

PLACER COUNTY ECONOMIC FORECAST

Rising from 100 feet above sea level on its western border to over 9,000 feet in the eastern Sierra Mountain range, Placer County is located in the northern Sacramento Valley with an eastern border that touches the Nevada state line. Placer County has a population of 360,700 people and approximately 129,200 wage and salary jobs. The per capita income in Placer County is \$49,812, and the average salary per worker is \$58,210.

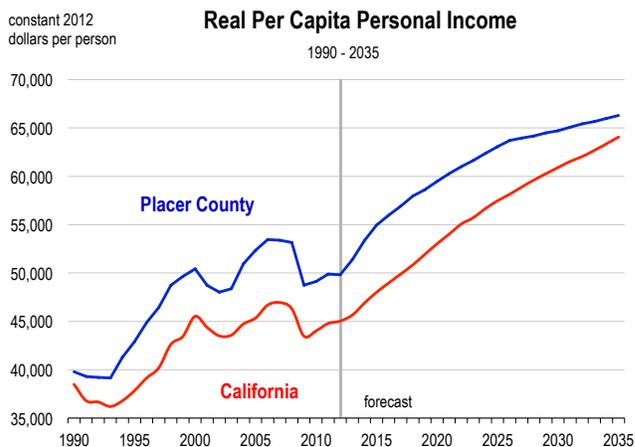
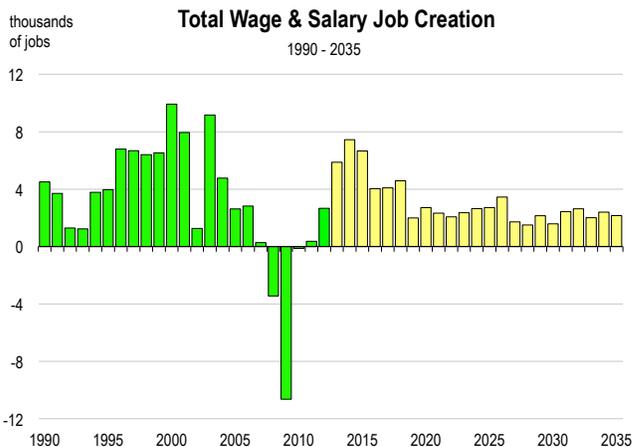
Employment across Northern California increased by 2.4 percent in 2012, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) increased by 1.7 percent. In Placer County, 2,700 wage and salary jobs were created, representing a growth rate of 2.1 percent. The unemployment rate improved markedly, falling from 10.8 percent in 2011 to 9.4 percent in 2012.

During 2012, most sectors were characterized by positive job growth. The largest increases were observed in professional services (+810 jobs), wholesale and retail trade (+750 jobs), and education and healthcare (+540 jobs). The only sectors with job losses were government (-260 jobs) and information (-140 jobs).

Population growth has slowed in recent years, but remained at the relatively high rate of 1.2 percent in 2012. Between 2007 and 2012, the population grew at an annual average rate of 1.8 percent. This growth was almost entirely due to net migration, as an average of 4,900 net migrants entered the county each year, a large number for a county of this size.

FORECAST HIGHLIGHTS

- Job growth will accelerate in 2013, as total employment increases by 4.6 percent. Between 2013 and 2018, growth will average 3.7 percent per year, one of the highest rates in the state.
- Average salaries are currently below the California state average, and will remain so over the foreseeable future. Average salaries, adjusted for inflation, are forecast to rise by 1.1 percent per year between 2013 and 2018.
- Over the next five years, employment growth will be broad-based, with virtually all sectors increasing at an annual average rate of 2.5 percent or more. The fastest growth will be in construction, which will create jobs at a pace of 8.2 percent per year. In addition, professional services, leisure and hospitality, education and healthcare, financial activities, and transportation will also grow at rates of 3.5 percent or more.

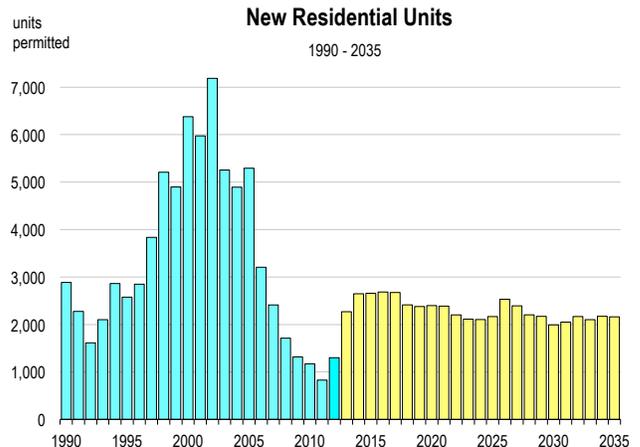
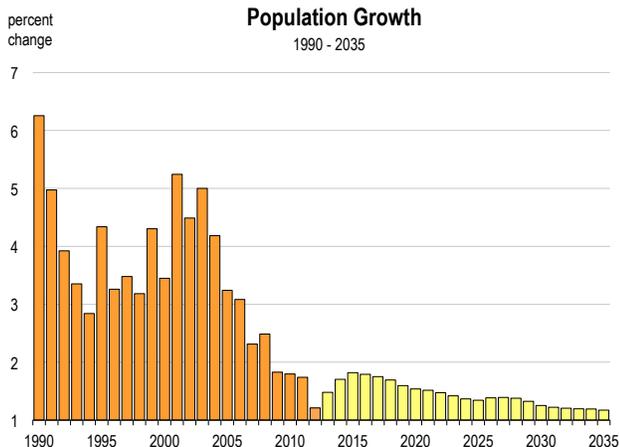


- Annual population growth in the 2013 to 2018 period will average 1.8 percent per year. The vast majority of this growth will be the result of rapid in-migration. Net migration will average 5,800 people per year, accounting for 87 percent of total population growth.
- Real per capita income is expected to increase by 3.2 percent in 2013. During the 2013 to 2018 period, real per capita income growth will average 2.4 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 5.7 percent per year between 2013 and 2018, driven by strong population and job growth.
- Industrial production will increase by 4.0 percent in 2013. From 2013 to 2018, industrial production is forecast to rise by 4.3 percent per year.

Placer County Economic Forecast

2006-2012 History, 2013-2040 Forecast

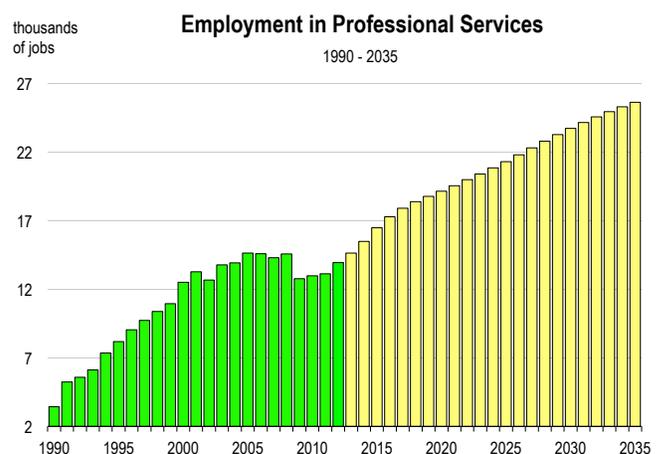
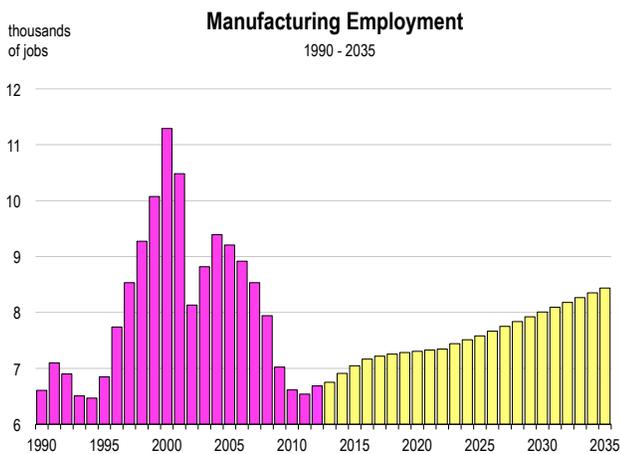
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	322,270	8,184	372	123.7	3,205	\$7.53	\$15.0	\$53,450	3.3	60.3	1.8	4.2
2007	329,719	5,994	372	126.9	2,413	\$7.43	\$15.9	\$53,391	3.2	58.5	1.7	4.8
2008	337,914	6,668	371	129.8	1,713	\$6.63	\$16.7	\$53,144	3.1	56.4	1.6	6.4
2009	344,088	4,812	376	131.3	1,315	\$5.80	\$15.7	\$48,751	0.9	70.9	1.6	10.4
2010	350,275	4,852	376	132.5	1,169	\$6.02	\$16.3	\$49,109	1.2	64.3	1.6	11.5
2011	356,367	4,849	379	133.6	829	\$6.57	\$17.3	\$49,899	2.6	64.3	1.7	10.8
2012	360,680	3,092	383	134.3	1,300	\$7.01	\$18.0	\$49,812	2.7	63.9	1.7	9.4
2013	366,017	4,361	388	135.6	2,269	\$7.70	\$19.2	\$51,380	2.3	64.9	1.8	8.3
2014	372,254	5,328	395	137.7	2,647	\$8.56	\$20.9	\$53,353	2.7	65.5	1.9	7.1
2015	379,026	5,914	402	140.0	2,657	\$9.24	\$22.3	\$54,953	2.1	67.4	2.0	6.1
2016	385,814	5,961	407	142.4	2,684	\$9.93	\$23.7	\$55,978	2.4	68.2	2.1	5.6
2017	392,569	5,921	414	144.9	2,674	\$10.62	\$25.1	\$56,903	2.1	68.4	2.1	5.3
2018	399,213	5,780	421	147.3	2,413	\$11.37	\$26.5	\$57,970	2.1	68.2	2.2	5.1
2019	405,583	5,475	425	149.4	2,378	\$12.13	\$27.8	\$58,622	2.1	67.5	2.3	5.3
2020	411,821	5,317	430	151.6	2,398	\$12.93	\$29.2	\$59,470	2.1	68.1	2.4	5.2
2021	418,062	5,286	435	153.7	2,387	\$13.77	\$30.8	\$60,270	2.2	69.8	2.5	5.3
2022	424,222	5,165	439	155.9	2,202	\$14.65	\$32.3	\$60,992	2.3	69.9	2.6	5.2
2023	430,242	5,011	443	157.9	2,113	\$15.53	\$33.9	\$61,643	2.3	69.1	2.7	5.2
2024	436,121	4,855	448	159.8	2,104	\$16.43	\$35.6	\$62,380	2.4	67.3	2.8	5.2
2025	441,977	4,823	452	161.7	2,167	\$17.38	\$37.4	\$63,061	2.4	65.3	2.9	5.2
2026	448,096	5,075	457	163.6	2,532	\$18.31	\$39.2	\$63,699	2.5	63.6	3.0	5.1
2027	454,332	5,184	461	165.9	2,393	\$19.23	\$40.9	\$63,955	2.5	62.4	3.1	5.2
2028	460,593	5,205	465	168.1	2,203	\$20.19	\$42.6	\$64,158	2.5	60.9	3.2	5.3
2029	466,693	5,038	469	170.0	2,171	\$21.26	\$44.5	\$64,485	2.5	59.6	3.4	5.2
2030	472,539	4,783	473	172.0	1,991	\$22.37	\$46.3	\$64,700	2.5	59.8	3.5	5.3
2031	478,313	4,709	478	173.8	2,050	\$23.53	\$48.3	\$65,071	2.5	60.9	3.6	5.2
2032	484,080	4,707	483	175.6	2,168	\$24.72	\$50.4	\$65,428	2.5	59.9	3.8	5.2
2033	489,865	4,741	487	177.6	2,102	\$25.92	\$52.4	\$65,662	2.5	57.6	3.9	5.2
2034	495,703	4,825	490	179.5	2,173	\$27.14	\$54.6	\$65,988	2.5	54.7	4.1	5.2
2035	501,513	4,819	494	181.4	2,161	\$28.40	\$56.9	\$66,293	2.5	52.6	4.2	5.2
2036	507,298	4,838	499	183.4	2,143	\$29.69	\$59.3	\$66,603	2.5	48.9	4.4	5.2
2037	513,023	4,851	505	185.3	2,179	\$31.04	\$61.8	\$66,974	2.5	45.4	4.5	5.2
2038	518,616	4,825	510	187.3	2,135	\$32.42	\$64.4	\$67,332	2.5	44.8	4.7	5.2
2039	524,104	4,824	516	189.2	2,136	\$33.87	\$67.1	\$67,760	2.5	43.0	4.9	5.2
2040	529,501	4,842	522	191.1	2,195	\$35.41	\$69.9	\$68,264	2.4	40.7	5.0	5.2

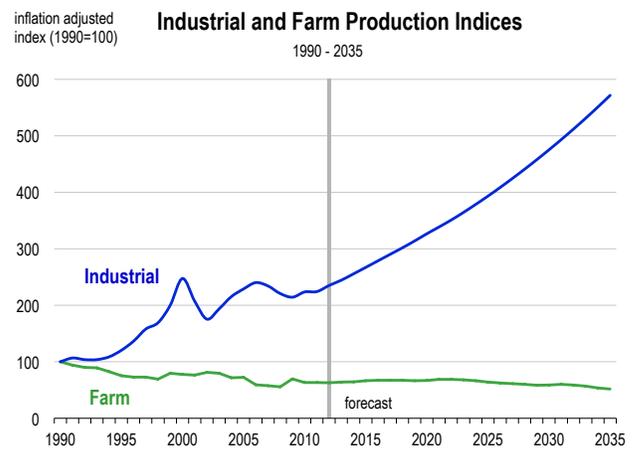
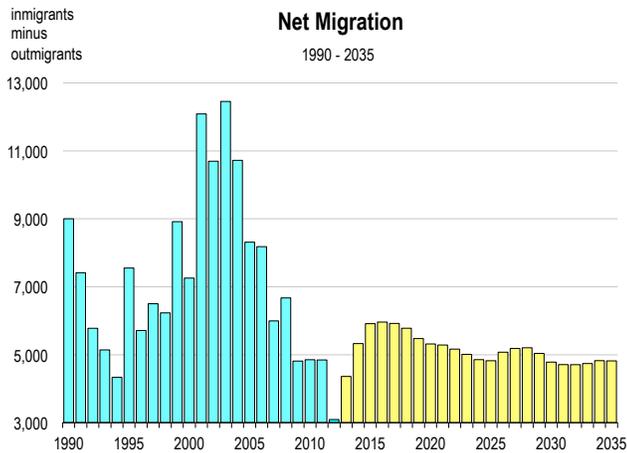
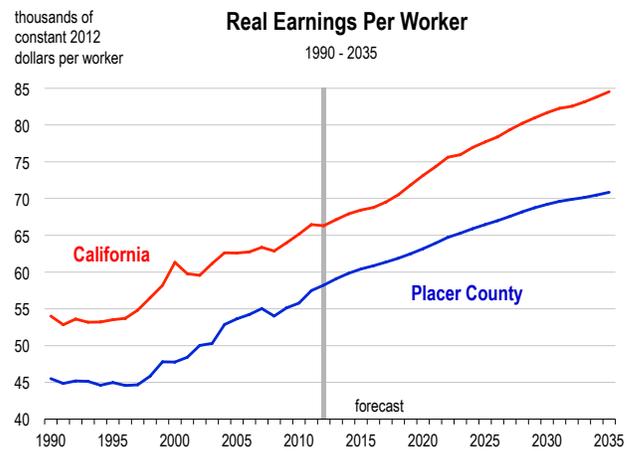
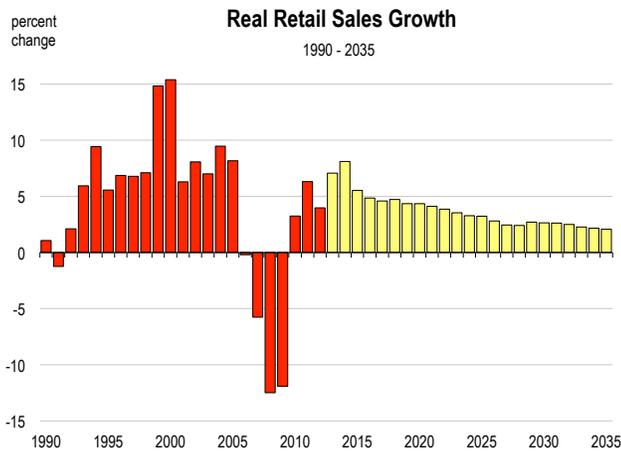


Placer County Employment Forecast

2006-2012 History, 2013-2040 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	140.1	0.35	16.1	8.9	3.1	25.4	11.5	14.6	2.9	13.9	18.7	20.3
2007	140.4	0.34	14.7	8.5	3.1	26.1	11.3	14.3	2.6	15.8	19.1	20.0
2008	136.9	0.40	12.3	7.9	2.9	25.0	10.6	14.6	2.4	16.7	19.3	19.9
2009	126.3	0.34	9.2	7.0	3.0	23.0	10.0	12.8	2.5	17.1	18.0	18.7
2010	126.2	0.34	8.4	6.6	3.0	23.0	9.7	13.0	2.5	18.1	18.1	18.9
2011	126.5	0.36	7.8	6.5	2.7	23.4	9.8	13.1	2.3	19.2	17.8	18.7
2012	129.2	0.38	7.9	6.7	2.9	24.1	10.0	13.9	2.2	19.7	18.2	18.4
2013	135.1	0.39	9.6	6.8	2.9	25.2	10.4	14.6	2.3	20.4	19.1	18.5
2014	142.5	0.40	11.6	6.9	3.1	26.2	11.0	15.5	2.3	21.5	19.8	19.0
2015	149.2	0.41	12.7	7.0	3.2	27.0	11.7	16.5	2.4	22.5	20.8	19.5
2016	153.2	0.41	12.4	7.2	3.3	27.7	11.8	17.3	2.5	23.3	21.7	19.8
2017	157.3	0.43	12.8	7.2	3.5	28.3	12.2	17.9	2.5	24.0	22.6	19.9
2018	161.9	0.45	14.2	7.3	3.6	28.9	12.4	18.4	2.6	24.7	23.1	20.1
2019	163.9	0.47	13.6	7.3	3.7	29.5	12.6	18.8	2.6	25.4	23.4	20.3
2020	166.6	0.49	13.9	7.3	3.8	30.0	12.8	19.2	2.7	26.1	23.5	20.5
2021	168.9	0.50	13.5	7.3	3.9	30.4	13.4	19.6	2.7	26.9	23.6	20.7
2022	171.0	0.50	13.1	7.3	3.9	30.9	13.7	20.0	2.7	27.6	23.6	20.8
2023	173.3	0.51	13.4	7.4	4.0	31.3	13.8	20.4	2.8	28.2	23.7	21.0
2024	176.0	0.51	14.0	7.5	4.1	31.7	13.9	20.9	2.8	28.7	23.8	21.2
2025	178.7	0.51	14.5	7.6	4.2	32.1	14.1	21.3	2.8	29.3	23.8	21.4
2026	182.2	0.51	15.7	7.7	4.3	32.4	14.3	21.8	2.9	29.8	24.0	21.6
2027	183.9	0.52	15.3	7.8	4.4	32.8	14.4	22.3	2.9	30.3	24.1	21.8
2028	185.4	0.52	14.7	7.8	4.5	33.1	14.3	22.8	2.9	31.0	24.2	22.0
2029	187.5	0.52	14.7	7.9	4.6	33.4	14.3	23.3	3.0	31.6	24.5	22.2
2030	189.1	0.52	14.0	8.0	4.7	33.7	14.3	23.7	3.0	32.2	24.7	22.4
2031	191.5	0.53	14.2	8.1	4.8	34.1	14.3	24.2	3.1	32.8	25.0	22.6
2032	194.2	0.53	14.6	8.2	4.9	34.4	14.4	24.6	3.1	33.5	25.2	22.7
2033	196.2	0.53	14.4	8.3	5.0	34.7	14.5	25.0	3.1	34.1	25.5	22.9
2034	198.6	0.53	14.6	8.4	5.1	35.0	14.6	25.3	3.2	34.7	25.7	23.1
2035	200.7	0.53	14.6	8.4	5.2	35.2	14.7	25.6	3.2	35.4	26.0	23.4
2036	202.9	0.54	14.5	8.5	5.2	35.5	14.9	26.0	3.3	36.0	26.2	23.6
2037	205.2	0.54	14.6	8.6	5.3	35.8	15.1	26.3	3.3	36.6	26.5	23.8
2038	207.2	0.54	14.5	8.7	5.4	36.0	15.2	26.6	3.3	37.3	26.8	24.0
2039	209.3	0.54	14.4	8.8	5.5	36.3	15.3	27.0	3.4	37.9	27.0	24.2
2040	211.8	0.55	14.6	8.9	5.6	36.6	15.4	27.3	3.4	38.6	27.3	24.4





County Economic and Demographic Indicators

Projected Economic Growth (2013-2018)

Expected retail sales growth:	31.0 %
Expected job growth:	19.9 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	23.1 %

Expected population growth:	9.1 %
Net migration to account for:	87.1 %
Expected growth in number of vehicles:	8.5 %

Demographics (2013)

Unemployment rate (April 2013)	7.2 %
County Rank* in California (58 counties):	14th
Working age (16-64) population:	62.9 %

Population with B.A. Degree or higher:	33.6 %
Median Home Selling Price (2012):	\$284,500
Median Household Income:	\$69,590

Quality of Life

Violent Crime rate (2010):	224 per 100,000 persons
County Rank* in California (58 counties):	9th
Average Commute Time to work (2013):	28.6 minutes

High School drop out rate (2011):	6.2 %
Households at/below poverty line (2013):	5.4 %

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