



# Florida & Metro Forecast

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## 2015-2018



**Institute for Economic Competitiveness  
College of Business Administration  
University of Central Florida**

*Published December 2015*



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# FLORIDA FORECAST



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**2015 - 2018**

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*December 2015 Report*

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## TABLE OF CONTENTS

- Florida Highlights and Summary ..... 5-12**
- Florida Forecast Tables..... 13-18**
- Florida Forecast Charts..... 19-27**
- Florida News Summaries ..... 28**
- Deltona-Daytona Beach-Ormond Beach ..... 30-34**
- Gainesville..... 35-39**
- Jacksonville ..... 40-44**
- Lakeland..... 45-49**
- Miami-Fort Lauderdale-Pompano Beach..... 50-54**
- Naples-Marco Island..... 55-59**
- Ocala ..... 60-64**
- Orlando-Kissimmee ..... 65-69**
- Palm Bay-Melbourne-Titusville ..... 70-74**
- Pensacola-Ferry Pass-Brent ..... 75-79**
- Tallahassee..... 80-84**
- Tampa-St. Petersburg-Clearwater ..... 85-89**
- Industry Location Quotient..... 90**

## HIGHLIGHTS OF THE DECEMBER 2015 FLORIDA FORECAST 2015-2018

- Economic diversification and Florida's economy: An upcoming, multi-part series examining the issue.
- The housing market continues to improve. A shrinking pool of inventory and a backlog of housing starts are bidding up prices in the existing single-family market. The October 2015 year-over-year median sales price appreciation is 12.4%, and the percentage of cash transactions remains high at 34.3% of closed sales in October.
- From 2015-2018, Florida's economy, as measured by Real Gross State Product, will expand at an average annual rate of 3.2% with payroll job creation averaging an annual pace of 2.3%. Both growth rates are significantly stronger than our forecasted growth for the national economy.
- Payroll job growth in Florida is robust and continues to outpace national job growth. Year-over-year growth should average 3.2% in 2015, 2.3% in 2016, 2.0% in 2017, and 1.7% in 2018. To date, Governor Scott's administration has added 939,300 jobs to business payrolls.
- Labor force growth in Florida will average 1.6% from 2015-2018. Stronger payroll job creation has bolstered Florida's labor market. This improved prospect of finding a job will put more Floridians back on the hunt for employment and attract out-of-state job seekers as well.
- This labor force growth makes the prospect of lowering the state's unemployment rate a more challenging proposition. As a result, the unemployment rate should fall to 5.0% by 2016 and stay in that vicinity through 2018.
- The sectors expected to have the strongest average job growth during 2015-2018 are Construction (6.6%), Professional & Business Services (3.7%), Trade, Transportation & Utilities (3.4%), Leisure & Hospitality (2.8%), and Education & Health Services (2.6%).
- Housing starts flattened in 2014. The pace of starts will increase going forward, but probably not fast enough to meet single family demand over the next several years. Total starts will be nearly 102,000 in 2015, over 123,000 in 2016, hit 141,700 in 2017, and level off at 151,200 in 2018.
- Real Gross State Product (RGSP) will expand 3.3% in 2015 and 2016, and then expand 3.1% in 2017 and 2018. Average growth will be 3.2% during 2015-2018, 0.6 percentage points faster than our forecasted average U.S. GDP growth over the same period.
- Over 2015-2018, real personal income growth will decelerate after 2015 and average 4.0%, with 4.7% growth in 2015 before easing to 3.9% growth in 2018. Florida's average growth will exceed the national rate by 0.7 percentage points over that four-year span.
- Retail sales will grow at an average pace of over 4.7% during 2015-2018, boosted by the strong recovery in labor markets and rising home values.



## ECONOMIC DIVERSIFICATION AND FLORIDA'S ECONOMY

Beginning with the *March 2016 Florida & Metro Forecast*, we will conduct a multi-part analysis of the diversification of Florida's economy over the past 25 years. The diversification of Florida's economy has long been sought as a part of the desiderata of economic development efforts across the state.

The series will look into the basics of economic diversification asking why this has been a goal of economic development in Florida, how do we measure economic diversification and, given the variety of metrics, how have the state and different regions around the state fared in their efforts to diversify.

In portfolio theory, the benefits of diversification are well known and are relatively easy (low cost) to achieve. When it comes to economic diversification, easy and low cost are two characterizations that are rarely used. Changing the structure of a regional economy is a time and resource intensive process, one that can take years, even decades to implement. Progress may be difficult to measure and hard to perceive, making the assessment of these efforts problematic.

Beginning with our first *Florida & Metro Forecast* in 2016, we will take a deeper look into the efforts toward economic diversification of Florida's economy. We will be examining the literature surrounding the topic of diversification, including multiple metrics that could be used to measure progress toward these goals, ultimately providing an assessment of Florida's progress on this front and hopefully provide forward guidance for future efforts to diversify.

## FLORIDA'S HOUSING MARKET

The October 2015 single-family home report released by Florida Realtors continues to depict a housing market that is moving at a rapid pace. The median sales price for single-family homes increased \$21,995 in October 2015, year over year, and now stands at \$198,995, a year-over-year price appreciation of 12.4%. Price appreciation in the townhome/condominium market was a little slower at 7.2%, as the median sales price increased \$10,100 year over year and registered at \$150,000 in October of this year.

Inventories of single-family homes in July are down from a year ago and are now just 4.4 months, indicating an inventory balance that favors sellers in the single-family market, according the Florida Realtors report.<sup>1</sup>

Inventories of condominiums declined from 5.9 months' supply back in October of 2014 to 5.3 months this October. This indicates that the condo market has gone from being tilted in favor of buyers to a market that is now in favor of sellers.

Distressed sales of single-family homes in the form of short sales are continuing to contract year over year (-33.1%), as are foreclosure/REO sales versus October 2014 (-29.6%), and traditional sales are up 13.1% year over year versus October 2014.

Distressed sales of condos in the form of short sales are still rapidly contracting year over year (-47.7%), foreclosure/REO sales are down sharply as well versus October 2014 (-33.8%), while traditional sales were up 10.2% in October 2015 when compared to October 2014.

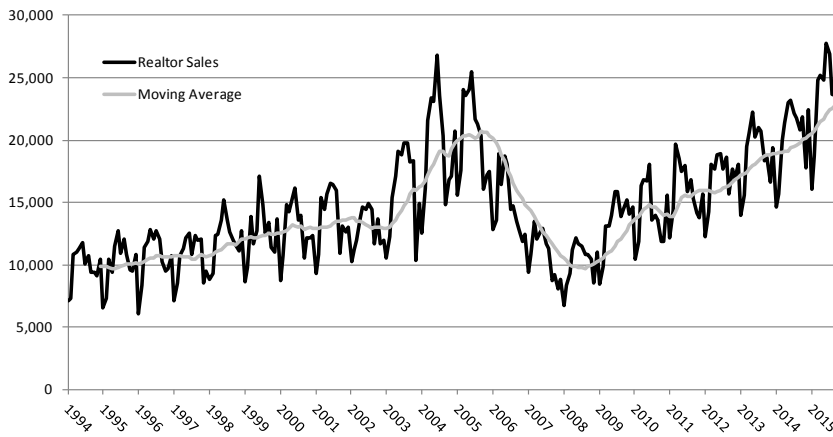
The percentage of closed sales of single-family homes that were cash transactions stood at 34.3% in October 2015. For condos that figure is much higher, as 61.4% of all closings were cash transactions. Both of these markets' shares of cash transactions have fallen year over year, which points to a somewhat diminishing role of investors in Florida's housing market.

Figure 1 depicts the monthly realtor sales of existing single-family homes as well as the 12-month moving average of these sales—a less volatile curve smoothing out the seasonality and noise in housing market monthly data. Sales continue on a strong upward path and both the 12-month moving average and monthly data have now exceeded their peak values during the housing bubble. The fundamental underpinnings of the housing market in Florida continue to improve. Job growth in Florida is forecasted to continue to outperform the U.S. labor market. More Baby Boomers are reaching the end of their working lives. This bodes well for continued population growth via the in-migration of workers and retirees to Florida. The population of Florida is also growing naturally as birth rates exceed death rates.

1 According to the Florida Realtors, the benchmark for a balanced market (favoring neither buyer nor seller) is 5.5 months of inventory. Numbers above that indicate a buyers' market, numbers below a sellers' market.

Figure 1.

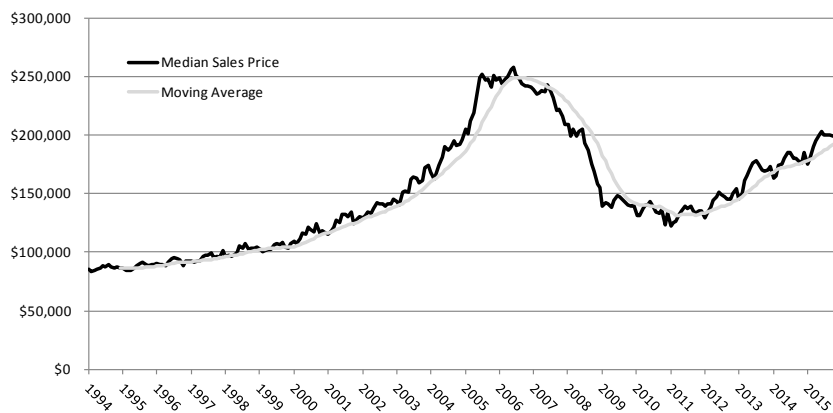
**Florida**  
Single-Family, Existing Homes



Source: Florida Realtors

Figure 2.

**Florida**  
Single-Family, Existing Homes



Source: Florida Realtors

Lastly, international immigration will also feed into the state's population growth. Given these improving economic foundations of the housing market, we expect that this upward trend in sales will continue into the future.

Figure 2 displays median sales prices for single-family existing homes. Median sales prices have continued to climb since bottoming out in 2011. The double-digit pace of price increases gave way to single-digit increases in 2014, but 2015 brought double-digit price appreciation back for a return engagement. Over the past year, the 12-month moving average of median sales prices has risen by \$16,349, up 8.2% from a year ago. Low inventories of existing homes for sale and

housing starts growth that stalled during 2014 will continue to support an environment where home prices could rise at an elevated pace. Some may be tempted to call this a bubble, but this is a shortage in the single-family market that will be rectified as the pace of single-family housing starts is expected to ramp up over the next several years. Single-family housing starts in 2018 are expected to increase by more than 80% from 2014 levels.

Many of Florida's homeowners are still well below the levels of home equity wealth they had at the peak of the housing market (median prices are currently \$58,805 below the 2006 peak of \$257,800). These rising prices have allowed some homeowners to escape the burden of negative equity after years of being trapped in mortgages that were underwater.

Despite this progress, there is still a high percentage of Floridians underwater in their mortgages. The CoreLogic 3<sup>rd</sup> quarter 2015 estimate puts that percentage at 17.8% in Florida.

## OUTLOOK FOR FLORIDA 2015-2018

### GROSS STATE PRODUCT

Real Gross State Product (RGSP) or State GDP growth in Florida is expected to rise at a faster pace than we are forecasting for U.S. Real GDP growth over the next four years.

The recession that likely started in mid-2007 in Florida finally came to an end in 2012. Growth of RGSP in that first year of the recovery showed Florida's economy expanding at a 1.7% pace. In 2013 the economy accelerated as growth increased to 2.5% as rising consumer confidence, a deepening of the housing market recovery, population growth, and progress repairing the damage in the labor market helped set the stage for even faster economic growth.

The improved fundamental underpinnings of the state's economy are helping to accelerate growth in 2015 when RGSP is expected to expand at 3.3%, the

fastest growth rate in the recovery to date. In 2016 through 2018, however, growth will experience a mild deceleration as a more restrictive monetary policy puts the brakes on the national economy. Growth in that three-year stretch is expected to be 3.3%, 3.1%, and 3.1%, respectively. During 2015-2018, Florida's RGSP is expected to grow an average of 3.2% annually.

This average growth of 3.2% through 2018 is a doubling of the average growth of the previous four years (when growth averaged just 1.6 %). An average growth of 3.2% may seem modest when compared to the 5.3% average growth during 2003-2005, but growth through 2018 is fortified by growth in the fundamental drivers of the state's economy, a sustainable fiscal situation in state and local government, and not on rampant speculation in the housing market. It is also 0.8 percentage points higher than the average of our forecasted real GDP growth for the U.S. economy over the same time frame (2.6%).

Housing prices have made substantial progress from the depths they plunged to during the housing crisis. During the crisis, median existing home prices fell to a low of \$122,200, but now stand at \$198,995. This price appreciation continues to repair damage done to household balance sheets in Florida, but it will take many more years to recover all the wealth that was lost in the housing market collapse, when housing prices plummeted from the median-price high of \$257,800 in June of 2006.

Rising house prices in Florida are lifting more mortgage holders in the state above the surface of the water for the first time in several years, providing some financial breathing room. Despite this progress CoreLogic estimates that as of Q3 2015, 17.8% of mortgaged homes in Florida have negative equity where owners owe more in mortgage debt than the market value of the house.

Nominal Gross State Product (NGSP) continues to make progress toward the \$1 trillion mark, surpassing \$980 billion in 2017. In 2018, Florida will finally break that \$1 trillion mark with a NGSP of \$1.029 trillion.

If the national economic policy and regulatory environment were more conducive to growth instead of being an increasing drag on the U.S. economy, the outlook for Florida's economy would be even brighter.

Florida's robust economic growth is happening despite the historically weak national economic recovery.

## PERSONAL INCOME, RETAIL SALES, AND AUTO SALES

In 2014, personal income growth in Florida surged to 5.0% from an anemic 1.4% growth rate in the previous year. That growth will be sustained in 2015 as personal income growth comes in once again at 5.0%. From that point, it will decelerate to 4.8% in 2016, and then jump to 5.8% in 2017, before rising slightly to 5.9% in 2018. After six years of personal income growth that was slower than the national rate, Florida pulled in front of the nation in 2013 as personal income growth in Florida grew 1.4%, while the nation rate of growth was 1.1%. Florida is expected to continue to outpace the nation with personal income growth averaging 0.7 percentage points higher than the national average growth for 2015 through 2018. Personal income growth during 2015-2018 will average 5.4% in Florida.

Personal income will reach nearly \$1.05 trillion in 2018, marking an increase in personal income in excess of \$350 billion from its low point in 2009.

In 2015, real disposable income growth will average 4.1%, up from the previous year's 3.2% growth rate. Average growth during 2015-2018 will remain a robust 3.9%, with growth of 4.1% in 2015, then averaging 3.7% the following two years before rising back to 4.1% in 2018.

Financial markets have prospered since hitting the bottom during the financial crisis, thanks in large part to the Federal Reserve Bank's zero interest rate policy that was bolstered by three subsequently larger rounds of quantitative easing. The Dow Jones Industrial Average fell to the 6,600 level in March of 2009, but then surged to exceed 18,000 in the first half of 2015.

This six-year bull market run appears to be coming to an end, as the Fed looks certain to embark on a series of interest rate hikes later in December of this year. The anticipation of this interest rate hike coupled with global economic uncertainty and financial market volatility at home and abroad sent stock prices into reverse this fall and at one point the Dow Jones Industrial Average fell nearly 3,000 points. As of this writing the Dow is down 1.5% year-to-date.



As a result of this record run, as of the 3<sup>rd</sup> quarter of 2015, financial assets held by U.S. households are \$28.7 trillion<sup>2</sup> higher in value than the 2009 Q1 nadir of the financial crisis levels, and \$18.8 trillion higher than pre-recession peaks. These values are down from 2015 Q2 levels as a result of the volatility in financial markets this fall.

Home equity wealth held by America's households has also made a strong recovery, but has not fully recovered to peak levels seen during the housing boom. That wealth is only \$830 billion lower than those 2005 highs, but home equity wealth has made great progress since the bottom of the housing crisis. U.S. households now hold \$7.0 trillion more home equity wealth than they held at the 2009 1<sup>st</sup> quarter low point in home equity wealth.

The 4<sup>th</sup> quarter Flow of Funds report should reflect the recovery in the stock market and how the value of financial assets held by U.S. households will have increased from the levels cited above.

Home equity in Florida has not recovered as rapidly nor as completely as financial markets have. But housing prices have been rising over the past four years, with acceleration in the pace of price appreciation in 2015, creating significant gains in home equity wealth. However, for many households in Florida, the effects of the lost home equity wealth will continue to weigh upon consumer spending through the end of 2018. Many of Florida's mortgage holders are still underwater, leaving the state with the second highest percentage (17.8% as of Q3 2015) of underwater mortgages in the nation.

With the labor market in Florida continuing to show robust job creation, this will help lift both consumer confidence and spending. The significant decline in oil and gasoline prices (now below \$2 in many parts of the state) has further boosted confidence and has served to support retail sales outside of gasoline. With more money staying in consumers' pockets that previously went into the tank, households will be able to increase spending on other goods and services.

After contracting nearly 10% in 2009, retail sales growth soared to average 8.0% in the following two

years. In 2012 the pace of growth eased to 3.17% before bouncing back in 2013 and 2014 to average 4.3% after another deceleration in 2015 in large part to declining gasoline prices, retail sales growth will once again head higher.

With Florida's strong labor market recovery maintaining its momentum and more home equity recouped, retail spending will begin to accelerate in 2016 and 2017 with growth averaging 5.5% during those two years. The average year-over-year growth rate of retail sales will be nearly 4.7% during 2015-2018.

Consumers began to purchase vehicles again after the Great Recession's end, releasing several years of pent-up demand and have continued to do so through 2015. This sustained growth has been enabled by the availability of easy automobile financing for even sub-prime borrowers. Automobile loans, unlike home mortgages, are one type of lending that has not been adversely impacted by the regulatory changes inflicted upon the financial sector.

Vehicle registration growth in Florida exhibited that pent-up demand grew robustly during 2010-2014, when registrations grew at a year-over-year average rate in excess of 11.8%. This burst of pent-up demand followed three years during which new passenger car and truck registrations contracted at an average rate of 19.6%.

The exhaustion of pent-up demand purchases points toward more modest growth in vehicle registration in Florida during 2015-2018, despite increased availability of incentives and plentiful financing. Over this period, vehicle registration growth in Florida is expected to average 4.3%, with growth being highest in 2015 at nearly 8.1% before trailing off to less than 1.0% in 2018.

In 2018, Florida's new passenger car and truck registrations will reach more than 1.44 million, representing an increase of over 740,000 registrations from the 2009 nadir.

## EMPLOYMENT

Florida's labor market recovery continues to outpace the recovery in the national job market as it has since 2012. During the three-year period covering 2012-2014, average payroll job growth in Florida was 2.6%. Over the same period, the national rate of job growth averaged 1.8%. The gap between the rate of job growth

2 Data taken from the December 2015 and historical Flow of Funds report balance sheet tables: <http://www.federalreserve.gov/releases/z1/Current/z1r-5.pdf>

in Florida and nationally was greatest in 2014 when Florida's economy added payroll jobs at a 3.2% rate while the national economy saw job growth of 1.9%.

Payroll job growth remains robust at 3.2% in 2015 but will ease thereafter to 2.3% in 2016, 2.0% in 2017, and 1.7% in 2018. Although job growth is expected to decelerate through 2018, Florida will outpace national job growth over the entire forecast horizon (2015-2018) by an average of 0.8 percentage points.

The Construction sector endured dramatic swings in this business cycle having gone from the worst performing sector for job growth in Florida – contracting for four straight years at an average rate of -15.1% – to the best performing sector with the fastest job growth in the state. It is expected to remain in the lead position for job growth among sectors in Florida's economy through the end of our 2018 forecast horizon. While the rate of growth remains strong, the pace of growth has been revised down over the past several forecasts.

The Construction sector was devastated by the bursting of the housing bubble with total jobs lost in the sector being just under 347,000.

Job growth finally turned positive in 2012 after five years of job losses. From that point on, job growth only gained momentum, peaking at 8.5% in 2014 and forecasted to remain strong through the end of 2018.

Construction job growth is expected to decelerate from 2014 rates, but will remain solid. Job growth is expected to slow to 7.1% in 2015, as housing starts growth took a pause in 2014. The resumption in the growth in housing starts will support job growth of 6.6% in 2016, and 7.6% in 2017, before easing to 5.0% in 2018. Average annual job growth during 2015-2018 will be 6.6%. Employment will average 512,050 in 2018 – a level that is 170,050 fewer jobs than the 2006 peak for payroll employment in the construction sector.

The Professional and Business Services sector will be the second fastest growing sector in the state on average through 2018. Job growth in this sector is expected to be strong, averaging 3.7% during 2015-2018. Job growth in this sector during the past three years averaged 4.0%, but growth will moderate over the next four years. Job growth will be 3.4% in 2015 before

easing to 2.9% in 2016. Growth in this sector advances to 5.0% in 2017 before easing to 3.5% in 2018, as overall job growth in the U.S. and Florida decelerates under the tighter stance of monetary policy.

The Professional and Business Services sector includes primarily white-collar businesses from computer design to advertising to scientific research to law firms and travel agencies, but also includes office clerks and security guards. The Professional and Business Services sector recovered from the recession very quickly and was the first industrial sector in Florida to recover all the payroll jobs lost during the recession, getting back to prerecession employment levels in 2014. The administrative and support subsector of Professional and Business Services took almost two years longer to regain prerecession employment levels.

The Information sector in Florida added jobs for the first time since the 0.2% job growth of 2005 in 2013 when it experienced year-over-year job growth of 0.4% in 2013, which briefly accelerated to 1.5% in 2014 before slipping into reverse again in 2015. The Information sector is a mix of high-tech sectors, which have stronger growth paths, outlooks, legacy media, and publishing sectors that continue to be rocked by structural change. This industrial sector is still bearing the brunt of changes in how information is gathered and disseminated. Sources of growth within this sector in Florida, such as software development, data processing and hosting, wireless telecommunications, and content creation, will offset the ongoing loss of jobs in traditional media and publishing.

After 1.5% growth in 2014, growth temporarily went into reverse at -0.8% in 2015 before bouncing back to 0.5% in 2016. Growth will remain at this level in 2017 before rising to 1.7% in 2018. If growth hits that mark in 2018, it will represent the fastest growth in the sector since the year 2000. This growth path implies average growth of 0.5% during 2015-2018. That growth rate is not exactly setting the world on fire with job growth, but for a sector that was decimated as traditional media bore the onslaught of technology, it will be a welcomed change.

The Education and Health Services sector in Florida was shielded from the worst of the recession by the state's larger share of population of older residents

coupled with the passage of the Affordable Care Act. This kept demand for health services growing throughout the recession and beyond, and as a result of that demand growth, employment in the sector grew as well. Average job growth from 2007 to 2011 was 2.0% in this sector and, once the recession in Florida ended, job growth continued and is expected to do so throughout the forecast horizon. As a result of the combination of demographics and policy, this was the only sector of Florida's economy to grow during the recession. During 2015-2018, employment in this sector is expected to expand at an average rate of 2.6%.

The Affordable Care Act's impact on healthcare in the face of implementation of the employer mandates in 2015 and 2016, as well as growing concerns about the efficacy of the law overall, create an environment of uncertainty over this sector in Florida. Insurers and healthcare providers in Florida can only proceed with caution, slowly moving through the uncertainty still surrounding the law five years after its passage and likely to continue for years to come.

The projected numbers of previously uninsured people who would acquire health insurance as a result of the law have been much lower than what the administration had predicted, but the number of insured has nevertheless increased as a result. This expansion of coverage coupled with the aging of our already older-than-average population, which is continuing to grow with the influx on a daily basis of new Baby Boomer retirees, ensures that the demand for health services in Florida should remain strong well into the future. This demand will continue to drive job growth in the Health and Education sector through the end of 2018 and well beyond.

Manufacturing employment expanded in Florida at an average rate of 2.5% in 2014, the best growth in more than 15 years after accelerating from 1.6% growth in 2013. As 2014 wound down, economic growth eased as both the domestic and global economic environments weakened significantly, and the U.S. dollar began an ongoing period of strengthening. The weakening of economic growth abroad, including a slowdown in China, struggles in Europe, and a historic recession in Brazil, have all fed into the strengthening of the dollar. Exports have suffered from the combination of slower

income growth abroad and higher prices of American goods and services for foreigners whose currencies depreciated against our own. These developments will weigh heavily on the rate of job growth in the manufacturing sector beyond 2015.

After gaining that momentum in 2014, manufacturing employment growth in Florida will surrender that momentum over our forecast horizon. We are looking at job growth of just 1.4% in manufacturing for 2015, followed by another year of weakening job growth in 2016, when manufacturing employment will expand at a rate of 0.7%. Manufacturing job creation is expected to continue to remain subdued in 2017 and 2018 when growth will be 1.3% and 0.7%, respectively. Average annual job growth during 2015-2018 will be just 1.0%.

The State & Local Government sector in Florida is experiencing improved revenue streams as sales tax revenue rises and, as housing prices continue to climb, property tax revenue is as well. The budgetary crisis in Florida impacted governments at all levels in Florida and governments were forced to make cuts to employment through large-scale layoffs as transpired in state government in Tallahassee or through a combination of layoffs and attrition in local governments. Busted budgets led to job losses in this sector that persisted for six years through 2014. In 2015, job losses in the State and Local Government sector will end, but growth this year will be extremely modest. Growth will remain positive and build momentum going forward, averaging 0.8% during 2015-2018.

As Florida's population and economy continue to grow, the demand for state and local government services will grow along with them. To meet these demands, growth in state and local government will be necessary. The shadow of the painful cuts to employment in this sector in the wake of the housing crisis and deep recession that followed will linger over hiring decisions and keep growth more restrained than what might otherwise be the case.

On the other hand, the outlook for Federal Government employment growth in Florida continues to be negative, with the exception of an uptick in 2015 and 2016, through the end of our 2018 forecast horizon and likely well beyond, with the exception of the census year 2020. Any solution to our federal deficit and debt



problems will require additional revenue, but ultimately cuts in discretionary federal spending will be needed as entitlement programs swell, consuming an increasing share of revenue.

As the Federal Reserve embarks on a cycle of interest rate hikes at the end of 2015, the burden of servicing a national debt that is nearly \$18.8 trillion will consume a larger share of federal tax revenue. The pain of running four years of trillion dollar deficits has been anesthetized for years by historically low interest rates on Treasury Bonds, which will increase along with interest rates by the Fed.

This increasing share of federal tax revenue going toward entitlements and debt service will cause the already smaller portion of federal tax revenue that goes toward discretionary spending to get even smaller. It will be 2020 before the decennial census drives the next expansion in Federal Government employment in Florida. Employment in this sector will contract at an average rate of -0.2% during 2015-2018.

## UNEMPLOYMENT

The unemployment rate in Florida has fallen significantly from its peak and stands at 5.1% as of October 2015. After spending many years well above the national rate of unemployment, Florida's October unemployment remains just 0.1 percentage points higher than the national unemployment rate for October.

Florida's labor force participation in October 2015 stood at 58.7%, down from 60.0% one year earlier. The national labor force participation rate stood at 62.4% in October 2015, down from 62.8% in October 2014. This is the lowest level for the national labor force participation rate since October 1977 and is down 3.6 percentage points from the start of the recession.

The labor force participation rate is the percentage of the population aged 16 and older included in the labor force. Retirees, who are older than sixteen but who no longer participate in the labor force, push down the overall labor force participation rate. Since a higher share of the Florida population is retired, the state's participation rate will be lower than the national rate. Over the past year Florida's population over the age of

sixteen grew by 264,000 while its labor force contracted by 52,000. The retirement of Baby Boomers to Florida will continue to put downward pressure on the labor force participation rate in the state.

The 5.1% unemployment rate in Florida as of October 2015 represents a 6.3 percentage point decline from the peak levels of the unemployment rate in 2010.

We are forecasting continued economic growth in Florida over the next several years as well as continued strength in the growth in payroll jobs relative to these growth rates nationally. This faster economic growth, however, will be faced with a headwind of a growing labor force, making additional progress in reducing the unemployment rate a more challenging task. We expect the labor force to grow more rapidly during 2015-2018, at an average rate of 1.6% with 2015 growth of just 0.3% then averaging 2.1% thereafter as job seekers encouraged by the robust job growth in the state become motivated to enter or reenter the labor force. This will result in slower declines in unemployment rates and the possibility of an occasional increase in the unemployment rate in Florida on a month-to-month basis.

The labor force in Florida is expected to grow an average of 1.6% during 2015-2018. That compares to an average growth rate of just 1.0% during the prior four years. As a result, the unemployment rate is expected to continue to hover around an average of 5.4% during 2015, before dipping to 5.0% for 2016-2018. The decline in the unemployment rate next year will be met with the growing labor force, stalling the downward progress made up to that point.

Nationally, and in Florida, the level of workers who are working part-time but not by choice, and workers marginally attached to the labor force – workers who are neither working nor currently looking for work, but indicate that they want and are available for a job, and have looked for work sometime in the past 12 months – remain elevated. When adding these workers and discouraged workers – workers who are currently not working but did not look for a job in the four weeks preceding the Bureau of Labor Statistics' monthly survey of households – to the headline unemployment figure, we get the broadest measure of unemployment



estimated by the BLS known as U-6.

With the employer mandates of the Affordable Care Act enforced starting in 2015 for “large” companies with 100 or more full-time equivalent employees, and in 2016 for “mid-size” companies with 50-99 employees, the potential for rising levels of underemployment will grow. Employer and worker responses to the full/part-time distinction and the disincentives to full-time work in the law will necessitate continued scrutiny of U-6 at the national and state level. Specifically, analysis of how U-6 behaves relative to the headline unemployment rate (U-3) will provide important information necessary to fully understand the full impact of the healthcare law on the labor market. The gap between these two measures of unemployment remains historically large given that we are six and a half years into the economic recovery.

Looking at U-6, we see a labor market that is still deeply damaged, as U-6 in Florida averaged 11.9% from the 4<sup>th</sup> quarter of 2014 through the 3<sup>rd</sup> quarter of 2015 according to the Bureau of Labor Statistics. Meanwhile, the national rate of U-6 stands at 10.8% over that same period.

While U-6 in Florida is down from its 2014 average reading of 12.8%, the current rate still reflects the depth of the damage done to the labor market by the historic recession in Florida and the regulatory burden foisted on the labor market in its wake that is not captured by the current headline unemployment rate of 5.1%.

# FLORIDA SUMMARY TABLES

Table 1. Annual Summary of the University of Central Florida Forecast for Florida

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income and GSP</b>									
Personal Income (Bil. \$)	729.9	774.6	798.4	809.7	850.2	892.7	935.8	989.9	1,047.9
Florida.(%Ch Year ago)	4.4	6.1	3.1	1.4	5.0	5.0	4.8	5.8	5.9
U.S.(%Ch Year ago)	3.2	6.2	5.0	1.1	4.4	4.2	4.3	5.1	5.2
Personal Income (Bil. 2009\$)	726.3	750.6	762.5	763.8	791.1	828.6	858.9	890.5	925.0
Florida.(%Ch Year ago)	3.6	3.4	1.6	0.2	3.6	4.7	3.7	3.7	3.9
U.S.(%Ch Year ago)	1.5	3.7	3.0	-0.2	3.0	3.9	3.0	3.0	3.2
Disp. Income (Bil. 2009\$)	668.1	683.0	692.2	686.5	708.7	738.1	765.1	793.3	826.2
Florida.(%Ch Year ago)	3.3	2.2	1.3	-0.8	3.2	4.1	3.7	3.7	4.1
U.S.(%Ch Year ago)	1.0	2.5	3.1	-1.4	2.7	3.3	3.0	3.0	3.5
GSP (Bil. \$)	730.9	736.9	766.3	800.7	839.9	885.5	931.9	980.3	1,029.9
(%Ch Year ago)	1.1	0.8	4.0	4.5	4.9	5.4	5.2	5.2	5.1
GSP (Bil. 2009\$)	723.5	718.9	731.3	749.3	769.7	794.7	821.2	846.8	873.2
(%Ch Year ago)	0.1	-0.6	1.7	2.5	2.7	3.3	3.3	3.1	3.1
<b>Employment and Labor Force (Household Survey % Change Year Ago)</b>									
Employment	0.6	2.0	2.3	2.1	2.7	1.0	2.2	2.4	2.0
Labor Force	1.0	0.7	0.7	0.7	1.6	0.3	1.8	2.3	2.0
FL Unemployment Rate (%)	10.9	9.8	8.3	7.0	6.1	5.4	5.0	5.0	5.0
U.S. Unemployment Rate (%)	9.6	8.9	8.1	7.4	6.2	5.3	5.1	5.1	5.1
<b>NonFarm Employment (Payroll Survey % Change Year Ago)</b>									
Total Nonfarm									
U.S.	-0.7	1.2	1.7	1.7	1.9	2.1	1.5	1.2	1.2
Florida	-0.8	1.1	2.0	2.5	3.2	3.2	2.3	2.0	1.7
Mining	-0.5	3.9	-0.3	0.4	1.3	-2.9	-4.2	0.1	-0.2
Construction	-11.4	-4.3	2.1	7.0	8.5	7.1	6.6	7.6	5.0
Manufacturing	-4.5	1.1	1.6	1.6	2.5	1.4	0.7	1.3	0.7
Nondurable Goods	-3.6	0.8	1.1	-0.2	0.7	-0.8	0.5	0.3	0.2
Durable Goods	-5.0	1.3	1.8	2.5	3.4	2.5	0.9	1.7	1.0
Trans. Warehs. & Utility	-2.0	3.7	2.2	2.7	2.7	3.8	3.3	3.5	2.9
Wholesale Trade	-2.8	-0.4	1.9	1.0	2.2	2.4	2.1	2.2	2.4
Retail Trade	0.2	2.2	2.4	2.7	3.8	3.0	1.1	0.1	0.1
Financial Activities	-1.9	1.8	2.7	2.7	2.0	2.5	2.0	-0.1	-0.7
Prof. and Business Services	1.3	3.0	3.6	4.0	4.3	3.4	2.9	5.0	3.5
Edu & Health Services	1.9	1.9	1.7	1.7	2.8	4.2	3.3	1.6	1.5
Leisure & Hospitality	0.5	2.8	4.2	4.0	4.7	4.9	2.8	1.5	2.1
Information	-4.6	-1.0	-1.6	0.4	1.5	-0.8	0.5	0.5	1.7
Federal Gov't.	7.2	-5.4	-0.9	-0.6	-0.2	1.5	0.2	-1.2	-1.3
State & Local Gov't.	-1.2	-1.1	-1.4	-0.2	-0.1	0.2	0.4	1.1	1.5
<b>Population and Migration</b>									
Population (thous)	18,888.3	19,138.1	19,385.5	19,639.6	19,930.8	20,226.6	20,530.6	20,842.4	21,159.5
(%Ch Year ago)	1.1	1.3	1.3	1.3	1.5	1.5	1.5	1.5	1.5
Net Migration (thous)	182.9	210.1	212.3	240.3	265.5	259.2	264.7	263.5	264.5
(%Ch Year ago)	83.1	19.8	1.2	13.1	11.6	-2.4	2.1	-0.4	0.4
<b>Housing</b>									
Housing Starts Tot. Private (thous)	37.9	41.3	59.3	80.7	80.4	101.9	123.2	141.7	151.2
Housing Starts Single Family (thous)	31.6	31.7	42.5	54.6	56.7	66.8	81.7	97.2	102.2
Housing Starts Multi-Family (thous)	6.4	9.6	16.8	26.1	23.7	35.1	41.5	44.5	49.0
<b>Consumer Prices</b>									
(%Ch Year ago)	1.2	3.1	1.9	1.6	1.8	0.2	1.5	2.7	2.5

# FLORIDA SUMMARY TABLES

**Table 2. Quarterly Summary of the University of Central Florida Forecast for Florida\***

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income and GSP</b>													
Personal Income (Bil. \$)	908.6	918.8	928.6	941.3	954.5	969.6	983.5	996.6	1,010.0	1,026.6	1,041.2	1,055.2	1,068.8
Florida.(%Ch Year ago)	4.9	4.7	4.7	4.9	5.0	5.5	5.9	5.9	5.8	5.9	5.9	5.9	5.8
U.S.(%Ch Year ago)	3.9	4.2	4.2	4.3	4.5	4.8	5.2	5.2	5.2	5.3	5.2	5.2	5.1
Personal Income (Bil. 2009\$)	841.3	850.0	855.4	861.4	868.7	879.5	887.0	893.5	901.9	912.5	921.3	929.3	936.9
Florida.(%Ch Year ago)	4.6	3.8	3.9	3.7	3.3	3.5	3.7	3.7	3.8	3.7	3.9	4.0	3.9
U.S.(%Ch Year ago)	3.6	3.2	3.3	3.0	2.6	2.7	2.9	3.0	3.2	3.1	3.2	3.3	3.2
Disp. Income (Bil. 2009\$)	749.4	757.1	761.7	767.5	774.3	783.8	790.1	796.0	803.5	814.1	822.7	830.4	837.5
Florida.(%Ch Year ago)	4.0	3.8	3.8	3.7	3.3	3.5	3.7	3.7	3.8	3.9	4.1	4.3	4.2
U.S.(%Ch Year ago)	3.1	3.1	3.3	3.0	2.7	2.8	2.9	3.0	3.2	3.3	3.5	3.7	3.6
GSP (Bil. \$)	901.8	913.6	925.6	938.0	950.3	961.9	974.7	986.6	997.9	1,010.8	1,023.7	1,036.6	1,048.6
(%Ch Year ago)	5.1	5.5	4.9	5.2	5.4	5.3	5.3	5.2	5.0	5.1	5.0	5.1	5.1
GSP (Bil. 2009\$)	804.0	810.9	817.9	824.6	831.4	837.3	844.2	850.1	855.7	863.2	869.9	876.9	883.0
(%Ch Year ago)	3.1	3.6	3.1	3.2	3.4	3.3	3.2	3.1	2.9	3.1	3.0	3.2	3.2
<b>Employment and Labor Force (Household Survey % Change Year Ago)</b>													
Employment	0.2	0.4	2.0	3.5	2.9	2.7	2.4	2.2	2.1	2.1	2.1	2.0	2.0
Labor Force	-0.5	-0.1	1.4	3.1	2.8	2.4	2.3	2.3	2.2	2.2	2.1	2.0	2.0
FL Unemployment Rate (%)	5.1	5.2	5.1	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
U.S. Unemployment Rate (%)	5.1	5.2	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
<b>NonFarm Employment (Payroll Survey % Change Year Ago)</b>													
Total Nonfarm													
U.S.	1.8	1.6	1.5	1.4	1.4	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Florida	2.6	2.5	2.2	2.2	2.2	2.2	2.0	1.9	1.8	1.8	1.8	1.7	1.7
Mining	-5.9	-5.2	-5.0	-4.5	-2.1	-0.8	0.2	0.6	0.4	0.3	0.0	-0.3	-0.7
Construction	5.7	4.5	5.9	7.2	8.7	8.7	8.1	7.2	6.2	5.8	5.2	4.8	4.3
Manufacturing	1.5	1.5	0.6	0.1	0.9	1.3	1.4	1.4	1.0	0.9	0.8	0.7	0.5
Nondurable Goods	0.8	0.6	0.6	0.4	0.5	0.6	0.4	0.2	0.1	0.1	0.1	0.2	0.3
Durable Goods	1.7	1.9	0.6	-0.1	1.1	1.6	1.9	2.0	1.5	1.3	1.1	0.9	0.6
Trans. Warehs. & Utility	4.1	4.0	3.1	3.2	2.9	3.3	3.6	3.6	3.6	3.3	3.2	2.7	2.2
Wholesale Trade	2.3	2.1	2.3	2.0	1.8	2.0	2.0	2.3	2.6	2.6	2.6	2.4	2.1
Retail Trade	1.9	1.7	1.1	0.8	0.7	0.4	0.1	0.0	-0.1	0.1	0.1	0.2	0.3
Financial Activities	1.7	2.5	2.3	1.8	1.2	0.5	0.0	-0.2	-0.6	-0.6	-0.7	-0.8	-0.7
Prof. and Business Services	2.0	1.7	2.1	3.2	4.6	5.6	5.3	4.8	4.2	3.8	3.7	3.5	3.1
Edu & Health Services	4.0	4.0	3.4	2.9	2.7	2.2	1.7	1.5	1.2	1.3	1.3	1.5	1.7
Leisure & Hospitality	4.7	4.4	3.1	2.3	1.4	1.0	1.4	1.6	1.9	1.9	2.1	2.1	2.2
Information	-1.3	0.0	0.4	1.0	0.5	1.0	-0.5	-0.7	2.1	1.6	2.0	2.2	1.1
Federal Gov't.	1.3	0.9	0.6	0.0	-0.6	-1.0	-1.3	-1.3	-1.3	-1.3	-1.4	-1.3	-1.2
State & Local Gov't.	0.0	-0.1	0.4	0.5	0.6	0.7	0.9	1.2	1.4	1.5	1.5	1.5	1.4
<b>Population and Migration</b>													
Population (thous)	20,338.6	20,415.1	20,491.9	20,569.1	20,646.6	20,724.5	20,802.9	20,881.5	20,960.4	21,039.7	21,119.4	21,199.4	21,279.5
(%Ch Year ago)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Net Migration (thous)	66.3	66.3	66.2	66.2	66.0	66.0	65.9	65.8	65.8	65.9	66.1	66.3	66.3
(%Ch Year ago)	1.0	2.1	2.9	4.0	-0.5	-0.5	-0.4	-0.5	-0.3	-0.2	0.3	0.7	0.8
<b>Housing</b>													
Housing Starts Tot. Private (thous)	112.5	115.0	120.3	126.4	131.1	136.0	140.7	143.6	146.6	149.7	149.3	152.0	153.9
Housing Starts Single Family (thous)	72.3	76.0	79.9	83.5	87.6	92.6	96.2	99.4	100.7	102.5	102.0	102.4	102.0
Housing Starts Multi-Family (thous)	40.1	39.0	40.4	43.0	43.5	43.4	44.5	44.2	45.9	47.2	47.4	49.5	51.9
<b>Consumer Prices</b>													
(%Ch Year ago)	0.3	1.2	0.9	1.4	2.4	2.7	2.9	2.7	2.4	2.7	2.5	2.3	2.4

\*Quarterly at an annual rate

# FLORIDA SUMMARY TABLES

Table 3. Employment Quarterly\*

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
Florida Payroll Employment (Thousands)													
Total Nonfarm	8,147.0	8,190.8	8,239.6	8,284.7	8,328.6	8,368.9	8,406.3	8,445.0	8,481.9	8,517.4	8,555.4	8,592.4	8,623.8
Manufacturing	337.0	336.6	336.7	337.6	340.0	340.9	341.5	342.4	343.5	343.9	344.2	344.7	345.1
Durable Goods	229.5	229.1	229.0	229.7	231.9	232.8	233.4	234.3	235.3	235.7	236.0	236.3	236.6
Wood Products	12.2	12.0	11.9	12.0	12.2	12.4	12.6	12.8	13.1	13.2	13.3	13.5	13.6
Computer & Electronics	42.6	42.7	42.9	43.2	43.7	44.0	44.2	44.4	44.5	44.6	44.6	44.6	44.7
Transportation Equipment	38.4	38.3	38.2	38.1	38.3	38.5	38.5	38.4	38.5	38.5	38.4	38.2	37.9
Nondurables	107.5	107.5	107.6	107.9	108.0	108.1	108.1	108.1	108.2	108.2	108.2	108.4	108.5
Foods	29.7	29.7	29.8	30.0	30.1	30.3	30.3	30.4	30.5	30.5	30.6	30.7	30.8
Non-Manufacturing	7,810.0	7,854.2	7,903.0	7,947.1	7,988.6	8,028.1	8,064.8	8,102.6	8,138.4	8,173.5	8,211.2	8,247.7	8,278.7
Mining	5.4	5.4	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
Construction	431.6	437.8	447.7	458.8	469.0	476.1	484.1	491.7	498.2	503.7	509.3	515.5	519.7
Trans. Warehs. & Utility	267.7	269.1	270.7	273.0	275.5	278.1	280.6	282.9	285.4	287.4	289.6	290.6	291.5
Wholesale Trade	339.1	340.4	342.4	343.5	345.2	347.3	349.4	351.6	354.1	356.3	358.4	360.1	361.6
Retail Trade	1,078.9	1,082.2	1,084.7	1,086.2	1,086.7	1,086.1	1,085.9	1,086.3	1,086.1	1,086.9	1,087.0	1,088.2	1,088.8
Information	134.3	134.8	136.3	136.7	135.0	136.2	135.6	135.8	137.8	138.4	138.4	138.8	139.4
Prof. & Bus. Services	1,210.1	1,214.9	1,230.7	1,247.4	1,265.8	1,282.6	1,295.6	1,307.6	1,319.2	1,331.0	1,343.3	1,353.7	1,360.8
Admin. & Support	598.3	599.3	611.6	623.4	635.7	649.4	659.7	669.7	679.8	690.0	701.2	710.9	717.4
Prof. Sci & Tech	513.0	516.7	520.0	524.9	531.0	534.1	536.7	538.6	539.7	541.2	542.0	542.6	542.9
Mgmt. of Co.	98.8	99.0	99.1	99.1	99.0	99.1	99.2	99.4	99.6	99.8	100.1	100.3	100.5
Financial Activities	541.0	545.0	546.7	547.0	547.7	547.6	546.6	545.7	544.7	544.1	542.7	541.5	540.7
Real Estate & Rent	179.9	180.9	181.8	182.7	183.7	184.6	185.3	186.0	186.7	187.5	188.2	188.9	189.8
Fin. & Insurance	361.1	364.1	364.9	364.4	364.0	363.0	361.3	359.8	358.0	356.6	354.5	352.5	350.8
Edu. & Health Service	1,224.9	1,235.6	1,246.2	1,251.8	1,257.8	1,262.5	1,267.3	1,270.4	1,273.3	1,278.8	1,284.1	1,289.1	1,295.6
Education Services	152.3	152.9	152.7	151.6	150.4	149.5	148.9	148.4	147.5	147.1	146.7	146.6	146.5
Health Services	1,072.6	1,082.6	1,093.5	1,100.3	1,107.4	1,112.9	1,118.4	1,122.1	1,125.8	1,131.7	1,137.4	1,142.4	1,149.1
Leisure & Hospitality	1,159.0	1,167.6	1,168.7	1,173.1	1,175.7	1,179.5	1,184.8	1,192.2	1,198.0	1,201.8	1,209.4	1,217.3	1,223.8
Other Services	338.8	340.7	341.7	341.6	341.1	340.8	340.5	340.4	340.5	341.2	341.8	342.7	343.6
Government	1,079.2	1,080.7	1,081.7	1,082.4	1,083.7	1,085.9	1,089.0	1,092.5	1,095.7	1,098.5	1,101.9	1,105.0	1,107.9
Federal Gov't.	134.3	134.4	134.4	134.0	133.4	133.1	132.7	132.2	131.7	131.3	130.9	130.5	130.1
State & Local Gov't	944.9	946.3	947.4	948.4	950.3	952.9	956.3	960.2	964.0	967.2	971.0	974.5	977.8

\*Quarterly at an annual rate



Table 4. Employment Annual

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Florida Payroll Employment (Thousands)									
Total Nonfarm	7,172.6	7,251.6	7,396.1	7,582.1	7,826.8	8,077.5	8,260.9	8,425.53	8,572.3
Manufacturing	309.0	312.5	317.4	322.4	330.5	335.2	337.7	342.1	344.5
Durable Goods	203.6	206.2	209.9	215.1	222.4	228.0	229.9	233.9	236.2
Wood Products	8.4	8.6	8.8	10.4	11.3	12.2	12.0	12.7	13.4
Computer & Electronics	43.0	43.0	42.5	41.0	40.7	42.5	43.1	44.3	44.6
Transportation Equipment	33.8	34.2	35.4	36.4	37.2	37.9	38.2	38.5	38.3
Nondurables	105.5	106.3	107.5	107.3	108.1	107.2	107.8	108.1	108.3
Foods	27.5	28.7	29.2	29.5	29.8	29.6	29.9	30.4	30.6
Non-Manufacturing	6,863.6	6,939.1	7,078.7	7,259.7	7,496.3	7,742.3	7,923.2	8,083.5	8,227.8
Mining	5.4	5.7	5.6	5.7	5.7	5.6	5.3	5.3	5.3
Construction	350.6	335.4	342.3	366.2	397.1	425.4	453.3	487.5	512.1
Trans. Warehs. & Utility	227.1	235.4	240.6	247.0	253.8	263.4	272.1	281.7	289.8
Wholesale Trade	313.2	312.1	317.9	320.9	328.0	336.0	342.9	350.6	359.1
Retail Trade	934.4	955.3	978.1	1,004.8	1,042.6	1,073.5	1,085.0	1,086.1	1,087.7
Information	137.1	135.7	133.6	134.1	136.1	135.1	135.7	136.4	138.7
Prof. & Bus. Services	1,005.9	1,035.9	1,073.6	1,116.9	1,165.5	1,204.4	1,239.7	1,301.3	1,347.2
Admin. & Support	494.3	516.8	537.3	558.5	584.3	598.3	617.5	664.7	704.9
Prof. Sci & Tech	432.4	437.7	450.9	467.3	487.1	508.7	523.2	537.3	542.1
Mgmt. of Co.	79.1	81.4	85.4	91.2	94.1	97.4	99.1	99.3	100.2
Financial Activities	478.0	486.5	499.4	512.6	523.1	536.1	546.6	546.2	542.2
Real Estate & Rent	150.4	153.1	160.0	165.4	171.8	176.9	182.3	185.6	188.6
Fin. & Insurance	327.6	333.4	339.4	347.2	351.3	359.2	364.3	360.5	353.6
Edu. & Health Service	1,070.7	1,090.9	1,109.4	1,128.5	1,159.8	1,208.5	1,247.8	1,268.4	1,286.9
Education Services	134.6	136.6	139.5	142.7	147.8	150.9	151.9	148.6	146.8
Health Services	936.1	954.3	969.8	985.8	1,012.0	1,057.6	1,096.0	1,119.8	1,140.1
Leisure & Hospitality	931.4	957.2	997.5	1,037.6	1,086.1	1,139.2	1,171.3	1,188.6	1,213.1
Other Services	297.3	295.6	301.7	309.4	324.2	336.7	341.3	340.6	342.3
Government	1,112.7	1,093.3	1,079.0	1,075.9	1,074.3	1,078.5	1,082.1	1,090.8	1,103.3
Federal Gov't.	142.3	134.0	132.8	132.0	131.8	133.7	134.0	132.4	130.7
State & Local Gov't	970.4	959.3	946.2	943.9	942.6	944.7	948.1	958.4	972.6

# FLORIDA SUMMARY TABLES

Table 5. Personal Income-Quarterly\*

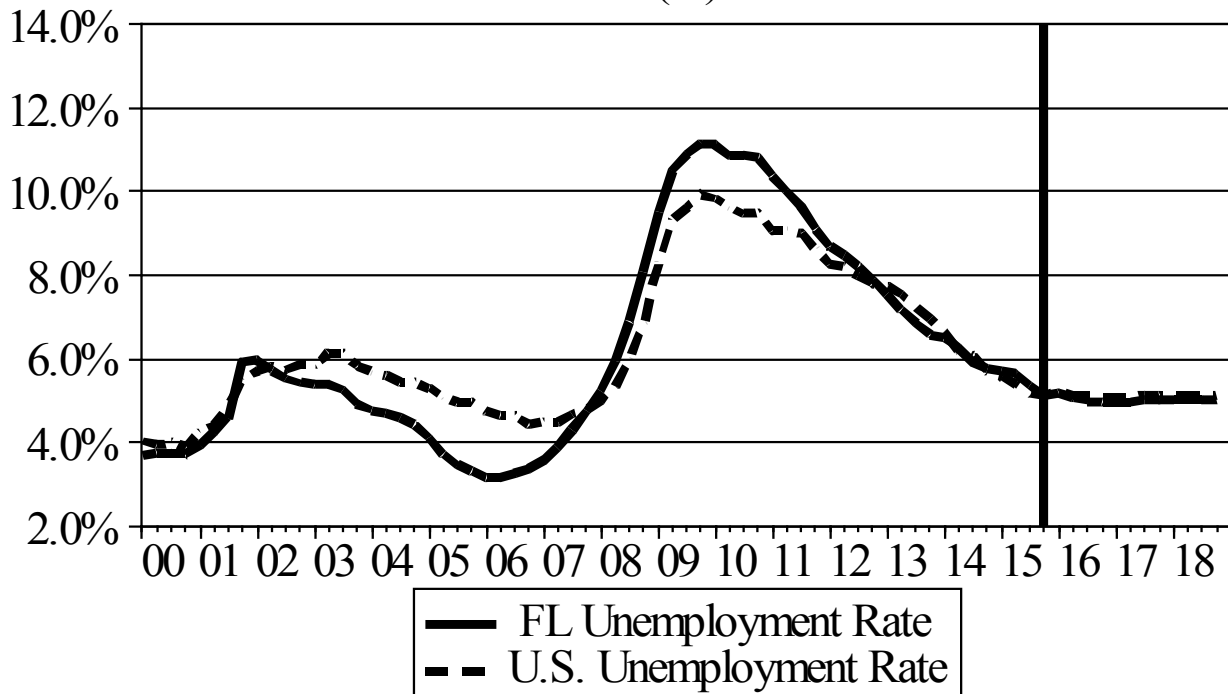
	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Billions Current Dollars</b>													
Personal Income	908.6	918.8	928.6	941.3	954.5	969.6	983.5	996.6	1,010.0	1,026.6	1,041.2	1,055.2	1,068.8
Wages & Salaries	405.5	410.9	417.0	423.4	429.9	436.2	442.5	448.6	454.6	460.9	467.3	473.8	480.1
Other Labor Income	87.6	88.6	89.4	90.7	91.9	93.1	94.1	95.2	96.3	97.6	98.5	99.5	100.5
Nonfarm	54.0	55.4	56.8	57.3	58.3	59.2	60.2	60.7	61.3	62.1	62.8	63.3	64.1
Farm	1.2	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Property Income	235.4	236.8	236.7	239.9	243.4	247.4	252.0	256.3	261.1	266.2	271.8	276.7	281.0
Transfer Payments	184.9	187.0	189.4	191.8	193.9	197.4	199.5	201.4	203.3	207.7	209.6	211.6	213.7
Social Insurance	63.5	64.6	65.5	66.5	67.5	68.5	69.6	70.5	71.3	72.8	73.6	74.5	75.5
<b>Billions 2009 \$</b>													
Personal Income	841.3	850.0	855.4	861.4	868.7	879.5	887.0	893.5	901.9	912.5	921.3	929.3	936.9
Wages & Salaries	375.5	380.1	384.2	387.5	391.3	395.7	399.1	402.2	405.9	409.7	413.5	417.3	420.8
Other Labor Income	81.1	82.0	82.4	83.0	83.6	84.4	84.9	85.4	86.0	86.8	87.2	87.6	88.1
Nonfarm	50.0	51.2	52.3	52.4	53.0	53.7	54.3	54.4	54.7	55.2	55.5	55.7	56.2
Farm	1.1	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.9
Property Income	217.9	219.1	218.1	219.6	221.5	224.4	227.3	229.8	233.1	236.7	240.5	243.7	246.3
Transfer Payments	171.2	173.0	174.5	175.6	176.5	179.1	179.9	180.5	181.5	184.6	185.4	186.3	187.4
Social Insurance	58.8	59.7	60.3	60.8	61.5	62.2	62.7	63.2	63.7	64.7	65.2	65.6	66.1
New Passenger Car & Truck Registrations	1377.07	1367.29	1369.66	1383.49	1400.66	1419.10	1430.42	1441.39	1449.97	1448.91	1449.36	1449.69	1440.91
Retail Sales (Billions \$)	310.8	313.2	317.9	324.3	329.0	332.7	337.7	342.2	345.5	351.2	354.9	359.4	363.4
Real Retail Sales (Billions 2009\$)	287.7	289.7	292.9	296.7	299.5	301.8	304.6	306.8	308.5	312.1	314.1	316.5	318.5

\*Quarterly at an annual rate

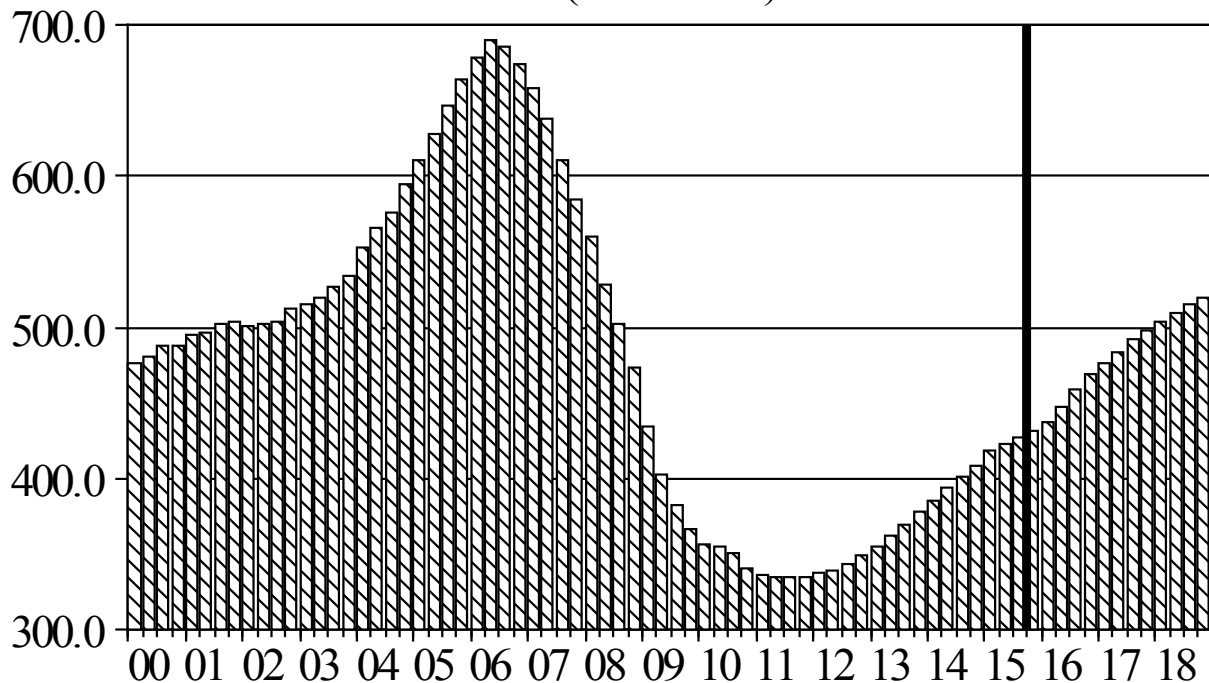
Table 6. Personal Income-Annual

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Billions Current Dollars</b>									
Personal Income	729.9	774.6	798.4	809.7	850.2	892.7	935.8	989.9	1,047.9
Wages & Salaries	322.9	332.5	346.3	358.5	379.1	398.8	420.3	445.5	470.5
Other Labor Income	76.6	75.3	78.3	81.4	83.0	86.2	90.1	94.7	99.0
Nonfarm	38.3	40.4	44.8	47.6	50.7	53.1	56.9	60.3	63.1
Farm	1.2	0.9	1.3	1.2	1.1	1.4	1.1	1.0	1.0
Property Income	187.3	211.5	217.2	213.4	221.8	230.8	239.2	254.2	273.9
Transfer Payments	151.6	157.8	156.3	161.3	171.2	181.6	190.5	200.4	210.6
Social Insurance	50.7	46.8	48.9	56.9	60.0	62.6	66.0	70.0	74.1
<b>Billions 2009 \$</b>									
Personal Income	726.3	750.6	762.5	763.8	791.1	828.6	858.9	890.5	925.0
Wages & Salaries	321.3	322.2	330.7	338.2	352.7	370.1	385.8	400.7	415.3
Other Labor Income	76.2	72.9	74.8	76.8	77.2	80.0	82.7	85.2	87.4
Nonfarm	38.1	39.2	42.8	44.9	47.1	49.3	52.2	54.3	55.7
Farm	1.2	0.9	1.2	1.2	1.0	1.3	1.0	0.9	0.9
Property Income	186.3	204.9	207.4	201.3	206.4	214.2	219.6	228.7	241.8
Transfer Payments	150.8	152.9	149.3	152.2	159.3	168.5	174.9	180.3	185.9
Social Insurance	50.5	45.4	46.7	53.7	55.8	58.1	60.6	62.9	65.4
New Passenger Car & Truck Registrations	810.5	879.8	1006.9	1101.0	1224.2	1322.7	1380.3	1435.2	1447.2
Retail Sales (Billions \$)	245.4	265.5	273.9	286.0	297.6	305.1	321.1	339.5	357.2
Real Retail Sales (Billions 2009\$)	244.2	257.2	261.6	269.8	277.0	283.2	294.7	305.4	315.3

## Florida & U.S. Unemployment Rate (%)



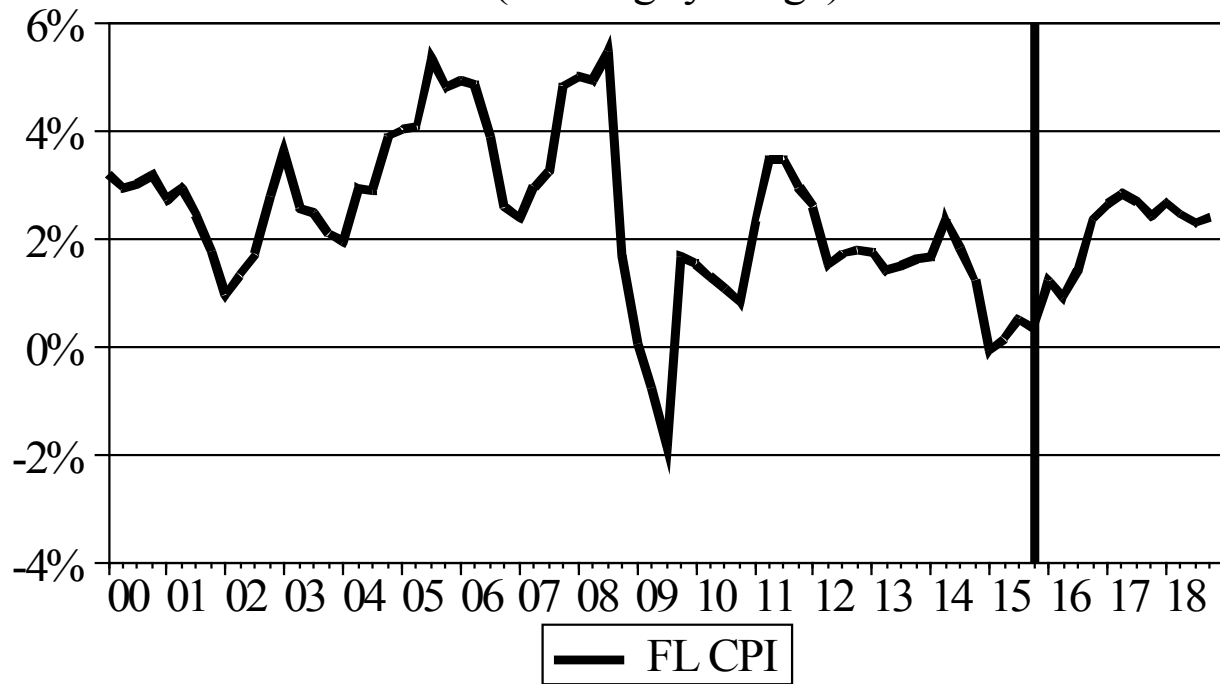
## Florida Construction Employment (Thousands)





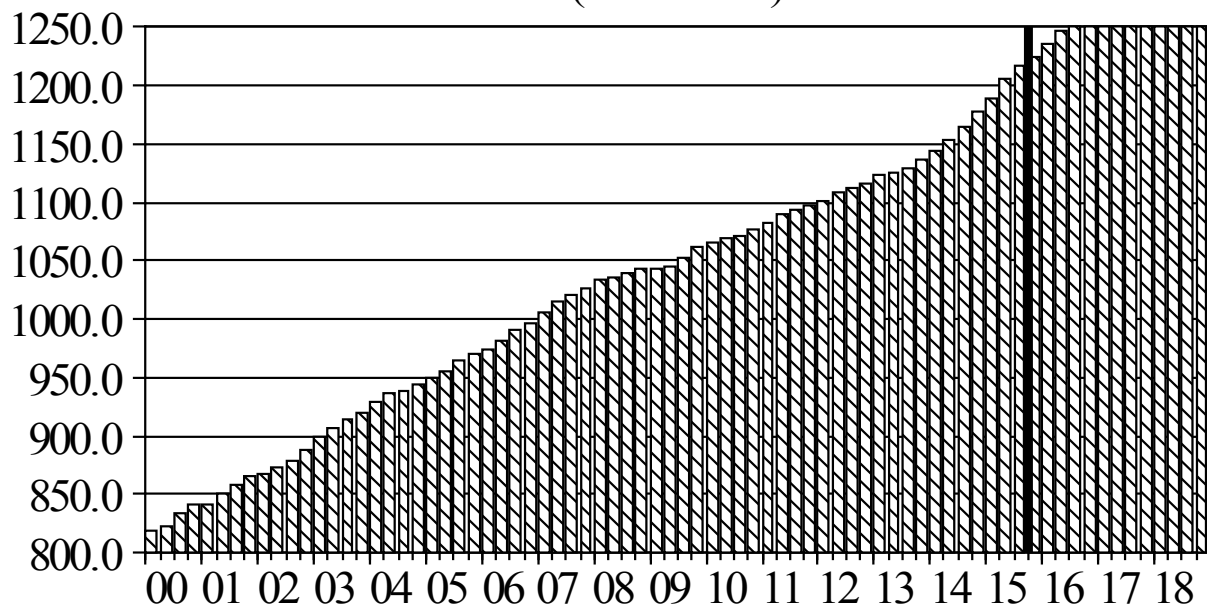
## Florida Consumer Price Index

(% change year ago)

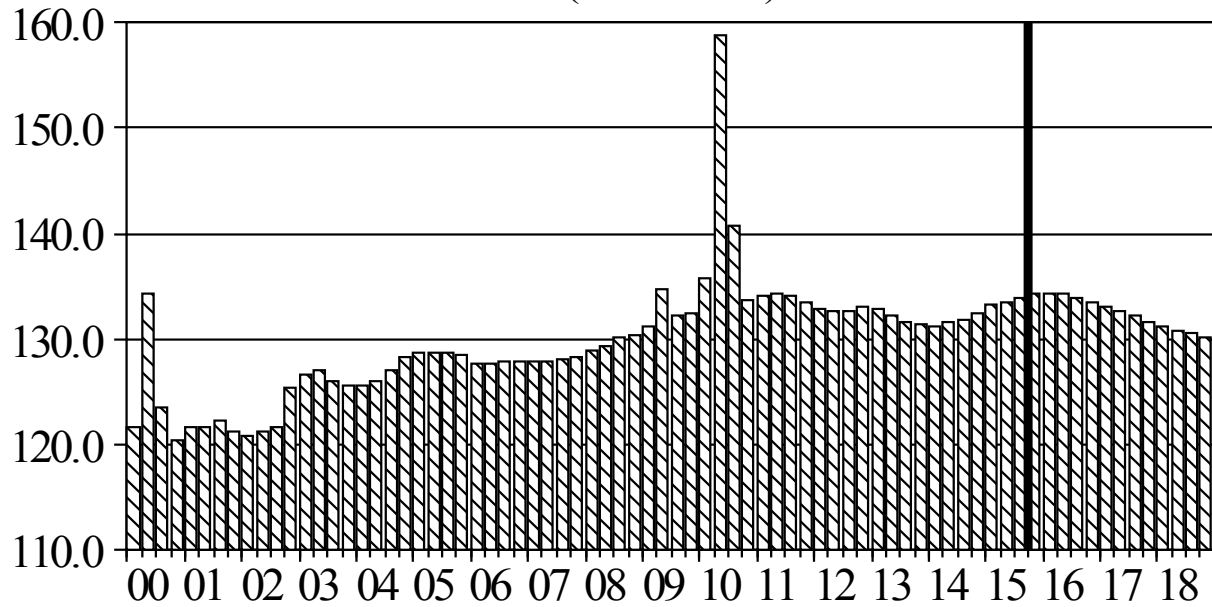


## Florida Education & Health Services Employment

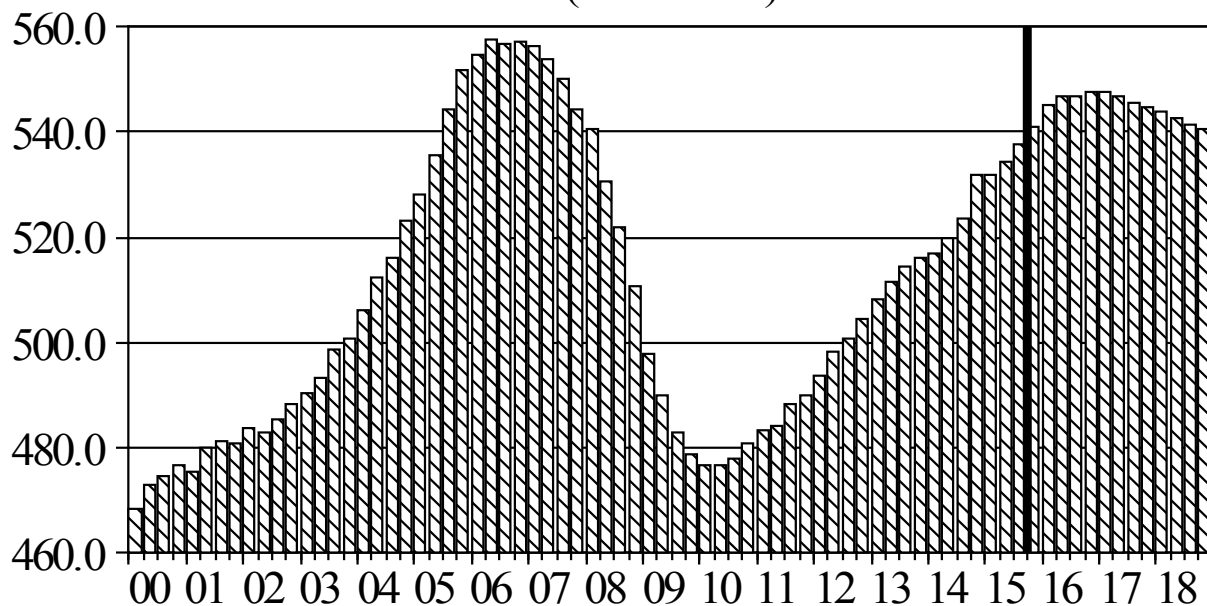
(Thousands)



## Florida Federal Government Employment (Thousands)

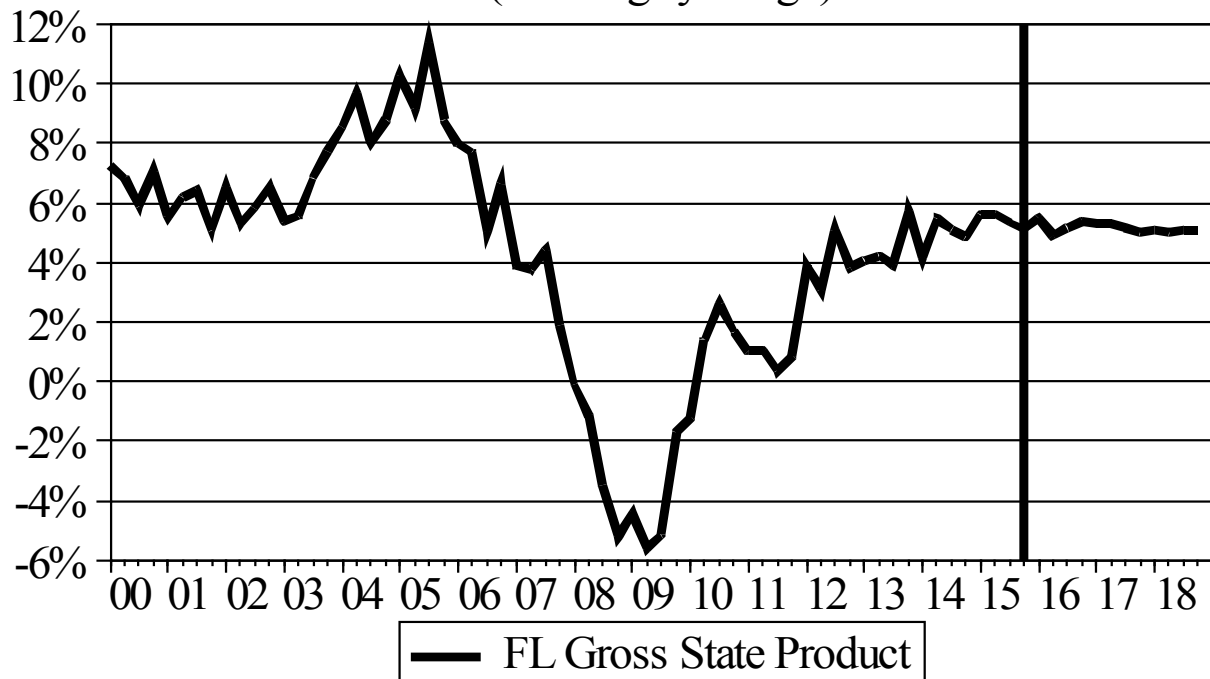


## Florida Financial Activities Employment (Thousands)



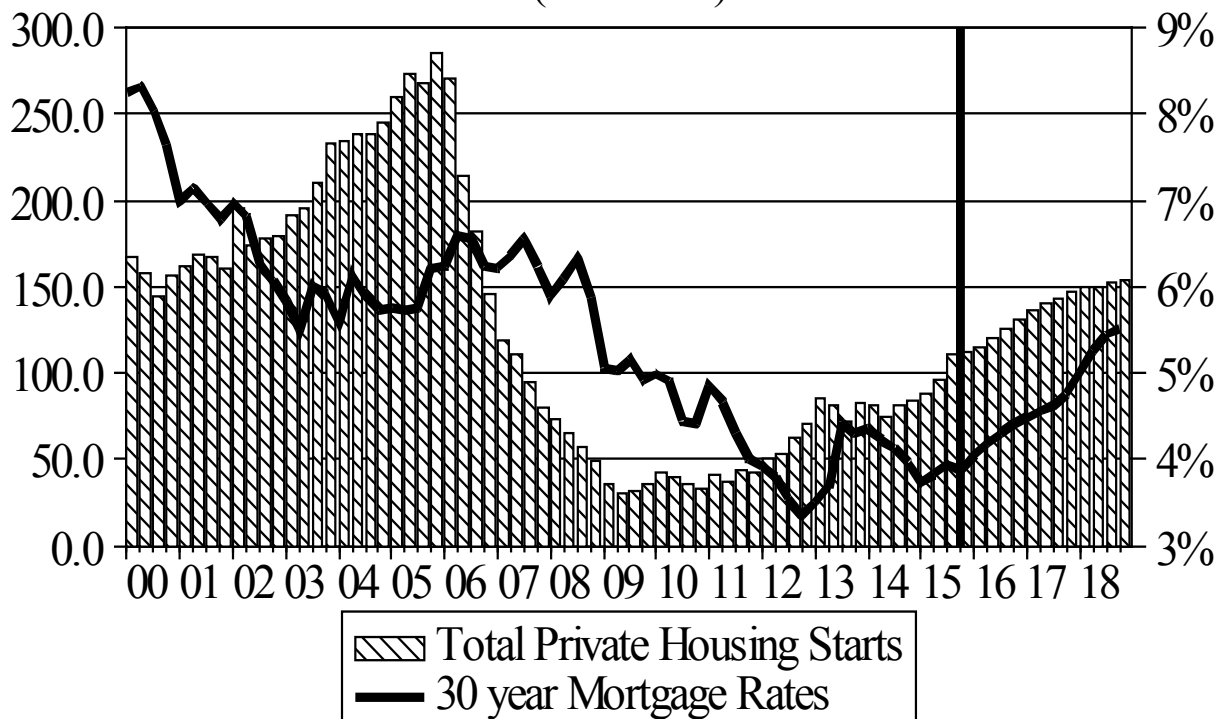
## Florida Gross State Product

(% change year ago)

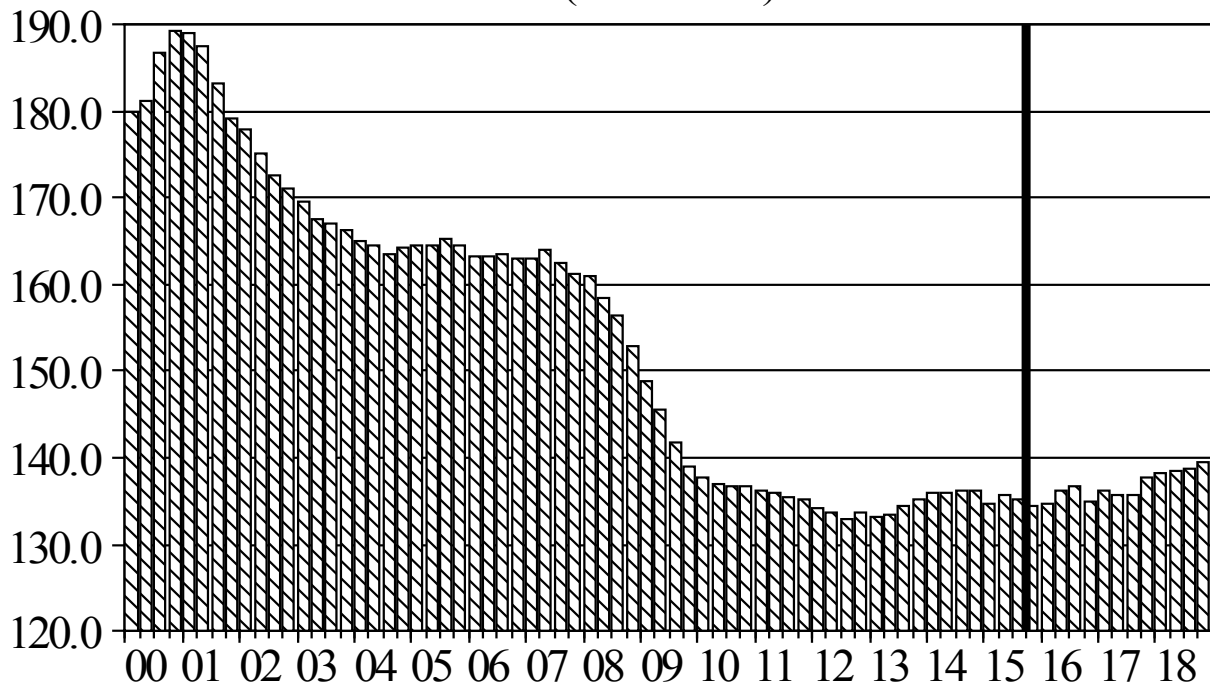


## Florida Housing Starts

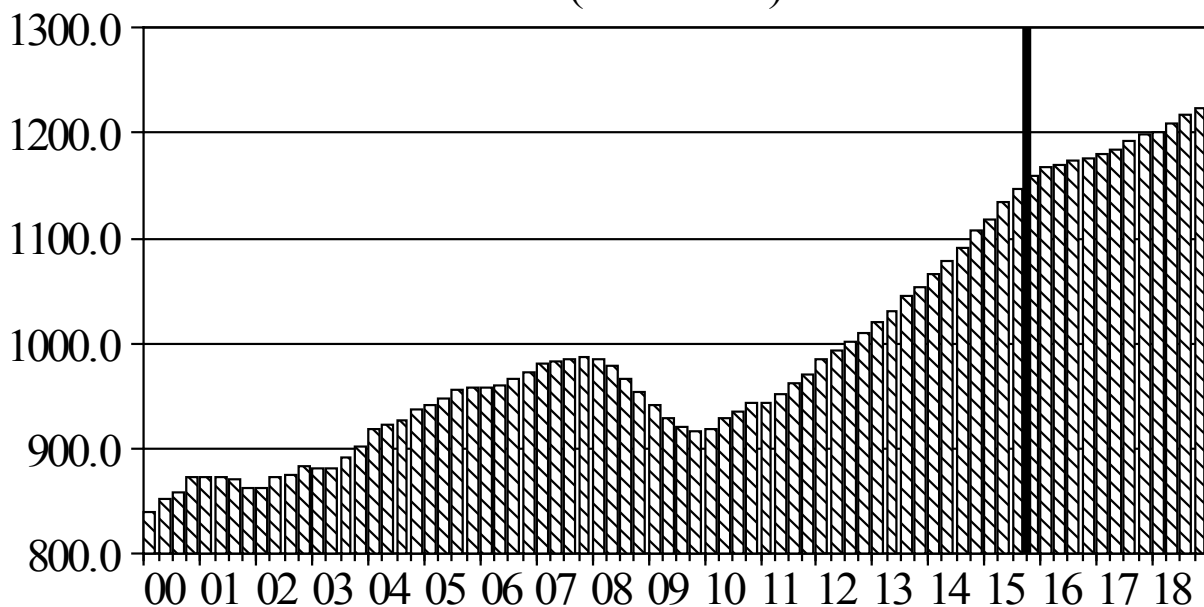
(thousands)



## Florida Information Employment (Thousands)

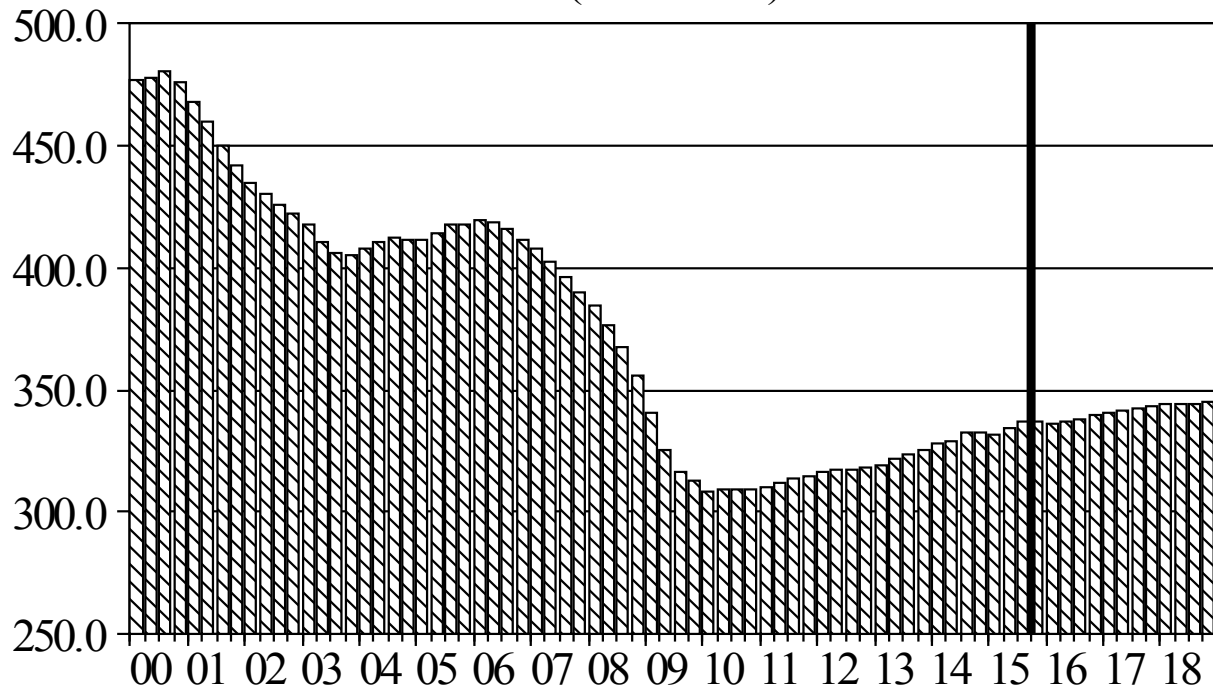


## Florida Leisure & Hospitality Employment (Thousands)

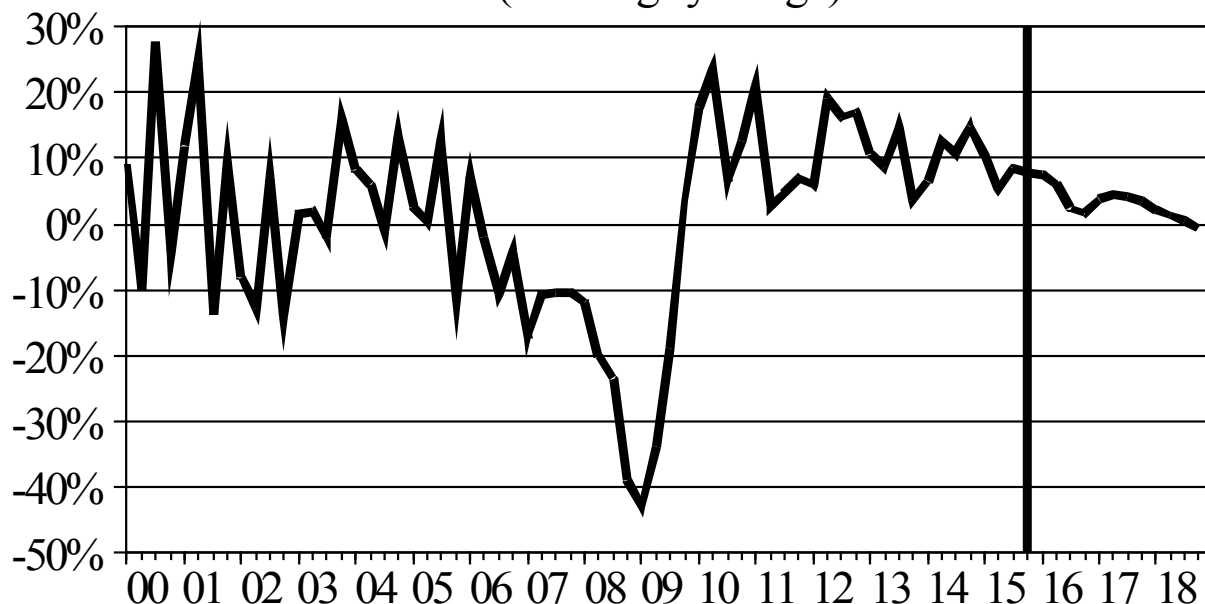




## Florida Manufacturing Employment (Thousands)



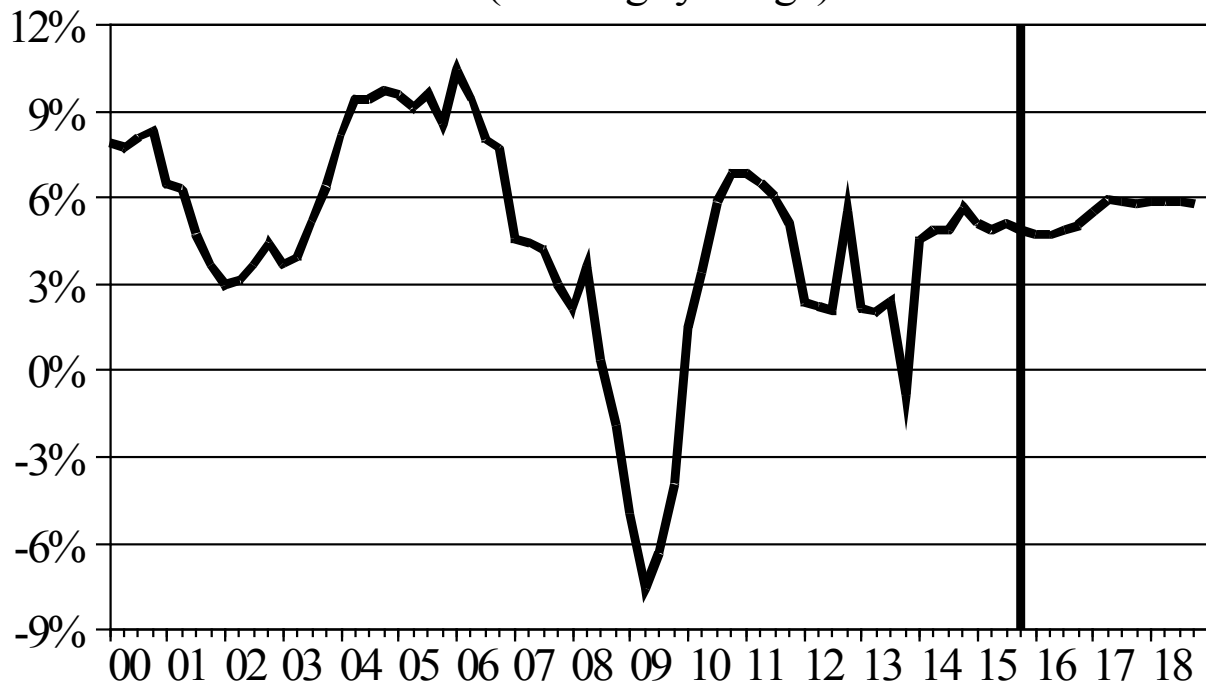
## New Passenger Car & Light Truck Registrations (% change year ago)



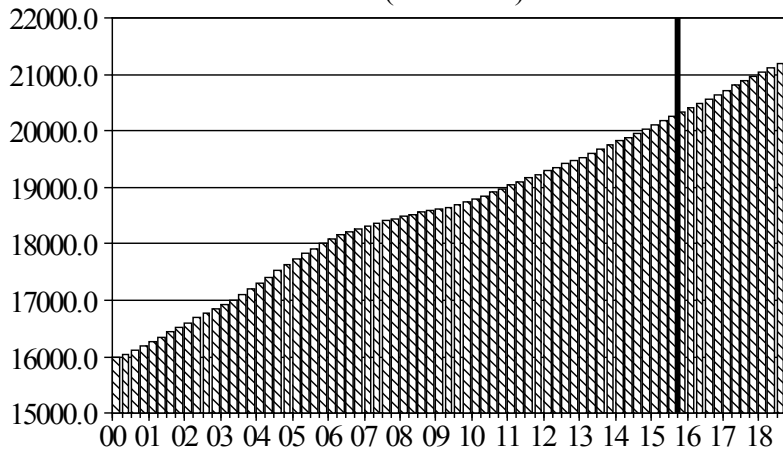
## Florida Employment (Thousands)



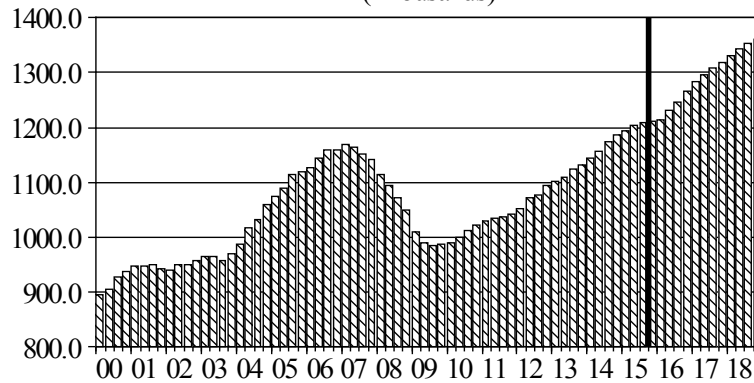
## Florida Personal Income (% change year ago)



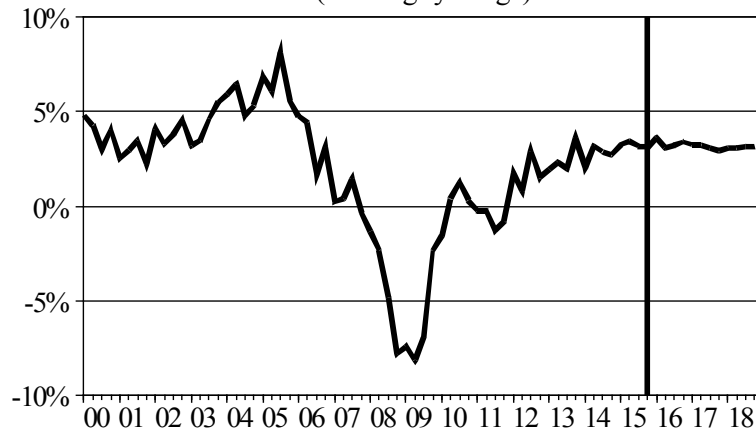
### Florida Population (Thousands)



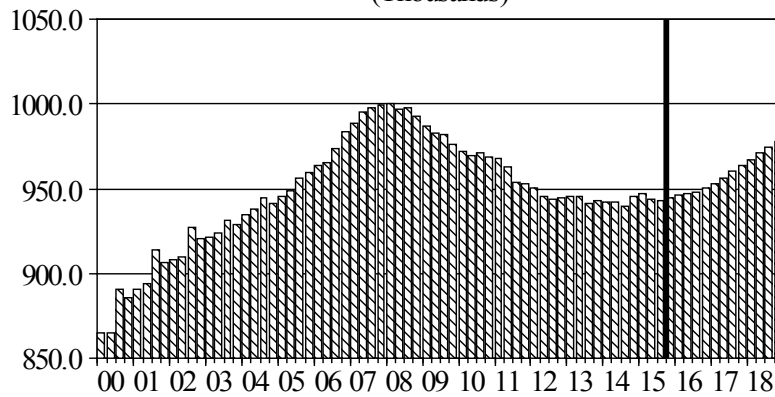
### Florida Professional & Business Services Employment (Thousands)



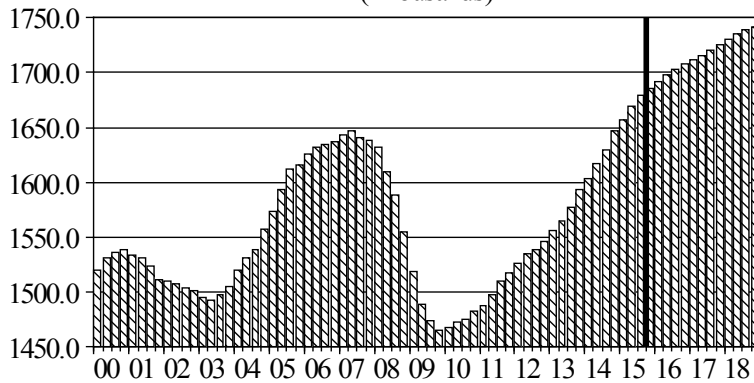
### Florida Real Gross State Product (% change year ago)



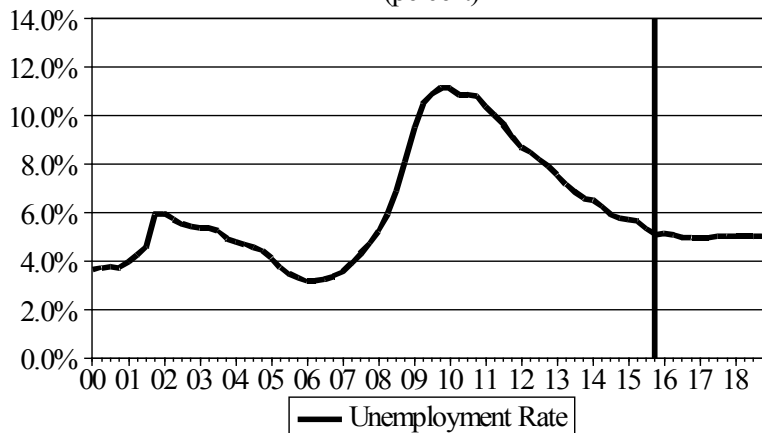
### Florida State & Local Government Employment (Thousands)



### Florida Trade, Transportation & Utilities Employment (Thousands)



### Florida Unemployment Rate (percent)



### Crop decline still means lower profits

- The 2015-2016 Florida citrus season is not faring well. The U.S. Department of Agriculture projects a harvest of just 74 million boxes of oranges, the lowest level seen in the past 52 years.
- This marks a 24% decline from the 2014-2015 harvests, with an 11% fall in tangelo harvests, and a further decline in grapefruit harvests. These figures are due to a bacterial disease that has impacted almost every single Florida grove.
- Leading citrus economists agree that the USDA projection will likely increase prices, but these price increases will not change the seasons unprofitability.

*Source: Lakeland Ledger, November 10, 2015*

### Florida Gov. Scott wants \$250 million to lure jobs to state

- Governor Rick Scott wants to create a Florida Enterprise Fund worth \$250 million to incentivize companies to move to Florida. Scott says that this money would be used to compete against other states in luring manufacturing and other jobs.
- There are some doubts over whether this will pass, as the Republican Legislature remains hesitant to spend more money on business incentives.
- Scott asked the Florida Legislature earlier this year for \$85 million for the Florida Enterprise Fund, but only received half of what was asked.

*Source: Naples Daily News, October 22, 2015*

### Florida's economy grows faster than most

- Florida saw the sixth fastest growth in the nation for the second quarter of 2015 according to the Bureau of Economic Analysis.
- Catherine Wang, a BEA economist, says that the reason behind such strong growth in Florida is due to an uptick in economic diversity, with several sectors contributing heavily to growth.
- These sectors include real estate, wholesale trade and construction, and professional, scientific, and technical services. BEA data shows that overall, most industries have grown in the past year, with only a few (agriculture, forestry, fishing, and hunting, educational services, and the government sector) showing negative growth.

*Source: The Sun Sentinel, December 10, 2015*

### Floridians spend more as economy improves

- According to the Bureau of Economic Analysis, Floridians are spending more, with Florida spending growing at 4.9% year-over-year, 0.7 percentage points higher than the national rate.
- This spending uptick is due to higher incomes, lower gas prices, and rising home prices. More disposable income means that Floridians are able to eat out more and buy/rent houses at higher price points.
- Lower gas prices saved consumers \$284 on average in the latter half of 2014, with the trend continuing into 2015.

*Source: The Sun Sentinel, December 1, 2015*

### Florida had 3<sup>rd</sup> highest uninsured rate in U.S.

- According to a study released by WalletHub, Florida has the 3<sup>rd</sup> highest uninsured rate following the implementation of the Affordable Care Act, with 16.6% of Floridians uninsured.
- Since 2010, Florida has insured an additional 700,000 people, but these rates are not consistent among different ethnicities and different incomes in the state. Higher-income households have a 66% lower probability of not having insurance.
- The Department of Health and Human Services will be focusing on Florida, in particular South Florida, to enroll people in healthcare this November through January as part of the open enrollment period for coverage.

*Source: South Florida Business Journal, November 10, 2015*

## PROFILES

The Deltona–Daytona–Ormond Beach MSA is comprised of Volusia County and Flagler County. It is located on the east coast of Florida and is notable for special events that occur throughout the year such as Bike Week. It is home to NASCAR headquarters and the Daytona International Speedway which hosts popular races such as the Daytona 500.

### QUICK FACTS:

- Population estimate of 600,756 as of July 1, 2013 census (U.S. Census Bureau).
- Civilian labor force of 281,099 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.4% as of October 2015, not seasonally adjusted. This amounts to 15,042 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Volusia County Schools – 7,503
- Halifax Health – 4,709
- Florida Hospital Volusia-Flagler Market – 3,256
- County of Volusia – 3,341
- Daytona State College – 1,568
- Embry-Riddle Aeronautical University – 1,423
- Florida Health Care Plans, Inc. – 916
- Frontier Communications – 800
- Department of Transportation – 700
- Bert Fish Medical Center – 700

*Source: Volusia County Department of Economic Development and Enterprise Florida*

## OUTLOOK SUMMARIES

The Deltona–Daytona–Ormond Beach Metropolitan Statistical Area (MSA) is expected to show low levels of growth in most of the economic indicators measured in this forecast relative to the other MSAs studied. Personal income is expected to average 4.7 percent growth, while the real per capita income level will average \$35,600. The average annual wage will be the lowest of the studied areas at \$41,300. Average annual wage growth is expected to be moderate at 3.1 percent. Population growth will average 1.1 percent. Gross Metro Product will be at an average level of 15,290.68 million dollars.

The employment growth rate is expected to average 1.7 percent each year. Unemployment will average 5.5 percent.

The Deltona MSA will experience the most growth in the Construction and Mining sector, with an average growth rate of 4.6 percent annually. The Professional and Business Services sector will see the second highest average growth in the Deltona MSA at 4.3 percent annually. The Education and Health Services sector follows with an average annual growth rate of 2.0 percent. The Federal Government sector, Information sector, and Other Services are the only sectors expected to experience a decline, at -0.7, -0.4, and -0.3 percent, respectively.

## METRO NEWS SUMMARIES

### **Expanding in DeLand: Frontier Communications to add hundreds of jobs by year's end**

- Frontier Communications Corp. is expanding in DeLand with plans to add 500 local jobs. Frontier also invested in renovations and new technology for their locations.
- Frontier has obtained a new lease for a 32,000-square-foot space for about \$2.5 million to become Frontier Secure, a component of the company that has security software and deals with technical support calls. Here, they plan to hire 400 of the expected 500 new jobs.
- The other expected 100 hires will work with customer service in their local call center.



- The expansion happened in part due to the \$60,000 Qualified Target Industry Tax Refund granted to Frontier by the Volusia County Council, as well as the company's success in retaining and taking care of their talented employees.

*Source: Daytona Beach News Journal, October 25, 2015*

## High apartment demand fuels construction, higher rents

- Renting an apartment is becoming increasingly more difficult with a decrease in apartment vacancies and a rise in demand. The median asking monthly rent was \$803 in the second quarter of 2015, according to the U.S. Census Bureau. This is a 6.2% increase since last year.
- The Deltona metro area has seen an increase in construction for more apartment complexes, with Volusia and Flagler Counties seeing an addition of about 750 units to the area since the beginning of 2013.
- Apartment additions to the area continue with about 470 more units in the planning or permitting stage in order to meet local demand.

*Source: Daytona Beach News Journal, October 25, 2015*

## Marriott to buy Starwood Hotels; deal doesn't include Daytona Hilton

- Marriot International will acquire Starwood Hotels and Resorts Worldwide Inc., with the transaction expecting to be completed mid-2016. The deal costs a total of \$12.2 billion and will leave Marriot with a total 5,500 properties and 1.1 million rooms worldwide (this includes Marriot's already existing properties and soon-to-be-acquired Starwood Hotel properties).
- The Volusia and Flagler Counties' largest hotel, Hilton Daytona Beach Oceanfront Resort, will not be a part of this deal, since Starwood Capital (not related to Starwood Hotels) has acquired this property.

- Starwood Hotels was originally created by Starwood Capital, but has since sold it off and cut relations between the two.

*Source: Daytona Beach News Journal, November 16, 2015*

## Passenger traffic rises at Daytona airport

- In the course of a year – from October 2014 to October 2015 – Daytona Beach International Airport has seen a 5 percent increase in passenger traffic.
- Companies such as Delta Airlines and American Airlines have started using larger planes, considering the percentage of available seats being filled has risen from 95 percent in October 2014 to 97 percent.
- Jay Cassens, business development director of the airport, expects this trend in passenger traffic to continue with the upcoming holiday season.

*Source: Daytona Beach News Journal, November 13, 2015*

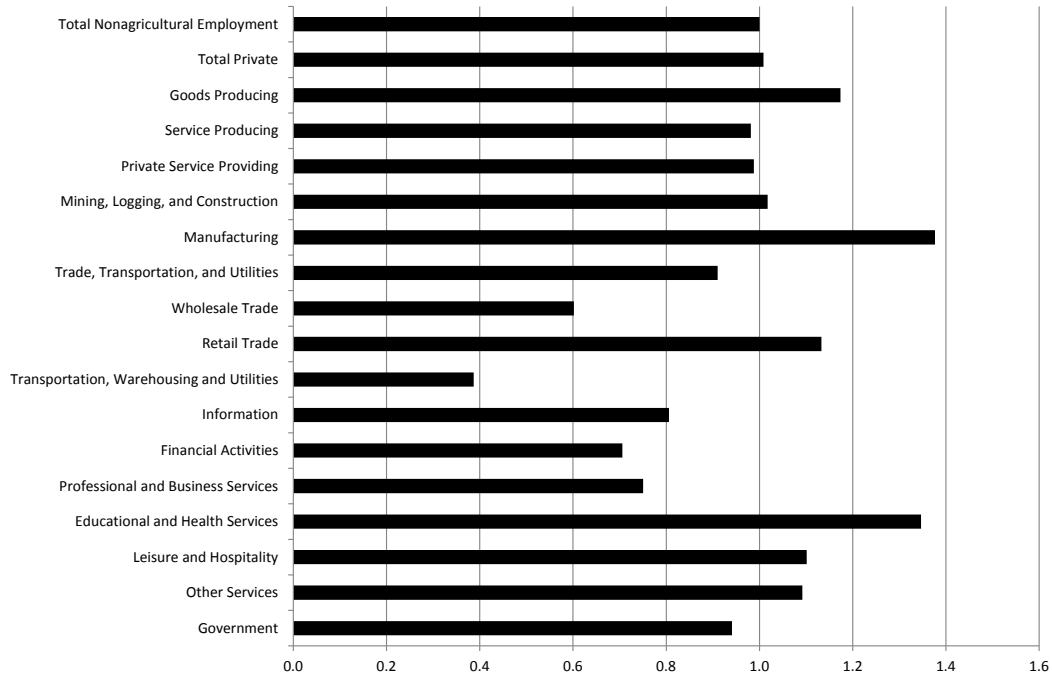
## H&M opens to big crowds at Volusia Mall

- H&M, an apparel store, has opened its doors on December 10<sup>th</sup> in the Volusia Mall to a crowd of more than 200 waiting people.
- H&M is the first anchor store to open in the mall since 2009 when Books-A-Million had made its appearance. It is also H&M's first store in the Volusia and Flagler Counties area. The new store currently has about 30 employees.
- Mandy York, marketing director of Volusia Mall, comments on the store's opening with, "We've had requests for this store for years, so when we finally were able to secure it we were so excited."

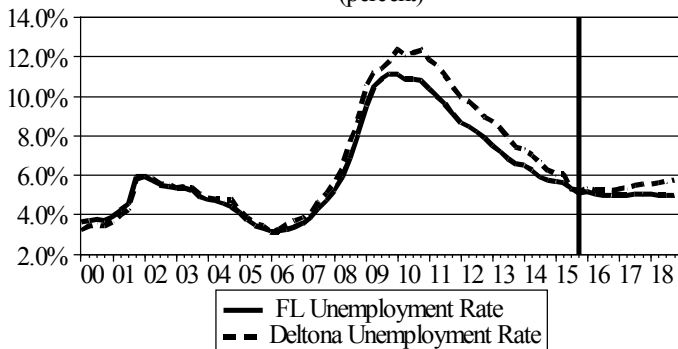
*Source: Daytona Beach News Journal, December 10, 2015*

# DELTONA - DAYTONA BEACH - ORMOND BEACH

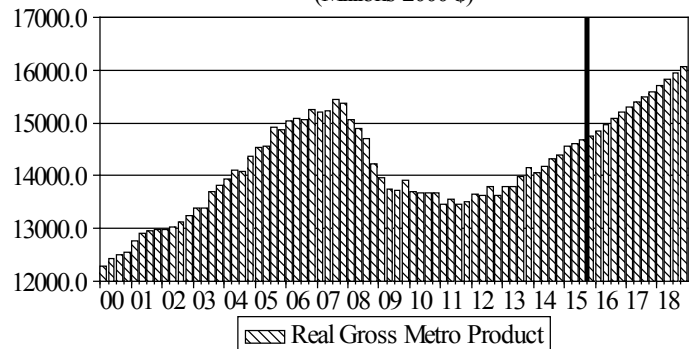
**Deltona - Daytona Beach - Ormond Beach MSA  
Industry Location Quotients**



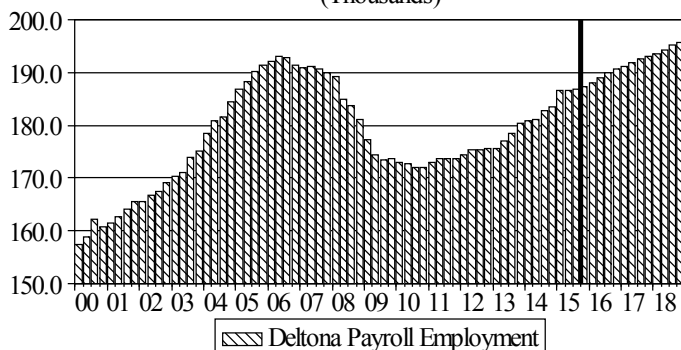
**Florida & Deltona-Daytona Beach  
Unemployment Rate  
(percent)**



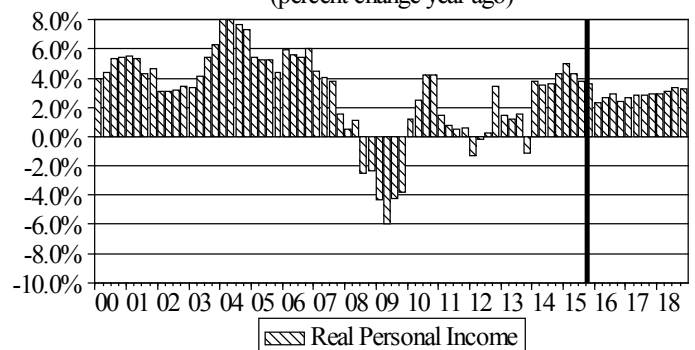
**Deltona-Daytona Beach  
Real Gross Metro Product  
(Millions 2000 \$)**



**Deltona-Daytona Beach  
Payroll Employment  
(Thousands)**



**Deltona-Daytona Beach  
Real Personal Income  
(percent change year ago)**



# DELTONA - DAYTONA BEACH - ORMOND BEACH

## Annual Outlook for Deltona-Daytona Beach-Ormond Beach, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	19.5	20.2	20.6	21.0	22.1	23.0	24.0	25.2	26.5
Pct Chg Year Ago	3.9	3.5	2.0	2.0	5.2	4.5	4.0	5.1	5.1
Wages and Salaries	6.3	6.3	6.6	6.7	7.1	7.4	7.7	8.1	8.6
Nonwage Income	13.2	13.8	14.0	14.2	15.0	15.7	16.3	17.1	17.9
Real Personal Income (05\$)	19.4	19.5	19.6	19.8	20.5	21.4	22.0	22.7	23.4
Pct Chg Year Ago	3.0	0.8	0.6	0.8	3.8	4.2	2.8	3.1	3.1
Per Capita Income (Ths)	32.9	34.0	34.5	34.8	36.1	37.3	38.4	39.9	41.5
Real Per Capita Income (05\$)	32.8	33.0	32.9	32.8	33.6	34.6	35.2	35.9	36.6
Average Annual Wage (Ths)	36.2	36.3	37.3	37.6	38.7	39.2	40.4	42.0	43.7
Pct Chg Year Ago	2.2	0.2	2.9	0.6	3.0	1.4	2.9	4.1	4.0
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	172.4	173.5	175.2	177.8	182.1	186.9	189.5	192.4	195.1
Pct Chg Year Ago	-1.3	0.6	1.0	1.5	2.4	2.6	1.4	1.5	1.4
Manufacturing	8.4	9.1	9.3	9.8	10.3	10.6	10.8	11.0	11.1
Pct Chg Year Ago	-2.9	7.7	2.8	5.8	5.1	2.3	2.2	1.6	1.0
Nonmanufacturing	164.0	164.4	165.9	168.0	171.7	176.3	178.7	181.5	184.0
Pct Chg Year Ago	-1.2	0.2	0.9	1.3	2.2	2.7	1.4	1.5	1.4
Construction & Mining	8.8	8.2	8.5	9.3	10.1	10.2	10.7	11.5	12.0
Pct Chg Year Ago	-11.6	-6.6	3.3	9.8	7.8	1.4	5.3	7.4	4.5
Trade, Trans, & Utilities	33.5	33.5	33.8	33.7	34.4	35.1	35.3	35.4	35.5
Pct Chg Year Ago	-0.7	0.2	0.9	-0.2	2.0	2.0	0.4	0.3	0.4
Wholesale Trade	5.1	5.0	4.9	4.6	4.5	4.6	4.6	4.7	4.8
Retail Trade	26.3	26.5	26.8	27.0	27.6	28.2	28.4	28.3	28.3
Trans, Wrhsng, & Util	2.1	2.0	2.1	2.2	2.3	2.3	2.4	2.4	2.5
Information	3.2	3.1	2.9	2.8	2.6	2.5	2.5	2.5	2.6
Pct Chg Year Ago	-8.1	-4.2	-5.7	-5.2	-4.5	-4.2	0.0	0.8	1.9
Financial Activities	7.9	8.1	8.4	8.5	8.5	8.7	8.7	8.7	8.6
Pct Chg Year Ago	0.1	2.0	4.3	1.2	-0.4	2.7	0.7	-0.6	-1.0
Prof & Business Services	17.3	17.8	18.5	19.4	20.3	21.6	22.4	23.4	24.1
Pct Chg Year Ago	-2.1	3.0	3.8	4.6	5.0	6.0	3.8	4.4	3.0
Educ & Health Services	34.1	34.8	34.9	35.6	36.1	37.6	38.0	38.5	39.0
Pct Chg Year Ago	1.5	2.0	0.5	1.9	1.4	4.3	0.9	1.3	1.4
Leisure & Hospitality	24.1	25.1	25.9	26.5	27.9	28.4	28.9	29.2	29.6
Pct Chg Year Ago	0.5	4.3	3.0	2.5	5.3	1.6	2.0	0.7	1.4
Other Services	8.8	8.3	8.3	8.3	8.4	8.4	8.3	8.3	8.3
Pct Chg Year Ago	-4.1	-5.7	0.1	-0.1	0.8	-0.4	-0.5	-0.4	0.2
Federal Government	1.7	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Pct Chg Year Ago	6.8	-17.1	-8.2	-1.9	2.0	0.1	-0.5	-1.2	-1.3
State & Local Government	24.6	24.0	23.3	22.5	22.1	22.5	22.6	22.7	23.0
Pct Chg Year Ago	-1.1	-2.1	-3.2	-3.0	-2.1	2.0	0.2	0.7	1.2
<b>Other Economic Indicators</b>									
Population (Ths)	590.9	592.4	596.4	602.4	610.8	617.6	624.6	631.4	638.5
Pct Chg Year Ago	0.2	0.3	0.7	1.0	1.4	1.1	1.1	1.1	1.1
Labor Force (Ths)	279.6	279.5	279.5	279.9	282.3	276.6	277.5	283.9	290.2
Pct Chg Year Ago	0.4	0.0	0.0	0.1	0.9	-2.0	0.3	2.3	2.2
Unemployment Rate (%)	12.3	11.2	9.5	8.1	6.8	5.7	5.3	5.4	5.6
Total Housing Starts	1001.1	1178.3	1010.1	1888.1	1964.2	1447.5	2590.0	4814.7	5517.8
Single-Family	848.7	659.8	993.0	1654.7	1791.3	1299.3	2086.7	3591.6	4055.3
Multifamily	152	518	17	233	173	148	503	1223	1462

# DELTONA - DAYTONA BEACH - ORMOND BEACH

## Quarterly Outlook for Deltona-Daytona Beach-Ormond Beach, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	23.3	23.6	23.8	24.1	24.4	24.7	25.1	25.3	25.6	26	26.3	26.6	26.9
Pct Chg Year Ago	3.9	3.3	3.7	4.3	4.5	5	5.3	5.2	5.1	5.1	5.1	5.1	5.1
Wages and Salaries	7.4	7.5	7.6	7.8	7.9	8	8.1	8.2	8.3	8.4	8.5	8.6	8.7
Nonwage Income	15.9	16	16.2	16.3	16.5	16.8	17	17.2	17.4	17.6	17.8	18	18.2
Real Personal Income (05\$)	21.6	21.8	21.9	22	22.2	22.4	22.6	22.7	22.9	23.1	23.3	23.5	23.6
Pct Chg Year Ago	3.6	2.4	2.9	3.1	2.7	2.9	3.1	3.1	3.1	3	3.1	3.2	3.2
Per Capita Income (Ths)	37.6	37.9	38.2	38.5	38.9	39.3	39.7	40.1	40.4	40.9	41.3	41.7	42
Real Per Capita Income (05\$)	34.9	35.1	35.1	35.2	35.4	35.7	35.8	35.9	36.1	36.4	36.5	36.7	36.8
Average Annual Wage (Ths)	39.4	39.7	40.1	40.6	41	41.4	41.8	42.2	42.6	43	43.5	43.9	44.3
Pct Chg Year Ago	0.8	1.1	2.4	3.8	4.1	4.2	4.2	4	3.9	4	3.9	4	4.1
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	187.4	188.2	189.1	190	190.8	191.5	192.1	192.8	193.4	194	194.8	195.5	196.1
Pct Chg Year Ago	2.1	0.8	1.4	1.7	1.8	1.7	1.6	1.5	1.3	1.3	1.4	1.4	1.4
Manufacturing	10.8	10.8	10.8	10.8	10.9	10.9	11	11	11	11.1	11.1	11.1	11.1
Pct Chg Year Ago	4.3	3.9	3	0.9	0.9	1.5	1.8	1.7	1.3	1.2	1.1	0.9	0.7
Nonmanufacturing	176.6	177.5	178.4	179.2	179.9	180.5	181.2	181.8	182.3	182.9	183.7	184.4	185
Pct Chg Year Ago	2	0.7	1.3	1.7	1.9	1.7	1.6	1.4	1.3	1.3	1.4	1.4	1.5
Construction & Mining	10.2	10.3	10.6	10.9	11.1	11.3	11.5	11.6	11.7	11.8	12	12.1	12.2
Pct Chg Year Ago	0.7	-0.1	4	7.9	9.3	9.3	8.3	6.6	5.5	4.7	4.6	4.6	4
Trade, Trans, & Utilities	35.1	35.2	35.2	35.3	35.3	35.3	35.4	35.4	35.4	35.5	35.5	35.6	35.6
Pct Chg Year Ago	0.9	-0.4	0.5	0.8	0.7	0.5	0.3	0.3	0.3	0.4	0.4	0.5	0.5
Wholesale Trade	4.5	4.5	4.5	4.6	4.6	4.6	4.7	4.7	4.7	4.8	4.8	4.8	4.8
Retail Trade	28.2	28.3	28.4	28.4	28.4	28.3	28.3	28.3	28.2	28.3	28.2	28.3	28.3
Trans, Wrhsng, & Util	2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.5
Information	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6
Pct Chg Year Ago	-3.1	-2.8	0.7	1.1	0.9	1.4	-0.2	-0.4	2.3	1.7	2.1	2.3	1.3
Financial Activities	8.7	8.7	8.8	8.7	8.7	8.7	8.7	8.7	8.7	8.6	8.6	8.6	8.6
Pct Chg Year Ago	2.1	0	1.3	1	0.6	-0.1	-0.5	-0.6	-1	-1	-0.9	-1	-1
Prof & Business Services	21.9	22	22.3	22.5	22.8	23.1	23.3	23.5	23.7	23.8	24.1	24.2	24.3
Pct Chg Year Ago	3.5	0.5	4.6	6.2	4.1	4.8	4.7	4.4	3.8	3.3	3.2	3	2.6
Educ & Health Services	37.4	37.7	37.9	38.1	38.2	38.3	38.4	38.5	38.6	38.7	38.9	39.1	39.3
Pct Chg Year Ago	3.9	1.8	-0.5	0.1	2.2	1.7	1.4	1.2	1	1.1	1.2	1.4	1.8
Leisure & Hospitality	28.7	28.9	28.9	29	29	29	29.1	29.2	29.3	29.3	29.5	29.6	29.8
Pct Chg Year Ago	1.6	2.9	2.6	1.6	0.8	0.4	0.7	0.9	1.1	1.1	1.4	1.5	1.6
Other Services	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Pct Chg Year Ago	-2.6	-2.4	-0.5	0.2	0.7	0.1	-0.4	-0.6	-0.5	-0.2	0	0.4	0.6
Federal Government	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Pct Chg Year Ago	0.5	0.1	-0.3	-1.1	-0.8	-1.1	-1.3	-1.3	-1.3	-1.3	-1.3	-1.2	-1.1
State & Local Government	22.5	22.5	22.5	22.6	22.6	22.6	22.7	22.8	22.8	22.9	23	23	23.1
Pct Chg Year Ago	2.3	0	0.5	0.2	0.3	0.4	0.6	0.9	1.1	1.1	1.2	1.2	1.1
<b>Other Economic Indicators</b>													
Population (Ths)	620.1	621.8	623.7	625.5	627.3	628.9	630.6	632.2	633.9	635.4	637.4	639.5	641.5
Pct Chg Year Ago	1	1.1	1.1	1.1	1.2	1.1	1.1	1.1	1	1	1.1	1.1	1.2
Labor Force (Ths)	272.5	274.9	276.7	278.5	280	281.4	283	284.9	286.4	287.8	289.3	291	292.5
Pct Chg Year Ago	-3.5	-3	-1.3	3.1	2.8	2.4	2.3	2.3	2.3	2.3	2.2	2.1	2.2
Unemployment Rate (%)	5.3	5.4	5.3	5.2	5.2	5.3	5.3	5.4	5.4	5.5	5.5	5.6	5.7
Total Housing Starts	1357	1755	2260	2867	3479	4159	4703	5045	5351	5476	5480	5550	5565
Single-Family	1221	1515	1868	2273	2691	3144	3496	3769	3957	4060	4060	4069	4032
Multifamily	136	241	392	594	788	1015	1207	1276	1394	1415	1419	1482	1533

## PROFILES

The Gainesville MSA is comprised of Alachua and Gilchrist Counties and is located in the central-north portion of the state. This Metro is home to the University of Florida and the Florida Museum of Natural History, Florida's official natural history museum.

### QUICK FACTS:

- Metro population estimate of 270,382 as of July 1, 2013 (U.S. Census Bureau).
- Alachua County population estimate of 253,451 as of July 1, 2013 (U.S. Census Bureau).
- Gilchrist County population estimate of 16,931 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 138,850 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 4.2% as of October 2015, not seasonally adjusted. This amounts to 5,833 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- University of Florida – 27,870
- UFHealth – 12,000
- Alachua County School Board – 4,200
- Veterans Affairs Medical Center – 3,500
- City of Gainesville – 2,270
- Publix Supermarkets – 2,160
- North Florida Regional Medical Center – 2,100
- Gator Dining Services – 1,200
- Nationwide Insurance Company – 950
- Wal-Mart Stores – 910

*Source: Gainesville Area Chamber of Commerce*

## OUTLOOK SUMMARIES

The Gainesville Metropolitan Statistical Area (MSA) is expected to show low levels of growth in most of the economic indicators relative to the other MSAs studied. Personal income growth will see an average of 5.1 percent growth, the third lowest of the studied MSAs. Real per capita income level is expected to average \$38,600. Average annual wage growth is expected to be 3.7 percent, the highest of the twelve studied MSAs, while the average annual wage level will be at \$48,200. Population growth will average the second lowest of the studied areas at 0.8 percent annually. Gross Metro Product will be the second lowest of the studied MSAs at an average level of 10,860.68 million dollars.

Gainesville will see an average employment growth rate of 1.5 percent annually, the second lowest growth of the MSAs. The Gainesville MSA will, however, maintain the lowest average unemployment rate of the MSAs studied, at 4.0 percent.

The fastest growing sector in the area will be the Construction and Mining sector, with an average growth rate of 4.8 percent annually. This is followed by the Professional and Business Services sector with an average annual growth rate of 3.1 percent. The Federal Government will experience the only decline, with average annual growth rate of -0.3 percent.

## METRO NEWS SUMMARIES

### Local entrepreneurs get a month to shine

- Gainesville held many events in October to put new entrepreneurs out there and to attract some businesses to the Gainesville area.
- The groups hosting the events are promoting business competitions, workshops and panel discussions, networking events, and tours to help people get their foot in the door in the business industry.
- For years to come, October will be entrepreneurship month in the Alachua County area. Although October shouldn't be the only month entrepreneurs get their names out there, it is a special time for them to connect with the community and get noticed.

*Source: The Gainesville Sun, October 2, 2015*



## County officials look to improve recycling

- Leveda Brown Environmental Park, Alachua County's transfer station for trash and recyclables, receives between 600 and 750 tons of garbage a day.
- For many years, Alachua County has been ranked number one for recycling in the state, but now it is sitting at number 7 out of 67 counties.
- An environmental act passed in 2008 that created a statewide recycling effort that has a goal in which 75 percent of all the collected garbage is to be recycled. Alachua County is currently at 58 percent and is hoping to find ways to make recycling more efficient so they can reach the 75 percent goal.

*Source: The Gainesville Sun, November 1, 2015*

## Alachua County has funds for homebuyers, renters

- Alachua County is helping its citizens provide money for a down payment on a house or rental and utility deposits. Applications for county residents are available for those who are struggling and need a little extra money for down payments or rental deposits.
- The county has \$611,600 available in funds for the State Housing Initiatives Partnership. The funding will be split between homebuyer down payment assistance, rental/utility deposit assistance, special needs, and home repairs.
- The county is hoping to spread the word about this financial assistance, urging people to apply even if they don't think they will qualify because most people can qualify.

*Source: The Gainesville Sun, October 12, 2015*

## \$1.2 million lost when seven local charters close

- Alachua County taxpayers now have a net loss due to the closure of 7 of the 21 charter schools in the county.
- Public schools are suffering because of the lack of capital outlay money that previously went to the charter schools. Parents and teachers are even going so far as to bring in their own paint and give classrooms a fresh coat for the new school year.

- From 2011 to 2014, the regular school district did not receive any capital outlay money, while the charter schools have received \$163,674 since 2012. Now that the charter schools are closing, the county is hoping to see some money allotted to the public schools.

*Source: The Gainesville Sun, December 12, 2015*

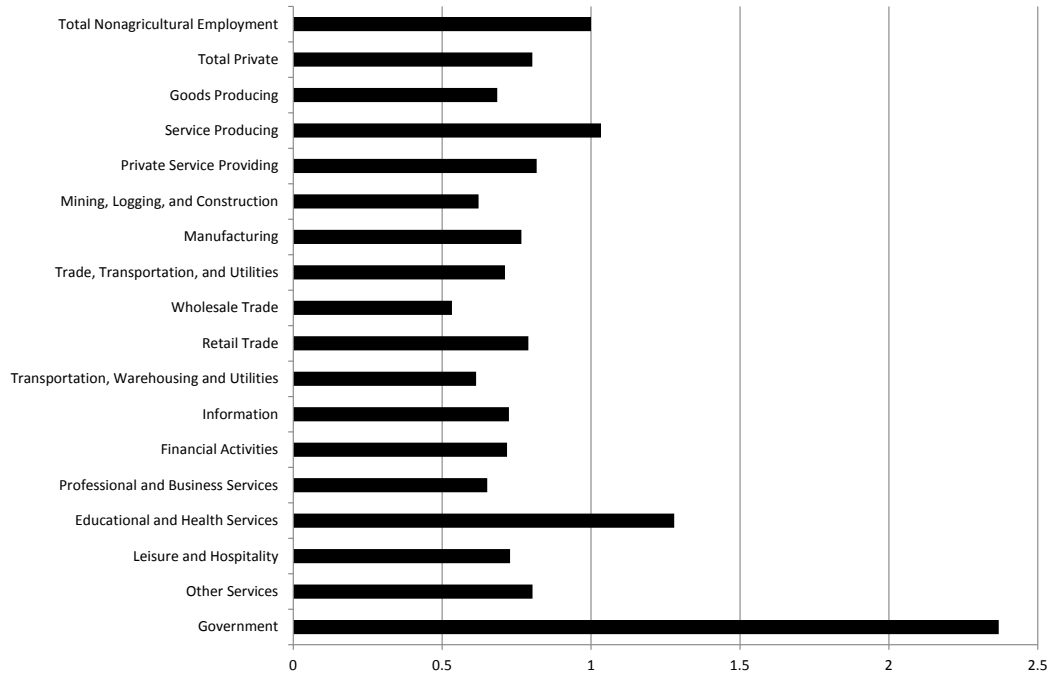
## Biotech company pays \$2M for research toward treatment of muscular dystrophy

- The University of Florida Powell Gene Therapy Center received \$2 million from a Boston area biotechnology company to continue working on research towards a treatment for a fatal form of muscular dystrophy.
- The disease is usually found in men at a young age and includes learning disabilities, losing the ability to walk, breathing difficulties, and heart disease. Most young men with the disease die from lung failure before they turn 25.
- UF currently does research on mice and golden retrievers, the latter found having a very similar disease to the one in humans, and they have discovered a treatment that has improved the functioning of the heart and muscles. With this new funding, the university can continue animal research and hopefully start clinical trials on humans.

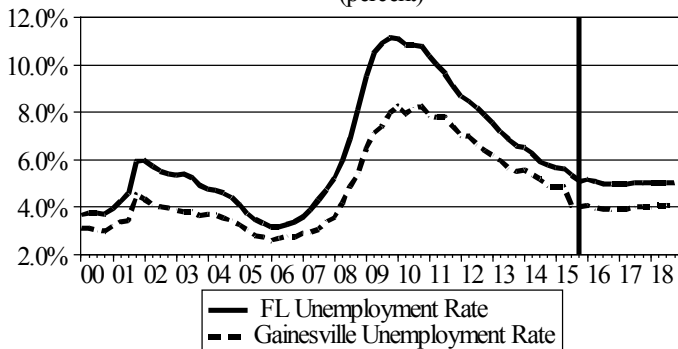
*Source: The Gainesville Sun, December 14, 2015*



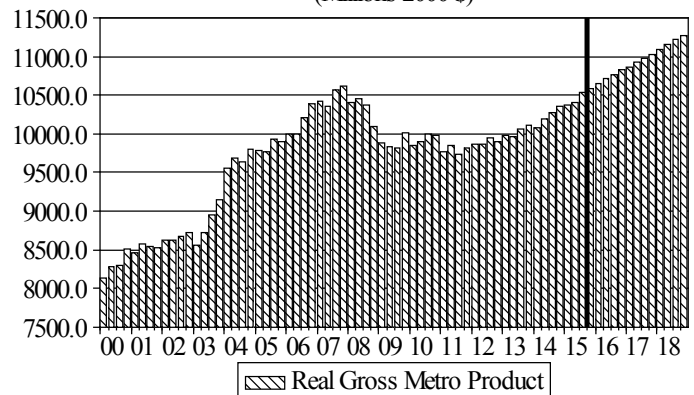
**Gainesville MSA  
Industry Location Quotients**



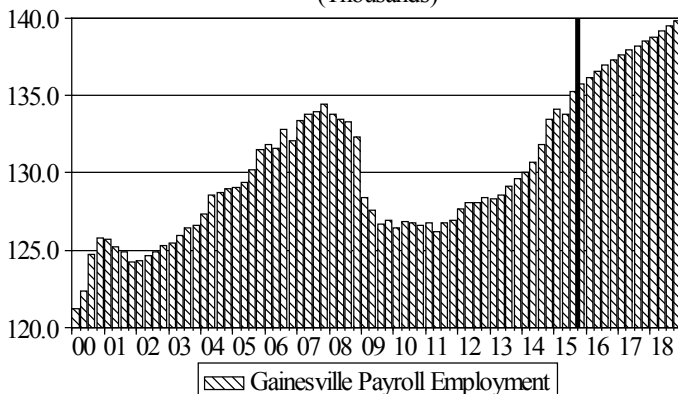
**Florida & Gainesville Unemployment  
Rate  
(percent)**



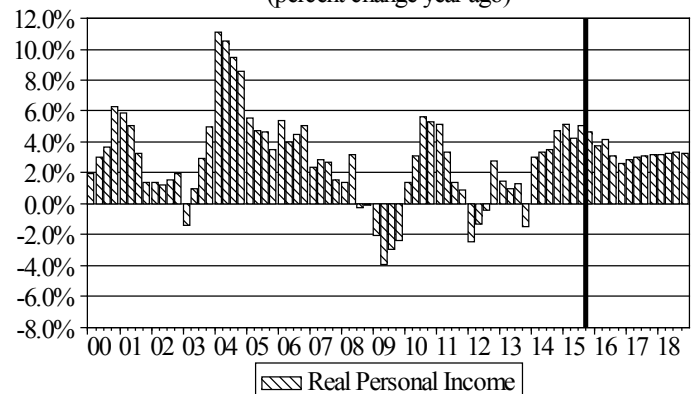
**Gainesville Real Gross Metro Product  
(Millions 2000 \$)**



**Gainesville Payroll Employment  
(Thousands)**



**Gainesville Real Personal Income  
(percent change year ago)**



## Annual Outlook for Gainesville, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	9.2	9.7	9.8	10.0	10.5	11.1	11.6	12.2	12.8
Pct Chg Year Ago	4.7	5.4	1.1	1.8	5.0	5.1	4.8	5.3	5.2
Wages and Salaries	5.2	5.3	5.4	5.6	5.9	6.2	6.5	6.8	7.2
Nonwage Income	4.0	4.5	4.4	4.4	4.7	4.9	5.1	5.4	5.7
Real Personal Income (05\$)	9.2	9.4	9.4	9.4	9.8	10.3	10.6	11.0	11.3
Pct Chg Year Ago	3.8	2.7	-0.4	0.5	3.6	4.8	3.6	3.2	3.2
Per Capita Income (Ths)	34.8	36.5	36.6	37.0	38.4	40.0	41.6	43.5	45.5
Real Per Capita Income (05\$)	34.7	35.3	35.0	34.9	35.8	37.1	38.2	39.1	40.1
Average Annual Wage (Ths)	40.8	41.4	42.1	43.1	44.3	45.5	47.1	49.1	51.1
Pct Chg Year Ago	1.3	1.5	1.8	2.2	2.9	2.6	3.7	4.2	4.1
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	126.7	126.7	128.0	128.9	131.5	134.7	136.8	138.2	139.5
Pct Chg Year Ago	-0.6	0.0	1.1	0.7	2.0	2.5	1.5	1.0	0.9
Manufacturing	4.4	4.4	4.4	4.4	4.2	4.2	4.2	4.3	4.4
Pct Chg Year Ago	-5.7	-1.0	0.3	0.2	-4.7	0.2	0.8	1.7	1.1
Nonmanufacturing	122.3	122.3	123.6	124.5	127.3	130.5	132.6	133.9	135.1
Pct Chg Year Ago	-0.4	0.0	1.1	0.7	2.2	2.5	1.6	1.0	0.9
Construction & Mining	4.2	3.9	4.3	4.4	4.4	4.5	4.7	5.1	5.3
Pct Chg Year Ago	-9.0	-8.7	10.6	2.6	0.0	3.1	4.6	7.4	4.2
Trade, Trans, & Utilities	17.9	18.0	18.1	18.3	18.8	19.7	19.9	19.9	19.9
Pct Chg Year Ago	-1.6	1.0	0.6	0.9	2.9	4.4	1.3	0.0	0.0
Wholesale Trade	2.3	2.4	2.5	2.7	2.8	2.9	2.9	3.0	3.0
Retail Trade	13.2	13.4	13.3	13.2	13.5	14.2	14.4	14.2	14.2
Trans, Wrhsng, & Util	2.3	2.3	2.4	2.5	2.6	2.6	2.6	2.7	2.8
Information	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.7
Pct Chg Year Ago	-6.7	-0.5	-2.9	1.2	2.8	6.0	2.1	0.3	1.4
Financial Activities	6.0	6.1	6.3	6.2	6.2	6.3	6.4	6.3	6.2
Pct Chg Year Ago	-0.4	1.9	3.6	-1.9	0.0	1.2	1.2	-0.8	-1.3
Prof & Business Services	10.4	10.8	11.3	11.4	12.5	12.9	13.2	13.7	14.1
Pct Chg Year Ago	0.6	3.6	4.5	1.3	9.6	3.1	2.1	4.2	2.8
Educ & Health Services	22.1	22.4	22.8	23.1	23.8	25.0	25.5	25.7	25.9
Pct Chg Year Ago	0.8	1.1	2.2	1.1	3.1	4.9	2.2	0.7	0.7
Leisure & Hospitality	13.2	13.3	13.4	13.8	13.9	14.1	14.3	14.4	14.5
Pct Chg Year Ago	-3.0	0.7	0.7	2.9	0.8	1.5	1.0	0.6	1.2
Other Services	4.1	4.1	4.1	4.1	4.2	4.3	4.3	4.3	4.3
Pct Chg Year Ago	-2.8	0.6	-1.6	0.4	3.1	2.9	0.7	-0.8	-0.3
Federal Government	4.7	4.4	4.4	4.4	4.5	4.6	4.6	4.5	4.4
Pct Chg Year Ago	10.9	-6.2	-1.2	0.8	1.5	1.7	1.0	-1.9	-2.0
State & Local Government	38.1	37.8	37.5	37.4	37.4	37.6	38.0	38.3	38.8
Pct Chg Year Ago	0.6	-0.9	-0.7	-0.3	0.2	0.4	1.2	0.8	1.2
<b>Other Economic Indicators</b>									
Population (Ths)	265.0	266.9	268.8	270.7	273.7	276.3	278.4	280.3	282.2
Pct Chg Year Ago	0.5	0.7	0.7	0.7	1.1	0.9	0.8	0.7	0.7
Labor Force (Ths)	135.3	135.8	136.8	136.3	137.6	134.6	134.8	137.5	139.7
Pct Chg Year Ago	-0.9	0.4	0.7	-0.3	0.9	-2.2	0.2	2.0	1.6
Unemployment Rate (%)	8.1	7.7	6.8	5.8	5.2	4.4	3.9	3.8	3.9
Total Housing Starts	510.9	447.5	576.8	759.2	709.5	831.3	1294.2	1348.7	1386.3
Single-Family	406.6	300.5	400.0	548.2	492.8	482.4	618.7	747.5	784.9
Multifamily	104	147	177	211	217	349	675	601	601

**Quarterly Outlook for Gainesville, FL  
December 2015**

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	11.3	11.4	11.5	11.6	11.8	12	12.1	12.3	12.4	12.6	12.8	12.9	13.1
Pct Chg Year Ago	5	4.7	5.2	4.5	4.6	5.1	5.5	5.4	5.3	5.3	5.2	5.2	5.1
Wages and Salaries	6.3	6.4	6.4	6.5	6.6	6.7	6.8	6.9	6.9	7	7.1	7.2	7.3
Nonwage Income	5	5	5.1	5.1	5.2	5.3	5.3	5.4	5.5	5.6	5.6	5.7	5.8
Real Personal Income (05\$)	10.4	10.5	10.6	10.6	10.7	10.9	10.9	11	11.1	11.2	11.3	11.4	11.4
Pct Chg Year Ago	4.6	3.8	4.3	3.3	2.8	3.1	3.3	3.3	3.4	3.2	3.2	3.3	3.2
Per Capita Income (Ths)	40.7	41	41.3	41.8	42.2	42.8	43.3	43.7	44.2	44.8	45.2	45.7	46.1
Real Per Capita Income (05\$)	37.6	37.9	38.1	38.2	38.5	38.8	39.1	39.2	39.5	39.8	40	40.2	40.4
Average Annual Wage (Ths)	46.1	46.4	46.9	47.4	47.9	48.4	48.9	49.4	49.9	50.4	50.9	51.4	51.9
Pct Chg Year Ago	3.2	3.4	4	3.5	3.9	4.1	4.3	4.3	4.2	4.2	4.1	4	4
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	135.8	136.2	136.6	137	137.4	137.7	138	138.4	138.6	138.9	139.3	139.7	140
Pct Chg Year Ago	1.7	1.6	2.2	1.3	1.2	1.1	1	1	0.9	0.9	0.9	1	1
Manufacturing	4.2	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.4	4.4	4.4
Pct Chg Year Ago	0	0.3	1.1	0.5	1.1	1.7	1.9	1.8	1.5	1.4	1.2	1	0.8
Nonmanufacturing	131.5	132	132.4	132.8	133.1	133.4	133.7	134	134.3	134.6	135	135.3	135.6
Pct Chg Year Ago	1.8	1.6	2.2	1.3	1.2	1.1	1	0.9	0.9	0.9	0.9	1	1
Construction & Mining	4.5	4.5	4.6	4.8	4.9	5	5	5.1	5.1	5.2	5.3	5.3	5.3
Pct Chg Year Ago	-0.7	-2.3	3.4	8.3	9.4	9.5	8.5	6.6	5.4	4.5	4.4	4.3	3.7
Trade, Trans, & Utilities	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9
Pct Chg Year Ago	2.8	1.8	1.8	1.4	0.3	0.2	0	0	0	0	0.1	0	0
Wholesale Trade	2.9	2.9	2.9	2.9	2.9	3	3	3	3	3	3	3	3
Retail Trade	14.4	14.4	14.4	14.4	14.3	14.3	14.3	14.2	14.2	14.2	14.2	14.1	14.1
Trans, Wrhsng, & Util	2.6	2.6	2.6	2.6	2.7	2.7	2.7	2.7	2.7	2.7	2.8	2.8	2.8
Information	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.7	1.7	1.7	1.7	1.7
Pct Chg Year Ago	4	2.7	3.2	2.1	0.4	0.9	-0.7	-0.9	1.8	1.2	1.6	1.8	0.8
Financial Activities	6.3	6.4	6.4	6.4	6.4	6.3	6.3	6.3	6.3	6.3	6.3	6.2	6.2
Pct Chg Year Ago	1.5	1.3	1.9	1.4	0.4	-0.3	-0.7	-0.9	-1.2	-1.3	-1.2	-1.3	-1.3
Prof & Business Services	12.9	12.9	13.1	13.2	13.4	13.5	13.7	13.8	13.9	14	14.1	14.1	14.2
Pct Chg Year Ago	-0.5	-0.2	1.5	3.1	4	4.7	4.5	4.2	3.6	3.1	2.9	2.7	2.3
Educ & Health Services	25.2	25.4	25.5	25.6	25.6	25.7	25.7	25.7	25.7	25.8	25.9	25.9	26
Pct Chg Year Ago	4.2	2.9	3.2	1.2	1.6	1.1	0.8	0.5	0.3	0.5	0.6	0.8	1.1
Leisure & Hospitality	14.2	14.3	14.3	14.3	14.3	14.3	14.3	14.4	14.4	14.4	14.5	14.6	14.6
Pct Chg Year Ago	-0.7	1.5	1.6	0.2	0.6	0.2	0.5	0.7	0.9	0.9	1.2	1.3	1.4
Other Services	4.3	4.3	4.4	4.4	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Pct Chg Year Ago	1.1	0.3	2	0.1	0.3	-0.3	-0.9	-1	-1	-0.7	-0.4	-0.1	0.1
Federal Government	4.6	4.6	4.6	4.6	4.6	4.5	4.5	4.5	4.5	4.5	4.4	4.4	4.4
Pct Chg Year Ago	3.7	3.2	2.8	-0.5	-1.5	-1.8	-2	-2	-2	-2	-2	-1.9	-1.9
State & Local Government	38	38	38	38	38.1	38.2	38.3	38.4	38.5	38.6	38.7	38.8	38.9
Pct Chg Year Ago	1.6	1.7	2	0.7	0.3	0.4	0.7	0.9	1.1	1.2	1.2	1.2	1.1
<b>Other Economic Indicators</b>													
Population (Ths)	277.1	277.6	278.2	278.6	279	279.5	280	280.5	281	281.5	282	282.4	282.9
Pct Chg Year Ago	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Labor Force (Ths)	132.5	133.7	134.5	135.3	135.9	136.5	137.1	137.9	138.4	138.9	139.4	140	140.5
Pct Chg Year Ago	-4.3	-3.3	-1.4	3	2.6	2.1	2	1.9	1.9	1.8	1.7	1.5	1.5
Unemployment Rate (%)	4	4	3.9	3.8	3.8	3.8	3.8	3.9	3.9	3.9	3.9	3.9	4
Total Housing Starts	1108	1248	1285	1318	1326	1346	1372	1335	1343	1381	1375	1390	1398
Single-Family	532	563	600	634	678	717	748	757	767	789	787	787	777
Multifamily	576	684	685	684	648	629	624	577	575	593	588	604	622

## PROFILES

The Jacksonville MSA is comprised of Baker, Clay, Duval, Nassau and St. Johns counties. It is located on the northeast coast of Florida and is home to several major U.S. military bases, such as the Jacksonville Naval Air Station, as well as shipyards, the University of North Florida, and the Jacksonville International Airport.

### QUICK FACTS:

- Metro population estimate of 1,394,624 as of July 1, 2013 (U.S. Census Bureau).
- Baker County population estimate of 27,013 as of July 1, 2013 (U.S. Census Bureau).
- Clay County population estimate of 196,399 as of July 1, 2013 (U.S. Census Bureau).
- Duval County population estimate of 885,855 as of July 1, 2013 (U.S. Census Bureau).
- Nassau County population estimate of 75,710 as of July 1, 2013 (U.S. Census Bureau).
- St. Johns County population estimate of 209,647 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 714,736 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 4.8% as of October 2015, not seasonally adjusted. This amounts to 34,550 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Naval Air Station Jacksonville – 25,240
- Duval County Public Schools – 14,480
- Naval Station Mayport – 9,000
- City of Jacksonville – 8,820
- Baptist Health Systems – 8,270
- Bank of America Merrill Lynch – 8,000
- Florida Blue – 6,500
- Mayo Clinic – 4,970
- Citi – 4,200
- JP Morgan Chase – 4,200

*Source: City of Jacksonville Office of Economic Development*

## OUTLOOK SUMMARIES

The Jacksonville Metropolitan Statistical Area (MSA) is expected to see moderate growth in most of the economic indicators, relative to the other MSAs studied. Personal income will see an average growth rate of 5.3 percent. The real per capita income level is expected to average \$42,900, the third highest of the twelve studied MSAs. Average annual wage growth is expected to be 3.2 percent, while the average annual wage level is expected to be \$54,000. Population growth will be moderate at an average annual rate of 2.0 percent. Gross Metro Product will be at a level of 65,122.72 million dollars.

Employment growth is expected to average 2.0 percent annually. Unemployment will average 4.9 percent in the MSA.

The fastest growing sector in the Jacksonville MSA will be Construction and Mining, which will see an average annual growth rate of 3.4 percent. Following that sector is the Leisure sector, with an average annual growth rate of 3.0 percent, and then the Educational and Health Services sector with an average growth rate of 2.8 percent. The Federal Government and Information sectors will experience declines, at an average annual growth rate of -0.6 and -0.3 percent.

## METRO NEWS SUMMARIES

### Florida-Georgia has major economic impact this year

- The annual Florida-Georgia rivalry football game always brings in a large amount of money to the economy, but this year went exceptionally well. The game boosted the economy with a total income of \$35 million.
- Hotels alone made \$3.6 million, with a total number of 37,270 rooms booked in Jacksonville – a \$200,000 increase from last year.
- The game attracted 140,000 tourists and has a year-over-year increase of \$2 million. This annual game will continue to be an economic boost to the Jacksonville area, only to be bringing in more and more money every year.

*Source: Jacksonville Business Journal, December 11, 2015*

### Shop small Saturday to benefit small businesses

- Small Business Saturday, an event initiated by American Express, gives local shops in Riverside, Murray Hill, and downtown a chance to promote their stores and gain support from the community.
- The goal of the event is to bring all of the small businesses in one area downtown instead of having them spread sporadically in their shops across many blocks. This will help to attract people to downtown and shop at their local small business stores, providing an extra boost.
- The local businesses include spas, coffee shops, jewelers, handbag shops, galleries, and food and candy stores.

*Source: The Florida Times Union, November 27, 2015*

### DIA discusses Laura Street Trio, Chase Bank looks to Barnett National Bank move downtown

- A workshop between the developer of the Laura Street Trio and Barnett building and the Downtown Investment Authority met to discuss the plans for a project that will cost an estimated \$77 million. The manager of the project is asking the DIA for \$48 million in city money to help fund the venture.
- Chase Bank might be the new tenant on the first two floors of the Barnett National Bank building. The bank would have 30 to 40 employees creating some job opportunity to downtown.
- The Laura Street Trio includes a Courtyard by Marriott, a rooftop bar, a CenterState bank branch, and a small grocery. The Barnett National Bank building projects will include Chase Bank, a coffee shop in the lobby, commercial space, and apartments on the top 11 floors. A large tenant is looking into committing to some of the commercial space bringing 100 employees.

*Source: The Florida Times Union, November 20, 2015*

### Study indicates bringing aquarium to downtown Jacksonville a possibility

- AquaJax, the group behind the plans to build an aquarium in Jacksonville, received all the right answers after conducting a study on the feasibility of an aquarium in Jacksonville.
- They plan to raise \$100 million for the initial investment from fundraising and large donation. The idea is that the city will not invest any money into the aquarium or have to help pay to keep it running. The study projected the first year would see over 100 million attendees and would stabilize at 800,000 by the third year.
- The economic impact of the aquarium would be \$101.3 million a year. The aquarium would bring in tourists from all over the state and neighboring states, providing a large boost to the economy without the city having to pay a penny.

*Source: The Florida Times Union, October 13, 2015*

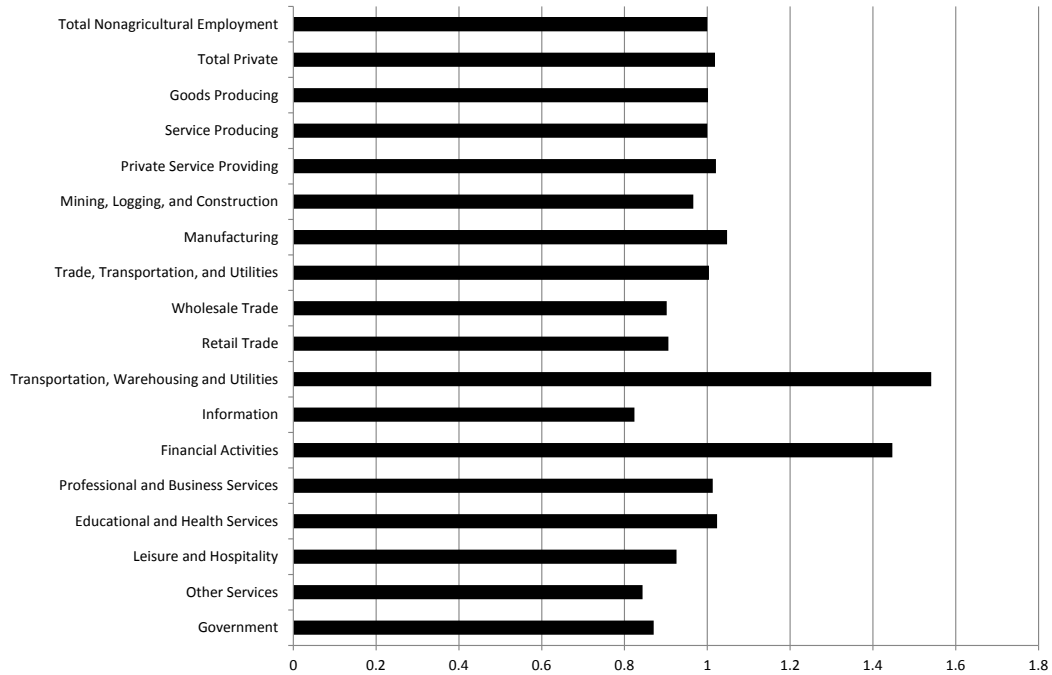
### Breweries present win-win situation for Downtown Jacksonville

- The continuing growth and development in downtown Jacksonville is drawing in more businesses, particularly breweries. The increase in breweries is helping ignite and create momentum for downtown as whole.
- Bold City, Intuition Ale Works, and Engine 15 are the newest of the eight breweries to open in the city.
- A new, upbeat feeling is sparking the community to visit downtown and spend money there, giving a boost to the economy. Not only are these new starts in companies creating jobs, they are also bringing in money and more growth.

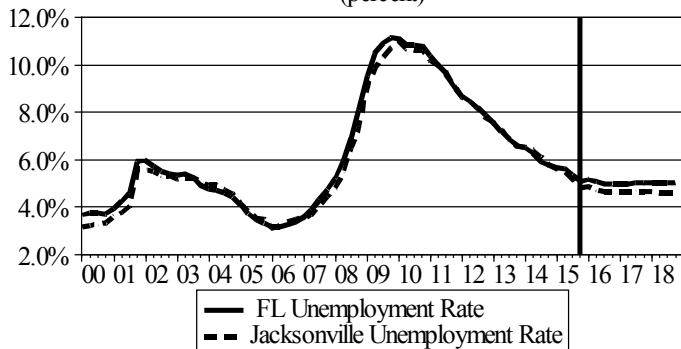
*Source: Jacksonville Business Journal, December 8, 2015*



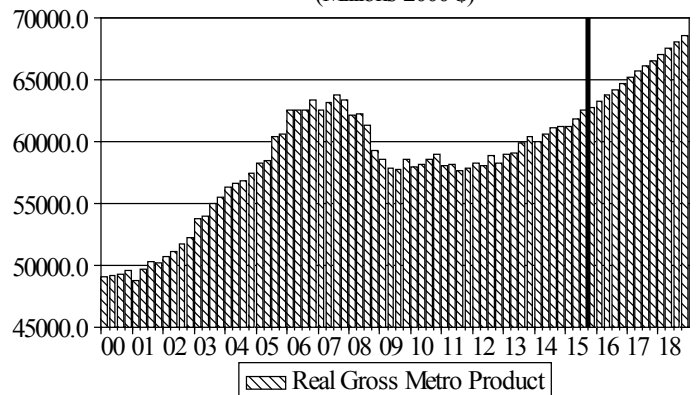
**Jacksonville MSA  
Industry Location Quotients**



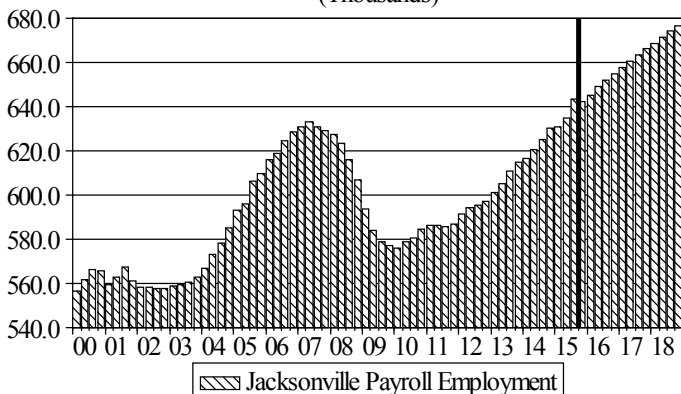
**Florida & Jacksonville Unemployment  
Rate  
(percent)**



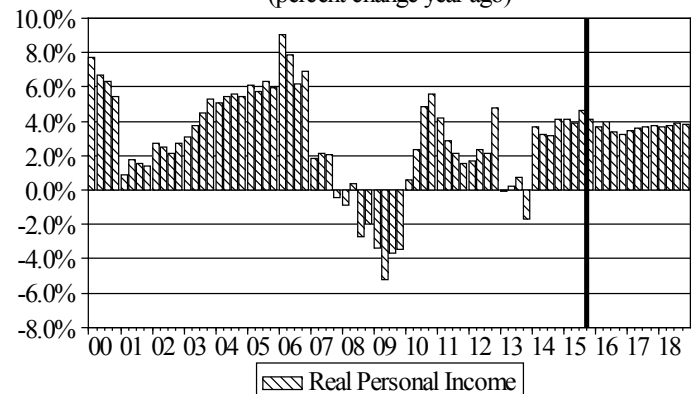
**Jacksonville Real Gross Metro Product  
(Millions 2000 \$)**



**Jacksonville Payroll Employment  
(Thousands)**



**Jacksonville Real Personal Income  
(percent change year ago)**



# Annual Outlook for Jacksonville, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	52.9	55.7	58.1	58.7	61.6	64.4	67.6	71.6	75.7
Pct Chg Year Ago	4.2	5.4	4.2	1.0	4.9	4.5	5.0	5.9	5.8
Wages and Salaries	27.7	28.5	29.8	30.5	32.1	33.4	35.2	37.3	39.3
Nonwage Income	25.1	27.2	28.3	28.2	29.5	30.9	32.4	34.3	36.4
Real Personal Income (05\$)	52.6	54.0	55.5	55.4	57.4	59.8	62.0	64.4	66.8
Pct Chg Year Ago	3.3	2.7	2.7	-0.2	3.6	4.2	3.8	3.8	3.8
Per Capita Income (Ths)	39.1	40.9	42.1	42.0	43.3	44.6	46.2	48.2	50.4
Real Per Capita Income (05\$)	38.9	39.6	40.2	39.6	40.3	41.4	42.4	43.4	44.4
Average Annual Wage (Ths)	46.4	47.2	48.7	48.9	50.3	51.2	52.8	55.0	57.1
Pct Chg Year Ago	2.4	1.7	3.3	0.4	2.9	1.7	3.2	4.0	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	579.9	586.1	594.5	608.0	623.1	638.0	651.1	663.5	674.6
Pct Chg Year Ago	-0.6	1.1	1.4	2.3	2.5	2.4	2.1	1.9	1.7
Manufacturing	27.4	27.4	27.9	27.8	27.9	28.1	28.3	28.7	29.0
Pct Chg Year Ago	-6.1	-0.2	1.7	-0.2	0.2	0.8	0.8	1.5	1.0
Nonmanufacturing	552.5	558.7	566.6	580.2	595.3	609.9	622.8	634.7	645.5
Pct Chg Year Ago	-0.3	1.1	1.4	2.4	2.6	2.5	2.1	1.9	1.7
Construction & Mining	29.2	27.5	27.8	30.2	32.5	32.8	33.1	35.4	37.2
Pct Chg Year Ago	-12.7	-5.6	1.1	8.5	7.7	0.9	0.9	6.9	5.1
Trade, Trans, & Utilities	124.4	124.1	125.4	127.8	129.6	134.3	136.8	138.6	140.3
Pct Chg Year Ago	-2.0	-0.2	1.1	1.9	1.4	3.6	1.8	1.3	1.2
Wholesale Trade	25.6	24.8	24.7	24.7	24.0	24.2	25.1	25.7	26.4
Retail Trade	68.8	69.0	70.2	71.6	73.1	77.4	78.4	78.5	78.7
Trans, Wrhsng, & Util	30.0	30.3	30.5	31.5	32.5	32.8	33.3	34.4	35.2
Information	10.2	9.6	9.2	9.2	9.2	8.9	8.9	8.9	9.1
Pct Chg Year Ago	-1.7	-5.7	-4.0	-0.6	0.8	-3.7	0.2	0.4	1.9
Financial Activities	55.7	58.0	60.0	61.5	61.3	61.5	62.4	62.4	62.0
Pct Chg Year Ago	-0.1	4.1	3.5	2.4	-0.3	0.4	1.5	0.0	-0.6
Prof & Business Services	82.3	87.5	90.9	94.0	98.0	97.6	100.8	105.5	109.1
Pct Chg Year Ago	3.7	6.3	3.9	3.4	4.3	-0.4	3.3	4.7	3.5
Educ & Health Services	85.7	87.8	89.2	91.3	93.5	97.7	101.2	102.9	104.5
Pct Chg Year Ago	2.4	2.4	1.6	2.3	2.4	4.5	3.6	1.7	1.5
Leisure & Hospitality	65.0	66.3	69.0	71.8	75.6	80.4	82.3	83.5	85.1
Pct Chg Year Ago	-0.4	2.0	4.1	4.1	5.3	6.3	2.4	1.4	1.9
Other Services	23.0	21.6	20.3	20.6	21.8	22.6	22.9	22.8	22.9
Pct Chg Year Ago	-0.9	-6.0	-5.9	1.5	5.6	3.7	1.2	-0.2	0.6
Federal Government	18.0	17.3	17.3	17.0	16.9	17.2	17.0	16.8	16.5
Pct Chg Year Ago	2.9	-3.9	-0.4	-1.5	-0.4	1.8	-1.1	-1.5	-1.6
State & Local Government	59.0	59.1	57.4	56.9	56.8	56.9	57.4	58.0	58.7
Pct Chg Year Ago	0.4	0.2	-3.0	-0.9	-0.1	0.2	0.9	0.9	1.3
<b>Other Economic Indicators</b>									
Population (Ths)	1350.9	1364.2	1381.0	1399.3	1422.0	1443.5	1463.6	1483.4	1503.2
Pct Chg Year Ago	1.0	1.0	1.2	1.3	1.6	1.5	1.4	1.4	1.3
Labor Force (Ths)	696.9	701.4	704.7	710.9	719.4	714.4	729.5	743.9	756.6
Pct Chg Year Ago	1.8	0.6	0.5	0.9	1.2	-0.7	2.1	2.0	1.7
Unemployment Rate (%)	10.7	9.7	8.3	7.1	6.2	5.3	4.9	4.8	4.7
Total Housing Starts	3723.4	3593.0	6401.1	7259.6	7575.7	9708.8	11416.8	11755.1	12048.2
Single-Family	3571.9	3191.4	4569.9	6162.5	6328.5	7572.7	8244.3	8155.3	8102.4
Multifamily	151	402	1831	1097	1247	2136	3172	3600	3946

## Quarterly Outlook for Jacksonville, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	65.5	66.3	67	68	69	70.1	71.1	72.1	73	74.2	75.2	76.2	77.2
Pct Chg Year Ago	4.5	4.7	5	4.8	5.3	5.8	6.1	6	5.9	5.9	5.7	5.7	5.7
Wages and Salaries	34	34.4	34.9	35.4	35.9	36.5	37	37.5	38	38.5	39.1	39.6	40.1
Nonwage Income	31.5	31.9	32.1	32.6	33	33.6	34.1	34.6	35	35.6	36.1	36.6	37.1
Real Personal Income (05\$)	60.6	61.3	61.8	62.2	62.8	63.6	64.1	64.6	65.2	65.9	66.5	67.1	67.7
Pct Chg Year Ago	4.1	3.8	4.2	3.6	3.5	3.7	3.9	3.9	3.9	3.7	3.7	3.8	3.8
Per Capita Income (Ths)	45.1	45.5	45.9	46.4	46.9	47.5	48	48.5	49	49.6	50.1	50.6	51.1
Real Per Capita Income (05\$)	41.8	42.1	42.3	42.4	42.7	43.1	43.3	43.5	43.7	44.1	44.3	44.6	44.8
Average Annual Wage (Ths)	51.7	52.1	52.6	53.1	53.6	54.2	54.7	55.2	55.7	56.3	56.8	57.4	57.9
Pct Chg Year Ago	1.8	2.2	3.2	3.5	3.8	4	4.1	4.1	4	3.9	3.9	3.9	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	642.6	646	649.6	652.8	656	659.2	662	665	667.7	670.5	673.4	676.1	678.3
Pct Chg Year Ago	1.9	2.4	2.3	1.4	2.1	2	1.9	1.9	1.8	1.7	1.7	1.7	1.6
Manufacturing	28.2	28.2	28.2	28.3	28.5	28.6	28.7	28.8	28.9	28.9	29	29.1	29.1
Pct Chg Year Ago	0.4	1	0.9	0.5	0.9	1.4	1.6	1.7	1.4	1.2	1.2	1	0.8
Nonmanufacturing	614.4	617.8	621.4	624.5	627.5	630.6	633.4	636.2	638.8	641.5	644.4	647	649.2
Pct Chg Year Ago	2	2.5	2.4	1.5	2.1	2.1	1.9	1.9	1.8	1.7	1.7	1.7	1.6
Construction & Mining	31.9	32.2	32.7	33.4	34.1	34.6	35.1	35.7	36.1	36.6	37	37.5	37.8
Pct Chg Year Ago	-3.2	-3.1	-2.5	2.3	7	7.4	7.3	6.9	6	5.8	5.2	4.9	4.5
Trade, Trans, & Utilities	135.5	136	136.6	137	137.4	137.9	138.3	138.8	139.2	139.7	140.1	140.5	140.7
Pct Chg Year Ago	3.4	2.5	1.9	1.5	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.2	1.1
Wholesale Trade	24.7	24.9	25	25.1	25.3	25.4	25.6	25.8	26	26.2	26.3	26.5	26.6
Retail Trade	77.9	78.2	78.4	78.5	78.5	78.5	78.5	78.5	78.5	78.6	78.6	78.7	78.8
Trans, Wrhsng, & Util	32.8	33	33.1	33.4	33.6	34	34.2	34.5	34.7	35	35.2	35.3	35.4
Information	8.8	8.9	8.9	9	8.8	8.9	8.9	8.9	9	9.1	9.1	9.1	9.2
Pct Chg Year Ago	-3.1	-0.6	0.2	1	0.2	0.8	-0.6	-0.7	2.2	1.8	2.2	2.4	1.4
Financial Activities	61.8	62.2	62.4	62.5	62.6	62.6	62.4	62.3	62.2	62.2	62.1	62	61.8
Pct Chg Year Ago	0.7	2	2.1	0.7	1.2	0.5	0.1	-0.2	-0.5	-0.6	-0.6	-0.6	-0.6
Prof & Business Services	98.4	98.9	100.2	101.3	102.6	104	105	106	106.9	107.8	108.9	109.7	110.2
Pct Chg Year Ago	-1.2	1.6	4.6	2.7	4.2	5.1	4.9	4.6	4.2	3.7	3.6	3.5	3.1
Educ & Health Services	99.2	100.2	101.1	101.5	102.1	102.4	102.8	103.1	103.4	103.9	104.3	104.7	105.2
Pct Chg Year Ago	4.8	5.1	4.3	2.3	2.8	2.3	1.8	1.6	1.3	1.4	1.4	1.5	1.8
Leisure & Hospitality	81.5	82.1	82.2	82.5	82.6	82.9	83.2	83.7	84.1	84.3	84.8	85.3	85.8
Pct Chg Year Ago	6	5.1	2.5	0.7	1.3	1	1.3	1.5	1.8	1.8	1.9	1.9	2
Other Services	22.7	22.8	22.9	22.9	22.8	22.8	22.8	22.8	22.8	22.9	22.9	23	23
Pct Chg Year Ago	2.2	1.9	1.4	0.9	0.6	0	-0.3	-0.3	-0.1	0.2	0.4	0.7	0.9
Federal Government	17.1	17.1	17.1	17	16.9	16.9	16.8	16.8	16.7	16.6	16.6	16.5	16.4
Pct Chg Year Ago	-0.2	-1.2	-1.3	-1.2	-0.9	-1.3	-1.5	-1.6	-1.6	-1.6	-1.6	-1.5	-1.5
State & Local Government	57.3	57.4	57.4	57.4	57.5	57.7	57.9	58.1	58.3	58.5	58.7	58.8	59
Pct Chg Year Ago	0.2	1.4	1.3	0.6	0.4	0.5	0.8	1.1	1.3	1.4	1.4	1.3	1.3
<b>Other Economic Indicators</b>													
Population (Ths)	1451.1	1456.2	1461.2	1466.1	1471.1	1476	1480.9	1485.9	1490.8	1495.7	1500.7	1505.7	1510.7
Pct Chg Year Ago	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3
Labor Force (Ths)	718	723.5	727.5	731.8	735.3	738.6	741.9	745.9	749.1	752	755	758.2	761.2
Pct Chg Year Ago	-0.5	0.8	2.5	2.7	2.4	2.1	2	1.9	1.9	1.8	1.8	1.7	1.6
Unemployment Rate (%)	5.1	5.1	4.9	4.9	4.8	4.8	4.8	4.8	4.8	4.8	4.7	4.7	4.7
Total Housing Starts	11276	11287	11344	11483	11553	11653	11758	11763	11846	12012	11932	12080	12169
Single-Family	8684	8421	8277	8155	8124	8187	8164	8166	8104	8169	8098	8108	8035
Multifamily	2592	2867	3067	3327	3429	3466	3594	3597	3743	3843	3835	3973	4133

## PROFILES

The Lakeland MSA is comprised only of Polk County. It is located in the western-center of the state and is heavily agriculturally based, especially in citrus. Lakeland is the home to Legoland Florida, and is also the location of Publix Supermarket headquarters. Each year the Detroit Tigers host spring training at Joker Marchant Stadium. Lakeland recently welcomed Florida Polytechnic University, the newest member of the State University System.

### QUICK FACTS:

- Population estimate of 623,009 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 282,118 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.7% as of October 2015, not seasonally adjusted. This amounts to 16,207 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Publix Super Markets, Inc. – 6,644
- Lakeland Regional Medical Center – 4,540
- City of Lakeland – 2,600
- GEICO – 2,300
- Watson Clinic – 1,600
- GC Services – 1,000
- Rooms To Go – 900
- Saddle Creek Logistics – 625
- Stryker Sustainability Solutions – 600

*Source: Lakeland Economic Development Council*

## OUTLOOK SUMMARIES

The Lakeland Metropolitan Statistical Area (MSA) is expected to show low levels of growth in most of the economic indicators. Personal income is expected to grow moderately at 5.6 percent annually, while the real per capita income level will average \$32,900, the second lowest of the twelve MSAs. Average annual wage growth is expected to be 3.4 percent, and the average annual wage level is expected to be at \$46,400. Population growth is expected to average 1.1 percent annually. Gross Metro Product will be at an average level of 18,269.57 million dollars.

Employment growth is expected to average 2.0 percent annually. The unemployment rate for the metro will average 5.5 percent, the third highest of the twelve forecasted MSAs.

The Construction and Mining sector is expected to be the fastest growing sector in the area, averaging 5.9 percent annual growth. This is followed by the Professional and Business Services sector averaging 4.2 percent annual growth, and the Educational and Health Services sector averaging 2.1 percent. The Financial Services sector and Other Services sector will experience declines with average annual growth rates of -0.1 and -0.4 percent, respectively.

## METRO NEWS SUMMARIES

### Hotel renovates with millennials in mind

- Courtyard by Marriott Lakeland has recently renovated with Generation X and Generation Y travelers – those born after the mid 1960's – in mind.
- Each room includes more lounge space with electrical ports accommodating USB ports as well. The artwork and fixtures of each room also saw a more modernized update.
- The millennial generation in the U.S. is the largest in U.S. history. By 2017, they are expected to have a greater spending power than the baby boom generation, according to a report by industry publication Hotel News Now.

*Source: Lakeland Ledger, October 25, 2015*

## Polk issues 300 single-family home permits in September

- Polk County reached a significant milestone in single-family construction permits in September, with local governments issuing a total of three hundred. This is the highest total in the last decade according to a Ledger survey.
- September of 2015 saw nearly a 29 percent increase in permits given compared to September of last year. Jim Farrell, assistant professor of finance and economics at the Florida Southern College business school, says this number puts us on pace for over 2,800 permits for the year.
- Farrell continues with, "This is a significant number for the county as it represents a return to a level of production that will sustain expected population growth. We are on pace to eclipse 3,000 permits by 2016, which would be considered healthy."

*Source: Lakeland Ledger, October 20, 2015*

## Central Florida Development Council hosts reception to welcome FedEx Ground to Polk

- An informal welcome reception was held for FedEx Ground as they prepare to open in the Davenport area.
- The location of the currently-under-construction facility will be west of U.S. 27 between Waverly Barn Road and Interstate 4. The distribution center itself will be 300,000 square feet, while the onsite office space will be 30,000 square feet.
- The addition of FedEx Ground to the area will also bring about 160 jobs. David Petr, the president and CEO of the Central Florida Development Council (the hosts of the welcome reception), says, "This will create a lot of high-skill/high-wage jobs in Polk. We're proud of the work we've done with our county partners."

*Source: Lakeland Ledger, November 6, 2015*

## Cafe Roti to relocate to former First Christian Church building

- Although Dr. Saqib Khan, owner of Café Roti, bought the property from First Christian Church in 2012, redevelopment of the property only began a few months ago due to an extending permitting process with the city.
- Dr. Khan sold off the two properties, which housed both his restaurant and his medical practice office, to Lakeland Regional Health in 2012 and now plans on reopening both in the new location.
- Since the building itself is a historic part of the city, the exterior of the building must remain relatively the same in order to preserve the city's historic character.

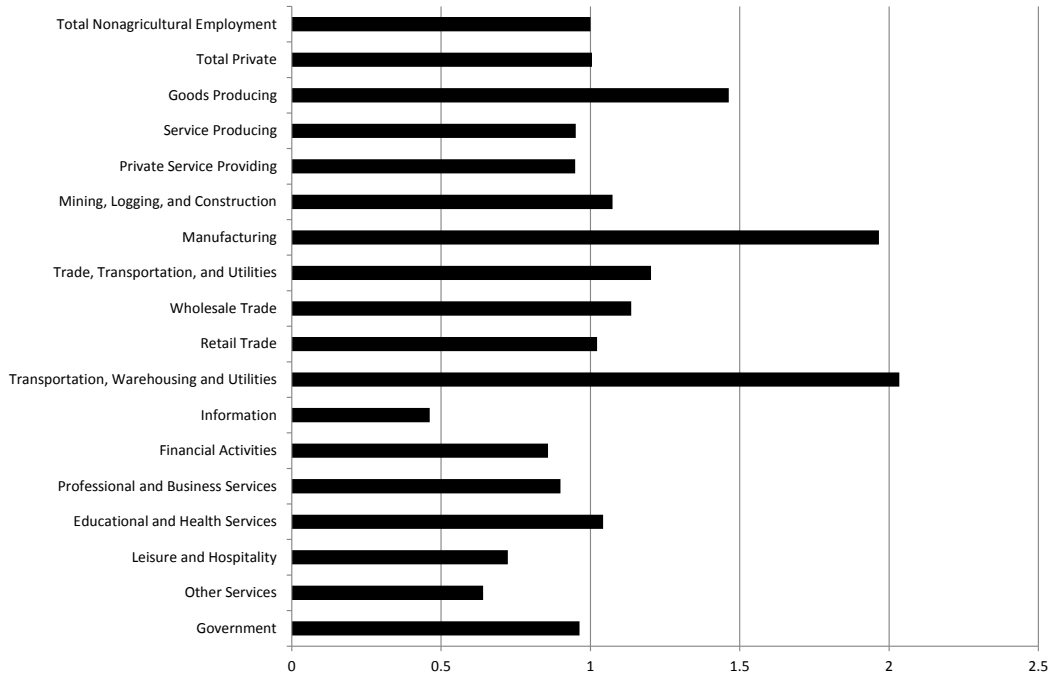
*Source: Lakeland Ledger, December 7, 2015*

## Second Hotel in the works at Lakeland airport

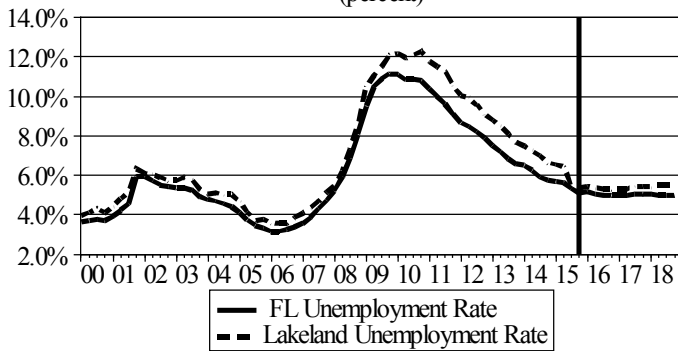
- Beechwood Development is currently looking to build another hotel on airport grounds at Lakeland's regional airport. This hotel will operate alongside the currently existing Hilton Garden Inn hotel.
- The proposed hotel would add another 79 hotel rooms to the area, which Gene Conrad, director of the airport, believes would help the county.
- Considering the airport is owned by the city of Lakeland, the city commission will hold a meeting on December 21th with regarding land-use changes on its agenda.

*Source: Lakeland Ledger, December 9, 2015*

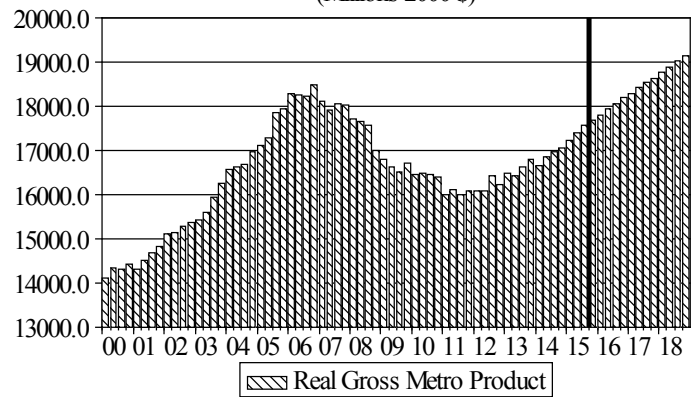
**Lakeland MSA  
Industry Location Quotients**



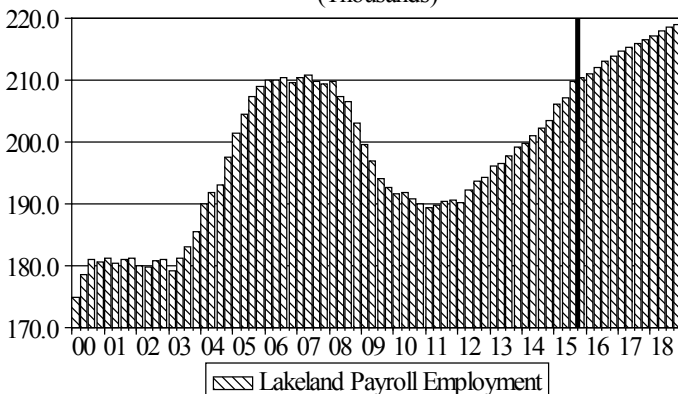
**Florida & Lakeland Unemployment  
Rate  
(percent)**



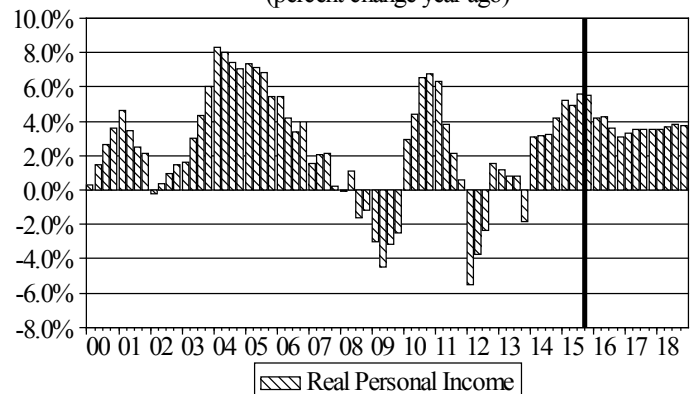
**Lakeland Real Gross Metro Product  
(Millions 2000 \$)**



**Lakeland Payroll Employment  
(Thousands)**



**Lakeland Real Personal Income  
(percent change year ago)**





**Annual Outlook for Lakeland, FL  
December 2015**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	18.6	19.7	19.5	19.8	20.7	21.9	23.0	24.4	25.7
Pct Chg Year Ago	6.0	6.0	-1.1	1.5	4.8	5.6	5.2	5.8	5.6
Wages and Salaries	7.7	7.7	8.0	8.3	8.7	9.2	9.7	10.3	10.8
Nonwage Income	10.9	12.0	11.5	11.4	12.0	12.7	13.3	14.1	14.9
Real Personal Income (05\$)	18.5	19.1	18.6	18.7	19.3	20.3	21.1	21.9	22.7
Pct Chg Year Ago	5.2	3.2	-2.6	0.2	3.4	5.3	4.0	3.7	3.6
Per Capita Income (Ths)	30.8	32.3	31.6	31.7	32.6	34.0	35.4	37.1	38.8
Real Per Capita Income (05\$)	30.6	31.3	30.2	29.9	30.4	31.6	32.5	33.4	34.2
Average Annual Wage (Ths)	39.9	40.5	41.2	41.9	42.9	43.9	45.5	47.2	49.1
Pct Chg Year Ago	2.1	1.7	1.8	1.7	2.3	2.4	3.4	3.9	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	191.1	190.0	192.6	197.4	201.6	208.3	212.6	216.0	218.6
Pct Chg Year Ago	-2.4	-0.6	1.4	2.5	2.1	3.4	2.1	1.6	1.2
Manufacturing	14.2	14.2	14.6	15.9	16.4	16.8	16.9	17.2	17.3
Pct Chg Year Ago	-4.3	-0.1	2.9	8.8	3.3	2.2	0.6	1.6	1.0
Nonmanufacturing	176.9	175.8	178.0	181.5	185.2	191.6	195.8	198.8	201.2
Pct Chg Year Ago	-2.3	-0.6	1.3	2.0	2.0	3.5	2.2	1.5	1.2
Construction & Mining	11.0	10.4	10.2	10.9	11.3	11.8	12.8	13.7	14.2
Pct Chg Year Ago	-8.8	-5.9	-1.3	6.8	3.7	4.4	8.0	7.1	3.9
Trade, Trans, & Utilities	44.9	45.9	47.1	48.1	49.3	51.5	52.3	52.7	53.1
Pct Chg Year Ago	-1.0	2.3	2.5	2.2	2.5	4.4	1.6	0.9	0.8
Wholesale Trade	8.7	9.0	9.2	9.4	9.4	9.7	10.0	10.2	10.4
Retail Trade	24.2	24.5	24.6	25.4	26.6	28.1	28.5	28.3	28.1
Trans, Wrhsng, & Util	12.0	12.5	13.2	13.3	13.3	13.6	13.8	14.3	14.6
Information	1.8	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Pct Chg Year Ago	-7.0	-6.7	-3.0	-1.5	2.1	0.5	-0.1	0.2	1.2
Financial Activities	11.8	11.6	11.4	11.6	11.7	11.8	11.9	11.8	11.7
Pct Chg Year Ago	-1.7	-1.5	-1.4	1.7	0.9	0.5	0.7	-0.6	-1.1
Prof & Business Services	25.7	24.3	25.4	26.0	27.2	28.6	30.0	31.2	32.0
Pct Chg Year Ago	-6.3	-5.4	4.5	2.4	4.5	5.3	5.0	3.9	2.5
Educ & Health Services	29.2	29.6	29.4	30.1	30.5	31.9	32.5	32.8	33.1
Pct Chg Year Ago	0.5	1.7	-0.9	2.3	1.4	4.8	1.7	1.0	1.0
Leisure & Hospitality	16.8	17.8	18.9	19.6	20.6	21.3	21.6	21.8	22.0
Pct Chg Year Ago	-3.3	6.0	6.2	4.0	4.9	3.4	1.5	0.6	1.2
Other Services	5.8	5.4	5.3	5.3	5.6	5.6	5.6	5.6	5.5
Pct Chg Year Ago	-4.5	-7.0	-2.0	0.2	5.5	-0.7	0.8	-1.0	-0.5
Federal Government	1.6	1.2	1.1	1.1	1.0	1.0	1.1	1.1	1.1
Pct Chg Year Ago	15.8	-24.6	-7.6	-3.7	-6.2	3.2	5.7	-1.8	-1.8
State & Local Government	28.4	27.9	27.6	27.2	26.3	26.4	26.4	26.6	26.9
Pct Chg Year Ago	-0.3	-1.7	-1.2	-1.5	-3.2	0.3	0.0	0.7	1.1
<b>Other Economic Indicators</b>									
Population (Ths)	604.4	610.5	616.8	624.8	635.7	644.0	650.1	656.8	663.5
Pct Chg Year Ago	0.9	1.0	1.0	1.3	1.7	1.3	0.9	1.0	1.0
Labor Force (Ths)	278.4	276.8	277.4	279.2	281.3	275.9	277.7	284.2	290.2
Pct Chg Year Ago	-0.2	-0.6	0.2	0.7	0.7	-1.9	0.6	2.4	2.1
Unemployment Rate (%)	12.1	11.3	9.7	8.3	7.1	6.0	5.3	5.2	5.3
Total Housing Starts	1228.5	1117.3	1452.9	1942.4	2538.9	2753.3	3594.8	4572.6	4965.5
Single-Family	1172.7	1061.9	1399.5	1914.5	2533.7	2725.3	3438.8	4019.2	4169.1
Multifamily	56	55	53	28	5	28	156	553	796

**Quarterly Outlook for Lakeland, FL  
December 2015**

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	22.3	22.6	22.8	23.2	23.5	23.9	24.2	24.5	24.8	25.2	25.6	25.9	26.2
Pct Chg Year Ago	5.9	5.2	5.3	5	5.2	5.7	6	5.9	5.7	5.7	5.6	5.6	5.6
Wages and Salaries	9.4	9.5	9.6	9.8	9.9	10.1	10.2	10.3	10.4	10.6	10.7	10.9	11
Nonwage Income	12.9	13.1	13.2	13.4	13.6	13.8	14	14.2	14.4	14.6	14.9	15	15.3
Real Personal Income (05\$)	20.7	20.9	21	21.2	21.4	21.6	21.8	22	22.2	22.4	22.6	22.8	23
Pct Chg Year Ago	5.5	4.3	4.5	3.8	3.4	3.6	3.8	3.7	3.7	3.6	3.6	3.7	3.7
Per Capita Income (Ths)	34.6	34.9	35.2	35.6	36	36.5	36.9	37.3	37.7	38.2	38.6	39	39.4
Real Per Capita Income (05\$)	32	32.3	32.4	32.6	32.8	33.1	33.3	33.4	33.6	33.9	34.1	34.3	34.5
Average Annual Wage (Ths)	44.4	44.8	45.2	45.7	46.1	46.6	47	47.5	47.9	48.4	48.8	49.3	49.8
Pct Chg Year Ago	2.5	2.7	3.6	3.7	3.8	3.9	4	3.9	3.8	3.8	3.8	3.9	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	210.4	211.2	212.1	213.2	214.1	214.9	215.6	216.4	217	217.6	218.3	219	219.5
Pct Chg Year Ago	3.5	2.5	2.4	1.6	1.8	1.7	1.6	1.5	1.3	1.2	1.3	1.2	1.1
Manufacturing	16.8	16.8	16.8	16.9	17	17.1	17.1	17.2	17.2	17.3	17.3	17.3	17.4
Pct Chg Year Ago	2.4	0.7	0.6	0.3	1	1.6	1.8	1.7	1.4	1.3	1.1	0.9	0.8
Nonmanufacturing	193.6	194.4	195.3	196.3	197.1	197.8	198.5	199.2	199.7	200.3	201	201.7	202.1
Pct Chg Year Ago	3.5	2.7	2.6	1.7	1.8	1.8	1.6	1.5	1.3	1.2	1.3	1.3	1.2
Construction & Mining	12.1	12.3	12.6	12.9	13.2	13.4	13.6	13.8	13.9	14	14.1	14.3	14.4
Pct Chg Year Ago	6.3	6.4	8.7	8	9	9.1	8	6.3	5.1	4.3	4.1	4	3.4
Trade, Trans, & Utilities	51.9	52.1	52.2	52.3	52.4	52.5	52.6	52.8	52.9	53	53.1	53.2	53.3
Pct Chg Year Ago	4.5	2.5	1.7	1.1	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.8	0.6
Wholesale Trade	9.9	9.9	10	10	10	10.1	10.1	10.2	10.3	10.3	10.4	10.4	10.4
Retail Trade	28.4	28.5	28.5	28.5	28.4	28.4	28.3	28.3	28.2	28.2	28.1	28.1	28.1
Trans, Wrhsng, & Util	13.7	13.7	13.8	13.9	14	14.1	14.2	14.3	14.4	14.5	14.6	14.7	14.7
Information	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Pct Chg Year Ago	-2.1	-0.3	-2.3	1.9	0.4	0.9	-0.8	-1	1.7	1.1	1.5	1.7	0.7
Financial Activities	11.8	11.9	11.9	11.9	11.9	11.8	11.8	11.8	11.7	11.7	11.7	11.6	11.6
Pct Chg Year Ago	0.7	1	0.7	0.6	0.5	-0.2	-0.6	-0.7	-1.1	-1.1	-1	-1.2	-1.1
Prof & Business Services	29.5	29.6	29.9	30.2	30.5	30.9	31.1	31.4	31.5	31.7	32	32.1	32.2
Pct Chg Year Ago	5.8	5.1	6.3	4.8	3.7	4.4	4.2	3.9	3.3	2.8	2.6	2.4	2
Educ & Health Services	32.1	32.3	32.4	32.6	32.7	32.7	32.8	32.8	32.9	33	33.1	33.2	33.3
Pct Chg Year Ago	4.7	2.8	2.1	0	1.9	1.4	1.1	0.8	0.6	0.8	0.8	1.1	1.4
Leisure & Hospitality	21.5	21.6	21.6	21.7	21.7	21.7	21.7	21.8	21.9	21.9	22	22.1	22.2
Pct Chg Year Ago	2	2.2	1.7	1.3	0.7	0.3	0.6	0.7	1	0.9	1.2	1.3	1.4
Other Services	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.5	5.5	5.5	5.5	5.5	5.5
Pct Chg Year Ago	0.4	1	1.3	0.7	0	-0.6	-1.1	-1.2	-1.2	-1	-0.7	-0.3	-0.1
Federal Government	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1	1
Pct Chg Year Ago	9.5	9.3	9.7	5.9	-1.3	-1.7	-1.9	-1.9	-1.8	-1.9	-1.9	-1.8	-1.7
State & Local Government	26.4	26.4	26.4	26.4	26.4	26.5	26.5	26.6	26.7	26.8	26.8	26.9	27
Pct Chg Year Ago	0	-0.1	0	-0.2	0.2	0.3	0.6	0.8	1	1.1	1.1	1.1	1
<b>Other Economic Indicators</b>													
Population (Ths)	646.4	647.8	649.3	650.9	652.5	654.1	655.9	657.6	659.4	661.1	662.7	664.4	665.9
Pct Chg Year Ago	1.1	1	0.9	0.9	0.9	1	1	1	1.1	1.1	1	1	1
Labor Force (Ths)	272.4	275	276.8	278.7	280.3	281.8	283.3	285.2	286.7	288	289.5	291	292.4
Pct Chg Year Ago	-3.3	-2.3	-1.2	3.3	2.9	2.5	2.4	2.3	2.3	2.2	2.2	2	2
Unemployment Rate (%)	5.4	5.4	5.3	5.2	5.2	5.2	5.2	5.3	5.3	5.3	5.3	5.3	5.4
Total Housing Starts	3025	3230	3461	3706	3982	4275	4501	4704	4811	4934	4945	4998	4985
Single-Family	3014	3178	3357	3521	3700	3886	3995	4096	4100	4195	4183	4177	4123
Multifamily	11	52	104	185	283	389	506	608	710	739	763	821	862

## PROFILES

The Miami–Fort Lauderdale–Pompano Beach MSA is comprised of Miami–Dade County, Broward County, and Palm Beach County. Located on the southeast coast of Florida, Miami is home to the Port of Miami, the largest cruise ship port in the world and one of nation’s busiest cargo ports. Miami is also home to many sports teams including the Miami Dolphins, the Miami Heat, the Florida Marlins and the Florida Panthers, as well as many institutions of higher education including the University of Miami and Florida International University.

### QUICK FACTS:

- Metro area population estimate of 5,828,191 as of July 1, 2013 (U.S. Census Bureau).
- Miami–Dade County population estimate of 2,617,176 as of July 1, 2013 (U.S. Census Bureau).
- Broward County population estimate of 1,838,844 as of July 1, 2013 (U.S. Census Bureau).
- Palm Beach County population estimate of 1,372,171 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 3,007,027 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.3% as of October 2015, not seasonally adjusted. This amounts to 158,342 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Miami–Dade County Public School – 48,571
- Miami–Dade County – 29,000
- Federal Government – 19,500
- Florida State Government – 17,100
- University of Miami – 16,000
- Baptist Health South Florida – 13,376
- Jackson Health System – 12,571
- Publix Super Markets – 10,800
- American Airlines – 9,000
- Florida International University – 8,000
- Miami–Dade College – 6,200

*Source: The Beacon Council*

## OUTLOOK SUMMARIES

The Miami–Fort Lauderdale–Pompano Beach area is expected to show mixed levels of growth in the economic indicators. Personal income is expected to grow an average of 5.2 percent annually. The average real per capita income level of \$48,000 is the second highest in the areas studied. Average annual wage growth will be 3.2 percent. The average annual wage level is expected to be \$56,400, the highest of the studied areas. Miami is expected to average a population growth of 1.1 percent each year. The area has the highest Gross Metro Product of the MSAs studied at an average level of 295,396.24 million dollars.

Employment is expected to grow at an average rate of 2.0 percent each year, while unemployment is expected to be moderate at an average rate of 5.2 percent.

Miami’s fastest growing sector is expected to be the Construction and Mining sector at an average of 6.4 percent annually, followed by the Professional and Business Services sector at 4.1 percent each year. The Federal Government sector is expected to experience a decline with an average annual growth rate of -0.6 percent.

## METRO NEWS SUMMARIES

### 22 South Florida banks earn highest Bauer rating

- Since 2009, almost 70 banks in Florida have failed due to the housing market crash. The new Bauer rankings show that the South Florida banking industry is recovering, with 22 banks receiving five stars.
- Bauer has also decreased the number of banks considered “problematic” by seven percent year over year.
- Sixty-eight percent of Florida banks are now “recommended” by Bauer Financial in the third quarter of 2015, compared to 57% the previous year.

*Source Miami Herald, December 16, 2015*

## Mixed-use project planned for Miami's Buena Vista

- Miami developer Michal Aviv has plans for a 60,000-square-foot mixed-use project called Upper Buena Vista that will have retail, residential, and restaurant spaces available.
- The project will be constructed in the vicinity of the Miami Design District. The district has seen an influx of successful luxury shops and restaurants, and Aviv hopes to capitalize on this growth opportunity.
- The project will remodel an existing commercial building that will be finished by 2018. The project will contribute new jobs and opportunities to business owners in the area.

*Source: Miami Herald, December 15, 2015*

## Riding the Miami Wave

- Art Basel Miami Beach and Design Miami will attract international buyers, sellers, celebrities, and tourists to Miami in the first week of December. Basel is one of the largest peaks in spending for Miami along with the holiday season.
- Basel has made Miami into an international art destination, with profits in the millions for hotels, restaurants, and galleries.
- CEO of the United Way of Miami-Dade, Harve Mogul, states that: "Art Basel has spawned hundreds of successful ancillary business and fueled the growth of Wynwood, the Design District and Midtown – not just Miami Beach."

*Source: Miami Herald, December 1, 2015*

## Prescription for economy: Healthcare startup energy

- Business leaders in South Florida agree that healthcare startups can help the local economy. Miami ranks as the second-largest health district in the United States. These startups are more focused on new technologies, putting out new tools for virtual healthcare, big data, paperless records, and more.

- Healthcare companies received most of South Florida's venture capital in 2015, with \$176.8 million going to them out of the \$232 million available in South Florida, double what they were funded in 2014.
- Startups in the healthcare industry provide more high-paying jobs to the local economy and places Miami as a growing center for health-care related companies.

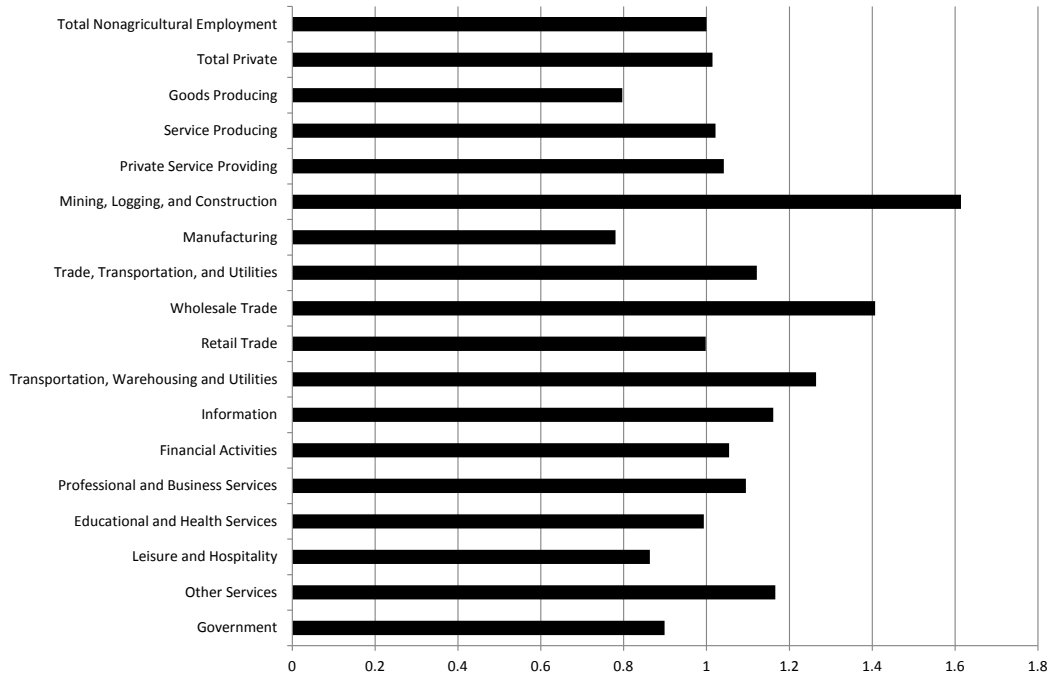
*Source: Miami Herald, November 1, 2015*

## Miami-Dade visitors bureau reports record year, bright future

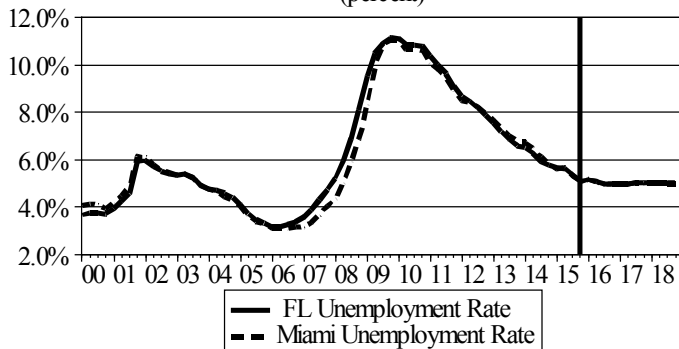
- The Greater Miami Convention and Visitors Bureau drew in 600 business leaders as the Bureau released its annual statistical review.
- In the past year, Miami's visitors count, airport traffic, and hotel revenues have risen. Airport arrivals are up 5.5% from 2014, hotel revenues have increased 7.0% from 2014, and visitors numbered over 15 million, a 5.4% growth from 2014.
- The Bureau also plans to build a new convention center and hotel for Miami Beach that is scheduled to start construction in 2018. The new convention center will bring in an extra \$100 million a year.

*Source: Miami Herald, October 23, 2015*

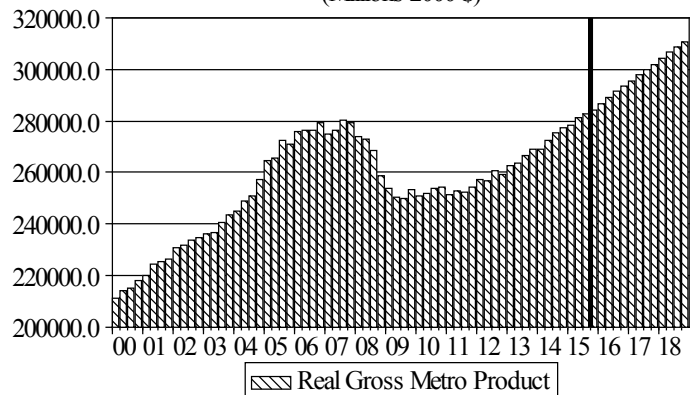
**Miami - Fort Lauderdale - Pompano Beach MSA  
Industry Location Quotients**



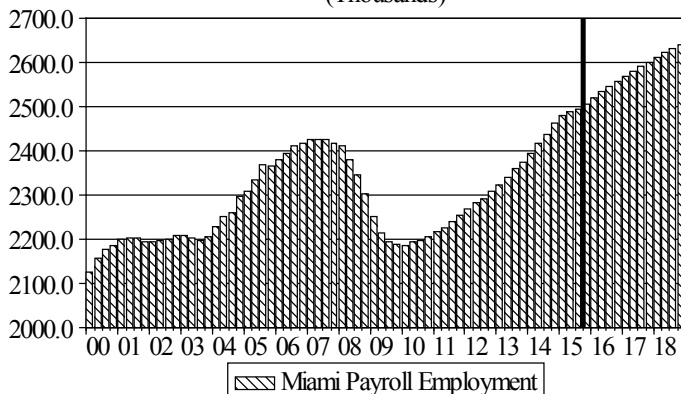
**Florida & Miami Unemployment  
Rate  
(percent)**



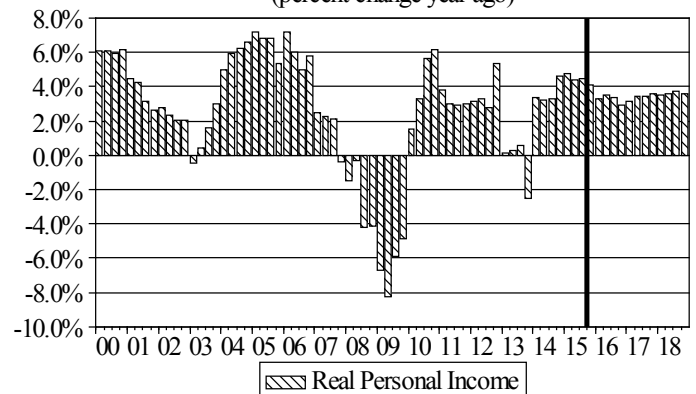
**Miami Real Gross Metro Product  
(Millions 2000 \$)**



**Miami Payroll Employment  
(Thousands)**



**Miami Real Personal Income  
(percent change year ago)**



# MIAMI - FORT LAUDERDALE - POMPANO BEACH

## Annual Outlook for Miami-Fort Lauderdale-Pompano Beach (MD), FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	242.3	256.7	270.0	272.3	286.0	299.5	313.5	331.5	350.0
Pct Chg Year Ago	5.0	5.9	5.2	0.8	5.0	4.7	4.7	5.7	5.6
Wages and Salaries	107.0	110.9	115.7	120.3	127.9	134.2	141.0	149.2	157.4
Nonwage Income	135.3	145.9	154.3	152.0	158.1	165.2	172.5	182.3	192.6
Real Personal Income (05\$)	241.1	248.8	257.9	256.8	266.2	278.0	287.7	298.2	308.9
Pct Chg Year Ago	4.2	3.2	3.7	-0.4	3.6	4.4	3.5	3.6	3.6
Per Capita Income (Ths)	43.3	44.9	46.6	46.4	48.1	49.8	51.6	53.9	56.3
Real Per Capita Income (05\$)	43.0	43.5	44.5	43.7	44.8	46.3	47.3	48.5	49.7
Average Annual Wage (Ths)	48.4	49.3	50.3	50.9	52.4	53.5	55.2	57.3	59.5
Pct Chg Year Ago	1.6	1.9	2.0	1.2	2.9	2.3	3.0	3.9	3.8
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	2194.8	2233.7	2286.9	2349.5	2427.8	2492.6	2541.9	2590.3	2632.5
Pct Chg Year Ago	-0.8	1.8	2.4	2.7	3.3	2.7	2.0	1.9	1.6
Manufacturing	76.0	76.3	77.0	77.8	80.9	81.1	80.6	81.4	81.8
Pct Chg Year Ago	-5.6	0.4	1.0	1.0	3.9	0.3	-0.7	1.0	0.5
Nonmanufacturing	2118.8	2157.4	2209.8	2271.7	2346.9	2411.5	2461.3	2508.9	2550.8
Pct Chg Year Ago	-0.6	1.8	2.4	2.8	3.3	2.8	2.1	1.9	1.7
Construction & Mining	89.0	85.6	87.1	93.5	102.7	107.8	114.7	124.6	131.8
Pct Chg Year Ago	-13.5	-3.8	1.7	7.3	9.9	5.0	6.4	8.6	5.8
Trade, Trans, & Utilities	505.0	520.3	537.1	550.5	565.8	578.4	585.5	592.2	598.9
Pct Chg Year Ago	-0.2	3.0	3.2	2.5	2.8	2.2	1.2	1.2	1.1
Wholesale Trade	132.7	134.5	139.1	140.7	143.2	145.3	147.0	149.9	153.3
Retail Trade	283.9	294.8	303.7	313.1	323.0	331.1	333.3	333.1	333.2
Trans, Wrhsng, & Util	88.4	91.0	94.2	96.7	99.6	102.0	105.2	109.2	112.5
Information	43.6	44.1	45.2	46.4	47.9	48.2	48.2	48.2	49.0
Pct Chg Year Ago	-3.0	1.1	2.5	2.7	3.2	0.5	0.0	0.1	1.6
Financial Activities	153.3	156.3	161.4	164.6	169.2	174.2	176.2	175.7	174.2
Pct Chg Year Ago	-1.9	2.0	3.2	2.0	2.8	2.9	1.2	-0.3	-0.8
Prof & Business Services	325.7	339.3	353.0	371.2	389.2	405.6	422.2	443.0	457.7
Pct Chg Year Ago	1.1	4.2	4.0	5.1	4.9	4.2	4.1	4.9	3.3
Educ & Health Services	335.7	340.9	341.8	346.6	356.7	367.8	376.0	381.3	386.0
Pct Chg Year Ago	1.5	1.5	0.2	1.4	2.9	3.1	2.2	1.4	1.2
Leisure & Hospitality	252.2	262.0	275.6	286.5	297.4	308.9	316.5	320.7	326.8
Pct Chg Year Ago	1.6	3.9	5.2	3.9	3.8	3.8	2.5	1.3	1.9
Other Services	101.7	103.8	108.5	111.8	117.4	120.9	121.2	120.7	121.0
Pct Chg Year Ago	-0.3	2.2	4.5	3.0	5.0	2.9	0.3	-0.4	0.3
Federal Government	36.7	34.1	33.8	33.5	33.1	33.2	33.1	32.7	32.2
Pct Chg Year Ago	7.6	-7.0	-1.0	-0.8	-1.3	0.3	-0.1	-1.3	-1.4
State & Local Government	276.0	270.9	266.3	267.1	267.5	266.7	267.6	269.8	273.2
Pct Chg Year Ago	-3.0	-1.8	-1.7	0.3	0.1	-0.3	0.3	0.8	1.2
<b>Other Economic Indicators</b>									
Population (Ths)	5602.1	5714.6	5798.0	5871.2	5938.9	6009.3	6077.7	6145.8	6216.5
Pct Chg Year Ago	1.5	2.0	1.5	1.3	1.2	1.2	1.1	1.1	1.2
Labor Force (Ths)	2807.8	2858.8	2910.9	2941.8	3002.2	2995.7	3053.5	3117.9	3175.1
Pct Chg Year Ago	0.7	1.8	1.8	1.1	2.1	-0.2	1.9	2.1	1.8
Unemployment Rate (%)	10.8	9.6	8.3	7.2	6.3	5.5	5.2	5.0	5.0
Total Housing Starts	5054.9	7314.6	11442.5	17206.2	14436.5	19850.4	25619.2	32046.0	35779.7
Single-Family	3277.8	4152.9	5301.7	6266.9	5880.7	7527.2	11402.3	16888.9	18833.7
Multifamily	1777	3162	6141	10939	8556	12323	14217	15157	16946



# MIAMI - FORT LAUDERDALE - POMPANO BEACH

## Quarterly Outlook for Miami-Fort Lauderdale-Pompano Beach (MD), FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	304.4	307.8	311.1	315.4	319.7	324.8	329.4	333.7	338.1	343.3	347.7	352.2	356.7
Pct Chg Year Ago	4.5	4.3	4.5	4.8	5	5.5	5.9	5.8	5.8	5.7	5.6	5.5	5.5
Wages and Salaries	136.2	138	140	142	144.1	146.2	148.3	150.3	152.2	154.3	156.4	158.5	160.5
Nonwage Income	168.1	169.8	171.1	173.3	175.6	178.6	181.2	183.4	185.9	189	191.4	193.8	196.3
Real Personal Income (05\$)	281.8	284.7	286.6	288.6	291	294.6	297.1	299.2	301.9	305.1	307.7	310.2	312.7
Pct Chg Year Ago	4.1	3.4	3.7	3.6	3.3	3.5	3.7	3.7	3.8	3.6	3.6	3.7	3.6
Per Capita Income (Ths)	50.4	50.8	51.3	51.8	52.4	53.1	53.7	54.2	54.8	55.5	56	56.6	57.1
Real Per Capita Income (05\$)	46.7	47	47.2	47.4	47.7	48.1	48.4	48.6	48.9	49.3	49.6	49.8	50.1
Average Annual Wage (Ths)	54	54.4	54.9	55.4	56	56.5	57.1	57.6	58.1	58.6	59.2	59.8	60.3
Pct Chg Year Ago	2.1	2.3	3	3.2	3.6	3.8	3.9	3.9	3.8	3.8	3.7	3.8	3.8
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	2507.7	2521	2536	2548.8	2561.7	2573.9	2584.6	2595.8	2607	2617.1	2628	2638.3	2646.7
Pct Chg Year Ago	1.8	1.7	1.9	2.1	2.2	2.1	1.9	1.8	1.8	1.7	1.7	1.6	1.5
Manufacturing	80.6	80.5	80.4	80.5	81	81.2	81.3	81.4	81.6	81.7	81.7	81.8	81.8
Pct Chg Year Ago	-1.3	-1.6	-1.4	-0.1	0.4	0.9	1.1	1.2	0.8	0.7	0.6	0.4	0.2
Nonmanufacturing	2427.1	2440.5	2455.6	2468.3	2480.7	2492.8	2503.4	2514.3	2525.3	2535.4	2546.2	2556.5	2564.9
Pct Chg Year Ago	1.9	1.8	2	2.2	2.2	2.1	1.9	1.9	1.8	1.7	1.7	1.7	1.6
Construction & Mining	108.9	110.6	113.2	116	119	121.2	123.5	125.7	128	129.5	131.1	132.8	133.9
Pct Chg Year Ago	2.2	2.7	5.5	8.2	9.3	9.5	9.1	8.4	7.5	6.9	6.1	5.6	4.6
Trade, Trans, & Utilities	580.3	582.5	584.8	586.5	588.1	589.6	591.2	593.1	594.9	596.7	598.3	599.7	600.9
Pct Chg Year Ago	1.5	0.8	1.2	1.5	1.3	1.2	1.1	1.1	1.2	1.2	1.2	1.1	1
Wholesale Trade	145.6	146.1	146.8	147.2	147.8	148.6	149.4	150.3	151.3	152.2	153	153.6	154.2
Retail Trade	331.6	332.5	333.3	333.7	333.7	333.3	333.1	333.1	333	333	332.9	333.3	333.5
Trans, Wrhsng, & Util	103.2	103.9	104.7	105.6	106.6	107.7	108.7	109.6	110.6	111.5	112.4	112.8	113.2
Information	47.9	48	48.5	48.5	47.8	48.2	48	48	48.7	48.8	48.8	49	49.2
Pct Chg Year Ago	-0.8	-0.5	-0.1	0.7	-0.2	0.5	-1	-1	1.8	1.4	1.8	2.1	1.1
Financial Activities	174.8	175.9	176.3	176.3	176.5	176.4	175.9	175.5	175.1	174.8	174.4	174	173.6
Pct Chg Year Ago	1.4	1.6	0.9	1.3	1	0.3	-0.2	-0.5	-0.8	-0.9	-0.8	-0.8	-0.8
Prof & Business Services	411	413.6	419.4	424.9	431.1	436.8	441.2	445.1	448.8	452.6	456.5	459.8	461.7
Pct Chg Year Ago	3.6	3.6	4.1	3.8	4.9	5.6	5.2	4.7	4.1	3.6	3.5	3.3	2.9
Educ & Health Services	369.6	372.7	375.6	377.1	378.8	379.9	381.1	381.8	382.5	383.9	385.3	386.5	388.2
Pct Chg Year Ago	1.5	1.8	2.2	2.4	2.5	1.9	1.5	1.3	1	1.1	1.1	1.2	1.5
Leisure & Hospitality	313.5	315.6	315.8	317	317.5	318.4	319.8	321.6	323.1	324	325.8	327.8	329.5
Pct Chg Year Ago	3.7	3.9	2.6	2	1.3	0.9	1.3	1.5	1.7	1.7	1.9	1.9	2
Other Services	120.6	121.2	121.4	121.3	121	120.9	120.7	120.6	120.6	120.7	120.9	121.1	121.3
Pct Chg Year Ago	0.9	0	0.5	0.4	0.3	-0.3	-0.6	-0.6	-0.4	-0.1	0.2	0.4	0.6
Federal Government	33.2	33.2	33.2	33.1	33	32.9	32.8	32.6	32.5	32.4	32.3	32.2	32.1
Pct Chg Year Ago	-0.3	0.1	0.2	0.1	-0.7	-1.1	-1.4	-1.4	-1.4	-1.4	-1.5	-1.4	-1.3
State & Local Government	267.2	267.3	267.4	267.6	267.9	268.5	269.3	270.3	271.2	271.9	272.8	273.6	274.4
Pct Chg Year Ago	0	0.1	0.2	0.8	0.3	0.4	0.7	1	1.2	1.3	1.3	1.2	1.2
<b>Other Economic Indicators</b>													
Population (Ths)	6035.6	6052.8	6069.4	6086	6102.6	6119.8	6137.1	6154.4	6171.9	6189.5	6207.5	6225.5	6243.6
Pct Chg Year Ago	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.2
Labor Force (Ths)	3001.7	3026.6	3044.5	3063.4	3079.5	3094.3	3109.4	3126.9	3140.9	3154.5	3167.6	3182.4	3196
Pct Chg Year Ago	-0.5	0.4	1.8	3	2.6	2.2	2.1	2.1	2	1.9	1.9	1.8	1.8
Unemployment Rate (%)	5.3	5.3	5.2	5.1	5	5	5	5.1	5	5	5	5	5
Total Housing Starts	20547	22566	24530	26847	28534	30042	31651	32617	33875	35048	35247	36066	36757
Single-Family	7724	9097	10638	12165	13710	15301	16527	17551	18177	18825	18878	18894	18737
Multifamily	12824	13469	13892	14683	14823	14740	15124	15066	15697	16223	16370	17172	18020

## PROFILES

The Naples–Marco Island MSA is comprised of Collier County only. Located on the southwest coast of Florida it is notable for numerous recreation and leisure activities. This region is sometimes referred to as the “Crown Jewel of Southwest Florida”.

### QUICK FACTS:

- Population estimate of 339,642 as of July 1, 2013 (U.S. Census Bureau).
- A civilian labor force of 160,203 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.2% as of October 2015, not seasonally adjusted. This amounts to 8,364 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Naples Community Hospital – 4,000
- The Ritz-Carlton, Naples – 1,110
- Gargiulo, Inc. – 1,110
- Arthrex, Inc – 1,056
- Collier County Sheriff’s Office – 1,029
- Hometown Inspection Svc. – 900
- Publix – 800
- Marriott – 700
- Naples Grande Beach Resort – 700
- Downing Frye Realty – 550

*Source: Collier Business & Economic Development*

## OUTLOOK SUMMARIES

The Naples–Marco Island Metropolitan Statistical Area (MSA) is expected to show strong growth in most of the economic indicators relative to the other MSAs studied. The metro area shows the second highest personal income growth among the studied MSAs at an average of 6.2 percent. The real per capita income level is expected to average \$72,500, the highest of the MSAs. Average annual wage will be at a level of \$52,200. The average annual wage is expected to grow at a rate of 3.1 percent. Population growth will average 2.5 percent, the highest in the studied areas, and the Gross Metro Product will average 17,115.16 million dollars.

Employment growth is expected to average 3.0 percent each year, the highest of the MSAs. The metro will see an average unemployment rate of 4.9 percent.

The Construction and Mining sector represents Naples’ fastest growing sector, growing at an average rate of 6.3 percent each year. The Professional and Business Services sector will follow with an average growth rate of 4.2 percent. None of the sectors are expected to decline.

## METRO NEWS SUMMARIES

### Business Owners More Optimistic in Southwest Florida

- Compared to the national sentiment, business owners in Southwest Florida are more optimistic about economic growth, according to a new survey by the Horizon Council and Florida Gulf Coast University.
- In the area, 81% of business owners believe their local economy is healthy, compared to the 31% national average.
- Although those polled are confident, they still have concerns over the economic climate. In particular, some believe violent crime rates, taxes, weak infrastructure, and new government regulations pose a potential threat to the local economy.

*Source: The Naples Herald, December 16, 2015*

### **Summer upswing continues into the holidays, retailers say**

- In Naples, more people are out shopping, a trend first noticed in the summer of 2015, which is typically the slowest sales point of the year. Shop owners believe this is due to lower retail prices, and a greater influx of people in to the city.
- Foot traffic in malls has gone up, and retailers report high numbers.
- Large department stores and smaller shops with good sales should see traffic tick up even more as the holiday shopping season begins.

*Source: Naples Daily News, December 14, 2015*

### **Southwest Florida's home price growth is among nation's highest**

- The National Association of Realtors has ranked the Naples-Marco Island area as 3<sup>rd</sup> in the nation for single-family homes price growth in the third quarter of 2015.
- Prices rose from \$342,500 to \$400,000 year over year, an increase of 16.8 percentage points.
- These gains, says National Association of Realtors Spokesman Adam DeSanctis, are not always good. Double-digit growth usually indicates an unstable market that is not healthy or sustainable. But overall, Southwest Florida has been performing extremely well in 2015.

*Source: Naples Daily News, November 12, 2015*

### **Southwest Florida builders optimistic – for now**

- Contractors and home-builders are more optimistic about growth prospects in the Naples-Marco Island area.
- The economic expansion in the area has drawn in new residents seeking jobs, and therefore more demand for homes. There is currently a lack of supply, shooting home prices up in re-sales.

- Southwest Florida still has a lot of space for building, and with more millennials moving to the area, prospects are looking up for rising housing starts and employment for builders.

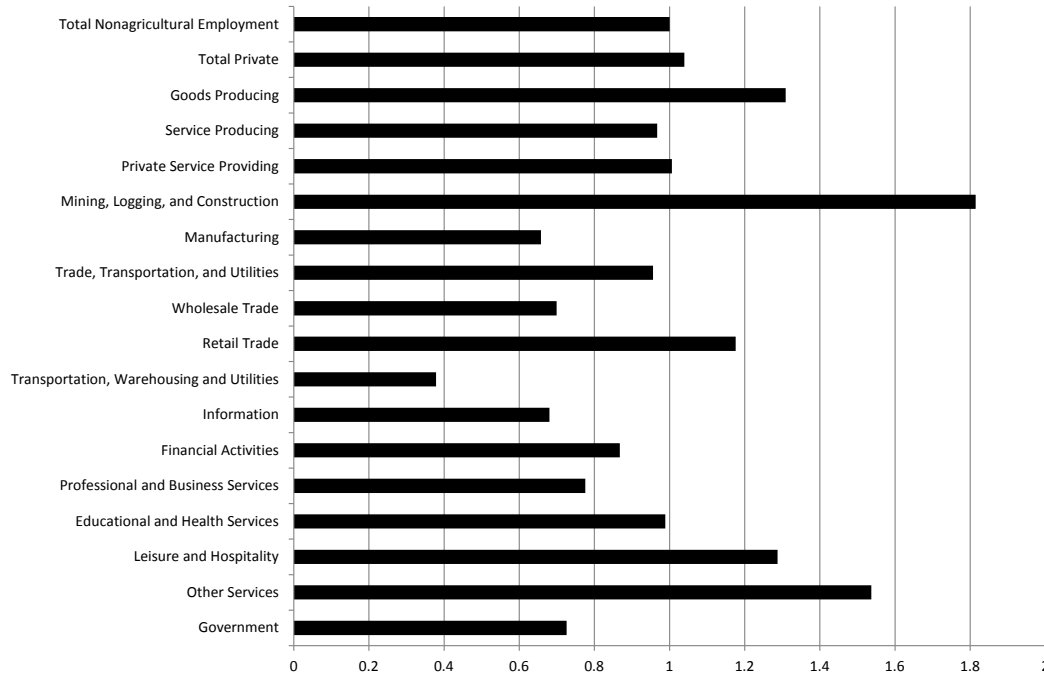
*Source: Naples Daily News, November 11, 2015*

### **French startups give Naples a look as a possible place to do business**

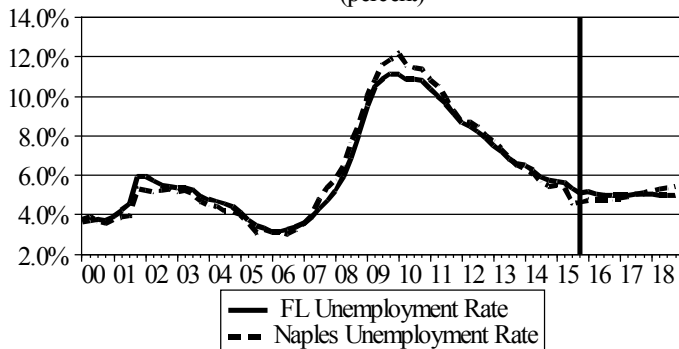
- Marshall Goodman, director of the Naples Accelerator, met with six entrepreneurs from high-tech French startups about conducting business in Collier County.
- These companies ranged from video game player management to dive equipment. They came to listen to a presentation about the business-friendly aspects of Collier County, including low taxes, capital and intellectual resources, and access to a cosmopolitan community.
- An influx of new, high technology companies and consultants could greatly improve the growth prospects of Southwest Florida, as well as benefit the consumer.

*Source: Naples Daily News, October 19, 2015*

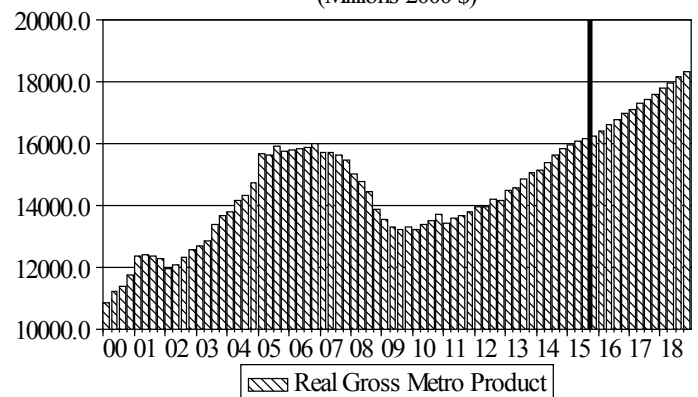
**Naples - Marco Island MSA  
Industry Location Quotients**



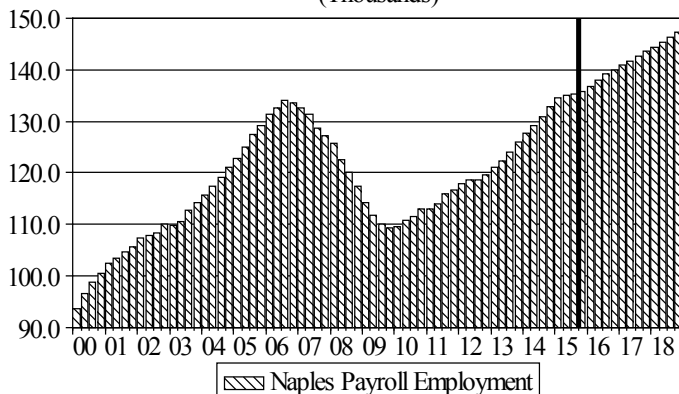
**Florida & Naples Unemployment  
Rate  
(percent)**



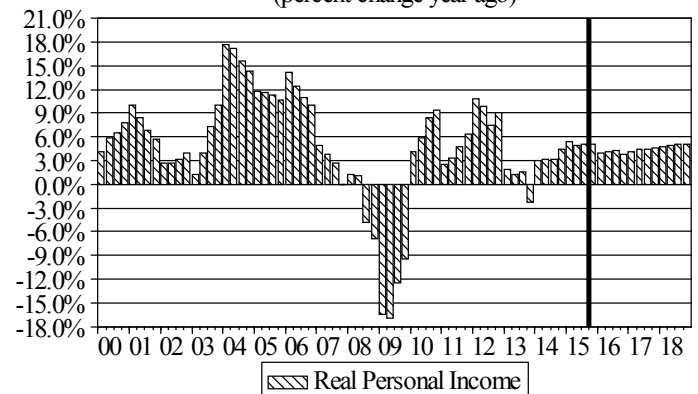
**Naples Real Gross Metro Product  
(Millions 2000 \$)**



**Naples Payroll Employment  
(Thousands)**



**Naples Real Personal Income  
(percent change year ago)**



# NAPLES - MARCO ISLAND

## Annual Outlook for Naples-Marco Island, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	20.3	21.8	24.1	24.6	25.8	27.2	28.7	30.6	32.8
Pct Chg Year Ago	7.8	7.1	10.9	1.8	4.9	5.4	5.6	6.9	6.9
Wages and Salaries	5.1	5.3	5.6	6.0	6.4	6.7	7.1	7.6	8.1
Nonwage Income	15.2	16.5	18.6	18.6	19.4	20.4	21.6	23.0	24.6
Real Personal Income (05\$)	20.2	21.1	23.0	23.2	24.0	25.2	26.3	27.6	28.9
Pct Chg Year Ago	6.9	4.3	9.3	0.6	3.5	5.1	4.4	4.8	4.9
Per Capita Income (Ths)	62.8	66.2	72.3	72.0	73.7	75.9	78.1	81.4	84.8
Real Per Capita Income (05\$)	62.5	64.2	69.0	67.9	68.6	70.4	71.6	73.2	74.9
Average Annual Wage (Ths)	45.8	46.0	46.6	48.3	48.8	49.6	51.0	53.1	55.2
Pct Chg Year Ago	1.6	0.4	1.4	3.5	1.2	1.6	2.9	4.0	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	111.2	114.9	118.7	123.3	130.2	135.1	138.7	142.6	146.4
Pct Chg Year Ago	-0.1	3.3	3.3	3.9	5.6	3.8	2.6	2.8	2.6
Manufacturing	2.5	2.5	2.7	3.1	3.3	3.6	3.6	3.7	3.7
Pct Chg Year Ago	-6.7	1.4	8.1	13.6	9.6	6.8	1.6	1.8	1.3
Nonmanufacturing	108.7	112.4	116.0	120.3	126.8	131.6	135.0	138.9	142.6
Pct Chg Year Ago	0.1	3.4	3.2	3.6	5.5	3.7	2.6	2.9	2.7
Construction & Mining	9.1	9.0	9.4	10.5	12.1	12.9	13.6	14.7	15.4
Pct Chg Year Ago	-12.9	-1.0	4.5	11.7	15.4	7.0	5.3	7.6	5.3
Trade, Trans, & Utilities	21.3	22.2	22.8	23.9	25.7	26.6	27.1	27.6	28.2
Pct Chg Year Ago	0.9	4.0	2.6	5.1	7.3	3.7	1.8	2.0	2.1
Wholesale Trade	2.8	2.9	3.0	3.4	3.7	3.9	4.1	4.2	4.4
Retail Trade	17.0	17.9	18.4	19.1	20.4	21.0	21.3	21.6	21.9
Trans, Wrhsng, & Util	1.5	1.4	1.4	1.4	1.5	1.7	1.7	1.8	1.9
Information	1.5	1.5	1.4	1.5	1.5	1.5	1.5	1.5	1.6
Pct Chg Year Ago	-4.2	-4.8	-2.2	4.0	-0.5	0.4	1.6	1.7	2.8
Financial Activities	6.5	6.5	6.7	7.0	7.4	7.7	7.9	8.0	8.0
Pct Chg Year Ago	-1.0	-1.0	4.3	4.2	5.9	3.8	2.3	1.1	0.6
Prof & Business Services	11.1	12.1	13.3	13.6	14.5	15.2	15.6	16.4	17.0
Pct Chg Year Ago	5.8	9.3	9.8	1.7	6.8	5.1	2.3	5.3	3.9
Educ & Health Services	17.1	17.9	18.0	18.3	18.8	19.6	20.3	20.8	21.3
Pct Chg Year Ago	3.0	4.7	0.4	1.7	2.6	4.3	3.5	2.5	2.5
Leisure & Hospitality	21.3	22.6	23.6	24.4	25.5	26.2	27.0	27.5	28.1
Pct Chg Year Ago	1.6	5.9	4.4	3.7	4.3	2.7	3.0	1.8	2.4
Other Services	7.3	7.3	7.5	7.9	8.4	8.7	8.9	9.0	9.1
Pct Chg Year Ago	0.8	-0.2	2.6	6.6	6.0	3.6	1.9	1.1	1.6
Federal Government	0.8	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Pct Chg Year Ago	14.7	-10.6	-7.2	-7.6	0.0	0.1	1.2	-0.2	-0.2
State & Local Government	12.7	12.7	12.7	12.5	12.3	12.5	12.6	12.8	13.2
Pct Chg Year Ago	-1.6	0.3	-0.2	-1.8	-1.0	0.9	0.8	2.2	2.5
<b>Other Economic Indicators</b>									
Population (Ths)	323.4	328.5	333.9	341.3	349.7	358.0	367.3	376.7	386.0
Pct Chg Year Ago	1.3	1.6	1.6	2.2	2.5	2.4	2.6	2.6	2.5
Labor Force (Ths)	145.3	148.8	152.9	155.9	161.2	159.8	162.2	168.0	174.1
Pct Chg Year Ago	1.7	2.4	2.7	2.0	3.4	-0.9	1.5	3.6	3.6
Unemployment Rate (%)	11.6	10.2	8.5	7.1	5.9	5.0	4.6	4.8	5.1
Total Housing Starts	1201.9	1216.4	1484.2	2325.0	3306.5	3424.3	3227.0	4475.1	5242.2
Single-Family	805.2	927.6	1282.9	1730.8	2422.2	2792.0	2379.0	2457.2	2644.3
Multifamily	397	289	201	594	884	632	848	2018	2598

## Quarterly Outlook for Naples-Marco Island, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	27.7	28	28.4	28.9	29.4	29.9	30.4	30.9	31.4	32	32.5	33	33.5
Pct Chg Year Ago	5.5	5	5.3	5.9	6.1	6.7	7.1	7	6.9	6.9	6.8	6.9	6.9
Wages and Salaries	6.8	6.9	7	7.2	7.3	7.4	7.5	7.7	7.8	7.9	8	8.2	8.3
Nonwage Income	20.9	21.1	21.4	21.7	22.1	22.5	22.9	23.2	23.6	24.1	24.5	24.8	25.2
Real Personal Income (05\$)	25.6	25.9	26.2	26.4	26.7	27.1	27.4	27.7	28	28.4	28.8	29.1	29.4
Pct Chg Year Ago	5.1	4.1	4.4	4.7	4.3	4.6	4.9	4.8	4.9	4.8	4.8	5	4.9
Per Capita Income (Ths)	76.6	77.1	77.6	78.4	79.2	80.1	81	81.8	82.5	83.6	84.4	85.3	86.1
Real Per Capita Income (05\$)	70.9	71.3	71.5	71.7	72.1	72.7	73.1	73.3	73.7	74.3	74.7	75.1	75.5
Average Annual Wage (Ths)	49.8	50.2	50.8	51.3	51.9	52.3	52.9	53.3	53.8	54.3	54.9	55.4	56
Pct Chg Year Ago	0.9	1.1	2.5	3.8	4.1	4.2	4.1	3.9	3.8	3.8	3.9	4	4
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	135.9	136.9	138.1	139.3	140.3	141.2	142.1	143.1	144	144.8	145.9	147	147.8
Pct Chg Year Ago	2.2	1.8	2.3	3	3.3	3.1	2.9	2.7	2.6	2.6	2.6	2.7	2.7
Manufacturing	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.8
Pct Chg Year Ago	4.2	2.6	1.7	1.2	1.1	1.7	2	1.9	1.6	1.6	1.4	1.2	1
Nonmanufacturing	132.2	133.3	134.5	135.7	136.7	137.5	138.5	139.4	140.3	141.1	142.2	143.2	144.1
Pct Chg Year Ago	2.2	1.8	2.3	3.1	3.3	3.2	3	2.7	2.6	2.6	2.7	2.7	2.7
Construction & Mining	12.9	13.1	13.4	13.8	14.1	14.4	14.6	14.8	15	15.1	15.4	15.6	15.7
Pct Chg Year Ago	2.4	-1.2	4.5	8.6	9.6	9.5	8.5	6.7	5.8	5.3	5.4	5.5	4.9
Trade, Trans, & Utilities	26.7	26.8	27	27.2	27.3	27.4	27.6	27.7	27.8	28	28.1	28.3	28.4
Pct Chg Year Ago	0.1	1.2	1.4	2	2.5	2.2	2	2	1.9	2	2	2.1	2.1
Wholesale Trade	4	4	4.1	4.1	4.1	4.2	4.2	4.3	4.3	4.4	4.4	4.4	4.5
Retail Trade	21	21.1	21.3	21.4	21.4	21.5	21.6	21.6	21.7	21.8	21.9	22	22.1
Trans, Wrhsng, & Util	1.7	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.9	1.9	1.9
Information	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6
Pct Chg Year Ago	-0.5	-0.1	1.6	3	1.9	2.4	0.7	0.5	3.2	2.7	3.1	3.3	2.2
Financial Activities	7.8	7.8	7.9	7.9	7.9	8	8	8	8	8	8	8	8
Pct Chg Year Ago	3.1	1.7	2.7	2.6	2.3	1.6	1.1	1	0.7	0.6	0.7	0.6	0.6
Prof & Business Services	15.1	15.2	15.4	15.7	15.9	16.1	16.3	16.5	16.6	16.8	17	17.1	17.2
Pct Chg Year Ago	1.4	0.1	1.4	2.7	4.9	5.7	5.6	5.3	4.7	4.2	4.1	3.8	3.5
Educ & Health Services	19.8	20	20.2	20.4	20.5	20.6	20.7	20.9	21	21.1	21.2	21.4	21.6
Pct Chg Year Ago	4	3.3	3.5	4	3.4	2.9	2.6	2.3	2.1	2.3	2.4	2.6	2.9
Leisure & Hospitality	26.6	26.8	26.9	27	27.1	27.2	27.4	27.6	27.7	27.8	28	28.2	28.4
Pct Chg Year Ago	4	5	3.1	2.2	1.9	1.4	1.7	1.9	2.1	2.1	2.4	2.5	2.6
Other Services	8.7	8.8	8.9	8.9	8.9	8.9	9	9	9	9.1	9.1	9.1	9.2
Pct Chg Year Ago	2.1	0.9	2.3	2.3	2.2	1.5	1	0.8	0.9	1.1	1.4	1.7	2
Federal Government	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Pct Chg Year Ago	0.3	1.5	2.2	0.8	0.4	0	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1
State & Local Government	12.4	12.5	12.5	12.6	12.6	12.7	12.8	12.9	13	13	13.1	13.2	13.3
Pct Chg Year Ago	0.8	0.4	-0.2	1.4	1.7	1.8	2	2.3	2.5	2.6	2.6	2.6	2.5
<b>Other Economic Indicators</b>													
Population (Ths)	361.4	363.7	366.1	368.5	370.8	373.1	375.5	377.8	380.2	382.5	384.8	387.2	389.6
Pct Chg Year Ago	2.4	2.5	2.6	2.6	2.6	2.6	2.6	2.5	2.5	2.5	2.5	2.5	2.5
Labor Force (Ths)	158	159.9	161.4	163	164.4	165.7	167.2	168.9	170.3	171.7	173.2	174.8	176.4
Pct Chg Year Ago	-3	-2.1	-0.1	4.4	4	3.6	3.6	3.6	3.6	3.6	3.6	3.5	3.6
Unemployment Rate (%)	4.6	4.7	4.6	4.6	4.6	4.7	4.8	4.9	4.9	5	5.1	5.1	5.2
Total Housing Starts	2925	3023	3125	3248	3512	3906	4307	4684	5004	5178	5181	5266	5344
Single-Family	2629	2500	2393	2278	2344	2384	2403	2491	2551	2640	2647	2656	2634
Multifamily	296	523	732	969	1168	1522	1904	2193	2453	2537	2534	2610	2711



## PROFILES

Comprised of Marion County only, the Ocala MSA is located northwest of the Orlando area and is in the center of the state. The second largest national forest in Florida, the Ocala National Forest, and Silver Springs are two main outdoor attractions in the area.

### QUICK FACTS:

- Population estimate of 337,362 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 132,168 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.9% as of October 2015, not seasonally adjusted. This amounts to 7,826 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Marion County School Board – 6,071
- Munroe Regional Medical Center – 2,648
- State of Florida (all departments) – 2,600
- Wal-Mart – 2,370
- Ocala Regional Health System – 2,020
- Publix Super Markets, Inc. – 1,488
- Marion County Board of County Commissioners – 1,462
- AT&T – 1,000
- City of Ocala – 994
- Lockheed Martin Employees – 981

*Source: Ocala/Marion County Chamber & Economic Partnership*

## OUTLOOK SUMMARIES

The Ocala Metropolitan Statistical Area (MSA) is expected to show varying strengths and weaknesses in the economic indicators. Personal income growth is expected to average 6.3 percent annually, the highest of the twelve studied MSAs. Real per capita income level is the lowest of the twelve metros at an average of \$32,900. Relative to other metro areas, Ocala will have the second lowest average annual wage level at \$41,700. Average annual wage growth is expected to be 3.4 percent, the third highest of the MSAs. The metro has an expected annual average population growth of 1.6 percent. The Gross Metro Product is expected to average 7,862.31 million dollars, which is the lowest of the studied areas.

Employment growth is expected to average a rate of 2.5 percent annually. The unemployment rate is estimated to average 6.0 percent, the highest of the researched areas.

The Construction and Mining Services sector is expected to be the fastest growing in Ocala, averaging an annual growth rate of 4.6 percent. This is followed by the Professional and Business Services sector with 4.2 percent average annual growth. The Federal Government sector and Information sector are expected to experience declines with an average annual growth rate of -0.3 and -2.5 percent.

## METRO NEWS SUMMARIES

### **Lockheed Martin gets \$1.1B contract for missiles with parts built in Marion**

- The 70 Lockheed Martin employees working on a missile and launcher program are safe to know they have a job through 2019. The \$1.1 billion contract on defense spending will continue missile production for the next few years.
- The Lockheed Martin Ocala Operations facility has close to 1,000 employees. The facility was a 2015 finalist for IndustryWeek's Best Plant award; an award they won in 2007.
- The facility is responsible for producing cable harnesses and circuit-card assemblies, components for the PAC-3 missile.

*Source: Ocala Star Banner, December 15, 2015*

### Ocala Breeders' sale gross total down 20 percent from 2014

- Ocala Breeders' sales' auctions have had mixed sales to say the least. Thirty fewer horses were sold in 2015 than in 2014, representing a 20 percent drop in total revenue compared to the \$2.3 million generated in 2014.
- The top selling horse went for \$120,000 to Joy Ventures LLC. Wednesday's numbers were far off from the previous year. In 2014, 51 horses sold for \$1.3 million and this year 54 horses brought in \$770,000, almost a 42 percent difference.
- The top selling horse for both days was a 2-year-old colt which sold for \$250,000. The tops horses sold very well and for extremely high prices.

*Source: Ocala Star Banner, October 14, 2015*

### CEP honors six 'Businesses of the Year'

- Verteks Consulting, an Ocala tech firm was one of the six businesses awarded Small Business of the Year. The companies were scored on a variety of categories like innovation and sustainability, job growth, community involvement, financial success, and customer service.
- The company began in 1997 with one employee and now has 23. It has increased its revenue 14 consecutive years with 20 percent growth in the last three.
- The employees are selfless and giving as they raised money and donated their sick time to a fellow co-worker who was battling a critical illness. The ill co-worker continued receiving a paycheck and remained financially stable. This award highlights Verteks' commitment to its employees and its excellence in every way.

*Source: Ocala Star Banner, October 21, 2015*

### Marion home prices rise year over year, fall month over month

- From October 2014 to October 2015, the median sale price for an existing home in Marion County has increased by 7.5 percent. From September to October in 2015, the sale price dropped by 8 percent.
- October had a months' supply of inventory of 5.9, which was 6.9 the previous year in the same month. September had an inventory of 5.8, a small percentage less than that of October's. Marion County's market has remained over 5.5 months of inventory, which is considered the standard for a balanced market not favoring buyers nor sellers.
- October's existing home sales have increased by 2.5 percent from the same month in 2014. The housing market is progressing with small changes year over year.

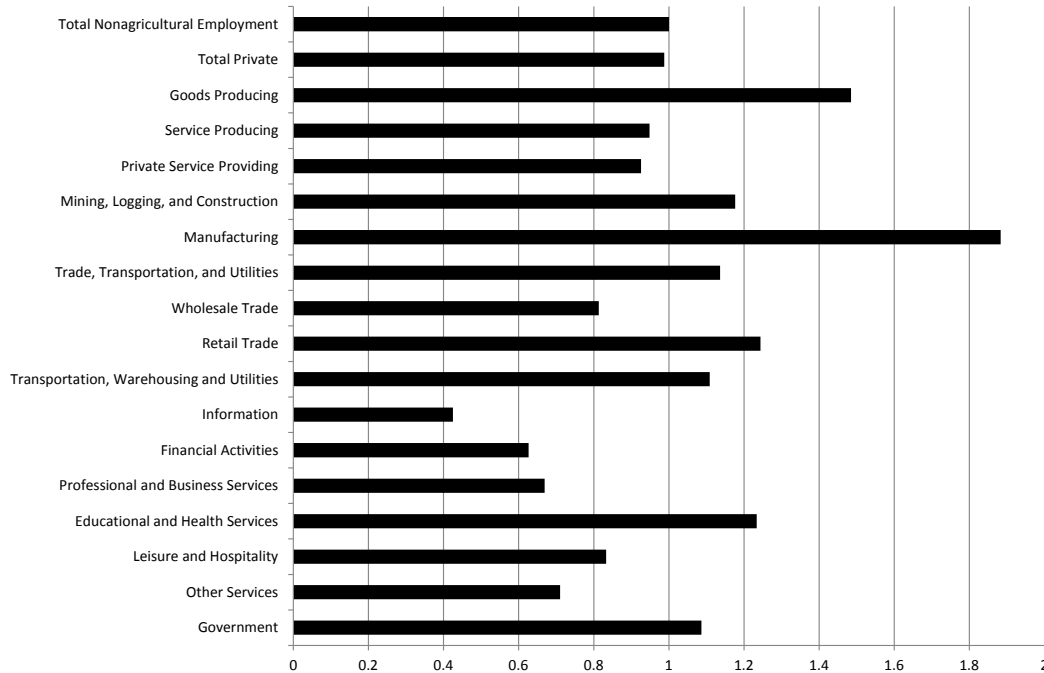
*Source: Ocala Star Banner, November 23, 2015*

### Developer will get chance to build six-story hotel

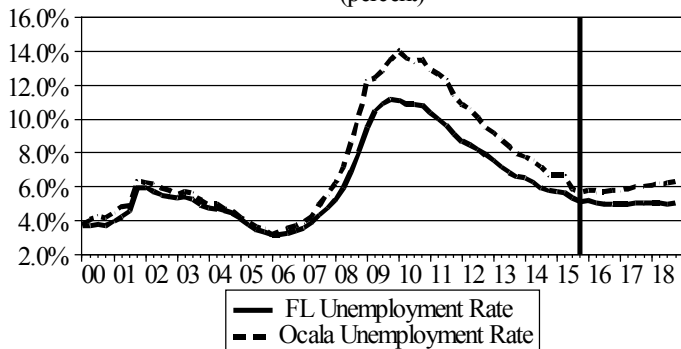
- The Ocala City council agreed to begin negotiations with Danny Gaekwad, Downtown Ocala LLC owner, to begin the construction and operation of a hotel in downtown Ocala. The hotel is estimated to cost \$15.7 million.
- One building would include a 90,420-square-foot structure for the 90-room hotel, 10,000 square feet for meeting rooms, and 7,000 square feet of retail and restaurant space. The other space will be for townhouses and retail space.
- The proposal includes Gaekwad paying the city annually to use parking spaces (in the garage the city is planning on building). The city would sell the land to Gaekwad and he would receive tax incentives, and the city would give Gaekwad three years to have the project done.

*Source: Ocala Star Banner, November 3, 2015*

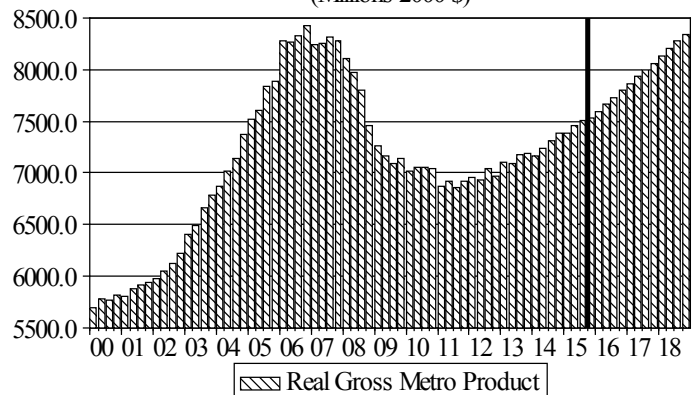
**Ocala MSA  
Industry Location Quotients**



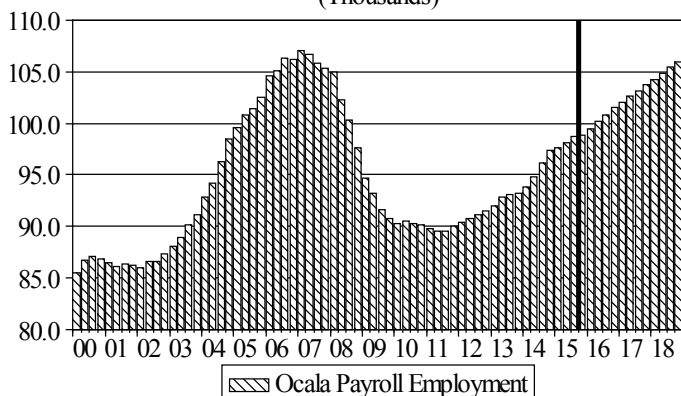
**Florida & Ocala Unemployment  
Rate  
(percent)**



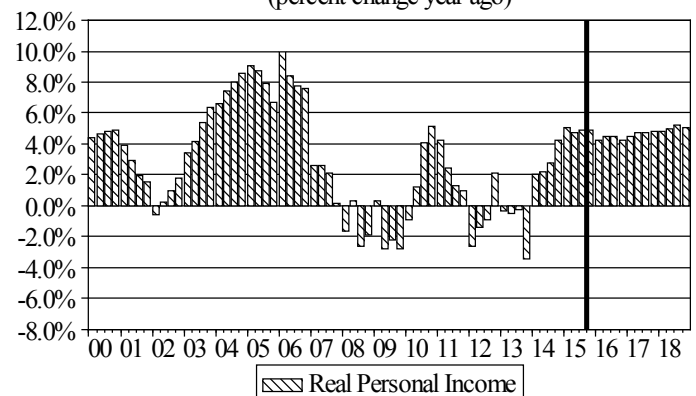
**Ocala Real Gross Metro Product  
(Millions 2000 \$)**



**Ocala Payroll Employment  
(Thousands)**



**Ocala Real Personal Income  
(percent change year ago)**



# Annual Outlook for Ocala, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	10.0	10.5	10.6	10.6	11.1	11.6	12.3	13.2	14.1
Pct Chg Year Ago	3.2	5.0	0.7	0.1	4.2	5.2	5.8	7.1	7.0
Wages and Salaries	3.3	3.4	3.5	3.6	3.7	3.9	4.1	4.4	4.7
Nonwage Income	6.7	7.2	7.1	7.0	7.3	7.7	8.2	8.8	9.4
Real Personal Income (05\$)	10.0	10.2	10.1	10.0	10.3	10.8	11.3	11.8	12.4
Pct Chg Year Ago	2.4	2.2	-0.7	-1.2	2.8	4.9	4.6	5.0	5.0
Per Capita Income (Ths)	30.2	31.6	31.7	31.5	32.5	33.8	35.3	37.1	39.0
Real Per Capita Income (05\$)	30.1	30.6	30.2	29.7	30.3	31.4	32.4	33.4	34.4
Average Annual Wage (Ths)	36.5	37.2	37.7	38.3	38.8	39.4	40.7	42.5	44.3
Pct Chg Year Ago	0.9	1.9	1.5	1.4	1.4	1.7	3.3	4.3	4.2
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	90.3	89.7	91.0	92.8	95.5	98.3	100.5	103.0	105.3
Pct Chg Year Ago	-2.4	-0.7	1.4	2.0	2.9	2.9	2.2	2.5	2.2
Manufacturing	6.4	6.4	6.7	6.9	7.3	7.6	7.7	7.8	7.9
Pct Chg Year Ago	-3.7	0.4	4.5	3.0	4.7	4.7	1.2	1.3	0.8
Nonmanufacturing	83.9	83.3	84.2	85.9	88.3	90.7	92.8	95.2	97.5
Pct Chg Year Ago	-2.3	-0.7	1.1	2.0	2.8	2.8	2.3	2.6	2.3
Construction & Mining	6.3	5.7	5.4	5.8	6.2	6.2	6.5	7.0	7.4
Pct Chg Year Ago	-13.7	-9.8	-5.9	8.3	7.2	-0.5	4.8	8.8	5.4
Trade, Trans, & Utilities	19.8	20.2	20.9	21.5	22.1	23.1	23.4	23.8	24.2
Pct Chg Year Ago	-2.0	2.3	3.3	2.8	2.8	4.4	1.6	1.6	1.6
Wholesale Trade	3.4	3.3	3.4	3.4	3.2	3.3	3.3	3.4	3.5
Retail Trade	14.4	14.7	14.9	15.1	15.7	16.3	16.5	16.6	16.8
Trans, Wrhsng, & Util	2.1	2.3	2.7	3.0	3.2	3.5	3.6	3.8	3.9
Information	1.0	1.0	0.9	0.8	0.8	0.7	0.7	0.7	0.7
Pct Chg Year Ago	-14.9	0.1	-10.0	-6.4	-4.9	-11.5	-1.4	0.9	2.0
Financial Activities	4.2	4.2	4.2	4.2	4.1	4.1	4.1	4.1	4.1
Pct Chg Year Ago	-18.6	0.8	-0.2	-0.1	-2.0	-0.5	0.7	0.5	0.0
Prof & Business Services	7.9	7.9	8.6	9.1	9.6	9.9	10.3	10.9	11.4
Pct Chg Year Ago	-4.4	0.3	8.3	5.7	6.3	2.6	4.2	5.7	4.2
Educ & Health Services	13.4	13.8	14.3	14.4	16.7	18.0	18.5	18.9	19.4
Pct Chg Year Ago	4.1	2.9	3.1	0.6	16.6	7.4	3.1	2.2	2.2
Leisure & Hospitality	10.1	10.1	10.3	10.6	11.1	11.5	11.9	12.1	12.3
Pct Chg Year Ago	0.9	0.4	2.2	2.8	4.5	3.9	2.7	1.7	2.3
Other Services	3.4	3.1	2.8	2.9	3.0	3.0	3.0	3.0	3.0
Pct Chg Year Ago	0.7	-6.2	-11.6	3.0	6.1	-1.6	0.0	0.5	1.0
Federal Government	0.9	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Pct Chg Year Ago	27.6	-24.3	0.0	0.0	0.0	-1.2	1.3	-0.6	-0.6
State & Local Government	16.9	16.4	16.2	15.9	13.8	13.6	13.7	13.9	14.2
Pct Chg Year Ago	0.3	-3.0	-1.4	-1.5	-13.3	-1.6	0.9	1.6	2.0
<b>Other Economic Indicators</b>									
Population (Ths)	331.7	332.8	334.7	336.6	339.6	343.5	348.8	355.1	361.6
Pct Chg Year Ago	0.2	0.3	0.6	0.6	0.9	1.1	1.6	1.8	1.8
Labor Force (Ths)	132.4	131.0	130.6	131.0	132.8	130.1	131.2	134.9	138.7
Pct Chg Year Ago	-1.4	-1.0	-0.3	0.4	1.3	-2.0	0.8	2.9	2.8
Unemployment Rate (%)	13.6	12.3	10.3	8.6	7.3	6.2	5.8	5.9	6.1
Total Housing Starts	496.2	361.3	407.1	594.3	742.0	1077.1	1740.0	2735.8	3148.6
Single-Family	493.9	358.5	405.8	581.7	705.6	1075.6	1708.8	2570.5	2917.9
Multifamily	2	3	1	13	36	1	31	165	231

## Quarterly Outlook for Ocala, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	11.9	12	12.2	12.4	12.6	12.8	13.1	13.3	13.5	13.7	14	14.2	14.4
Pct Chg Year Ago	5.3	5.2	5.6	6	6.4	6.9	7.3	7.2	7	7	6.9	7	7
Wages and Salaries	4	4	4.1	4.2	4.2	4.3	4.4	4.4	4.5	4.6	4.7	4.7	4.8
Nonwage Income	7.9	8	8.1	8.2	8.4	8.5	8.7	8.8	9	9.2	9.3	9.5	9.6
Real Personal Income (05\$)	11	11.1	11.2	11.3	11.5	11.6	11.8	11.9	12.1	12.2	12.4	12.5	12.7
Pct Chg Year Ago	4.9	4.3	4.7	4.8	4.6	4.8	5.1	5	5	4.9	4.9	5.1	5
Per Capita Income (Ths)	34.3	34.7	35	35.4	35.9	36.4	36.9	37.3	37.8	38.3	38.8	39.2	39.6
Real Per Capita Income (05\$)	31.8	32.1	32.2	32.4	32.7	33	33.3	33.5	33.7	34	34.3	34.5	34.8
Average Annual Wage (Ths)	39.7	40.1	40.5	41	41.4	41.8	42.3	42.7	43.1	43.6	44	44.5	45
Pct Chg Year Ago	1.5	1.9	3.2	3.9	4.3	4.3	4.4	4.3	4.1	4.2	4.2	4.2	4.3
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	98.8	99.5	100.2	100.9	101.6	102.2	102.7	103.3	103.9	104.4	105	105.6	106.1
Pct Chg Year Ago	1.5	1.9	2.1	2.2	2.8	2.7	2.6	2.4	2.3	2.2	2.2	2.2	2.2
Manufacturing	7.7	7.7	7.7	7.7	7.7	7.8	7.8	7.8	7.8	7.8	7.8	7.9	7.9
Pct Chg Year Ago	3.4	2.6	1.5	0.1	0.6	1.2	1.5	1.4	1.1	1	0.9	0.7	0.5
Nonmanufacturing	91.2	91.8	92.5	93.2	93.8	94.4	95	95.5	96	96.6	97.2	97.8	98.3
Pct Chg Year Ago	1.3	1.9	2.1	2.3	2.9	2.8	2.6	2.5	2.4	2.3	2.3	2.4	2.3
Construction & Mining	6.1	6.2	6.4	6.6	6.8	6.9	7	7.1	7.2	7.3	7.4	7.5	7.5
Pct Chg Year Ago	-2.9	-1.7	2.5	8.1	10.8	10.9	9.8	7.9	6.6	5.7	5.5	5.4	4.8
Trade, Trans, & Utilities	23.1	23.3	23.4	23.5	23.6	23.7	23.7	23.9	23.9	24	24.1	24.2	24.3
Pct Chg Year Ago	2.8	1.9	1.5	1	1.9	1.7	1.5	1.5	1.5	1.6	1.6	1.6	1.5
Wholesale Trade	3.3	3.3	3.3	3.3	3.4	3.4	3.4	3.4	3.5	3.5	3.5	3.5	3.5
Retail Trade	16.3	16.4	16.5	16.5	16.5	16.6	16.6	16.6	16.7	16.7	16.7	16.8	16.8
Trans, Wrhsng, & Util	3.5	3.6	3.6	3.6	3.7	3.7	3.7	3.8	3.8	3.9	3.9	3.9	3.9
Information	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Pct Chg Year Ago	-12.4	-7.1	-1.2	1.9	1.1	1.6	-0.1	-0.2	2.4	1.9	2.3	2.4	1.4
Financial Activities	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.2	4.1	4.1
Pct Chg Year Ago	-0.4	-0.2	0.3	1.2	1.7	1	0.6	0.4	0.1	0	0.1	0	0
Prof & Business Services	10	10.1	10.2	10.4	10.5	10.7	10.8	11	11.1	11.2	11.3	11.4	11.5
Pct Chg Year Ago	2.4	2.8	4.5	4.2	5.4	6.1	6	5.6	5	4.5	4.4	4.1	3.7
Educ & Health Services	18.2	18.3	18.5	18.6	18.7	18.8	18.9	19	19.1	19.2	19.3	19.4	19.6
Pct Chg Year Ago	1.1	2.4	4.2	2.9	3.1	2.6	2.3	2	1.8	2	2	2.2	2.6
Leisure & Hospitality	11.7	11.8	11.8	11.9	11.9	12	12	12.1	12.2	12.2	12.3	12.4	12.5
Pct Chg Year Ago	2.2	4.5	2.9	1.9	1.8	1.4	1.7	1.8	2.1	2	2.3	2.4	2.5
Other Services	3	3	3	3	3	3	3	3	3	3	3	3	3.1
Pct Chg Year Ago	-1.8	-3.3	-1.2	3	1.6	1	0.4	0.3	0.3	0.6	0.8	1.2	1.4
Federal Government	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Pct Chg Year Ago	0	5.5	-0.1	0	-0.1	-0.4	-0.7	-0.7	-0.7	-0.7	-0.7	-0.6	-0.5
State & Local Government	13.6	13.7	13.7	13.7	13.8	13.8	13.9	14	14	14.1	14.2	14.2	14.3
Pct Chg Year Ago	1.5	2.1	-0.5	0.8	1.1	1.2	1.5	1.7	1.9	2	2	2	1.9
<b>Other Economic Indicators</b>													
Population (Ths)	345.2	346.6	348.1	349.6	351.1	352.6	354.2	355.9	357.5	359.1	360.8	362.4	364.1
Pct Chg Year Ago	1.3	1.4	1.5	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.9
Labor Force (Ths)	128.4	129.7	130.7	131.7	132.6	133.5	134.4	135.5	136.4	137.3	138.2	139.2	140.2
Pct Chg Year Ago	-4.4	-2.5	-0.9	3.6	3.3	2.9	2.8	2.8	2.9	2.8	2.8	2.8	2.8
Unemployment Rate (%)	5.8	5.9	5.8	5.8	5.8	5.8	5.9	5.9	6	6	6.1	6.1	6.2
Total Housing Starts	1106	1345	1609	1895	2111	2388	2669	2863	3022	3112	3132	3170	3180
Single-Family	1106	1339	1592	1859	2045	2283	2513	2676	2809	2892	2909	2936	2935
Multifamily	0	7	16	36	66	105	156	187	213	221	223	234	244



## PROFILES

The Orlando–Kissimmee MSA is comprised of Lake, Orange, Osceola and Seminole Counties. Located in the southern center of the state, this area is home to numerous tourist attractions such as Walt Disney World, Universal Studios and Sea World. It is also home to the Orlando Magic and the Orlando City Soccer Club. Orlando hosts many conventions utilizing some of the biggest hotels in the country and America's second largest convention center. The University of Central Florida, the nation's second largest university, and many other places of higher education also reside in the MSA.

### QUICK FACTS:

- MSA population estimate of 2,267,846 as of July 1, 2013 (U.S. Census Bureau).
- Lake County population estimate of 308,034 as of July 1, 2013 (Metro Orlando Economic Development Commission).
- Orange County population estimate of 1,224,267 as of July 1, 2013 (Metro Orlando Economic Development Commission).
- Osceola County population estimate of 298,504 as of July 1, 2013 (Metro Orlando Economic Development Commission).
- Seminole County population estimate of 436,041 as of July 1, 2013 (Metro Orlando Economic Development Commission).
- Civilian labor force of 1,226,282 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 4.6% as of October 2015, not seasonally adjusted. This amounts to 56,791 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Walt Disney World Resort – 69,000
- Orange County Public Schools – 22,000
- Florida Hospital (Adventist Health) – 17,600
- Universal Orlando (Comcast) – 17,300
- Orlando Health – 14,310
- University of Central Florida – 11,078
- Seminole County Public Schools – 7,786
- Orange County Government – 7,553
- Darden Restaurants Inc. – 7,600
- Osceola County Public Schools – 6,560
- SeaWorld Parks & Entertainment – 6,032
- Lockheed Martin Corporation – 5,774

*Source: Metro Orlando Economic Development Commission*

## OUTLOOK SUMMARIES

The Orlando–Kissimmee area is expected to show varying strengths and weaknesses in the economic indicators. Personal income growth is expected to average 6.1 percent annually, the third highest of the twelve Metropolitan Statistical Areas (MSAs). The real per capita income level is expected to average \$36,800. Average annual wage growth will be 3.2 percent. The average annual wage will be at a level of \$49,500. The Orlando MSA will see an average population growth of 2.1 percent, the second highest of the studied MSAs. Gross Metro Product is expected to average at 121,346.69 million dollars, the third highest of the studied MSAs.

Employment growth is forecasted to average 2.9 percent annually, the highest of the MSAs. The metro will see an average unemployment rate of 4.7 percent.

In the Orlando area, the fastest growing sector is expected to be the Construction and Mining sector with an average annual growth rate of 6.6 percent. This will be followed by the Professional and Business Services sector, with an average annual growth rate of 4.2 percent, and the Educational and Health Services sector at 2.6 percent. None of the sectors are expected to decline.

## METRO NEWS SUMMARIES

### New Oviedo hospital to bring more medical offices

- In addition to the new 198,000-square-foot Oviedo Medical Center hospital opening in January 2017, about 40,000 square feet of medical offices will also be constructed for local physicians. The medical offices, however, are set to open six month prior to the hospital, according to Kenneth Donahey, CEO of Oviedo Medical Center.
- This expansion will bring additional support to the local economy as physicians who take these offices will bring high-paying jobs to the area.
- Oviedo Medical Center itself is expected to bring about 200 more jobs to the area.

*Source: Orlando Business Journal, October 23, 2015*



## Unicorp closer to bringing \$107M shops, eateries, homes project to Horizon West

- A 117-acre plot of land in Horizon West near Walt Disney World will be expecting some renovations as Unicorp National Developments Inc. plans to turn this space into a center of eateries, shops, and homes. The project itself will cost \$107 million. The purchase of this land costs about \$12 million.
- The Venetian Isle project, a housing project, is expected to break ground in the first quarter of 2016, about the same time the Westside Shoppes project will break ground. Venetian Isle will include 302 apartments and 44 townhomes.
- Westside Shoppes will include an unnamed grocer, Gator's Dockside, UPS Store, AT&T, and others.

*Source: Orlando Business Journal, October 23, 2015*

## Azul Airlines adds another nonstop flight to Orlando

- A nonstop flight from Belo Horizonte in Brazil to the Orlando International Airport has been in service since November 17th of 2015, serviced by Azul Brazilian Airlines.
- This new flight will be offered as a daily service, with the flight from Orlando to Brazil taking place in the evening, with the returning flight in the morning.
- David Neeleman, Azul Airline's founder and CEO, says, "We're so excited to add this new service for the hundreds of thousands of Brazilians living in Central Florida and the millions in Brazil who love to visit Orlando."

*Source: Orlando Business Journal, November 17, 2015*

## Citrus Bowl area to get new Lift Orlando apartments

- After buying two foreclosed apartment complexes located near the Citrus Bowl from the city, Lift Orlando Community Land LLC plans to redevelop them into a multifamily apartment community and senior-living apartments.

- The project called The Villages at West Lake will take place in two phases, with the first phase consisting of 200 apartments, while phase two entails 120 senior-living apartments.
- The proposal will go before the Orlando Municipal Planning Board to be reviewed on December 15<sup>th</sup>. If approved, the proposal will then be brought to the Orlando City Council.

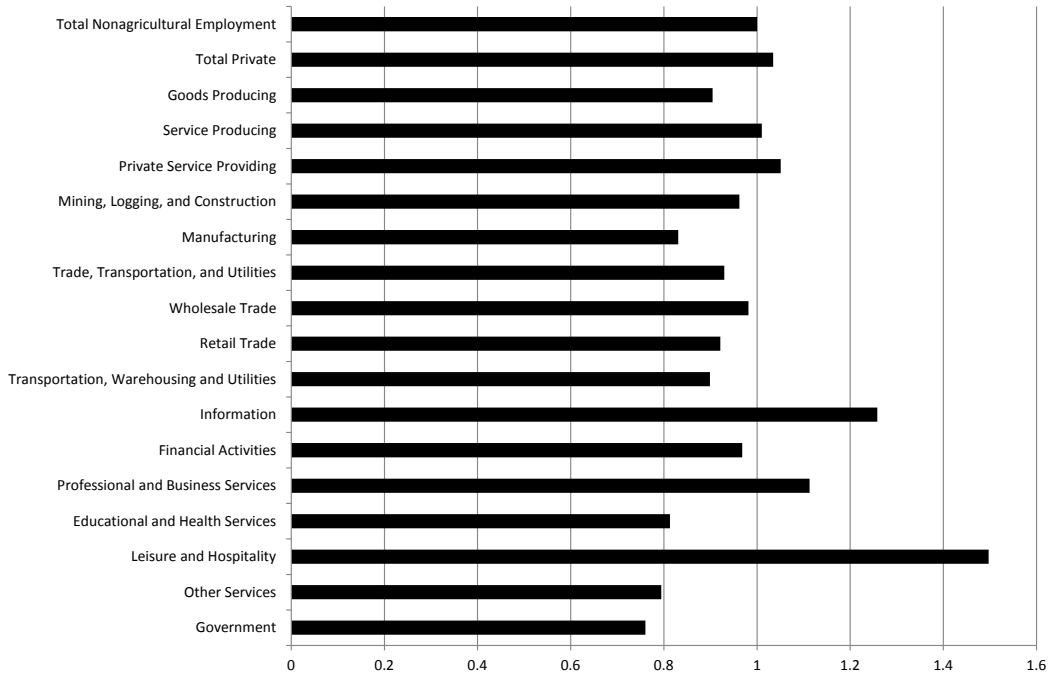
*Source: Orlando Business Journal, December 14, 2015*

## Keke's Breakfast Café plans eatery in Lake Mary

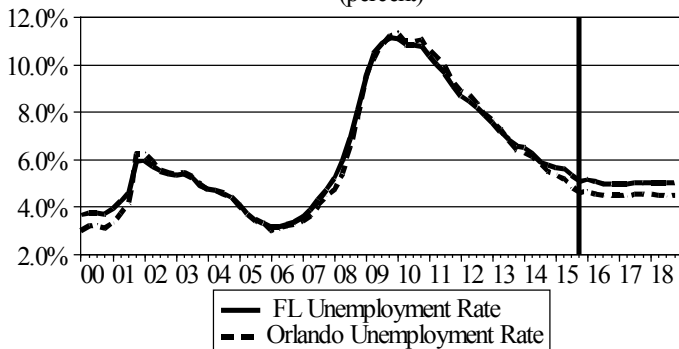
- Keke's Breakfast will be opening a new location in the Shoppes of Lake Mary in the first quarter of 2016.
- The location itself is 4,500 square feet and will neighbor other companies such as Target and Publix in the Shoppes of Lake Mary. So far, all fronts have been leased minus one 2,400-square-foot location.
- Keke's Breakfast currently runs 17 locations in the state of Florida, with 11 of them residing in Central Florida. There are also plans to open three other locations in Central Florida at the same time of the Lake Mary location.

*Source: Orlando Business Journal, December 15, 2015*

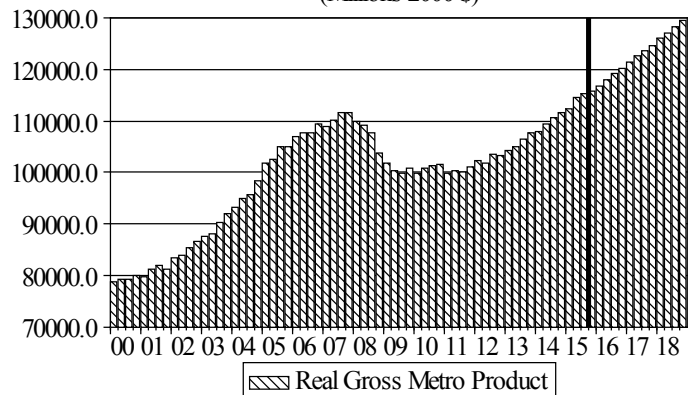
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Industry Location Quotients**



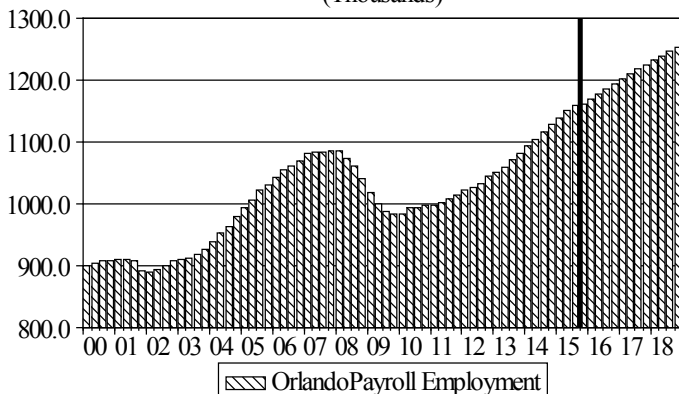
**Florida & Orlando Unemployment  
Rate  
(percent)**



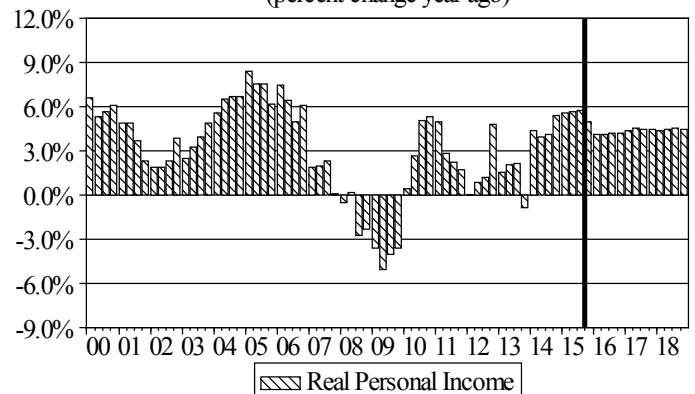
**Orlando Real Gross Metro Product  
(Millions 2000 \$)**



**Orlando Payroll Employment  
(Thousands)**



**Orlando Real Personal Income  
(percent change year ago)**



**Annual Outlook for Orlando-Kissimmee, FL  
December 2015**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	72.8	76.9	79.4	81.4	86.1	91.1	96.2	102.7	109.3
Pct Chg Year Ago	4.2	5.7	3.2	2.5	5.9	5.8	5.6	6.8	6.4
Wages and Salaries	42.3	43.7	46.1	48.1	51.4	54.5	57.6	61.5	65.3
Nonwage Income	30.4	33.2	33.3	33.3	34.7	36.6	38.6	41.2	44.0
Real Personal Income (05\$)	72.4	74.5	75.8	76.7	80.2	84.6	88.3	92.4	96.5
Pct Chg Year Ago	3.3	2.9	1.7	1.2	4.5	5.5	4.4	4.7	4.4
Per Capita Income (Ths)	33.9	35.2	35.6	35.7	37.0	38.3	39.6	41.4	43.2
Real Per Capita Income (05\$)	33.8	34.1	34.0	33.7	34.4	35.5	36.3	37.2	38.1
Average Annual Wage (Ths)	42.5	43.3	44.5	44.9	46.1	47.1	48.5	50.3	52.2
Pct Chg Year Ago	1.3	2.0	2.8	0.9	2.6	2.1	2.9	3.9	3.7
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	992.4	1005.4	1031.7	1065.5	1110.4	1153.2	1183.8	1216.2	1246.6
Pct Chg Year Ago	-0.5	1.3	2.6	3.3	4.2	3.9	2.6	2.7	2.5
Manufacturing	38.0	38.0	38.0	38.2	39.5	39.9	40.1	40.7	41.1
Pct Chg Year Ago	-1.8	0.0	-0.1	0.5	3.5	1.0	0.6	1.4	0.9
Nonmanufacturing	954.4	967.4	993.7	1027.4	1070.9	1113.3	1143.6	1175.5	1205.5
Pct Chg Year Ago	-0.5	1.4	2.7	3.4	4.2	4.0	2.7	2.8	2.6
Construction & Mining	47.7	45.2	46.2	51.2	56.2	59.5	62.9	68.4	72.5
Pct Chg Year Ago	-12.5	-5.2	2.2	10.8	9.7	6.0	5.7	8.7	6.0
Trade, Trans, & Utilities	186.0	191.9	198.0	204.3	213.0	222.2	227.4	231.5	235.3
Pct Chg Year Ago	0.0	3.2	3.2	3.2	4.3	4.3	2.3	1.8	1.7
Wholesale Trade	38.4	38.4	39.0	40.1	42.5	45.9	46.9	48.3	49.8
Retail Trade	117.9	123.3	128.1	132.9	138.3	142.6	145.3	146.4	147.6
Trans, Wrhsng, & Util	29.7	30.2	30.9	31.3	32.3	33.8	35.3	36.7	37.9
Information	23.8	24.0	23.6	23.8	24.4	24.4	24.5	24.8	25.5
Pct Chg Year Ago	-4.0	0.9	-1.7	0.9	2.6	0.0	0.4	1.2	2.7
Financial Activities	65.1	65.8	67.2	69.5	70.8	74.4	75.6	75.9	75.7
Pct Chg Year Ago	-1.1	1.1	2.1	3.3	1.9	5.0	1.7	0.4	-0.3
Prof & Business Services	161.1	161.8	169.2	175.6	184.2	191.1	196.7	208.0	216.8
Pct Chg Year Ago	-1.8	0.5	4.6	3.8	4.9	3.7	3.0	5.7	4.2
Educ & Health Services	120.9	123.5	128.1	131.4	135.7	139.5	143.4	146.9	150.2
Pct Chg Year Ago	2.0	2.2	3.7	2.6	3.2	2.8	2.8	2.4	2.2
Leisure & Hospitality	195.6	203.5	210.2	218.6	231.2	244.9	253.9	258.9	265.9
Pct Chg Year Ago	2.9	4.0	3.3	4.0	5.8	5.9	3.7	2.0	2.7
Other Services	38.5	36.5	34.8	36.0	37.7	38.1	38.2	38.3	38.7
Pct Chg Year Ago	-2.3	-5.1	-4.7	3.3	4.7	1.1	0.2	0.4	1.1
Federal Government	12.8	12.0	12.3	12.4	12.6	13.0	13.3	13.3	13.2
Pct Chg Year Ago	5.8	-6.1	2.7	0.6	1.8	3.1	2.5	-0.5	-0.6
State & Local Government	102.9	103.1	104.0	104.6	105.0	106.2	107.7	109.5	111.7
Pct Chg Year Ago	-0.7	0.2	0.9	0.6	0.4	1.2	1.4	1.7	2.0
<b>Other Economic Indicators</b>									
Population (Ths)	2145.5	2183.2	2231.2	2277.7	2327.9	2379.9	2430.9	2481.0	2530.3
Pct Chg Year Ago	1.4	1.8	2.2	2.1	2.2	2.2	2.1	2.1	2.0
Labor Force (Ths)	1137.3	1146.6	1163.8	1182.3	1211.9	1218.4	1251.6	1281.5	1306.2
Pct Chg Year Ago	0.8	0.8	1.5	1.6	2.5	0.5	2.7	2.4	1.9
Unemployment Rate (%)	11.1	10.1	8.5	7.0	5.9	5.1	4.7	4.5	4.5
Total Housing Starts	5011.7	5765.3	10933.0	14837.6	14754.7	20874.0	25104.1	22975.3	22401.6
Single-Family	4418.3	4511.7	7237.3	9061.7	10002.6	12769.0	14817.0	15481.5	15484.6
Multifamily	593	1254	3696	5776	4752	8105	10287	7494	6917

**Quarterly Outlook for Orlando-Kissimmee, FL  
December 2015**

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	92.7	94	95.3	96.9	98.5	100.3	101.9	103.5	105.1	106.9	108.5	110.1	111.7
Pct Chg Year Ago	5.3	5.2	5.1	5.6	6.3	6.7	7	6.8	6.7	6.6	6.4	6.4	6.4
Wages and Salaries	55.3	56.2	57.1	58	59	60	61	61.9	62.9	63.8	64.8	65.8	66.8
Nonwage Income	37.3	37.8	38.2	38.9	39.5	40.3	40.9	41.6	42.2	43	43.6	44.3	44.9
Real Personal Income (05\$)	85.8	86.9	87.7	88.7	89.6	91	91.9	92.8	93.8	95	96	97	98
Pct Chg Year Ago	5	4.2	4.3	4.4	4.5	4.6	4.8	4.6	4.7	4.4	4.4	4.5	4.4
Per Capita Income (Ths)	38.6	39	39.3	39.8	40.2	40.7	41.2	41.6	42	42.5	43	43.4	43.8
Real Per Capita Income (05\$)	35.8	36	36.2	36.4	36.6	36.9	37.1	37.3	37.5	37.8	38	38.2	38.4
Average Annual Wage (Ths)	47.4	47.8	48.2	48.7	49.2	49.6	50.1	50.6	51	51.5	52	52.5	52.9
Pct Chg Year Ago	1.7	2.1	2.7	3.1	3.6	3.9	4	3.9	3.8	3.8	3.7	3.7	3.8
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	1162.3	1171	1179.8	1188	1196.2	1204.5	1212.2	1220.2	1227.8	1235.1	1243.1	1250.8	1257.4
Pct Chg Year Ago	3.1	2.8	2.4	2.5	2.9	2.9	2.7	2.7	2.6	2.5	2.5	2.5	2.4
Manufacturing	40.1	40	40	40.1	40.4	40.5	40.6	40.8	40.9	41	41	41.1	41.2
Pct Chg Year Ago	-0.1	0.7	0.4	0.4	0.8	1.3	1.6	1.6	1.3	1.1	1	0.9	0.7
Nonmanufacturing	1122.2	1131	1139.8	1147.9	1155.9	1164	1171.6	1179.5	1186.9	1194.1	1202	1209.7	1216.2
Pct Chg Year Ago	3.2	2.8	2.5	2.6	3	2.9	2.8	2.8	2.7	2.6	2.6	2.6	2.5
Construction & Mining	59.5	60.5	62	63.7	65.3	66.5	67.8	69.1	70.1	71	72	73.1	73.8
Pct Chg Year Ago	1.8	1.6	4.4	7	9.7	9.9	9.3	8.5	7.2	6.8	6.2	5.8	5.4
Trade, Trans, & Utilities	224.5	225.7	227	228.1	229	230	230.9	231.9	232.9	234	234.9	235.8	236.6
Pct Chg Year Ago	4	3.5	1.9	2	2	1.9	1.7	1.7	1.7	1.7	1.7	1.7	1.6
Wholesale Trade	46.1	46.4	46.8	47	47.3	47.7	48.1	48.5	48.9	49.3	49.7	50	50.3
Retail Trade	143.8	144.5	145.1	145.6	145.9	146.1	146.3	146.6	146.8	147.1	147.3	147.8	148.1
Trans, Wrhsng, & Util	34.6	34.9	35.1	35.5	35.8	36.2	36.6	36.9	37.3	37.6	37.9	38	38.2
Information	24.2	24.3	24.6	24.7	24.4	24.7	24.6	24.7	25.1	25.3	25.4	25.5	25.7
Pct Chg Year Ago	-1.2	-0.9	0	1.5	1	1.6	0.1	0.1	2.9	2.5	2.9	3.1	2.2
Financial Activities	74.6	75.2	75.6	75.7	75.9	76	75.9	75.8	75.8	75.8	75.7	75.6	75.5
Pct Chg Year Ago	3.5	2.8	1.8	0.3	1.7	1	0.5	0.2	-0.2	-0.3	-0.3	-0.3	-0.3
Prof & Business Services	190.7	192.3	195.3	198	201.3	204.5	207	209.3	211.4	213.6	216	218.1	219.5
Pct Chg Year Ago	2.2	1.4	1.1	3.8	5.5	6.3	6	5.7	5	4.5	4.4	4.2	3.8
Educ & Health Services	140.1	141.6	143.1	144	145	145.8	146.6	147.3	147.9	148.9	149.7	150.6	151.6
Pct Chg Year Ago	1.6	1.9	3.1	2.7	3.5	2.9	2.5	2.3	2	2.1	2.1	2.2	2.5
Leisure & Hospitality	250.6	252.7	253.2	254.4	255.2	256.3	257.9	259.9	261.6	262.8	264.9	267	268.8
Pct Chg Year Ago	6.1	5.5	4.7	2.8	1.8	1.4	1.9	2.2	2.5	2.6	2.7	2.7	2.8
Other Services	37.8	38	38.2	38.2	38.2	38.2	38.3	38.3	38.4	38.5	38.7	38.8	39
Pct Chg Year Ago	-0.6	-0.9	0.1	0.3	1.2	0.5	0.2	0.3	0.5	0.7	1	1.3	1.5
Federal Government	13.3	13.3	13.4	13.3	13.3	13.3	13.3	13.3	13.2	13.2	13.2	13.2	13.2
Pct Chg Year Ago	3.8	4.6	3.9	1.6	0.2	-0.2	-0.5	-0.5	-0.6	-0.6	-0.6	-0.6	-0.5
State & Local Government	106.9	107.2	107.5	107.8	108.2	108.7	109.2	109.8	110.4	110.9	111.5	112	112.5
Pct Chg Year Ago	1.5	1.8	1.3	1.2	1.2	1.4	1.6	1.9	2	2.1	2.1	2	1.9
<b>Other Economic Indicators</b>													
Population (Ths)	2399.5	2412.3	2424.7	2437.1	2449.7	2462.5	2474.9	2487.1	2499.3	2511.9	2524.4	2536.5	2548.5
Pct Chg Year Ago	2.2	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2	2	2	2	2
Labor Force (Ths)	1226.8	1238.4	1247.2	1256.4	1264.4	1271.2	1277.9	1285.4	1291.5	1297.5	1303.2	1309.3	1314.8
Pct Chg Year Ago	0.5	1.7	2.7	3.4	3.1	2.7	2.5	2.3	2.1	2.1	2	1.9	1.8
Unemployment Rate (%)	4.8	4.8	4.7	4.6	4.6	4.5	4.5	4.6	4.6	4.5	4.5	4.5	4.5
Total Housing Starts	26693	25941	25252	24929	24295	23698	23222	22636	22345	22371	22142	22470	22624
Single-Family	14498	14550	14737	14882	15099	15409	15488	15560	15468	15600	15469	15500	15369
Multifamily	12195	11391	10514	10047	9196	8288	7734	7076	6877	6770	6673	6970	7255

## PROFILES

The Palm Bay–Melbourne–Titusville MSA is comprised of Brevard County only. Typically known as “Florida’s Space Coast”, this area is home to the Kennedy Space Center. Located in the central part of Florida’s east coast, the region is home to Cape Canaveral Air Force Base, Patrick Air Force Base and government contractors such as Harris Corporation. Like much of Florida, this area is growing fast; Port Canaveral is now a leading cruise ship port.

### QUICK FACTS:

- Population estimate of 550,823 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 257,620 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 5.4% as of October 2015, not seasonally adjusted. This amounts to 13,969 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Brevard County School Board – 9,520
- Health First, Inc. – 7,800
- Harris Corporation – 5,890
- Brevard County Government – 2,380
- Department of Defense – 2,170
- NASA – 2,067
- Eastern Florida State College – 1,590
- Rockwell Collins Inc. – 1,410
- Florida Institute Of Technology – 1,280
- Northrop Grumman Corporation – 1,345
- Brevard County Sheriff Office – 1,175
- Parrish Medical Center – 1,075
- Wuesthoff Medical Center – 1,055

*Source: Brevard Economic Development Council*

## OUTLOOK SUMMARIES

The Palm Bay–Melbourne–Titusville Metropolitan Statistical Area (MSA) is expected to see moderate growth in the economic indicators relative to the other MSAs studied. Personal income growth is expected to average 5.5 percent each year. Real per capita income levels should average \$38,800. Average annual wage growth is expected to be 3.3 percent. Average annual wage levels should be at \$51,200. Population growth is expected to be an average of 1.2 percent, and the Gross Metro Product level is expected to average 19,225.47 million dollars.

Employment growth is forecasted to average 2.1 percent each year. The metro will see an average unemployment rate of 5.3 percent.

Construction and Mining is expected to be the fastest growing sector in the area, averaging 4.9 percent growth annually. The Professional and Business Services sector will see the second highest average annual growth rate at 4.3 percent, followed by the Education and Health services sector at 2.9 percent. The Federal Government, Information, and State and Local Government sectors will experience negative growth, at averages of -0.6,-0.8, and -0.3 percent annually.

## METRO NEWS SUMMARIES

### Florida Tech starting manufacturing center

- With a \$1.4 million grant from the U.S. Economic Development Administration, the Florida Institute of Technology will be opening a facility for companies called CAMID (Center for Advanced Manufacturing and Innovative Design).
- FIT says the center’s main focus is to “advance the capabilities of U.S. companies in next-generation manufacturing methods while ensuring students are exposed to technology and ideas that will influence the global manufacturing marketplace for years to come.”
- CAMID will offer consultations for businesses that are designed to help with incorporating digital manufacturing methods with their current ones as well as access to advanced technologies and manufacturing equipment.

*Source: Florida Today, October 23, 2015*



### Legal, public relations bills add up for port rail

- Port Canaveral is experiencing rising costs in their effort to form a cargo rail link to the port. The rail will facilitate increased cargo business to the port.
- The legal services for the proposed cargo rail will add up to a proposed \$500,000 for Venable LLP and another \$96,200 for a services agreement for public relations services for Clockwork Marketing Service Inc.
- In terms of the port's budget, Pat Poston, the Port Canaveral Senior Director of Finance, says these costs can be covered.

*Source: Florida Today, October 26, 2015*

### Port Canaveral gets auto shipping deal with AutoPort

- AutoPort, a company that specializes in vehicle processing and handling, will begin operations in Port Canaveral on 16 acres in the new auto terminal. Operations will begin in January.
- AutoPort will bring a variety of new jobs into the area, ranging from car detailers to auto body shop workers, with the average pay being \$19.50 an hour.
- Roy Kirchner, president and CEO of AutoPort, says, "It is our intention to bring our diversified business approach and strategy to Port Canaveral, and focus on growth in all facets of automotive processing, modification and terminal handling."

*Source: Florida Today, November 11, 2015*

### Port Canaveral rejects massive resort complex

- The Port Canaveral commissioners have denied the proposal by the name of "WatersMark . . . A Port Canaveral Resort," which would have included multiple high-end hotels, a children's museum, dining areas, and other luxury amenities which would have been built along the Banana River.
- The proposal was rejected due to its conflicting nature with the redevelopment of the Cove area, which also hosts hotel, dining, retail, and entertainment areas.

- Port commissioners call Brent Woodson's WatersMark project "grandiose" and something that must take careful consideration, though he is encouraged to propose the idea again when commissioners are open to the idea of building on the Banana River property.

*Source: Florida Today, November 18, 2015*

### Brevard commissioners OK holding hearing on gas tax hike

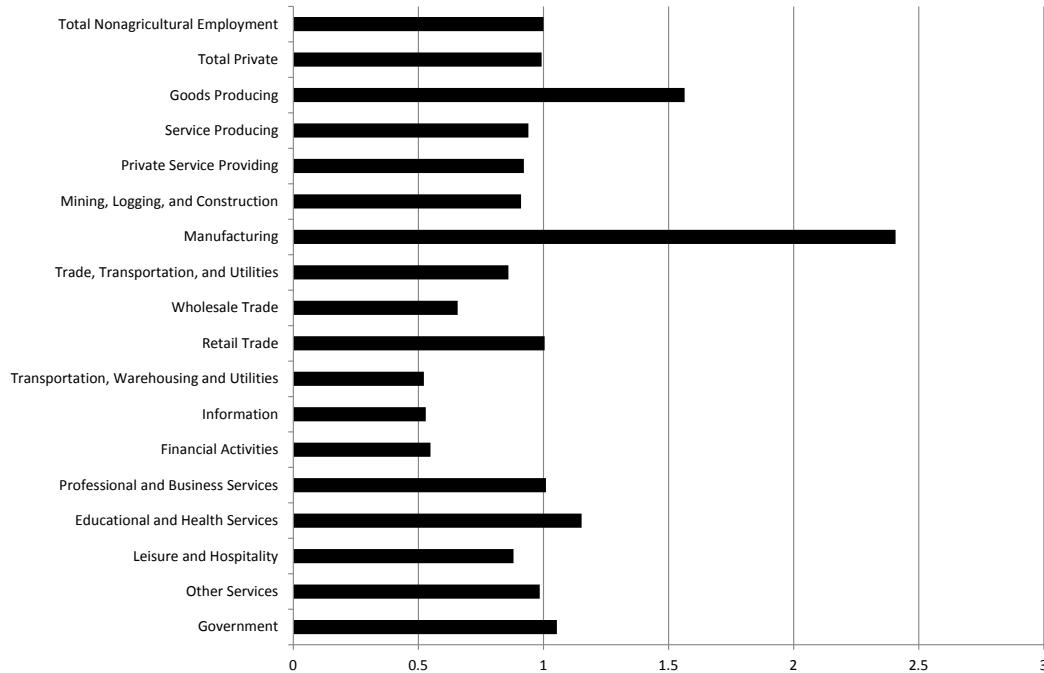
- The proposal for a 6 percent increase in the local gas tax has moved forward to a scheduled hearing with a 3-2 vote from the Brevard County commissioners. The tax increase would pay for much needed road repairs in the area.
- There was much controversy over the issue, with commissioners hearing from the public before voting. Those who argue against the tax increase suggest that the county should look at the budget in an attempt to find other areas in which to raise money. Those for the tax believe that the other suggested areas to be cut, such as libraries and art programs, should not be cut for the sake of road repairs.
- If the gas tax takes place, an estimated \$11.59 million will be raised yearly, with \$7.7 million going to the county and the other \$3.82 million for Brevard cities.

*Source: Florida Today, December 10, 2015*

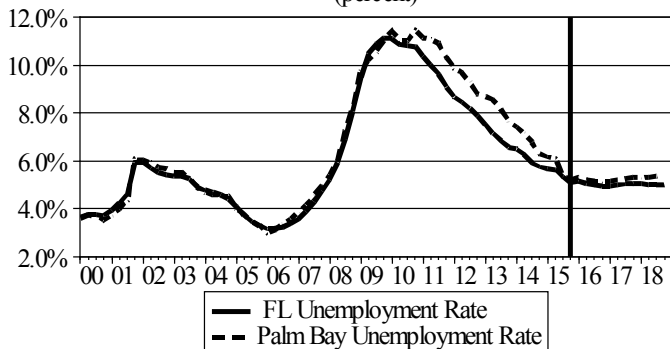


# PALM BAY - MELBOURNE - TITUSVILLE

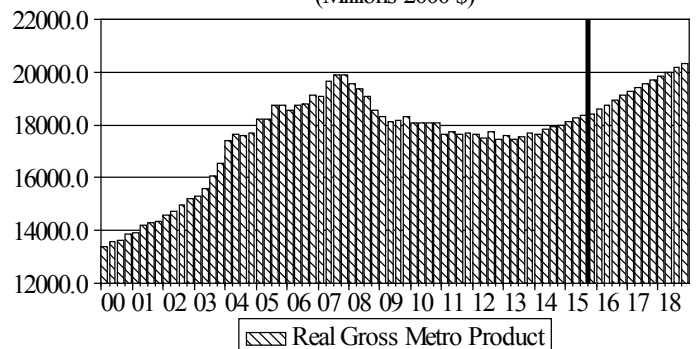
**Palm Bay - Melbourne - Titusville MSA  
Industry Location Quotients**



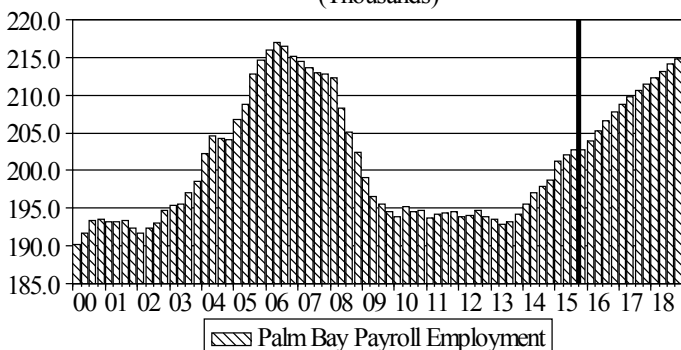
**Florida & Palm Bay-Melbourne-Titusville  
Unemployment Rate  
(percent)**



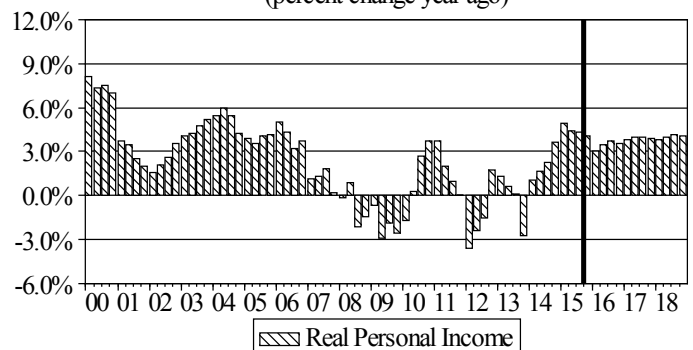
**Palm Bay-Melbourne-Titusville  
Real Gross Metro Product  
(Millions 2000 \$)**



**Palm Bay-Melbourne-Titusville  
Payroll Employment  
(Thousands)**



**Palm Bay-Melbourne-Titusville  
Real Personal Income  
(percent change year ago)**



**Annual Outlook for Palm Bay-Melbourne-Titusville, FL  
December 2015**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	19.8	20.7	20.7	20.9	21.7	22.7	23.8	25.3	26.8
Pct Chg Year Ago	2.0	4.4	0.0	1.0	3.5	4.7	4.9	6.3	6.0
Wages and Salaries	9.3	9.3	9.3	9.4	9.6	9.9	10.4	11.1	11.8
Nonwage Income	10.6	11.4	11.4	11.5	12.1	12.7	13.3	14.1	15.0
Real Personal Income (05\$)	19.7	20.1	19.8	19.7	20.2	21.1	21.8	22.7	23.6
Pct Chg Year Ago	1.2	1.7	-1.4	-0.2	2.2	4.4	3.7	4.1	4.0
Per Capita Income (Ths)	36.4	38.0	37.8	37.9	38.8	40.2	41.7	43.8	45.8
Real Per Capita Income (05\$)	36.3	36.8	36.1	35.7	36.1	37.3	38.3	39.4	40.4
Average Annual Wage (Ths)	46.9	47.4	47.4	47.9	47.7	48.5	50.0	52.1	54.3
Pct Chg Year Ago	1.9	1.0	0.1	1.1	-0.4	1.6	3.1	4.3	4.2
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	194.6	194.2	194.1	193.5	197.3	202.2	206.0	210.5	214.0
Pct Chg Year Ago	-1.0	-0.2	-0.1	-0.4	2.0	2.5	1.9	2.2	1.7
Manufacturing	20.5	20.8	20.9	20.1	20.0	20.2	20.6	21.2	21.4
Pct Chg Year Ago	-6.0	1.1	0.8	-3.8	-0.5	1.0	1.9	3.1	1.0
Nonmanufacturing	174.0	173.5	173.2	173.3	177.2	182.0	185.4	189.2	192.6
Pct Chg Year Ago	-0.3	-0.3	-0.1	0.1	2.3	2.7	1.9	2.1	1.7
Construction & Mining	8.7	8.2	8.4	9.1	9.8	9.9	10.4	11.3	11.8
Pct Chg Year Ago	-12.5	-5.8	3.1	8.8	6.7	1.8	4.9	8.0	5.0
Trade, Trans, & Utilities	33.0	34.4	34.9	35.0	35.4	35.9	36.4	36.7	36.9
Pct Chg Year Ago	-0.9	4.1	1.7	0.1	1.3	1.5	1.3	0.7	0.7
Wholesale Trade	5.0	5.2	5.2	5.5	5.5	5.5	5.6	5.8	6.0
Retail Trade	24.6	25.1	25.5	25.6	26.4	27.0	27.3	27.3	27.2
Trans, Wrhsng, & Util	3.3	4.1	4.2	3.9	3.4	3.4	3.5	3.6	3.7
Information	2.4	2.2	2.0	1.7	1.9	1.8	1.7	1.8	1.8
Pct Chg Year Ago	-8.9	-9.4	-8.8	-14.3	9.2	-5.0	-0.9	0.8	1.8
Financial Activities	7.6	7.5	7.6	7.5	7.3	7.5	7.6	7.6	7.6
Pct Chg Year Ago	-3.6	-1.4	1.4	-2.2	-2.1	2.5	1.8	-0.1	-0.6
Prof & Business Services	32.4	31.3	29.0	28.3	29.0	30.6	31.3	33.1	34.4
Pct Chg Year Ago	0.2	-3.3	-7.4	-2.4	2.6	5.3	2.2	5.9	4.0
Educ & Health Services	32.3	32.7	32.8	32.8	33.2	34.7	36.0	36.5	37.1
Pct Chg Year Ago	3.5	1.4	0.1	0.1	1.0	4.7	3.7	1.5	1.5
Leisure & Hospitality	21.2	21.5	22.7	22.9	24.1	25.2	25.7	26.0	26.4
Pct Chg Year Ago	-0.5	1.7	5.4	1.1	5.1	4.6	2.0	0.9	1.5
Other Services	7.1	7.3	7.4	7.5	8.0	8.3	8.4	8.4	8.4
Pct Chg Year Ago	2.7	2.7	1.0	1.6	7.5	3.1	1.5	-0.3	0.2
Federal Government	6.7	6.4	6.2	6.2	6.1	6.2	6.2	6.1	6.0
Pct Chg Year Ago	7.3	-5.3	-2.1	-0.7	-1.2	1.3	-0.3	-1.6	-1.6
State & Local Government	22.6	22.0	22.2	22.3	22.4	21.8	21.6	21.9	22.2
Pct Chg Year Ago	-0.9	-2.8	0.8	0.7	0.6	-2.7	-0.8	1.0	1.4
<b>Other Economic Indicators</b>									
Population (Ths)	544.1	545.0	548.2	552.2	557.6	564.0	570.5	577.2	584.5
Pct Chg Year Ago	0.3	0.2	0.6	0.7	1.0	1.1	1.2	1.2	1.3
Labor Force (Ths)	265.6	265.8	263.6	259.6	259.9	253.4	253.3	258.4	263.6
Pct Chg Year Ago	0.0	0.1	-0.8	-1.5	0.1	-2.5	0.0	2.0	2.0
Unemployment Rate (%)	11.2	10.9	9.4	8.3	6.9	5.7	5.2	5.2	5.2
Total Housing Starts	1082.5	976.2	1119.6	1351.0	1285.5	1486.9	2218.0	4084.9	4808.9
Single-Family	994.9	846.7	1115.4	1335.4	1245.6	1251.8	1695.3	3126.1	3646.5
Multifamily	88	129	4	16	40	235	523	959	1162

# PALM BAY - MELBOURNE - TITUSVILLE

## Quarterly Outlook for Palm Bay-Melbourne-Titusville, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	23	23.3	23.6	23.9	24.3	24.7	25.1	25.4	25.8	26.2	26.6	27	27.3
Pct Chg Year Ago	4.4	4.1	4.5	5.2	5.7	6.2	6.5	6.3	6.1	6	6	6	6
Wages and Salaries	10	10.2	10.3	10.5	10.7	10.9	11	11.2	11.4	11.5	11.7	11.9	12
Nonwage Income	13	13.1	13.2	13.4	13.6	13.8	14.1	14.2	14.4	14.7	14.9	15.1	15.3
Real Personal Income (05\$)	21.3	21.5	21.7	21.9	22.1	22.4	22.6	22.8	23	23.3	23.5	23.7	24
Pct Chg Year Ago	4.1	3.1	3.7	4	3.9	4.1	4.2	4.2	4.1	3.9	3.9	4.1	4
Per Capita Income (Ths)	40.6	41	41.4	41.9	42.4	43	43.6	44	44.5	45.1	45.6	46.1	46.5
Real Per Capita Income (05\$)	37.6	37.9	38.1	38.3	38.6	39	39.3	39.5	39.7	40.1	40.3	40.6	40.8
Average Annual Wage (Ths)	48.8	49.2	49.7	50.3	50.8	51.3	51.9	52.4	52.9	53.5	54	54.6	55.2
Pct Chg Year Ago	1.2	1.6	2.7	3.7	4.2	4.3	4.4	4.3	4.1	4.1	4.1	4.2	4.2
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	202.8	204	205.4	206.7	208	209.1	210	211	211.8	212.6	213.6	214.5	215.3
Pct Chg Year Ago	2.1	1.4	1.6	2	2.6	2.5	2.3	2.1	1.8	1.7	1.7	1.7	1.6
Manufacturing	20.2	20.3	20.5	20.7	21	21.1	21.2	21.3	21.3	21.4	21.4	21.5	21.5
Pct Chg Year Ago	0.6	0.5	1.3	2	3.8	4.1	3.7	2.9	1.8	1.2	1.1	0.9	0.7
Nonmanufacturing	182.6	183.7	184.9	186.1	187	188	188.8	189.7	190.4	191.2	192.2	193.1	193.8
Pct Chg Year Ago	2.2	1.5	1.7	2	2.4	2.3	2.1	2	1.8	1.7	1.8	1.8	1.7
Construction & Mining	9.8	10	10.3	10.6	10.8	11	11.2	11.3	11.5	11.6	11.7	11.9	12
Pct Chg Year Ago	-1.8	-1.7	3.8	7.7	10	10	8.9	7.1	6	5.2	5.1	5.1	4.5
Trade, Trans, & Utilities	36.1	36.3	36.4	36.5	36.5	36.6	36.6	36.7	36.7	36.8	36.9	37	37
Pct Chg Year Ago	3.2	1.7	1.5	1	1.1	0.8	0.6	0.6	0.6	0.7	0.7	0.7	0.7
Wholesale Trade	5.5	5.6	5.6	5.6	5.7	5.7	5.8	5.8	5.9	5.9	6	6	6
Retail Trade	27.2	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.2	27.2	27.2	27.3	27.3
Trans, Wrhsng, & Util	3.4	3.4	3.5	3.5	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7
Information	1.7	1.7	1.8	1.8	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Pct Chg Year Ago	-7.8	-4.7	-2.1	2.5	0.9	1.4	-0.2	-0.4	2.3	1.7	2.1	2.3	1.3
Financial Activities	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
Pct Chg Year Ago	2	1.7	2.5	2.1	1.1	0.4	-0.1	-0.2	-0.5	-0.6	-0.5	-0.6	-0.6
Prof & Business Services	30.3	30.5	31	31.5	32	32.5	32.9	33.3	33.6	34	34.3	34.6	34.8
Pct Chg Year Ago	2.4	0.6	-0.3	2.6	5.8	6.4	6.3	5.9	5.1	4.5	4.2	3.8	3.4
Educ & Health Services	35.4	35.7	35.9	36.1	36.3	36.4	36.5	36.6	36.7	36.8	37	37.2	37.4
Pct Chg Year Ago	5.7	4.6	4.7	3.1	2.4	1.9	1.6	1.4	1.1	1.3	1.4	1.6	1.9
Leisure & Hospitality	25.5	25.7	25.7	25.8	25.8	25.8	25.9	26	26.1	26.2	26.3	26.5	26.6
Pct Chg Year Ago	3.1	2.8	2.8	1.6	1	0.5	0.8	1	1.3	1.3	1.5	1.6	1.8
Other Services	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Pct Chg Year Ago	2.2	2.1	2.2	0.9	0.8	0.2	-0.4	-0.5	-0.5	-0.3	0	0.4	0.6
Federal Government	6.2	6.2	6.2	6.2	6.1	6.1	6.1	6.1	6	6	6	6	6
Pct Chg Year Ago	1.8	1.1	-0.3	-0.9	-1.1	-1.4	-1.7	-1.7	-1.6	-1.7	-1.7	-1.6	-1.5
State & Local Government	21.6	21.6	21.6	21.6	21.7	21.8	21.8	21.9	22	22.1	22.1	22.2	22.3
Pct Chg Year Ago	-2.7	-2	-1.7	-0.1	0.5	0.6	0.9	1.1	1.3	1.4	1.4	1.4	1.4
<b>Other Economic Indicators</b>													
Population (Ths)	566.5	568.1	569.7	571.3	572.9	574.5	576.3	578	579.8	581.7	583.5	585.4	587.3
Pct Chg Year Ago	1.2	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.2	1.3	1.3	1.3
Labor Force (Ths)	249.3	251.3	252.6	254.1	255.2	256.4	257.7	259.2	260.4	261.6	262.9	264.3	265.7
Pct Chg Year Ago	-3.8	-3.2	-1.8	2.7	2.4	2	2	2	2	2	2	2	2
Unemployment Rate (%)	5.3	5.3	5.2	5.1	5.1	5.1	5.1	5.2	5.2	5.2	5.2	5.2	5.3
Total Housing Starts	937	1439	1924	2495	3014	3482	3878	4315	4665	4779	4775	4834	4848
Single-Family	936	1194	1506	1865	2216	2603	3010	3336	3556	3650	3651	3659	3626
Multifamily	1	245	418	630	798	879	868	980	1109	1129	1124	1175	1222

## PROFILES

The Pensacola–Ferry Pass–Brent MSA is comprised of Escambia County and Santa Rosa County. Located in the northwest corner of Florida bordering Alabama, the region is home to the Pensacola Naval Air Station, Blue Angels, and the National Museum of Naval Aviation. This area has been referred to as the “Cradle of Naval Aviation.”

### QUICK FACTS:

- Metro population estimate of 466,913 as of July 1, 2013 (U.S. Census Bureau).
- Escambia County population estimate of 305,817 as of July 1, 2013 (U.S. Census Bureau).
- Santa Rosa County population estimate of 161,096 as of July 1, 2013 (U.S. Census Bureau).
- A civilian labor force of 214,383 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 4.8% as of October 2015, not seasonally adjusted. This amounts to 10,265 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Local Government – 13,857
- Federal Government – 7,162
- State Government – 5,253
- Sacred Heart Health System – 5,000
- Baptist Health Care – 3,163
- Lakeview – 2,000
- Ascend Performance Materials – 1,400
- Gulf Power Company – 1,365
- West Florida Regional Medical Center – 1,300
- University of West Florida – 1,231
- Navy Federal Credit Union – 1,200

*Sources: Pensacola Chamber of Commerce, Agency for Workforce Innovation, Company web sites, Reference USA*

## OUTLOOK SUMMARIES

The Pensacola–Ferry Pass–Brent Metropolitan Statistical Area (MSA) is expected to see low levels of growth in the economic indicators, relative to the twelve other areas studied. Personal income growth is expected to average 4.8 percent each year, the second lowest of the twelve studied MSAs. The real per capita income level is expected to average \$36,800. The average annual wage growth rate should be 3.3 percent, while the average annual wage level is expected to be \$46,300. Population growth will be at an average rate of 0.8 percent, the lowest of the studied MSAs. The Gross Metro Product is expected to average 14,857.77 million dollars.

Employment growth is expected to average 1.5 percent each year, and the unemployment rate will average 4.6 percent.

Construction and Mining will be the fastest growing sector in Pensacola, with 6.1 percent average annual growth. The Professional and Business Services sector will follow with an average growth rate of 3.3 percent. The Federal Government sector and Other Services sector are expected to experience negative growth with average annual growth rates of -1.6 and -0.6 percent, respectively.

## METRO NEWS SUMMARIES

### Shrimp Basket replacing Shogun on Pensacola Beach

- Shrimp Basket is set to take Shogun Beach Hibachi's place at Pensacola Beach this month. The lease is for ten years, though this is certainly not Shrimp Basket's limit on being permitted the space.
- This location will be the company's 24<sup>th</sup> location overall, with many of its other locations also surrounding beaches.
- Michael Carro, CCIM broker at Sperry Van Ness and also the negotiator of this deal, says that seafood will be easier to sell to tourists who visit Pensacola Beach when compared to a hibachi restaurant.

*Source: Pensacola News Journal, October 16, 2015*

### Real estate follows seasonal expectations

- Escambia and Santa Rosa counties' high point in real estate sales was during the summer.
- In Escambia County, a total of 373 single-family homes were sold in August, with a median sales price of \$150,000 during the months of May through October. Condominium sales were at their highest in July, during which 75 were sold.
- In Santa Rosa County, a total of 351 single-family homes were sold in June, with a median sales price between \$190,000 and \$200,000 throughout the months of May and October.

*Source: Pensacola News Journal, November 18, 2015*

### Kalyn Wolfe: Antique shop is all about elegance

- An antique shop by the name of Midtown Elegant Antiques and Treasures opened its doors to the public in June of this year, and is located along N. Palafox Street.
- The antique store sells paintings, collectibles, and other antique décor at low prices, many falling between \$1 and \$10 mark. The store also has vender booths and a showroom space.
- Chriss Lowry, owner of the antique shop, says, "We plan to stay in the area for as many years as possible and look forward to serving the community with integrity and honesty along with satisfying their dreams in finding that special item they're looking for."

*Source: Pensacola News Journal, November 22, 2015*

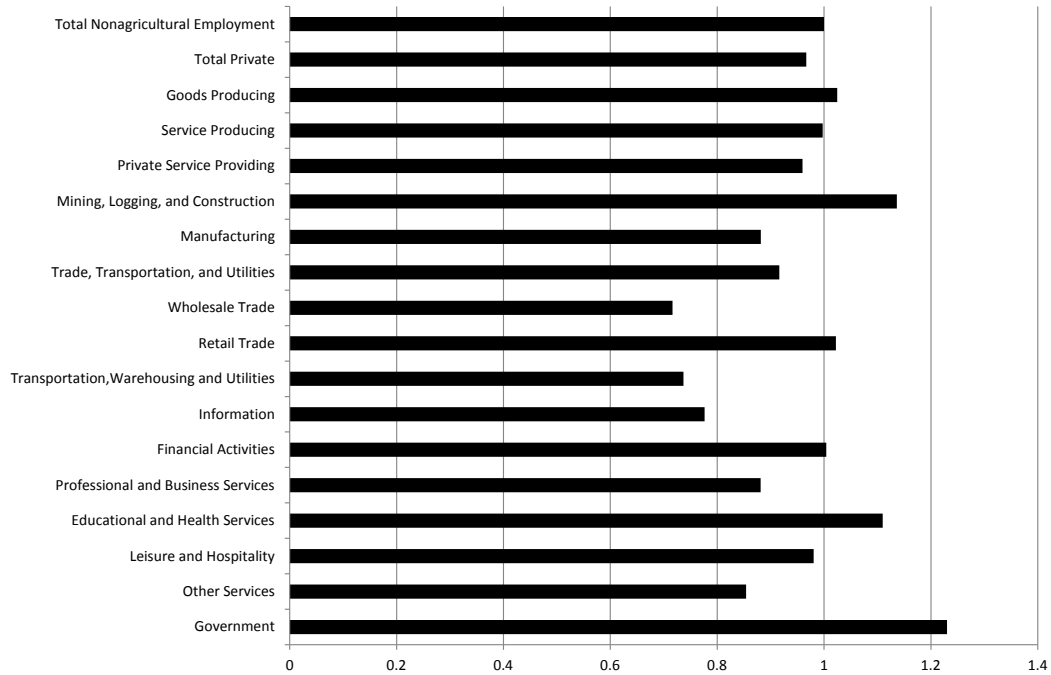
### Food trucks die at city council

- While the food trucks were approved after the first ordinance reading in October, the ordinance was ultimately denied by a one vote difference by the Pensacola City Council. Food trucks will continue to be banned from operating within city limits.

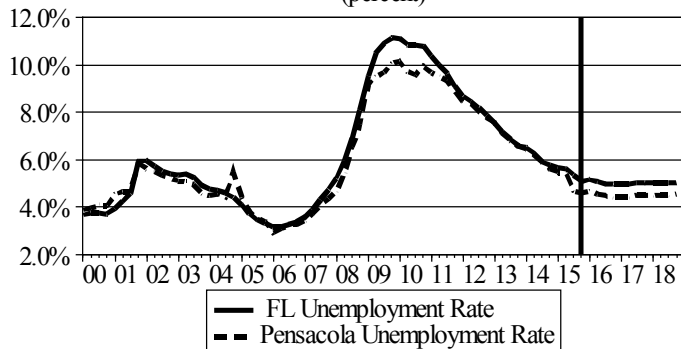
- The largest concern surrounding this deal is between food trucks and restaurants in city limits, believing there wouldn't be enough of a buffer between the two and that food trucks could potentially affect the amount of business the restaurants currently receive.
- Randy Russell, a local food truck owner, does not believe his business would be much of a threat to local restaurants' amount of business.

*Source: Pensacola News Journal, November 13, 2015*

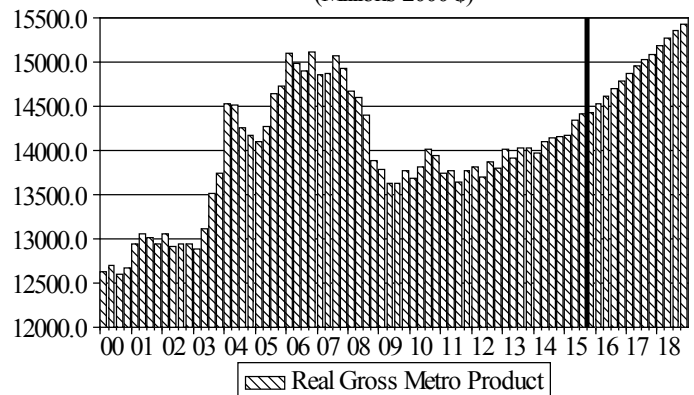
**Pensacola - Ferry Pass - Brent MSA  
Industry Location Quotients**



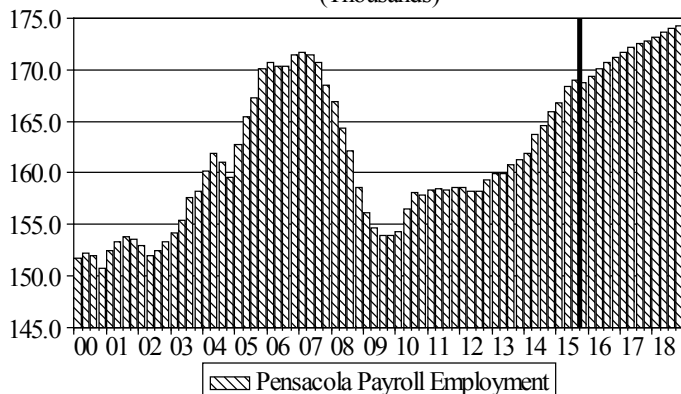
**Florida & Pensacola Unemployment  
Rate  
(percent)**



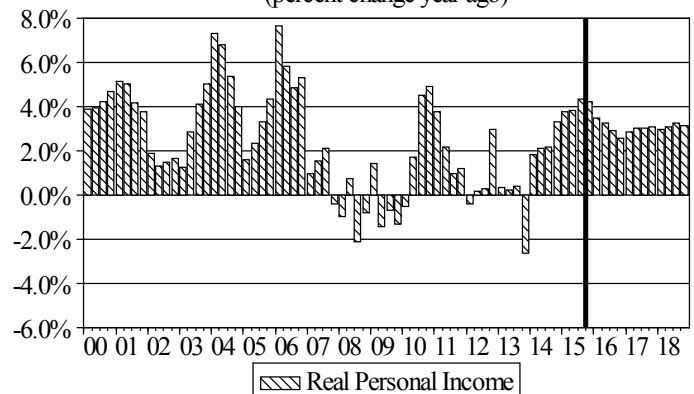
**Pensacola Real Gross Metro Product  
(Millions 2000 \$)**



**Pensacola Payroll Employment  
(Thousands)**



**Pensacola Real Personal Income  
(percent change year ago)**





# PENSACOLA - FERRY PASS - BRENT

## Annual Outlook for Pensacola-Ferry Pass-Brent, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	15.7	16.4	16.8	16.9	17.5	18.3	19.1	20.1	21.1
Pct Chg Year Ago	3.5	4.8	2.2	0.8	3.7	4.3	4.4	5.3	5.1
Wages and Salaries	6.9	7.1	7.3	7.4	7.6	8.0	8.3	8.7	9.1
Nonwage Income	8.8	9.3	9.5	9.5	9.9	10.3	10.8	11.4	12.0
Real Personal Income (05\$)	15.6	15.9	16.0	15.9	16.3	17.0	17.5	18.1	18.6
Pct Chg Year Ago	2.6	2.0	0.7	-0.4	2.3	4.0	3.2	3.2	3.1
Per Capita Income (Ths)	34.7	35.9	36.2	36.0	36.9	38.2	39.6	41.4	43.2
Real Per Capita Income (05\$)	34.5	34.8	34.6	34.0	34.4	35.5	36.3	37.2	38.1
Average Annual Wage (Ths)	40.3	41.3	42.0	42.0	43.0	43.9	45.4	47.2	48.9
Pct Chg Year Ago	0.0	2.4	1.8	0.0	2.5	2.1	3.3	3.9	3.7
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	156.7	158.4	158.6	160.5	164.0	168.3	170.4	172.5	174.1
Pct Chg Year Ago	1.3	1.1	0.1	1.2	2.2	2.6	1.3	1.2	0.9
Manufacturing	5.4	5.5	5.6	5.9	6.0	6.2	6.2	6.2	6.2
Pct Chg Year Ago	-0.6	2.6	1.2	5.6	2.3	2.4	0.0	0.9	0.3
Nonmanufacturing	151.3	152.9	153.0	154.6	158.0	162.1	164.3	166.3	167.8
Pct Chg Year Ago	1.4	1.1	0.1	1.0	2.2	2.6	1.3	1.2	0.9
Construction & Mining	10.5	9.8	9.4	9.2	9.5	10.0	10.7	11.5	12.0
Pct Chg Year Ago	-0.6	-6.7	-4.0	-2.5	2.8	5.5	6.8	7.8	4.2
Trade, Trans, & Utilities	29.4	29.8	30.0	30.4	31.1	31.9	31.8	31.9	31.9
Pct Chg Year Ago	-2.4	1.3	1.0	1.2	2.4	2.4	-0.2	0.1	0.1
Wholesale Trade	5.1	4.9	4.9	4.9	5.0	5.0	5.0	5.1	5.2
Retail Trade	20.2	20.8	21.1	21.5	22.0	22.8	22.7	22.6	22.4
Trans, Wrhsng, & Util	4.1	4.1	4.0	4.1	4.2	4.0	4.1	4.2	4.3
Information	3.1	2.7	2.4	2.3	2.3	2.2	2.2	2.2	2.3
Pct Chg Year Ago	1.7	-12.5	-12.3	-1.0	-2.9	-3.1	1.7	0.0	1.1
Financial Activities	8.7	8.7	9.0	9.9	10.7	11.2	11.3	11.2	11.1
Pct Chg Year Ago	-1.2	0.0	3.5	10.0	8.1	4.4	1.2	-0.8	-1.3
Prof & Business Services	19.7	21.1	21.3	21.5	21.7	22.3	23.1	24.1	24.7
Pct Chg Year Ago	6.7	7.1	1.3	1.0	0.7	2.9	3.5	4.2	2.7
Educ & Health Services	26.7	27.4	27.0	26.6	26.9	27.9	28.5	28.6	28.8
Pct Chg Year Ago	3.8	2.4	-1.4	-1.3	0.9	3.8	2.1	0.6	0.5
Leisure & Hospitality	18.1	19.2	19.7	20.8	21.9	22.7	22.9	23.2	23.5
Pct Chg Year Ago	2.8	6.4	2.6	5.6	5.0	3.9	0.9	1.0	1.6
Other Services	6.1	5.8	5.7	5.7	6.1	6.0	6.0	5.9	5.9
Pct Chg Year Ago	-6.8	-5.4	-1.5	-0.5	6.8	-1.5	0.1	-0.7	-0.2
Federal Government	7.2	6.9	6.8	6.6	6.5	6.5	6.4	6.3	6.1
Pct Chg Year Ago	10.2	-4.7	-0.8	-2.4	-2.0	-0.6	-1.0	-2.2	-2.3
State & Local Government	21.8	21.6	21.6	21.4	21.4	21.5	21.3	21.4	21.5
Pct Chg Year Ago	-0.3	-0.8	-0.2	-0.8	0.0	0.3	-0.6	0.3	0.6
<b>Other Economic Indicators</b>									
Population (Ths)	451.4	456.4	463.3	469.3	474.6	478.9	482.6	486.0	489.2
Pct Chg Year Ago	1.0	1.1	1.5	1.3	1.1	0.9	0.8	0.7	0.7
Labor Force (Ths)	211.0	213.7	213.1	213.2	215.2	210.1	210.0	214.0	217.6
Pct Chg Year Ago	1.9	1.3	-0.3	0.0	0.9	-2.4	0.0	1.9	1.7
Unemployment Rate (%)	9.9	9.3	8.2	7.0	6.0	5.1	4.5	4.4	4.4
Total Housing Starts	1820.0	1200.9	1478.9	1981.6	1971.9	2596.2	2241.6	2123.8	2197.1
Single-Family	1372.7	1200.0	1462.6	1864.4	1679.8	2032.6	1859.4	1832.6	1888.8
Multifamily	447	1	16	117	292	564	382	291	308

# PENSACOLA - FERRY PASS - BRENT

## Quarterly Outlook for Pensacola-Ferry Pass-Brent, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	18.6	18.8	19	19.2	19.4	19.7	20	20.2	20.5	20.7	21	21.2	21.5
Pct Chg Year Ago	4.6	4.5	4.3	4.3	4.6	5.1	5.4	5.4	5.2	5.2	5.1	5.1	5
Wages and Salaries	8.1	8.2	8.3	8.4	8.5	8.6	8.7	8.8	8.9	9	9.1	9.2	9.3
Nonwage Income	10.5	10.6	10.7	10.8	11	11.1	11.3	11.4	11.6	11.8	11.9	12	12.2
Real Personal Income (05\$)	17.2	17.4	17.5	17.6	17.7	17.9	18	18.1	18.3	18.4	18.6	18.7	18.8
Pct Chg Year Ago	4.3	3.5	3.4	3.1	2.8	3.1	3.2	3.2	3.2	3	3.1	3.2	3.1
Per Capita Income (Ths)	38.7	39	39.3	39.7	40.2	40.7	41.2	41.6	42	42.5	43	43.4	43.8
Real Per Capita Income (05\$)	35.8	36.1	36.2	36.4	36.6	36.9	37.1	37.3	37.5	37.8	38	38.2	38.4
Average Annual Wage (Ths)	44.4	44.8	45.1	45.6	46	46.5	47	47.4	47.8	48.3	48.7	49.1	49.6
Pct Chg Year Ago	2.5	2.9	3.5	3.3	3.6	3.9	4	4	3.8	3.8	3.7	3.7	3.7
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	168.8	169.4	170.1	170.8	171.4	171.9	172.3	172.7	173.1	173.4	173.9	174.3	174.6
Pct Chg Year Ago	1.7	1.6	1	1.1	1.5	1.4	1.3	1.1	1	0.9	0.9	0.9	0.9
Manufacturing	6.2	6.2	6.1	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Pct Chg Year Ago	1.4	0.4	-0.3	-0.5	0.2	0.8	1.1	1	0.6	0.5	0.4	0.2	0
Nonmanufacturing	162.6	163.3	164	164.7	165.2	165.7	166.1	166.5	166.8	167.2	167.7	168.1	168.3
Pct Chg Year Ago	1.8	1.6	1.1	1.1	1.6	1.5	1.3	1.1	1	0.9	0.9	1	0.9
Construction & Mining	10.1	10.2	10.5	10.8	11.1	11.3	11.4	11.6	11.7	11.8	11.9	12.1	12.1
Pct Chg Year Ago	6.2	4.9	5.8	6.6	9.7	9.9	8.8	6.9	5.6	4.7	4.4	4.3	3.7
Trade, Trans, & Utilities	31.7	31.8	31.8	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9
Pct Chg Year Ago	0.9	0	-0.8	-0.2	0.4	0.2	0.1	0	0	0.1	0.1	0.1	0
Wholesale Trade	5	5	5	5	5	5.1	5.1	5.1	5.2	5.2	5.2	5.2	5.2
Retail Trade	22.7	22.7	22.7	22.7	22.7	22.6	22.6	22.5	22.5	22.5	22.4	22.4	22.4
Trans, Wrhsng, & Util	4	4.1	4.1	4.1	4.1	4.1	4.2	4.2	4.2	4.2	4.3	4.3	4.3
Information	2.2	2.2	2.3	2.3	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3
Pct Chg Year Ago	0.7	1.5	2.4	2.9	0.2	0.7	-0.9	-1.1	1.5	1	1.4	1.5	0.5
Financial Activities	11.2	11.3	11.3	11.3	11.3	11.3	11.2	11.2	11.1	11.1	11.1	11	11
Pct Chg Year Ago	3.1	2.5	1.2	0.8	0.3	-0.3	-0.8	-0.9	-1.2	-1.3	-1.2	-1.3	-1.3
Prof & Business Services	22.6	22.7	23	23.2	23.5	23.8	24	24.2	24.4	24.5	24.7	24.8	24.9
Pct Chg Year Ago	2.7	3	3.3	3.7	3.9	4.6	4.5	4.2	3.6	3.1	2.9	2.7	2.3
Educ & Health Services	28.2	28.3	28.5	28.5	28.6	28.6	28.6	28.6	28.6	28.7	28.8	28.8	28.9
Pct Chg Year Ago	3.3	3.3	2.4	1.5	1.5	1	0.6	0.4	0.2	0.4	0.4	0.6	0.8
Leisure & Hospitality	22.8	22.9	22.9	23	23	23	23.1	23.2	23.3	23.3	23.5	23.6	23.7
Pct Chg Year Ago	2.2	0.7	1	0.9	1	0.6	0.9	1.1	1.3	1.3	1.6	1.6	1.8
Other Services	6	6	6	6	6	6	6	5.9	5.9	5.9	5.9	5.9	5.9
Pct Chg Year Ago	-2.5	-0.2	0.5	-0.4	0.4	-0.3	-0.8	-0.9	-0.9	-0.6	-0.4	0	0.2
Federal Government	6.5	6.4	6.4	6.4	6.3	6.3	6.3	6.2	6.2	6.2	6.1	6.1	6.1
Pct Chg Year Ago	-1.8	0.8	-1.7	-1.4	-1.8	-2	-2.3	-2.3	-2.3	-2.4	-2.4	-2.3	-2.2
State & Local Government	21.4	21.4	21.3	21.3	21.3	21.3	21.4	21.4	21.4	21.5	21.5	21.5	21.6
Pct Chg Year Ago	-0.5	0.2	-1.3	-1.2	-0.2	-0.1	0.2	0.4	0.6	0.7	0.7	0.6	0.6
<b>Other Economic Indicators</b>													
Population (Ths)	480.3	481.3	482.2	483.1	483.9	484.8	485.6	486.4	487.2	488.1	488.8	489.5	490.3
Pct Chg Year Ago	0.9	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6
Labor Force (Ths)	206.7	208.4	209.5	210.6	211.6	212.5	213.4	214.6	215.5	216.3	217.1	218.1	219
Pct Chg Year Ago	-4.3	-3.3	-1.7	2.7	2.4	2	1.9	1.9	1.8	1.8	1.7	1.6	1.6
Unemployment Rate (%)	4.6	4.6	4.5	4.4	4.4	4.3	4.3	4.4	4.4	4.3	4.4	4.3	4.4
Total Housing Starts	2420	2404	2300	2169	2094	2074	2128	2140	2153	2196	2192	2204	2196
Single-Family	2076	1977	1891	1799	1770	1800	1832	1843	1856	1895	1892	1894	1875
Multifamily	344	427	409	369	324	274	297	297	298	301	300	311	321

## PROFILES

The Tallahassee MSA is comprised of Gadsden, Jefferson, Leon, and Wakulla Counties. It is located between Pensacola and Jacksonville. Tallahassee is the capital city of Florida and houses Florida State University and Florida A&M University.

### QUICK FACTS:

- Metro population estimate of 373,255 as of July 1, 2013 (U.S. Census Bureau).
- Gadsden County population estimate of 46,194 as of July 1, 2013 (U.S. Census Bureau).
- Jefferson County population estimate of 14,194 as of July 1, 2013 (U.S. Census Bureau).
- Leon County population estimate of 281,845 as of July 1, 2013 (U.S. Census Bureau).
- Wakulla County population estimate of 31,022 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 189,233 in October 2015 (Florida Research and Economic Database).
- An unemployment rate of 4.7% as of October 2015, not seasonally adjusted. This amounts to 8,924 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- State of Florida – 24,599
- Florida State University – 6,119
- Leon County Schools – 4,550
- Tallahassee Memorial HealthCare, Inc. – 3,190
- City of Tallahassee – 2,736
- Publix Supermarket – 2,102
- Florida A&M University – 1,923
- Leon County – 1,919
- Walmart Stores Inc. – 1,300
- Tallahassee Community College – 1,144

*Source: Economic Development Council of Tallahassee*

## OUTLOOK SUMMARIES

The Tallahassee Metropolitan Statistical Area (MSA) is expected to show low growth in the economic indicators relative to other metro areas forecasted in the state. The area should see personal income growth averaging 5.0 percent each year. Real per capita income levels should average \$37,200. Average annual wage growth is expected to be 3.3 percent. The average annual wage level will be \$45,100. Population growth will average 1.0 percent, and the Gross Metro Product will average at a level of 14,033.06 million dollars.

Employment growth is expected to average 1.4 percent each year, the lowest of the studied areas. However, the unemployment rate will average 4.4 percent, the second lowest of the twelve MSAs.

Construction and Mining will be the fastest growing sector in Tallahassee, averaging 3.0 percent annually. The Professional and Business Services sector follows with an average growth rate of 2.9 percent. The Manufacturing sector and Financial Services sector are expected to decline by -0.3 and -0.5 percent, respectively.

## METRO NEWS SUMMARIES

### ‘Discovery on Parade’ spotlights new research, innovations produced in Tallahassee

- The three colleges in Tallahassee – Florida State, Florida A&M, and Tallahassee Community College – are presenting a showcase of new inventions and innovations in research.
- There will be more than 80 exhibits featuring new technology-based discoveries.
- The event is the first of its kind for the area and some of the sponsors are the Leon County Research and Development Authority and Thomas Howell Ferguson P.A.

*Source: Tallahassee Democrat, November 27, 2015*

### Groundbreaking marks dawn of Danfoss expansion

- Tallahassee is home to the headquarters of Danfoss Turbocor, the world's leading producer of energy-saving compressors. The company is becoming so successful that it now has to expand its space. With the local universities nearby, the company is looking forward to collaborate on research ideas and share engineering resources.
- The expansion project includes the construction of a 40,000-square-foot building with an advance development laboratory taking up over half of that space. The project is projected to cost \$14 million.
- With the added space, the company will be adding 25 new jobs, 10 being high-wage positions. The estimated time it will take to complete the project is not said, but groundwork has been marked.

*Source: Tallahassee Democrat, December 8, 2015*

### TMH set to build \$250 million surgical center

- By 2018, Tallahassee Memorial HealthCare will be more grand, advanced, and a top of the line surgical center for the residents in the Tallahassee community. Doctors will be able to perform twice the amount of surgeries they can complete now with the expansion. The center will now be more efficient and able to help more patients get the treatment they need sooner.
- The facility will be five stories and 340,000 square-feet, eight times the size of the current three-story emergency center. This is the most ambitious and "largest capital project ever", TMH CFO Bill Guidice said.
- Construction should begin in April or May of 2016 and is estimated to take about two and a half years. It will include 28 operating suites and 72 surgical intensive beds.

*Source: Tallahassee Democrat, November 9, 2015*

### Four Points holds fundraiser

- The employees of Tallahassee's Four Points by Sheraton participated in the "Road to Awareness" fundraiser, showing their support and commitment to the community and supporting environmentally sound business practices.
- Four Points teamed up with the Clean the World organization, showing their commitment to using green initiatives and protecting the planet. The employees raised \$370 to donate to the Clean the World organization.
- The worldwide hotel chain continues to reach its environmental goals and do its part in helping keep the planet clean.

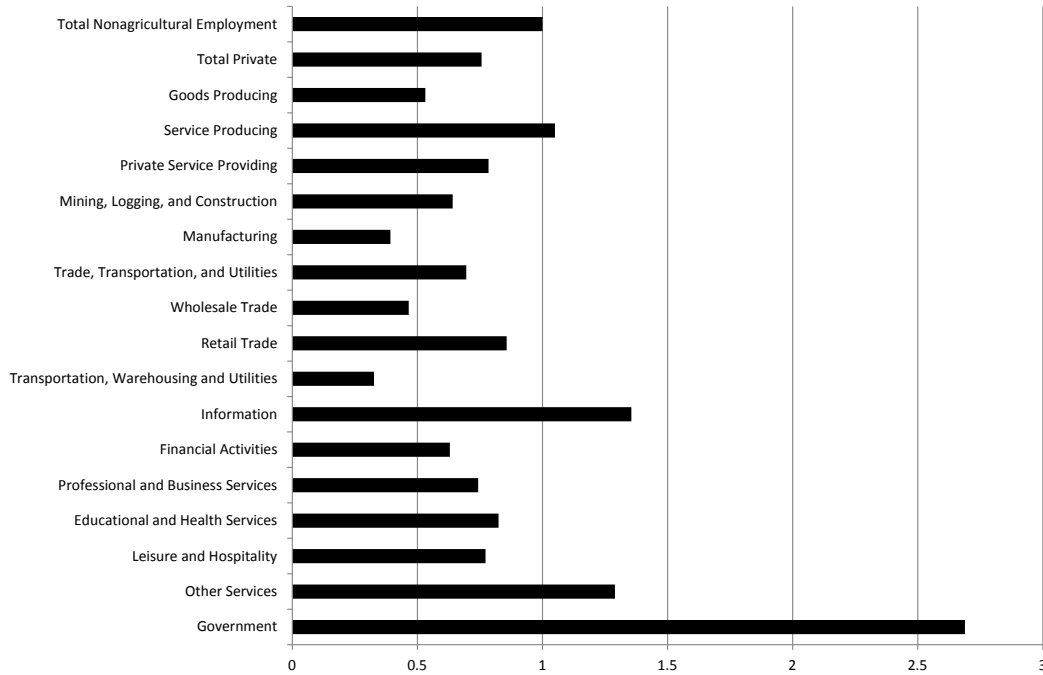
*Source: Tallahassee Democrat, October 18, 2015*

### Small businesses move toward getting noticed through Google event

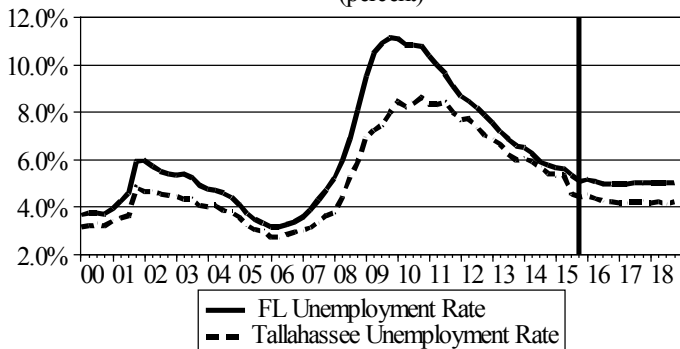
- The 12,433 licensed businesses in Tallahassee had an opportunity to get out there through the web via Google. At the "Let's Put Tallahassee on the Map" town hall meeting with Google, business owners and entrepreneurs had the opportunity to create an online business profile.
- The majority of people (97 percent) look up products online and only 37 percent of small businesses nationwide have an online profile. Tallahassee is trying to maximize their resourcefulness and use simple, easy tools like the internet to help their small businesses prosper.
- The online business profile provides the location of the business and basic information like the hours and type of business. Online presence is vital to a small business' success and now Tallahassee businesses have a step-up.

*Source: Tallahassee Democrat, November 30, 2015*

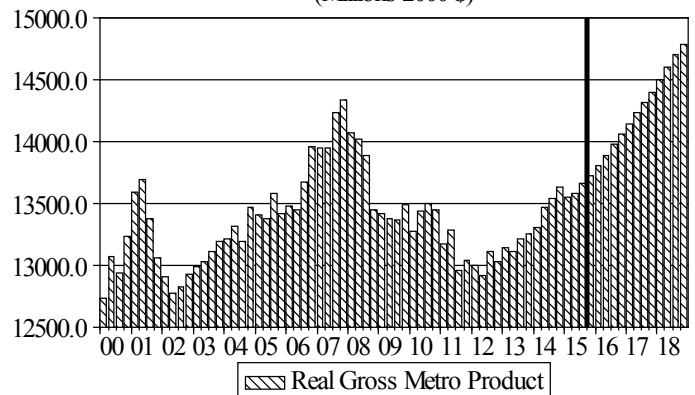
**Tallahassee MSA  
Industry Location Quotients**



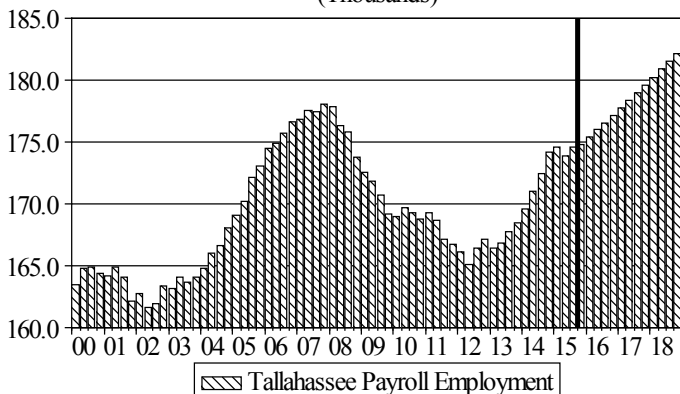
**Florida & Tallahassee Unemployment  
Rate  
(percent)**



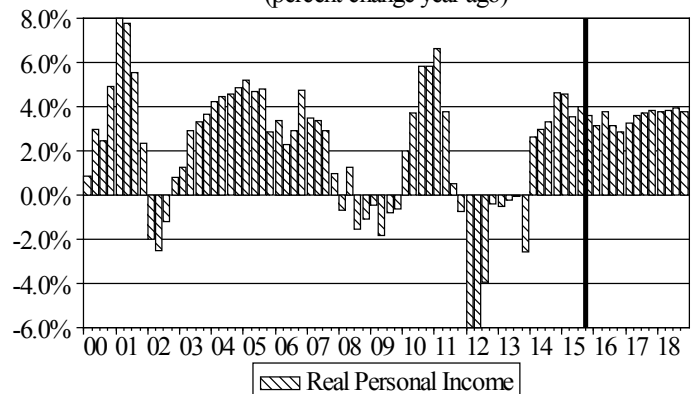
**Tallahassee Real Gross Metro Product  
(Millions 2000 \$)**



**Tallahassee Payroll Employment  
(Thousands)**



**Tallahassee Real Personal Income  
(percent change year ago)**



**Annual Outlook for Tallahassee, FL  
December 2015**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	12.7	13.4	13.0	13.0	13.7	14.2	14.9	15.8	16.7
Pct Chg Year Ago	5.2	5.2	-3.1	0.4	4.8	4.2	4.6	5.9	5.8
Wages and Salaries	6.8	6.8	6.8	6.9	7.2	7.5	7.9	8.3	8.8
Nonwage Income	6.0	6.6	6.2	6.1	6.4	6.7	7.0	7.5	7.9
Real Personal Income (05\$)	12.7	13.0	12.4	12.3	12.7	13.2	13.7	14.2	14.7
Pct Chg Year Ago	4.3	2.5	-4.5	-0.9	3.4	3.9	3.4	3.8	3.8
Per Capita Income (Ths)	34.5	36.0	34.6	34.8	36.3	37.7	39.0	40.8	42.6
Real Per Capita Income (05\$)	34.3	34.9	33.1	32.9	33.8	35.0	35.8	36.7	37.6
Average Annual Wage (Ths)	39.8	40.1	40.9	41.0	41.9	42.7	44.3	46.2	48.1
Pct Chg Year Ago	1.3	0.9	1.8	0.4	2.0	2.1	3.7	4.2	4.0
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	169.2	168.0	166.2	167.4	171.8	174.5	176.3	178.8	181.4
Pct Chg Year Ago	-1.1	-0.7	-1.0	0.7	2.6	1.6	1.1	1.4	1.4
Manufacturing	3.7	3.3	3.1	3.1	2.9	2.8	2.8	2.8	2.9
Pct Chg Year Ago	-4.1	-11.2	-3.9	-2.3	-4.5	-3.9	-1.5	1.7	1.2
Nonmanufacturing	165.5	164.7	163.1	164.3	168.9	171.7	173.6	176.0	178.5
Pct Chg Year Ago	-1.1	-0.5	-1.0	0.8	2.8	1.7	1.1	1.4	1.4
Construction & Mining	6.4	6.1	5.9	6.2	6.3	5.9	6.1	6.6	6.9
Pct Chg Year Ago	-9.1	-4.5	-4.1	5.5	1.7	-6.5	3.2	8.1	4.6
Trade, Trans, & Utilities	22.2	22.3	22.2	22.8	23.6	24.9	25.2	25.3	25.5
Pct Chg Year Ago	-0.9	0.7	-0.7	2.6	3.8	5.5	1.2	0.5	0.6
Wholesale Trade	3.3	3.3	3.2	3.2	3.3	3.3	3.3	3.4	3.5
Retail Trade	17.3	17.5	17.4	17.8	18.6	19.8	20.0	20.0	20.0
Trans, Wrhsng, & Util	1.6	1.6	1.6	1.7	1.8	1.8	1.8	1.9	2.0
Information	3.1	3.2	3.3	3.4	3.9	3.9	4.1	4.1	4.2
Pct Chg Year Ago	-9.1	3.6	3.6	3.8	14.7	-0.3	4.3	0.8	1.9
Financial Activities	7.4	7.5	7.2	7.3	7.2	7.2	7.2	7.1	7.1
Pct Chg Year Ago	-1.1	0.9	-4.1	1.6	-1.0	-0.5	0.1	-0.4	-0.9
Prof & Business Services	18.1	18.4	18.2	18.5	19.1	19.1	19.4	20.4	21.0
Pct Chg Year Ago	-1.6	1.4	-1.1	1.7	3.0	0.2	1.7	4.8	3.4
Educ & Health Services	19.6	19.9	19.7	19.7	20.5	21.0	21.5	21.7	22.0
Pct Chg Year Ago	0.4	1.4	-0.6	-0.3	4.4	2.3	2.1	1.3	1.3
Leisure & Hospitality	16.2	16.2	16.8	17.2	18.0	19.4	19.8	20.0	20.3
Pct Chg Year Ago	-1.3	0.0	3.5	2.8	4.4	8.1	1.9	1.0	1.7
Other Services	9.5	8.9	9.2	8.8	9.2	9.3	9.4	9.4	9.5
Pct Chg Year Ago	-2.2	-5.7	3.1	-3.8	3.8	1.8	0.6	0.0	0.5
Federal Government	2.1	1.9	1.9	2.0	1.9	2.0	2.0	1.9	1.9
Pct Chg Year Ago	5.0	-9.1	-0.5	3.6	-2.4	3.2	-1.3	-1.3	-1.2
State & Local Government	60.9	60.3	58.7	58.4	59.1	58.9	59.0	59.4	60.2
Pct Chg Year Ago	0.0	-1.1	-2.6	-0.5	1.2	-0.4	0.1	0.8	1.2
<b>Other Economic Indicators</b>									
Population (Ths)	369.4	371.9	374.9	374.1	375.9	377.7	381.4	386.3	391.3
Pct Chg Year Ago	1.1	0.7	0.8	-0.2	0.5	0.5	1.0	1.3	1.3
Labor Force (Ths)	190.8	190.0	188.0	187.1	189.8	185.4	185.2	188.7	192.0
Pct Chg Year Ago	-0.2	-0.4	-1.1	-0.5	1.4	-2.3	-0.1	1.9	1.8
Unemployment Rate (%)	8.4	8.3	7.5	6.4	5.8	4.9	4.3	4.1	4.1
Total Housing Starts	662.5	786.0	994.1	1186.7	1277.2	1348.8	1717.5	2095.4	2244.4
Single-Family	605.6	567.0	495.7	610.8	678.5	715.1	971.1	1297.7	1370.1
Multifamily	57	219	498	576	599	634	746	798	874



## Quarterly Outlook for Tallahassee, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	14.5	14.6	14.8	15	15.2	15.4	15.7	15.9	16.1	16.3	16.6	16.8	17
Pct Chg Year Ago	3.9	4.1	4.7	4.5	4.9	5.6	6	6	6	5.9	5.8	5.7	5.7
Wages and Salaries	7.6	7.7	7.8	7.9	8	8.1	8.2	8.4	8.5	8.6	8.7	8.8	8.9
Nonwage Income	6.8	6.9	7	7.1	7.2	7.3	7.4	7.5	7.6	7.8	7.9	8	8.1
Real Personal Income (05\$)	13.4	13.5	13.6	13.7	13.8	14	14.1	14.2	14.4	14.5	14.7	14.8	14.9
Pct Chg Year Ago	3.6	3.2	3.9	3.3	3.1	3.5	3.8	3.9	4	3.8	3.8	3.9	3.7
Per Capita Income (Ths)	38.2	38.5	38.8	39.2	39.6	40.1	40.6	41	41.4	41.9	42.4	42.8	43.2
Real Per Capita Income (05\$)	35.4	35.6	35.7	35.8	36	36.4	36.6	36.8	37	37.3	37.5	37.7	37.9
Average Annual Wage (Ths)	43.4	43.7	44.1	44.5	45	45.5	46	46.4	46.9	47.4	47.8	48.3	48.8
Pct Chg Year Ago	2.8	3.6	4.1	3.4	3.8	4.1	4.2	4.3	4.2	4.2	4.1	4	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	174.8	175.4	176	176.7	177.2	177.9	178.5	179.2	179.8	180.4	181.1	181.8	182.3
Pct Chg Year Ago	0.4	0.5	1.3	1.2	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Manufacturing	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9
Pct Chg Year Ago	-5.8	-4.6	-2.6	0.3	1.1	1.6	1.9	1.8	1.5	1.5	1.3	1.1	0.9
Nonmanufacturing	172.1	172.7	173.3	173.9	174.4	175.1	175.7	176.3	176.9	177.5	178.2	178.9	179.4
Pct Chg Year Ago	0.5	0.5	1.3	1.2	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.4
Construction & Mining	5.7	5.8	6	6.2	6.3	6.4	6.5	6.6	6.7	6.8	6.8	6.9	7
Pct Chg Year Ago	-9.6	-5.7	1.8	7.6	10	10.3	9.2	7.2	5.9	5	4.7	4.7	4.1
Trade, Trans, & Utilities	25.1	25.1	25.2	25.2	25.2	25.3	25.3	25.3	25.4	25.4	25.4	25.5	25.5
Pct Chg Year Ago	5.1	2	1.4	0.6	0.7	0.6	0.5	0.5	0.5	0.6	0.6	0.6	0.6
Wholesale Trade	3.3	3.3	3.3	3.3	3.4	3.4	3.4	3.4	3.5	3.5	3.5	3.5	3.5
Retail Trade	20	20	20	20	20	20	20	20	20	20	20	20	20
Trans, Wrhsng, & Util	1.8	1.8	1.8	1.8	1.9	1.9	1.9	1.9	1.9	1.9	2	2	2
Information	4	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.2	4.2	4.2	4.2	4.2
Pct Chg Year Ago	2.3	5.1	7.2	4.5	0.7	1.4	-0.2	-0.3	2.4	1.8	2.2	2.3	1.3
Financial Activities	7.1	7.2	7.2	7.2	7.2	7.2	7.1	7.1	7.1	7.1	7.1	7.1	7
Pct Chg Year Ago	-1.5	-0.7	0	0.6	0.5	0	-0.4	-0.5	-0.8	-0.9	-0.8	-0.9	-0.9
Prof & Business Services	19	19.1	19.3	19.5	19.8	20	20.3	20.5	20.6	20.8	21	21.1	21.2
Pct Chg Year Ago	-3.2	-1	0.7	2.6	4.4	5.2	5.2	4.8	4.2	3.7	3.5	3.3	2.9
Educ & Health Services	21.2	21.3	21.4	21.5	21.6	21.6	21.7	21.8	21.8	21.9	22	22	22.1
Pct Chg Year Ago	2.1	2	2.5	2.1	2	1.6	1.3	1.1	0.9	1.1	1.1	1.3	1.6
Leisure & Hospitality	19.7	19.8	19.8	19.8	19.8	19.9	20	20.1	20.1	20.2	20.3	20.4	20.5
Pct Chg Year Ago	6.3	3.4	2.2	1.2	0.9	0.5	0.9	1.2	1.4	1.4	1.7	1.7	1.9
Other Services	9.3	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.5	9.5
Pct Chg Year Ago	0.1	-0.9	1.1	1.4	0.9	0.4	-0.1	-0.2	-0.1	0.1	0.4	0.7	0.9
Federal Government	2	2	2	2	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Pct Chg Year Ago	1.3	-2.1	-1.3	-0.8	-1	-1.2	-1.3	-1.3	-1.2	-1.3	-1.3	-1.2	-1.2
State & Local Government	59	59	59	59	59	59.2	59.4	59.5	59.7	59.9	60.1	60.2	60.4
Pct Chg Year Ago	-1.2	-0.2	0.6	-0.1	0.1	0.3	0.7	1	1.2	1.2	1.2	1.2	1.1
<b>Other Economic Indicators</b>													
Population (Ths)	378.7	379.7	380.7	381.9	383.2	384.5	385.7	386.9	388.2	389.5	390.7	391.9	393
Pct Chg Year Ago	0.6	0.8	0.9	1	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2
Labor Force (Ths)	182.2	183.7	184.7	185.7	186.6	187.3	188.2	189.3	190.1	190.8	191.6	192.5	193.3
Pct Chg Year Ago	-4.3	-3.7	-1.7	2.8	2.4	2	1.9	1.9	1.9	1.8	1.8	1.7	1.7
Unemployment Rate (%)	4.5	4.5	4.3	4.2	4.2	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Total Housing Starts	1371	1581	1671	1764	1855	1965	2083	2134	2199	2245	2229	2250	2254
Single-Family	731	820	920	1023	1121	1212	1284	1335	1361	1385	1377	1370	1348
Multifamily	640	761	751	740	734	753	800	800	838	859	853	880	906

## PROFILES

The Tampa–St. Petersburg–Clearwater MSA is comprised of Hernando, Hillsborough, Pasco, and Pinellas counties. Located centrally on the west coast of Florida, this region includes Tarpon Springs, Sponge Docks, Ybor City, Bush Gardens, the University of South Florida and the University of Tampa. The Tampa Bay Buccaneers and the Tampa Bay Rays call this region home.

### QUICK FACTS:

- Metro population estimate of 2,870,569 as of July 1, 2013 (U.S. Census Bureau).
- Hernando County population estimate of 174,441 as of July 1, 2013 (U.S. Census Bureau).
- Hillsborough County population estimate of 1,291,578 as of July 1, 2013 (U.S. Census Bureau).
- Pasco County population estimate of 475,502 as of July 1, 2013 (U.S. Census Bureau).
- Pinellas County population estimate of 929,048 as of July 1, 2013 (U.S. Census Bureau).
- Civilian labor force of 1,446,098 in October 2015 (Florida Research and Economic Database).
- Unemployment rate of 4.8% as of October 2015, not seasonally adjusted. This amounts to 68,984 unemployed people (Florida Research and Economic Database).

### TOP AREA EMPLOYERS:

- Hillsborough County School board – 29,603
- MacDill Air Force Base – 15,485
- Pinellas County School District – 13,905
- Hillsborough County Government – 9,328
- Pasco County School District – 9,289
- Verizon Communications, Inc. – 9,065
- University of South Florida – 8,353
- Tampa International Airport – 8,060
- Tampa General Hospital – 6,900
- Publix Food Centers – 5,823

*Sources: Pasco County School District, Pinellas County School District, 2011 Comprehensive Annual Financial Report: Tampa Port Authority*

## OUTLOOK SUMMARIES

The Tampa–St. Petersburg–Clearwater Metropolitan Statistical Area (MSA) is expected to show moderate growth in the economic indicators relative to the other MSAs studied. Personal income growth is expected to be 5.4 percent on average each year, and the real per capita income level will average \$40,900. Average annual wage growth is expected to be 3.2 percent. The average annual wage level will be \$53,000. Population growth will average 1.5 percent, and Tampa is forecasted to have the second highest average Gross Metro Product in the studied areas, averaging a level of 125,262.37 million dollars.

Employment growth is expected to average 2.4 percent annually. The unemployment rate is expected to average a moderate 4.8 percent.

The fastest growing sector in the Tampa area will be the Construction and Mining sector with an average annual growth rate of 6.6 percent. This is followed by the Leisure sector and Professional and Business Services sector with average annual growth rates of 4.1 percent and 3.9 percent, respectively. None of the sectors are expected to decline.

## METRO NEWS SUMMARIES

### Report: MacDill's economic impact jumps in Tampa area

- The MacDill Air Force Base had an economic impact of \$4.7 billion in 2014 compared to \$1.3 billion in 2012, according to the 6th Air Mobility Wing.
- The impact figures were calculated from payroll numbers, local expenditures, and local job creation by the base.
- According the U.S. Representative Kathy Castor, the Tampa Democrat, "Clearly, MacDill remains a vital economic driver and a source of good paying jobs."

*Source: The Tampa Tribune, October 14, 2015*

### **Leadership voids, growing bureaucracy are challenges for Tampa Bay economic development**

- The Tampa Bay economy is growing with new companies entering the area, bringing jobs and new development opportunities. But this growth may be hampered by vacant leadership positions.
- In the past year, CEO of the Tampa Bay Partnership Stuart Rogel, Interim Partnership CEO John Schueler, and the Tampa Hillsborough Economic Development Corp. CEO, have all stepped down and taken positions elsewhere.
- These openings are not a crisis for Tampa Bay, but they do pose a potential economic danger if not filled. If they don't get filled soon, the development of Tampa Bay could become complicated with cumbersome bureaucratic intervention and competition.

*Source: The Tampa Bay Times, November 2, 2015*

### **Distressed loans big business for St. Petersburg firm**

- Many businesses along U.S. 19 are financed by large bank loans; loans that small and mid-sized businesses have struggled to repay.
- Direct Capital Resources helps these businesses by raising money from investors to buy distressed commercial loans. Borrowers benefit by having enough breathing room to make enough money for loan payments, ultimately paying these investors back.
- Direct Capital Resources invests in a diverse set of loans, usually amounting to no more than \$10 million. The St. Petersburg company received a credit line of almost \$100 million by Goldman Sachs this year, a vote of confidence by a leading investment group.

*Source: The Tampa Bay Times, November 8, 2015*

### **More Tampa Bay borrowers gaining equity in their homes**

- Nearly 20% of Tampa Bay homeowners have underwater mortgages, meaning that they owe more on their houses than the houses can sell for.
- CoreLogic reports that although this figure is still high, it has improved from the 25.6% level seen in September of 2014. This stands in contrast to the 8.1% level seen nationally for underwater homes.
- CoreLogic identifies mortgages worth more than \$200,000 are more likely to have positive equity, with 95% of these homes having positive equity.
- These increases, even though there is room for improvement, indicate positive growth in the real estate market and the overall local economy.

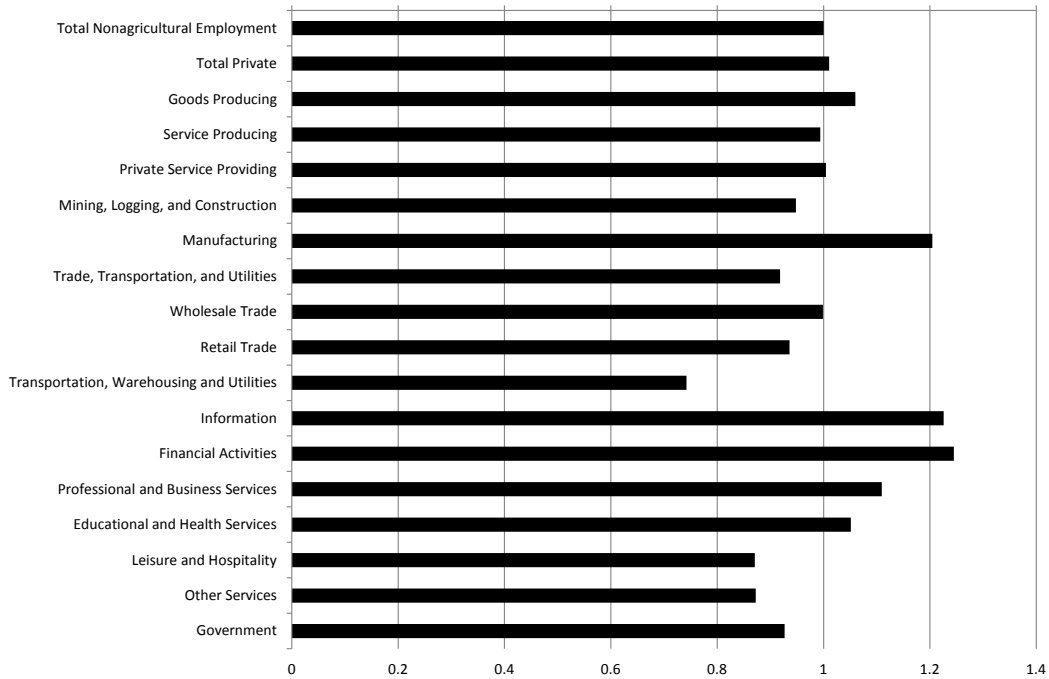
*Source: The Tampa Bay Times, December 15, 2015*

### **Bay area hotels are adapting to the smartphone generation**

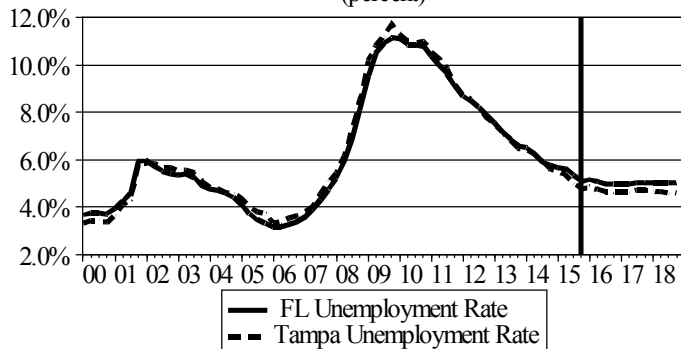
- As the millennial generation becomes more influential in the tourist economy, accommodating technological advances in the hotel industry becomes more important.
- The President and CEO of LW Hospitality Advisors in New York City says, "hotels generally become functionally obsolete more rapidly than other forms of commercial real estate...so hotels are forced... to remain on the cutting edge."
- In Tampa Bay, hotels are beginning to use new amenities and digital tools. Some hotels like the Epicurean Hotel have iPads in the lobby for check-in, and others can check-in and check-out using an app for your phone.

*Source: The Tampa Bay Times, December 16, 2015*

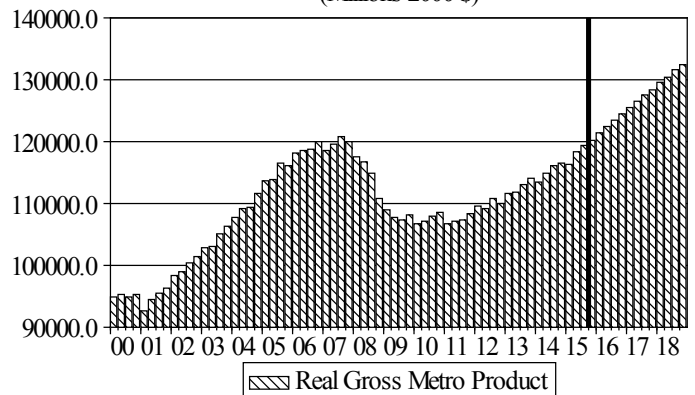
**Tampa - St. Petersburg - Clearwater  
Industry Location Quotients**



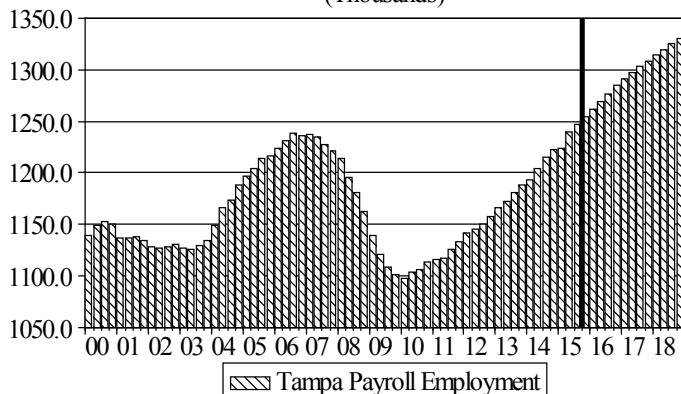
**Florida & Tampa Unemployment  
Rate  
(percent)**



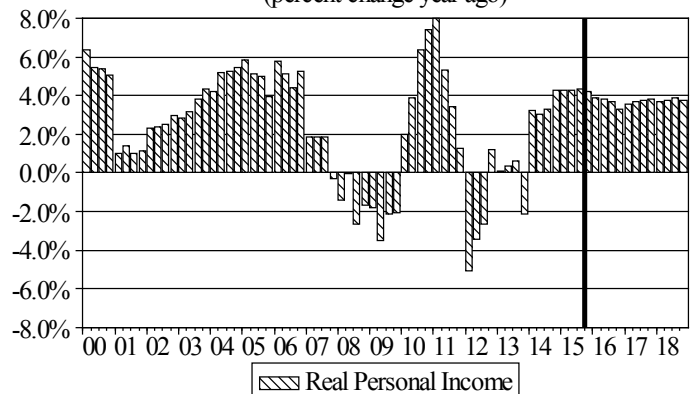
**Tampa Real Gross Metro Product  
(Millions 2000 \$)**



**Tampa Payroll Employment  
(Thousands)**



**Tampa Real Personal Income  
(percent change year ago)**



# TAMPA - ST. PETERSBURG - CLEARWATER

## Annual Outlook for Tampa-St. Petersburg-Clearwater, FL December 2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Personal Income (Billions \$)</b>									
Total Personal Income	107.1	115.0	113.7	114.8	120.4	125.9	132.3	140.3	148.4
Pct Chg Year Ago	5.7	7.4	-1.1	1.0	4.9	4.6	5.1	6.0	5.8
Wages and Salaries	51.3	53.0	55.5	57.3	60.3	63.0	66.7	70.9	74.9
Nonwage Income	55.8	62.0	58.2	57.5	60.1	62.9	65.6	69.4	73.4
Real Personal Income (05\$)	106.5	111.4	108.6	108.3	112.1	116.9	121.4	126.2	131.0
Pct Chg Year Ago	4.9	4.6	-2.5	-0.3	3.5	4.3	3.9	3.9	3.8
Per Capita Income (Ths)	38.3	40.6	39.9	39.9	41.2	42.5	44.0	46.0	47.9
Real Per Capita Income (05\$)	38.1	39.4	38.1	37.6	38.4	39.4	40.4	41.3	42.3
Average Annual Wage (Ths)	45.9	46.7	47.8	48.2	49.4	50.2	51.8	53.9	56.0
Pct Chg Year Ago	1.4	1.7	2.5	0.7	2.4	1.8	3.1	4.0	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>									
Total Employment	1105.5	1122.9	1148.8	1176.8	1208.5	1241.1	1274.9	1303.2	1326.5
Pct Chg Year Ago	-1.0	1.6	2.3	2.4	2.7	2.7	2.7	2.2	1.8
Manufacturing	58.1	58.8	59.4	60.0	61.2	61.8	62.1	62.9	63.4
Pct Chg Year Ago	-6.1	1.1	1.2	1.0	2.0	1.0	0.5	1.3	0.8
Nonmanufacturing	1047.4	1064.2	1089.3	1116.7	1147.3	1179.3	1212.8	1240.2	1263.1
Pct Chg Year Ago	-0.8	1.6	2.4	2.5	2.7	2.8	2.8	2.3	1.8
Construction & Mining	52.8	52.7	54.2	57.0	60.5	63.3	68.7	74.0	78.0
Pct Chg Year Ago	-12.2	-0.3	2.9	5.1	6.1	4.7	8.6	7.6	5.4
Trade, Trans, & Utilities	209.3	213.3	219.0	223.0	231.5	236.5	238.9	241.2	243.4
Pct Chg Year Ago	-0.6	1.9	2.7	1.8	3.8	2.2	1.0	1.0	0.9
Wholesale Trade	45.9	46.3	48.5	48.9	50.4	51.9	53.6	54.7	56.0
Retail Trade	138.3	141.3	144.0	146.7	152.5	155.3	155.3	155.5	155.7
Trans, Wrhsng, & Util	25.1	25.8	26.6	27.3	28.6	29.3	29.9	30.9	31.7
Information	25.7	25.9	25.7	26.1	25.6	25.5	25.6	25.7	26.3
Pct Chg Year Ago	-6.6	0.6	-0.5	1.4	-1.8	-0.7	0.3	0.6	2.2
Financial Activities	89.3	91.5	95.5	99.7	102.4	103.0	104.9	105.8	106.0
Pct Chg Year Ago	-4.1	2.5	4.4	4.4	2.7	0.6	1.9	0.8	0.2
Prof & Business Services	174.1	182.4	190.9	198.3	202.8	205.8	216.0	228.0	236.0
Pct Chg Year Ago	2.5	4.8	4.6	3.8	2.3	1.5	5.0	5.6	3.5
Educ & Health Services	177.9	180.9	182.3	184.7	188.8	196.8	203.6	206.8	209.4
Pct Chg Year Ago	2.0	1.6	0.8	1.3	2.2	4.3	3.4	1.6	1.3
Leisure & Hospitality	121.3	122.9	128.3	133.3	139.0	150.5	156.8	159.5	162.9
Pct Chg Year Ago	-0.6	1.3	4.4	3.9	4.3	8.3	4.2	1.7	2.2
Other Services	41.9	41.3	41.1	42.4	44.1	44.6	44.4	44.4	44.6
Pct Chg Year Ago	-2.7	-1.6	-0.5	3.3	3.9	1.2	-0.4	-0.2	0.5
Federal Government	24.0	22.9	22.6	22.7	22.9	23.4	23.6	23.4	23.1
Pct Chg Year Ago	5.5	-4.6	-1.2	0.4	0.9	2.4	0.8	-1.0	-1.1
State & Local Government	130.9	130.4	129.7	129.6	129.9	129.9	130.3	131.6	133.3
Pct Chg Year Ago	-0.6	-0.4	-0.5	-0.1	0.2	0.0	0.3	1.0	1.3
<b>Other Economic Indicators</b>									
Population (Ths)	2795.7	2830.2	2851.7	2880.2	2921.2	2964.7	3008.2	3051.8	3094.7
Pct Chg Year Ago	1.0	1.2	0.8	1.0	1.4	1.5	1.5	1.4	1.4
Labor Force (Ths)	1384.6	1398.1	1412.5	1425.7	1442.4	1434.6	1464.9	1494.5	1518.8
Pct Chg Year Ago	0.2	1.0	1.0	0.9	1.2	-0.5	2.1	2.0	1.6
Unemployment Rate (%)	11.1	10.0	8.3	7.0	6.1	5.2	4.8	4.7	4.6
Total Housing Starts	6362.6	6967.4	9058.4	11603.4	11722.1	14428.3	16070.9	19171.2	20784.3
Single-Family	4529.1	4513.6	5925.8	7251.0	7201.7	9048.0	10761.4	13398.2	14435.9
Multifamily	1833	2454	3133	4352	4520	5380	5309	5773	6348

# TAMPA - ST. PETERSBURG - CLEARWATER

## Quarterly Outlook for Tampa-St. Petersburg-Clearwater, FL December 2015

	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
<b>Personal Income (Billions \$)</b>													
Total Personal Income	128.1	129.7	131.3	133.1	135.1	137.3	139.4	141.3	143.2	145.4	147.4	149.3	151.3
Pct Chg Year Ago	4.6	4.9	4.8	5.1	5.4	5.9	6.2	6.1	6	5.9	5.7	5.7	5.7
Wages and Salaries	64.2	65.1	66.1	67.2	68.3	69.3	70.4	71.4	72.3	73.4	74.4	75.4	76.4
Nonwage Income	63.9	64.6	65.1	65.9	66.8	68	69	69.9	70.8	72.1	73	73.9	74.9
Real Personal Income (05\$)	118.6	120	120.9	121.8	123	124.6	125.7	126.7	127.8	129.3	130.4	131.5	132.6
Pct Chg Year Ago	4.2	4	4	3.9	3.6	3.8	3.9	4	4	3.8	3.7	3.8	3.7
Per Capita Income (Ths)	43	43.4	43.7	44.2	44.7	45.2	45.7	46.2	46.7	47.2	47.7	48.2	48.6
Real Per Capita Income (05\$)	39.8	40.1	40.3	40.4	40.7	41	41.3	41.4	41.7	42	42.2	42.4	42.6
Average Annual Wage (Ths)	50.7	51.1	51.5	52	52.6	53.1	53.6	54.1	54.6	55.2	55.7	56.2	56.8
Pct Chg Year Ago	1.7	2.2	3	3.5	3.7	4	4.1	4	3.9	3.9	3.9	3.9	3.9
<b>Establishment Employment (Place of Work, Thousands, SA)</b>													
Total Employment	1254.8	1262.5	1271.2	1279	1286.8	1294	1300	1306.3	1312.3	1318.2	1323.9	1329.6	1334.2
Pct Chg Year Ago	2.7	3.2	2.6	2.6	2.5	2.5	2.3	2.1	2	1.9	1.8	1.8	1.7
Manufacturing	62.1	62	61.9	62.1	62.5	62.7	62.8	63	63.2	63.3	63.4	63.5	63.6
Pct Chg Year Ago	1	0.9	0.1	0.2	0.7	1.2	1.4	1.5	1.1	1	0.9	0.7	0.5
Nonmanufacturing	1192.8	1200.6	1209.3	1216.9	1224.3	1231.3	1237.2	1243.3	1249.1	1254.9	1260.5	1266.2	1270.7
Pct Chg Year Ago	2.8	3.3	2.7	2.7	2.6	2.6	2.3	2.2	2	1.9	1.9	1.8	1.7
Construction & Mining	65.7	66.6	68	69.5	70.9	72.1	73.4	74.7	75.7	76.6	77.6	78.6	79.2
Pct Chg Year Ago	8.8	8.5	9.9	8	8	8.3	8	7.4	6.8	6.3	5.6	5.2	4.7
Trade, Trans, & Utilities	236.9	237.7	238.6	239.3	239.8	240.3	240.8	241.5	242	242.7	243.1	243.6	244
Pct Chg Year Ago	1	1.1	0.7	1	1.3	1.1	0.9	0.9	0.9	1	1	0.9	0.8
Wholesale Trade	53	53.2	53.5	53.7	54	54.3	54.6	54.9	55.3	55.6	55.9	56.1	56.4
Retail Trade	154.4	154.8	155.3	155.5	155.6	155.5	155.5	155.6	155.5	155.6	155.6	155.8	155.9
Trans, Wrhsng, & Util	29.5	29.6	29.8	30	30.3	30.5	30.8	31	31.2	31.4	31.7	31.7	31.8
Information	25.3	25.4	25.7	25.7	25.4	25.6	25.6	25.6	26	26.2	26.2	26.3	26.5
Pct Chg Year Ago	-1.5	-0.6	0.3	1.1	0.4	1	-0.5	-0.5	2.4	2	2.5	2.7	1.7
Financial Activities	103.6	104.4	104.8	105	105.3	105.6	105.7	105.8	105.9	106.1	106.1	106	105.9
Pct Chg Year Ago	0.2	2.2	1.4	2.1	1.7	1.2	0.8	0.8	0.5	0.5	0.3	0.2	0
Prof & Business Services	209	210.8	214.2	217.6	221.6	224.8	227.1	229.1	231.1	233.3	235.3	237.1	238.3
Pct Chg Year Ago	2.2	4	4.3	5.5	6	6.6	6	5.3	4.3	3.8	3.6	3.5	3.1
Educ & Health Services	199.7	201.5	203.3	204.2	205.2	205.9	206.6	207.1	207.5	208.3	209	209.7	210.7
Pct Chg Year Ago	4.4	4.2	3.2	3.6	2.7	2.2	1.6	1.4	1.1	1.1	1.2	1.3	1.5
Leisure & Hospitality	154.9	156.1	156.4	157.1	157.6	158.1	158.9	160	160.8	161.4	162.4	163.5	164.4
Pct Chg Year Ago	8.9	8.8	4.7	1.9	1.7	1.3	1.6	1.8	2.1	2.1	2.2	2.2	2.2
Other Services	44.1	44.4	44.5	44.5	44.4	44.4	44.3	44.3	44.4	44.5	44.5	44.6	44.8
Pct Chg Year Ago	-1.9	-0.4	-1.4	-0.3	0.7	0	-0.3	-0.3	-0.1	0.2	0.4	0.7	0.9
Federal Government	23.6	23.7	23.7	23.6	23.5	23.5	23.4	23.4	23.3	23.2	23.2	23.1	23
Pct Chg Year Ago	1	2.2	0.9	0.3	-0.3	-0.8	-1	-1.1	-1.1	-1.1	-1.2	-1.1	-1
State & Local Government	130	130.1	130.2	130.3	130.5	130.9	131.3	131.8	132.3	132.7	133.1	133.5	133.9
Pct Chg Year Ago	-0.2	-0.4	0.6	0.6	0.5	0.6	0.9	1.1	1.3	1.4	1.4	1.3	1.2
<b>Other Economic Indicators</b>													
Population (Ths)	2980.8	2991.8	3002.6	3013.7	3024.8	3035.4	3046.3	3057.3	3068.2	3079.1	3089.6	3100	3110.2
Pct Chg Year Ago	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4
Labor Force (Ths)	1440.4	1452	1460.6	1469.7	1477.2	1484	1490.7	1498.6	1504.8	1510.4	1515.8	1521.8	1527.1
Pct Chg Year Ago	-0.3	1	2	2.9	2.6	2.2	2.1	2	1.9	1.8	1.7	1.5	1.5
Unemployment Rate (%)	4.9	5	4.9	4.8	4.7	4.7	4.7	4.7	4.7	4.7	4.6	4.6	4.6
Total Housing Starts	13957	14774	15606	16560	17344	18152	18945	19505	20082	20669	20659	20858	20952
Single-Family	9157	9758	10435	11076	11777	12582	13192	13746	14073	14481	14479	14471	14313
Multifamily	4799	5016	5171	5484	5567	5571	5753	5759	6009	6188	6180	6387	6639



### EXPLANATION AND INTERPRETATION

This technique compares the local economy to a reference economy; in this case, the local economy is the chosen MSA, and the reference economy is the state of Florida. An Industry Location Quotient (LQ) is calculated to determine if the local economy has a greater share of each industry's employment than the reference economy. The LQ helps to identify specializations that exist in the local economy.

There are only three possible outcomes: 1. An LQ greater than one 2. An LQ equal to one and 3. An LQ less than one. An LQ that is greater than one means that the share of local employment in that particular industry is greater than the reference economy employment share in that same industry. This implies that some of the goods or services produced by that industry are exported for consumption elsewhere. An LQ of one means that local demand is met by the local industry. No goods/services are imported or exported from the local area in that industry. The share of local employment in that industry is equal to the share for that industry in the reference economy. An LQ less than one implies that the industry is not meeting local demand for that good or service, and in order to meet demand, that area must import that good or service. This also means that the share of local employment in that industry is less than the share of employment in that industry for the reference economy.

### CALCULATION

An industry location quotient is a calculated ratio of two ratios.

$$LQ = ((\text{Local employment in industry A in year T} / \text{Total local employment in year T}) / (\text{Reference economy employment in industry A in year T} / (\text{Total reference employment in year T})))$$

For example:

Orlando MSA employment for Information is 27,400

Total Orlando MSA nonagricultural employment is 1,104,100

Florida employment for Information is 169,800

Total Florida nonagricultural employment is 8,247,000

$$LQ = ((27,400 / 1,104,100) / (169,800 / 8,247,000)) = 1.2039$$

*Source: Florida Regional Economic Database, Current Employment Statistics, December 2006*

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## SEAN M. SNAITH, PH.D.

Sean Snaith, Ph.D., is the director of the University of Central Florida's Institute for Economic Competitiveness and a nationally recognized economist in the field of business and economic forecasting.

An award-winning forecaster, researcher and professor, Snaith has served as a consultant for governments and multi-national corporations such as Compaq, Dell and IBM. Before joining UCF's College of Business Administration, he held teaching positions at Pennsylvania State University, American University in Cairo, the University of North Dakota and the University of the Pacific.

Snaith is frequently interviewed in national and regional media and is a sought-after speaker. He has been quoted in *The Wall Street Journal*, *USA Today*, *The New York Times*, *The Economist* and CNNMoney.com and has appeared on CNBC, Fox Business Network and Business News Network, based in Toronto.

Known for his engaging presentations, Snaith earned praise from one business editor for having an "uncanny knack for making economics not only understandable but interesting."

Snaith is a member of several national economic forecasting panels, including *The Wall Street Journal's* Economic Forecasting Survey, the Associated Press' Economy Survey, CNNMoney.com's Survey of Leading Economists, *USA Today's* Survey of Top Economists, Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters, Bloomberg and Reuters.

Snaith was named by Bloomberg News as one of the nation's most accurate forecasters in 2008. In 2007, he was named California's most accurate forecaster by the Western Blue Chip Consensus Forecast.

Snaith holds a B.S. in Economics from Allegheny College and an M.A. and Ph.D. in Economics from Pennsylvania State University.

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