

# Merced

# OPPORTUNITIES



City of Merced Development Services and Office of Economic Development

## Prospects are Good in Merced

### UC Merced

University of California at Merced construction is on target to start in 2002 with opening scheduled for 2004. UC Merced will house approximately 2,000 students, faculty, and staff at opening. Today, almost 125 UC Merced staff members are hard at work creating the foundation to build the first new major research university of the 21st Century.



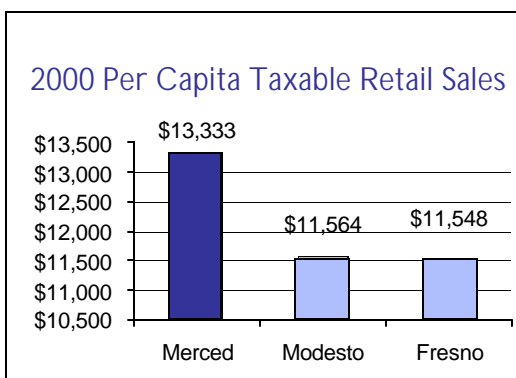
### Booming Housing Market

Merced's residential real estate market is hot. The median sales price for homes in the Merced area is \$150,000, up from \$106,000 just 18 months ago.

In the past year, the number of single family housing starts were about double the City's average rate during the 1990s.

UC Merced will increase the demand for housing in the community. Significant numbers of single family homes and apartments will be needed to house the growing University related community.

### Retail Growth



Merced's regional market is one of the fastest growing California retail markets according to American Demographics. In fact, Merced's per capita taxable retail sales have exceeded the cities of Modesto and Fresno since 1995.

### Merced Population Projections

Year	Merced City (Urban Area)	UC Merced (Off-campus)	Merced County
1990	56,212	0	180,200
2000	70,544	0	215,256
2005	81,263	384	242,846
2010	92,014	3,088	273,923
2015	100,706	8,220	304,784
2020	108,505	14,066	337,935
2025	115,346	21,682	373,170

**Merced County  
Median Family Income:  
\$38,009 (2000 Census)**

**Merced County  
Median Household Income:  
\$35,532 (2000 Census)**

### Merced Development Forecast for 2002-07

Type of Development	2003	2004	2005	2006	2007
Single family homes (new units)	400	500	525	550	575
Multi-family housing (new units)	150	200	200	250	300
Commercial construction (new sf)	550,000	75,000	75,000	350,000	300,000
Industrial construction (new sf)	60,000	20,000	25,000	100,000	25,000

*Housing demand* is projected in the table above as being roughly stable over the five year period. This represents an annual average approximation, with some years having less and other years having more housing starts.

*Commercial growth (including office)* has been cyclical in Merced, reflecting “waves” of construction. Each major “wave” of development adds significant square footage to the commercial inventory. It appears that a major “wave” will happen in 2003, including: the Lowe’s development on Olive Avenue, Singh developments on King Way and 16<sup>th</sup> Street, the Plaza at El Portal, a Comfort Inn on Motel Drive, the Merced Center development, and pad development at Home Depot. The next major wave of commercial and office development is expected to occur in 2006 and 2007.

*Industrial development* has generally been around 15,000 to 20,000 square feet per year except in years when major new facilities locate in Merced. The forecast anticipates two major new facilities in the five year period.

Merced is well equipped to provide support services for its expanding business and residential population. City residents have come to expect the high-quality services that contribute to the overall livability of the area.

To find out more about the opportunities in Merced, contact the City of Merced today.

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