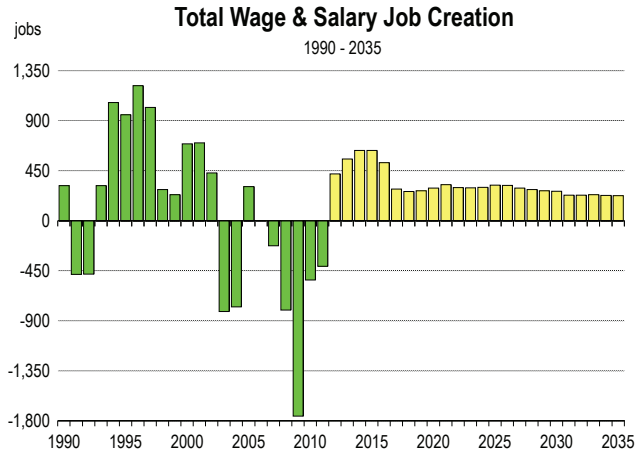
Mendocino County Economic Forecast

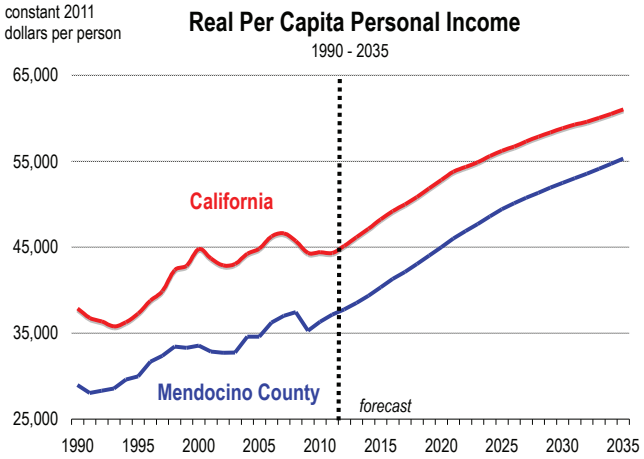
Mendocino County is located on the coast of Northern California. The county is noted for its distinctive Pacific Ocean coastline, Redwood forests, and wine production. Redwood Valley is the location of the principal wine- growing region. Lake Mendocino is the largest recreational area, offering year-round resident and visitor boating, fishing, water skiing, and hiking. Mendocino County has a population of 87,669 people and 28,859 wage and salary jobs. The per capita income in Mendocino County is $37,162, and the average salary per worker is $40,965.

In 2011, Mendocino County lost 410 wage and salary jobs. This represents a decline of 1.4 percent. The unemployment rate, however, improved slightly, dropping from 11.3 to 10.9 percent.

Across the major employment sectors, results were mixed in 2011. The only sectors to add a significant number of positions were education and healthcare (+48 jobs), professional services (+44 jobs), and wholesale trade (+33 jobs). The public sector lost the largest number of positions (-239 jobs), followed by financial activities (-105 jobs), agriculture (-62 jobs), leisure and hospitality (-44 jobs), and retail trade (-43 jobs). Construction employment has fallen to almost half of what it was ten years ago.

Between 2006 and 2011, the population of Mendocino County was virtually flat. Over this period, the county lost an average of 360 residents per year through net migration. However, the natural increase (new births) offset this decline. Net migration will turn positive in 2012, but will remain low, leading to a slow rate of population growth over the next five years.





Forecast Highlights

- Total wage and salary job growth will turn positive in 2012, as the number of positions grows by 1.5 percent. From 2012 to 2017, total employment growth will average 1.7 percent per year. Over the same period, non-farm growth will average 1.8 percent per year.

- Average salaries are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.8 percent per year from 2012 to 2017.

- Between 2012 and 2017, labor market momentum will come from the professional services, leisure and hospitality, manufacturing, retail trade, and public sectors. Together, these sectors will account for 78 percent of all job creation.

- The population of Mendocino County will increase, but at a slow rate. Annual growth in the 2012 to 2017 period will average just 0.4 percent.

- Net migration is expected to turn positive in 2012, with approximately 25 net-migrants entering the county. Between 2012 and 2017, the county will be characterized by 110 net-migrants per year.

- Real per capita income is forecast to increase by 1.6 percent in 2012. Between 2012 and 2017, real per capita income is expected to increase by an average of 2.1 percent per year.

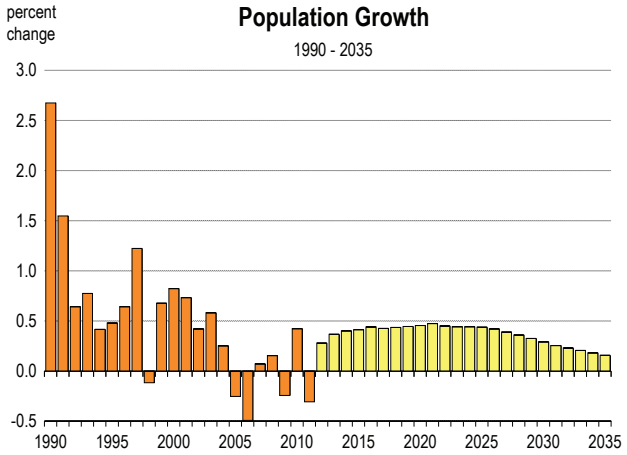
- Total taxable sales, adjusted for inflation, are forecast to increase by an annual average rate of 3.2 percent between 2012 and 2017.

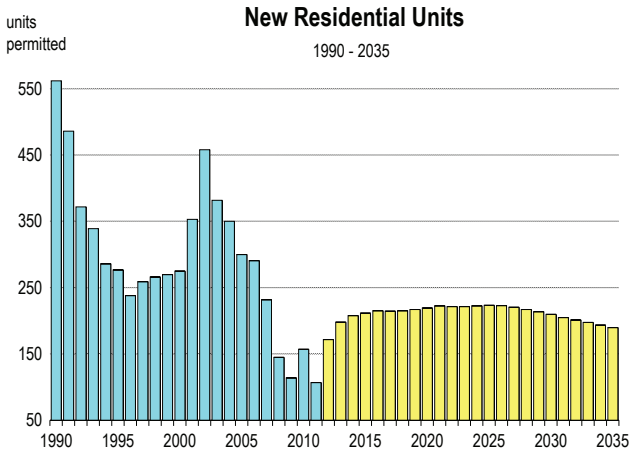
- Between 2012 and 2017, the growth rate of industrial production will average 3.4 percent per year. Total crop production is expected to rise by 0.7 percent per year over the same time frame. The principal crop in the county is wine grapes.

Mendocino 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 (billions)	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	87,584	-714	111.8	34.8	291	$1.25	$2.85	$36,224	3.2	152.9	789.3	5.2
2007	87,646	-287	110.8	34.8	232	$1.29	$3.01	$37,003	3.4	138.2	792.1	5.5
2008	87,782	-280	112.0	34.9	145	$1.25	$3.14	$37,427	3.0	113.8	809.2	6.9
2009	87,569	-490	111.6	34.9	114	$1.06	$2.97	$35,265	0.8	122.7	638.1	10.3
2010	87,939	69	111.7	34.9	157	$1.08	$3.12	$36,299	1.3	119.1	688.4	11.3
2011	87,669	-461	110.2	35.0	107	$1.13	$3.26	$37,162	2.5	118.5	685.4	10.9
2012	87,913	25	109.8	35.1	172	$1.21	$3.38	$37,745	1.9	122.1	714.0	10.3
2013	88,236	96	109.6	35.1	198	$1.28	$3.53	$38,494	2.1	122.5	732.2	9.5
2014	88,590	121	109.8	35.2	208	$1.35	$3.70	$39,331	2.1	122.8	763.2	8.5
2015	88,957	130	110.1	35.2	212	$1.42	$3.88	$40,320	1.8	122.7	788.8	7.5
2016	89,349	151	110.7	35.3	215	$1.49	$4.06	$41,315	1.7	123.2	816.3	6.7
2017	89,728	136	111.3	35.4	214	$1.55	$4.23	$42,117	1.7	123.6	839.9	6.1
2018	90,118	145	112.0	35.4	215	$1.62	$4.42	$43,032	1.7	123.9	863.6	5.7
2019	90,519	156	112.7	35.5	217	$1.68	$4.61	$44,031	1.5	124.4	888.0	5.3
2020	90,931	170	113.4	35.6	219	$1.75	$4.79	$44,988	1.4	124.2	911.5	5.0
2021	91,362	190	114.2	35.7	223	$1.81	$4.99	$46,021	1.3	123.8	940.0	4.9
2022	91,772	177	115.0	35.8	222	$1.88	$5.18	$46,866	1.5	124.4	972.3	4.8
2023	92,178	178	115.9	35.9	222	$1.94	$5.38	$47,693	1.5	124.9	1007.9	4.8
2024	92,585	185	116.8	36.0	223	$2.02	$5.59	$48,578	1.6	125.4	1047.3	4.8
2025	92,990	191	117.7	36.0	223	$2.10	$5.81	$49,416	1.7	125.9	1088.0	4.8
2026	93,380	184	118.6	36.1	223	$2.18	$6.01	$50,094	1.7	126.1	1130.2	4.8
2027	93,745	166	119.6	36.2	220	$2.27	$6.22	$50,742	1.7	126.2	1169.6	4.9
2028	94,082	147	120.5	36.3	217	$2.35	$6.42	$51,334	1.7	126.5	1208.7	4.9
2029	94,388	127	121.5	36.4	214	$2.45	$6.62	$51,913	1.7	126.7	1248.7	4.9
2030	94,663	103	122.5	36.5	210	$2.54	$6.83	$52,482	1.7	126.4	1290.0	4.9
2031	94,904	75	123.4	36.6	205	$2.63	$7.04	$53,032	1.7	126.1	1328.8	5.0
2032	95,122	56	124.3	36.7	201	$2.73	$7.25	$53,551	1.7	126.9	1367.6	5.0
2033	95,317	36	125.3	36.8	197	$2.83	$7.46	$54,122	1.7	127.5	1407.3	5.0
2034	95,489	14	126.2	36.9	194	$2.94	$7.68	$54,694	1.7	128.0	1448.1	5.0
2035	95,639	-8	127.1	37.0	190	$3.05	$7.92	$55,317	1.7	128.1	1490.2	5.0
2036	95,768	-28	128.0	37.1	186	$3.17	$8.16	$55,954	1.7	128.9	1533.6	5.0
2037	95,879	-48	128.9	37.2	182	$3.29	$8.41	$56,611	1.7	129.2	1578.3	5.1
2038	95,975	-68	129.8	37.3	179	$3.42	$8.67	$57,317	1.7	128.7	1624.4	5.1
2039	96,057	-88	130.6	37.4	175	$3.55	$8.94	$58,053	1.7	129.1	1671.9	5.1
2040	96,127	-106	131.5	37.5	172	$3.69	$9.22	$58,821	1.7	129.5	1708.7	5.1

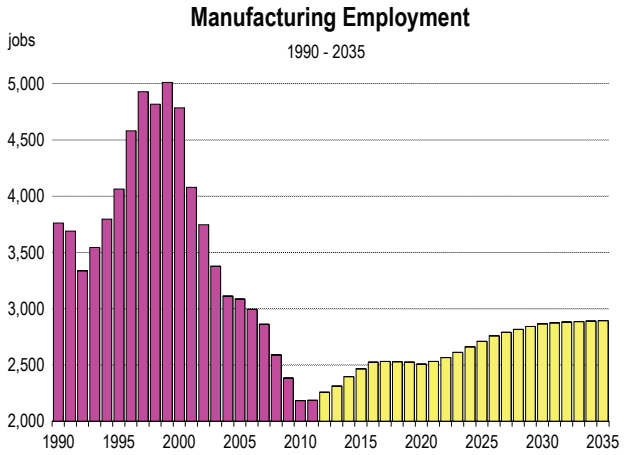


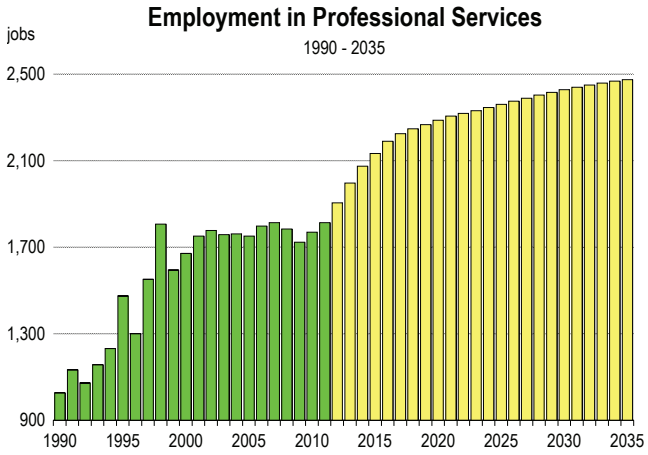


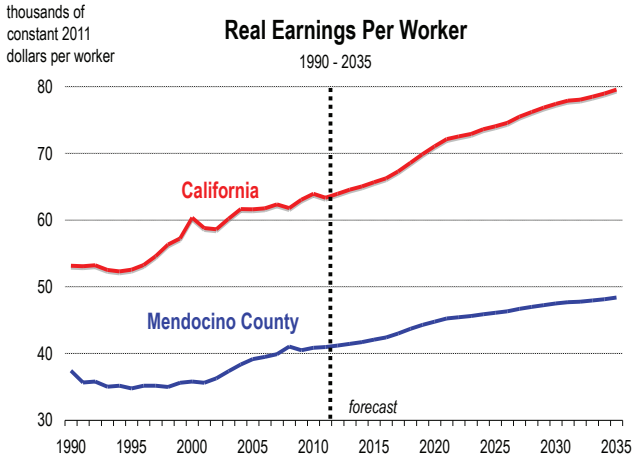
Mendocino County Employment Forecast

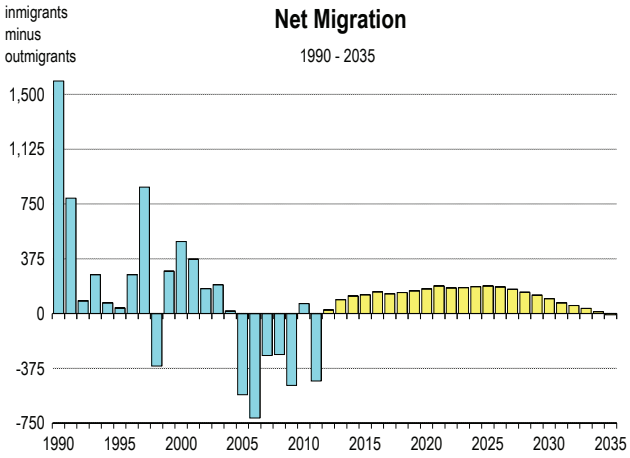
2006-2011 History, 2012-2040 Forecast

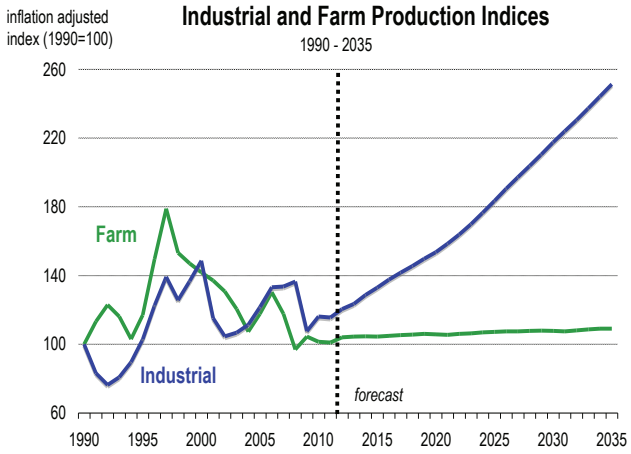
	Total Wage & Salary	Farm	Construction	Manufac-turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2006	32.6	2.09	1.6	3.0	0.6	5.3	1.3	1.8	0.4	3.7	4.2	7.5
2007	32.4	2.01	1.5	2.9	0.6	5.4	1.2	1.8	0.4	3.8	4.2	7.5
2008	31.6	1.87	1.3	2.6	0.6	5.3	1.2	1.8	0.4	3.8	4.0	7.6
2009	29.8	1.64	1.0	2.4	0.6	5.0	1.2	1.7	0.3	3.8	3.7	7.5
2010	29.3	1.60	0.9	2.2	0.6	5.0	1.2	1.8	0.3	3.7	3.7	7.3
2011	28.9	1.54	0.9	2.2	0.6	5.0	1.1	1.8	0.3	3.8	3.6	7.1
2012	29.3	1.57	0.9	2.3	0.6	5.1	1.1	1.9	0.3	3.8	3.7	7.1
2013	29.8	1.59	0.9	2.3	0.6	5.2	1.1	2.0	0.3	3.8	3.8	7.2
2014	30.5	1.61	0.9	2.4	0.6	5.3	1.1	2.1	0.3	3.8	3.9	7.4
2015	31.1	1.61	1.0	2.5	0.7	5.4	1.1	2.1	0.3	3.8	4.0	7.6
2016	31.6	1.61	1.0	2.5	0.7	5.4	1.1	2.2	0.3	3.9	4.1	7.8
2017	31.9	1.58	1.0	2.5	0.7	5.5	1.1	2.2	0.3	3.9	4.1	7.8
2018	32.2	1.53	1.0	2.5	0.7	5.6	1.1	2.2	0.3	3.9	4.2	8.0
2019	32.4	1.51	1.0	2.5	0.8	5.6	1.2	2.3	0.3	3.9	4.2	8.1
2020	32.7	1.51	1.1	2.5	0.8	5.7	1.2	2.3	0.4	3.9	4.3	8.2
2021	33.1	1.51	1.1	2.5	0.8	5.7	1.2	2.3	0.4	3.9	4.3	8.3
2022	33.4	1.51	1.1	2.6	0.8	5.8	1.2	2.3	0.4	3.9	4.4	8.4
2023	33.6	1.51	1.1	2.6	0.9	5.8	1.2	2.3	0.4	3.9	4.4	8.5
2024	33.9	1.52	1.2	2.7	0.9	5.9	1.2	2.3	0.4	3.9	4.4	8.6
2025	34.3	1.52	1.2	2.7	0.9	5.9	1.2	2.4	0.4	4.0	4.5	8.7
2026	34.6	1.52	1.2	2.8	0.9	6.0	1.2	2.4	0.4	4.0	4.5	8.8
2027	34.9	1.52	1.2	2.8	0.9	6.0	1.2	2.4	0.4	4.0	4.5	8.9
2028	35.2	1.53	1.2	2.8	0.9	6.1	1.2	2.4	0.4	4.0	4.6	9.0
2029	35.4	1.53	1.2	2.8	1.0	6.2	1.2	2.4	0.4	4.0	4.6	9.0
2030	35.7	1.53	1.2	2.9	1.0	6.2	1.2	2.4	0.4	4.0	4.6	9.1
2031	35.9	1.53	1.2	2.9	1.0	6.3	1.2	2.4	0.4	4.0	4.7	9.2
2032	36.2	1.54	1.3	2.9	1.0	6.3	1.2	2.4	0.4	4.1	4.7	9.3
2033	36.4	1.54	1.3	2.9	1.0	6.4	1.2	2.5	0.4	4.1	4.7	9.3
2034	36.6	1.55	1.3	2.9	1.0	6.5	1.3	2.5	0.4	4.1	4.8	9.4
2035	36.8	1.55	1.3	2.9	1.0	6.5	1.3	2.5	0.4	4.1	4.8	9.5
2036	37.1	1.55	1.3	2.9	1.1	6.6	1.3	2.5	0.4	4.1	4.8	9.5
2037	37.3	1.56	1.3	2.9	1.1	6.7	1.3	2.5	0.4	4.1	4.9	9.6
2038	37.5	1.56	1.4	2.9	1.1	6.7	1.3	2.5	0.4	4.1	4.9	9.7
2039	37.8	1.56	1.4	2.9	1.1	6.8	1.3	2.5	0.4	4.1	4.9	9.7
2040	38.0	1.57	1.4	2.9	1.1	6.9	1.3	2.5	0.4	4.2	5.0	9.8











County Economic and Demographic Indicators

Projected Economic Growth (2012-2017)

Expected retail sales growth:	20.5 %
Expected job growth:	10.6 %
Fastest growing jobs sector:	Transportation and Utilities
Expected personal income growth:	16.0 %
Expected population growth:	2.4 %
Net migration to account for:	32.0 %
Expected growth in number of vehicles:	1.0 %

Demographics (2012)

Unemployment rate (March 2012)	11.5 %
County Rank* in California (58 counties):	20th
Working age (16-64) population:	64.6 %
Population with B.A. Degree or higher:	22.1 %
Median Home Selling Price (2011):	$205,500
Median Household Income:	$42,467

Quality of Life

Violent Crime rate (2010):	555 per 100,000 persons
County Rank* in California (58 counties):	48th
Average Commute Time to work (2012):	21.3 minutes
High School drop out rate (2010):	15.4 %
Households at/below poverty line (2012):	12.9 %

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