

INYO COUNTY ECONOMIC FORECAST

Inyo County is the second largest county in California in terms of physical land. However, 98 percent of this land is publicly managed by state and federal government departments. The unique geography of the county includes Mount Whitney (highest point in the continental United States) and Death Valley (the lowest point in the Northwestern Hemisphere). Inyo County has a population of 18,470 people and 7,519 wage and salary jobs. The per capita income is \$39,056, and the average salary per worker is \$45,710.

In 2011, 89 total wage and salary jobs were lost in Inyo County, representing a decline of 1.2 percent. The unemployment rate fell from 10.0 percent to 9.9 percent.

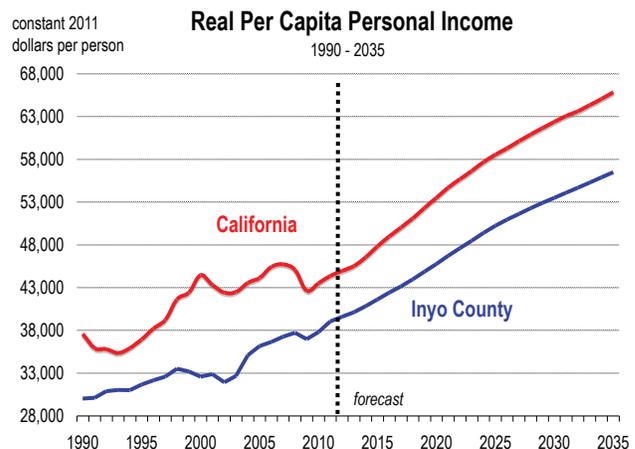
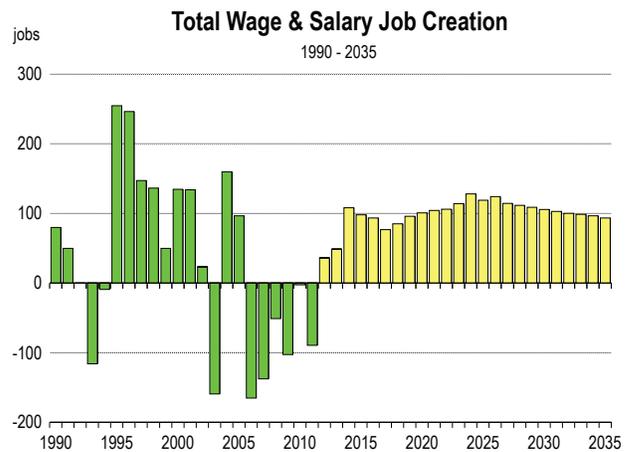
Employment increased in the farm, mining, wholesale trade, and public sectors. The construction, manufacturing, transportation and utilities, retail trade, information, leisure and hospitality, education and healthcare, and professional services industries lost jobs during 2011.

The public sector accounts for 43 percent of total employment in the county, dominated by the Naval Air Warfare Center at China Lake. Leisure services and retail trade are the two other largest sectors accounting for 19 and 13 percent, respectively, of all wage and salary jobs. Death Valley National Park is the largest visitor attraction in Inyo County. Thousands of hikers climb Mount Whitney each year.

Between 2006 and 2011, the population of Inyo County was virtually flat. During the period, the county lost a total of 154 residents through net migration, and gained slightly more through the natural increase (new births). Over the next five years, population growth will remain slow. Net migration will turn positive in the near term, but because the county has an aging population, population growth will remain subdued.

FORECAST HIGHLIGHTS

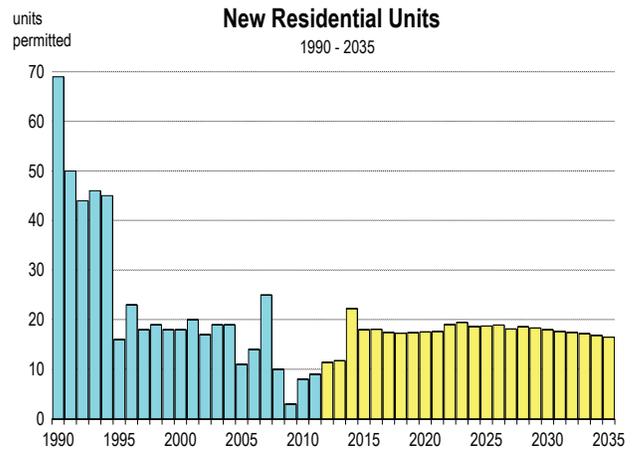
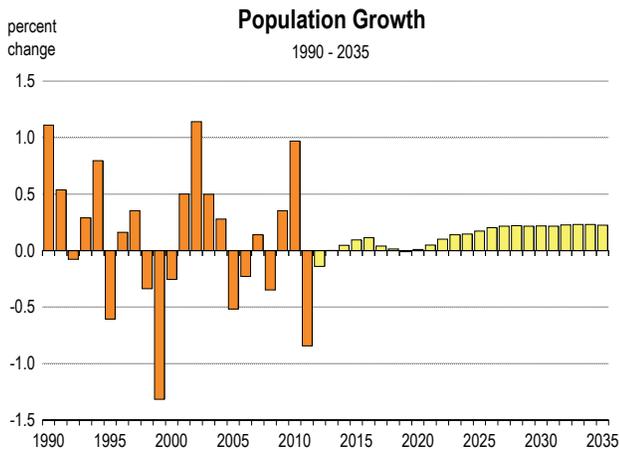
- Total wage and salary employment will increase by 0.5 percent in 2012 – an increase of 36 jobs. From 2012 to 2017, total employment growth is expected to average 1.0 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Inyo County, inflation adjusted salaries are expected to rise by an average of 0.7 percent per year from 2012 to 2017.
- Between 2012 and 2017, the momentum for employment growth is in professional business services, leisure services, and the public sector. These sectors account for 64 percent of all jobs created in the county during this period.
- The population is forecast to grow, but at a slow rate. Annual growth in the 2012 to 2017 period will be less than 0.1 percent per year.
- Net migration will turn positive over the near term, but will remain subdued. Between 2012 and 2017, the county will average only 32 in-migrants per year.
- Real per capita income is forecast to decline by 0.2 percent in 2012. Between 2012 and 2017, real per capita income is expected to increase by an average of 1.3 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.3 percent per year from 2012 to 2017.
- Industrial production is forecast to rise 1.0 percent in 2012. During the 2012 to 2017, period the growth rate of industrial production will average 2.2 percent per year.



Inyo County Economic Forecast

2006-2011 History, 2012-2040 Forecast

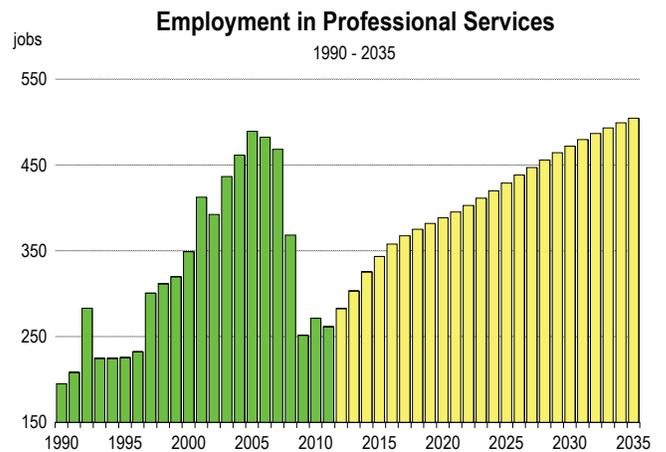
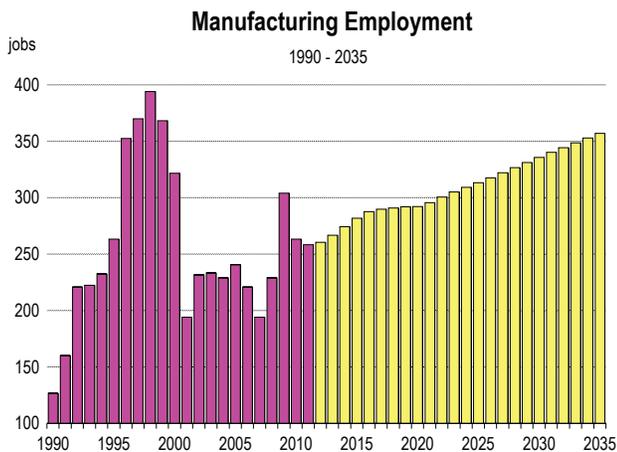
| | Population (people) | Net Migration (people) | Registered Vehicles (thousands) | Households (thousands) | New Homes Permitted (homes) | Total Taxable Sales (millions) | Personal Income (billions) | Real Per Capita Income (dollars) | Inflation Rate (% change in CPI) | Real Farm Crop Value (millions) | Real Industrial Production (millions) | Unemploy- ment Rate (percent) |
|------|------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|--------------------------------------|----------------------------------|--|--|---------------------------------------|---|-------------------------------------|
| 2006 | 18,421 | -49 | 27.5 | 7.95 | 14 | \$330.7 | \$0.61 | \$36,644 | 3.2 | 20.1 | 65.8 | 4.6 |
| 2007 | 18,447 | -13 | 27.0 | 7.99 | 25 | \$323.0 | \$0.64 | \$37,246 | 3.4 | 21.5 | 70.2 | 4.9 |
| 2008 | 18,383 | -97 | 27.1 | 8.02 | 10 | \$319.3 | \$0.66 | \$37,710 | 3.0 | 22.5 | 91.1 | 6.6 |
| 2009 | 18,448 | 7 | 27.3 | 8.03 | 3 | \$299.6 | \$0.66 | \$36,964 | 0.8 | 19.9 | 109.7 | 9.2 |
| 2010 | 18,627 | 155 | 27.4 | 8.06 | 8 | \$306.0 | \$0.69 | \$37,819 | 1.3 | 22.1 | 118.3 | 10.0 |
| 2011 | 18,470 | -157 | 27.1 | 8.05 | 9 | \$314.3 | \$0.72 | \$39,056 | 2.5 | 26.3 | 118.8 | 9.9 |
| 2012 | 18,444 | 3 | 27.2 | 8.06 | 11 | \$324.8 | \$0.74 | \$39,607 | 1.9 | 25.8 | 120.0 | 9.2 |
| 2013 | 18,445 | 27 | 27.4 | 8.07 | 12 | \$335.8 | \$0.77 | \$40,111 | 2.1 | 25.9 | 121.9 | 8.4 |
| 2014 | 18,453 | 34 | 27.7 | 8.08 | 22 | \$348.5 | \$0.80 | \$40,831 | 2.1 | 25.9 | 126.2 | 7.1 |
| 2015 | 18,471 | 44 | 28.1 | 8.10 | 18 | \$362.0 | \$0.84 | \$41,610 | 1.8 | 25.1 | 130.1 | 5.7 |
| 2016 | 18,492 | 48 | 28.4 | 8.12 | 18 | \$376.7 | \$0.87 | \$42,416 | 1.7 | 25.4 | 134.5 | 4.6 |
| 2017 | 18,500 | 33 | 28.6 | 8.14 | 17 | \$391.0 | \$0.91 | \$43,150 | 1.7 | 25.5 | 138.7 | 3.7 |
| 2018 | 18,503 | 28 | 28.9 | 8.15 | 17 | \$405.6 | \$0.94 | \$43,973 | 1.7 | 25.6 | 142.8 | 2.9 |
| 2019 | 18,501 | 22 | 29.2 | 8.17 | 17 | \$420.4 | \$0.98 | \$44,883 | 1.5 | 25.9 | 147.2 | 2.3 |
| 2020 | 18,503 | 23 | 29.5 | 8.19 | 18 | \$434.7 | \$1.02 | \$45,759 | 1.4 | 25.0 | 151.4 | 1.7 |
| 2021 | 18,512 | 28 | 29.8 | 8.20 | 18 | \$449.1 | \$1.06 | \$46,721 | 1.3 | 24.0 | 156.2 | 1.3 |
| 2022 | 18,531 | 34 | 30.2 | 8.22 | 19 | \$463.8 | \$1.10 | \$47,611 | 1.5 | 24.5 | 162.2 | 1.1 |
| 2023 | 18,558 | 37 | 30.5 | 8.24 | 19 | \$479.5 | \$1.14 | \$48,488 | 1.5 | 24.8 | 168.1 | 0.9 |
| 2024 | 18,585 | 35 | 30.9 | 8.26 | 19 | \$497.0 | \$1.19 | \$49,403 | 1.6 | 25.2 | 174.3 | 0.8 |
| 2025 | 18,617 | 38 | 31.2 | 8.28 | 19 | \$515.9 | \$1.24 | \$50,236 | 1.7 | 25.4 | 180.8 | 0.8 |
| 2026 | 18,655 | 42 | 31.6 | 8.30 | 19 | \$535.0 | \$1.28 | \$50,957 | 1.7 | 25.2 | 187.5 | 0.7 |
| 2027 | 18,696 | 44 | 31.9 | 8.31 | 18 | \$554.6 | \$1.33 | \$51,631 | 1.7 | 24.8 | 194.7 | 0.7 |
| 2028 | 18,737 | 46 | 32.2 | 8.33 | 19 | \$575.2 | \$1.38 | \$52,279 | 1.7 | 24.8 | 201.9 | 0.7 |
| 2029 | 18,778 | 46 | 32.5 | 8.35 | 18 | \$596.6 | \$1.43 | \$52,913 | 1.7 | 24.6 | 209.4 | 0.7 |
| 2030 | 18,819 | 46 | 32.8 | 8.37 | 18 | \$618.6 | \$1.48 | \$53,485 | 1.7 | 23.6 | 217.2 | 0.7 |
| 2031 | 18,859 | 45 | 33.1 | 8.39 | 18 | \$640.7 | \$1.53 | \$54,089 | 1.7 | 22.7 | 225.2 | 0.6 |
| 2032 | 18,902 | 46 | 33.4 | 8.40 | 17 | \$663.0 | \$1.58 | \$54,671 | 1.7 | 23.3 | 233.5 | 0.6 |
| 2033 | 18,946 | 47 | 33.6 | 8.42 | 17 | \$685.4 | \$1.63 | \$55,274 | 1.7 | 23.7 | 242.0 | 0.6 |
| 2034 | 18,990 | 45 | 33.9 | 8.44 | 17 | \$708.1 | \$1.69 | \$55,884 | 1.7 | 23.9 | 250.9 | 0.6 |
| 2035 | 19,033 | 44 | 34.1 | 8.45 | 16 | \$731.1 | \$1.75 | \$56,497 | 1.7 | 23.5 | 260.0 | 0.7 |
| 2036 | 19,075 | 42 | 34.4 | 8.47 | 16 | \$754.5 | \$1.81 | \$57,055 | 1.7 | 24.2 | 269.5 | 0.7 |
| 2037 | 19,117 | 42 | 34.6 | 8.48 | 16 | \$778.3 | \$1.87 | \$57,648 | 1.7 | 24.2 | 279.3 | 0.6 |
| 2038 | 19,159 | 41 | 34.8 | 8.50 | 16 | \$802.4 | \$1.93 | \$58,254 | 1.7 | 22.9 | 289.5 | 0.6 |
| 2039 | 19,201 | 40 | 35.1 | 8.51 | 15 | \$826.7 | \$2.00 | \$58,867 | 1.7 | 23.0 | 300.1 | 0.6 |
| 2040 | 19,244 | 39 | 35.3 | 8.53 | 15 | \$851.1 | \$2.06 | \$59,483 | 1.7 | 23.1 | 316.2 | 0.6 |

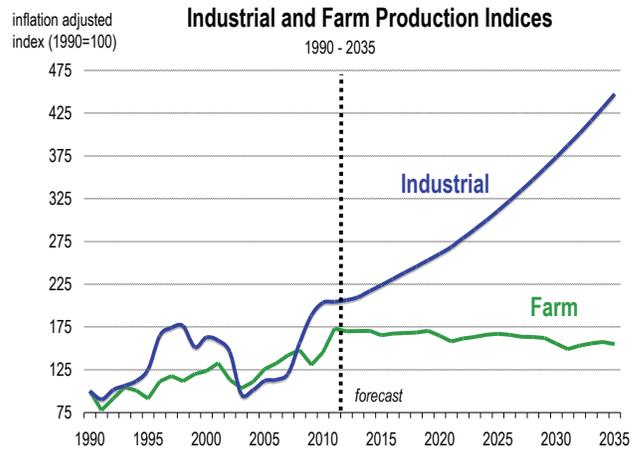
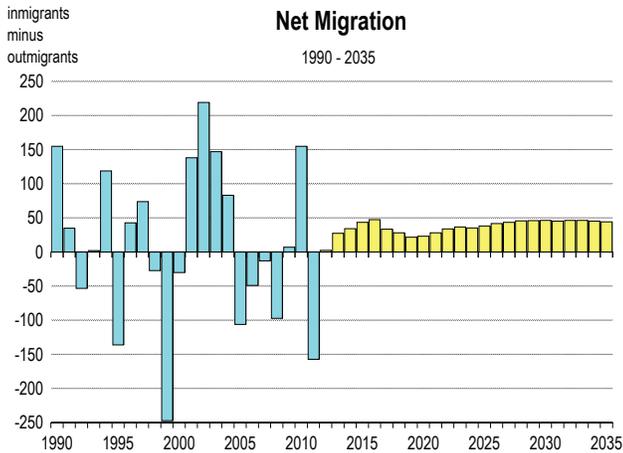
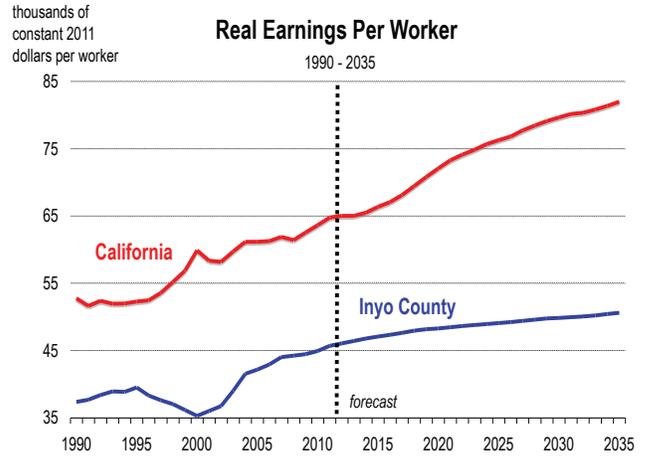
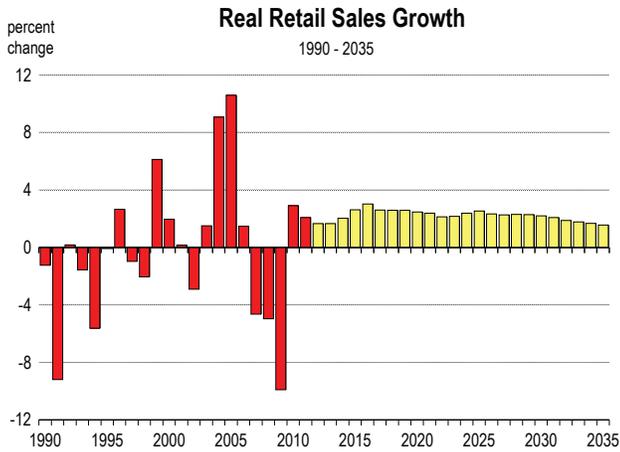


Inyo County Employment Forecast

2006-2011 History, 2012-2040 Forecast

| | Total Wage & Salary | Farm | Construction | Manufacturing | Transportation & Utilities | Wholesale & Retail Trade | Financial Activities | Professional Services | Information | Health & Education | Leisure | Government |
|--|---------------------|------|--------------|---------------|----------------------------|--------------------------|----------------------|-----------------------|-------------|--------------------|---------|------------|
| -----employment (thousands of jobs)----- | | | | | | | | | | | | |
| 2006 | 7.9 | 0.05 | 0.3 | 0.22 | 0.14 | 1.14 | 0.16 | 0.48 | 0.19 | 0.39 | 1.42 | 3.21 |
| 2007 | 7.8 | 0.04 | 0.3 | 0.19 | 0.16 | 1.10 | 0.15 | 0.47 | 0.20 | 0.39 | 1.39 | 3.15 |
| 2008 | 7.7 | 0.04 | 0.2 | 0.23 | 0.20 | 1.12 | 0.14 | 0.37 | 0.12 | 0.41 | 1.45 | 3.18 |
| 2009 | 7.6 | 0.04 | 0.2 | 0.30 | 0.20 | 1.10 | 0.14 | 0.25 | 0.09 | 0.42 | 1.47 | 3.19 |
| 2010 | 7.6 | 0.05 | 0.2 | 0.26 | 0.20 | 1.08 | 0.15 | 0.27 | 0.08 | 0.44 | 1.47 | 3.19 |
| 2011 | 7.5 | 0.05 | 0.2 | 0.26 | 0.20 | 1.05 | 0.15 | 0.26 | 0.08 | 0.40 | 1.46 | 3.22 |
| 2012 | 7.6 | 0.05 | 0.2 | 0.26 | 0.20 | 1.06 | 0.15 | 0.28 | 0.07 | 0.41 | 1.48 | 3.18 |
| 2013 | 7.6 | 0.05 | 0.2 | 0.27 | 0.20 | 1.07 | 0.15 | 0.30 | 0.07 | 0.41 | 1.48 | 3.19 |
| 2014 | 7.7 | 0.05 | 0.2 | 0.27 | 0.21 | 1.07 | 0.16 | 0.33 | 0.07 | 0.41 | 1.49 | 3.24 |
| 2015 | 7.8 | 0.05 | 0.2 | 0.28 | 0.21 | 1.08 | 0.16 | 0.34 | 0.08 | 0.41 | 1.51 | 3.28 |
| 2016 | 7.9 | 0.05 | 0.2 | 0.29 | 0.22 | 1.08 | 0.16 | 0.36 | 0.08 | 0.42 | 1.52 | 3.31 |
| 2017 | 8.0 | 0.05 | 0.2 | 0.29 | 0.22 | 1.08 | 0.16 | 0.37 | 0.08 | 0.43 | 1.53 | 3.34 |
| 2018 | 8.1 | 0.05 | 0.2 | 0.29 | 0.23 | 1.09 | 0.16 | 0.38 | 0.08 | 0.44 | 1.54 | 3.39 |
| 2019 | 8.2 | 0.05 | 0.2 | 0.29 | 0.23 | 1.09 | 0.16 | 0.38 | 0.08 | 0.45 | 1.55 | 3.43 |
| 2020 | 8.3 | 0.05 | 0.2 | 0.29 | 0.24 | 1.09 | 0.16 | 0.39 | 0.08 | 0.46 | 1.57 | 3.49 |
| 2021 | 8.4 | 0.05 | 0.2 | 0.30 | 0.25 | 1.10 | 0.16 | 0.40 | 0.08 | 0.48 | 1.58 | 3.54 |
| 2022 | 8.5 | 0.05 | 0.2 | 0.30 | 0.25 | 1.10 | 0.16 | 0.40 | 0.08 | 0.49 | 1.59 | 3.59 |
| 2023 | 8.6 | 0.05 | 0.2 | 0.31 | 0.26 | 1.10 | 0.16 | 0.41 | 0.09 | 0.50 | 1.60 | 3.66 |
| 2024 | 8.7 | 0.05 | 0.2 | 0.31 | 0.26 | 1.11 | 0.17 | 0.42 | 0.09 | 0.51 | 1.61 | 3.73 |
| 2025 | 8.8 | 0.05 | 0.2 | 0.31 | 0.27 | 1.11 | 0.17 | 0.43 | 0.09 | 0.53 | 1.62 | 3.79 |
| 2026 | 9.0 | 0.05 | 0.2 | 0.32 | 0.27 | 1.12 | 0.17 | 0.44 | 0.10 | 0.54 | 1.63 | 3.86 |
| 2027 | 9.1 | 0.05 | 0.2 | 0.32 | 0.27 | 1.13 | 0.17 | 0.45 | 0.10 | 0.55 | 1.64 | 3.92 |
| 2028 | 9.2 | 0.05 | 0.2 | 0.33 | 0.28 | 1.13 | 0.17 | 0.46 | 0.11 | 0.56 | 1.64 | 3.98 |
| 2029 | 9.3 | 0.05 | 0.2 | 0.33 | 0.28 | 1.14 | 0.17 | 0.46 | 0.12 | 0.57 | 1.65 | 4.04 |
| 2030 | 9.4 | 0.05 | 0.2 | 0.34 | 0.28 | 1.14 | 0.17 | 0.47 | 0.12 | 0.58 | 1.66 | 4.10 |
| 2031 | 9.5 | 0.05 | 0.2 | 0.34 | 0.29 | 1.15 | 0.17 | 0.48 | 0.13 | 0.58 | 1.67 | 4.16 |
| 2032 | 9.6 | 0.05 | 0.2 | 0.34 | 0.29 | 1.16 | 0.18 | 0.49 | 0.13 | 0.58 | 1.67 | 4.22 |
| 2033 | 9.7 | 0.05 | 0.2 | 0.35 | 0.29 | 1.16 | 0.18 | 0.49 | 0.14 | 0.58 | 1.68 | 4.28 |
| 2034 | 9.8 | 0.05 | 0.2 | 0.35 | 0.30 | 1.17 | 0.18 | 0.50 | 0.14 | 0.59 | 1.69 | 4.33 |
| 2035 | 9.9 | 0.05 | 0.3 | 0.36 | 0.30 | 1.17 | 0.18 | 0.50 | 0.15 | 0.59 | 1.69 | 4.39 |
| 2036 | 10.0 | 0.05 | 0.3 | 0.36 | 0.30 | 1.18 | 0.18 | 0.51 | 0.15 | 0.59 | 1.70 | 4.45 |
| 2037 | 10.1 | 0.05 | 0.3 | 0.37 | 0.30 | 1.18 | 0.18 | 0.52 | 0.16 | 0.58 | 1.71 | 4.50 |
| 2038 | 10.2 | 0.05 | 0.3 | 0.37 | 0.31 | 1.19 | 0.18 | 0.52 | 0.16 | 0.58 | 1.72 | 4.56 |
| 2039 | 10.3 | 0.05 | 0.3 | 0.37 | 0.31 | 1.19 | 0.18 | 0.53 | 0.17 | 0.58 | 1.73 | 4.61 |
| 2040 | 10.3 | 0.05 | 0.3 | 0.38 | 0.31 | 1.20 | 0.18 | 0.53 | 0.17 | 0.58 | 1.74 | 4.66 |





County Economic and Demographic Indicators

Projected Economic Growth (2012-2017)

| | |
|----------------------------------|--------------------------------|
| Expected retail sales growth: | 14.5 % |
| Expected job growth: | 6.2 % |
| Fastest growing jobs sector: | Professional Business Services |
| Expected personal income growth: | 10.7 % |

| | |
|--|-------|
| Expected population growth: | 0.2 % |
| Net migration to account for: | 100 % |
| Expected growth in number of vehicles: | 5.6 % |

Demographics (2012)

| | |
|---|--------|
| Unemployment rate (March 2012): | 10.4 % |
| County Rank* in California (58 counties): | 16th |
| Working age (16-64) population: | 63.8 % |

| | |
|--|-----------|
| Population with B.A. Degree or higher: | 21.2 % |
| Median Home Selling Price (2011): | \$250,000 |
| Median Household Income: | \$44,163 |

Quality of Life

| | |
|---|-------------------------|
| Violent Crime rate (2010): | 370 per 100,000 persons |
| County Rank* in California (58 counties): | 27th |
| Average Commute Time to work (2012): | 19.2 minutes |

| | |
|-----------------------------------|--------|
| High School drop out rate (2010): | 56.5 % |
| Households at/below poverty line: | 8.9 % |

* The county ranked 1st corresponds to the lowest rate in California