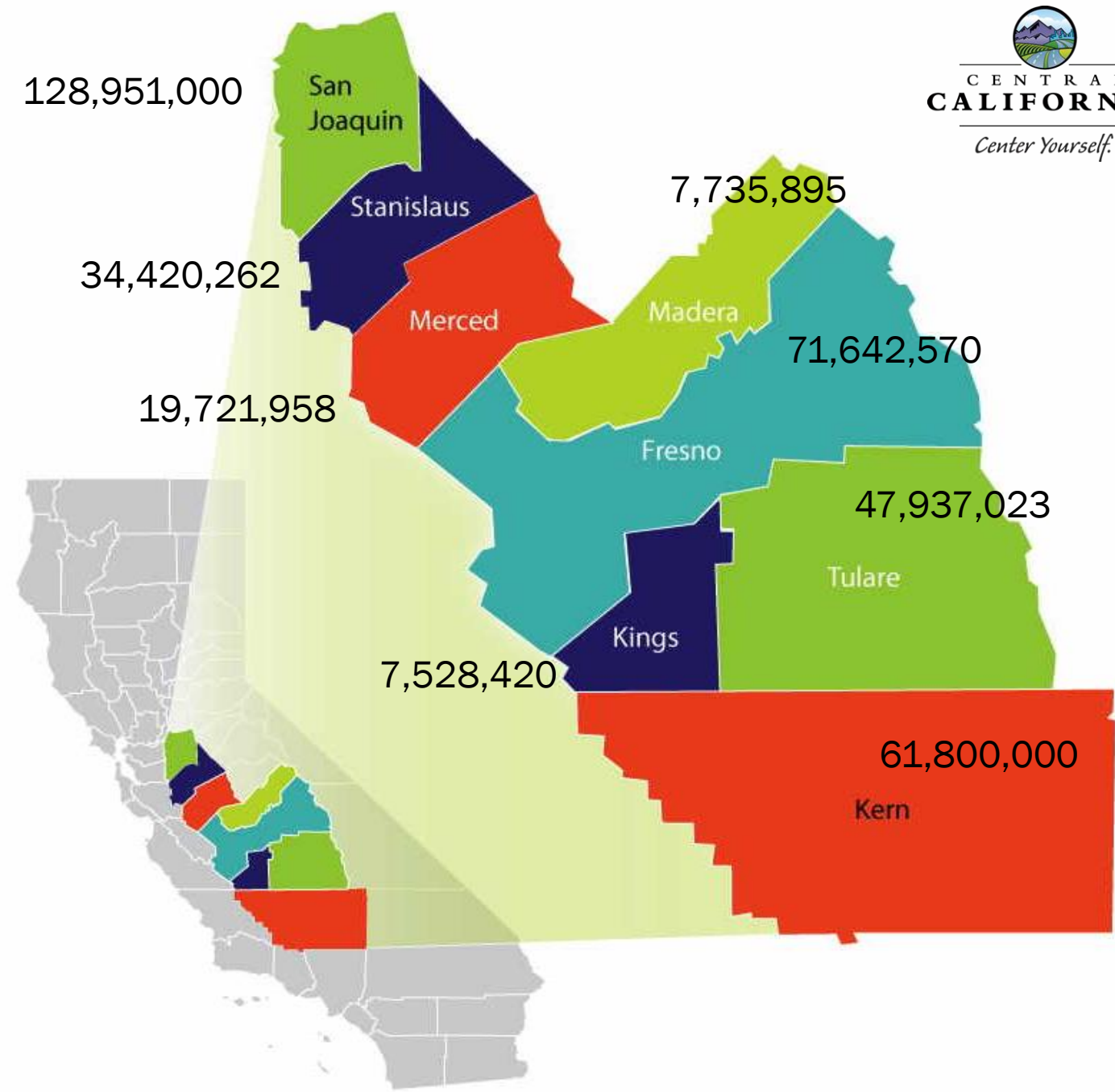
4.4% Vacancy

>20M Spec

County	Total Base (Sq. Ft.)	Vacancy Rate	Spec/UC
Fresno	71,642,570	3.1%	800,000
Kern	61,800,000	6.9%	4,000,000
Kings	7,528,440	10.7%	
Madera	7,735,895	4.4%	1,500,000
Merced	19,721,958	2.9%	
San Joaquin	128,951,000	5.5%	11,034,000
Stanislaus	34,420,262	4.4%	726,000
Tulare	47,937,023	5.1%	2,304,000



INDUSTRIAL REAL ESTATE MARKET



INDUSTRIAL MARKET INDICATORS

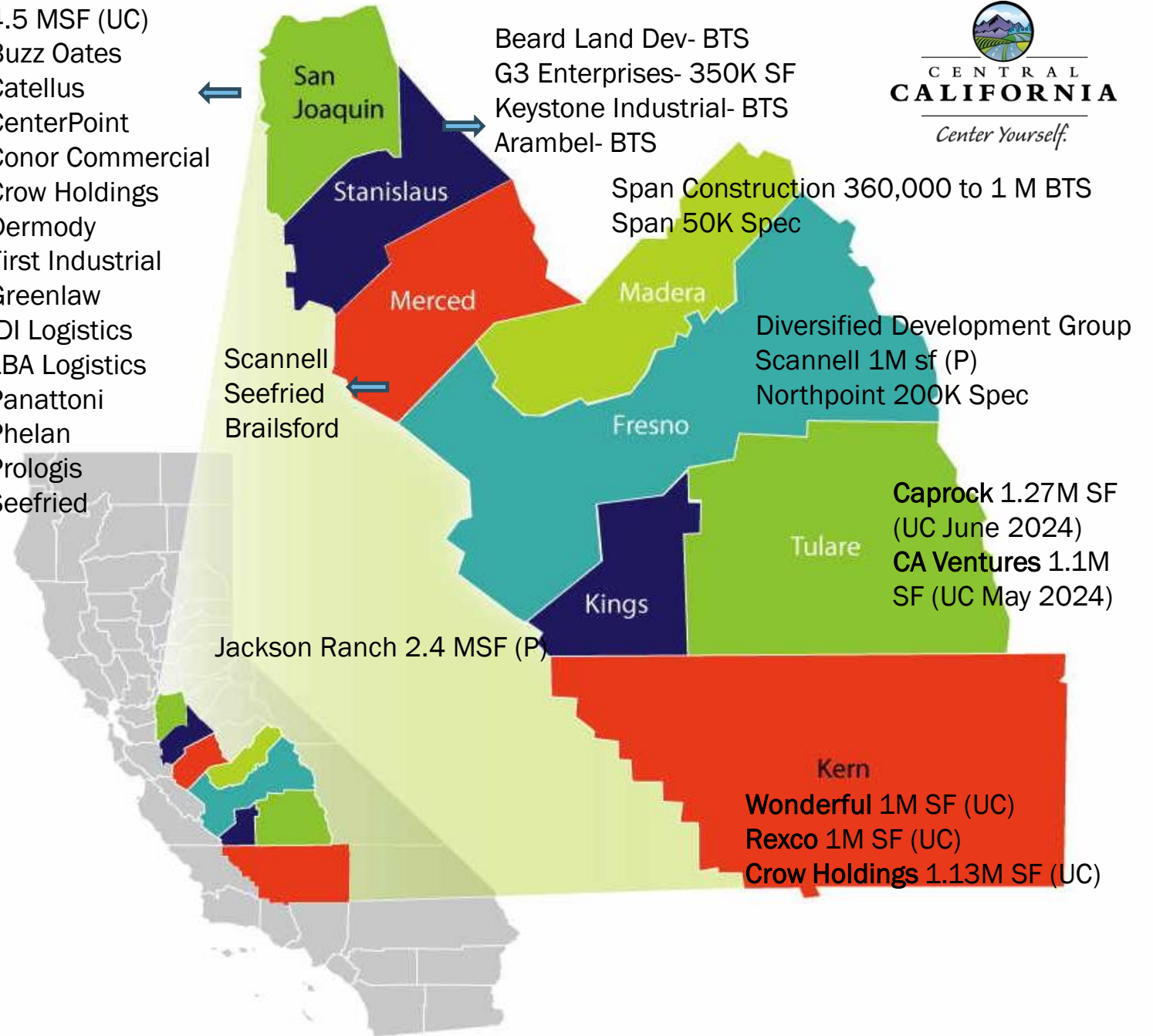
- 381,141,949 TOTAL SF
- \$0.73 Ave NNN Asking
- 4.41 Vacancy Rate
- Counties adding industrial Land
 - Lathrop 700 acres



SPEC BUILDING ACTIVITY

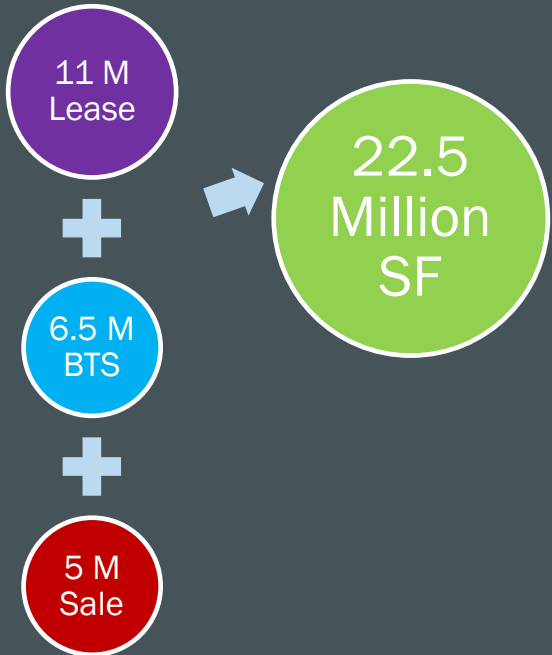
- 40 Million SF of Spec added in last 5 years
- Close to 30 Major Developers
- 20,364,000 Total Spec (P, UC, Avail)
 - 9,537,820 UC
- North Valley 41%
- Mid-Valley 24%
- South Valley 33%

4.5 MSF (UC)
 Buzz Oates
 Catellus
 CenterPoint
 Conor Commercial
 Crow Holdings
 Dermody
 First Industrial
 Greenlaw
 IDI Logistics
 LBA Logistics
 Panattoni
 Phelan
 Prologis
 Seefried





2023 NEW LARGE TRANSACTIONS (100K+SF)



Crate & Barrel 827 K
Pepsi 755 K
Kellogg's 748 K
Tesla 600 K
Johnson United 552 K
Veritiv 507 K
PFG 373 K

San Joaquin

Stanislaus

Merced

Article 356 K
G3 218 K
First Tactical 172 K
Boise Cascade 194 K

Auto Zone 560 K
Amond World 250 K

Madera

Packaging Co of America 267K
Clovis 200K
Amazon 183 K

Fresno

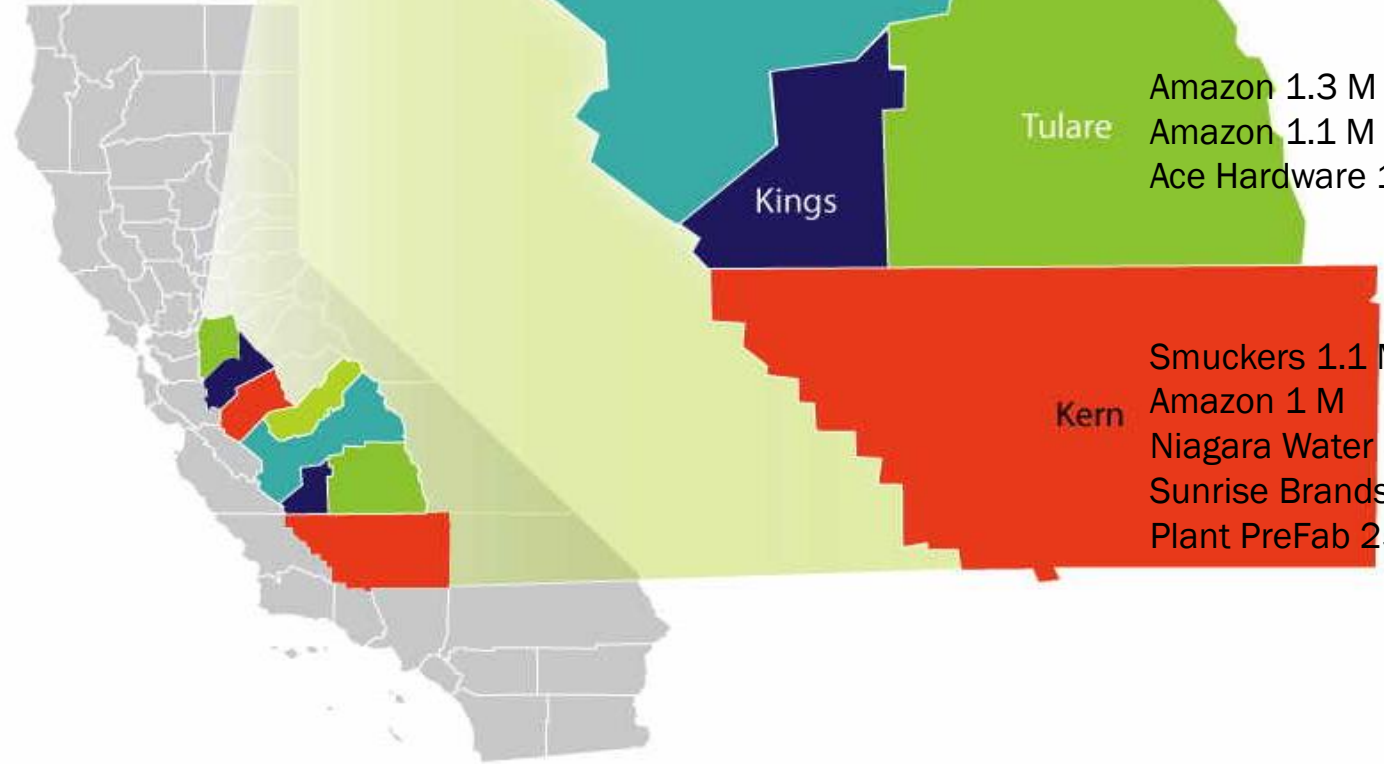
Kings

Tulare

Amazon 1.3 M
Amazon 1.1 M
Ace Hardware 1.1 M

Kern

Smuckers 1.1 M
Amazon 1 M
Niagara Water 800 K
Sunrise Brands 446 K
Plant PreFab 252 K



2022 YEAR-END

Largest Transactions:

Target Dist 1.4M

Williams and Sonoma 1.12M sf

Smuckers 1.0 M sf in Shafter

Grantline Rd 830,000 sf Tracy

Niagara Water 705,000 and 512,000 sf

Tejon Industrial 606,000 sf

Auto Zone 560,000 sf Chowchilla

Unidentified Modesto 405,000 sf

Staples 401,310 sf Stockton

Wine Distribution 356,065 sf Patterson

NFI 346,860 sf Lathrop

Medline Industries 338,564 sf Lathrop

501 E Whitmore 326,000 sf

Amond World 250,000 sf Madera

2022 was a record-breaking year like 2021.

13.6 M
Lease



7.7 M
BTS



6.2 M
Sale

27.6
Million
SF



2021 YEAR-END

Largest Transactions:

Amazon 3.5 M sf

Ace Hardware 1.0 M sf

Amazon 1.0 M sf Shafter

General Mills 735 K sf

Allen Distribution 709,556 sf

Youngs Market 610,000 sf

Walmart Cold Storage 600K sf

Amazon 650K sf

FEMA 552,450 sf

Lowes 517,458 sf

Tesla Energy 440,538 sf

Costco Dist. 420 K sf

2021 was the best year ever in transactions for the valley. Speculative construction was over 9 million, a BTS is under construction for a multi-level Amazon DC at 3.5 million sf and over 840 acres were sold.

14 M
Lease



7.0 M
BTS



10 M
Sale



31
Million
SF

Central Valley is 2nd largest growth market in the Nation

Growth Rate**

Ranking	Market*	MSF
1	Savannah	8.0
2	Central Valley, CA	6.1
3	San Antonio	5.9
4	Las Vegas	5.5
5	Austin	5.3
6	Pennsylvania/I-78/81 Corridor	4.7
7	Phoenix	4.3
8	Nashville	4.0
9	San Diego	4.0
10	Salt Lake City	3.9

Growth Rate- YTD absorption as a % of inventory. Source: CBRE US Industrial Q3 2021

2020 DEALS

Largest Transactions:

- Malouf Distribution (1.2 M)
- 4 Amazons (750K to 1.1M)
- Michaels (925K)
- Home Depot (700K)
- Best Buy (641K)
- Kraft (651K)
- Ford Motor Co (609K)
- UPS, Manteca (552K)

Significant Others

- UPS Hub Visalia Opened
- T-Mobile/Sprint 1,000 jobs
- UC Merced developing 219-acre mixed-use master planned dev.
- Hydroponic Farming and Industrial Hemp making moves to area
- Master-Planned Communities

9.5 M
Lease



4.5 M
BTS



7.6 M
Sale



21.6
Million
SF



CENTRAL CALIFORNIA
Center Yourself

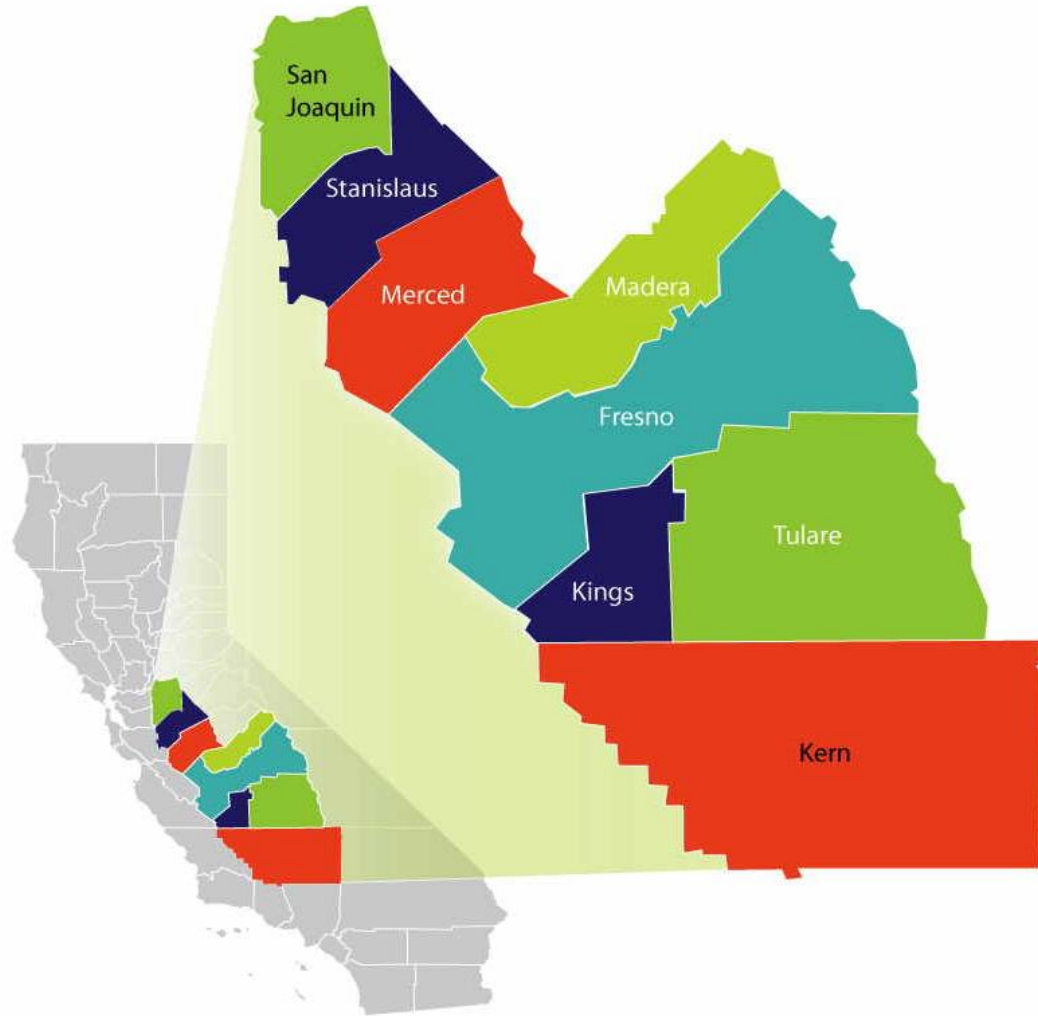
Central California Manufacturing Facilities
Note: Property Prices and Specs as reported by broker or owner, subject to change

Photo	County	Address	SF	Acres	Price	Notes
	San Joaquin	6250 Promontory Parkway I Tracy, CA	1,025,116		Upon Request	STATE-OF-THE-ART WAREHOUSE/ADVANCED MANUFACTURING FACILITY
	San Joaquin	Building 7 Mariposa Rd, San Joaquin	±709,556	42.48	Upon Request	NORCAL Logistics Center
	San Joaquin	Promontory Street and Houston Road I Tracy, CA	640,973		Upon Request	Prologis International Park of Commerce BUILDING 9
	San Joaquin	AVIATION & SUNWAY DRIVE STOCKTON, CA	±419,608	±22.19	Upon Request	STATE-OF-THE-ART WAREHOUSE/ADVANCED MANUFACTURING FACILITY
	San Joaquin	22100 SOUTH MARLAN ROAD LATHROP, CA	±417,720	±26		Lathrop Industrial Complex
	San Joaquin	1815 Nixon Drive Stockton, CA	95,769	12.10	Lease: \$0.35/SF	Former Recycling Facility Opportunity Zone

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Available Real Estate



CENTRAL CALIFORNIA COST COMPARISON

Warehouse Distribution Lease Rates NNN

\$1.37 San Francisco Oakland Area	\$1.74 Greater Los Angeles	\$0.73 Central Valley
\$0.92 Reno, NV	\$1.30 Las Vegas	Inland Empire \$1.48

Top Factors:

- BUSINESS-FRIENDLY, quicker project approval
- Proximity to Markets
- Logistics and Drayage Costs
- Availability of Skilled Labor (CTE)
- Highway Accessibility
- Quality of Life (includes housing costs)
- Occupancy and Construction Costs
- Available Buildings
- Cost of Doing Business
- Taxes and Incentives

Source: Colliers International Q4
2023

INCENTIVES



State of California

- [California Competes Tax Credit](#)
- [California Opportunity Zones](#)
- [Employee Training Panel](#)
- [Work Opportunity Tax Credit & Fidelity Bonding Program](#)
- [R & D Tax Credit](#)

Central Valley City and County Incentives

- Incentives are often done on a case-by-case basis based on the needs of the client for a specific site.
- Some communities have Incentive Policies that can be found on our web site: [County Profiles – Central California](#)

Summary



Central Valley

Business-friendly



PROPERTY

#2 Industrial Growth
Market in US

#12 Largest
Industrial Market



PEOPLE

Career Tech
Educated Workforce



PRICING

30 to 50% less
expensive than metro
areas



PLUS

Central California
offers “Quality of
Character” variety of
landscapes, housing,
culture, real estate,
workforce



Questions?

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Eight Counties, One Contact 888-998-2345



SITE SELECTION

CCVEDC offers free and confidential assistance with:

- Real Estate
- Incentives
- Regional Data
- Site Tours

WHO WE ARE

California Central Valley Economic Development Corporation (CCVEDC)



- San Joaquin
- Stanislaus
- Merced
- Madera
- Fresno
- Kings
- Tulare
- Kern

KEY INDUSTRIES

- Agribusiness & Food Processing
- Health & Wellness
- Manufacturing
- Logistics
- Energy