

## Details on The New Tax Plan

The last significant change to the tax system was over thirty years ago under President Ronald Regan. America currently has the most complex tax system and the highest statutory and corporate tax rate in the world. The US Tax Payers Association estimates that Americans spend over \$262 billion on compliance and record keeping costs. Over ninety percent of Americans need help to complete their taxes.

For individuals the number of tax brackets will be reduced from seven to three: 10%, 25% and 35%. The standard deduction will be doubled to \$24,000 for joint filers from the current \$12,600. Single filers would have a \$12,000 standard deduction, up from \$6,300. There will also be tax relief for families who pay for child care or dependent care expenses.

The tax code will also be simplified to eliminate targeted tax breaks for the wealthiest individuals. It will continue to protect home ownership by allowing mortgage interest deduction and continue the charitable gift tax deductions. It will repeal the alternative minimum tax and death tax. It will also repeal the 3.8% Obamacare tax that affects small businesses and investment income.

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Azusa Light Industrial

For businesses, the new corporate tax rate will go from 35% to 15%. It will institute a territorial tax system to encourage companies to stay in America. It will institute a one-time tax on businesses taking dollars overseas. It will also eliminate tax breaks for special interests.

Throughout the month of May, special sessions in both the Senate and House will be held to get input and layout the details of the plan which will have to pass both houses.

Source: Asset Preservation Newsletter April 26, 2017

**Current SBA 504 Effective  
Rate for  
April 2017 is 4.62%**

## First Quarter 2017 Commercial Market Review

The industrial market continues to remain strong with vacancy overall at 2.05%. Heavy demand and low supply continue to drive the market increasing lease rates. Approx 1.6M SF of completion and delivery was brought to the market this quarter. There is a total of 5.6M SF of new construction that will be delivered to the market in 2017.

In the San Gabriel Valley, industrial rates also remain strong with flex and R&D rates averaging \$0.89 PSF and the vacancy rate remaining in the mid 1.5% range. There is currently just over 800K SF under construction.

The Los Angeles office market had a slight increase in the vacancy rate to 14.4%. However,

the average asking rent increased about 1.4% averaging to \$2.86 PSF.

The San Gabriel Valley office market had a slight decrease in office vacancy rate from 14.5% to 14%. The average asking rent slipped slightly to a weighted \$2.22 PSF.

Source: CoStar Newsletter and Xceligent newsletter April 26, 2017

## Just Listed: For Sale (In Escrow)



965 W. 5<sup>th</sup> Street Azusa, CA 91702

**Opened Escrow within One Week of Listing!**

**Approx 1,240 SF office building with rear warehouse on a 9,850 SF fenced and secure yard.**

**Bonus 300 SF covered workshop, Two Loading Doors, 6-foot concrete block wall and automatic front gate.**

**Direct access to the 210 and 605 free-ways via Vernon.**

**Listed at \$725,000**



*Linda Vidov-Elkaim (CA Broker Lic. #1715788)*

Linda specializes in commercial and industrial sales and leasing throughout the San Gabriel Valley. She has extensive knowledge in 1031 exchange transactions, investment opportunities, and market analysis. Feel free to contact Linda with any questions or requests for information.

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