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 general economic improvements have been observed over the last three years.

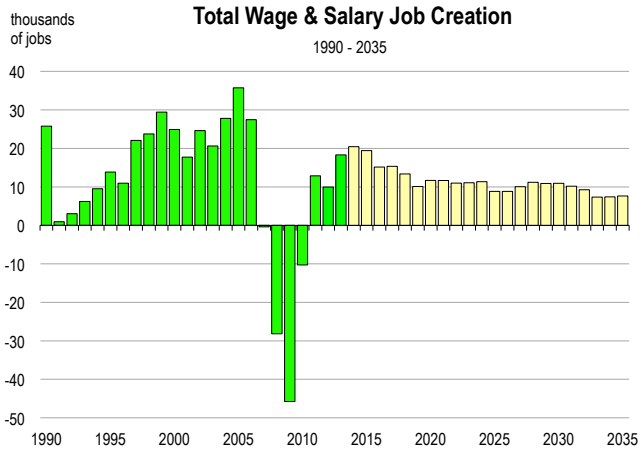
Riverside County has a population of 2.3 million people and a total of 577,200 wage and salary jobs. The income per capita is $33,159, and the average salary per worker is $51,815.

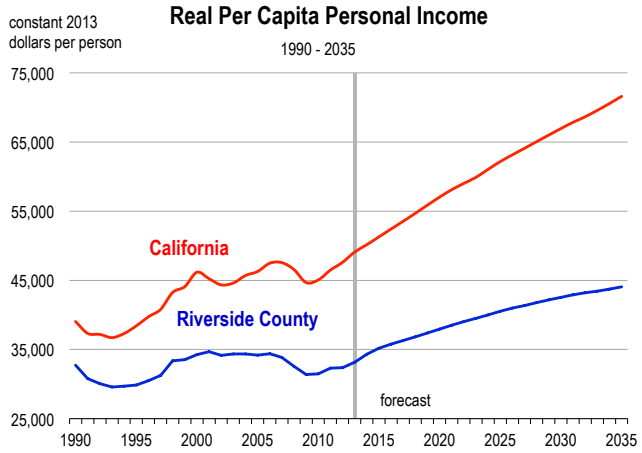
In 2013, total employment increased by 2.7 percent across Southern California. Riverside County added a total of 18,300 jobs, representing a growth rate of 3.3 percent. The unemployment rate also improved, falling from 12.1 percent in 2012 to 10.3 percent in 2013.

In 2013, job growth was strongest in education and healthcare (+5,800 jobs), leisure and hospitality (+3,800 jobs), wholesale and retail trade (+2,800 jobs), and professional and business services (+2,300 jobs). The only sectors to lose jobs were agriculture (-300 jobs) and information (-100 jobs).

In 2013, the Riverside County population increased by 0.8 percent – the smallest increase in record. Population growth will accelerate over the next five years, but will remain well below the levels observed in the mid 2000s.

The Riverside County economy will continue to expand in 2014. 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

- The labor market will strengthen in 2014 as employment increases by 3.5 percent. From 2014 to 2019, total employment will grow at an annual average rate of 2.3 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 1.3 percent per year between 2014 and 2019.

- From 2014 to 2019, employment growth will be broad-based. Almost every sector will increase by at least 10 percent, with the only exceptions being manufacturing, information, government, and agriculture.

- The largest employment increases over the 2014-2019 period will be observed in professional and business services (+14,700 jobs), education and healthcare (+11,800 jobs), leisure and hospitality (+11,600 jobs), and wholesale and retail trade (+11,600 jobs).

- The population is expected to increase by 1.0 percent in 2014. Annual growth in the 2014-2019 period is expected to average 1.5 percent.

- Net migration will gradually increase. An average of 15,900 net migrants are expected to enter the county each year between 2014 and 2019.

- Real per capita income is expected to rise by 3.5 percent in 2014, and increase by an average of 1.7 percent per year between 2014 and 2019.

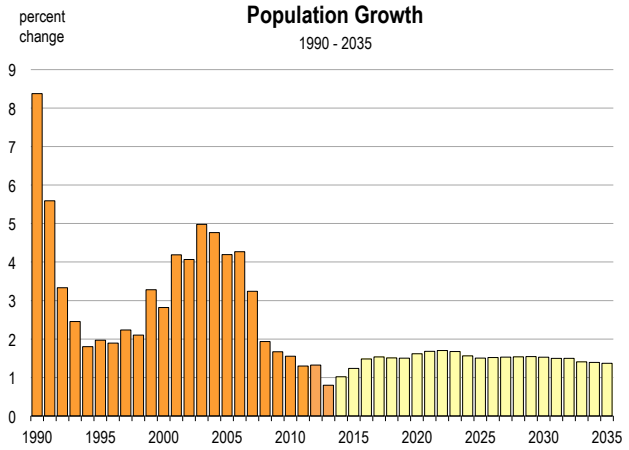
- Total taxable sales are expected to increase by an average of 3.4 percent per year over the next five years.

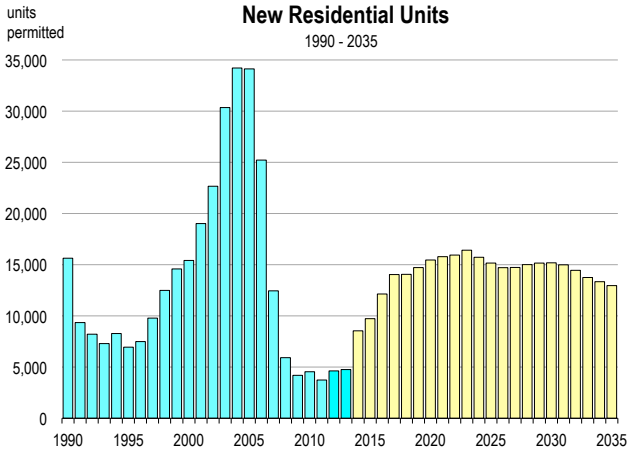
- Industrial production is expected to rise by 4.4 percent in 2014. From 2014 to 2019, the growth rate of industrial production is expected to average 3.6 percent per year.

Riverside County Economic Forecast

2006-2013 History, 2014-2040 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)	Unemploy-ment Rate (percent)
2006	2,017,350	64,400	1.70	629.2	25,211	$29.8	$61.0	$34,389	4.3	1,253.9	11.4	5.0
2007	2,082,656	45,005	1.70	656.3	12,453	$29.0	$64.1	$33,875	3.3	1,393.2	11.8	6.0
2008	2,122,920	19,992	1.69	674.1	5,919	$26.0	$65.0	$32,567	3.5	1,349.4	11.4	8.5
2009	2,158,399	17,036	1.69	680.5	4,190	$22.2	$63.2	$31,389	-0.8	1,089.2	10.0	13.4
2010	2,191,930	16,144	1.71	686.4	4,557	$23.2	$65.1	$31,473	1.2	1,158.8	9.6	14.5
2011	2,220,390	11,872	1.71	689.8	3,749	$25.6	$69.5	$32,313	2.7	1,323.3	9.8	13.8
2012	2,249,773	13,540	1.72	692.5	4,629	$28.1	$72.0	$32,375	2.0	1,267.0	10.6	12.1
2013	2,267,760	2,250	1.75	696.3	4,760	$30.3	$75.2	$33,159	1.1	1,290.3	11.1	10.3
2014	2,290,872	6,681	1.78	700.3	8,544	$32.2	$79.9	$34,312	1.7	1,283.4	11.6	8.6
2015	2,319,196	11,217	1.81	707.5	9,730	$34.3	$84.8	$35,174	2.2	1,277.6	12.0	7.3
2016	2,353,559	16,548	1.84	715.6	12,142	$36.2	$89.3	$35,773	2.1	1,272.7	12.4	6.2
2017	2,389,683	17,753	1.88	725.9	14,040	$37.9	$93.1	$36,294	1.2	1,268.4	12.8	5.8
2018	2,425,754	17,179	1.91	737.7	14,061	$39.6	$97.1	$36,844	1.2	1,264.7	13.3	5.6
2019	2,462,206	16,984	1.93	749.5	14,721	$41.2	$101.3	$37,401	1.3	1,261.5	13.8	5.5
2020	2,502,016	19,499	1.96	761.9	15,462	$42.9	$105.8	$37,962	1.2	1,258.8	14.3	5.4
2021	2,544,052	21,168	1.98	774.9	15,787	$44.6	$110.6	$38,522	1.4	1,256.7	14.8	5.5
2022	2,587,324	21,793	2.00	788.2	15,944	$46.2	$115.6	$39,034	1.5	1,254.8	15.3	5.4
2023	2,630,660	21,292	2.02	801.6	16,420	$47.8	$120.6	$39,498	1.4	1,253.0	15.9	5.4
2024	2,671,759	18,801	2.04	815.4	15,729	$49.5	$125.7	$39,987	1.4	1,251.4	16.4	5.3
2025	2,711,957	17,645	2.06	828.6	15,163	$51.2	$131.2	$40,538	1.4	1,249.9	17.1	5.4
2026	2,753,150	18,322	2.07	841.4	14,713	$52.9	$136.5	$40,977	1.4	1,248.6	17.9	5.4
2027	2,795,265	18,752	2.09	853.7	14,734	$54.6	$141.8	$41,370	1.4	1,247.5	18.6	5.3
2028	2,838,223	18,904	2.11	866.1	15,012	$56.5	$147.4	$41,775	1.4	1,246.4	19.4	5.3
2029	2,882,030	19,334	2.13	878.7	15,162	$58.5	$153.2	$42,167	1.4	1,245.5	20.1	5.3
2030	2,926,062	19,308	2.15	891.5	15,187	$60.6	$159.1	$42,544	1.4	1,244.8	20.8	5.3
2031	2,969,868	18,965	2.17	904.3	14,990	$62.9	$165.0	$42,900	1.4	1,244.3	21.5	5.3
2032	3,014,353	19,696	2.19	916.9	14,454	$65.3	$171.0	$43,204	1.4	1,243.7	22.4	5.3
2033	3,056,763	17,820	2.21	929.0	13,753	$67.9	$176.8	$43,434	1.4	1,243.0	23.0	5.3
2034	3,099,317	17,751	2.23	940.6	13,342	$70.6	$182.9	$43,732	1.4	1,242.3	23.9	5.3
2035	3,141,757	17,466	2.24	951.8	12,961	$73.4	$189.4	$44,061	1.4	1,241.7	24.6	5.3
2036	3,184,598	17,826	2.27	962.7	12,961	$76.2	$196.3	$44,422	1.4	1,240.9	25.3	5.3
2037	3,227,387	17,786	2.29	973.6	12,747	$79.0	$203.4	$44,806	1.4	1,240.2	26.1	5.3
2038	3,269,395	17,172	2.33	984.3	12,600	$81.9	$210.8	$45,210	1.4	1,239.7	27.0	5.3
2039	3,310,889	17,013	2.36	994.9	12,411	$84.8	$218.4	$45,642	1.4	1,239.2	27.8	5.3
2040	3,352,510	17,346	2.40	1,005.4	12,230	$87.7	$226.4	$46,082	1.4	1,238.7	28.7	5.2

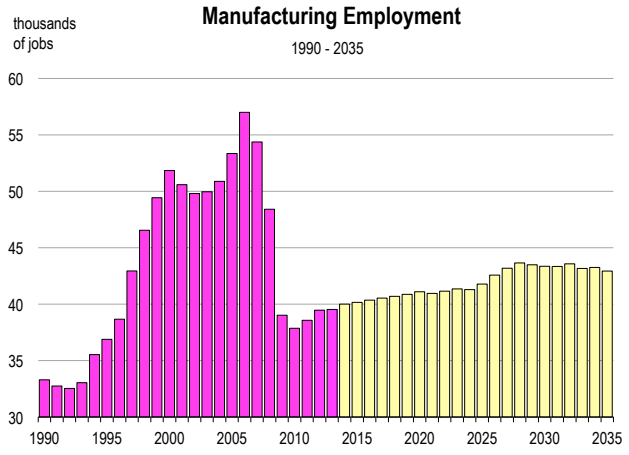


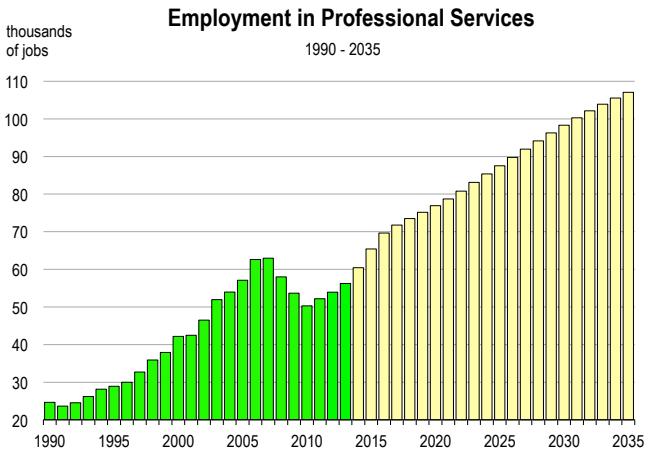


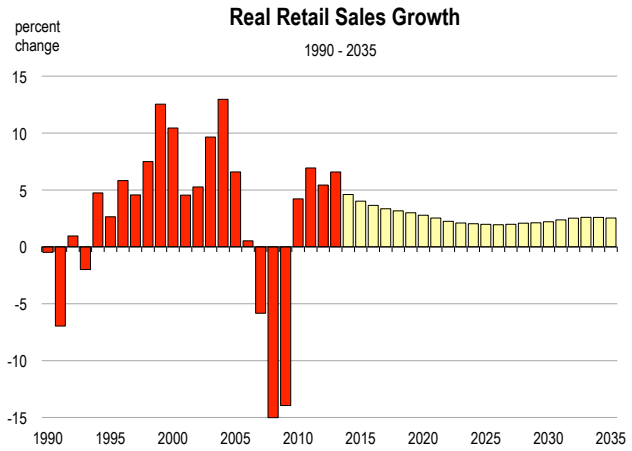
Riverside County Employment Forecast

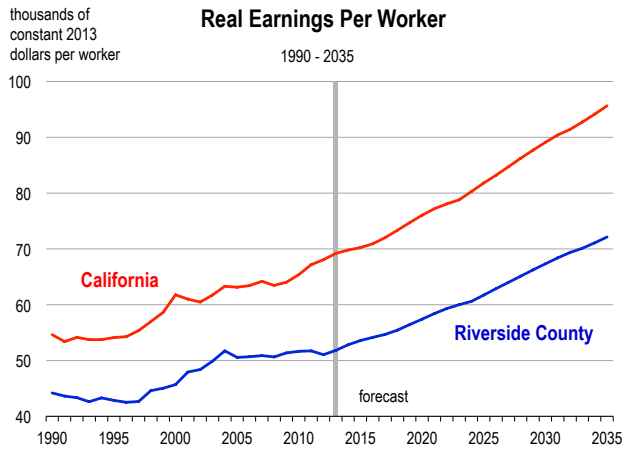
2006-2013 History, 2014-2040 Forecast

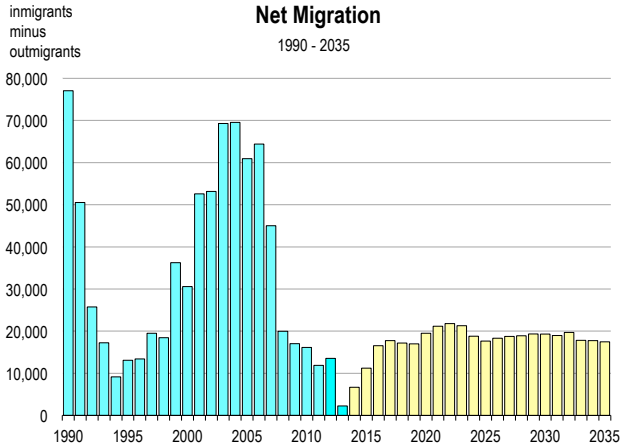
	Total Wage & Salary	Farm	Construction	Manufac-turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2006	620.6	14.21	80.7	57.0	17.0	106.4	23.6	62.6	7.7	53.5	71.9	104.8
2007	620.2	12.97	68.9	54.4	20.9	109.1	23.0	63.0	7.8	56.9	73.7	108.8
2008	592.0	13.11	54.7	48.4	21.2	105.3	22.3	58.0	7.7	58.1	72.8	110.6
2009	546.3	12.36	40.4	39.0	19.7	97.5	20.7	53.6	8.5	57.9	68.7	109.3
2010	536.0	12.41	35.4	37.9	19.4	97.6	19.3	50.3	10.2	58.0	67.7	109.2
2011	548.9	12.43	34.1	38.6	20.2	101.3	18.6	52.2	7.6	61.7	68.9	114.2
2012	558.8	12.90	35.2	39.5	21.1	101.7	19.3	53.9	6.3	65.1	72.2	112.1
2013	577.2	12.59	35.5	39.5	22.4	104.5	19.8	56.2	6.1	70.9	76.0	113.6
2014	597.6	12.84	37.3	40.0	23.2	107.6	20.1	60.4	6.4	73.6	80.2	115.2
2015	617.0	12.85	39.3	40.2	23.7	110.4	20.6	65.4	6.6	76.3	83.2	116.7
2016	632.2	12.84	39.1	40.4	24.1	112.9	21.1	69.7	6.7	78.5	86.4	118.1
2017	647.6	12.91	42.0	40.5	24.7	115.2	21.6	71.8	6.7	80.8	89.2	119.1
2018	660.9	13.01	44.3	40.7	25.2	117.3	22.0	73.5	6.7	83.2	90.9	120.5
2019	671.0	13.06	45.2	40.9	25.7	119.2	22.4	75.2	6.8	85.4	91.8	121.4
2020	682.7	13.06	47.9	41.1	26.3	121.0	22.6	76.9	6.8	86.9	92.2	123.6
2021	694.4	13.07	50.7	41.0	26.9	122.8	22.8	78.7	6.9	89.0	92.5	125.2
2022	705.4	13.08	52.6	41.2	27.5	124.4	23.0	80.8	7.0	91.0	92.6	126.9
2023	716.5	13.09	54.3	41.4	28.1	126.0	23.3	83.1	7.1	93.1	92.7	128.6
2024	727.8	13.10	56.6	41.3	28.8	127.6	23.7	85.4	7.0	94.8	92.9	130.3
2025	736.7	13.10	56.2	41.8	29.4	129.2	24.1	87.5	7.0	96.3	93.1	132.1
2026	745.5	13.11	55.6	42.6	30.0	130.7	24.5	89.8	7.1	97.7	93.3	134.1
2027	755.5	13.11	55.7	43.2	30.5	132.2	24.9	92.0	7.1	99.2	93.5	136.5
2028	766.7	13.12	56.7	43.7	31.0	133.8	25.4	94.1	7.1	100.7	93.6	139.2
2029	777.6	13.13	58.2	43.5	31.6	135.4	25.8	96.3	7.2	102.3	93.8	141.9
2030	788.6	13.13	59.7	43.4	32.1	137.0	26.2	98.3	7.2	103.8	94.0	144.6
2031	798.8	13.14	60.6	43.3	32.7	138.6	26.7	100.3	7.2	105.1	94.2	147.3
2032	808.0	13.14	60.5	43.6	33.2	140.1	27.1	102.1	7.3	106.5	94.4	150.0
2033	815.4	13.15	59.4	43.2	33.8	141.7	27.5	103.9	7.3	107.9	94.5	152.7
2034	822.8	13.15	58.1	43.3	34.2	143.2	27.9	105.5	7.3	109.2	94.7	155.3
2035	830.4	13.16	57.6	42.9	34.7	144.8	28.4	107.1	7.4	110.5	94.9	157.9
2036	838.5	13.17	57.6	42.7	35.1	146.3	28.8	108.6	7.4	111.7	95.1	160.4
2037	847.5	13.17	58.6	42.5	35.5	147.8	29.2	110.2	7.4	112.8	95.3	162.9
2038	856.0	13.18	59.1	42.4	35.9	149.3	29.6	111.7	7.4	113.9	95.4	165.3
2039	864.6	13.18	59.8	42.3	36.3	150.8	30.1	113.3	7.5	115.0	95.6	167.7
2040	873.1	13.19	60.4	42.3	36.7	152.2	30.5	114.9	7.5	116.1	95.8	170.0

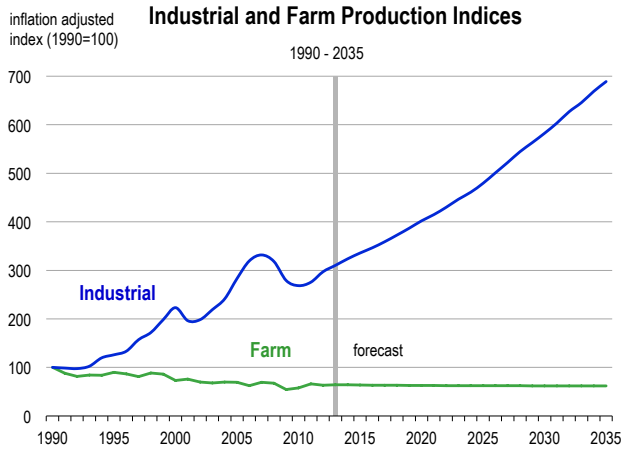












County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

Expected retail sales growth:	18.4%
Expected job growth:	12.3%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	17.2%
Expected population growth:	7.5%
Net migration to account for:	46.5%
Expected growth in number of vehicles:	8.6%

Demographics (2014)

Unemployment rate (April 2014):	8.3%
County rank* in California (58 counties):	25th
Working age (16-64) population:	63.7%
Population with B.A. degree or higher:	20.2%
Median home selling price (2013):	$259,000
Median household income:	$52,648

Quality of Life

Violent crime rate (2012):	309 per 100,000 persons
County rank* in California (58 counties):	22nd
Average commute time to work (2014):	34.4 minutes
High school drop out rate (2012):	12.2%
Households at/below poverty line (2014):	12.6%

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