

RIVERSIDE COUNTY ECONOMIC FORECAST

Riverside County is the fourth largest county in California in terms of total land area. Riverside County, along with San Bernardino County, comprises the Inland Empire, one of the fastest growing metropolitan areas in the nation from 1997 to 2006. The recession had an outsized impact on the region, but the local recovery has been impressive over the past few years.

Riverside County has a population of 2.3 million people and a total of 622,200 wage and salary jobs. The income per capita is \$34,989, and the average salary per worker is \$50,993.

In 2014, total employment increased by 2.6 percent across Southern California. Riverside County added a total of 26,000 jobs, representing a growth rate of 4.4 percent. The unemployment rate also improved, falling from 9.9 percent in 2013 to 8.3 percent in 2014.

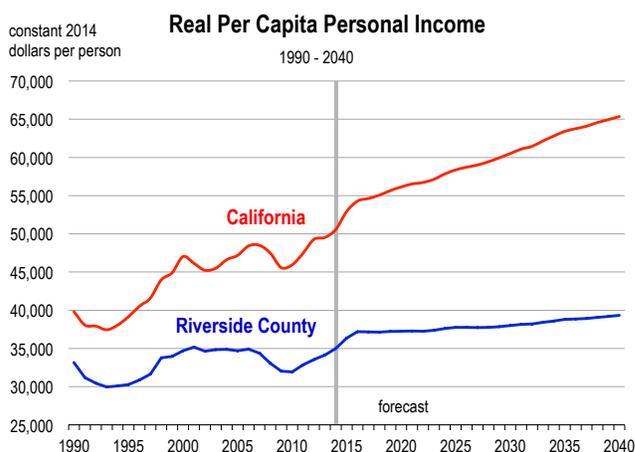
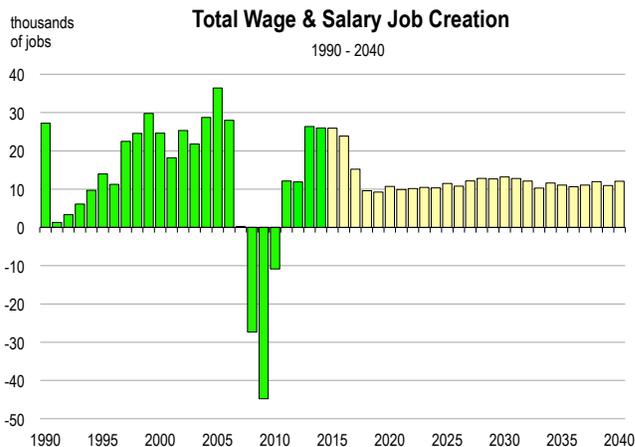
In 2014, job growth was strongest in construction (+5,000 jobs), leisure and hospitality (+4,900 jobs), education and healthcare (+4,700 jobs), and wholesale and retail trade (+3,400 jobs). The only sector to lose jobs was information (-140 jobs).

Over the past five years, the population has increased at an average annual rate of 1.2 percent. Through 2020, population growth will accelerate to an annual average of 2.1 percent, but will remain well below the levels observed in the mid 2000s.

The Riverside County economy will continue to expand in 2015. Over the longer-term forecast, the Inland Empire will experience greater growth than the coastal counties, due largely to the availability of land at lower costs.

FORECAST HIGHLIGHTS

- In 2015, total wage and salary employment will increase by 4.2 percent. From 2015 to 2020, total employment will grow at an annual average rate of 2.0 percent.
- Average salaries are currently below the California state average, and will remain so over the foreseeable future. In Riverside County, inflation-adjusted salaries are forecasted to rise by an average of 0.5 percent per year between 2015 and 2020.
- From 2015 to 2020, employment growth will be broad-based, as most sectors will increase by at least 1.5 percent per year. The strongest growth will be observed in education and healthcare, leisure and hospitality, wholesale and retail trade, and professional services. Combined, these industries will account for 75 percent of net job growth.
- The population is expected to increase by 1.7 percent in 2015. Annual growth in the 2015-2020 period is expected to average 1.8 percent.

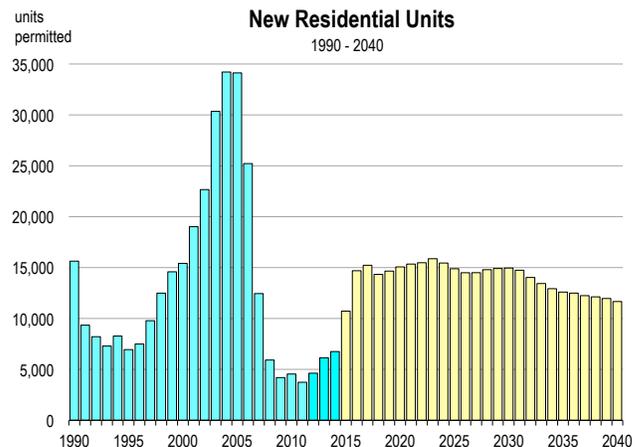
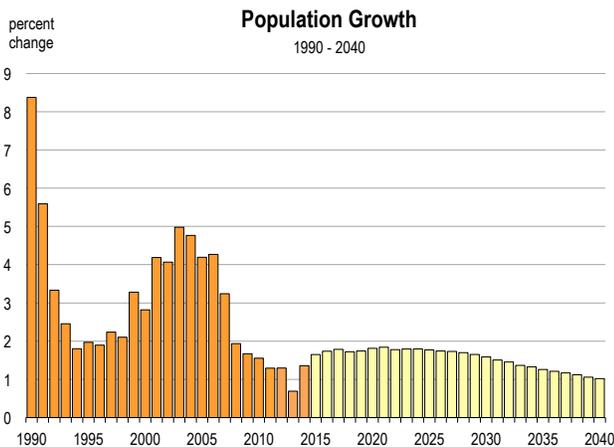


- Net migration will gradually increase. An average of 26,200 net migrants are expected to enter the county each year between 2015 and 2020.
- Real per capita income is expected to rise by 3.9 percent in 2015, and increase by an average of 0.5 percent per year between 2015 and 2020.
- Total taxable sales are expected to increase by an average of 2.7 percent per year over the next five years.
- Industrial production will rise by 2.7 percent in 2015. From 2015 to 2020, the growth rate of industrial production is expected to average 3.1 percent per year.

Riverside County Economic Forecast

2006-2014 History, 2015-2040 Forecast

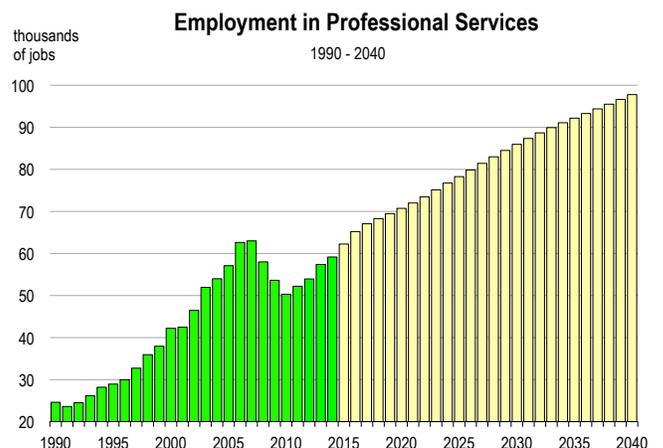
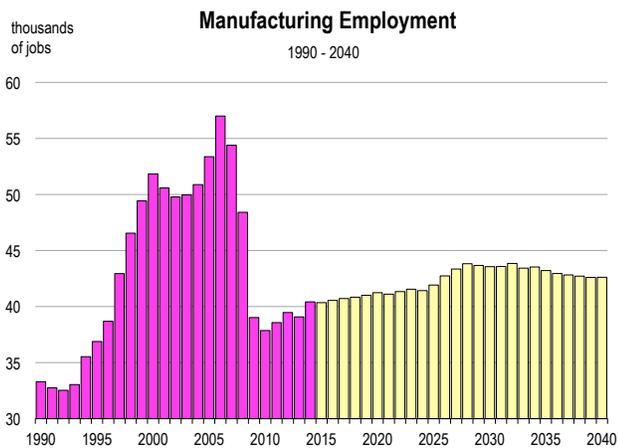
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemployment Rate (percent)
2006	2,017,350	64,400	1.70	629.2	25,211	\$29.8	\$61.1	\$34,899	4.3	1,270.0	12.7	5.0
2007	2,082,656	45,005	1.70	656.3	12,453	\$29.0	\$64.2	\$34,382	3.3	1,411.1	13.2	6.0
2008	2,122,920	19,992	1.69	674.1	5,919	\$26.0	\$65.1	\$33,060	3.5	1,366.8	12.5	8.6
2009	2,158,399	17,036	1.69	680.5	4,190	\$22.2	\$63.7	\$32,029	-0.8	1,103.2	10.9	13.1
2010	2,191,930	16,144	1.71	686.4	4,557	\$23.2	\$65.2	\$31,933	1.2	1,173.7	10.7	13.8
2011	2,220,269	11,751	1.71	689.7	3,749	\$25.6	\$69.8	\$32,841	2.7	1,340.3	10.9	13.2
2012	2,249,045	13,271	1.72	692.4	4,629	\$28.1	\$73.6	\$33,534	2.0	1,283.7	11.3	11.7
2013	2,264,569	588	1.79	696.3	6,143	\$30.1	\$76.3	\$34,142	1.1	1,345.7	11.5	9.9
2014	2,295,298	15,412	1.84	700.4	6,755	\$31.9	\$80.3	\$34,989	1.3	1,354.4	12.3	8.3
2015	2,333,140	22,530	1.89	706.0	10,727	\$33.8	\$85.6	\$36,369	0.9	1,352.8	12.6	6.5
2016	2,373,639	24,883	1.94	715.0	14,694	\$36.2	\$91.7	\$37,180	3.0	1,351.7	12.9	5.4
2017	2,416,008	26,434	1.99	727.3	15,232	\$38.5	\$96.2	\$37,173	3.1	1,351.1	13.3	5.1
2018	2,457,586	25,253	2.02	740.2	14,340	\$40.5	\$100.5	\$37,140	2.8	1,350.7	13.7	5.0
2019	2,500,376	26,056	2.05	752.2	14,659	\$42.5	\$105.3	\$37,227	2.7	1,350.9	14.2	4.9
2020	2,545,665	28,136	2.08	764.5	15,070	\$44.3	\$110.2	\$37,260	2.8	1,351.9	14.7	4.8
2021	2,592,513	29,310	2.11	777.2	15,349	\$46.2	\$115.5	\$37,275	2.9	1,352.6	15.2	4.9
2022	2,638,584	28,098	2.14	790.1	15,481	\$48.0	\$120.9	\$37,258	2.9	1,353.8	15.7	4.8
2023	2,685,900	28,916	2.16	803.2	15,875	\$49.6	\$126.5	\$37,362	2.5	1,355.0	16.3	4.7
2024	2,734,106	29,517	2.19	816.5	15,451	\$51.2	\$132.6	\$37,603	2.4	1,356.3	16.8	4.7
2025	2,782,505	29,291	2.21	829.5	14,888	\$53.0	\$139.0	\$37,760	2.6	1,357.7	17.4	4.7
2026	2,830,970	28,981	2.24	842.0	14,498	\$54.8	\$145.2	\$37,760	2.7	1,359.2	18.2	4.7
2027	2,879,949	29,126	2.27	854.2	14,502	\$56.7	\$151.5	\$37,732	2.7	1,360.8	18.9	4.7
2028	2,928,856	28,558	2.30	866.4	14,795	\$58.6	\$158.0	\$37,769	2.5	1,362.4	19.7	4.7
2029	2,977,210	27,790	2.32	878.9	14,913	\$60.6	\$164.7	\$37,861	2.3	1,364.0	20.3	4.6
2030	3,024,425	26,460	2.35	891.4	14,957	\$62.7	\$171.5	\$37,991	2.2	1,365.7	21.0	4.6
2031	3,069,959	24,525	2.38	904.0	14,743	\$65.0	\$178.4	\$38,148	2.1	1,367.4	21.8	4.6
2032	3,114,571	23,418	2.41	916.4	14,033	\$67.6	\$185.3	\$38,202	2.3	1,369.2	22.6	4.6
2033	3,157,101	21,452	2.44	928.2	13,436	\$70.3	\$192.4	\$38,408	1.9	1,371.0	23.2	4.6
2034	3,198,947	20,746	2.47	939.5	12,931	\$73.2	\$200.0	\$38,601	2.1	1,372.8	24.1	4.6
2035	3,239,196	19,252	2.49	950.4	12,599	\$76.3	\$207.8	\$38,784	2.2	1,374.6	24.8	4.6
2036	3,278,410	18,343	2.52	961.0	12,496	\$79.6	\$216.1	\$38,844	2.6	1,376.4	25.5	4.6
2037	3,316,699	17,537	2.55	971.5	12,247	\$83.0	\$224.8	\$38,906	2.7	1,378.2	26.3	4.6
2038	3,353,837	16,666	2.59	981.8	12,128	\$86.2	\$233.9	\$39,072	2.5	1,380.0	27.1	4.6
2039	3,389,293	15,373	2.62	992.0	11,967	\$89.5	\$243.3	\$39,180	2.7	1,381.9	27.9	4.6
2040	3,423,833	14,741	2.66	1,002.0	11,669	\$92.8	\$253.1	\$39,340	2.6	1,383.7	29.1	4.5

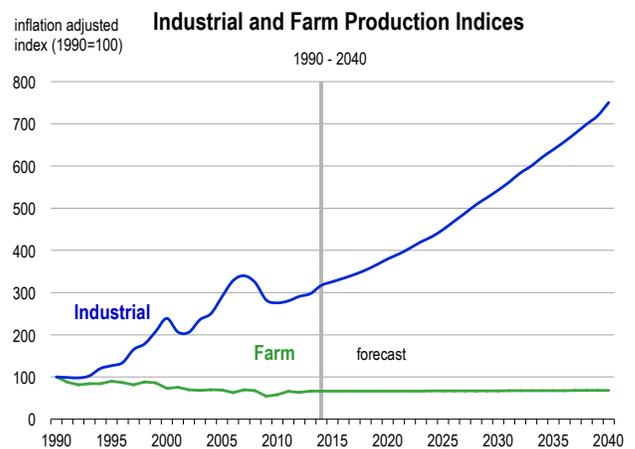
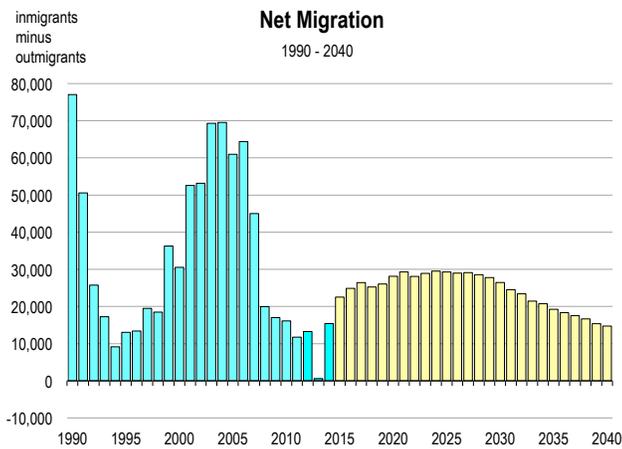
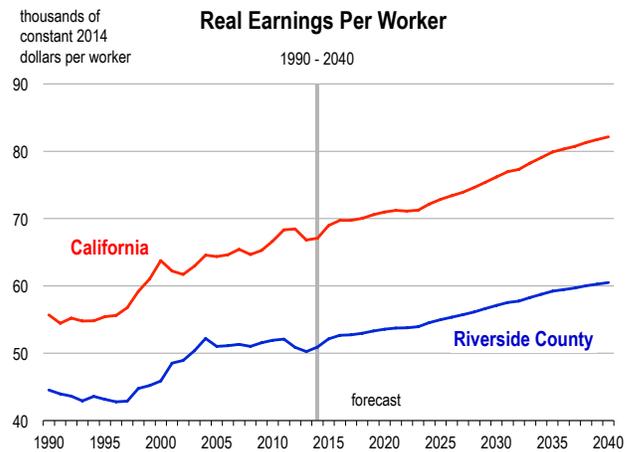
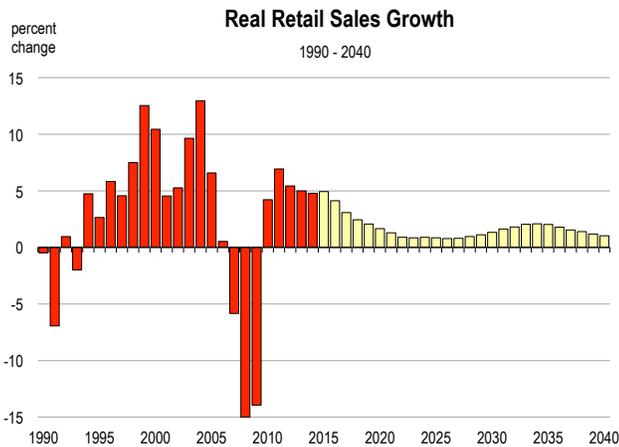


Riverside County Employment Forecast

2006-2014 History, 2015-2040 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	628.8	14.21	80.7	57.0	17.0	106.4	23.6	62.6	7.7	61.7	71.9	104.9
2007	628.9	12.97	68.9	54.4	20.9	109.1	23.0	63.0	7.8	65.5	73.7	108.8
2008	601.5	13.11	54.7	48.4	21.2	105.3	22.3	58.0	7.7	67.6	72.8	110.6
2009	556.7	12.36	40.4	39.0	19.7	97.5	20.7	53.6	8.5	68.3	68.7	109.3
2010	545.8	12.41	35.4	37.9	19.4	97.6	19.3	50.3	10.2	67.8	67.7	109.2
2011	557.9	12.43	34.1	38.6	20.2	101.3	18.6	52.2	7.6	70.7	68.9	114.2
2012	569.8	12.90	35.2	39.5	21.1	101.7	19.3	53.9	6.3	76.1	72.2	112.1
2013	596.2	12.40	42.4	39.1	24.0	104.4	20.0	57.4	6.2	83.0	75.8	111.2
2014	622.2	12.31	47.4	40.4	26.1	107.7	20.3	59.2	6.1	87.7	80.7	112.8
2015	648.1	12.20	50.5	40.4	26.8	111.0	20.6	62.2	6.0	92.1	87.4	116.1
2016	672.0	12.19	56.8	40.5	27.3	113.9	21.1	65.2	6.1	96.0	92.7	115.9
2017	687.2	12.33	57.3	40.7	27.9	116.2	21.5	67.0	6.2	99.3	96.8	116.5
2018	696.8	12.51	54.7	40.8	28.4	118.0	21.9	68.3	6.2	103.1	99.4	117.2
2019	706.0	12.62	53.6	41.0	28.9	119.7	22.2	69.5	6.3	106.7	101.0	117.8
2020	716.7	12.62	54.5	41.2	29.5	121.1	22.5	70.7	6.3	110.4	101.7	118.8
2021	726.6	12.64	55.5	41.1	30.0	122.5	22.8	72.0	6.3	114.1	102.1	119.8
2022	736.8	12.66	56.3	41.3	30.6	123.7	23.1	73.5	6.4	117.9	102.2	120.8
2023	747.3	12.67	57.0	41.5	31.2	124.8	23.5	75.1	6.5	121.7	102.3	122.0
2024	757.6	12.68	58.1	41.4	31.8	126.0	23.9	76.7	6.5	125.2	102.5	123.2
2025	769.1	12.70	59.5	41.9	32.4	127.2	24.3	78.3	6.5	128.7	102.7	124.6
2026	779.9	12.71	59.7	42.7	33.0	128.3	24.7	79.9	6.5	132.2	103.2	126.2
2027	792.0	12.72	60.8	43.3	33.5	129.5	25.1	81.4	6.5	135.6	103.8	128.2
2028	804.8	12.73	62.4	43.8	34.0	130.6	25.5	83.0	6.5	139.0	104.5	130.4
2029	817.5	12.74	64.2	43.7	34.5	131.8	25.9	84.5	6.5	142.5	105.6	132.7
2030	830.7	12.75	66.1	43.6	35.1	133.0	26.3	85.9	6.5	146.0	106.8	135.1
2031	843.5	12.76	67.5	43.6	35.6	134.2	26.6	87.3	6.5	149.4	108.0	137.5
2032	855.6	12.78	68.0	43.8	36.1	135.5	27.0	88.7	6.5	152.9	109.3	139.9
2033	865.9	12.79	67.5	43.4	36.6	136.8	27.4	89.9	6.5	156.3	110.5	142.3
2034	877.5	12.80	67.8	43.5	37.1	138.2	27.8	91.1	6.5	159.8	111.7	144.6
2035	888.5	12.81	68.2	43.2	37.5	139.5	28.1	92.2	6.5	163.2	113.0	147.0
2036	899.1	12.82	68.2	43.0	37.9	140.8	28.5	93.3	6.5	166.6	114.3	149.3
2037	910.2	12.83	68.5	42.8	38.3	142.1	28.8	94.4	6.6	170.1	115.5	151.5
2038	922.2	12.84	69.8	42.7	38.7	143.4	29.2	95.5	6.6	173.5	116.8	153.8
2039	933.1	12.86	70.1	42.6	39.0	144.6	29.5	96.6	6.6	177.0	118.1	155.9
2040	945.2	12.87	71.4	42.6	39.4	145.7	29.9	97.8	6.6	180.4	119.5	158.1





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	14.1%
Expected job growth:	10.6%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	11.8%

Expected population growth:	9.1%
Net migration to account for:	61.5%
Expected growth in number of vehicles:	10.0%

Demographics (2015)

Unemployment rate (March 2015):	6.6%
County rank* in California (58 counties):	24th
Working age (16-64) population:	63.61%

Population with B.A. or higher:	20.40%
Median home selling price (2014):	\$295,000
Median household income:	\$53,013

Quality of Life

Violent crime rate (2013):	395 per 100,000 persons
County rank* in California (58 counties):	33rd
Average commute time to work (2015):	34.62 minutes

High school drop out rate (2014):	9.8%
Households at/below poverty line (2015):	13.52%

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