

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 portion of the Sacramento Valley and has an eastern border that touches the Nevada state line. Placer County has a population of 371,600 people and approximately 148,700 wage and salary jobs. The per capita income in Placer County is \$56,830 and the average salary per worker is \$59,866.

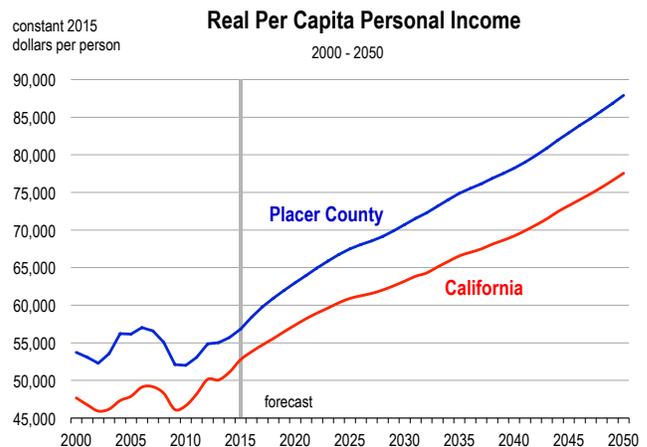
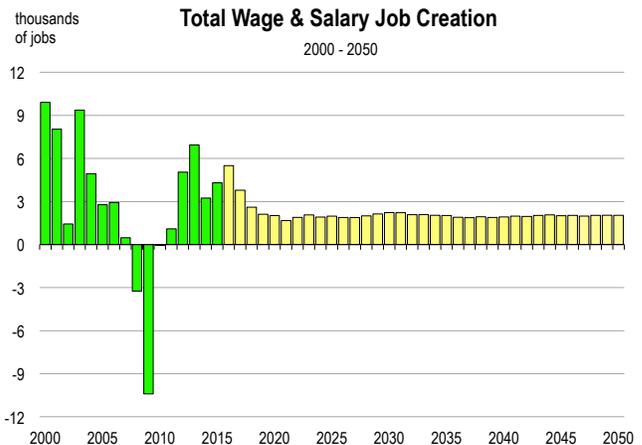
Employment across Northern California increased by 3.3 percent in 2015, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 2.5 percent. In Placer County, 4,300 wage and salary jobs were created, representing a growth rate of 3.0 percent. The unemployment rate improved markedly, falling from 6.2 percent in 2014 to 5.0 percent in 2015.

During 2015, the largest employment gains were observed in education and healthcare (+1,100 jobs), construction (+1,000 jobs), wholesale and retail trade (+540 jobs), and financial activities (+470 jobs). Declines were not observed in any major sector.

Over the 2010-2015 period, the Placer County population increased at a rate of 1.2 percent per year. This growth was largely due to net migration, as an average of 3,400 net migrants entered the county each year.

FORECAST HIGHLIGHTS

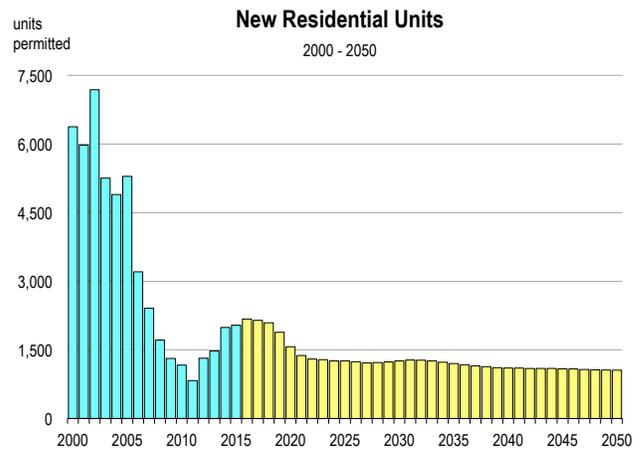
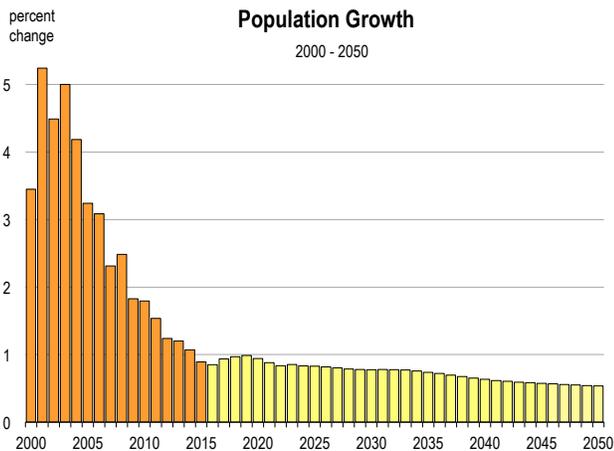
- Job growth will accelerate in 2016, as total employment increases by 3.7 percent. Between 2016 and 2021, growth will average 1.5 percent per year.
- Average salaries are currently below the California state average, and will remain so over the foreseeable future. In Placer County, inflation-adjusted salaries are forecasted to rise by 1.1 percent per year between 2016 and 2021.
- Over the next five years, employment growth will be greatest in leisure and hospitality, professional and business services, education and healthcare, and wholesale and retail trade. Combined, these sectors will account for 83 percent of net job creation in the county.
- Annual population growth in the 2016-2021 period will average 0.9 percent per year. The vast majority of this growth will be the result of in-migration. An average of 2,800 net migrants will enter the county each year, accounting for 77 percent of total population growth.
- Over the 2016-2021 period, an average of 1,900 new housing permits will be issued each year. The largest development project will be located in the far southwestern corner of the county, and will produce approximately 14,000 homes. Construction will likely begin this year or next, but complete build-out will extend beyond the year 2021.
- Real per capita income is expected to increase by 2.7 percent in 2016. During the 2016-2021 period, real per capita income growth will average 1.8 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 4.1 percent per year between 2016 and 2021 – faster than almost any other county in the state.
- Industrial production will increase by 1.7 percent in 2016. From 2016 to 2021, industrial production is projected to rise by 2.5 percent per year.



Placer County Economic Forecast

2010-2015 History, 2016-2050 Forecast

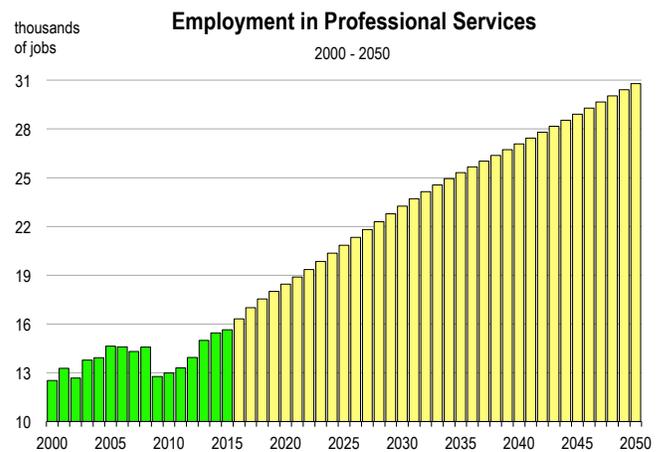
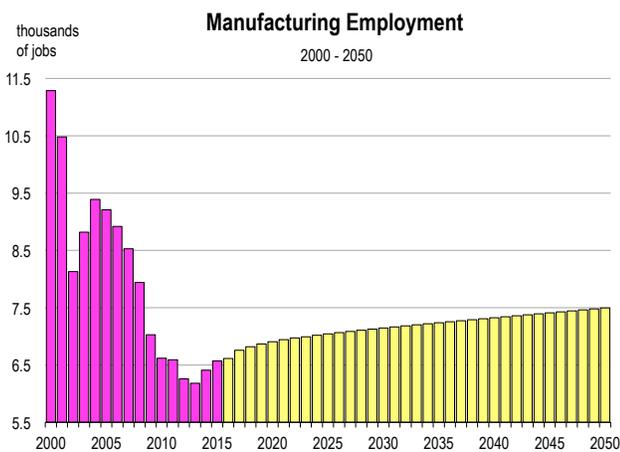
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	350,255	4,832	376	132.7	1,169	\$6.02	\$16.6	\$52,006	1.3	67.1	1.8	11.6
2011	355,640	4,304	379	133.6	829	\$6.57	\$17.6	\$53,086	2.7	66.6	1.6	10.8
2012	360,043	3,478	380	134.4	1,320	\$7.07	\$18.9	\$54,887	2.7	73.1	1.6	9.4
2013	364,372	3,473	395	135.5	1,476	\$7.72	\$19.4	\$55,024	2.3	75.9	1.6	7.7
2014	368,274	3,072	401	136.7	1,991	\$8.10	\$20.2	\$55,717	2.8	75.3	1.7	6.2
2015	371,558	2,486	411	138.0	2,038	\$8.65	\$21.1	\$56,830	2.6	77.2	1.7	5.0
2016	374,718	2,483	419	139.9	2,175	\$9.36	\$22.5	\$58,372	2.5	76.7	1.8	4.3
2017	378,227	2,799	425	141.8	2,146	\$10.22	\$24.1	\$59,804	3.6	77.0	1.8	4.0
2018	381,890	2,899	430	143.8	2,092	\$10.90	\$25.3	\$60,929	3.5	77.5	1.9	4.0
2019	385,660	2,928	434	145.6	1,885	\$11.56	\$26.5	\$61,983	2.3	77.9	1.9	3.9
2020	389,292	2,714	438	147.3	1,569	\$12.22	\$27.8	\$62,993	2.3	78.2	1.9	3.9
2021	392,720	2,470	442	148.7	1,378	\$12.90	\$29.1	\$63,974	2.3	78.5	2.0	4.0
2022	396,001	2,281	445	150.0	1,300	\$13.55	\$30.4	\$64,939	2.3	78.7	2.0	3.9
2023	399,380	2,358	449	151.2	1,287	\$14.20	\$31.7	\$65,871	2.3	78.9	2.1	3.9
2024	402,708	2,298	453	152.3	1,259	\$14.91	\$33.2	\$66,740	2.6	79.1	2.1	3.9
2025	406,045	2,300	457	153.4	1,261	\$15.61	\$34.7	\$67,495	2.8	79.3	2.2	3.9
2026	409,366	2,281	460	154.6	1,242	\$16.29	\$36.3	\$68,066	2.9	79.5	2.2	3.9
2027	412,658	2,254	464	155.7	1,216	\$16.96	\$37.8	\$68,561	2.9	79.7	2.3	3.9
2028	415,904	2,224	468	156.8	1,224	\$17.68	\$39.4	\$69,156	2.7	79.8	2.3	3.9
2029	419,147	2,219	472	157.9	1,238	\$18.46	\$41.1	\$69,890	2.5	80.0	2.4	3.9
2030	422,400	2,248	476	159.0	1,260	\$19.29	\$42.8	\$70,703	2.4	80.1	2.4	3.9
2031	425,694	2,279	480	160.1	1,279	\$20.19	\$44.6	\$71,563	2.3	80.2	2.5	3.9
2032	429,002	2,303	484	161.3	1,275	\$21.09	\$46.4	\$72,271	2.5	80.3	2.5	3.9
2033	432,316	2,303	488	162.4	1,260	\$22.04	\$48.2	\$73,166	2.1	80.4	2.6	3.9
2034	435,592	2,289	492	163.6	1,231	\$23.03	\$50.2	\$74,025	2.3	80.5	2.7	3.9
2035	438,803	2,258	496	164.7	1,202	\$24.05	\$52.3	\$74,883	2.4	80.6	2.7	3.9
2036	441,967	2,225	500	165.8	1,176	\$25.08	\$54.5	\$75,537	2.8	80.6	2.8	3.9
2037	445,044	2,188	504	166.8	1,151	\$26.12	\$56.8	\$76,139	2.9	80.7	2.8	3.9
2038	448,049	2,161	508	167.9	1,134	\$27.21	\$59.2	\$76,860	2.7	80.7	2.9	3.9
2039	450,971	2,140	511	168.9	1,112	\$28.34	\$61.7	\$77,508	2.9	80.8	3.0	3.9
2040	453,834	2,121	515	169.9	1,104	\$29.49	\$64.3	\$78,211	2.8	80.8	3.0	3.9
2041	456,629	2,112	519	170.9	1,103	\$30.71	\$66.9	\$79,030	2.6	80.8	3.1	3.9
2042	459,392	2,113	523	171.9	1,094	\$31.97	\$69.6	\$79,909	2.5	80.8	3.2	3.9
2043	462,109	2,111	527	172.9	1,095	\$33.29	\$72.5	\$80,867	2.4	80.8	3.2	3.9
2044	464,810	2,114	531	173.8	1,095	\$34.66	\$75.3	\$81,946	2.2	80.8	3.3	3.8
2045	467,479	2,117	535	174.8	1,087	\$36.07	\$78.4	\$82,926	2.4	80.8	3.4	3.9
2046	470,132	2,112	539	175.8	1,084	\$37.51	\$81.5	\$83,895	2.3	80.9	3.5	3.8
2047	472,752	2,105	543	176.8	1,072	\$39.00	\$84.7	\$84,848	2.6	80.9	3.5	3.8
2048	475,355	2,092	547	177.8	1,064	\$40.54	\$88.0	\$85,828	2.6	80.9	3.6	3.8
2049	477,928	2,084	551	178.7	1,060	\$42.15	\$91.5	\$86,840	2.7	80.9	3.7	3.8
2050	480,491	2,075	555	179.7	1,057	\$43.84	\$95.2	\$87,885	2.9	80.9	3.8	3.8

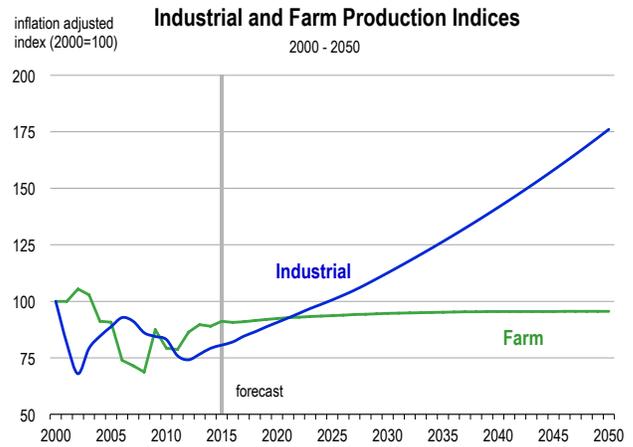
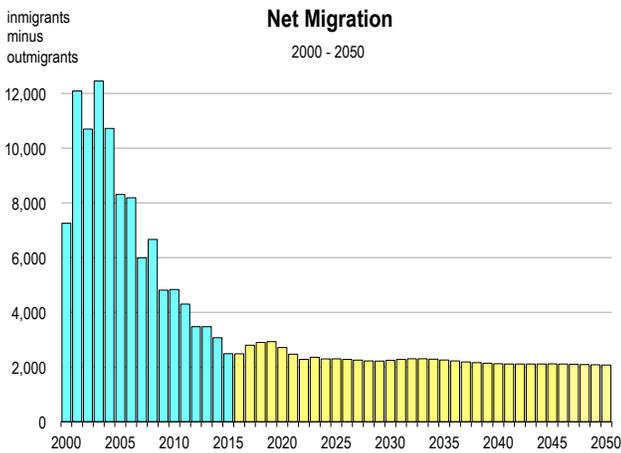
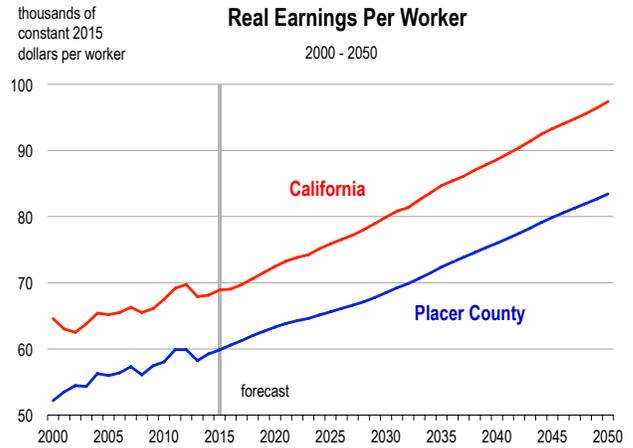
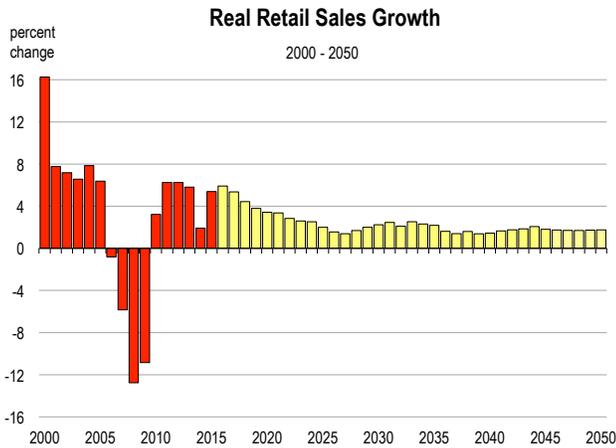


Placer County Employment Forecast

2010-2015 History, 2016-2050 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)-----											
2010	128.1	0.34	8.4	6.6	3.0	23.0	9.7	13.0	2.5	20.0	18.1	19.0
2011	129.2	0.35	8.1	6.6	2.8	23.5	9.7	13.3	2.3	21.1	18.5	18.2
2012	134.3	0.33	8.6	6.3	2.9	24.7	10.3	13.9	2.3	22.2	19.0	18.7
2013	141.2	0.38	9.7	6.2	3.1	25.5	11.2	15.0	2.2	23.4	20.0	19.1
2014	144.4	0.39	10.2	6.4	3.2	25.7	11.1	15.5	2.0	24.0	20.7	19.6
2015	148.7	0.39	11.2	6.6	3.3	26.3	11.5	15.7	2.1	25.1	21.4	19.6
2016	154.2	0.39	11.7	6.6	3.4	27.1	11.9	16.3	2.2	26.4	22.5	19.8
2017	158.0	0.38	12.1	6.8	3.4	27.8	12.0	17.0	2.2	27.0	23.3	20.0
2018	160.6	0.37	11.9	6.8	3.5	28.4	12.1	17.5	2.3	27.6	23.9	20.1
2019	162.7	0.36	11.6	6.9	3.6	28.8	12.1	18.0	2.3	28.3	24.2	20.3
2020	164.8	0.36	11.5	6.9	3.7	29.2	12.2	18.5	2.3	29.0	24.3	20.4
2021	166.4	0.36	11.1	6.9	3.8	29.6	12.2	18.9	2.4	29.7	24.4	20.6
2022	168.3	0.36	11.0	7.0	3.8	29.9	12.2	19.4	2.4	30.4	24.4	20.7
2023	170.4	0.36	11.1	7.0	3.9	30.2	12.2	19.9	2.4	31.2	24.5	20.8
2024	172.3	0.37	11.1	7.0	4.0	30.5	12.2	20.4	2.4	31.8	24.5	21.0
2025	174.3	0.37	11.2	7.0	4.1	30.7	12.2	20.8	2.5	32.4	24.6	21.1
2026	176.2	0.37	11.2	7.1	4.2	31.0	12.3	21.3	2.5	33.0	24.7	21.2
2027	178.1	0.37	11.2	7.1	4.3	31.1	12.3	21.8	2.5	33.5	24.9	21.4
2028	180.1	0.37	11.3	7.1	4.4	31.4	12.3	22.3	2.6	34.1	25.1	21.5
2029	182.2	0.38	11.3	7.1	4.4	31.6	12.3	22.8	2.6	34.7	25.5	21.6
2030	184.4	0.38	11.4	7.1	4.5	31.9	12.4	23.3	2.6	35.3	25.8	21.7
2031	186.6	0.38	11.5	7.2	4.6	32.2	12.4	23.7	2.6	35.9	26.2	21.9
2032	188.7	0.38	11.5	7.2	4.7	32.4	12.3	24.1	2.7	36.5	26.6	22.0
2033	190.8	0.38	11.5	7.2	4.8	32.7	12.3	24.6	2.7	37.1	26.9	22.1
2034	192.8	0.39	11.5	7.2	4.9	33.0	12.3	24.9	2.7	37.7	27.3	22.2
2035	194.9	0.39	11.4	7.2	4.9	33.3	12.4	25.3	2.8	38.3	27.7	22.3
2036	196.8	0.39	11.4	7.3	5.0	33.5	12.3	25.7	2.8	38.9	28.1	22.5
2037	198.6	0.39	11.4	7.3	5.1	33.7	12.3	26.0	2.8	39.5	28.5	22.6
2038	200.6	0.40	11.3	7.3	5.2	33.9	12.3	26.4	2.9	40.1	28.9	22.7
2039	202.5	0.40	11.3	7.3	5.3	34.1	12.3	26.7	2.9	40.7	29.3	22.8
2040	204.4	0.40	11.3	7.3	5.3	34.3	12.2	27.1	2.9	41.3	29.7	22.9
2041	206.4	0.40	11.3	7.3	5.4	34.5	12.2	27.4	3.0	41.9	30.1	23.0
2042	208.3	0.40	11.3	7.4	5.5	34.7	12.2	27.8	3.0	42.6	30.5	23.1
2043	210.4	0.41	11.3	7.4	5.6	35.0	12.2	28.2	3.0	43.2	30.9	23.2
2044	212.4	0.41	11.4	7.4	5.7	35.2	12.2	28.5	3.1	43.8	31.3	23.3
2045	214.4	0.41	11.4	7.4	5.7	35.5	12.2	28.9	3.1	44.4	31.7	23.3
2046	216.5	0.41	11.4	7.4	5.8	35.7	12.2	29.3	3.1	45.0	32.1	23.4
2047	218.5	0.41	11.4	7.4	5.9	35.9	12.2	29.7	3.2	45.6	32.6	23.5
2048	220.5	0.42	11.3	7.5	6.0	36.1	12.2	30.0	3.2	46.3	33.0	23.6
2049	222.5	0.42	11.3	7.5	6.1	36.4	12.2	30.4	3.2	46.9	33.4	23.7
2050	224.6	0.42	11.3	7.5	6.1	36.6	12.1	30.8	3.3	47.6	33.9	23.8





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	22.1%
Expected job growth:	7.9%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	14.9%

Expected population growth:	4.8%
Net migration to account for:	76.7%
Expected growth in number of vehicles:	5.5%

Demographics (2016)

Unemployment rate (April 2016):	4.3%
County rank* in California (58 counties):	10th
Working age (16-64) population:	62.1%

Population with B.A. or higher:	35.5%
Median home selling price (2015):	\$395,000
Median household income:	\$77,182

Quality of Life

Violent crime rate (2014):	156 per 100,000 persons
County rank* in California (58 counties):	1st
Average commute time to work (2016):	29.0 minutes

High school drop out rate (2015):	3.9%
Households at/below poverty line (2016):	6.2%

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