

VENTURA COUNTY ECONOMIC FORECAST

Ventura County located just north of Los Angeles County historically served as a bedroom community for the principal job base in the San Fernando and San Gabriel Valleys. However, the county has evolved into a jobs center with the growth of the technology corridor that stretches along Highway 101 from Woodland Hills to Camarillo.

Ventura County has a population of 821,000 people and more than 320,000 wage and salary jobs. The median household income of Ventura County is \$79,500, which is the fourth highest in the state.

Economic growth in Southern California has been strong during the decade, but was even more impressive during 2006. Last year 7,000 total jobs were created in Ventura County, a growth rate of 2.2 percent. The unemployment rate fell to 4.3 percent, the lowest rate ever recorded.

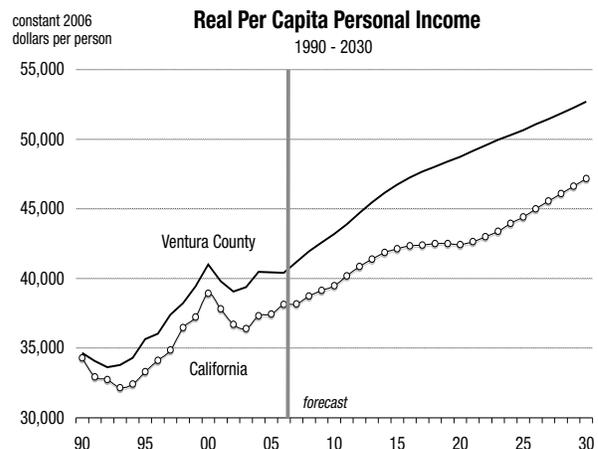
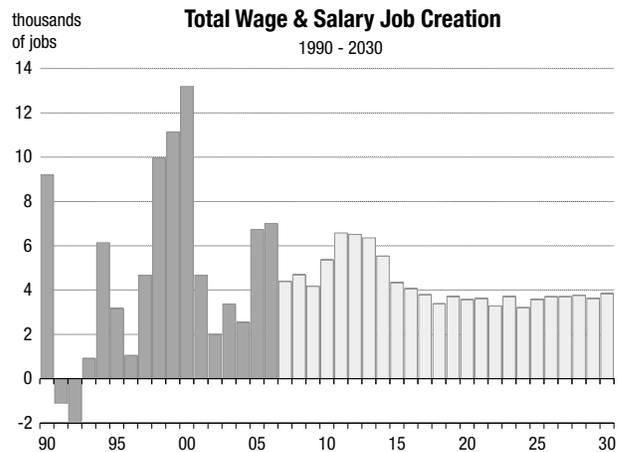
The principal employment clusters in Ventura County are biotechnology, information technology, healthcare services, and mortgage lending. The two largest private employers are Amgen and Countrywide. The U.S. Navy and County government are the largest public employers, though naval employment is expected to continue downsizing over time. The technology corridor is growing again in the Conejo Valley, and there is new momentum from job growth in the Oxnard Plain. Most housing production (and non-residential building) is slated for the western portion of the county, particularly in Oxnard.

The fastest growing cities in the county between 2006 and 2007 were Camarillo and Oxnard, which grew 2.4 and 1.7 percent respectively.

Employment growth is expected to moderate in Ventura County over the next several years in line with the rest of California. The primary impediment to greater growth in the region is the lack of affordable housing. The median selling price has leveled off near \$690,000, which is more than most wage earners can afford. More growth in the region would necessitate the production of more housing than is currently planned.

FORECAST HIGHLIGHTS

- Job growth is forecast to decline to 1.4 percent in 2007. It is expected to average 1.5 percent between 2007 and 2011. The farm sector is expected to plateau.
- The population will continue to grow in the county at the same rate as 2006. Annual growth in the 2007 to 2011 period averages 0.9 percent per year.
- Net migration is forecast to increase remain low over the forecast. Net migration will average 800 persons per year from 2007 to 2011.

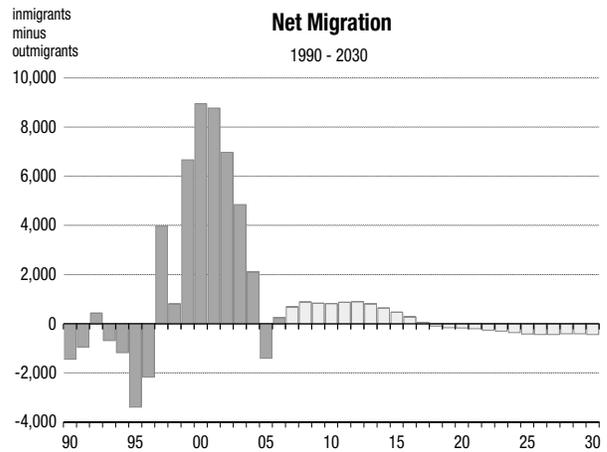
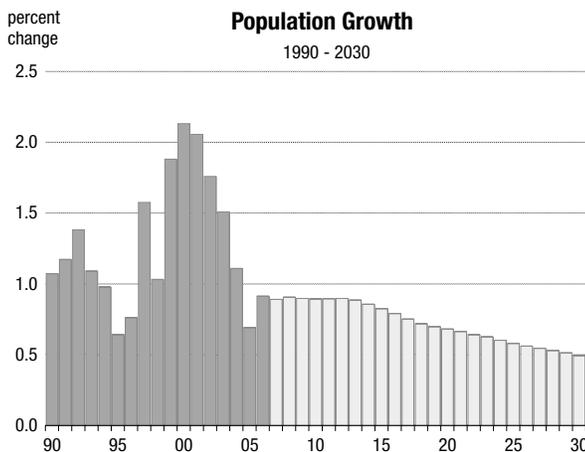


- Average salaries adjusted for inflation are currently above the California state average, and will remain relatively high over the forecast horizon. Real average salaries rise an average of 1.8 percent per year over the next 5 years.
- Employment growth is forecast to be strongest in professional services, trade, financial services, and healthcare and education. These sectors account for 82 percent of total wage and salary job creation from 2007 to 2011.
- Real per capita incomes increase at a rate of 1.9 percent in 2007. An annual compound rate of growth of 1.7 percent is forecast over the next 5 years.
- Total taxable sales are expected to increase by an average of 6.5 percent over the next five years.
- Industrial production increases by 4.5 percent in 2007. From 2007 to 2011, the growth rate of industrial production is 4.0 percent.

Ventura County Economic Forecast

1997-2006 History, 2007-2030 Forecast

| | Population (people) | Net Migration (people) | Registered Vehicles (thousands) | Households (thousands) | New Homes Permitted (homes) | Total Taxable Sales (billions) | Personal Income (billions) | Real Per Capita Income (dollars) | Inflation Rate (% change in CPI) | Real Farm Crop Value (millions) | Real Industrial Production (billions) | Unemploy- ment Rate (percent) |
|------|------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|--------------------------------------|----------------------------------|---|--|---------------------------------------|---|-------------------------------------|
| 1997 | 721,664 | 3,973 | 570.2 | 231.8 | 2,316 | \$7.0 | \$20.5 | \$37,404 | 1.7 | 1,239.5 | 4.1 | 6.7 |
| 1998 | 729,107 | 806 | 607.7 | 233.8 | 3,182 | \$7.5 | \$21.5 | \$38,230 | 1.4 | 1,215.4 | 4.2 | 5.6 |
| 1999 | 742,825 | 6,674 | 624.6 | 236.2 | 4,442 | \$8.3 | \$23.1 | \$39,430 | 2.3 | 1,342.1 | 4.7 | 4.8 |
| 2000 | 758,657 | 8,955 | 654.0 | 243.2 | 3,971 | \$9.1 | \$25.4 | \$41,013 | 3.3 | 1,284.5 | 5.4 | 4.5 |
| 2001 | 774,264 | 8,781 | 682.1 | 246.0 | 3,446 | \$9.5 | \$26.0 | \$39,799 | 3.4 | 1,250.6 | 4.6 | 4.9 |
| 2002 | 787,886 | 6,974 | 703.9 | 250.1 | 2,507 | \$9.8 | \$26.6 | \$39,058 | 2.8 | 1,338.8 | 4.6 | 5.8 |
| 2003 | 799,781 | 4,852 | 705.2 | 253.1 | 3,635 | \$10.4 | \$28.0 | \$39,379 | 2.6 | 1,258.0 | 4.9 | 5.8 |
| 2004 | 808,657 | 2,112 | 753.4 | 255.7 | 2,603 | \$11.2 | \$30.0 | \$40,473 | 3.3 | 1,513.5 | 5.2 | 5.4 |
| 2005 | 814,262 | -1,396 | 747.4 | 258.4 | 4,516 | \$11.9 | \$31.6 | \$40,433 | 4.5 | 1,277.4 | 5.3 | 4.7 |
| 2006 | 821,698 | 251 | 766.8 | 261.6 | 2,402 | \$12.6 | \$33.2 | \$40,407 | 4.3 | 1,316.7 | 5.6 | 4.3 |
| 2007 | 829,027 | 682 | 793.9 | 263.7 | 2,837 | \$13.7 | \$35.4 | \$41,183 | 3.6 | 1,333.4 | 5.9 | 4.3 |
| 2008 | 836,547 | 882 | 811.7 | 266.4 | 2,552 | \$14.5 | \$37.3 | \$41,950 | 2.5 | 1,287.3 | 6.2 | 4.5 |
| 2009 | 844,057 | 832 | 830.4 | 268.8 | 2,595 | \$15.3 | \$39.1 | \$42,585 | 2.5 | 1,338.8 | 6.4 | 4.7 |
| 2010 | 851,617 | 826 | 848.1 | 271.3 | 2,534 | \$16.3 | \$41.3 | \$43,193 | 3.1 | 1,327.4 | 6.6 | 4.6 |
| 2011 | 859,251 | 869 | 863.2 | 273.7 | 2,465 | \$17.3 | \$43.5 | \$43,897 | 2.9 | 1,294.7 | 6.9 | 4.5 |
| 2012 | 866,969 | 900 | 877.7 | 276.0 | 2,403 | \$18.3 | \$46.0 | \$44,701 | 2.7 | 1,315.7 | 7.1 | 4.6 |
| 2013 | 874,648 | 818 | 891.3 | 278.3 | 2,244 | \$19.3 | \$48.5 | \$45,456 | 2.8 | 1,325.4 | 7.4 | 4.6 |
| 2014 | 882,147 | 641 | 903.6 | 280.4 | 2,187 | \$20.2 | \$51.1 | \$46,156 | 2.8 | 1,310.4 | 7.6 | 4.7 |
| 2015 | 889,439 | 475 | 913.6 | 282.5 | 2,252 | \$21.2 | \$53.7 | \$46,741 | 3.1 | 1,317.0 | 7.9 | 4.7 |
| 2016 | 896,475 | 282 | 922.3 | 284.6 | 2,105 | \$22.2 | \$56.5 | \$47,253 | 3.2 | 1,317.6 | 8.1 | 4.7 |
| 2017 | 903,221 | 59 | 929.8 | 286.6 | 2,044 | \$23.2 | \$59.3 | \$47,683 | 3.2 | 1,286.0 | 8.3 | 4.7 |
| 2018 | 909,728 | -95 | 935.6 | 288.6 | 2,059 | \$24.1 | \$62.0 | \$48,037 | 3.0 | 1,317.5 | 8.6 | 4.7 |
| 2019 | 916,085 | -158 | 942.4 | 290.5 | 2,076 | \$25.2 | \$64.8 | \$48,395 | 3.0 | 1,315.0 | 8.9 | 4.6 |
| 2020 | 922,334 | -171 | 948.5 | 292.5 | 2,078 | \$26.3 | \$67.6 | \$48,729 | 3.0 | 1,309.5 | 9.2 | 4.5 |
| 2021 | 928,465 | -201 | 955.6 | 294.5 | 2,029 | \$27.5 | \$70.7 | \$49,154 | 3.0 | 1,285.3 | 9.4 | 4.5 |
| 2022 | 934,439 | -258 | 959.9 | 296.4 | 2,010 | \$28.7 | \$73.9 | \$49,545 | 3.0 | 1,322.8 | 9.5 | 4.5 |
| 2023 | 940,292 | -300 | 964.8 | 298.3 | 1,990 | \$29.9 | \$77.2 | \$49,962 | 3.0 | 1,286.4 | 9.7 | 4.4 |
| 2024 | 945,963 | -355 | 969.6 | 300.2 | 1,936 | \$31.1 | \$80.4 | \$50,296 | 2.8 | 1,330.8 | 9.9 | 4.4 |
| 2025 | 951,460 | -416 | 974.0 | 302.1 | 1,924 | \$32.5 | \$83.8 | \$50,651 | 2.9 | 1,310.9 | 10.1 | 4.3 |
| 2026 | 956,810 | -440 | 979.2 | 303.9 | 1,898 | \$34.0 | \$87.4 | \$51,072 | 2.9 | 1,309.2 | 10.2 | 4.3 |
| 2027 | 962,031 | -434 | 984.1 | 305.7 | 1,937 | \$35.5 | \$91.2 | \$51,435 | 3.0 | 1,309.0 | 10.4 | 4.2 |
| 2028 | 967,141 | -404 | 988.1 | 307.5 | 1,947 | \$37.3 | \$95.3 | \$51,842 | 3.2 | 1,291.2 | 10.5 | 4.2 |
| 2029 | 972,115 | -404 | 991.6 | 309.4 | 1,915 | \$39.1 | \$99.6 | \$52,255 | 3.2 | 1,325.2 | 10.6 | 4.1 |
| 2030 | 976,934 | -436 | 994.5 | 311.2 | 1,874 | \$41.1 | \$104.1 | \$52,693 | 3.1 | 1,310.4 | 10.8 | 4.1 |



Ventura County Employment Forecast

1997-2006 History, 2007-2030 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)----- | | | | | | | | | | | | |
| 1997 | 260.0 | 17.29 | 11.5 | 36.1 | 5.4 | 39.7 | 13.8 | 31.8 | 6.5 | 22.6 | 22.0 | 43.3 |
| 1998 | 270.0 | 17.65 | 13.2 | 37.9 | 5.3 | 39.7 | 15.6 | 35.1 | 7.1 | 23.3 | 22.2 | 43.1 |
| 1999 | 281.1 | 17.53 | 14.6 | 39.2 | 5.4 | 41.3 | 17.1 | 36.4 | 8.2 | 23.9 | 23.4 | 43.9 |
| 2000 | 294.3 | 19.34 | 15.4 | 41.2 | 5.6 | 43.9 | 17.7 | 39.4 | 7.9 | 24.1 | 25.1 | 44.3 |
| 2001 | 299.0 | 19.07 | 16.1 | 40.5 | 5.9 | 45.0 | 19.7 | 37.2 | 8.4 | 25.3 | 26.6 | 45.1 |
| 2002 | 301.0 | 19.18 | 15.7 | 38.0 | 5.8 | 45.8 | 22.2 | 36.6 | 8.1 | 26.3 | 27.2 | 45.3 |
| 2003 | 304.4 | 20.18 | 16.6 | 37.1 | 5.6 | 46.3 | 23.4 | 36.9 | 7.2 | 27.6 | 27.6 | 44.8 |
| 2004 | 306.9 | 20.72 | 16.9 | 38.3 | 5.7 | 47.5 | 24.2 | 37.3 | 6.8 | 27.5 | 28.5 | 42.5 |
| 2005 | 313.7 | 22.53 | 18.8 | 37.7 | 5.8 | 49.0 | 24.5 | 38.3 | 6.2 | 28.3 | 29.2 | 42.2 |
| 2006 | 320.7 | 22.77 | 20.7 | 38.0 | 6.2 | 49.6 | 25.0 | 39.6 | 6.1 | 28.9 | 30.2 | 42.5 |
| 2007 | 325.1 | 22.71 | 19.9 | 37.7 | 6.3 | 50.6 | 26.0 | 41.0 | 6.1 | 29.6 | 30.7 | 43.0 |
| 2008 | 329.8 | 22.86 | 19.6 | 37.5 | 6.5 | 51.6 | 26.8 | 42.0 | 6.1 | 30.5 | 31.2 | 43.6 |
| 2009 | 334.0 | 22.69 | 19.2 | 37.4 | 6.7 | 52.7 | 27.7 | 43.0 | 6.2 | 31.4 | 31.6 | 43.9 |
| 2010 | 339.3 | 22.73 | 18.9 | 37.3 | 6.9 | 53.8 | 28.7 | 44.3 | 6.4 | 32.3 | 32.0 | 44.2 |
| 2011 | 345.9 | 22.84 | 19.0 | 37.4 | 7.1 | 55.0 | 29.8 | 45.9 | 6.6 | 33.3 | 32.4 | 44.7 |
| 2012 | 352.5 | 22.77 | 19.5 | 37.5 | 7.3 | 56.1 | 30.8 | 47.5 | 6.8 | 34.3 | 32.8 | 45.0 |
| 2013 | 358.8 | 22.74 | 20.0 | 37.6 | 7.5 | 57.1 | 32.0 | 49.0 | 7.0 | 35.4 | 33.3 | 45.3 |
| 2014 | 364.4 | 22.79 | 20.4 | 37.6 | 7.7 | 57.8 | 33.1 | 50.2 | 7.2 | 36.4 | 33.7 | 45.5 |
| 2015 | 368.7 | 22.77 | 20.3 | 37.4 | 7.8 | 58.4 | 34.1 | 51.3 | 7.3 | 37.4 | 34.1 | 45.7 |
| 2016 | 372.8 | 22.76 | 20.3 | 37.4 | 8.0 | 58.8 | 35.0 | 52.0 | 7.4 | 38.3 | 34.6 | 46.0 |
| 2017 | 376.6 | 22.87 | 20.2 | 37.4 | 8.1 | 59.2 | 36.1 | 52.5 | 7.5 | 39.1 | 35.0 | 46.2 |
| 2018 | 379.9 | 22.76 | 20.1 | 37.4 | 8.3 | 59.4 | 37.1 | 53.0 | 7.7 | 39.9 | 35.5 | 46.5 |
| 2019 | 383.7 | 22.77 | 20.0 | 37.4 | 8.5 | 59.8 | 38.0 | 53.6 | 7.8 | 40.6 | 36.0 | 46.8 |
| 2020 | 387.2 | 22.79 | 20.1 | 37.3 | 8.6 | 60.2 | 39.0 | 54.1 | 7.9 | 41.4 | 36.4 | 47.0 |
| 2021 | 390.9 | 22.87 | 20.1 | 37.1 | 8.8 | 60.7 | 39.9 | 54.8 | 8.0 | 42.1 | 36.7 | 47.3 |
| 2022 | 394.2 | 22.75 | 20.2 | 36.8 | 9.0 | 61.1 | 40.9 | 55.4 | 8.0 | 42.9 | 37.0 | 47.5 |
| 2023 | 397.9 | 22.87 | 20.2 | 36.6 | 9.1 | 61.7 | 41.8 | 56.0 | 8.1 | 43.6 | 37.4 | 47.7 |
| 2024 | 401.1 | 22.72 | 20.3 | 36.4 | 9.3 | 62.0 | 42.8 | 56.6 | 8.2 | 44.3 | 37.6 | 48.0 |
| 2025 | 404.7 | 22.79 | 20.4 | 36.2 | 9.4 | 62.5 | 43.9 | 57.2 | 8.3 | 44.9 | 37.9 | 48.3 |
| 2026 | 408.4 | 22.79 | 20.6 | 36.0 | 9.6 | 63.2 | 44.8 | 57.8 | 8.4 | 45.5 | 38.1 | 48.6 |
| 2027 | 412.1 | 22.79 | 20.7 | 35.9 | 9.7 | 63.8 | 45.8 | 58.4 | 8.4 | 46.1 | 38.4 | 48.9 |
| 2028 | 415.9 | 22.85 | 21.0 | 35.8 | 9.8 | 64.5 | 46.8 | 59.1 | 8.5 | 46.6 | 38.6 | 49.2 |
| 2029 | 419.5 | 22.74 | 21.1 | 35.8 | 10.0 | 65.3 | 47.8 | 59.7 | 8.6 | 47.1 | 38.9 | 49.4 |
| 2030 | 423.4 | 22.79 | 21.2 | 35.8 | 10.1 | 66.2 | 48.7 | 60.2 | 8.7 | 47.6 | 39.2 | 49.7 |

