

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 827,000 people and more than 319,000 wage and salary jobs. The median household income of Ventura County metro area is \$83,900, which is the fifth highest in the state.

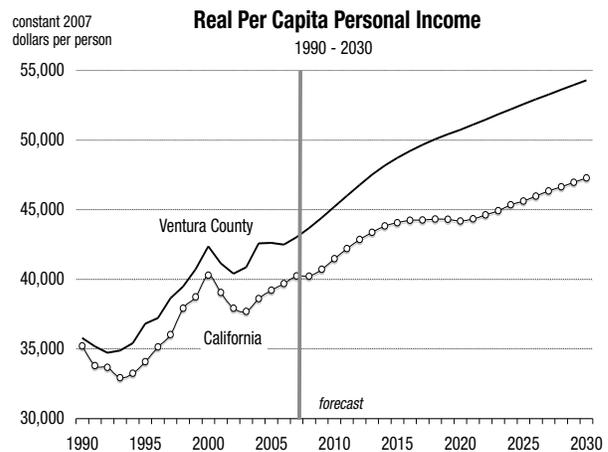
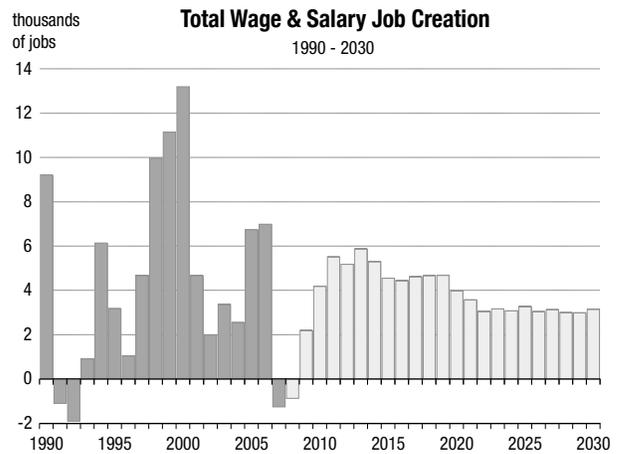
Economic growth in Southern California declined sharply in 2007 and job creation was at the lowest level since 2002. Last year, 1,250 total jobs were lost in Ventura County, representing a growth rate of -0.4 percent. The unemployment rate increased to 5.0 percent, still indicative of a tight labor market.

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, and both engaged in layoffs in 2007, hurting the local economy. The future of Countrywide, which employs 5,400 people in Ventura County and thousands more in its nearby Calabasas headquarters, is particularly uncertain given the recent takeover action by Bank of America and the massive drop in home loans across the nation. If the majority of operations are moved out of the area, it will have a significant negative effect on the growth of the local economy. The U.S. Navy and County government are the largest public employers, though naval employment is expected to continue downsizing over time.

The largest city in the county is Oxnard, which grew 1.3 percent between 2007 and 2008. Most housing production (and non-residential building) is slated for the western portion of the county, particularly in Oxnard.

FORECAST HIGHLIGHTS

- Job growth is forecast to remain negative in 2008 at -0.3 percent. Over the next five years, the annual growth rate is expected to average 1.0 percent per year. The farm sector is expected to moderately contract.
- Average salaries adjusted for inflation are currently above the California state average, and will remain so over the forecast horizon. Real average salaries rise an average of 2.1 percent per year over the next 5 years.
- Employment growth is forecast to be strongest in professional services, leisure services, and healthcare and education. These sectors account for 76 percent of total wage and salary job creation from 2008 to 2012.

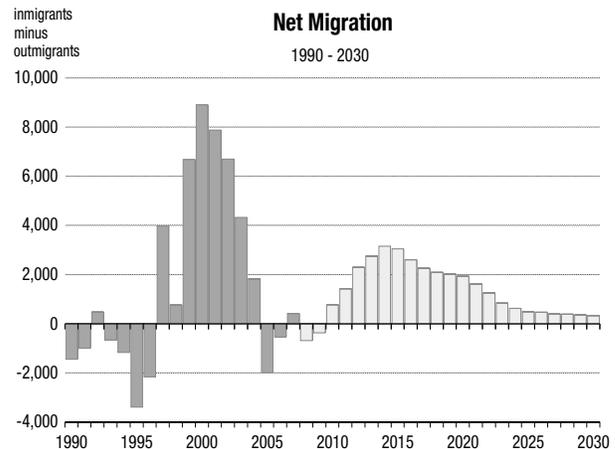
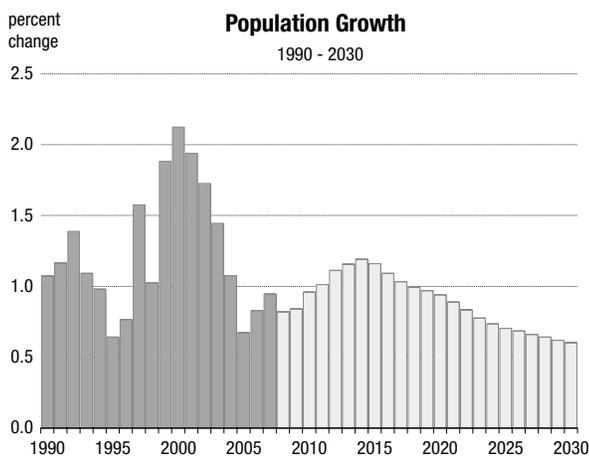


- The population will continue to grow in the county at about the same rate as 2007. Annual growth in the 2008 to 2012 period averages 0.9 percent per year.
- Net migration is forecast to remain low over the forecast with out-migrants exceeding in-migrants over the next few years. Net migration will average 700 persons per year from 2008 to 2012.
- Real per capita incomes increase at a rate of 1.5 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 3.4 percent over the next five years.
- Industrial production increases by 1.8 percent in 2008. From 2008 to 2012, the growth rate of industrial production is 2.1 percent.

Ventura County Economic Forecast

1997-2007 History, 2008-2030 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	721,700	3,971	570.2	231.8	2,316	\$7.0	\$20.5	\$38,628	1.7	1,280.1	4.1	6.7
1998	729,100	763	607.7	233.8	3,182	\$7.5	\$21.5	\$39,483	1.4	1,255.2	4.4	5.6
1999	742,825	6,681	624.6	236.2	4,442	\$8.3	\$23.1	\$40,722	2.3	1,386.0	4.9	4.8
2000	758,605	8,903	654.0	243.2	3,971	\$9.1	\$25.4	\$42,360	3.3	1,326.6	5.7	4.5
2001	773,315	7,884	682.1	246.0	3,446	\$9.5	\$26.0	\$41,153	3.4	1,291.5	4.9	4.9
2002	786,669	6,706	703.9	250.2	2,507	\$9.8	\$26.6	\$40,400	2.8	1,382.6	4.6	5.8
2003	798,038	4,326	705.2	253.2	3,635	\$10.4	\$28.1	\$40,871	2.6	1,299.2	4.7	5.8
2004	806,634	1,832	753.4	255.8	2,603	\$11.2	\$30.5	\$42,582	3.3	1,563.0	5.1	5.4
2005	812,065	-1,993	747.4	258.5	4,516	\$11.9	\$32.1	\$42,618	4.5	1,319.2	5.4	4.8
2006	818,803	-531	760.4	261.6	2,461	\$12.3	\$33.7	\$42,496	4.3	1,557.6	5.9	4.3
2007	826,550	425	769.2	265.2	1,856	\$12.4	\$35.6	\$43,028	3.3	1,361.9	6.1	5.0
2008	833,333	-683	793.6	266.7	1,767	\$12.4	\$37.2	\$43,672	2.3	1,402.0	6.2	5.6
2009	840,350	-367	811.6	268.4	2,424	\$12.7	\$39.0	\$44,425	2.1	1,445.1	6.2	5.4
2010	848,411	771	827.7	270.7	3,283	\$13.1	\$41.0	\$45,224	2.3	1,427.5	6.4	4.9
2011	857,012	1,423	844.2	273.8	3,410	\$13.9	\$43.3	\$45,999	2.7	1,395.8	6.5	4.7
2012	866,549	2,305	859.9	277.0	3,693	\$14.7	\$45.6	\$46,768	2.6	1,413.5	6.7	4.8
2013	876,580	2,752	875.5	280.5	3,514	\$15.5	\$48.2	\$47,512	2.7	1,417.2	7.0	4.8
2014	887,020	3,160	890.4	283.9	3,145	\$16.3	\$50.7	\$48,164	2.7	1,400.2	7.2	4.8
2015	897,315	3,053	903.7	286.9	2,767	\$17.2	\$53.5	\$48,718	2.9	1,404.7	7.5	4.9
2016	907,108	2,609	916.1	289.5	2,726	\$18.1	\$56.2	\$49,212	3.0	1,402.0	7.7	4.8
2017	916,482	2,257	927.9	292.1	2,718	\$19.0	\$59.1	\$49,657	3.1	1,370.1	8.0	4.8
2018	925,619	2,099	938.9	294.7	2,732	\$19.9	\$61.9	\$50,059	2.9	1,397.8	8.2	4.8
2019	934,595	2,023	951.0	297.3	2,639	\$20.9	\$64.8	\$50,424	2.9	1,390.2	8.6	4.7
2020	943,398	1,941	962.1	299.8	2,467	\$21.8	\$67.7	\$50,739	2.8	1,383.4	8.9	4.6
2021	951,799	1,622	972.5	302.1	2,304	\$22.7	\$70.7	\$51,109	2.8	1,358.9	9.1	4.6
2022	959,742	1,260	980.7	304.3	2,056	\$23.7	\$73.9	\$51,466	2.9	1,392.0	9.3	4.6
2023	967,192	845	989.4	306.3	2,072	\$24.6	\$77.1	\$51,848	2.8	1,353.2	9.5	4.6
2024	974,298	623	998.7	308.3	2,033	\$25.6	\$80.3	\$52,210	2.7	1,394.6	9.7	4.5
2025	981,163	490	1,008.1	310.2	2,051	\$26.6	\$83.7	\$52,569	2.7	1,371.5	9.8	4.5
2026	987,893	475	1,018.3	312.1	2,016	\$27.7	\$87.2	\$52,937	2.8	1,370.5	10.0	4.4
2027	994,420	403	1,028.9	314.1	2,052	\$28.9	\$90.8	\$53,272	2.8	1,368.8	10.2	4.4
2028	1,000,803	395	1,038.9	316.0	2,036	\$30.1	\$94.8	\$53,612	3.0	1,350.6	10.3	4.4
2029	1,007,019	357	1,048.9	318.0	2,005	\$31.4	\$98.9	\$53,954	3.0	1,381.0	10.5	4.3
2030	1,013,089	332	1,058.5	319.9	2,009	\$32.7	\$103.1	\$54,300	3.0	1,363.7	10.7	4.3



Ventura County Employment Forecast

1997-2007 History, 2008-2030 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	22.93	20.5	38.4	6.1	50.3	24.0	39.3	6.0	28.9	30.5	42.5
2007	319.4	23.60	18.6	37.8	6.1	50.4	22.7	38.4	5.9	30.2	31.9	42.9
2008	318.6	23.11	17.4	37.8	6.1	50.5	20.7	40.0	5.9	30.7	32.7	42.9
2009	320.7	22.86	17.5	37.7	6.1	50.8	20.5	40.9	5.9	31.3	33.4	43.0
2010	324.9	22.83	17.9	37.5	6.2	51.4	20.9	41.6	6.0	31.9	34.1	43.6
2011	330.5	22.73	18.0	37.4	6.4	52.3	21.8	42.7	6.1	32.5	34.9	44.7
2012	335.6	22.52	18.3	37.3	6.6	53.3	22.4	44.0	6.3	33.2	35.6	45.1
2013	341.5	22.41	18.6	37.2	6.8	54.3	23.1	45.2	6.4	34.0	36.3	46.2
2014	346.8	22.34	18.4	37.1	7.1	55.3	23.8	46.3	6.6	34.7	37.0	47.0
2015	351.4	22.22	18.0	37.0	7.2	56.2	24.5	47.2	6.7	35.5	37.7	47.8
2016	355.8	22.13	17.8	36.9	7.4	57.0	25.4	47.8	6.8	36.4	38.4	48.5
2017	360.5	22.04	17.8	36.8	7.5	57.8	26.4	48.3	7.0	37.2	39.1	49.0
2018	365.1	21.84	18.0	36.8	7.6	58.6	27.4	48.8	7.1	38.1	39.9	49.6
2019	369.8	21.79	18.3	36.7	7.8	59.3	28.5	49.3	7.2	38.9	40.5	49.9
2020	373.8	21.71	18.2	36.7	7.9	59.9	29.5	49.8	7.3	39.8	41.2	50.3
2021	377.4	21.62	17.8	36.6	8.0	60.4	30.6	50.3	7.4	40.6	41.7	50.6
2022	380.5	21.45	17.3	36.6	8.1	60.8	31.5	50.8	7.5	41.5	42.3	50.9
2023	383.6	21.44	16.7	36.5	8.2	61.3	32.4	51.2	7.6	42.4	42.7	51.2
2024	386.7	21.27	16.4	36.4	8.3	61.8	33.2	51.8	7.6	43.2	43.2	51.5
2025	390.0	21.30	16.1	36.4	8.3	62.2	34.0	52.3	7.7	44.1	43.6	51.8
2026	393.0	21.23	15.9	36.3	8.4	62.7	34.8	52.8	7.8	44.9	44.0	52.1
2027	396.2	21.17	15.6	36.3	8.4	63.2	35.7	53.3	7.9	45.7	44.4	52.3
2028	399.2	21.11	15.5	36.2	8.5	63.6	36.5	53.8	7.9	46.4	44.7	52.5
2029	402.2	20.99	15.4	36.2	8.5	64.1	37.4	54.3	8.0	47.1	45.1	52.7
2030	405.3	21.01	15.3	36.1	8.6	64.5	38.4	54.8	8.1	47.8	45.5	52.8

