



**SANTA BARBARA COUNTY
ECONOMIC OUTLOOK
2006**

UCSB ECONOMIC FORECAST PROJECT



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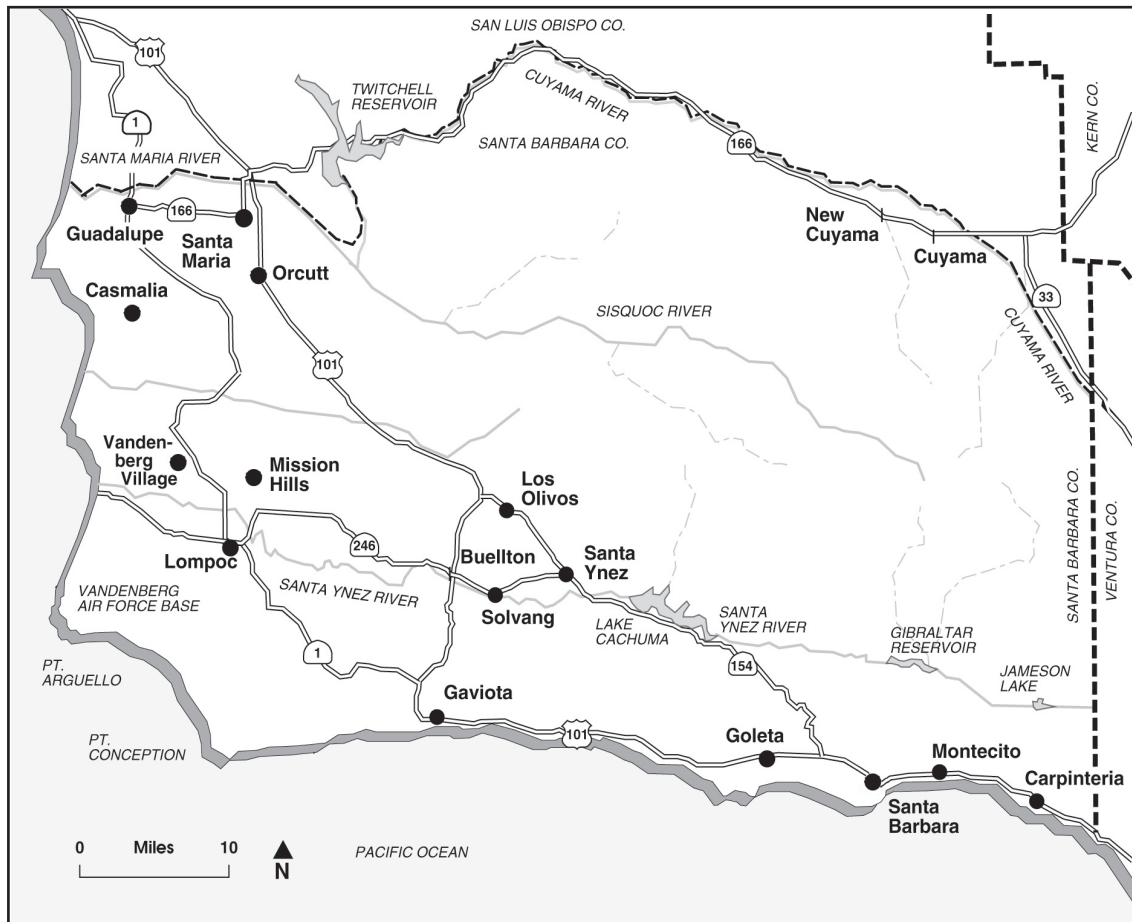
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UCSB ECONOMIC FORECAST PROJECT SANTA BARBARA COUNTY ECONOMIC OUTLOOK 2006

Volume 23 • April 2006



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EXECUTIVE SUMMARY



We are proud to present the 2006 Santa Barbara County Economic Outlook. This year's publication again consists of a booklet and the full report on CD, which is in color and is expanded from those that we previously included in the booklets. Below are summaries of the major sections of our publication:

Demographics

Here we document the changing nature of Santa Barbara County's population, particularly on the South Coast. We provide new data that dramatically shows the increasingly bi-modal nature of the South Coast's population. The population is simultaneously becoming older and wealthier on the one hand, and younger and poorer on the other.

Economic Activity

Santa Barbara County's economic growth was slow by every measure, even as the United States economy and California economy continue to be very strong. The differences

between North Santa Barbara County and the South Coast continue to be profound. The South Coast is losing population and probably losing jobs, while the North County communities (Lompoc and Santa Maria in particular) have been experiencing very strong growth. Much of this growth is being driven by housing-price differentials between North County and its neighbors, the South Coast and San Luis Obispo.

We also discuss the apparent disconnect between the strong economic growth we have been experiencing and the perception of many that we are in a recession. We propose some reasons for this misconception.

Finally, we discuss the very strong California economy and the reasons for that strength in the presence of well-known negatives.

Real Estate

Everywhere in Santa Barbara County (and for all types of property), the number of buyers exceeds the number of sellers. This holds for single-fam-

ily homes, condominiums, retail space, office space, and industrial space. Every real estate agent tells us that finding product is the biggest problem. Finding buyers is not the problem. Therefore, we expect prices for all types of Santa Barbara County real estate to continue to increase. For all types of properties, rental rates continue to grow more slowly than prices. This reflects the constraints of the local economy.

Community

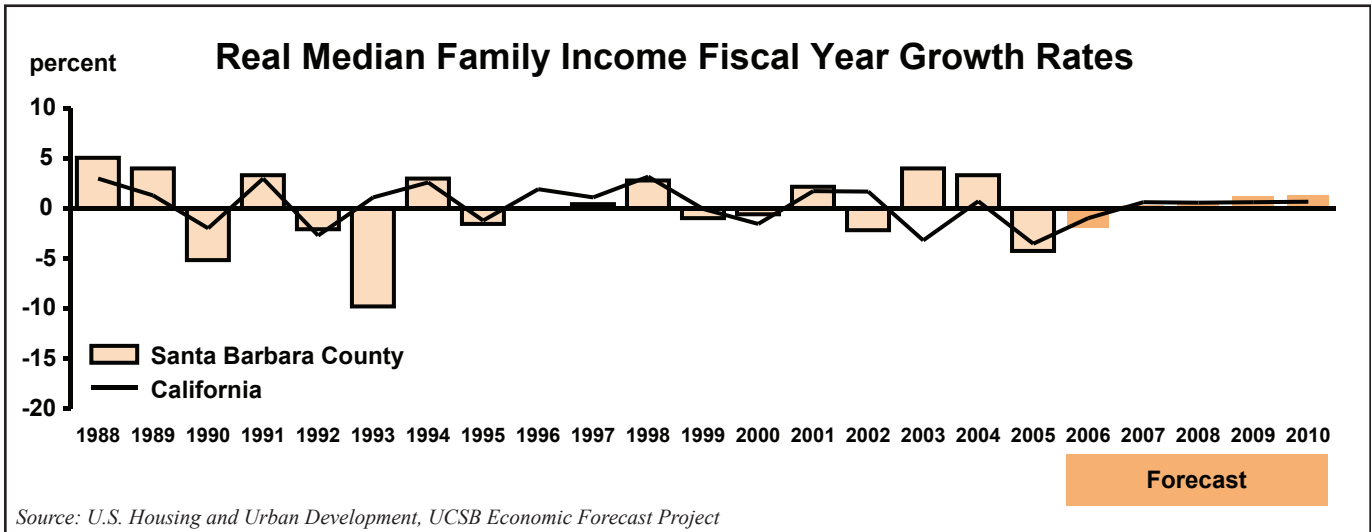
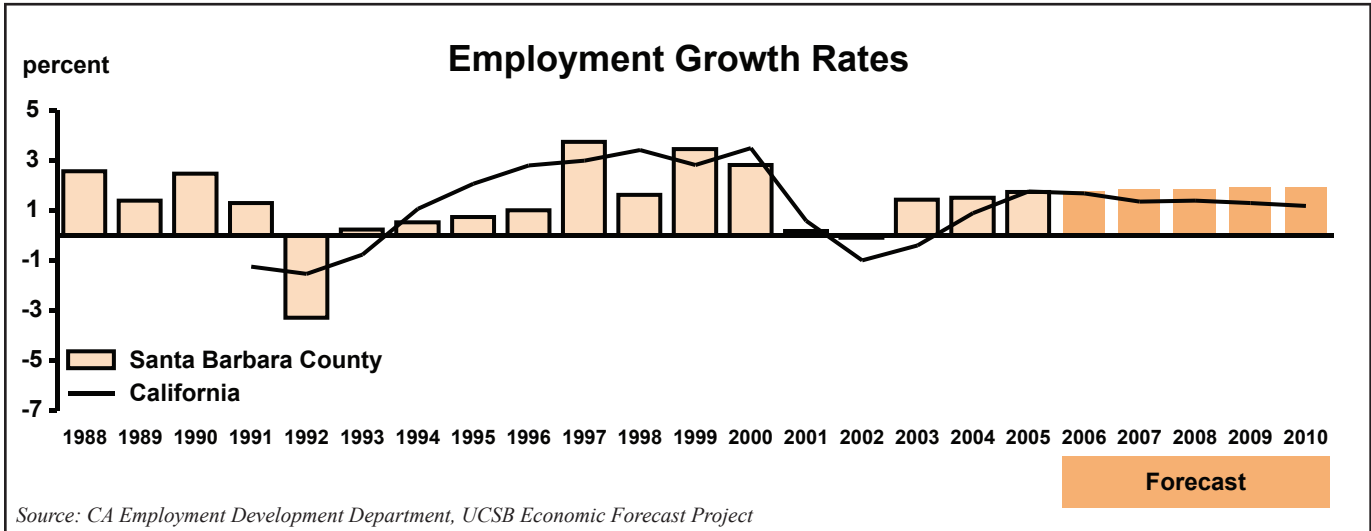
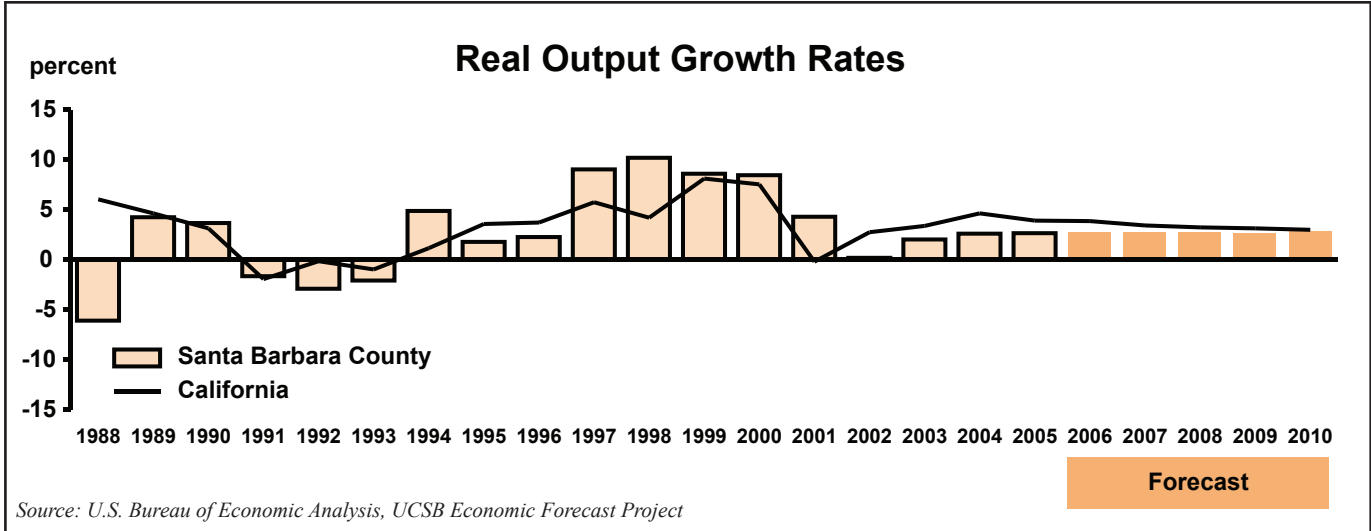
In this section, we discuss Santa Barbara's changing nature, a result of high home prices and changing demographics. We explain when new home building will improve the quality of life in a community and when it is unlikely to improve quality of life. We discuss some of the impacts of a bi-modal population, and argue that crime rate statistics reflect denser living for the low-income population. We also discuss the traffic impacts of current demographic and economic trends.

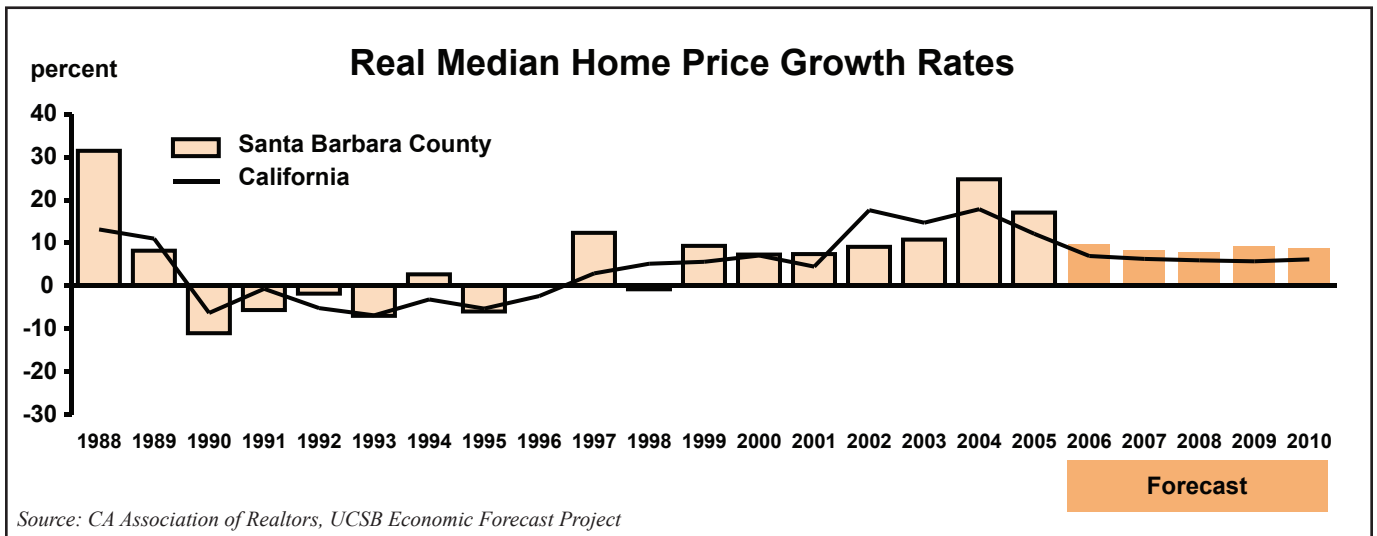
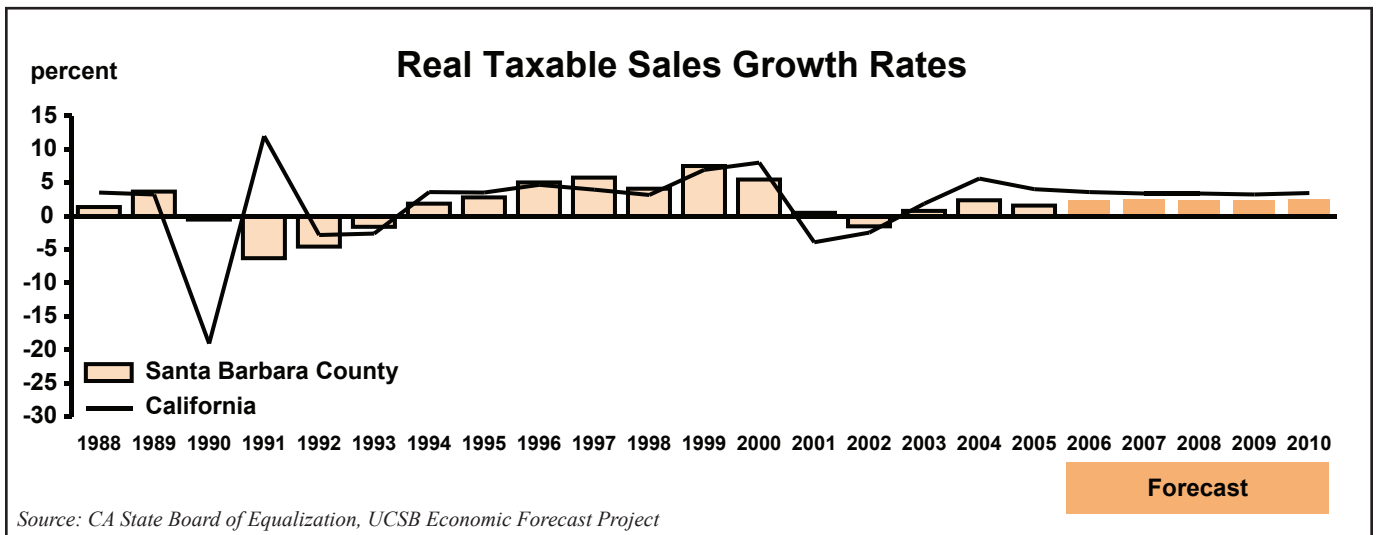
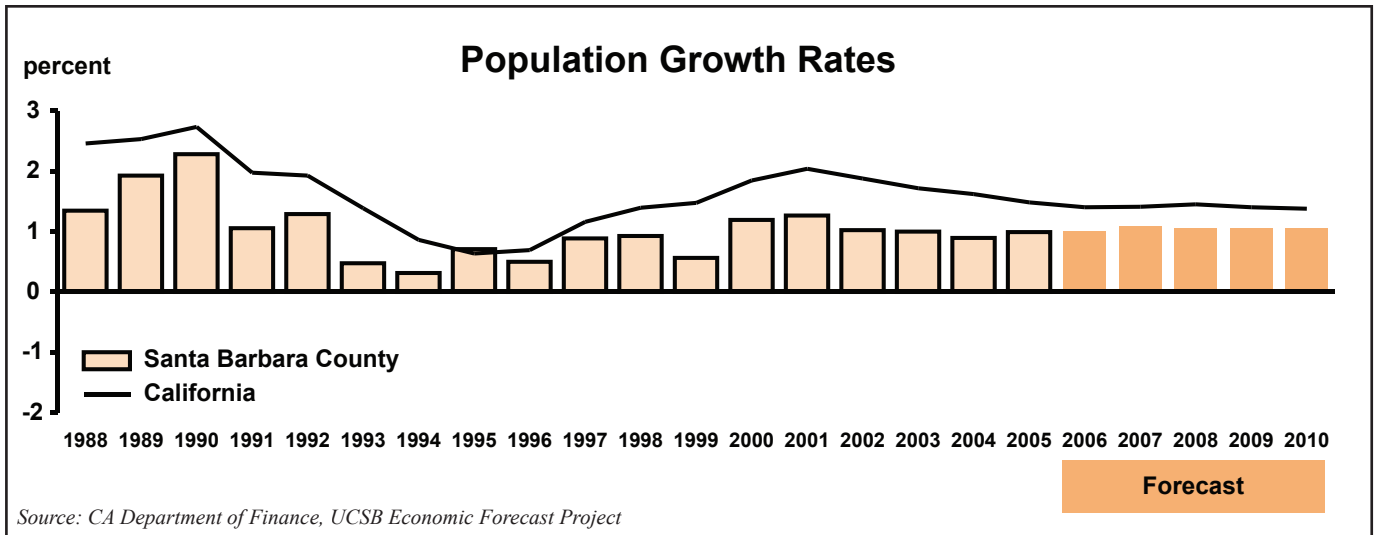
Economic Review and Forecast

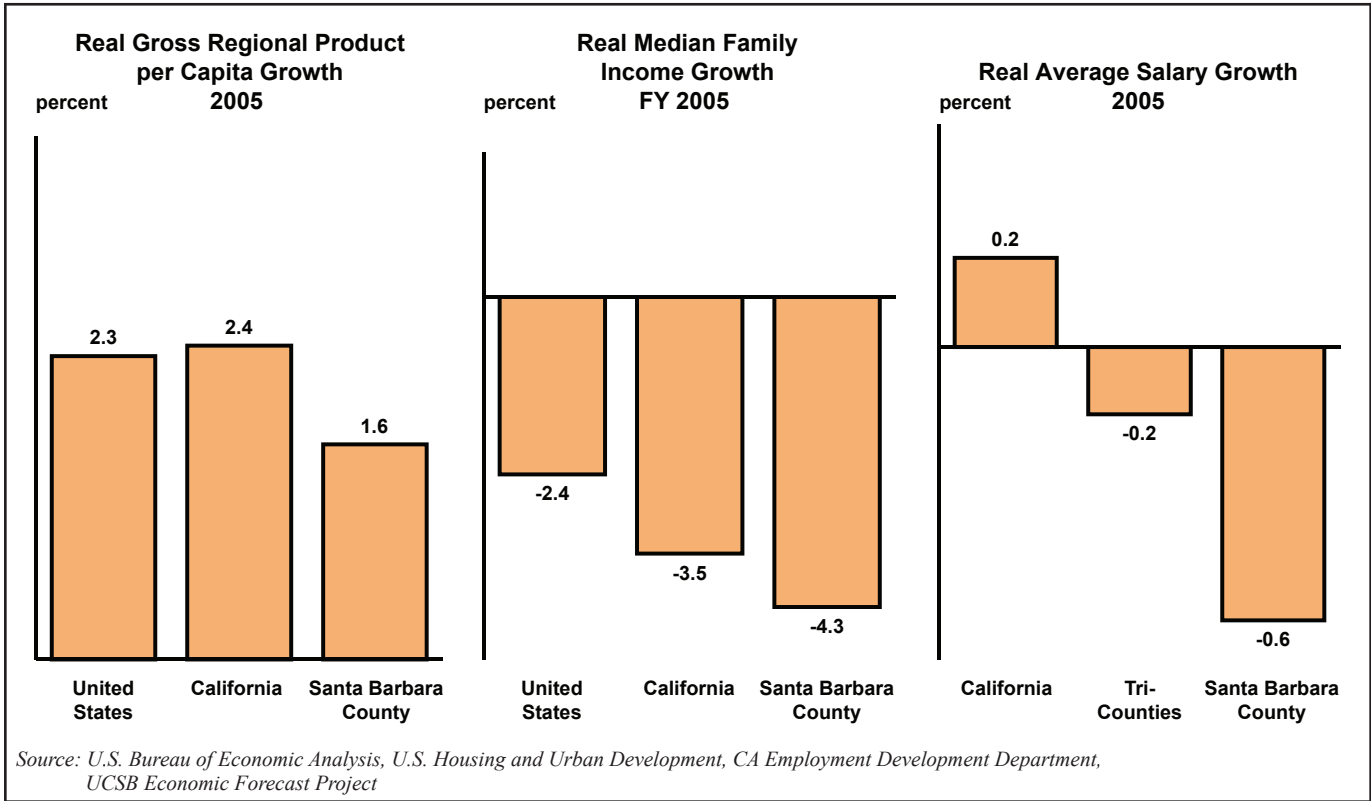
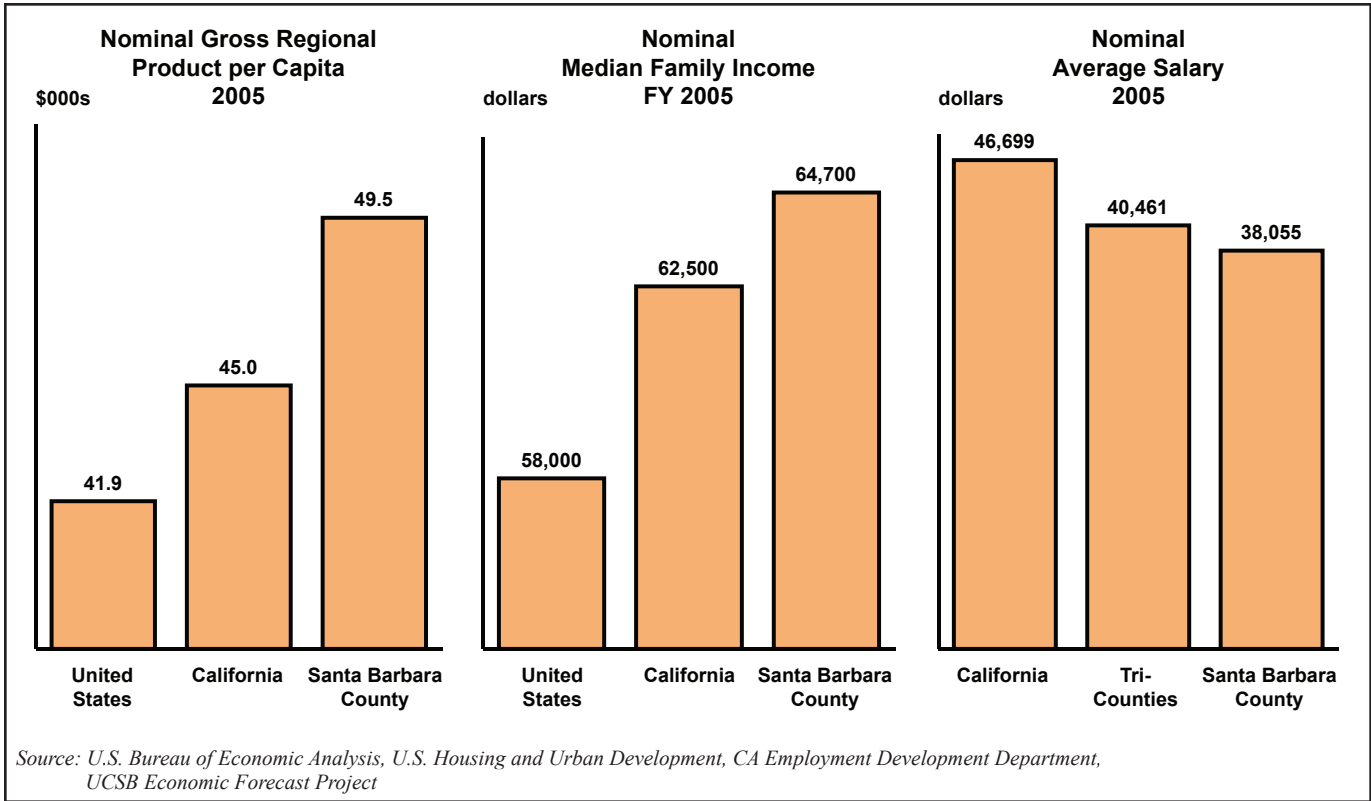
In this section, we discuss our general expectations for the United States, California, and Santa Barbara County, as well as the rationale for our expectations. We also discuss some of the risks to our forecast.

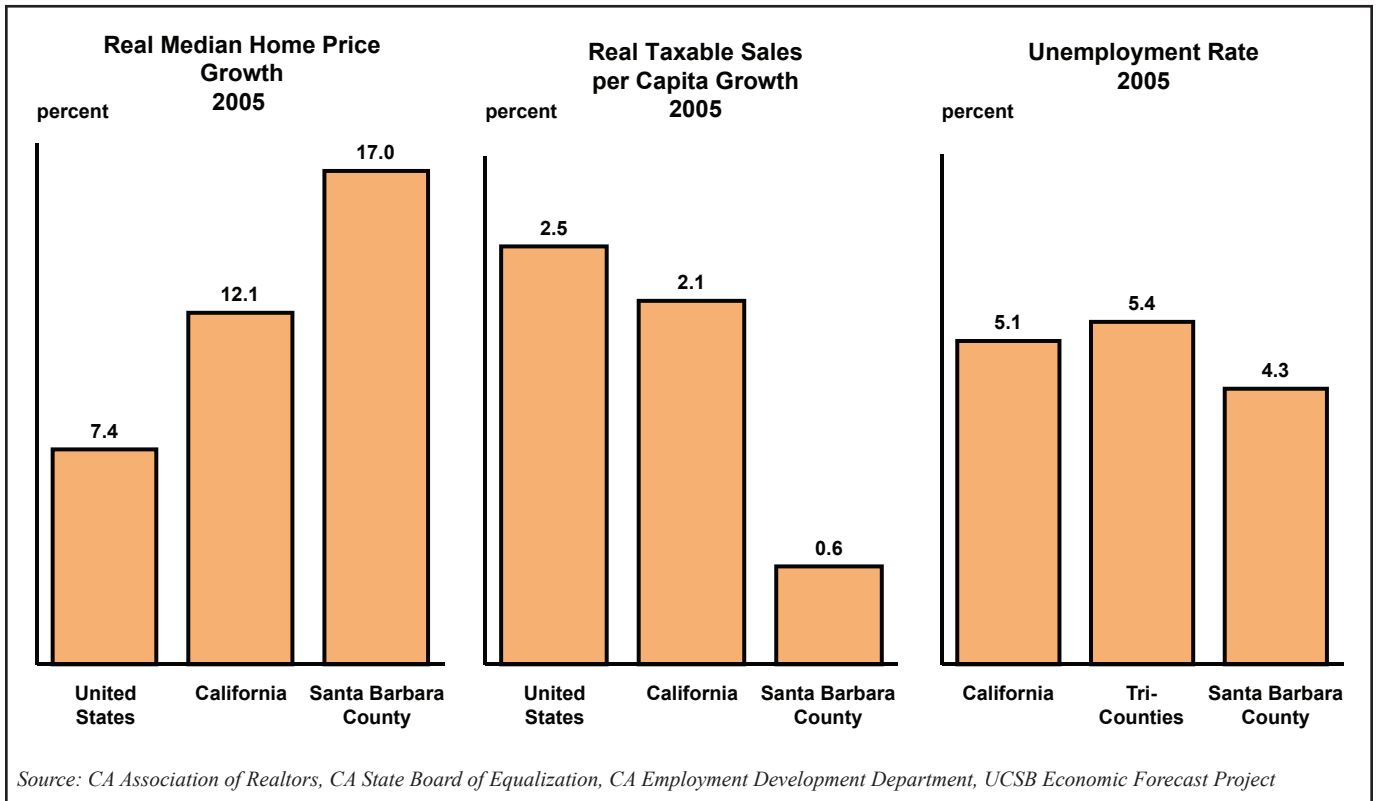
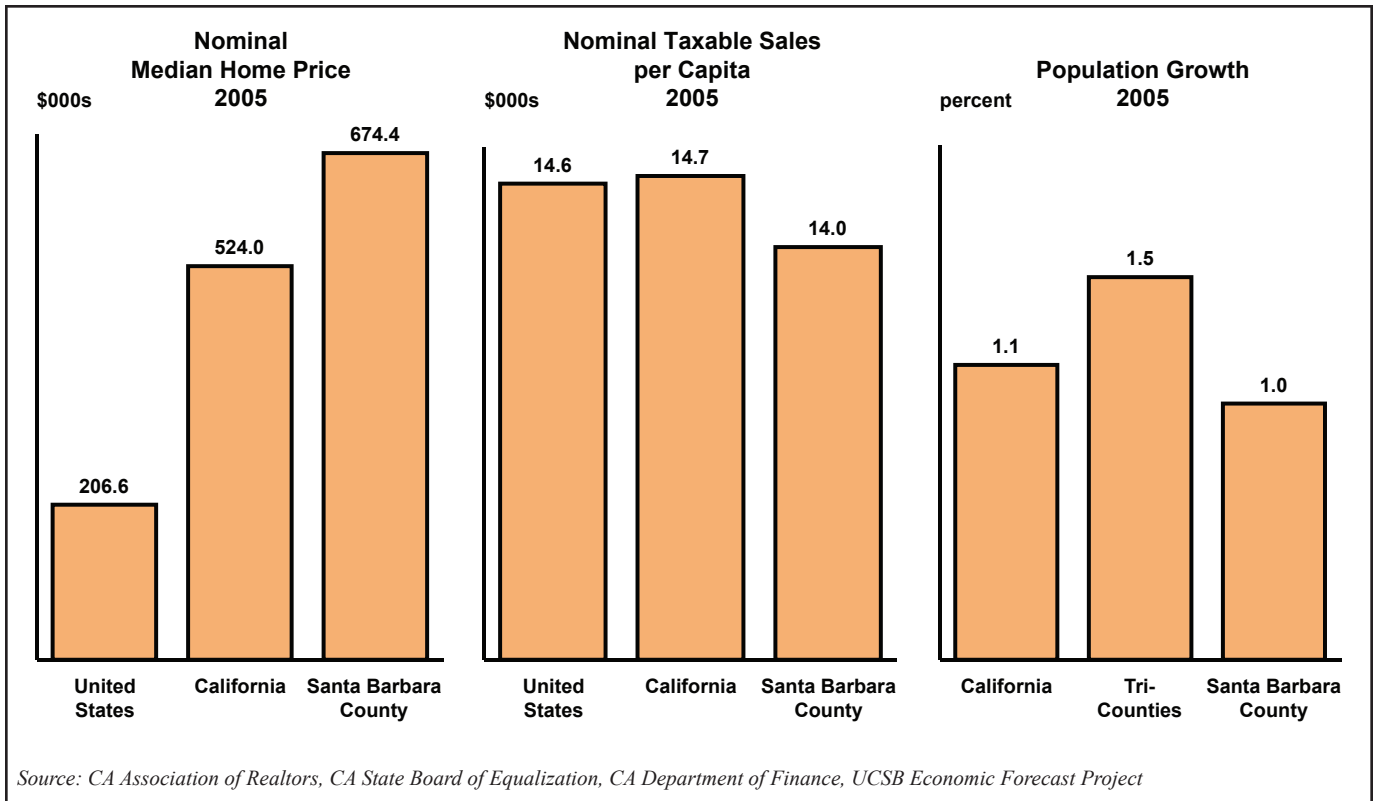
In general, we expect the California and United States economies to show strong growth. The geo-political situation could pose a risk to that forecast. Negative global shocks could have very dire economic implications. We also discuss the possibility of a mild recession in late 2006 or 2007 caused by excessive tightening by the Federal Reserve. The relationship between short-term interest rates and long-term interest rates shows strong evidence that the FED has again been overly aggressive in raising short-term interest rates. Consequently, the likelihood of a recession, while still relatively small, is growing.

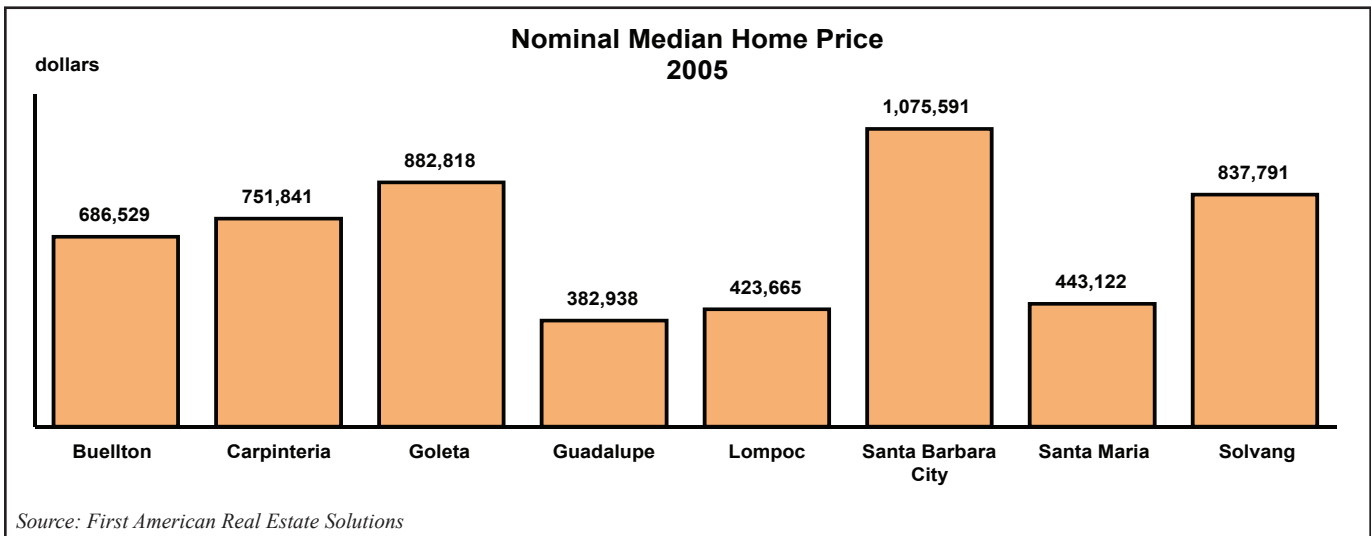
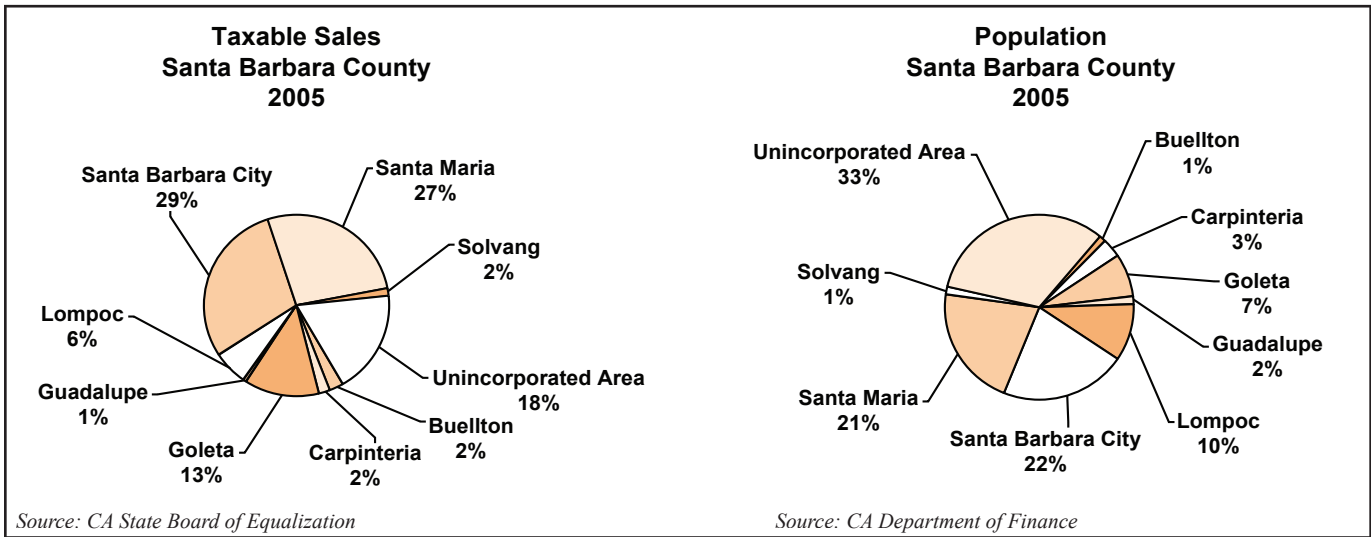
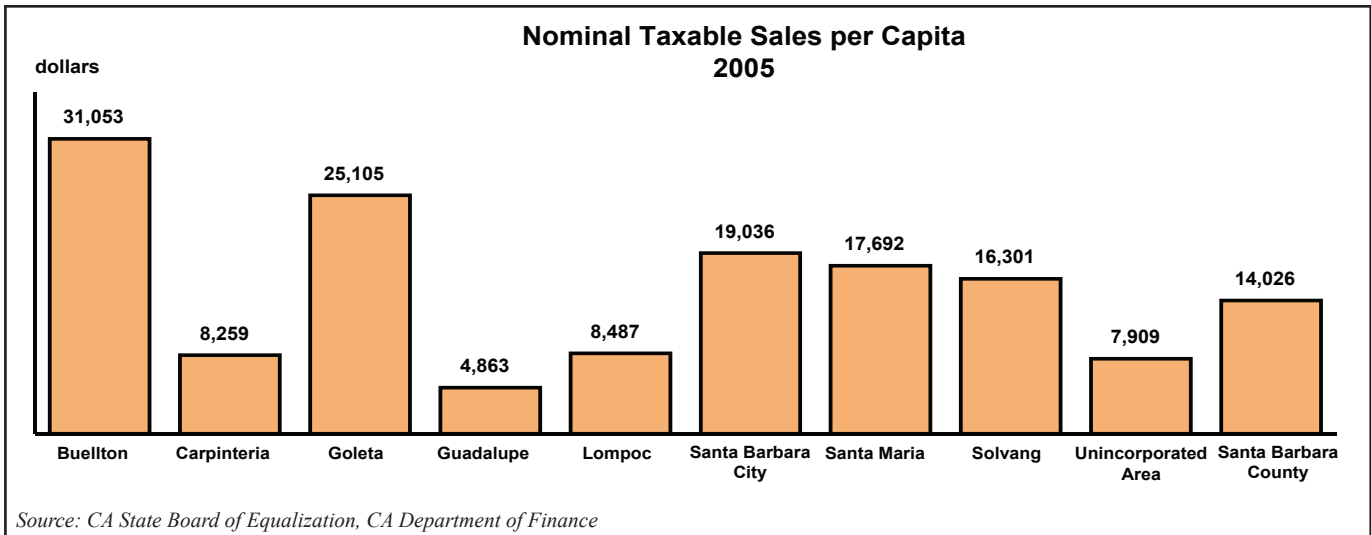
Santa Barbara County's economy will continue its split personality. The North County economy will most likely show strong economic growth in 2006 and 2007. The South Coast will see weak, if any, economic growth during that same time period. In any event, barring an extreme negative shock, we expect home prices to remain firm.



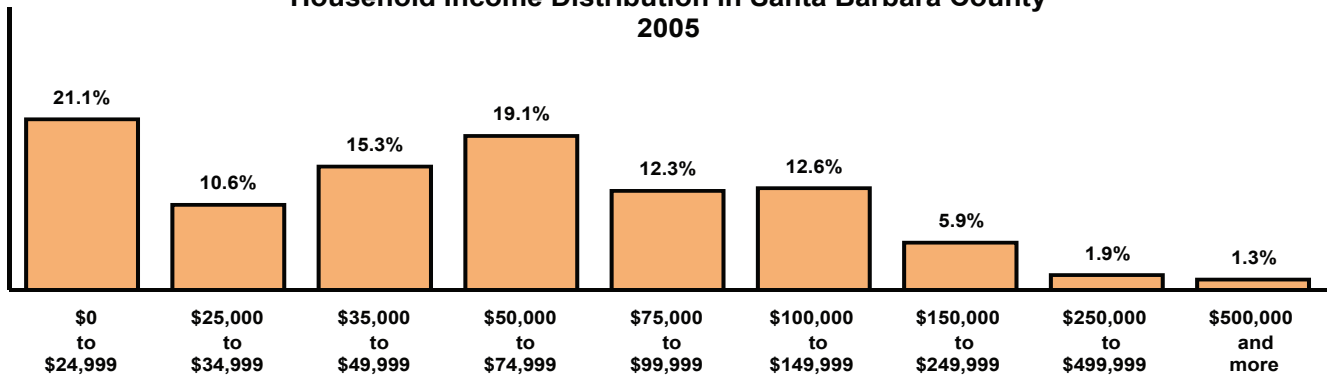






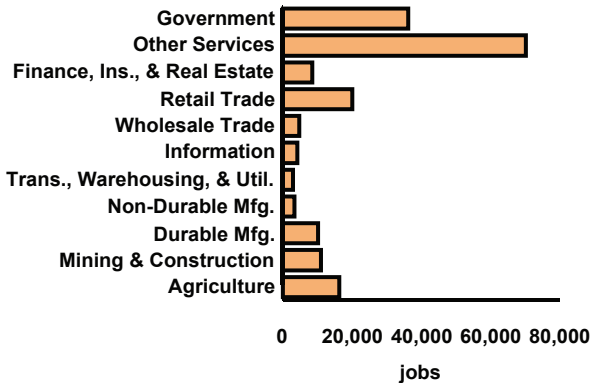


**Household Income Distribution in Santa Barbara County
2005**

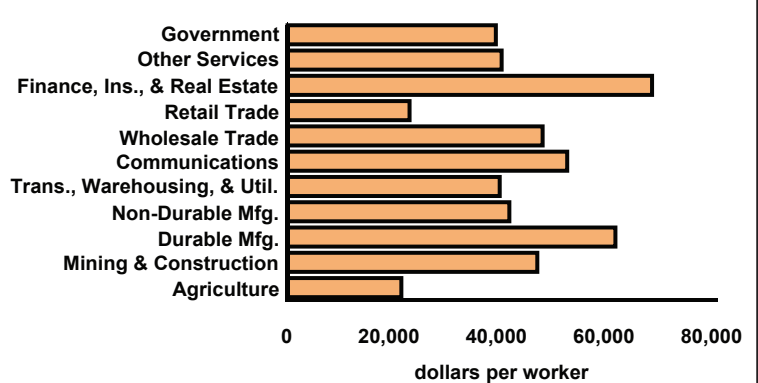


Source: Sitereports

**Employment
Santa Barbara County
2005**

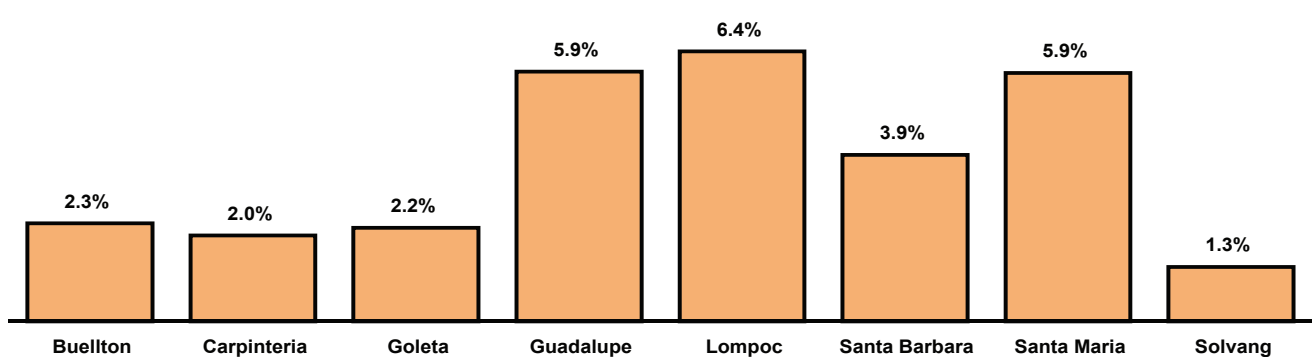


**Average Salary
Santa Barbara County
2005**



Source: CA Employment Development Department

**Unemployment Rate
February 2006**



Source: CA Employment Development Department

DEMOGRAPHICS



We at the UCSB Economic Forecast Project have been telling Santa Barbara County residents that the County's population is changing, and the population of North Santa Barbara County is dramatically different from the population on the South Coast. Relatively often, someone from the South Coast challenges us about this. They usually say that the population is not changing and that "it has always been the home of the newly wed and nearly dead."

Well, Santa Barbara has had more than its share of retired wealthy people for a long time. With its world-class climate and world-class amenities, why wouldn't the County be a magnet for such people?

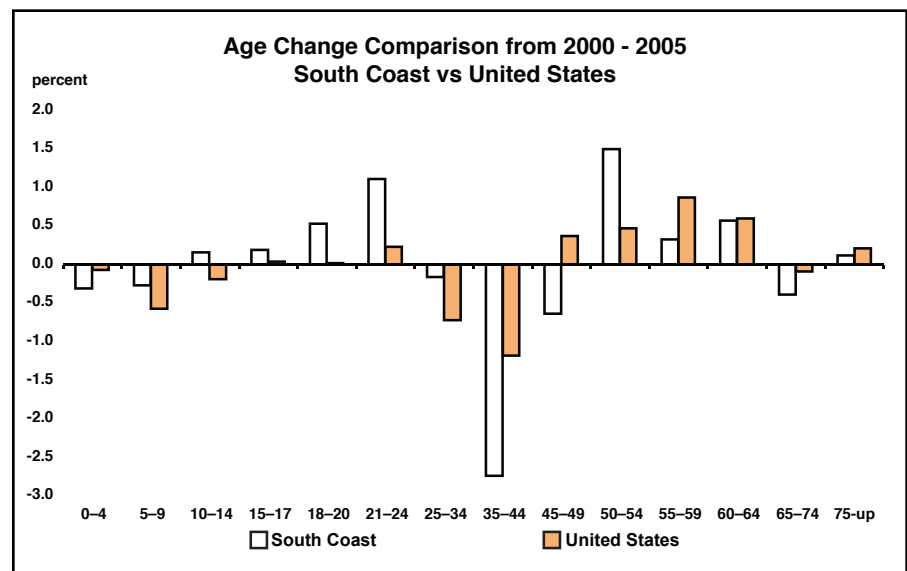
Still, the County is changing. Never before have wealth and demographics combined to create more demand for Santa Barbara County from migrating retirees. The large number of Baby Boomers retiring with amassed wealth allows them the freedom to retire on the coasts (Florida and California). When this population chooses to migrate to the South Coast, they impact the

housing market. We see this as the primary reason for the high house prices we observe.

Our nearby charts provide evidence of the change. For one thing, Santa Barbara County's population is aging. Between 1992 and 2005, the County's median age grew from 31.9 to 34.6. One might counter that the entire United States' population is aging. True enough, but Santa Barbara County citizens are aging faster than the general population. For the first time, we have a chart that compares the South Coast's five-year change in population by cohort. This chart clearly shows a population decline in the 35-50 age brackets

that dramatically exceeds that of the United States. We also see a larger-than-typical decline in the number of small children.

Interestingly enough, we do not see larger-than-typical increases in the population over 55. Part of this explanation is that migrating retirees tend to be younger and healthier than non-migrating retirees. The surf, the mountains, the weather, and the healthy lifestyle on the South Coast are a real lure for these wealthy retirees who plan to take advantage of the area's natural amenities. However, it is also true that as one becomes less vigorous, it is harder to enjoy Santa Barbara's



amenities. At some advanced age it may be impossible, and the high cost of living here would provide strong incentive to leave. If you can't enjoy it, why pay for it?

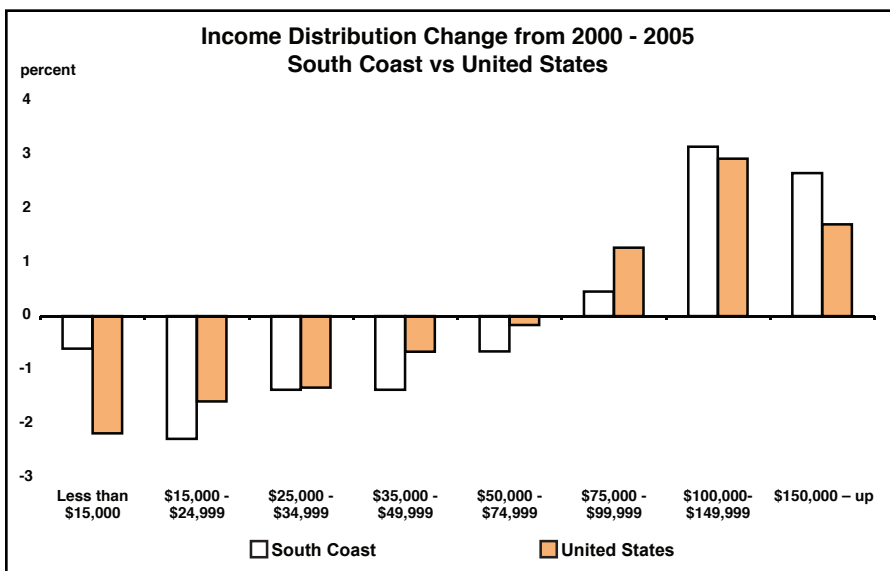
Migrating retirees also tend to be wealthier than non-migrating retirees. As the nearby chart shows, the growth in South Coast population with income over \$100,000 (particularly those with incomes over \$150,000) has been impressive relative to the United States. We have seen a corresponding decrease in the population with incomes between \$15,000 and \$75,000.

We don't see even a parity decrease in the population with incomes under \$15,000. In part, this is because of students and other young people who choose to live here, even if underemployed. It also reflects the demand

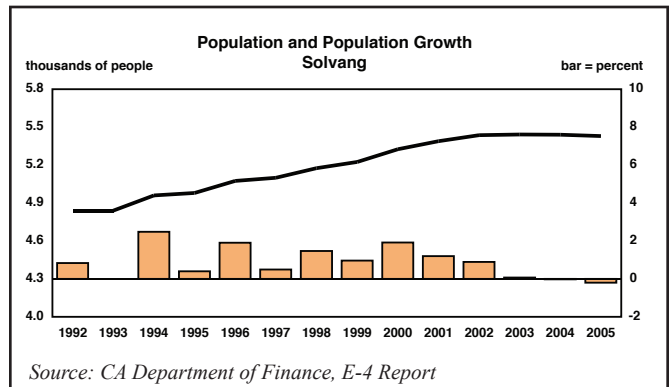
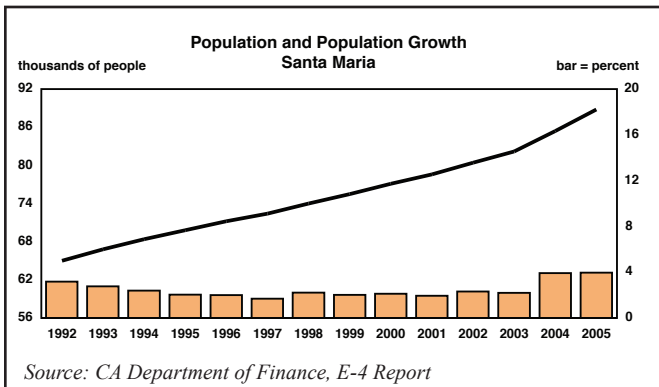
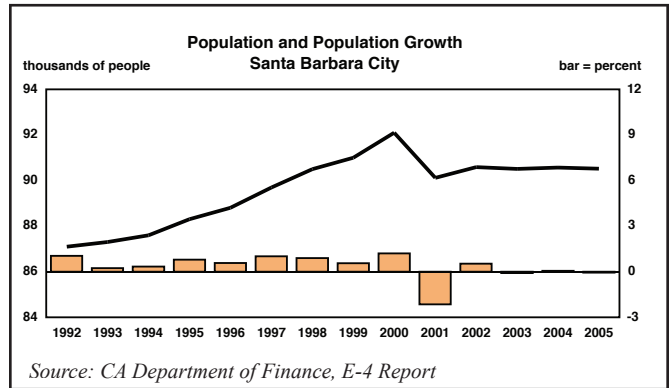
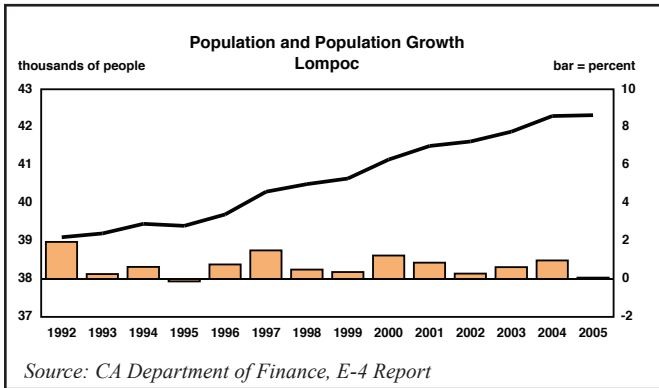
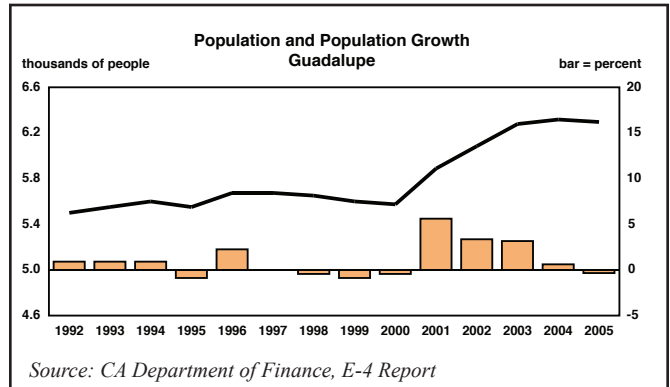
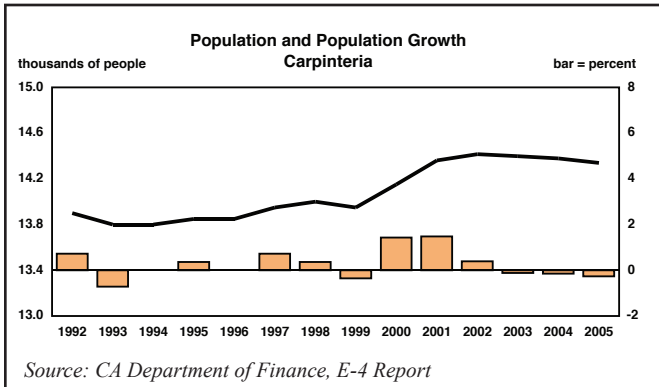
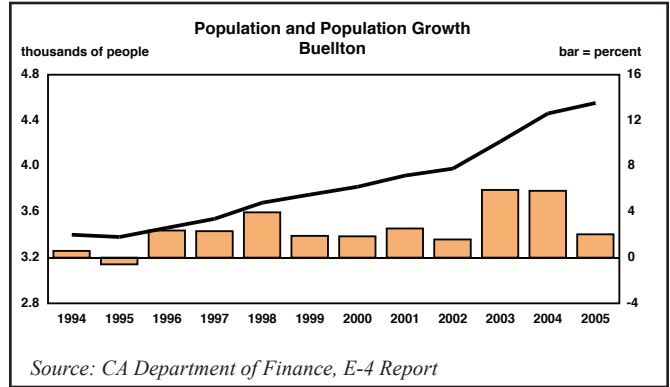
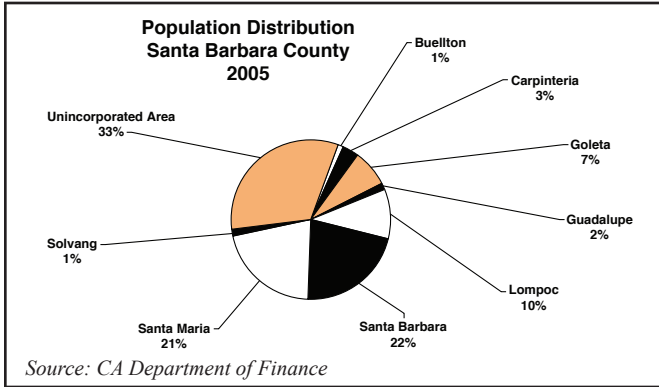
for low-paying unskilled labor, including agriculture, services, and some retail jobs. We believe the increase in over-55 wealthy people increases the demand for these workers.

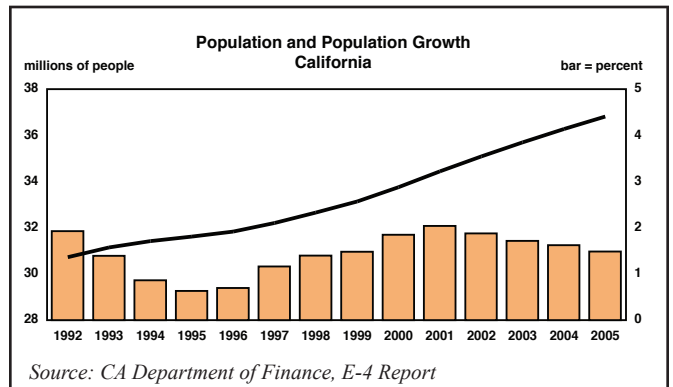
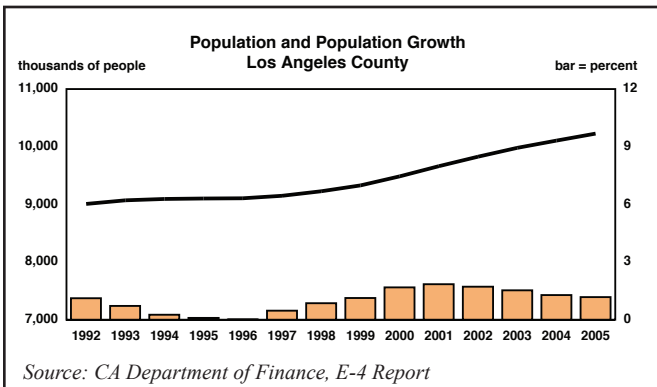
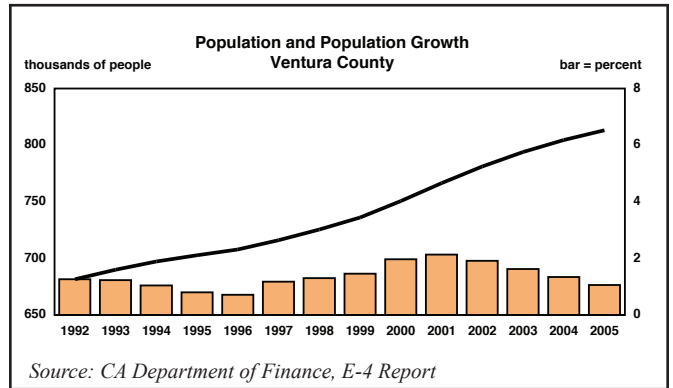
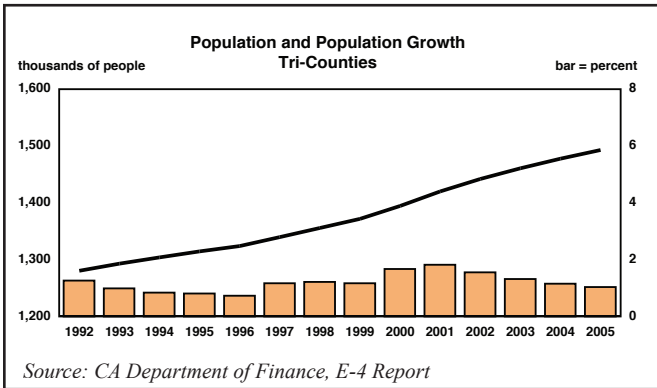
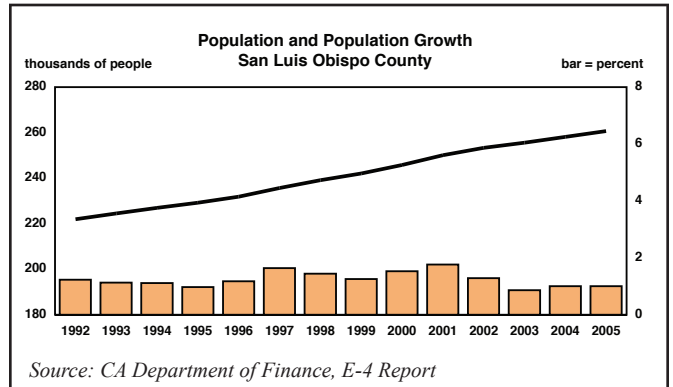
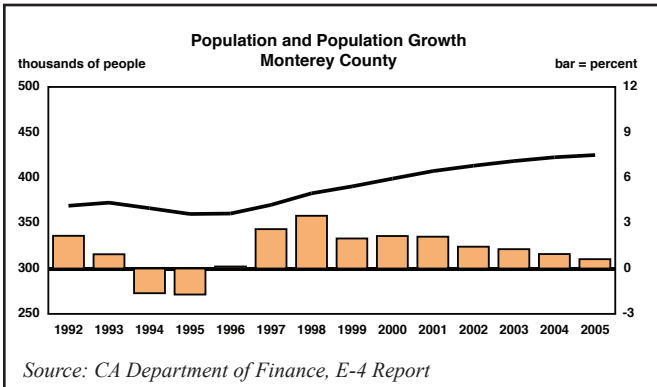
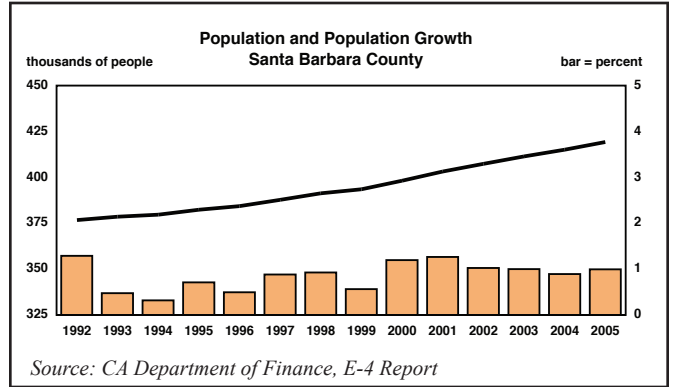
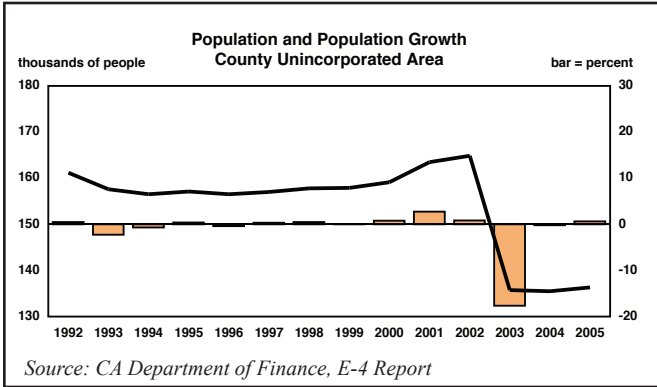
The high home prices resulting from these people's desire to live in Santa Barbara County continues to impact migration patterns. Net migration has been falling since 2000. In 2004, it was essentially zero. In 2005, net migration was negative. On net, more people left the County than moved into it. Though net migration was negative, the natural increase (births-less-deaths) exceeded net migration. Thus, the County still had population growth. However, this was not true for the South Coast. Every community in the South Coast showed a population decline in the past year.

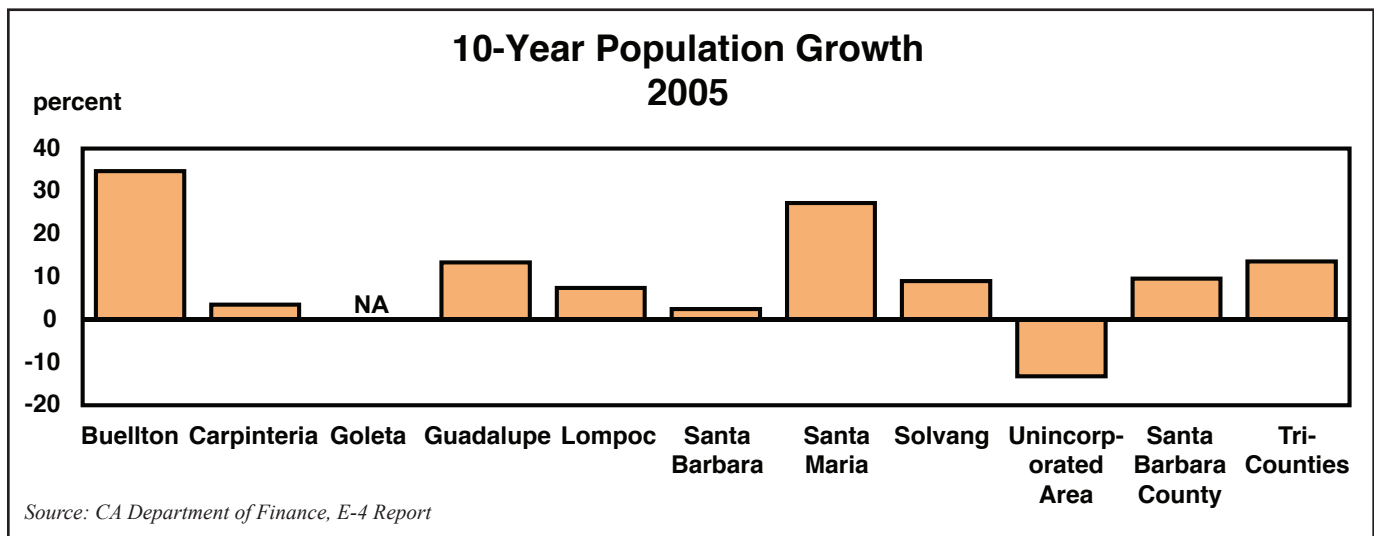
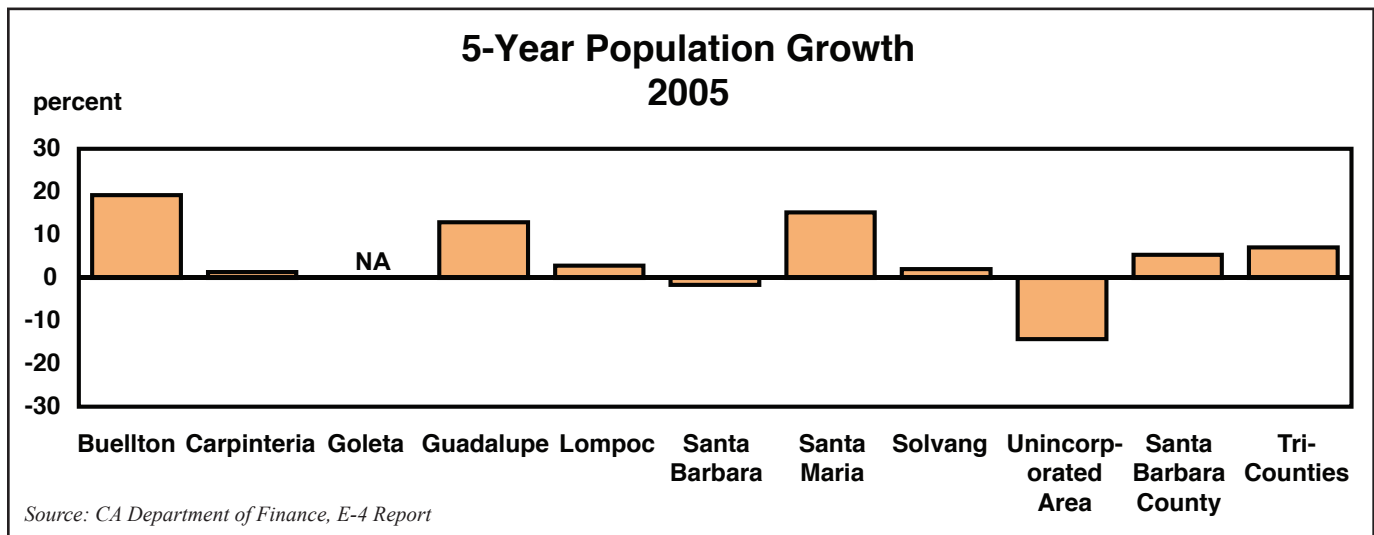
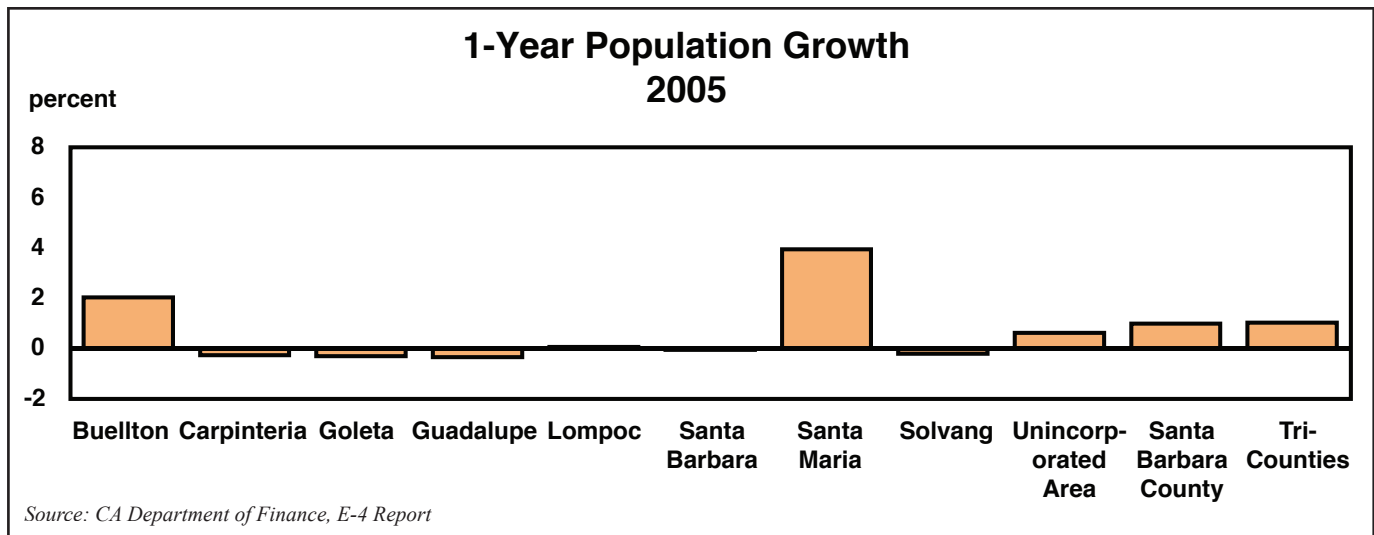
We expect high house prices driven by people from out of the area to continue to keep housing unaffordable for many working-class families. This will cause the trends we have been observing to continue.



Population Distribution







Population Distribution in Santa Barbara County

	Population as of January 1, 2004	Population as of January 1, 2005	Net Change	1-Year Growth Rate	5-Year Growth Rate	10-Year Growth Rate	Average 5-Year Growth Rate	Average 10-Year Growth Rate
Buellton	4,461	4,552	91	2.0%	19.2%	34.7%	3.8%	3.5%
Carpinteria	14,378	14,340	-38	-0.3%	1.3%	3.5%	0.3%	0.4%
Goleta	30,773	30,679	-94	-0.3%	NA	NA	NA	NA
Guadalupe	6,317	6,296	-21	-0.3%	12.9%	13.4%	2.6%	1.3%
Lompoc	42,292	42,320	28	0.1%	2.8%	7.4%	0.6%	0.7%
Santa Barbara City	90,569	90,518	-51	-0.1%	-1.7%	2.5%	-0.3%	0.3%
Santa Maria	85,416	88,793	3,377	4.0%	15.2%	27.2%	3.0%	2.7%
Solvang	5,440	5,429	-11	-0.2%	2.0%	9.0%	0.4%	0.9%
Unincorporated Area	135,485	136,333	848	0.6%	-14.3%	-13.2%	-2.9%	-1.3%
Santa Barbara County	415,131	419,260	4,129	1.0%	5.3%	9.6%	1.1%	1.0%
Tri-Counties	1,477,782	1,493,039	15,257	1.0%	7.1%	13.6%	1.4%	1.4%

Source: CA Department of Finance, E-4 Report

Population and Housing in Santa Barbara County

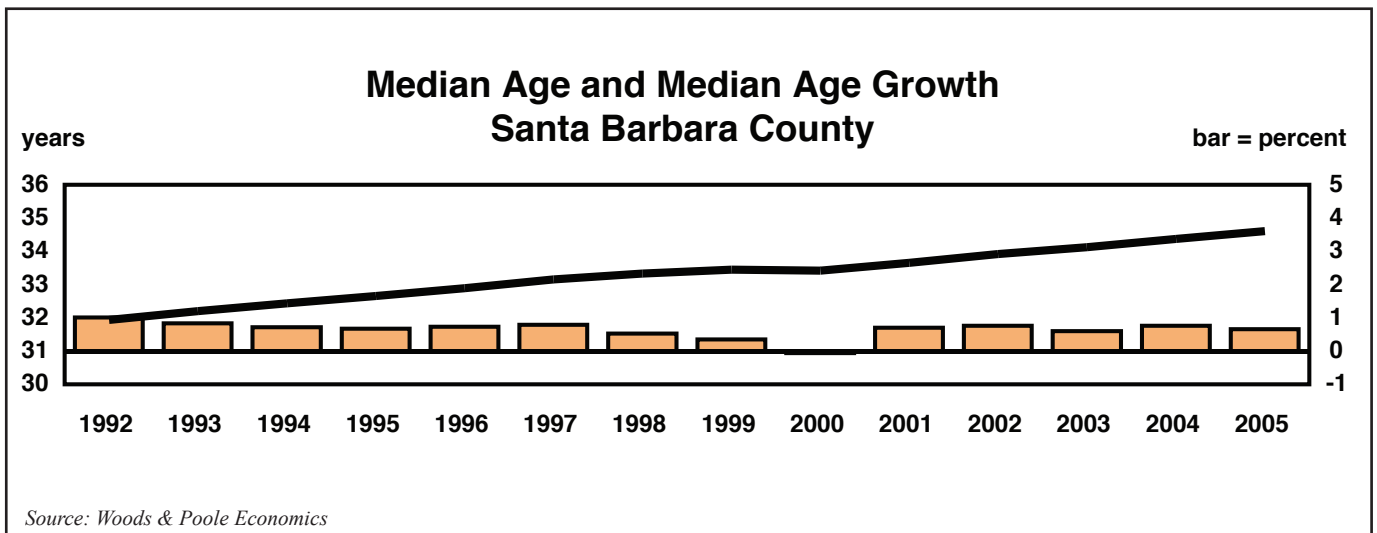
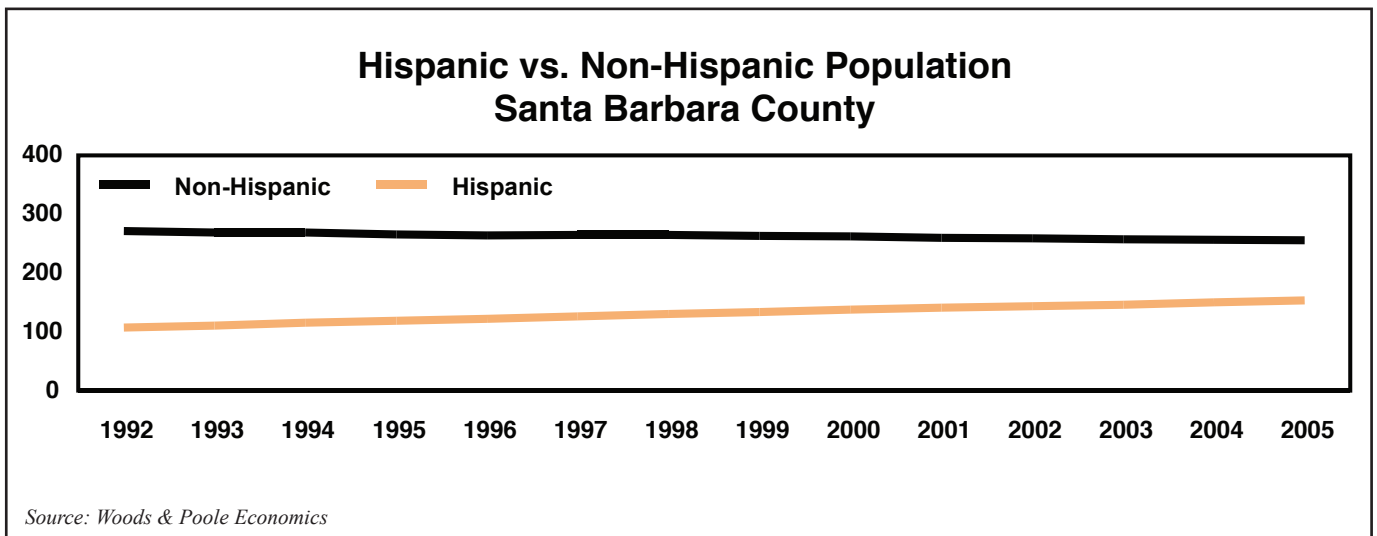
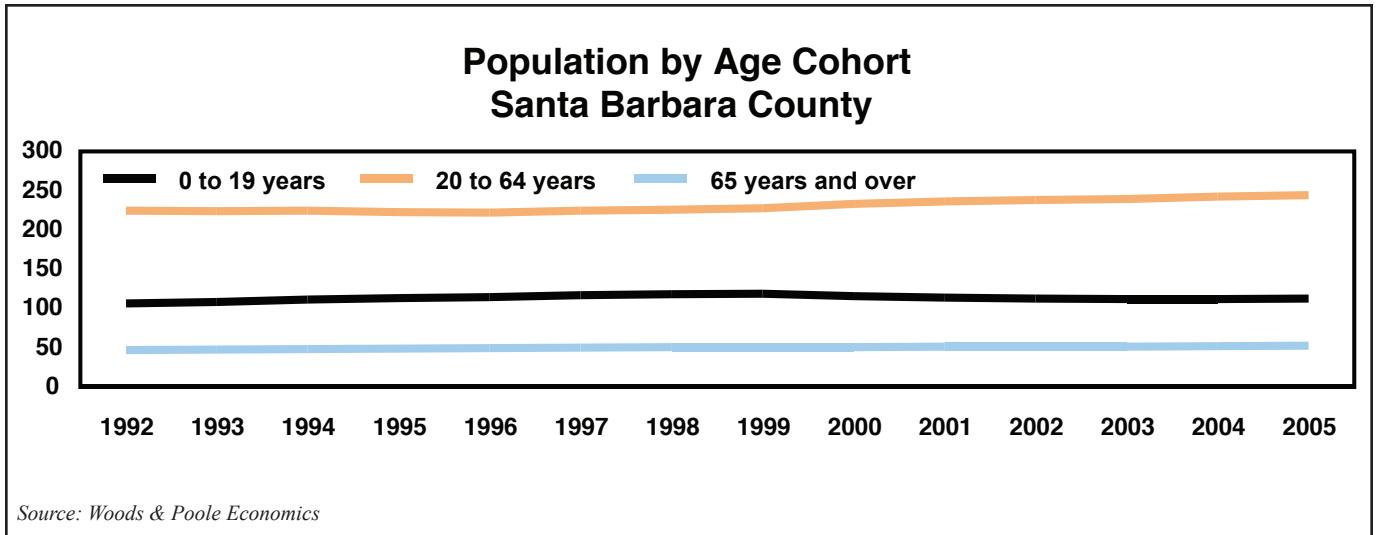
	1998	1999	2000	2001	2002	2003	2004	2005
Population (January)	402,913	406,828	399,347	403,237	407,376	411,458	415,131	419,260
percent change	1.4	1.0	-1.8	1.0	1.0	1.0	0.9	1.0
Population in Existing Housing Stock	386,874	390,888	382,730	386,997	391,213	394,596	398,482	402,125
percent change	1.5	1.0	-2.1	1.1	1.1	0.9	1.0	0.9
Population in Group Quarters	16,039	15,940	16,617	16,240	16,163	16,862	16,649	17,135
percent change	-1.3	-0.6	4.2	-2.3	-0.5	4.3	-1.3	2.9
Housing Density (people per household)	2.860	2.872	2.801	2.815	2.827	2.820	2.818	2.812
net change	0.037	0.012	-0.071	0.014	0.012	-0.007	-0.002	-0.006

Source: CA Department of Finance, E-5 Report

Population Distribution

Demographic Detail Santa Barbara County											
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Age Cohorts (thousands of people)											
Population Under 5 Years	31.1	30.0	29.0	27.9	26.7	26.1	26.1	26.2	26.4	26.9	27.5
Population 5 To 9 Years	28.9	29.9	30.4	30.4	30.0	29.4	28.5	27.4	26.4	26.2	26.0
Population 10 To 14 Years	26.6	26.7	26.8	26.8	27.0	28.2	28.8	28.9	29.1	28.9	28.3
Population 15 To 19 Years	26.4	28.1	30.5	33.3	34.7	32.0	30.2	29.8	30.0	29.9	30.9
Population 20 To 24 Years	32.0	30.9	30.8	30.8	31.9	37.2	39.0	39.1	37.9	37.3	35.4
Population 25 To 29 Years	30.1	29.8	29.6	28.9	28.2	27.4	27.3	27.6	29.4	30.3	31.7
Population 30 To 34 Years	33.2	31.7	30.7	29.7	28.8	28.0	27.8	27.8	27.2	27.3	27.2
Population 35 To 39 Years	32.3	32.1	32.2	31.9	31.3	30.1	29.1	28.1	27.4	27.2	27.3
Population 40 To 44 Years	27.1	27.7	28.7	29.4	29.6	29.9	29.9	30.0	29.8	29.8	29.5
Population 45 To 49 Years	22.3	23.4	23.9	24.8	25.7	26.3	27.0	27.5	28.1	28.8	29.2
Population 50 To 54 Years	18.2	18.4	20.1	20.8	21.8	22.9	23.6	24.1	24.5	25.2	25.9
Population 55 To 59 Years	15.0	15.1	15.5	16.1	16.5	17.2	18.0	19.0	20.1	20.9	22.0
Population 60 To 64 Years	12.8	12.7	13.0	13.5	13.9	14.2	14.3	14.7	15.1	15.7	16.2
Population 65 To 69 Years	13.6	13.6	13.4	13.1	13.0	12.8	12.8	12.7	12.9	13.2	13.6
Population 70 To 74 Years	12.7	12.7	12.7	12.7	12.5	12.4	12.3	12.2	11.8	11.6	11.4
Population 75 To 79 Years	9.6	10.0	10.5	10.7	11.0	11.1	11.1	10.9	10.9	10.7	10.6
Population 80 To 84 Years	7.0	7.2	7.3	7.3	7.4	7.4	7.8	8.2	8.5	8.6	8.8
Population 85 Years And Over	5.9	6.1	6.4	6.5	6.7	7.0	7.2	7.4	7.6	7.8	8.0
Total Population	384.6	386.1	391.3	394.7	396.9	399.7	400.9	401.8	403.1	406.1	409.4
Ethnicity (thousands of people)											
White	236.0	234.1	234.5	233.9	232.7	231.7	230.4	229.0	227.7	226.5	225.5
Black	9.8	9.7	9.8	9.7	9.7	9.6	9.4	9.2	9.1	9.1	9.2
Other	19.9	20.1	20.5	20.7	20.9	20.6	20.2	20.5	20.7	21.1	21.4
Hispanic , Any Race	118.9	122.2	126.6	130.3	133.6	137.8	140.9	143.1	145.7	149.7	153.7
Gender (thousands of people)											
Male	192.7	193.3	195.8	197.5	198.7	200.0	200.6	201.0	201.9	203.5	205.2
Female	191.8	192.8	195.5	197.2	198.2	199.8	200.5	201.3	202.8	204.1	205.6
Median Age Of Population (years)											
	32.6	32.9	33.2	33.3	33.4	33.4	33.7	33.9	34.1	34.4	34.6

Source: Woods & Poole Economics



Regional Characteristics

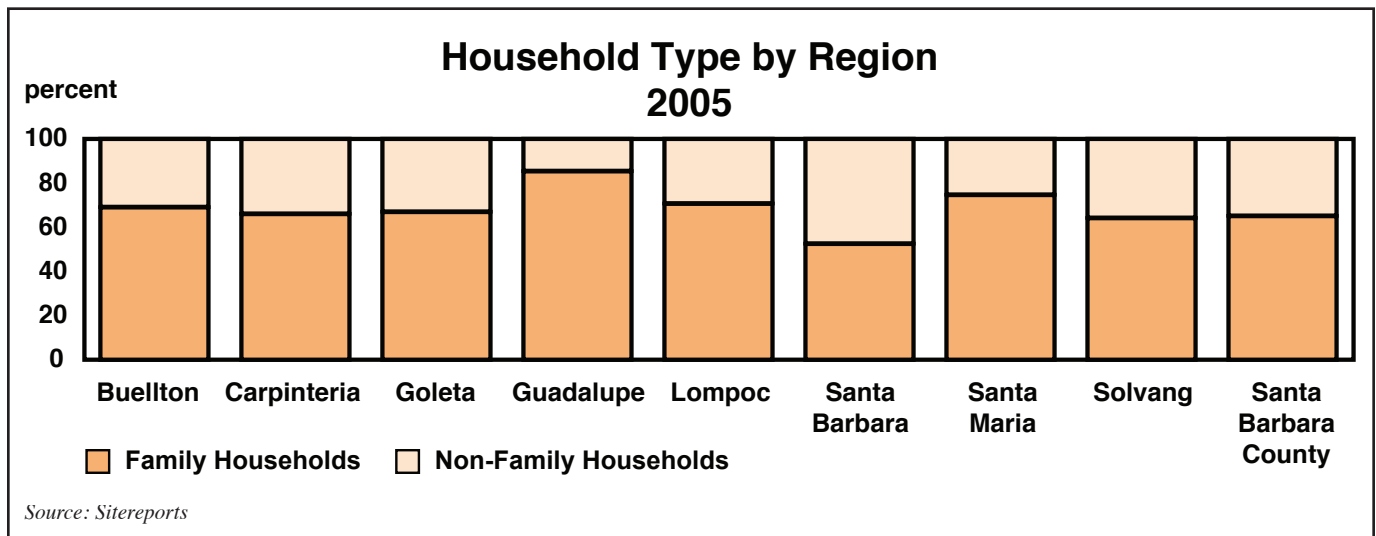
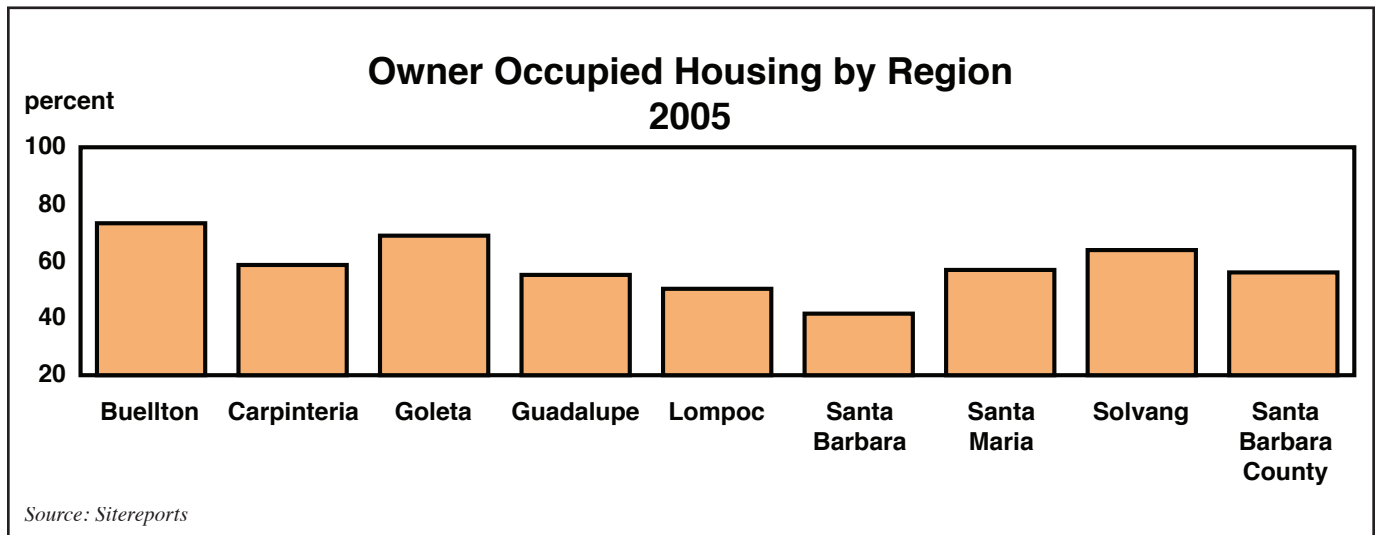
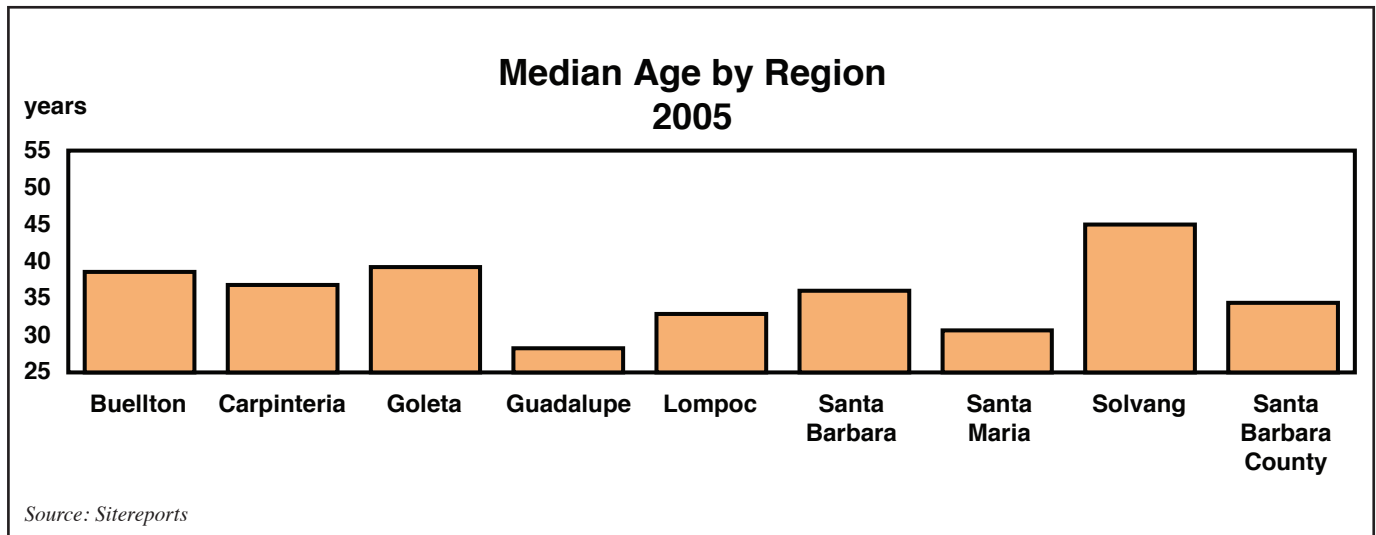
POPULATION CHARACTERISTICS: AREAS IN SANTA BARBARA COUNTY

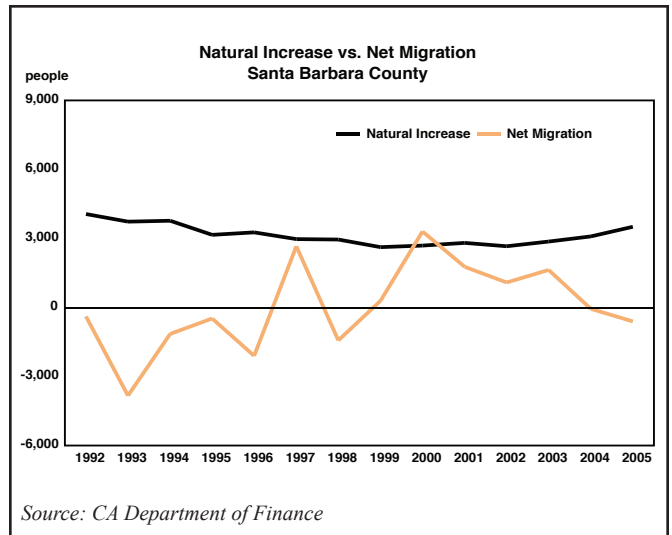
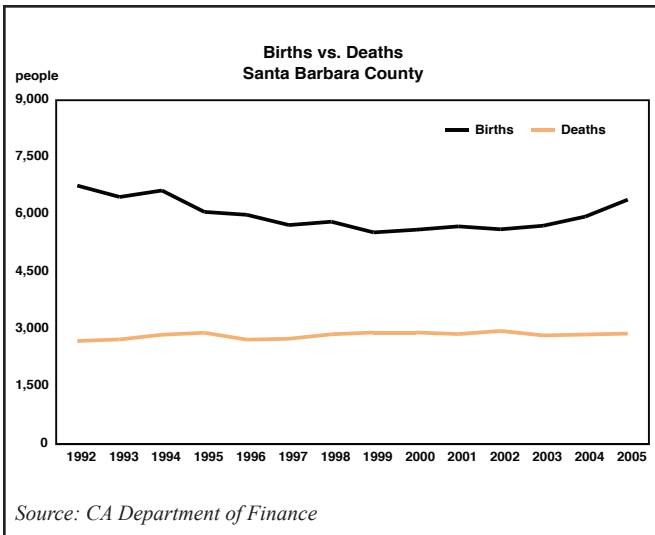
	Buellton	Carpinteria	Goleta	Guadalupe	Lompoc
Description					
Population					
2005 Estimate	3,992	13,891	56,150	6,046	41,471
2000 Census	3,828	14,194	55,204	5,659	41,103
1990 Census	3,392	13,756	51,894	5,632	37,660
Growth 2000-2005	4.3%	-2.1%	1.7%	6.8%	0.9%
2005 Est. Population Hispanic or Latino by Origin	3,992	13,891	56,150	6,046	41,471
Not Hispanic or Latino	2,873	7,527	42,381	911	24,244
Hispanic or Latino:	1,119	6,364	13,769	5,135	17,227
Mexican	974	5,638	11,596	4,632	14,600
Puerto Rican	9	21	127	6	187
Cuban	7	8	62	6	72
All Other Hispanic or Latino	129	697	1,984	491	2,368
2005 Est. Population by Sex	3,992	13,891	56,150	6,046	41,471
Male	1,991	7,000	27,860	3,076	22,045
Female	2,001	6,891	28,290	2,970	19,426
2005 Est. Median Age	38.6	36.8	39.2	28.3	32.9
2005 Est. Average Age	38.2	37.4	39.5	31.1	34.1
2005 Est. Pop. Age 25+ by Educational Attainment	2,633	9,289	38,806	3,343	25,816
Less than 9th grade	212	1,287	1,949	1,379	3,333
Some High School, no diploma	312	939	2,859	498	3,534
High School Graduate (or GED)	596	1,736	7,117	703	6,425
Some College, no degree	755	2,152	8,665	537	6,775
Associate Degree	243	703	3,244	79	2,261
Bachelor's Degree	357	1,725	8,960	100	2,368
Master's Degree	108	484	3,761	25	847
Professional School Degree	23	160	986	22	238
Doctorate Degree	27	103	1,265	0	35
2005 Est. Households by Household Type	1,486	4,885	20,171	1,508	13,052
Family Households	1,024	3,228	13,476	1,286	9,208
Nonfamily Households	462	1,657	6,695	222	3,844
2005 Est. Household Type, Presence Own Children	1,486	4,885	20,171	1,508	13,052
Single Male Householder	141	432	1,863	69	1,439
Single Female Householder	213	833	2,689	101	1,647
Married-Couple Family, own children	422	1,244	4,894	627	3,577
Married-Couple Family, no own children	434	1,248	6,098	315	2,974
Male Householder, own children	28	109	366	43	455
Male Householder, no own children	25	118	375	51	267
Female Householder, own children	62	261	872	138	1,311
Female Householder, no own children	53	248	871	112	624
Nonfamily, Male Householder	58	200	1,140	27	439
Nonfamily, Female Householder	50	192	1,003	25	319
2005 Est. Households by Household Size	1,486	4,885	20,171	1,508	13,052
1-person household	354	1,265	4,552	170	3,086
2-person household	511	1,474	6,748	246	3,606
3-person household	203	736	3,313	230	2,128
4-person household	230	643	2,968	282	2,000
5-person household	108	362	1,422	259	1,187
6-person household	46	181	635	162	545
7 or more person household	34	224	533	159	500
2005 Est. Average Travel Time to Work in Minutes	26.2	23.3	18.1	25.7	28.0
2005 Est. Tenure of Occupied Housing Units	1,486	4,885	20,171	1,508	13,052
Owner Occupied	1,091	2,867	13,923	832	6,574
Renter Occupied	395	2,018	6,248	676	6,478
2005 Est. Median All Owner-Occupied Housing Value	445,267	545,349	721,616	216,205	256,528

Source: Sitereports

POPULATION CHARACTERISTICS: AREAS IN SANTA BARBARA COUNTY

Santa Barbara City	Santa Maria	Solvang	Santa Barbara County	South Coast	Santa Ynez Valley	North Santa Barbara County
90,912	85,472	5,285	408,425	202,037	4,624	184,915
92,325	77,423	5,332	399,347	202,204	4,584	175,963
86,019	62,326	4,750	369,784	192,517	4,199	158,366
-1.5%	10.4%	-0.9%	2.3%	-0.1%	0.9%	5.1%
90,912	85,472	5,285	408,425	202,037	4,624	184,915
58,017	31,066	4,208	257,774	142,406	4,213	98,507
32,895	54,406	1,077	150,651	59,631	411	86,408
28,025	47,955	929	129,511	50,557	343	74,970
192	275	5	1,166	410	6	726
106	33	7	385	221	1	144
4,572	6,143	136	19,589	8,443	61	10,568
90,912	85,472	5,285	408,425	202,037	4,624	184,915
44,913	43,403	2,519	204,539	99,859	2,198	94,150
45,999	42,069	2,766	203,886	102,178	2,426	90,765
36.1	30.7	45.0	34.4	35.2	44.1	32.8
38.4	33.5	44.3	36.6	37.8	41.3	34.9
62,906	50,379	3,821	259,386	131,703	3,177	112,962
6,231	12,331	274	29,936	10,421	38	18,480
5,984	7,556	323	26,243	10,978	77	14,166
9,520	11,403	787	49,378	20,714	554	25,679
12,402	10,666	1,076	59,529	27,494	979	27,988
4,218	3,002	221	19,758	9,650	280	9,081
14,921	3,763	714	45,704	31,532	761	11,343
5,767	1,117	308	18,345	12,640	284	4,619
2,123	411	80	5,889	4,225	157	1,226
1,740	130	38	4,604	4,049	47	380
34,847	24,198	2,169	138,658	73,781	1,643	56,810
18,310	18,067	1,389	90,307	41,838	1,283	42,712
16,537	6,131	780	48,351	31,943	360	14,098
34,847	24,198	2,169	138,658	73,781	1,643	56,810
4,734	1,844	242	13,964	8,589	83	4,643
6,808	2,946	413	19,857	12,122	173	6,636
6,026	7,477	442	33,957	14,450	503	17,362
7,626	6,148	702	36,831	18,282	607	15,852
617	678	33	3,001	1,266	30	1,565
763	605	39	2,761	1,458	23	1,161
1,758	1,971	95	7,881	3,342	60	4,203
1,520	1,188	78	5,876	3,040	60	2,569
2,602	823	78	7,801	5,834	58	1,691
2,393	518	47	6,729	5,398	46	1,128
34,847	24,198	2,169	138,658	73,781	1,643	56,810
11,542	4,790	655	33,821	20,711	256	11,279
11,333	6,391	816	43,996	24,447	609	16,616
4,780	3,390	276	20,775	10,759	307	8,771
3,450	3,506	241	19,118	9,216	286	8,745
1,730	2,383	110	10,220	4,354	116	5,332
863	1,434	38	5,027	2,088	48	2,727
1,149	2,304	33	5,701	2,206	21	3,340
18.6	22.2	21.5	21.3	19.0	29.4	23.6
34,847	24,198	2,169	138,658	73,781	1,643	56,810
14,472	13,785	1,386	77,660	37,618	1,347	34,367
20,375	10,413	783	60,998	36,163	296	22,443
872,242	258,652	609,864	478,360	823,172	787,621	270,787





Population and Components of Change Santa Barbara County							
	Population As of July 1	Population Change	Births	Deaths	Natural Increase	Net Migration	Population Growth Rate
1981	306,100	6,100	4,608	2,365	2,243	3,857	2.03
1982	313,500	7,400	4,828	2,417	2,411	4,989	2.42
1983	322,800	9,300	4,887	2,353	2,534	6,766	2.97
1984	329,200	6,400	4,820	2,479	2,341	4,059	1.98
1985	338,200	9,000	4,958	2,594	2,364	6,636	2.73
1986	345,100	6,900	5,297	2,540	2,757	4,143	2.04
1987	351,200	6,100	5,345	2,498	2,847	3,253	1.77
1988	354,600	3,400	5,623	2,605	3,018	382	0.97
1989	364,700	10,100	5,949	2,681	3,268	6,832	2.85
1990	371,400	6,700	6,573	2,459	4,114	2,586	1.84
1991	374,833	3,433	6,709	2,593	4,116	1,764	0.92
1992	378,511	3,678	6,768	2,703	4,065	-387	0.98
1993	378,413	-98	6,469	2,739	3,730	-3,828	-0.03
1994	381,033	2,620	6,638	2,865	3,773	-1,153	0.69
1995	383,717	2,684	6,076	2,914	3,162	-478	0.70
1996	384,878	1,161	6,001	2,737	3,264	-2,103	0.30
1997	390,515	5,637	5,732	2,757	2,975	2,662	1.46
1998	392,029	1,514	5,822	2,873	2,949	-1,435	0.39
1999	394,936	2,907	5,543	2,921	2,622	285	0.74
2000	400,932	5,996	5,614	2,925	2,689	3,307	1.52
2001	405,511	4,579	5,696	2,884	2,812	1,767	1.14
2002	409,257	3,746	5,625	2,964	2,661	1,085	0.92
2003	413,756	4,499	5,714	2,848	2,866	1,633	1.10
2004	416,777	3,021	5,955	2,870	3,085	-64	0.73
2005	419,678	2,901	6,399	2,892	3,507	-606	0.70
Average per Year		4,732	5,793	2,713	3,080	1,754	1.33

Source: CA Department of Finance and UCSB Economic Forecast Project
 *Demographic Research Unit, Report E-2 & E-6
 Note: Components will not add to total population for "Averages per Year"
 2000 and 2002 detailed population figures are estimated by the UCSB Economic Forecast Project.

County Rankings

2005 County Population Rankings

California Counties Ranked by 1/1/2005 Total Population and 2004-2005 Numeric Change and Percent Change

County	Jan-2005 Total Population	Rank	County	Numeric Change	Rank	County	Percent Change
Los Angeles	10,226,506	1	Los Angeles	119,055	1	Riverside	3.8
Orange	3,056,865	2	Riverside	69,142	2	Placer	3.1
San Diego	3,051,280	3	San Bernardino	48,252	3	Imperial	3.0
San Bernardino	1,946,202	4	San Diego	38,266	4	Madera	3.0
Riverside	1,877,000	5	Orange	34,252	5	Tuolumne	2.9
Santa Clara	1,759,585	6	Sacramento	23,650	6	Kern	2.8
Alameda	1,507,500	7	Kern	20,669	7	Colusa	2.7
Sacramento	1,369,855	8	Santa Clara	18,886	8	Sutter	2.7
Contra Costa	1,020,898	9	Fresno	17,014	9	San Joaquin	2.7
Fresno	883,537	10	San Joaquin	16,867	10	Merced	2.6
Ventura	813,052	11	Contra Costa	11,954	11	San Bernardino	2.5
San Francisco	799,263	12	Alameda	10,532	12	Yuba	2.5
Kern	753,070	13	Tulare	9,748	13	Tulare	2.4
San Mateo	723,453	14	Stanislaus	9,660	14	Kings	2.3
San Joaquin	653,333	15	Placer	9,096	15	Fresno	2.0
Stanislaus	504,482	16	Ventura	8,528	16	Stanislaus	2.0
Sonoma	478,440	17	Merced	5,993	17	Calaveras	1.8
Monterey	425,102	18	San Francisco	5,860	18	Sacramento	1.8
Solano	421,657	19	Imperial	4,736	19	Lassen	1.7
Santa Barbara	419,260	20	San Mateo	4,460	20	El Dorado	1.7
Tulare	409,871	21	Solano	4,210	21	Yolo	1.7
Placer	305,675	22	Santa Barbara	4,129	22	Tehama	1.4
San Luis Obispo	260,727	23	Madera	4,084	23	Glenn	1.3
Santa Cruz	260,240	24	Sonoma	3,447	24	San Diego	1.3
Marin	252,485	25	Kings	3,222	25	Shasta	1.2
Merced	240,162	26	Yolo	3,083	26	Contra Costa	1.2
Butte	214,119	27	El Dorado	2,951	27	Del Norte	1.2
Yolo	187,743	28	Monterey	2,634	28	Los Angeles	1.2
Shasta	178,197	29	San Luis Obispo	2,600	29	Nevada	1.2
El Dorado	173,407	30	Sutter	2,341	30	Orange	1.1
Imperial	161,800	31	Shasta	2,125	31	Napa	1.1
Kings	144,732	32	Butte	1,882	32	Trinity	1.1
Madera	141,007	33	Tuolumne	1,644	33	Santa Clara	1.1
Napa	133,294	34	Yuba	1,604	34	Mariposa	1.1
Humboldt	131,334	35	Napa	1,457	35	Ventura	1.1
Nevada	98,955	36	Santa Cruz	1,354	36	Siskiyou	1.0
Mendocino	89,974	37	Marin	1,155	37	Solano	1.0
Sutter	88,945	38	Nevada	1,151	38	San Luis Obispo	1.0
Yuba	66,734	39	Humboldt	942	39	Santa Barbara	1.0
Lake	63,250	40	Tehama	811	40	Amador	1.0
Tehama	60,019	41	Calaveras	801	41	Lake	0.9
Tuolumne	58,504	42	Lassen	606	42	Butte	0.9
San Benito	57,602	43	Mendocino	605	43	San Benito	0.9
Siskiyou	45,819	44	Lake	563	44	Plumas	0.8
Calaveras	44,796	45	Colusa	553	45	San Francisco	0.7
Amador	37,574	46	San Benito	492	46	Sonoma	0.7
Lassen	35,455	47	Siskiyou	471	47	Humboldt	0.7
Del Norte	28,895	48	Glenn	373	48	Alameda	0.7
Glenn	28,197	49	Amador	358	49	Mendocino	0.7
Plumas	21,231	50	Del Norte	338	50	Mono	0.7
Colusa	20,880	51	Mariposa	193	51	Monterey	0.6
Inyo	18,592	52	Plumas	170	52	San Mateo	0.6
Mariposa	17,991	53	Trinity	150	53	Modoc	0.6
Trinity	13,749	54	Mono	89	54	Santa Cruz	0.5
Mono	13,563	55	Modoc	58	55	Marin	0.5
Modoc	9,700	56	Inyo	32	56	Inyo	0.2
Sierra	3,538	57	Alpine	-3	57	Alpine	-0.2
Alpine	1,262	58	Sierra	-28	58	Sierra	-0.8

Source: CA Department of Finance, Table 6-County Ranks 2003-04

Alphabetical 2005 County Population Rankings

Alphabetical California Counties with Population and Numeric and Percent Change Ranks

County	Jan-2005 Population Rank	2004-2005 Numeric Change Rank	2004-2005 Percent Change Rank	County
Alameda	7	12	48	Alameda
Alpine	58	57	57	Alpine
Amador	46	49	40	Amador
Butte	27	32	42	Butte
Calaveras	45	41	17	Calaveras
Colusa	51	45	7	Colusa
Contra Costa	9	11	26	Contra Costa
Del Norte	48	50	27	Del Norte
El Dorado	30	27	20	El Dorado
Fresno	10	9	15	Fresno
Glenn	49	48	23	Glenn
Humboldt	35	39	47	Humboldt
Imperial	31	19	3	Imperial
Inyo	52	56	56	Inyo
Kern	13	7	6	Kern
Kings	32	25	14	Kings
Lake	40	44	41	Lake
Lassen	47	42	19	Lassen
Los Angeles	1	1	28	Los Angeles
Madera	33	23	4	Madera
Marin	25	37	55	Marin
Mariposa	53	51	34	Mariposa
Mendocino	37	43	49	Mendocino
Merced	26	17	10	Merced
Modoc	56	55	53	Modoc
Mono	55	54	50	Mono
Monterey	18	28	51	Monterey
Napa	34	35	31	Napa
Nevada	36	38	29	Nevada
Orange	2	5	30	Orange
Placer	22	15	2	Placer
Plumas	50	52	44	Plumas
Riverside	5	2	1	Riverside
Sacramento	8	6	18	Sacramento
San Benito	43	46	43	San Benito
San Bernardino	4	3	11	San Bernardino
San Diego	3	4	24	San Diego
San Francisco	12	18	45	San Francisco
San Joaquin	15	10	9	San Joaquin
San Luis Obispo	23	29	38	San Luis Obispo
San Mateo	14	20	52	San Mateo
Santa Barbara	20	22	39	Santa Barbara
Santa Clara	6	8	33	Santa Clara
Santa Cruz	24	36	54	Santa Cruz
Shasta	29	31	25	Shasta
Sierra	57	58	58	Sierra
Siskiyou	44	47	36	Siskiyou
Solano	19	21	37	Solano
Sonoma	17	24	46	Sonoma
Stanislaus	16	14	16	Stanislaus
Sutter	38	30	8	Sutter
Tehama	41	40	22	Tehama
Trinity	54	53	32	Trinity
Tulare	21	13	13	Tulare
Tuolumne	42	33	5	Tuolumne
Ventura	11	16	35	Ventura
Yolo	28	26	21	Yolo
Yuba	39	34	12	Yuba

Source: CA Department of Finance, Table 7-County Alpha Ranks 2003-04

ECONOMIC ACTIVITY



With real gross product growth rates of 4.2 percent in 2004 and 3.0 percent in 2005, the United States economy has been very strong. Given this strength, we at the UCSB Economic Forecast Project have been a bit puzzled over the popular perception that the economy is doing poorly. After conversations with people from all walks of life, we've decided that the perception is primarily due to uncertainty.

Some argue that the media contribute to negative perceptions about the economy, and there may be some truth to that. However, without some underlying sense of malaise, negative press would achieve no traction. People will not accept as truth anything they are not predisposed to believe.

As stated above, we believe a general sense of insecurity leads people to believe that economic times are not good. We have the obvious sources of uncertainty: the wars in Afghanistan and Iraq, the new nuclear powers North Korea and Iran, and the terror attacks worldwide. But there are also less obvious sources of insecurity, and

these are more powerful because they are more personal.

For a relatively short time after World War II, American workers were very secure in their careers. They were insulated from competition, and technological threats were minimal. Many people could look forward to entire careers with one employer. Today, international competition and changing technology make that an impossible dream. Indeed, over the past decade, many jobs have materialized and then faded away in short order. Technology will accelerate these changes.

The economy is growing, and unemployment is very low and falling. Consumption has doubled over the past 30 years. The net impact of technological change and increased trade (certainly related) on American consumers is clearly positive. However, this change can hurt individuals, and can become a strong source of insecurity.

California data (provided by the State of California) has been extensively revised since our previous publication one year ago,

and all the revisions have been positive. Consequently, we now know that California's economy has been doing much better than we previously thought. As a matter of fact, California's economy has been growing faster than that of the United States every year since the tech crash of 2001. In fact, 2001 is the only year in the past ten that California's economy was weaker than the United States'.

We've itemized California's negatives in the past. They include high taxes, uncertain energy supply, high costs, uncertainty over who will pay the accumulated deficit, and the perception that the State is not a business-friendly location. Given all of California's weaknesses, the State's robust economy needs some explanation.

California has some real strengths. A primary one is California's workers. Even after adjusting for industry and capital, California's workers are more productive than their counterparts in other regions of the United States. California has also been at the forefront of pro-

ductivity-enhancing technology. With its community colleges, State Colleges, and Universities, California reaps the benefit of the worlds best higher-education system. Finally, California's location is perfect to profit from the fast-growing international trade throughout the Pacific Rim.

Then there is Santa Barbara County. While Santa Barbara County's economy grew at rates competitive with the United States and California economy as recently as 2001, it has recently grown comparatively slowly.

Many of the reasons for Santa Barbara County's slow economic growth are due to demographic factors discussed in detail in the Demographic section of this publication. The slow growth is also a natural outcome of the desire for slow growth, held by a large portion of the County's population.

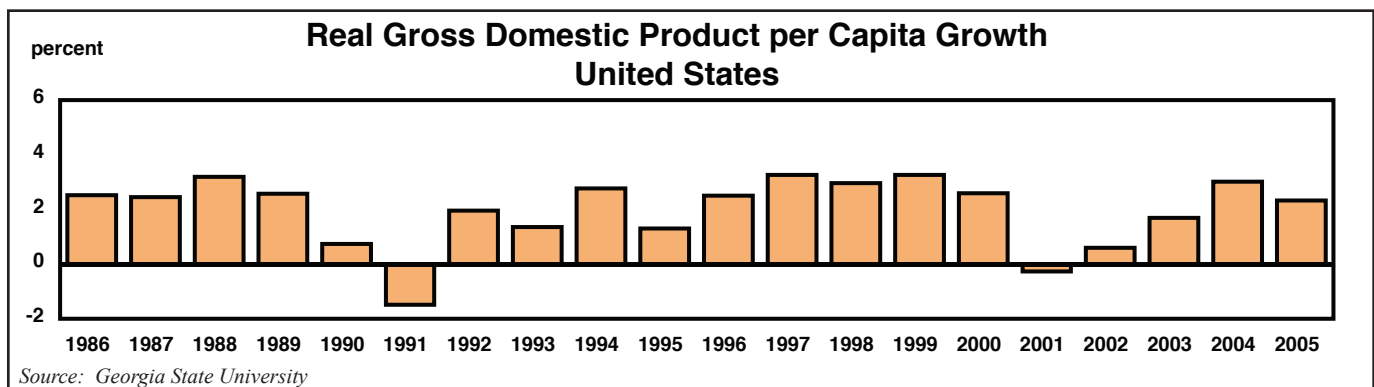
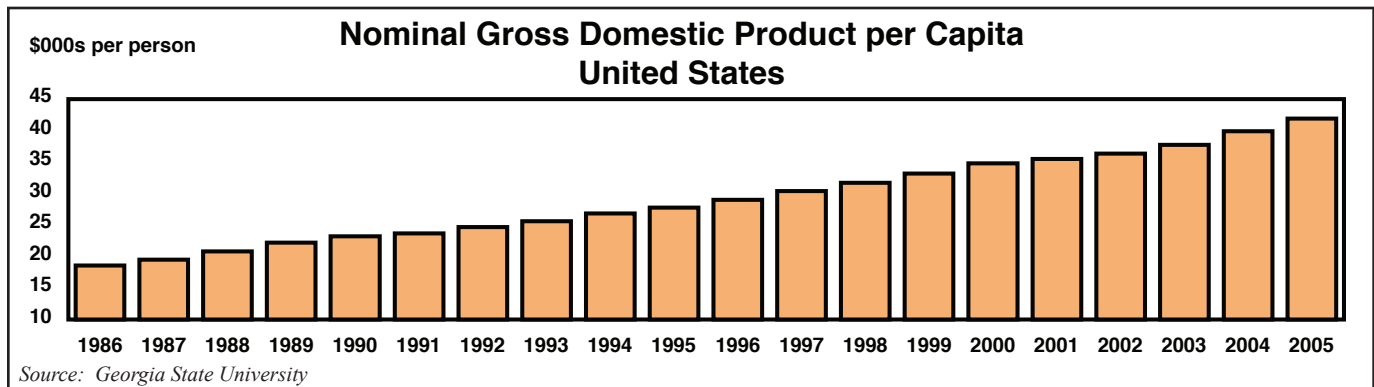
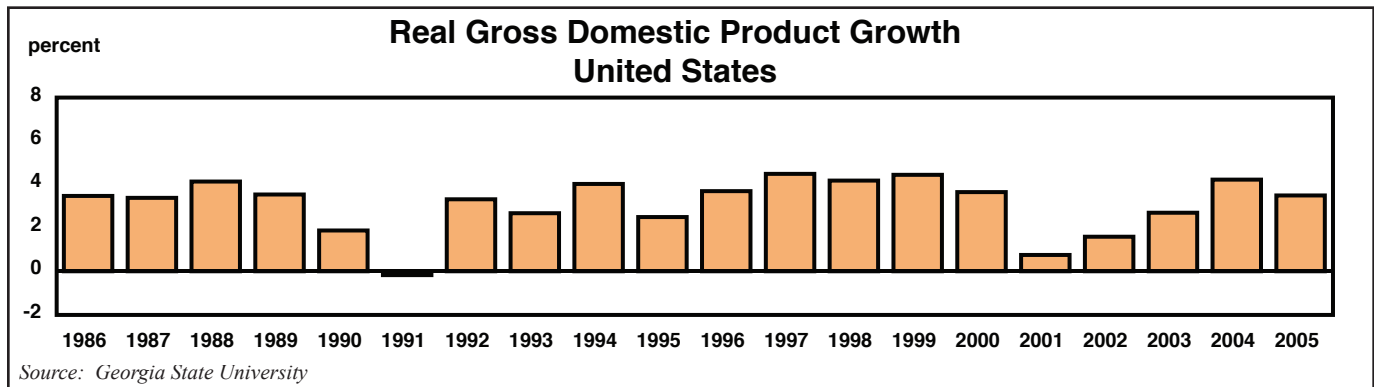
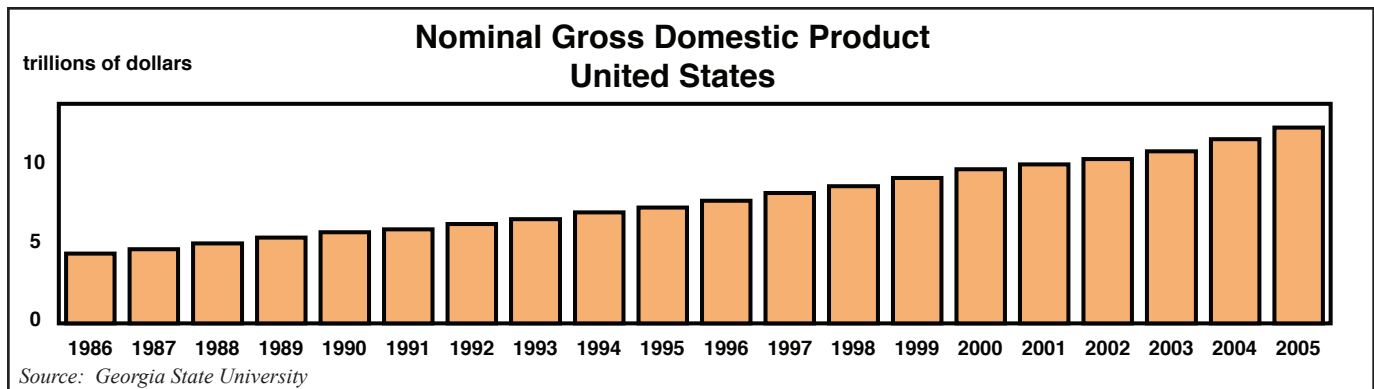
Santa Barbara County's economy is more complicated than the previous paragraph would suggest. The County's economy is truly comprised of two economies: North County's and South County's. The communities in the South County have seen very slow economic growth. The communities in North County have seen economic growth rates that often exceed,

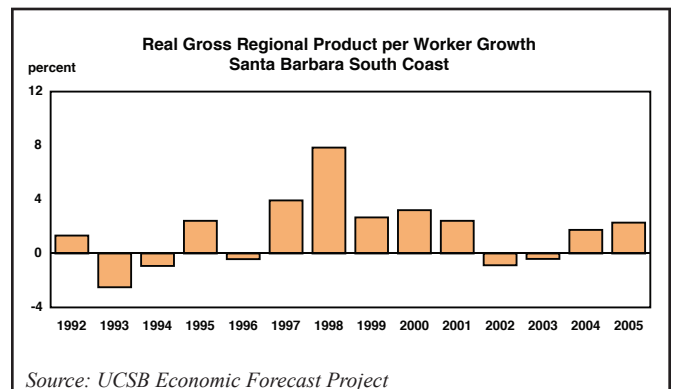
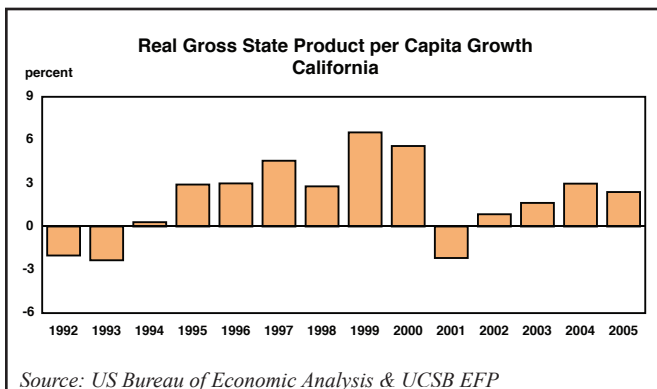
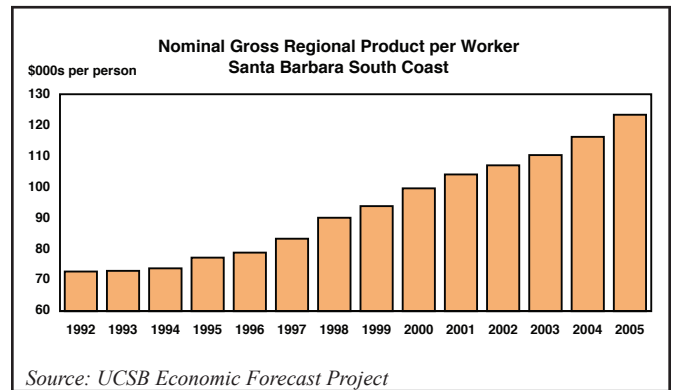
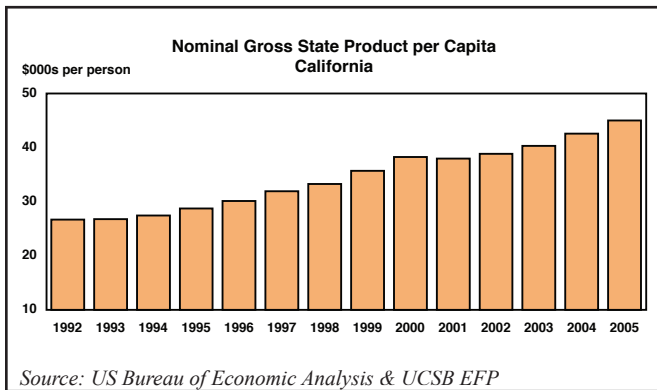
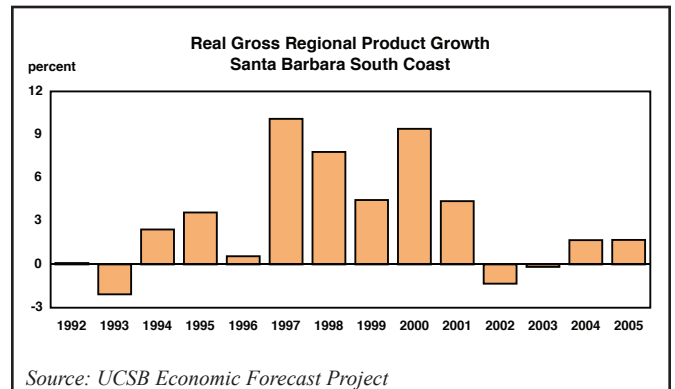
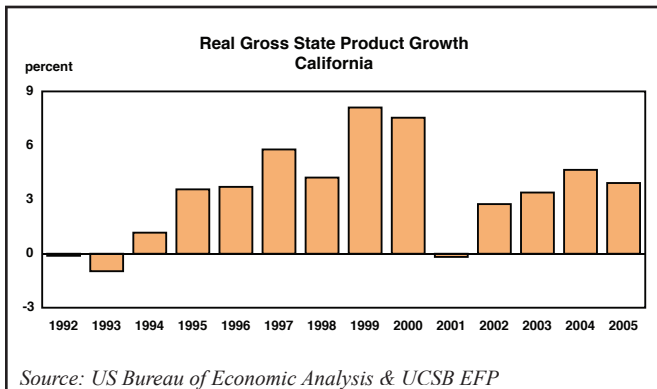
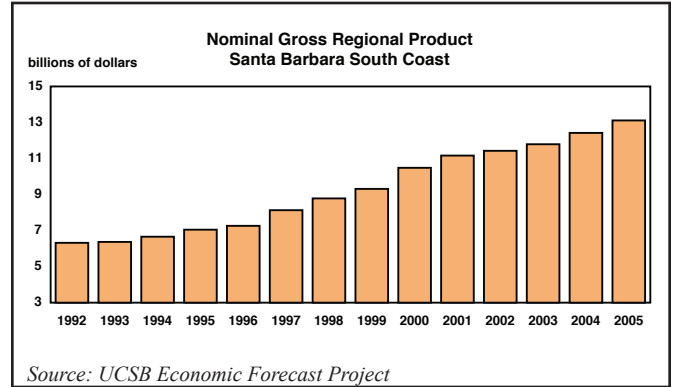
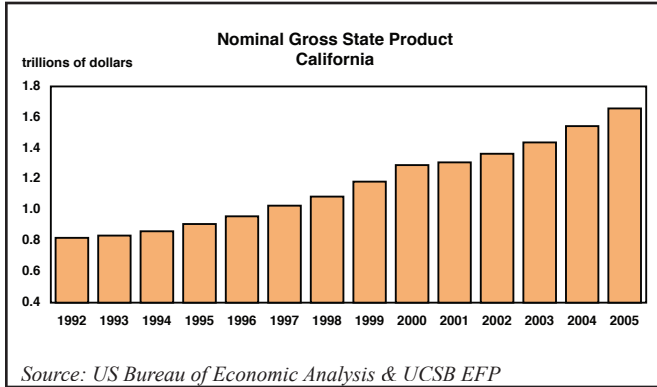
by a large margin, those of the United States and California.

In part, North County's economic growth is a result of its population growth. North County's housing is affordable relative to housing in the South Coast and in South San Luis Obispo County. Consequently, North County is seeing rapid population growth and is becoming something of a bedroom community to those business centers. This population growth has spurred increased construction activity, growing retail sales, and an expanding service sector.

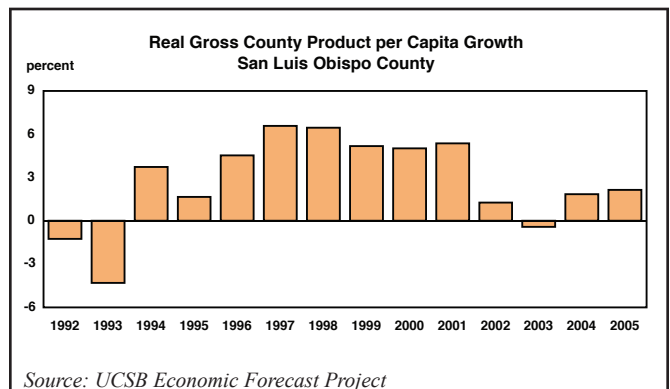
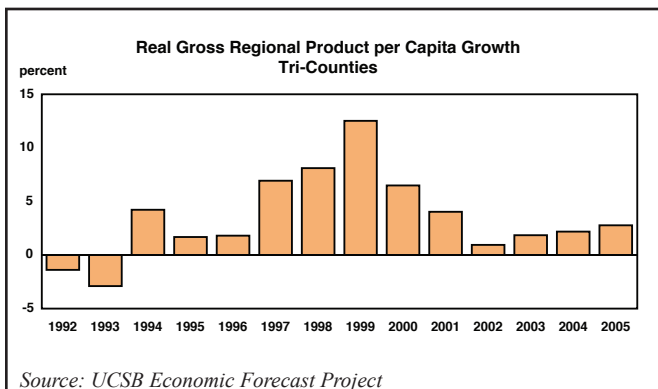
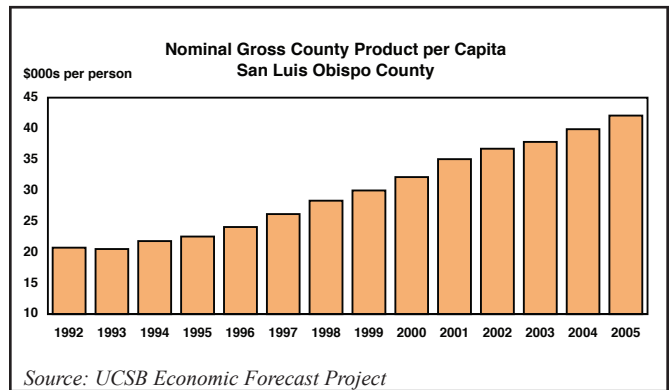
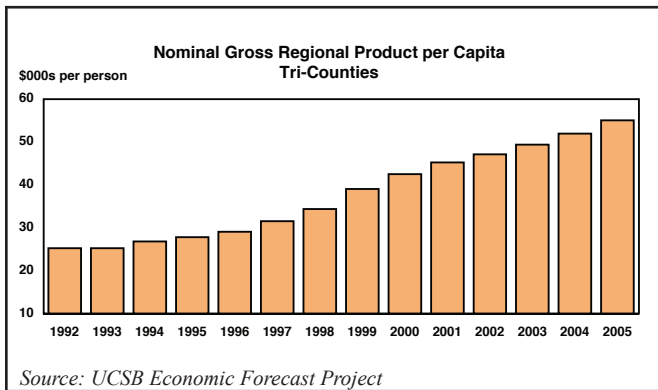
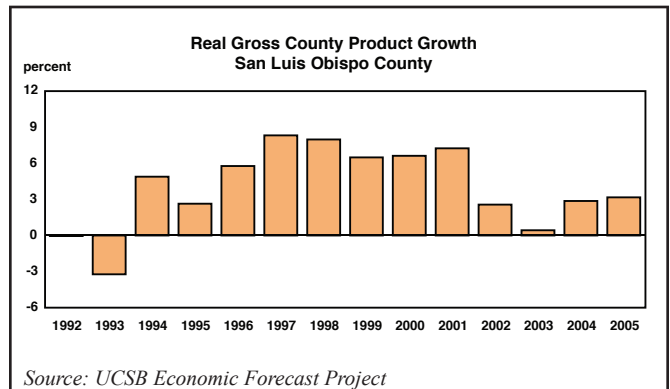
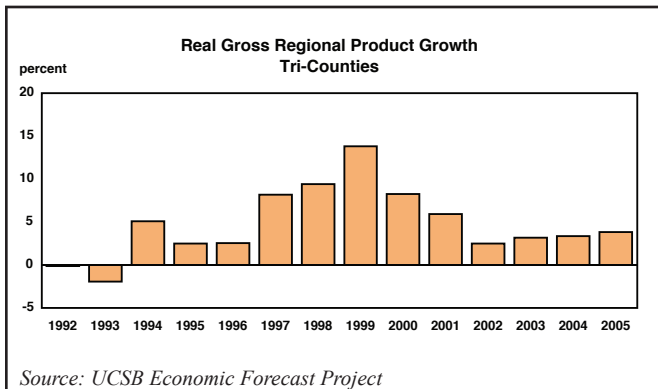
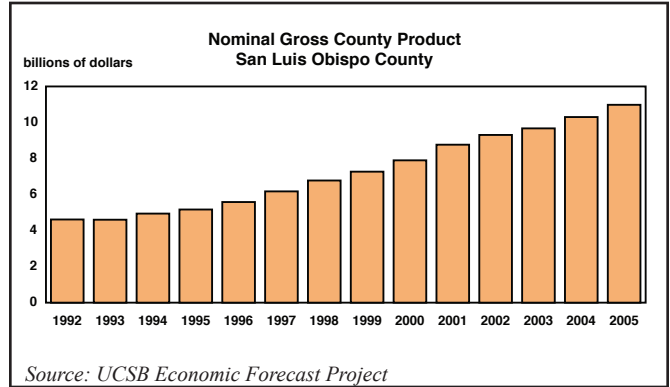
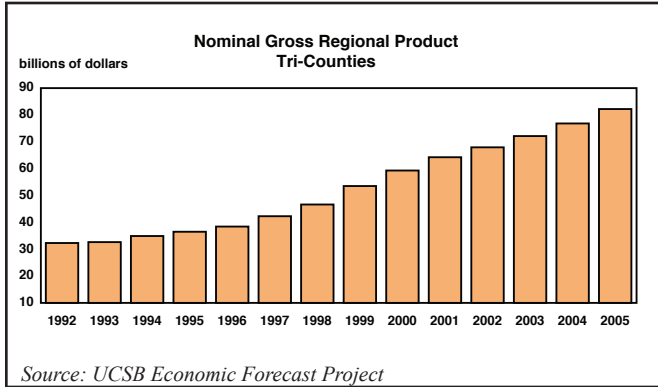
North County has also become an increasingly desirable place to locate a business: It has a growing workforce. It has increased amenities. It has a business-friendly environment. It has more affordable housing than its neighbors. And it has room to grow.

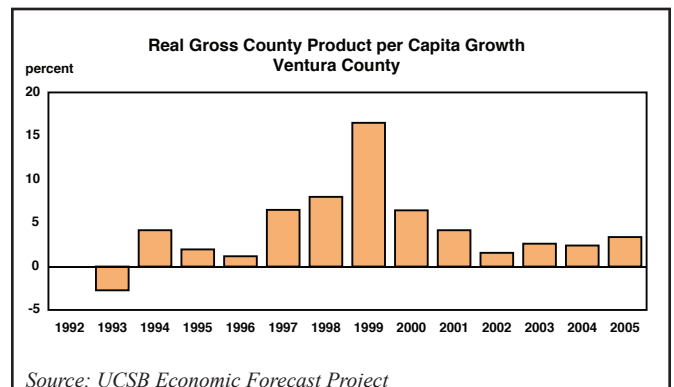
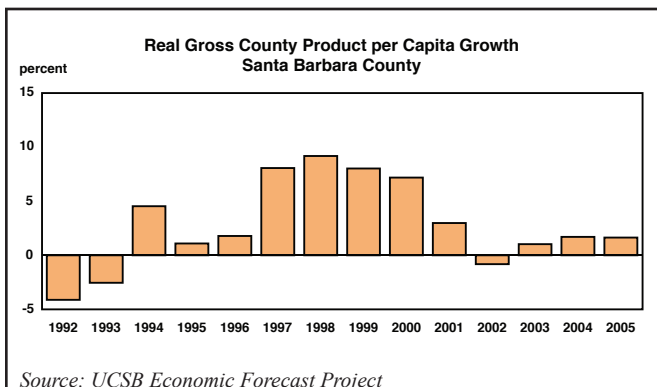
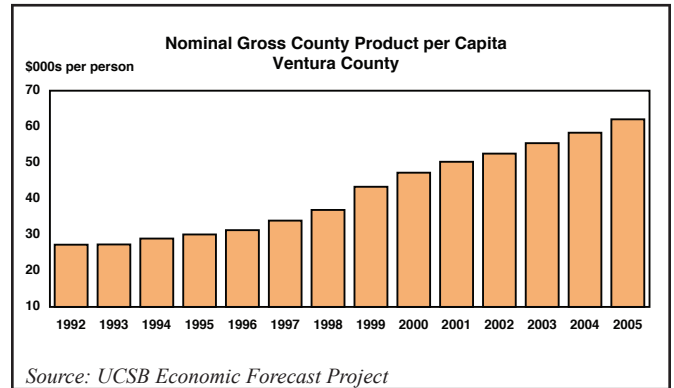
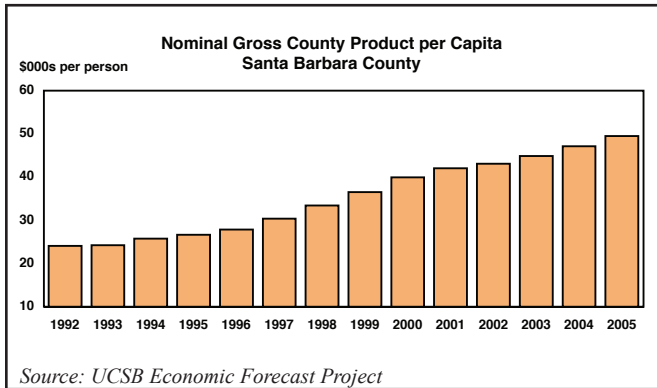
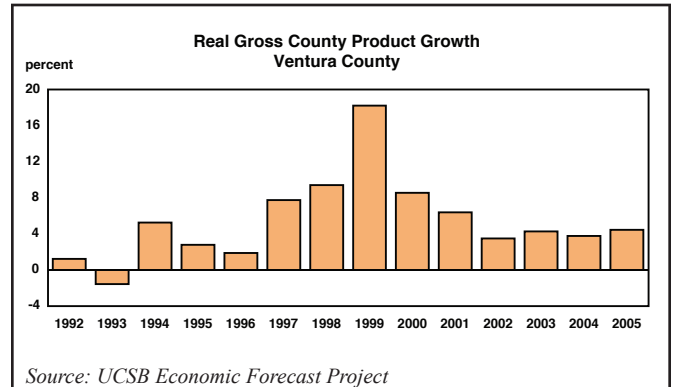
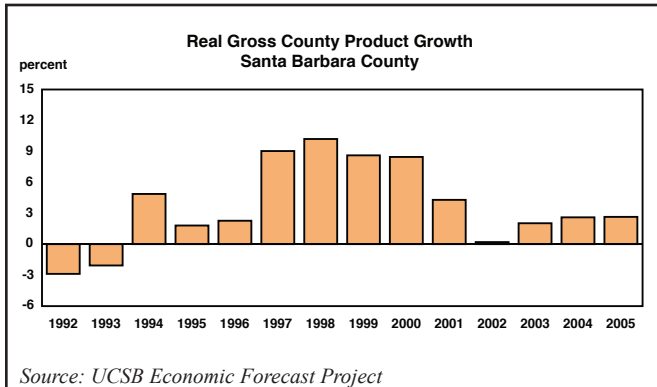
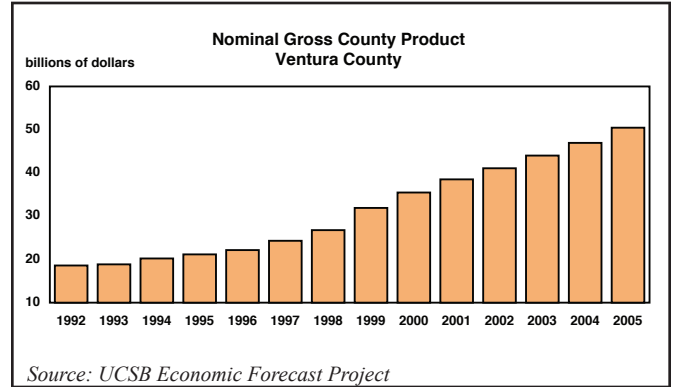
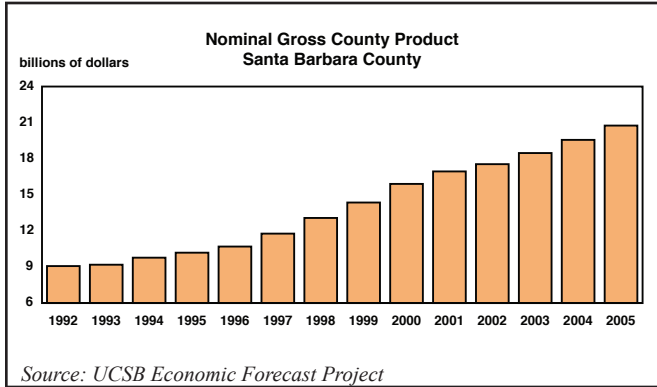
Gross County Product

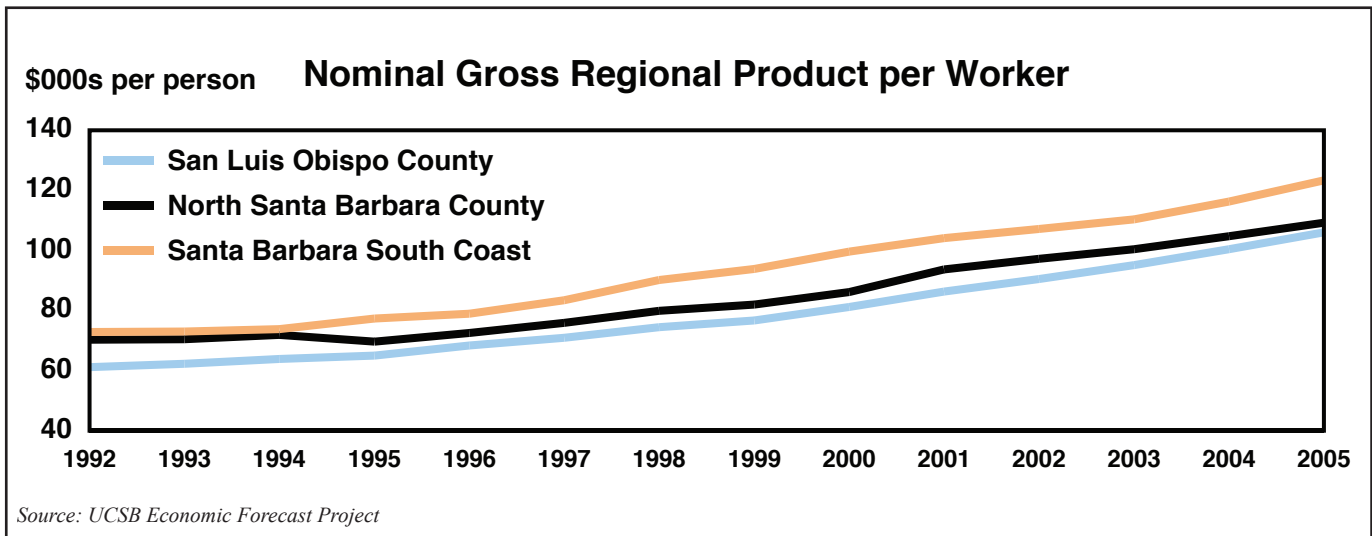
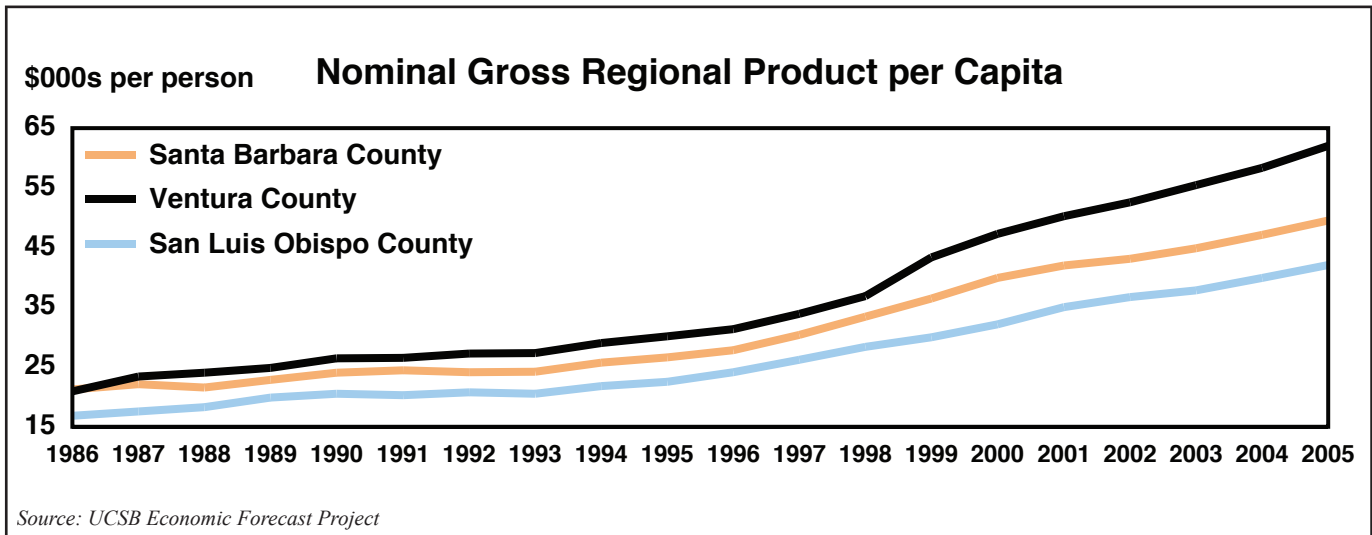
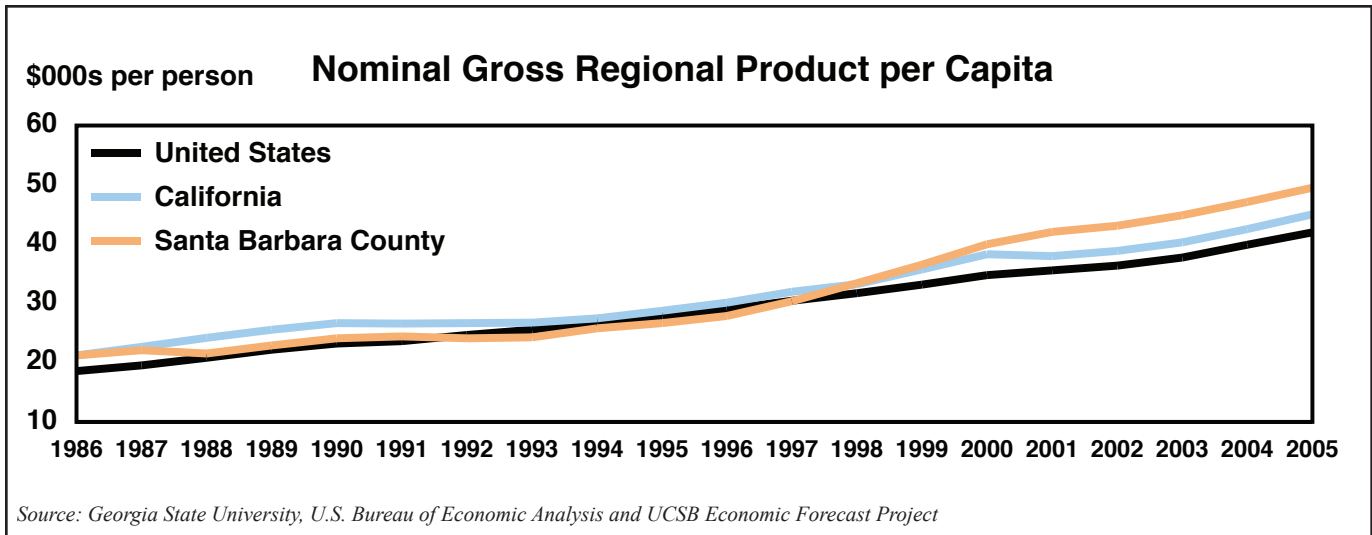




Gross County Product







Gross Regional Product						
	2000	2001	2002	2003	2004	2005
United States						
Gross Domestic Product (\$Trillions)	9.8	10.1	10.5	11.0	11.7	12.5
Real Gross Domestic Product (\$2000 Trillions)	9.8	9.9	10.0	10.3	10.8	11.1
real percent change	3.7	0.8	1.6	2.7	4.2	3.5
Gross Domestic Product per Capita (\$000s)	34.8	35.5	36.4	37.7	39.9	41.9
real percent change	2.6	-0.3	0.6	1.7	3.0	2.3
California						
Gross State Product (\$Trillions)	1.29	1.31	1.36	1.44	1.54	1.66
Real Gross State Product (\$2000 Trillions)	1.29	1.29	1.32	1.37	1.43	1.49
real percent change	7.5	-0.2	2.8	3.4	4.6	3.9
Gross State Product per Capita (\$000s)	38.3	38.0	38.9	40.3	42.6	45.0
real percent change	5.6	-2.2	0.9	1.6	3.0	2.4
Tri-Counties						
Gross County Product (\$Billions)	59.3	64.2	67.9	72.2	76.8	82.2
Real Gross County Product (\$2000 Billions)	59.3	62.8	64.4	66.4	68.6	71.3
real percent change	8.3	5.9	2.5	3.2	3.4	3.8
Gross County Product per Capita (\$000s)	42.5	45.2	47.1	49.4	52.0	55.0
real percent change	6.5	4.0	0.9	1.8	2.2	2.8
Santa Barbara County						
Gross County Product (\$Billions)	15.9	16.9	17.6	18.5	19.6	20.8
Real Gross County Product (\$2000 Billions)	15.9	16.6	16.6	17.0	17.4	17.9
real percent change	8.5	4.3	0.2	2.0	2.6	2.7
Gross County Product per Capita (\$000s)	39.9	42.0	43.1	44.9	47.1	49.5
real percent change	7.2	3.0	-0.8	1.0	1.7	1.6

Source: Georgia State University, U.S. Bureau of Economic Analysis and UCSB Economic Forecast Project

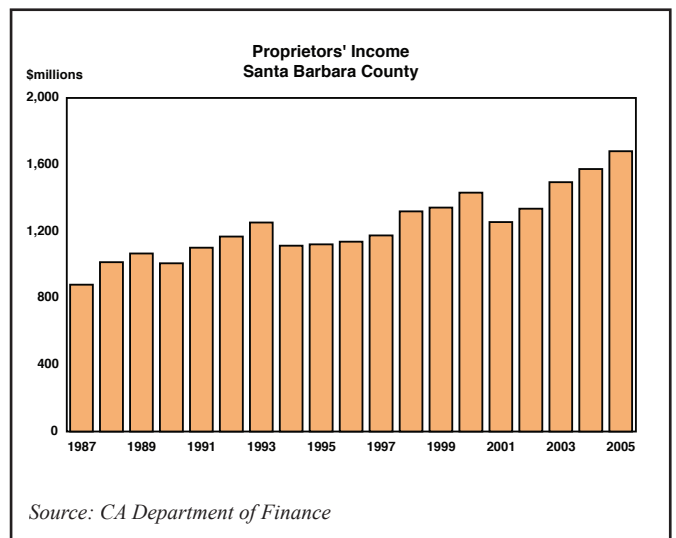
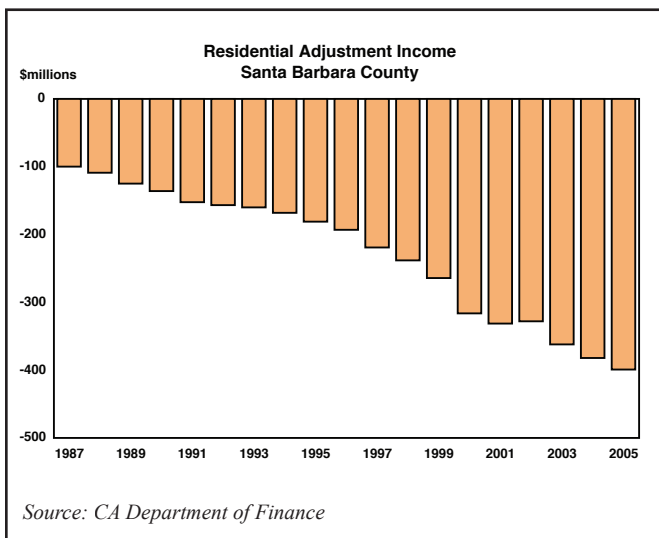
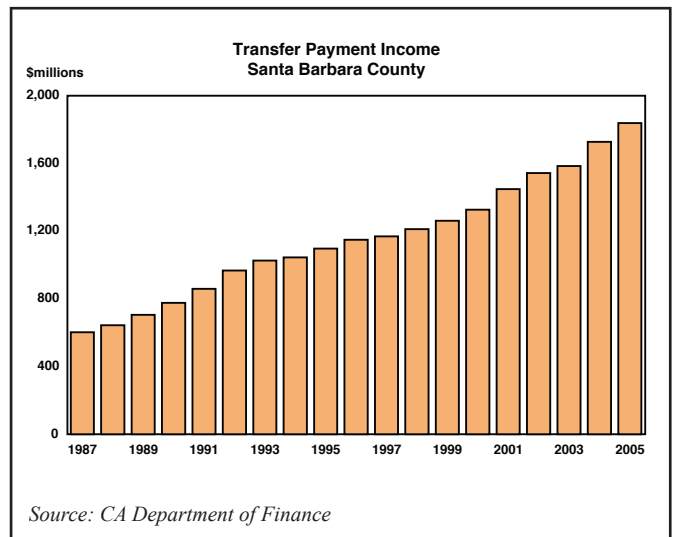
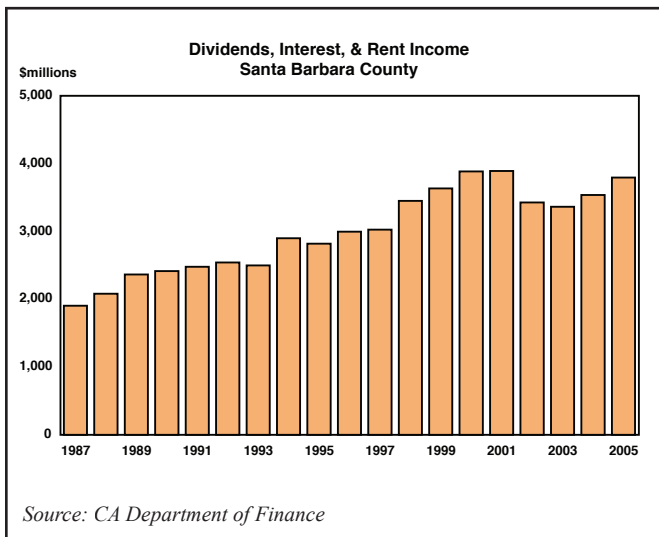
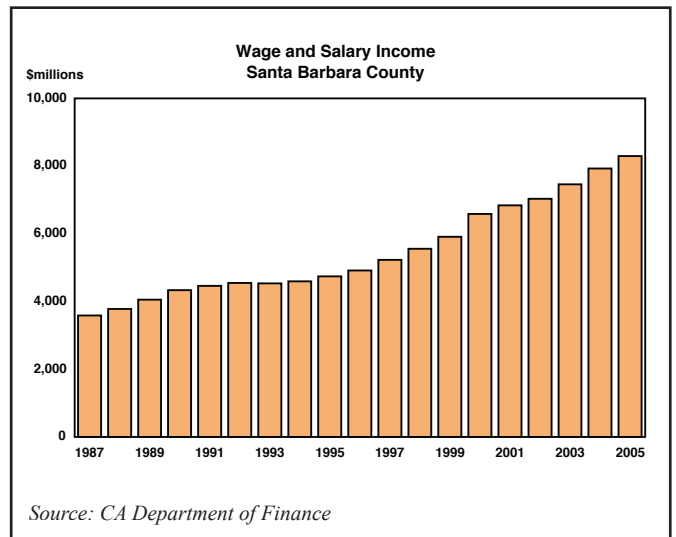
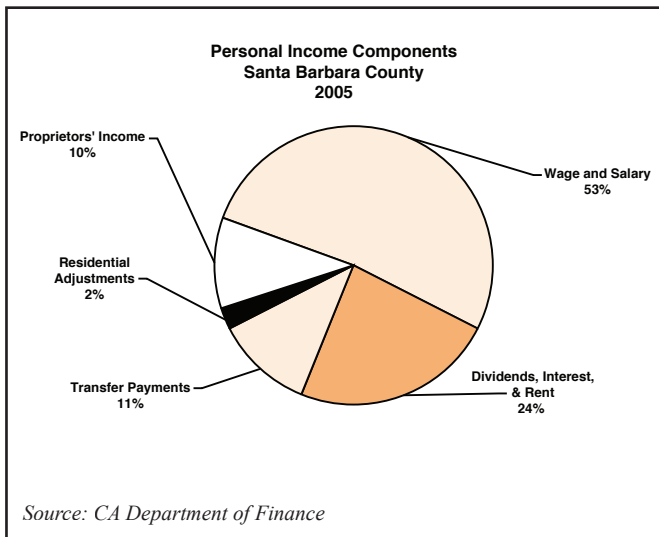
Personal Income Components and Median Family Income California, Tri-Counties and Santa Barbara County

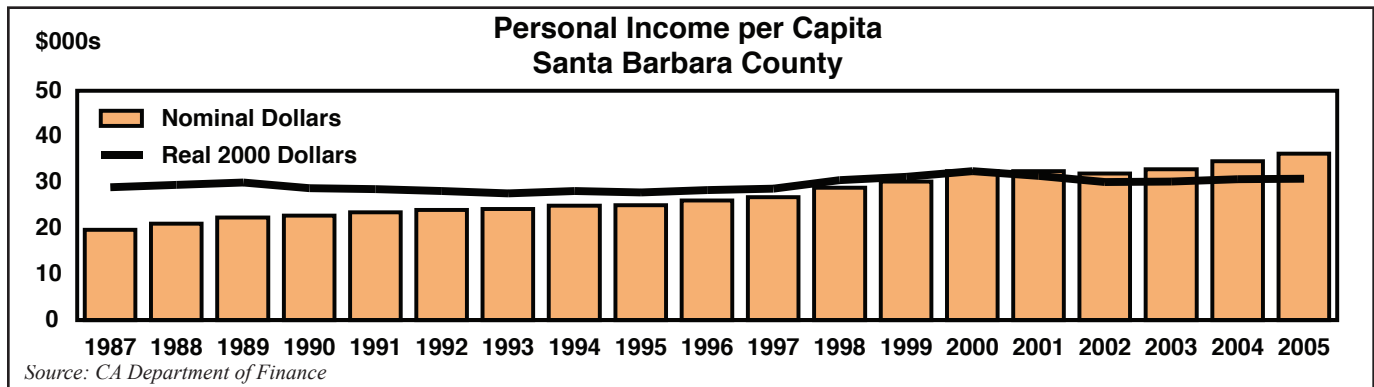
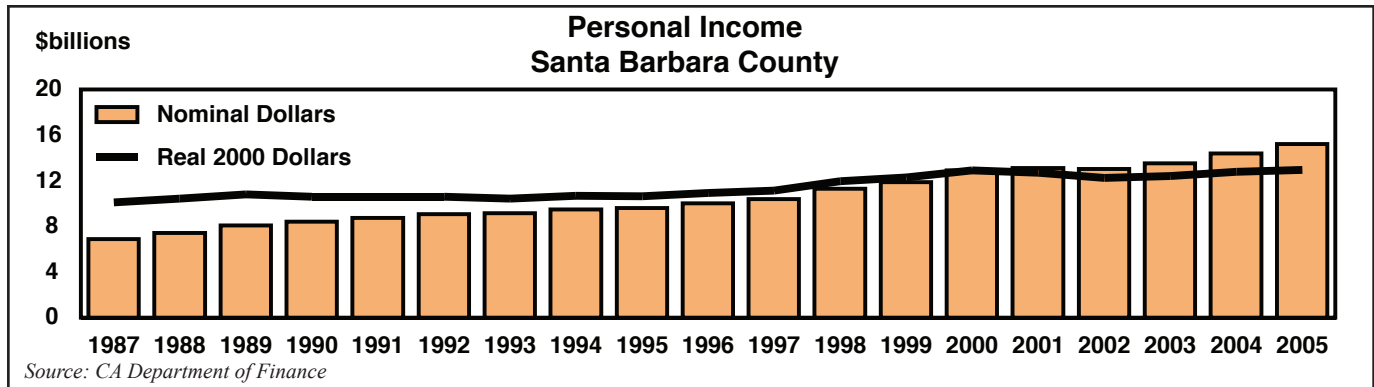
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
California											
Personal Income (\$Billions)	771.5	812.4	861.6	931.6	995.3	1,100.7	1,135.3	1,147.9	1,184.1	1,262.2	1,338.2
Real Personal Income (2000 \$Billions)	874.1	903.3	937.3	993.8	1,031.9	1,100.7	1,091.6	1,078.0	1,085.5	1,124.2	1,149.6
Percent Change	3.2	3.3	3.8	6.0	3.8	6.7	-0.8	-1.3	0.7	3.6	2.3
Median Family Income (Dollars)	46,600	48,400	50,000	52,600	54,100	55,200	58,400	60,800	60,300	62,500	62,500
Real Median Family Income (2000 Dollars)	52,799	53,818	54,396	56,116	56,086	55,200	56,154	57,099	55,282	55,664	53,694
Percent Change	-1.2	1.9	1.1	3.2	-0.1	-1.6	1.7	1.7	-3.2	0.7	-3.5
Tri-Counties											
Personal Income (\$Millions)	32,767	34,192	36,377	38,725	41,256	45,076	46,282	47,089	49,054	52,281	55,962
Real Personal Income (2000 \$Millions)	36,335	37,276	39,007	40,940	42,616	45,076	44,777	44,328	45,011	46,423	47,565
Percent Change	2.9	2.6	4.6	5.0	4.1	5.8	-0.7	-1.0	1.5	3.1	2.5
Santa Barbara County											
Wage and Salary (\$Millions)	4,742	4,917	5,227	5,560	5,915	6,586	6,844	7,036	7,462	7,927	8,299
Non-Wage (\$Millions)	3,915	4,145	4,193	4,660	4,896	5,210	5,339	4,972	4,948	5,265	5,631
Dividends, Interest & Rent (\$Millions)	2,818	2,995	3,024	3,449	3,635	3,883	3,890	3,428	3,364	3,538	3,793
Transfer Payments (\$Millions)	1,097	1,149	1,168	1,211	1,261	1,326	1,449	1,543	1,585	1,727	1,838
Residential Adjustments (\$Millions)	-181	-193	-219	-238	-264	-316	-331	-328	-362	-382	-399
Proprietors' Income (\$Millions)	1,122	1,138	1,176	1,319	1,343	1,432	1,256	1,337	1,496	1,573	1,681
Total Personal Income (\$Millions)	9,598	10,007	10,377	11,301	11,890	12,911	13,107	13,017	13,544	14,384	15,211
Real Total Personal Income (2000 \$Millions)	10,643	10,910	11,127	11,948	12,282	12,911	12,681	12,253	12,427	12,772	12,929
Percent Change	-0.4	2.5	2.0	7.4	2.8	5.1	-1.8	-3.4	1.4	2.8	1.2
Median Family Income (Dollars)	47,500	48,300	49,300	51,400	52,100	53,500	56,500	56,800	60,600	64,700	64,700
Real Median Family Income (2000 Dollars)	52,671	52,656	52,864	54,341	53,818	53,500	54,663	53,470	55,606	57,450	54,992
Percent Change	-1.6	0.0	0.4	2.8	-1.0	-0.6	2.2	-2.2	4.0	3.3	-4.3

Source: CA Dept. of Finance, US Housing and Urban Development, and UCSB Economic Forecast Project

Note: Personal Income is estimated for the last two years at the county level and estimated for the last year at the state level.

Median Family Income is for fiscal years.

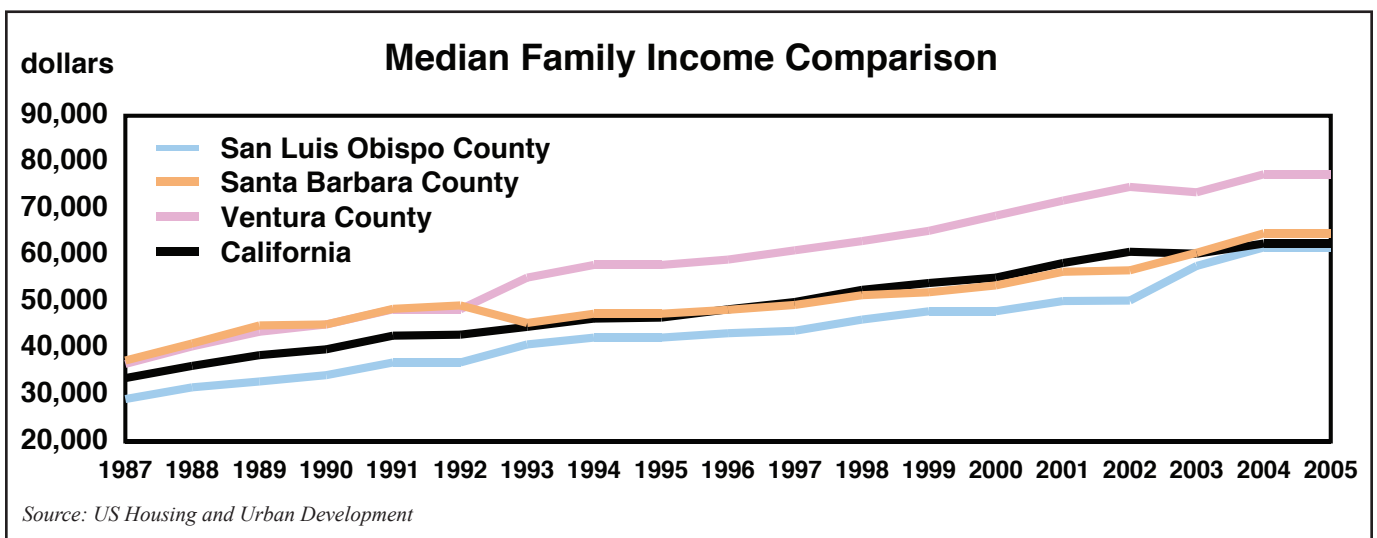
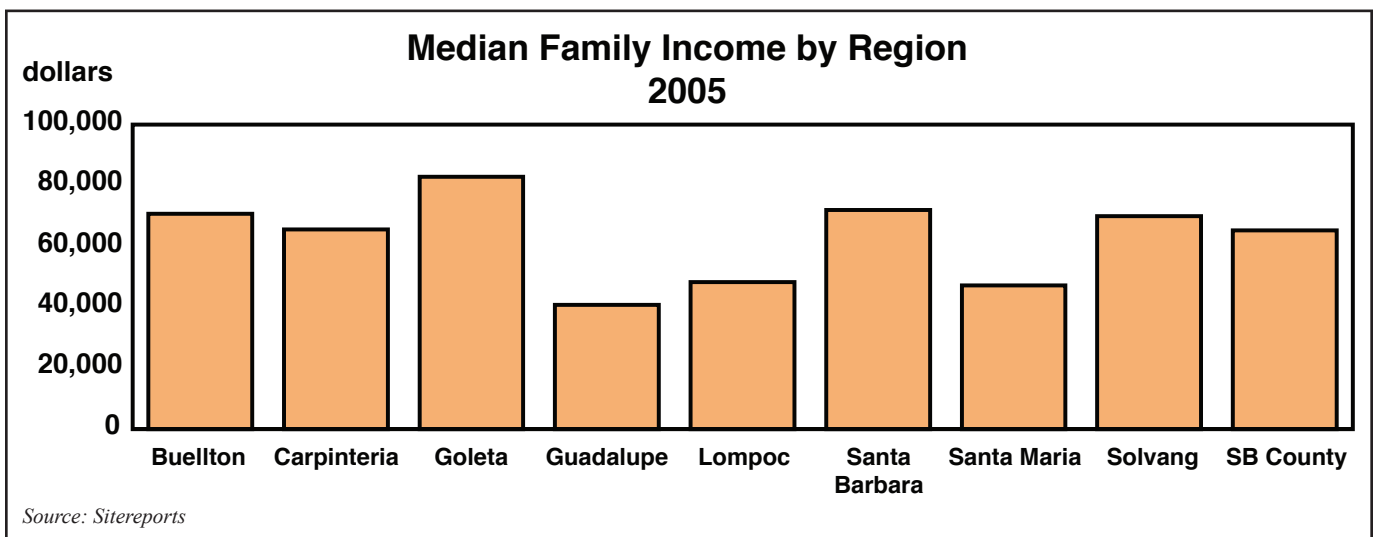
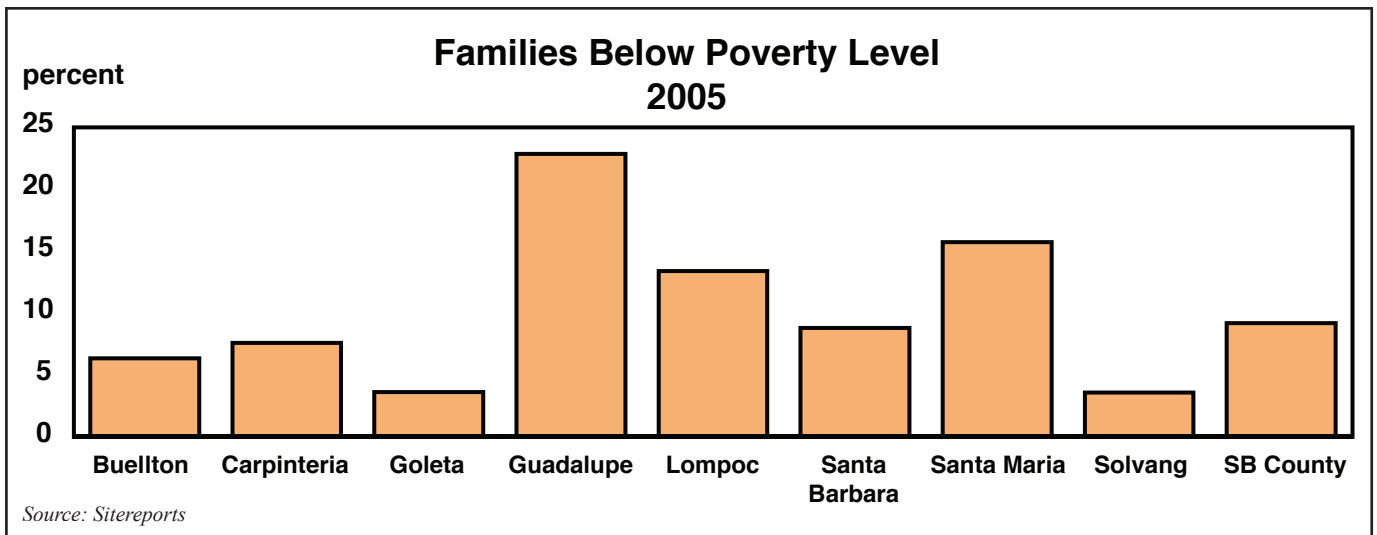




Income Limits for the Public Housing and Section 8 Programs Fiscal Year 2006

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
San Luis Obispo-Paso Robles, CA MSA								
Median Family Income: \$63,800								
30% OF MEDIAN	13,400	15,300	17,250	19,150	20,700	22,200	23,750	25,300
VERY LOW INCOME	22,350	25,500	28,700	31,900	34,450	37,000	39,550	42,100
LOW-INCOME	35,750	40,850	45,950	51,050	55,150	59,200	63,300	67,400
Santa Barbara-Santa Maria-Goleta, CA MSA								
Median Family Income: \$65,800								
30% OF MEDIAN	13,850	15,800	17,800	19,750	21,350	22,900	24,500	26,050
VERY LOW INCOME	23,050	26,300	29,600	32,900	35,550	38,150	40,800	43,450
LOW-INCOME	36,850	42,100	47,400	52,650	56,850	61,050	65,300	69,500
Oxnard-Thousand Oaks-Ventura, CA MSA								
Median Family Income: \$79,500								
30% OF MEDIAN	16,950	19,350	21,800	24,200	26,150	28,050	30,000	31,950
VERY LOW INCOME	28,200	32,250	36,250	40,300	43,500	46,750	49,950	53,200
LOW-INCOME	45,150	51,600	58,050	64,500	69,650	74,800	79,950	85,100

Source: US Housing and Urban Development

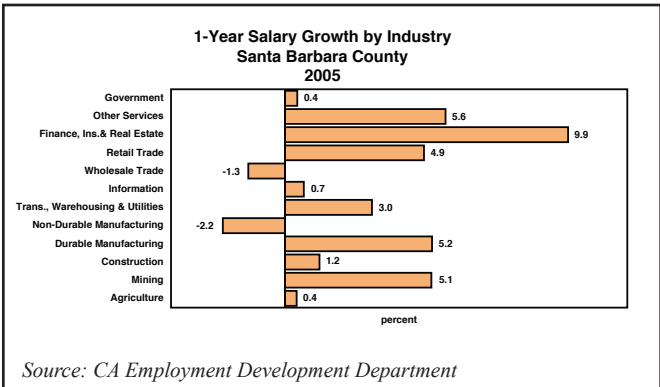
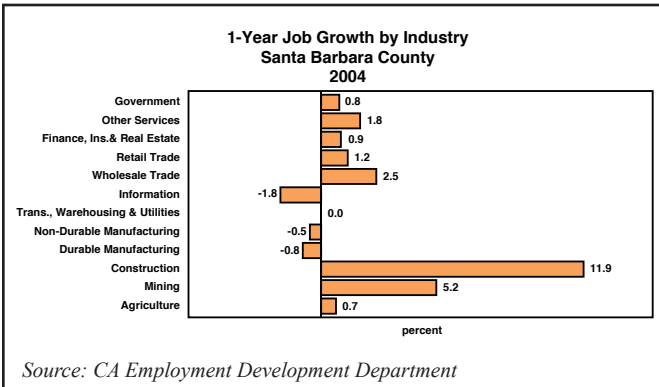
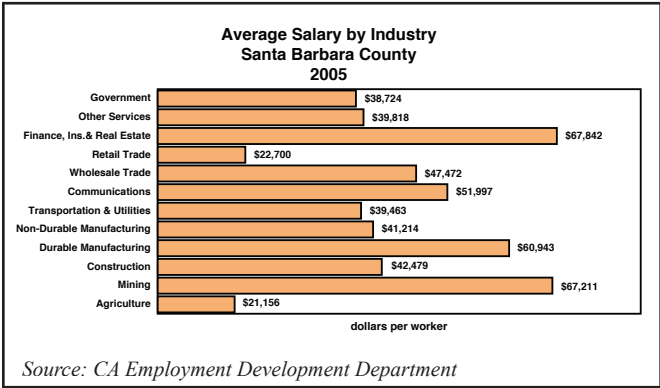
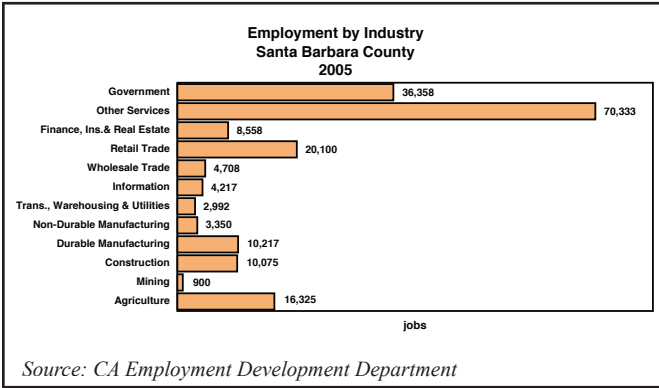
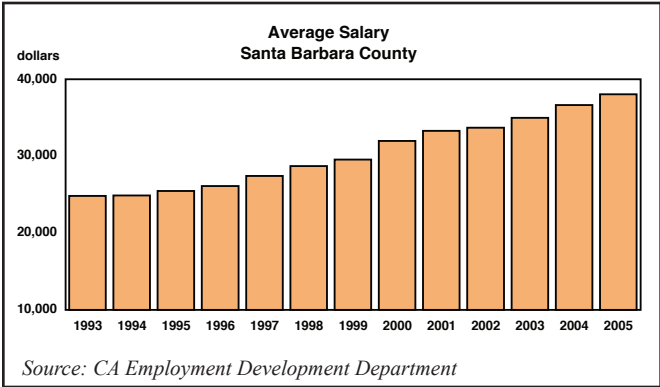
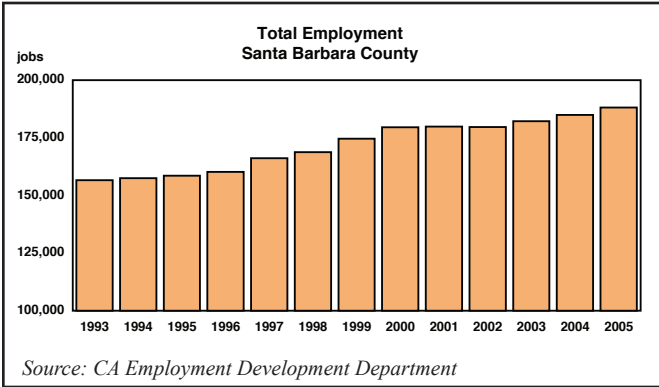
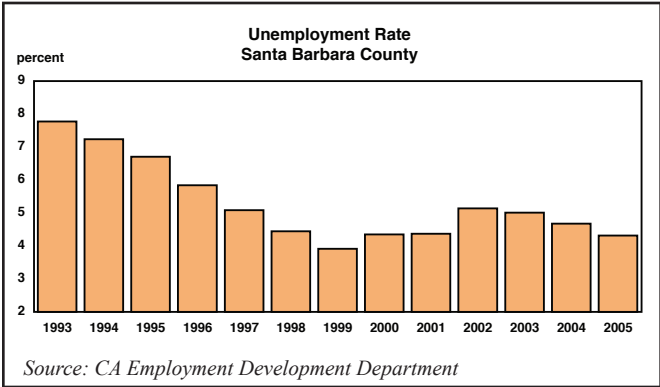
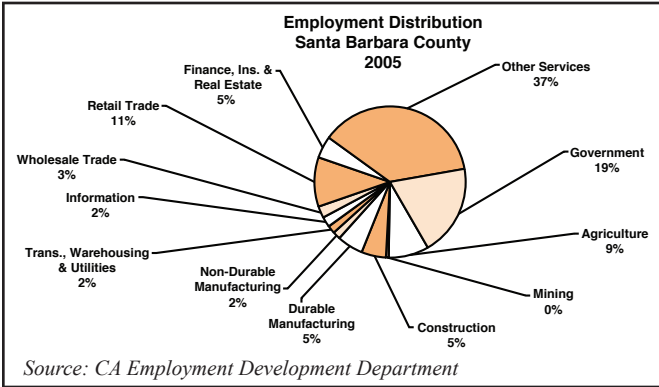


INCOME CHARACTERISTICS: AREAS IN SANTA BARBARA COUNTY

Description	Buellton	Carpinteria	Goleta	Guadalupe	Lompoc	Santa Barbara City
2005 Est. Households by Household Income	1,486	4,885	20,171	1,508	13,052	34,847
Income Less than \$15,000	115	426	1,205	253	1,931	4,003
Income \$15,000 - \$24,999	171	429	1,257	210	1,715	3,203
Income \$25,000 - \$34,999	145	548	1,601	225	1,880	3,451
Income \$35,000 - \$49,999	216	735	2,742	218	2,230	5,326
Income \$50,000 - \$74,999	274	1,001	4,282	290	2,522	6,562
Income \$75,000 - \$99,999	239	656	3,189	142	1,418	4,139
Income \$100,000 - \$149,999	249	686	3,427	107	1,086	4,451
Income \$150,000 - \$249,999	65	350	1,677	22	220	2,486
Income \$250,000 - \$499,999	7	50	439	36	41	779
Income \$500,000 and more	5	4	352	5	9	445
2005 Est. Average Household Income	\$69,346	\$71,658	\$90,863	\$56,759	\$51,545	\$78,531
2005 Est. Median Household Income	\$58,773	\$57,610	\$69,151	\$39,555	\$41,727	\$55,481
2005 Est. Per Capita Income	\$25,999	\$25,501	\$32,950	\$14,157	\$17,290	\$30,699
2005 Est. Average Family Household Income	\$80,386	\$78,988	\$106,708	\$57,282	\$56,705	\$99,926
2005 Est. Median Family Household Income	\$70,664	\$65,560	\$82,792	\$40,868	\$48,303	\$71,900
2005 Est. Number of Families	1,024	3,228	13,476	1,286	9,208	18,310
Families with Income At or Above Poverty Level:						
Married-Couple Family, own children	434	1,305	5,191	560	3,410	5,972
Married-Couple Family, no own children	373	1,049	5,555	207	2,568	6,985
Male Householder, own children	33	117	393	29	381	593
Male Householder, no own children	20	72	301	15	226	562
Female Householder, own children	60	228	794	112	1,005	1,556
Female Householder, no own children	39	212	756	69	383	1,029
Families with Income Below Poverty Level:						
Married-Couple Family, own children	31	95	170	152	481	595
Married-Couple Family, no own children	18	43	76	23	92	100
Male Householder, own children		21	39	26	111	194
Male Householder, no own children		17	8	24	4	31
Female Householder, own children	16	69	179	69	483	602
Female Householder, no own children			14		64	91

Description	Santa Maria	Solvang	Santa Barbara County	South Coast	Santa Ynez Valley	North Santa Barbara
2005 Est. Households by Household Income	24,198	2,169	138,658	73,781	1,643	56,810
Income Less than \$15,000	3,256	191	15,679	8,483	81	6,589
Income \$15,000 - \$24,999	3,408	261	13,625	6,232	76	6,632
Income \$25,000 - \$34,999	3,298	248	14,630	6,785	108	7,126
Income \$35,000 - \$49,999	4,440	344	21,219	10,178	116	10,002
Income \$50,000 - \$74,999	4,831	368	26,499	13,445	232	11,665
Income \$75,000 - \$99,999	2,444	235	17,019	9,293	256	6,671
Income \$100,000 - \$149,999	1,894	364	17,509	10,256	448	5,817
Income \$150,000 - \$249,999	495	140	8,117	5,645	248	1,728
Income \$250,000 - \$499,999	104	13	2,573	1,913	59	455
Income \$500,000 and more	28	5	1,788	1,551	19	125
2005 Est. Average Household Income	\$52,462	\$69,616	\$75,396	\$85,896	\$111,091	\$59,814
2005 Est. Median Household Income	\$42,220	\$52,778	\$53,940	\$59,692	\$95,331	\$47,084
2005 Est. Per Capita Income	\$15,456	\$29,734	\$26,138	\$31,858	\$39,955	\$18,985
2005 Est. Average Family Household Income	\$57,246	\$84,132	\$87,730	\$108,870	\$116,962	\$65,435
2005 Est. Median Family Household Income	\$47,233	\$69,929	\$65,297	\$78,399	\$99,333	\$53,850
2005 Est. Number of Families	18,067	1,389	90,307	41,838	1,283	42,712
Families with Income At or Above Poverty Level:						
Married-Couple Family, own children	6,760	487	33,380	14,763	466	16,495
Married-Couple Family, no own children	5,394	630	33,261	16,592	612	14,183
Male Householder, own children	630	49	2,881	1,271	42	1,424
Male Householder, no own children	335	22	1,905	1,020	6	778
Female Householder, own children	1,294	58	6,274	2,908	61	3,094
Female Householder, no own children	815	93	4,305	2,312	44	1,765
Families with Income Below Poverty Level:						
Married-Couple Family, own children	1,247	25	3,351	1,042	19	2,143
Married-Couple Family, no own children	224	2	796	335	13	393
Male Householder, own children	260	1	780	331	4	432
Male Householder, no own children	58		196	102	1	92
Female Householder, own children	969	10	2,816	1,018	13	1,710

Source: Sitereports

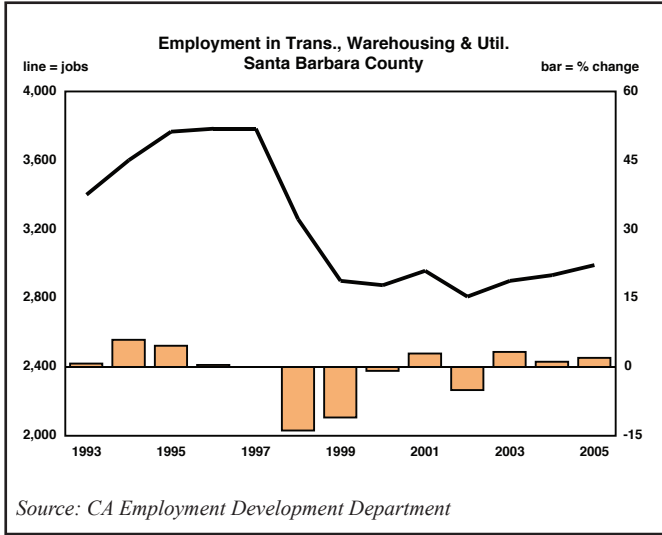
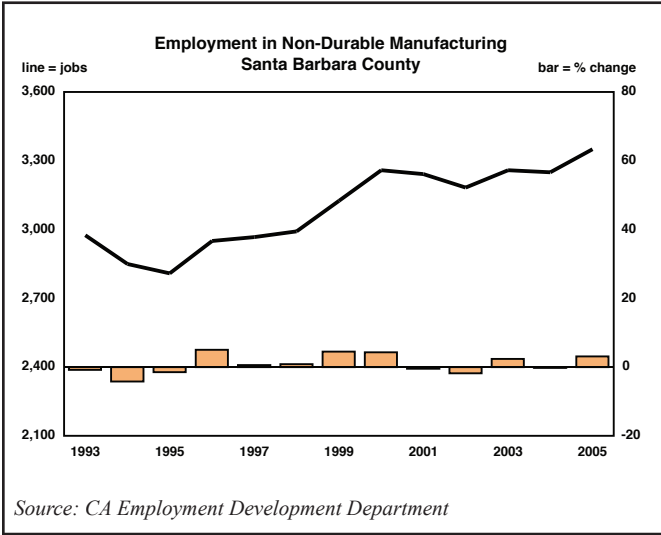
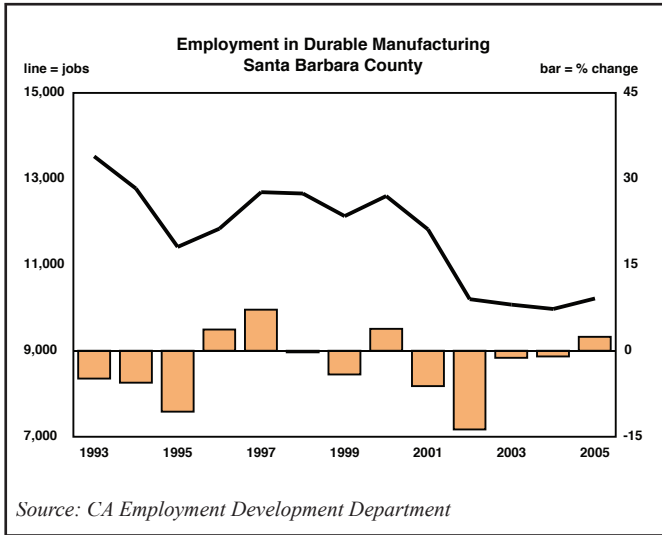
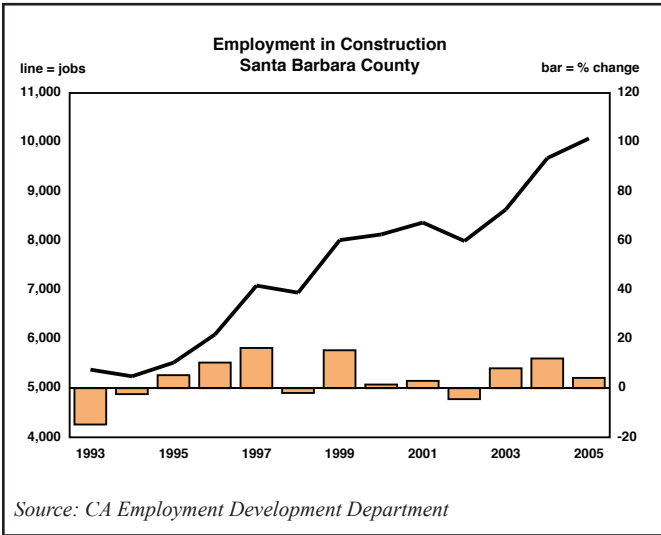
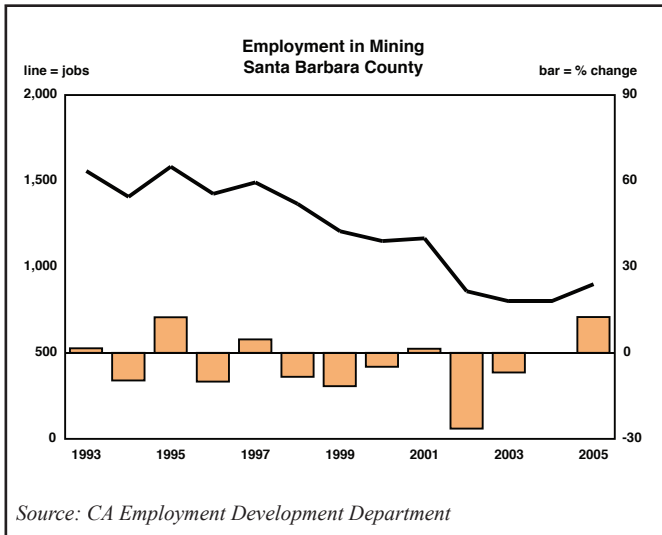
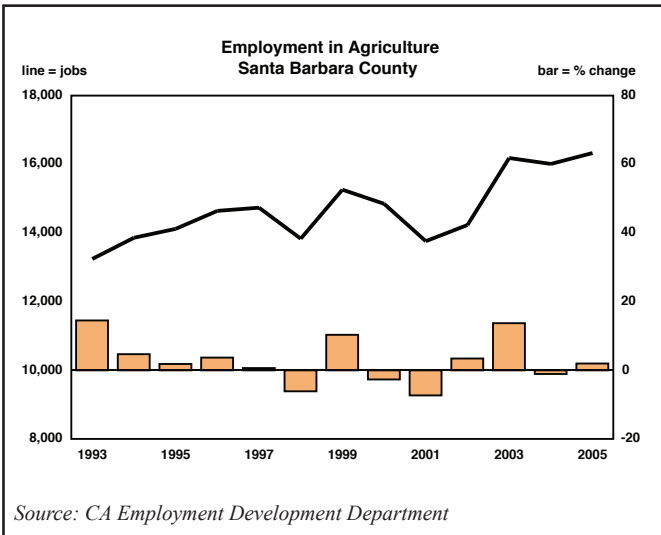


Job Growth by Sector Santa Barbara County				
	Jobs in 2004	Jobs in 2005	Jobs Created or Lost	Percent Change
Sector				
Agriculture	16,008	16,325	317	2.0
Mining	800	900	100	12.5
Construction	9,675	10,075	400	4.1
Durable Manufacturing	9,975	10,217	242	2.4
Non-Durable Manufacturing	3,250	3,350	100	3.1
Trans., Warehousing & Utilities	2,933	2,992	58	2.0
Information	4,017	4,217	200	5.0
Wholesale Trade	4,533	4,708	175	3.9
Retail Trade	20,208	20,100	-108	-0.5
Finance, Ins. & Real Estate	8,517	8,558	42	0.5
Other Services	69,142	70,333	1,192	1.7
Government	35,867	36,358	492	1.4
Total, All Industries	184,925	188,133	3,208	1.7

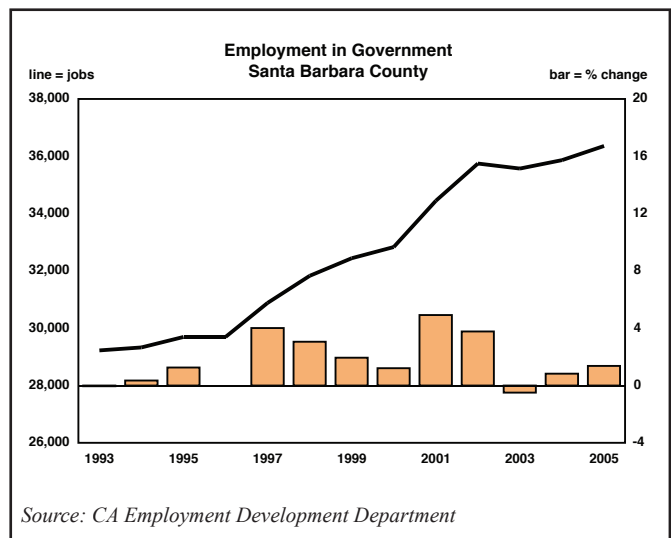
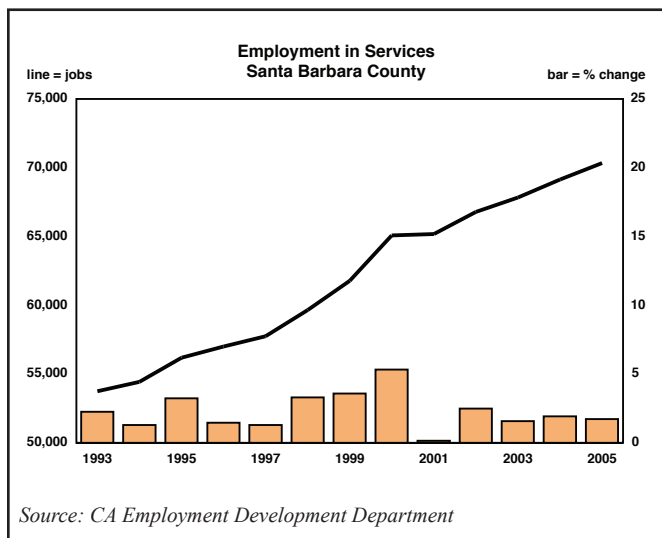
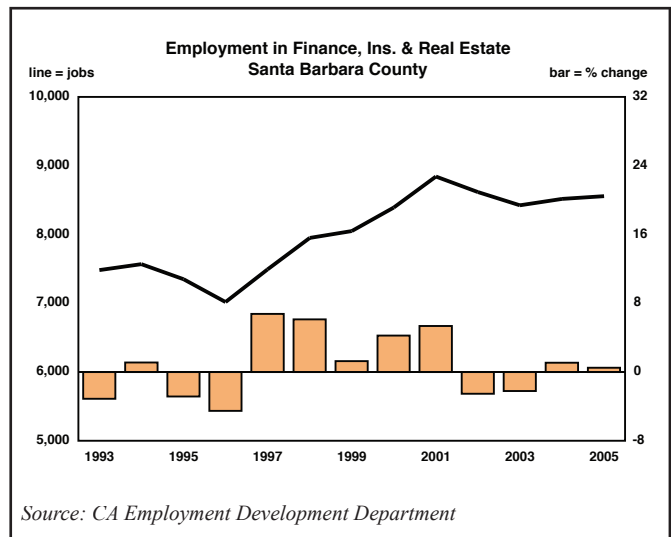
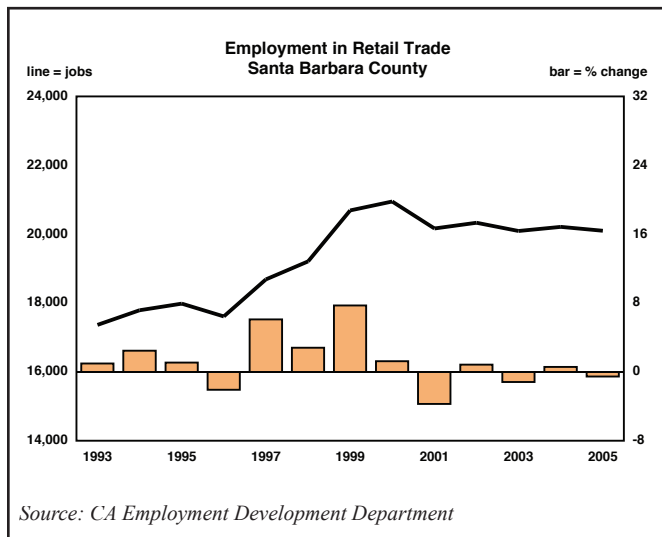
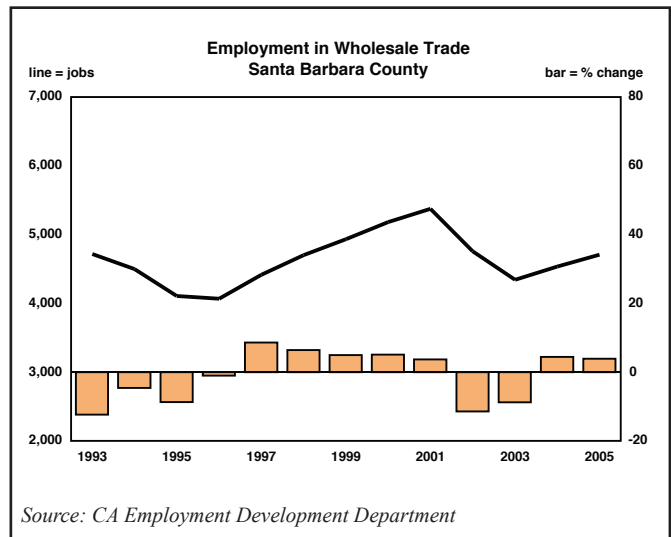
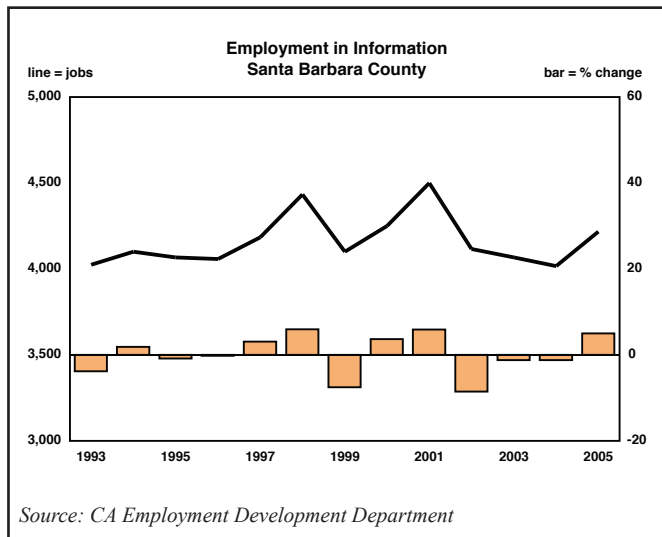
Source: CA Employment Development Department

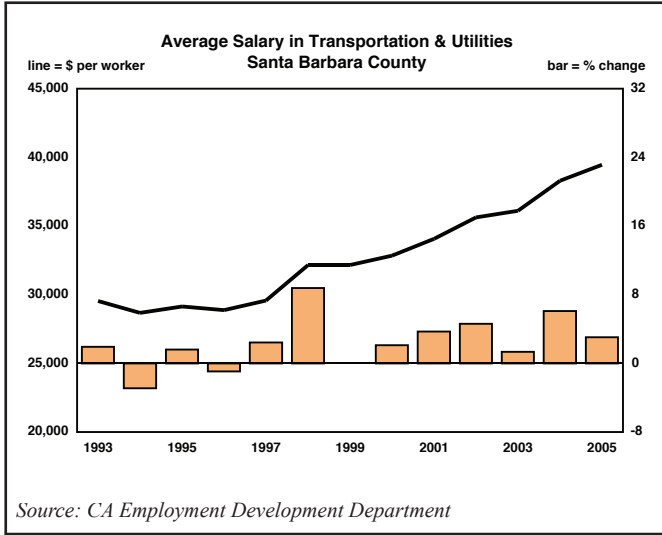
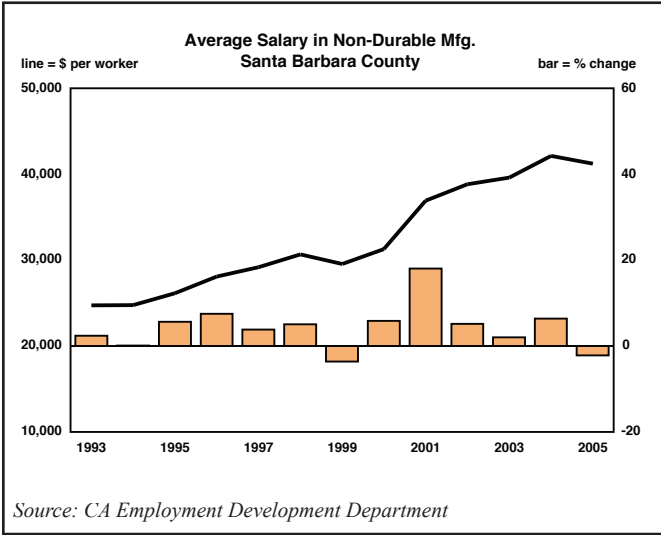
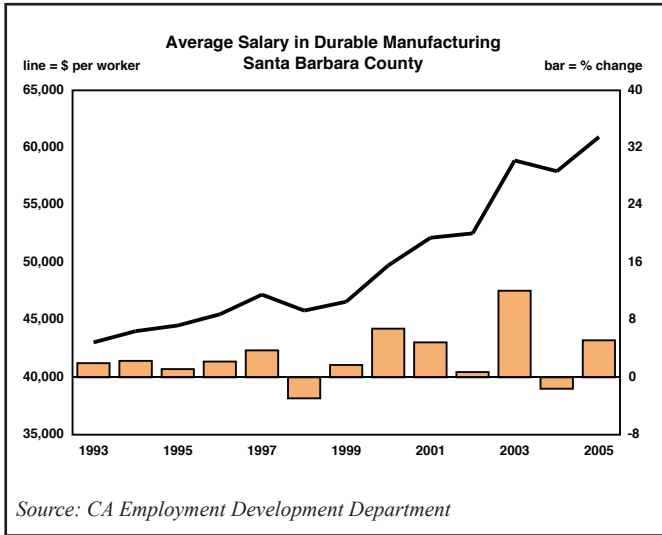
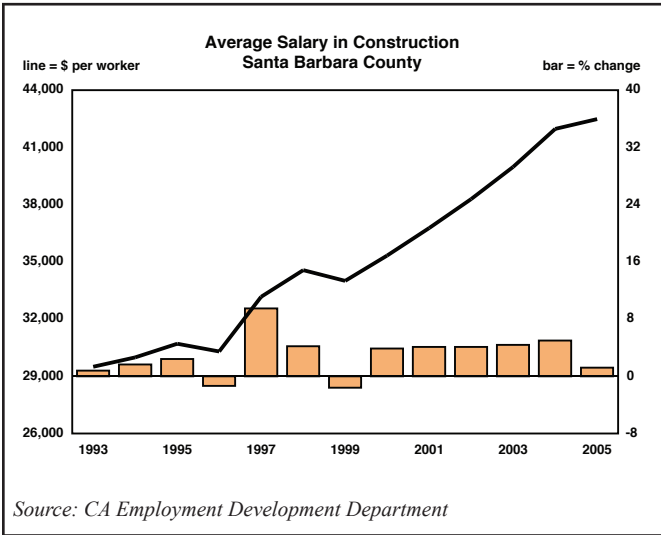
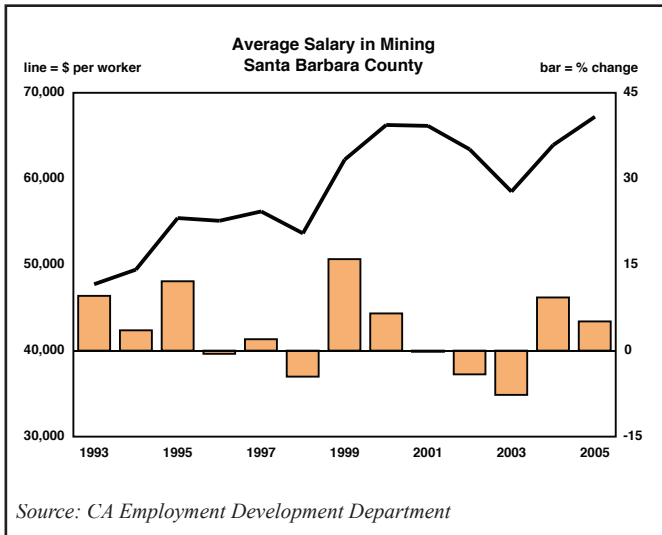
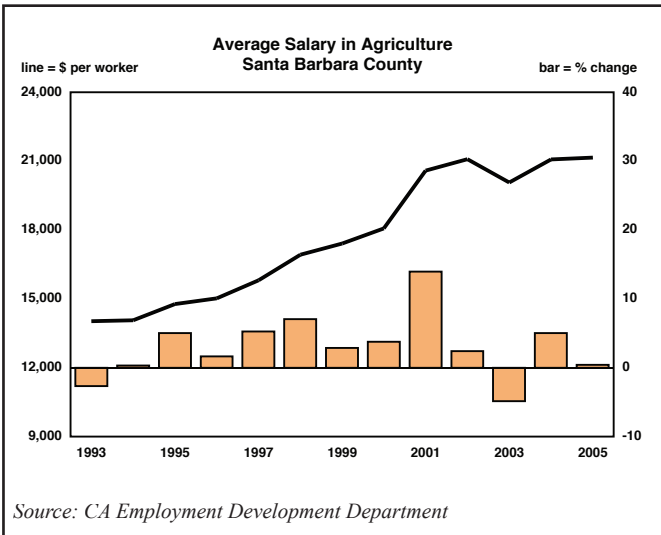
Salary Growth by Sector Santa Barbara County				
	Average Salary in 2004	Average Salary in 2005	Change in Average Salary	Percent Change
Sector				
Agriculture	21,070	21,156	85	0.4
Mining	63,934	67,211	3,277	5.1
Construction	41,973	42,479	506	1.2
Durable Manufacturing	57,956	60,943	2,987	5.2
Non-Durable Manufacturing	42,132	41,214	-919	-2.2
Transportation & Utilities	38,298	39,463	1,166	3.0
Communications	51,657	51,997	340	0.7
Wholesale Trade	48,091	47,472	-619	-1.3
Retail Trade	21,645	22,700	1,054	4.9
Finance, Ins. & Real Estate	61,717	67,842	6,125	9.9
Other Services	37,697	39,818	2,121	5.6
Government	38,559	38,724	165	0.4
Total, All Industries	36,652	38,055	1,403	3.8

Source: CA Employment Development Department

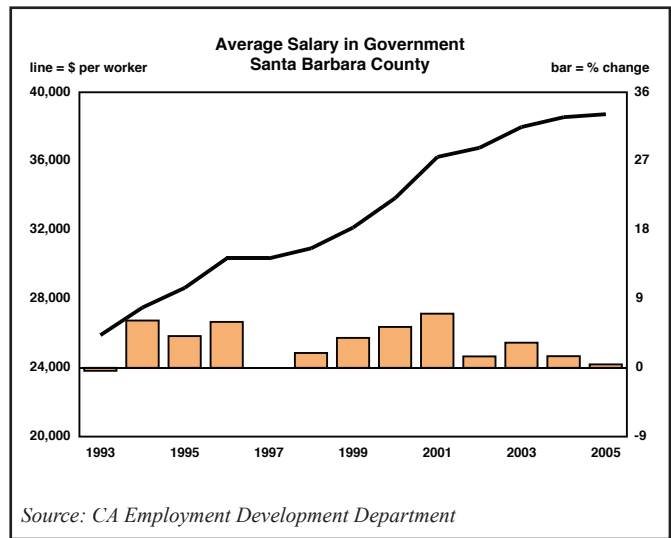
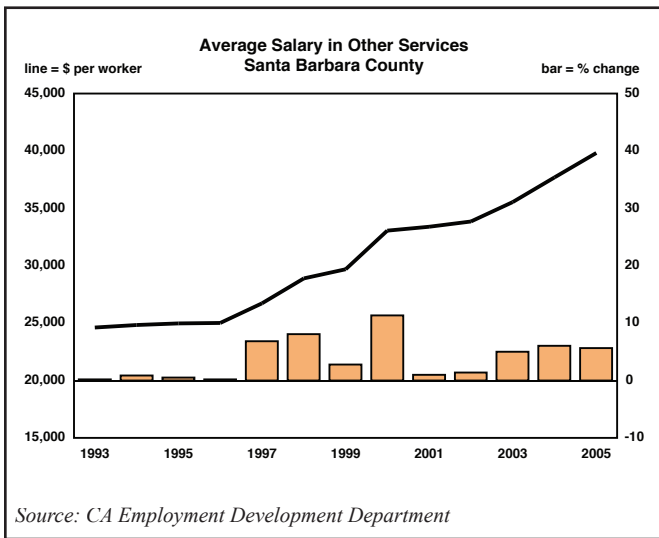
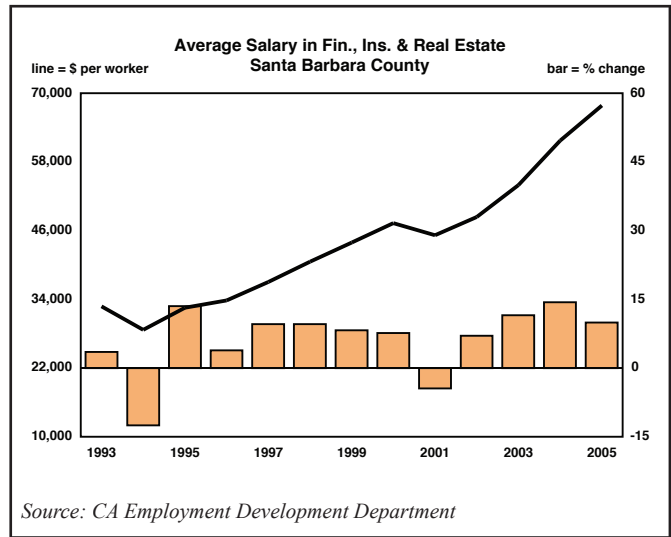
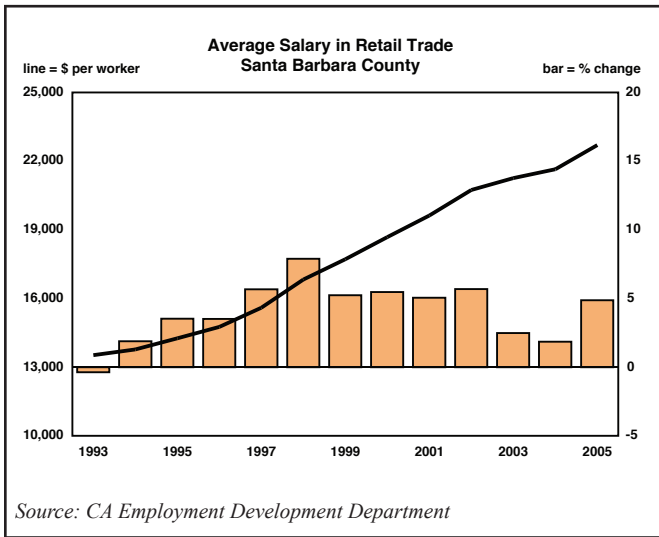
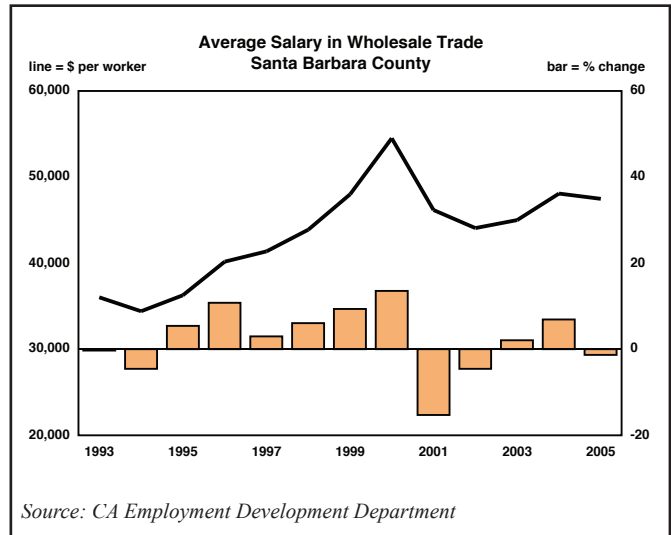
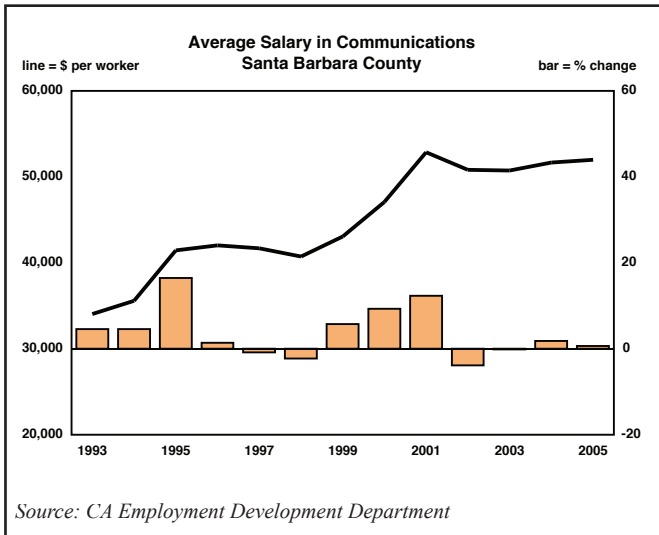


Employment and Salary





Employment and Salary



Employment by Industry Sector Santa Barbara County

	1998	1999	2000	2001	2002	2003	2004	2005
Sector	Number of Jobs							
Agriculture	13,833	15,258	14,850	13,758	14,233	16,183	16,008	16,325
Mining	1,367	1,208	1,150	1,167	858	800	800	900
Construction	6,942	8,008	8,125	8,367	7,992	8,633	9,675	10,075
Durable Manufacturing	12,658	12,133	12,600	11,825	10,200	10,075	9,975	10,217
Computer and Electronic Mfg.	5,258	4,875	4,067	3,892	3,158	3,125	3,358	3,700
Non-Durable Manufacturing	2,992	3,125	3,258	3,242	3,183	3,258	3,250	3,350
Transportation, Warehousing, & Utilities	3,258	2,900	2,875	2,958	2,808	2,900	2,933	2,992
Information Services	4,433	4,100	4,250	4,500	4,117	4,067	4,017	4,217
Wholesale Trade	4,700	4,933	5,183	5,375	4,758	4,342	4,533	4,708
Retail Trade	19,208	20,692	20,950	20,167	20,333	20,092	20,208	20,100
Finance, Insurance & Real Estate	7,950	8,050	8,392	8,842	8,617	8,425	8,517	8,558
Real Estate and Related	2,967	3,142	3,517	3,683	3,500	3,242	3,192	3,183
All Other Service Sectors	59,650	61,783	65,075	65,175	66,792	67,842	69,142	70,333
Education & Health Services	17,158	18,017	18,433	18,600	19,250	19,317	19,567	19,475
Leisure and Hospitality Services	19,600	20,167	20,817	21,000	20,950	21,700	21,908	22,275
Other Services *	5,367	5,475	5,617	5,958	5,983	5,750	5,583	5,608
Sub-total, Private Sector	136,992	142,192	146,708	145,375	143,892	146,617	149,058	151,775
Public Sector	31,825	32,442	32,833	34,450	35,750	35,575	35,867	36,358
Total, All Industries	168,817	174,633	179,542	179,825	179,642	182,192	184,925	188,133
Addendum: Non-Farm	154,983	159,375	164,692	166,067	165,408	166,008	168,917	171,808

Source: CA Employment Development Department

* Note: Other Services include Repair & Maintenance, Personal and Laundry, and Religious/Civic/Professional Organizations.

Average Salary by Industry Sector Santa Barbara County

	1998	1999	2000	2001	2002	2003	2004	2005
Sector	Dollars per Worker							
Agriculture	16,926	17,412	18,069	20,589	21,085	20,064	21,070	21,156
Mining	53,659	62,222	66,260	66,146	63,414	58,510	63,934	67,211
Construction	34,562	34,006	35,327	36,776	38,290	39,973	41,973	42,479
Durable Manufacturing	45,807	46,595	49,747	52,168	52,543	58,890	57,956	60,943
Computer and Electronic Mfg.	49,498	48,607	52,750	59,750	63,107	66,464	71,566	70,655
Non-Durable Manufacturing	30,660	29,557	31,284	36,919	38,830	39,608	42,132	41,214
Transportation, Warehousing, & Utilities	32,160	32,160	32,842	34,061	35,628	36,102	38,298	39,463
Communications	40,733	43,065	47,070	52,863	50,808	50,729	51,657	51,997
Wholesale Trade	43,896	47,999	54,502	46,163	44,062	44,992	48,091	47,472
Retail Trade	16,830	17,710	18,679	19,624	20,739	21,253	21,645	22,700
Finance, Insurance & Real Estate	40,589	43,939	47,302	45,202	48,379	53,954	61,717	67,842
Real Estate and Related	25,233	28,993	29,234	33,741	36,730	39,484	45,548	48,355
All Other Service Sectors	28,889	29,694	33,060	33,391	33,854	35,546	37,697	39,818
Education & Health Services	31,024	31,537	33,231	35,175	36,367	38,164	40,754	41,600
Eating and Drinking	11,161	11,755	11,915	12,287	13,042	13,612	14,138	14,252
Accommodations	16,543	17,340	19,113	20,565	21,595	22,232	23,267	23,617
Sub-total, Private Sector	28,199	28,950	31,569	32,604	32,949	34,246	36,195	37,893
Public Sector	30,937	32,147	33,859	36,247	36,781	37,986	38,559	38,724
Total, All Industries	28,713	29,542	31,986	33,302	33,710	34,975	36,652	38,055
Addendum: Non-Farm	29,900	30,895	32,394	33,609	35,728	38,156	40,702	41,810

Source: CA Employment Development Department

Note: The industry classification from source changed from 2001 forward which is the reason for jumps from 2000 to 2001.

Employment and Average Salary by Industry Sector North Santa Barbara County

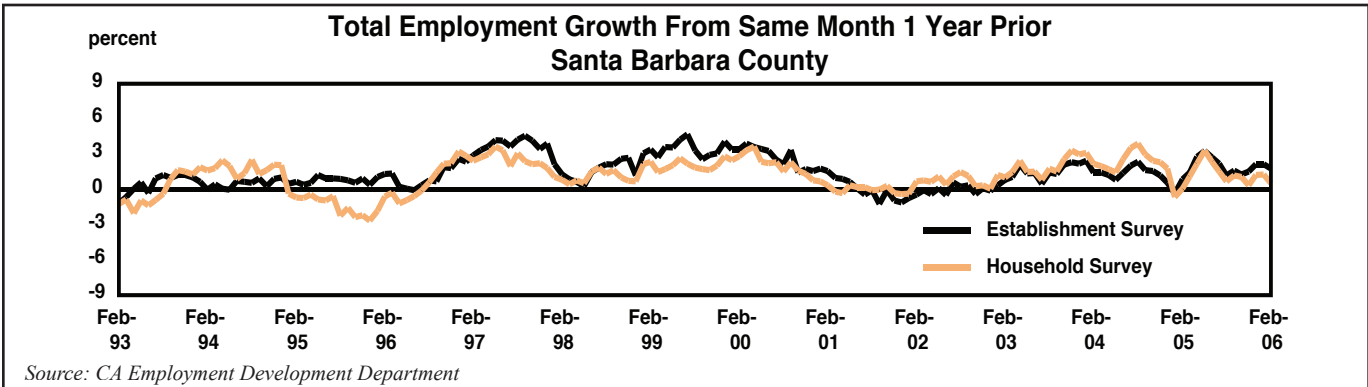
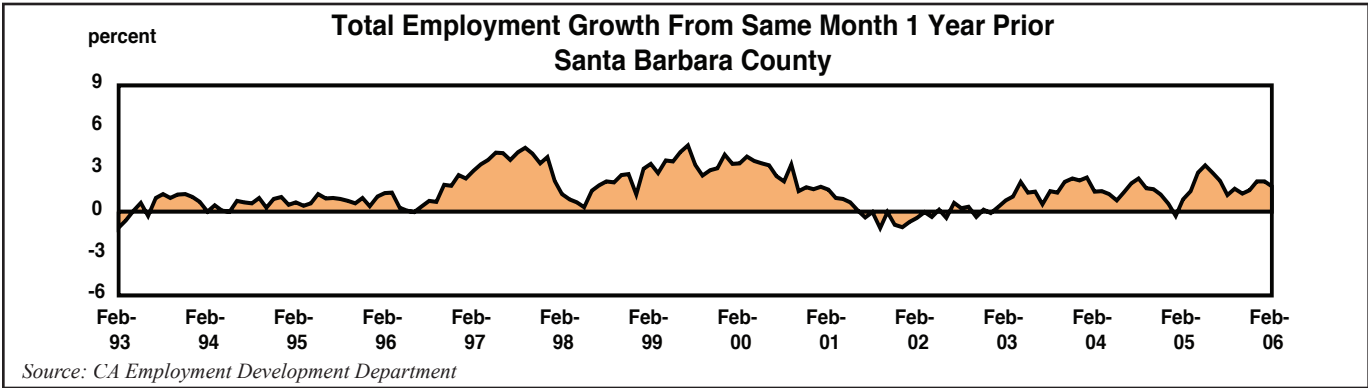
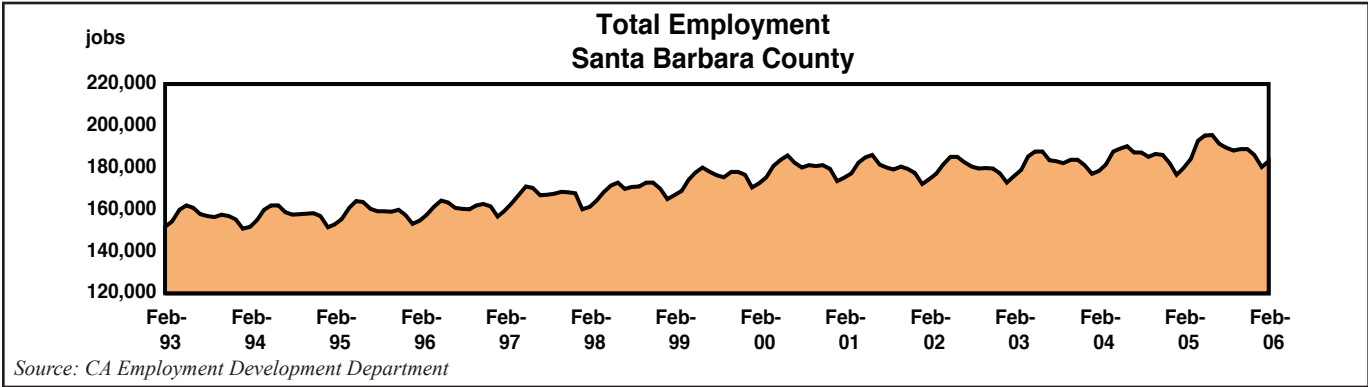
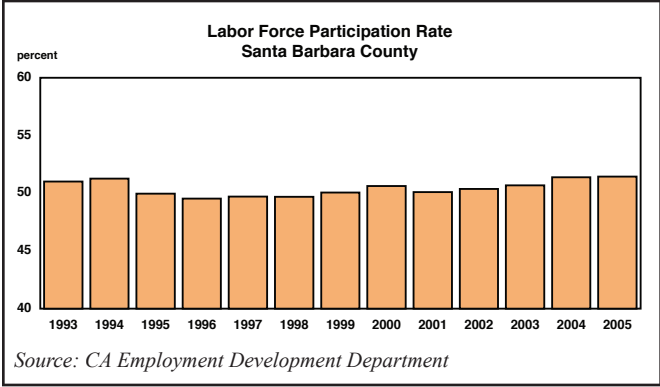
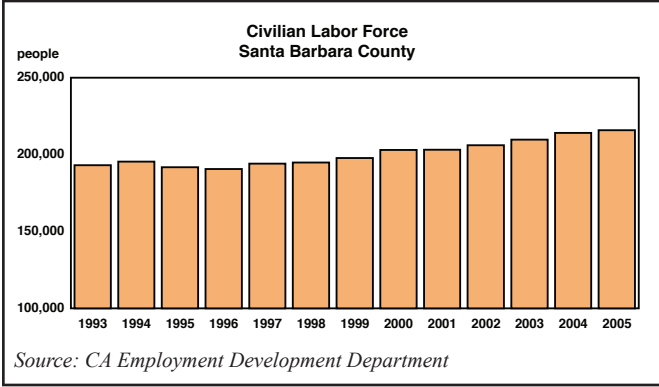
	1998	1999	2000	2001	2002	2003	2004	2005
Employment (jobs)								
Agriculture	10,100	11,231	11,507	10,101	10,946	12,925	12,682	12,954
Construction	1,850	2,073	2,437	2,462	2,277	2,497	3,259	3,530
Industrial	4,683	4,570	5,642	5,708	4,584	4,604	4,593	4,716
Trans., Comm. & Utilities	1,573	1,708	1,698	1,987	1,957	2,041	2,120	2,165
Trade	11,010	11,809	11,893	9,552	8,998	8,508	9,014	9,244
Wholesale	1,461	1,660	1,662	1,668	1,656	1,207	1,424	1,472
Retail	9,548	10,149	10,231	7,884	7,341	7,302	7,590	7,771
Finance, Ins. & Real Estate	1,203	1,201	1,260	1,897	2,056	2,090	2,347	2,546
Services	10,791	10,304	11,035	13,689	15,107	15,704	15,631	16,185
Public Sector	14,239	18,449	19,333	18,007	19,066	19,276	19,208	19,391
Private Sector	41,210	42,896	45,471	45,396	45,923	48,369	49,646	51,339
Total	55,449	61,345	64,804	63,403	64,989	67,645	68,854	70,730
Average Salaries (dollars per worker)								
Agriculture	16,101	16,650	16,708	19,983	20,189	19,235	20,041	20,586
Construction	36,380	36,077	34,470	36,690	39,021	38,882	40,632	39,643
Industrial	32,875	32,732	40,783	42,698	36,626	37,462	37,715	39,190
Trans., Comm. & Utilities	29,220	30,342	31,390	30,238	31,986	32,958	34,966	37,636
Trade	18,693	19,952	20,444	23,388	25,180	26,503	27,445	27,175
Wholesale	36,541	37,830	38,224	32,681	31,623	38,486	38,531	39,891
Retail	15,962	17,027	17,555	21,422	23,727	24,523	25,365	25,782
Finance, Ins. & Real Estate	32,600	32,692	34,301	34,848	38,086	40,773	39,498	41,326
Services	21,001	22,574	23,122	22,201	22,217	22,965	24,808	26,142
Public Sector	43,449	43,181	45,602	47,938	53,524	54,372	54,899	56,146
Private Sector	21,876	22,629	24,216	26,201	25,712	25,983	27,430	28,444
Total	27,416	28,810	30,596	32,374	33,871	34,073	35,093	36,039

Source: CA Employment Development Department

Employment and Average Salary by Industry Sector South Coast Santa Barbara County

	1998	1999	2000	2001	2002	2003	2004	2005
Employment (jobs)								
Agriculture	3,427	3,558	3,769	2,939	2,670	2,669	2,811	2,813
Mining	292	470	435	478	282	236	213	212
Construction	4,370	4,884	5,022	5,184	4,970	5,157	5,629	5,621
Manufacturing	10,871	10,305	10,131	9,387	8,500	8,015	7,919	8,024
Durable	8,238	8,398	8,129	7,804	7,248	6,904	6,572	6,659
Non-Durable	2,633	1,906	2,001	1,583	1,252	1,112	1,348	1,364
Trans., Comm. & Utilities	2,668	2,427	2,772	4,086	4,140	4,109	4,091	4,162
Trade	22,194	22,844	24,361	16,966	14,427	13,643	14,089	14,292
Wholesale	3,628	3,845	4,375	3,450	3,021	2,704	2,822	2,781
Retail	18,566	19,000	19,986	13,516	11,406	10,940	11,267	11,232
Finance, Ins. & Real Estate	5,375	4,853	5,622	7,702	7,360	7,112	7,009	7,107
Services	30,767	32,819	35,611	41,762	44,387	46,406	45,698	44,703
Public Sector	17,542	17,062	17,446	18,675	19,941	19,578	19,404	19,606
Private Sector	79,964	82,159	87,721	88,505	86,737	87,348	87,460	86,656
Total	97,506	99,220	105,167	107,180	106,678	106,926	106,864	106,262
Average Salaries (dollars per worker)								
Agriculture	18,494	20,662	21,375	22,154	24,423	25,095	25,375	23,939
Mining	114,279	76,974	81,667	88,369	87,809	76,657	91,353	87,925
Construction	34,432	33,648	35,778	37,271	38,323	40,624	41,996	42,529
Manufacturing	44,542	46,322	48,794	51,420	54,275	60,120	59,186	61,386
Durable	48,148	48,986	51,920	55,222	57,695	63,886	63,722	66,726
Non-Durable	33,258	34,583	36,095	32,673	34,467	36,723	37,064	35,313
Trans., Comm. & Utilities	36,568	38,007	41,973	50,476	51,641	50,945	55,562	62,844
Trade	22,532	23,916	26,899	29,417	32,588	32,150	32,940	14,814
Wholesale	49,320	53,966	61,460	52,189	50,896	48,083	52,002	51,552
Retail	17,298	17,835	19,334	23,605	27,739	28,212	28,166	29,604
Finance, Ins. & Real Estate	43,490	48,099	50,910	50,915	52,231	58,757	70,559	77,623
Services	31,780	31,986	36,158	32,654	31,784	32,978	34,918	36,868
Public Sector	34,727	37,196	38,085	40,978	41,845	44,183	45,206	44,892
Private Sector	31,772	32,536	35,744	36,659	37,135	38,612	40,905	43,331
Total	32,303	33,337	36,132	37,411	38,015	39,632	41,686	43,619

Source: CA Employment Development Department



**Average Employment per Firm
Santa Barbara County**

jobs per firm	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Agriculture	14	15	16	15	17	17	16	18	18	22	23	28	27
Mining	26	26	28	38	36	37	26	27	25	36	30	30	31
Construction	5	5	5	5	6	7	7	7	8	8	7	8	9
Durable Goods Manufacturing	43	44	41	36	34	37	34	33	37	33	28	30	31
Nondurable Goods Manufacturing	18	18	18	19	21	23	22	18	19	20	20	20	20
Transportation	11	11	12	12	13	15	12	10	11	14	13	14	13
Communications	31	23	24	20	18	19	18	20	20	19	18	17	17
Utilities	35	30	28	23	23	20	18	20	23	21	19	19	19
Wholesale Trade	13	11	10	9	10	11	10	11	13	13	11	10	10
Retail Trade	12	12	13	13	13	14	13	14	15	15	15	15	16
Finance, Insurance & Real Estate	8	8	9	7	7	8	8	7	8	9	9	8	8
Services	9	8	8	8	9	9	9	9	9	9	9	9	9
Public Sector	138	135	135	121	118	109	95	96	99	103	107	106	108
Total, All Sectors	13	13	13	12	13	14	13	14	15	14	14	14	14

Source: CA Employment Development Department

**Average Payroll per Firm
Santa Barbara County**

dollars per firm	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Agriculture	195,967	211,569	221,766	228,852	247,957	271,938	276,180	317,895	333,595	449,694	491,524	565,972	570,663
Mining	1,114,994	1,243,116	1,377,594	2,085,235	1,982,300	2,096,656	1,412,145	1,666,958	1,686,137	2,371,104	1,923,435	1,726,842	2,005,902
Construction	151,964	138,961	152,560	153,768	172,092	234,074	230,516	245,967	279,962	287,942	277,413	305,519	357,857
Durable Goods Manufacturing	1,832,188	1,874,970	1,809,961	1,611,235	1,558,529	1,749,723	1,565,865	1,529,912	1,855,177	1,726,955	1,494,720	1,786,098	1,797,928
Nondurable Goods Manufacturing	445,194	451,562	450,556	486,130	577,933	664,166	669,998	546,330	608,960	721,556	758,592	787,641	859,175
Transportation	264,625	262,924	283,815	290,929	303,774	382,164	346,069	279,160	302,194	422,311	424,511	458,059	456,744
Communications	1,023,371	772,317	841,715	827,594	735,841	791,763	752,531	847,487	949,516	1,000,532	925,281	877,754	899,763
Utilities	1,527,287	1,341,979	1,275,888	1,122,190	1,145,612	998,072	941,929	1,050,809	1,184,144	1,074,066	1,048,298	985,600	1,125,828
Wholesale Trade	464,481	395,660	359,514	340,753	383,434	438,149	448,216	522,498	682,415	577,580	495,293	431,799	503,613
Retail Trade	162,935	165,688	179,775	179,327	188,810	213,901	226,436	243,558	283,958	291,402	307,812	321,439	336,700
Finance, Insurance & Real Estate	267,187	259,859	260,431	227,635	233,491	285,596	329,685	324,361	384,394	420,400	426,698	450,673	506,507
Services	209,536	205,928	210,818	197,890	214,924	252,279	248,679	258,800	313,862	301,373	299,264	312,721	324,314
Public Sector	3,595,307	3,508,018	3,715,874	3,460,066	3,572,776	3,300,477	2,925,932	3,083,205	3,345,959	3,749,841	3,942,809	4,029,606	4,156,174
Total, All Sectors	330,701	324,919	333,200	316,174	337,485	390,220	385,091	400,023	467,312	481,621	474,866	496,850	518,614

Source: CA Employment Development Department

**Number of Firms by Sector
Santa Barbara County**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
number of firms													
Agriculture	952	967	944	1,006	991	923	951	963	898	630	619	591	592
Mining	43	42	41	34	32	29	30	30	30	32	28	28	26
Construction	1,138	1,090	1,002	1,073	1,020	957	1,022	1,075	1,025	1,064	1,096	1,100	1,152
Durable Goods Manufacturing	342	335	323	335	346	338	361	377	353	358	357	337	330
Nondurable Goods Manufacturing	207	208	205	208	206	201	205	201	194	259	257	258	258
Transportation	231	231	241	259	259	246	247	251	236	204	200	205	220
Communications	55	62	62	65	66	65	71	74	71	88	79	74	73
Utilities	28	32	31	34	34	33	35	35	32	23	24	27	26
Wholesale Trade	494	488	506	560	534	518	554	551	514	409	435	441	436
Retail Trade	2,364	2,361	2,300	2,457	2,371	2,284	2,398	2,435	2,275	2,292	2,301	2,270	2,239
Finance, Insurance & Real Estate	904	918	976	1,036	1,014	935	972	1,002	968	1,132	1,148	1,176	1,217
Services	4,929	5,069	5,133	5,745	5,663	5,080	5,463	5,610	5,408	5,611	5,899	6,036	6,205
Public Sector	212	216	217	246	252	284	337	338	332	333	334	336	333
Total, All Sectors	11,895	12,017	11,979	13,057	12,786	11,893	12,645	12,940	12,337	12,433	12,777	12,876	13,105

Source: CA Employment Development Department

**Services Sector Employment Detail
Santa Barbara County, Second Quarter 2005**

Title	NAICS Code	Firms	Average Employment	Average Salary (Annualized)
Motion Picture and Sound Recording Industries	512	60	421	31,007
Professional, Scientific, and Technical Services	541	1,238	10,905	56,945
Administrative and Support Services	561	590	9,986	30,267
Educational Services	611	150	2,628	38,169
Ambulatory Health Care Services	621	841	6,604	46,650
Hospitals	622	13	3,708	50,221
Nursing and Residential Care Facilities	623	117	3,072	24,547
Social Assistance	624	227	3,256	22,743
Performing Arts, Spectator Sports, and Related Industries	711	105	397	40,280
Museums, Historical Sites, and Similar Institutions	712	25	533	27,245
Amusement, Gambling, and Recreation Industries	713	87	1,900	17,574
Accommodation	721	122	4,622	23,526
Food Services and Drinking Places	722	792	15,252	14,420
Repair and Maintenance	811	278	1,339	31,876
Personal and Laundry Services	812	193	1,462	24,526
Religious, Grantmaking, Civic, Professional, and Similar Organizations	813	244	1,900	21,681
Private Households	814	1,829	1,788	18,565
Totals		6,911	69,771	31,901

Source: CA Employment Development Department

High Technology Manufacturing Employment Detail Santa Barbara County, Second Quarter 2005

Title	NAICS Code	Firms	Average Employment	Average Salary (Annualized)
Electric Power Generation, Transmission and Distribution	2211	1	NA	NA
Resin, Synthetic Rubber, and Artificial Synthetic	3252	1	NA	NA
Pharmaceutical and Medicine Manufacturing	3254	3	NA	NA
Other Chemical Product and Preparation Manufacturing	3259	5	72	83,063
Other Fabricated Metal Product Manufacturing	3329	4	NA	NA
Industrial Machinery Manufacturing	3332	5	43	51,820
Commercial and Service Industry Machinery Manufacturing	3333	6	147	52,428
Computer and Peripheral Equipment Manufacturing	3341	3	58	68,440
Communications Equipment Manufacturing	3342	5	112	83,204
Semiconductor and Other Electronic Component Manufacturing	3344	23	748	57,453
Navigational, Measuring, Electromedical, and Controls	3345	35	2,775	72,462
Manufacturing and Reproducing Magnetic and Optical	3346	3	12	34,189
Aerospace Product and Parts Manufacturing	3364	9	1,295	66,255
Medical Equipment and Supplies Manufacturing	3391	33	1,650	58,794
Software Publishers	5112	20	1,029	140,665
Wired Telecommunications Carriers	5171	7	171	60,996
Wireless Telecommunications Carriers (except Satellites)	5172	20	99	37,713
Telecommunications Resellers	5173	12	107	60,761
Satellite Telecommunications	5174	10	231	63,310
Internet Service Providers and Web Search Portals	5181	15	202	78,601
Data Processing, Hosting, and Related Services	5182	11	338	87,098
Architectural, Engineering, and Related Services	5413	248	2,699	65,225
Computer Systems Design and Related Services	5415	140	1,543	58,309
Management, Scientific, and Technical Consulting	5416	193	1,669	51,762
Scientific Research and Development Services	5417	71	1,353	81,270
Electronic and Precision Equipment Repair and Maintenance	8112	15	49	41,273
Space Research and Technology	9271	1	NA	NA
Totals		899	16,401	69,883

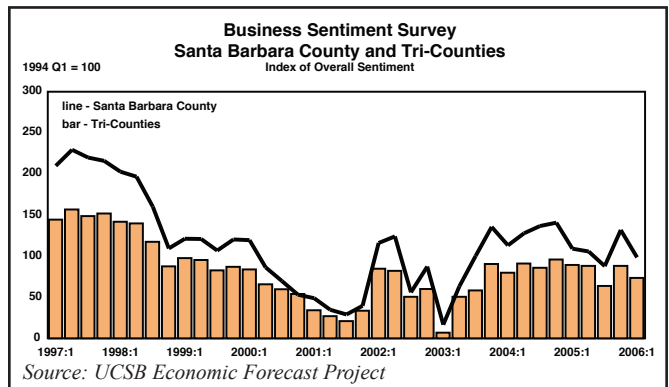
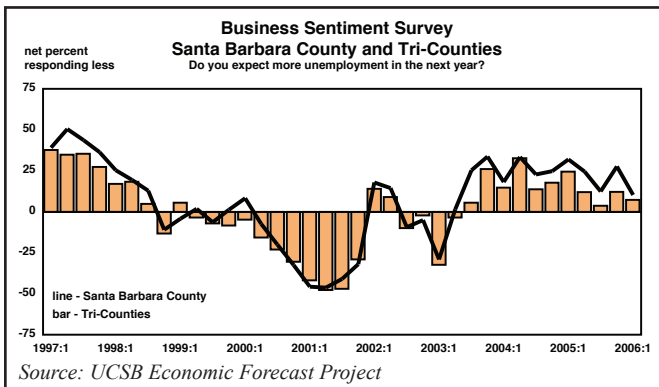
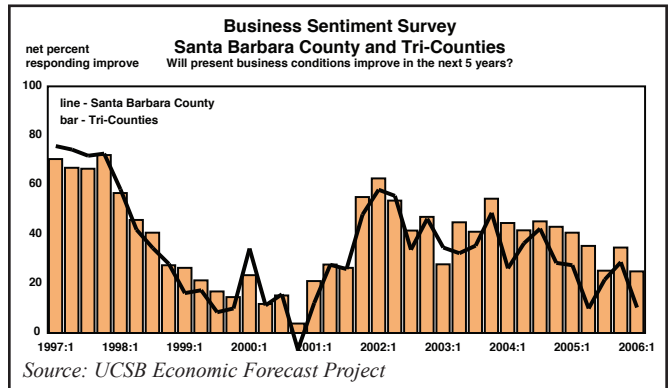
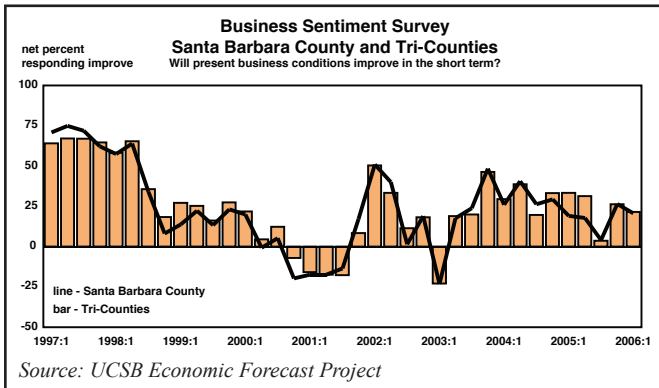
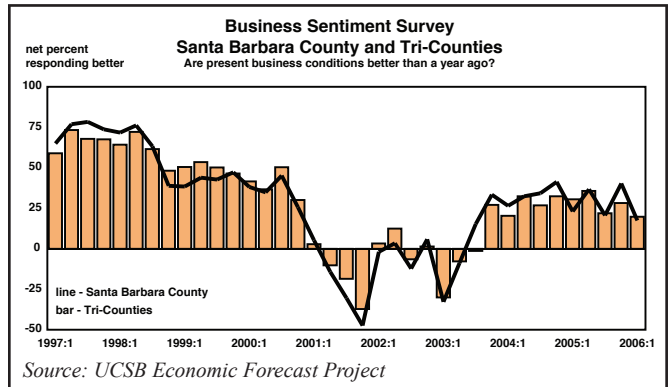
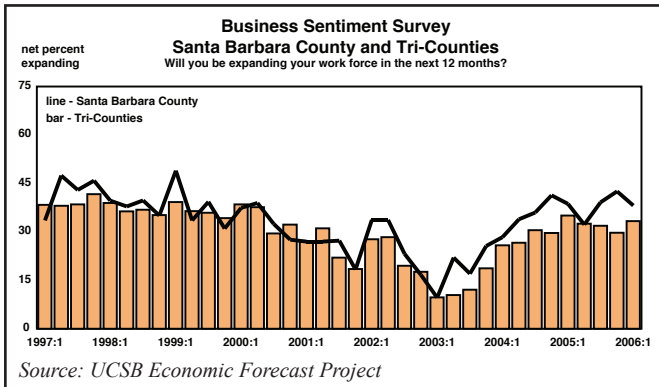
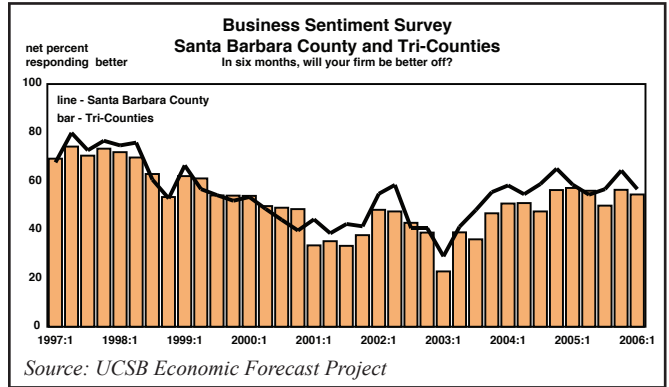
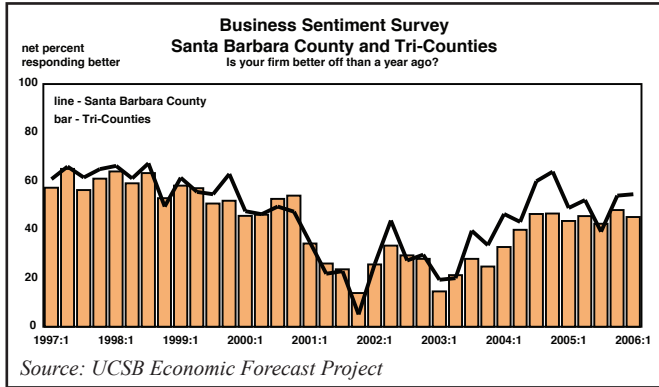
Source: CA Employment Development Department
NA = not available.

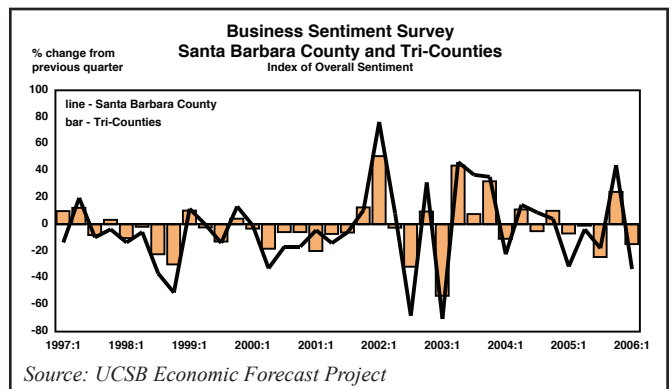
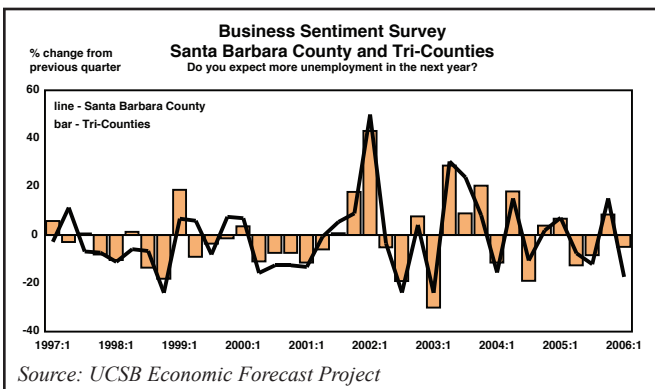
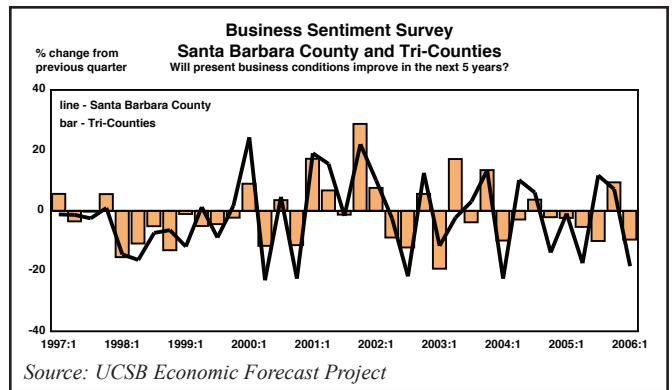
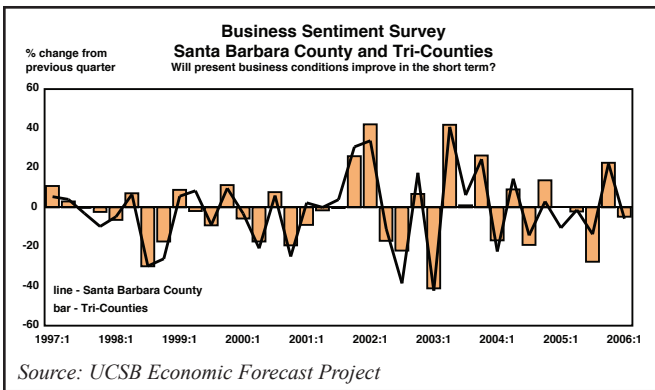
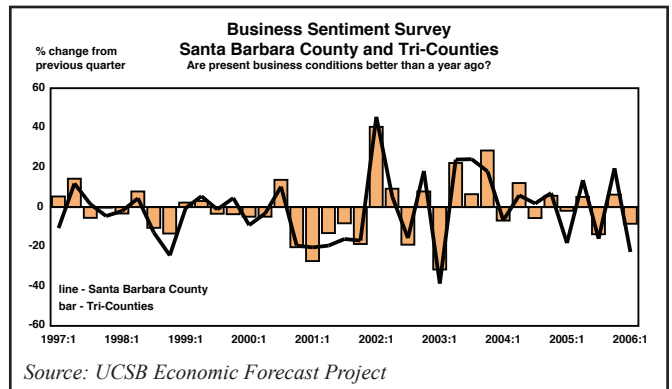
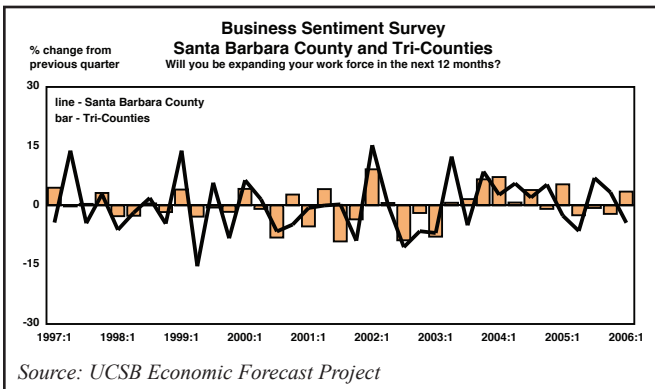
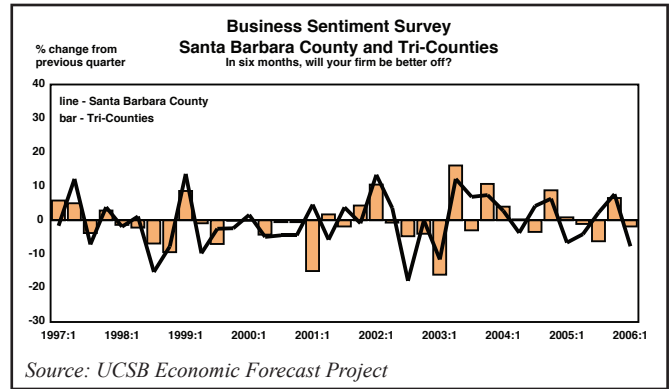
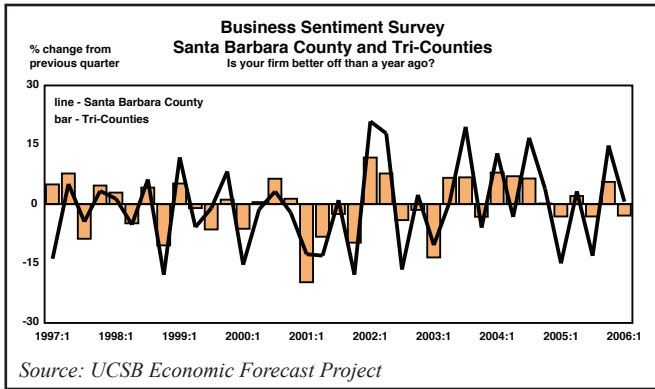
**Top Employers - Santa Barbara County
April 2006**

Rank	Company Name	Location	Industry Code / Industry	Jobs	As of (Date)
1	UCSB	Goleta	Public Education	9,578	Mar-06
2	Vandenberg Air Force Base	Lompoc	National Security	4,782	Apr-05
3	County of Santa Barbara	Santa Barbara	Public Administration	4,144	Mar-06
4	Santa Barbara School District Admin.	Santa Barbara	Public Education	2,800	Mar-06
5	Santa Barbara Cottage Hospital	Santa Barbara	Health Care and Social Assistance	2,464	Mar-06
6	Santa Barbara City College	Santa Barbara	Public Education	2,241	Mar-06
7	Allan Hancock College	Santa Maria	Public Education	2,200	Apr-06
8	Raytheon Electronic Systems	Santa Barbara County	Durables Manufacturing	1,923	Mar-06
9	Santa Maria Bonita School District	Santa Maria	Public Education	1,718	Dec-05
10	Lompoc Unified School District	Lompoc	Public Education	1,476	Feb-06
11	City of Santa Barbara	Santa Barbara	Public Administration	1,441	Mar-06
12	Marian Medical Center	Santa Maria	Health Care and Social Assistance	1,345	Apr-06
13	Chumash Casino	Santa Ynez	Arts, Entertainment, and Recreation	1,259	Mar-06
14	Santa Barbara County Education Office	Santa Barbara	Public Education	1,197	Mar-06
15	Sansum Santa Barbara Medical Foundation Clinic	Santa Barbara	Health Care and Social Assistance	1,100	Apr-06
16	Pacific Capital Bancorp	Santa Barbara	Finance/Insurance	930	Apr-06
17	Lockheed Martin Corporation	Vandenberg	Durables Manufacturing	844	Apr-06
18	Albertsons Stores	Santa Barbara County	Retail Trade	804	Apr-06
19	Bacara Resort and Spa	Goleta	Accommodation and Food Services	800	Apr-06
20	Santa Maria Joint Union School District	Santa Maria	Public Education	785	Apr-06
21	Vons	Santa Barbara County	Retail Trade	759	Apr-06
22	Goleta Union School District	Goleta	Public Education	706	Apr-06
23	Oroutt Union School District	Santa Maria	Public Education	677	Mar-06
24	World Minerals	Lompoc/Goleta	Mining	607	Apr-06
25	Bargain Network Inc.	Goleta	Retail Trade	550	Apr-06
26	Federal Correction Institution	Lompoc	Public Administration	530	Apr-06
27	City of Santa Maria	Santa Maria	Public Administration	517	Apr-06
28	Lompoc Hospital	Lompoc	Health Care and Social Assistance	500	Apr-06

Source: UCSB Economic Forecast Project
Note: Includes both full and part-time employees.

Business Sentiment





Tri-County Business Sentiment Survey Raw Data Summary for Santa Barbara County 2006 Quarter 1

	much worse	worse	no change	better	much better	total
IS YOUR FIRM BETTER OFF OR WORSE THAN ONE YEAR AGO?	13.40	54.64	19.59	10.31	2.06	100.00
IN SIX MONTHS, DO YOU EXPECT YOUR FIRM TO BE BETTER OR WORSE OFF?	10.31	54.64	27.84	6.19	1.03	100.00
ARE PRESENT BUSINESS CONDITIONS BETTER OR WORSE THAN A YEAR AGO?	5.15	34.02	41.24	18.56	1.03	100.00
	downsizing 10% or more	downsizing 1-9%	no change	expanding 1-9%	expanding more than 10%	total
WILL YOU BE EXPANDING OR DOWNSIZING YOUR FIRM IN THE NEXT TWELVE MONTHS?	12.37	32.99	47.42	5.15	2.06	100.00
	more deterioration	some decline	no change	some improvement	much improvement	total
DO YOU EXPECT IN THE NEXT SIX MONTHS TO SHOW IMPROVED OR DETERIORATED LOCAL BUSINESS CONDITIONS?	5.15	35.05	43.30	16.49	0.00	100.00
DO YOU EXPECT THE LOCAL ECONOMY TO HAVE BETTER OR WORSE CONDITIONS IN THE NEXT FIVE YEARS?	4.12	35.05	35.05	25.77	0.00	100.00
	much more	more	same as now	less	much less	total
DO YOU EXPECT THERE WILL BE MORE OR LESS UNEMPLOYMENT IN THE COMING 12 MONTHS?	4.12	23.71	57.73	14.43	0.00	100.00
	rise sharply	modestly rise	remain the same	fall modestly	decline sharply	total
WHAT DO YOU THINK WILL HAPPEN TO INTEREST RATES IN THE COMING 12 MONTHS?	2.06	3.09	16.49	78.35	0.00	100.00
	very bad time	bad time	no different than other times	good time	very good time	total
DO YOU THINK IT IS A GOOD TIME OR A BAD TIME TO BUY A HOME?	7.22	20.62	67.01	5.15	0.00	100.00
DO YOU THINK IT IS A GOOD TIME OR A BAD TIME TO PURCHASE MAJOR HOUSEHOLD ITEMS OR AUTOMOBILES?	4.12	28.87	35.05	28.87	3.09	100.00
	much less affordable	less affordable	same as now	more affordable	much more affordable	total
DO YOU THINK BUYING A HOME WILL BE MORE OR LESS AFFORDABLE SIX MONTHS FROM NOW?	5.15	28.87	30.93	35.05	0.00	100.00

*Note: These values represent the percentage of respondents answering each particular choice.
Source: UCSB Economic Forecast Project*

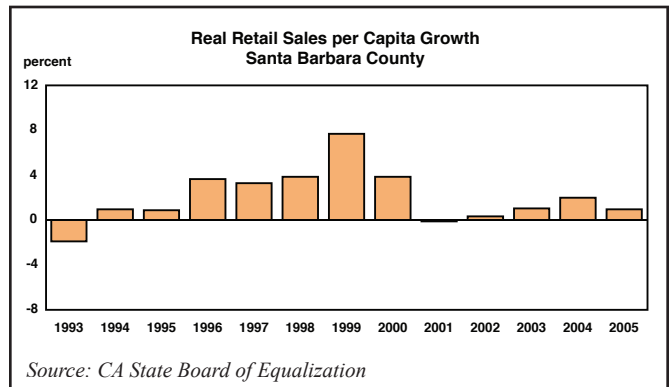
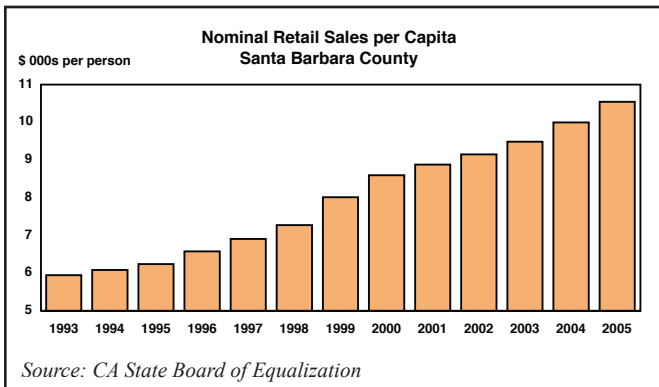
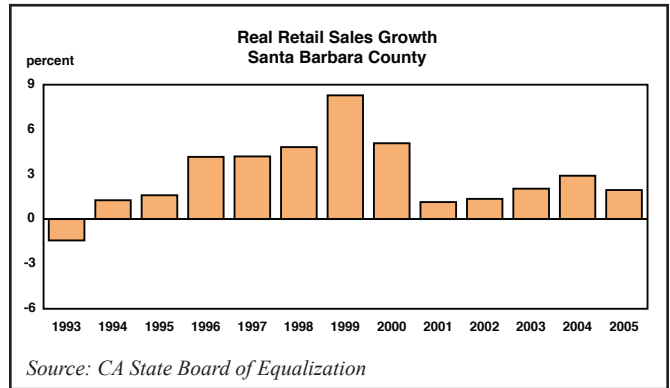
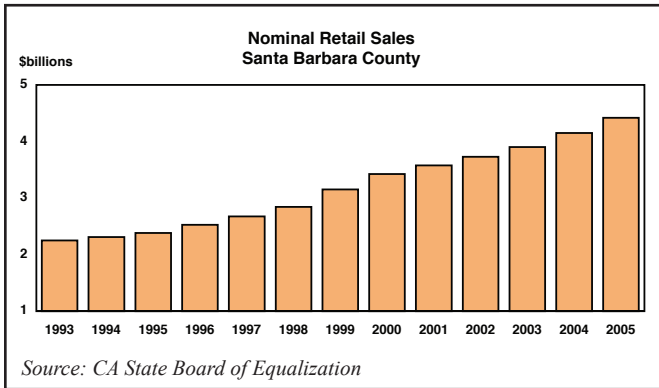
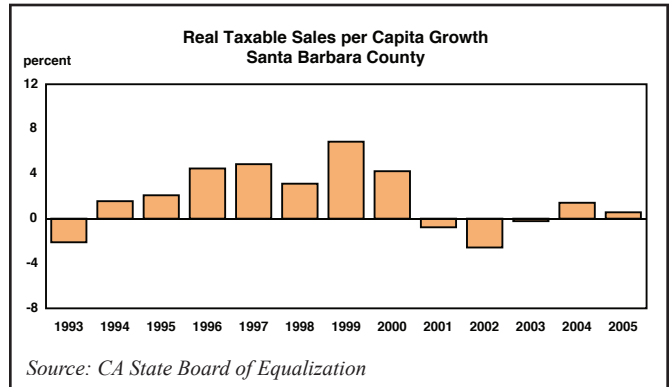
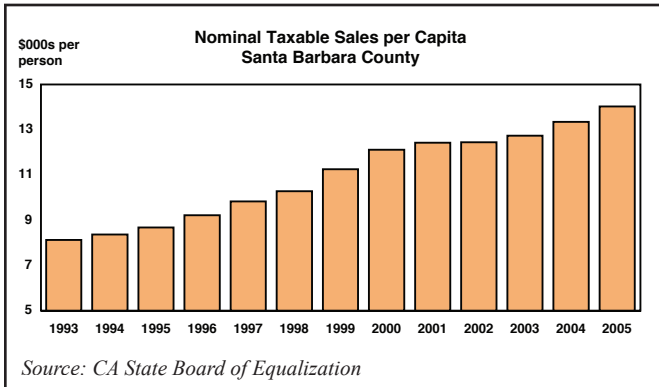
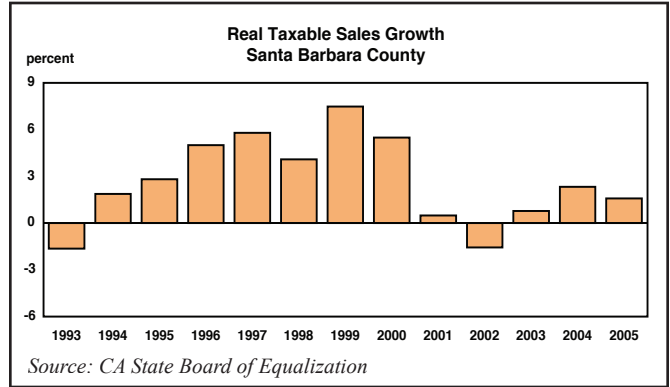
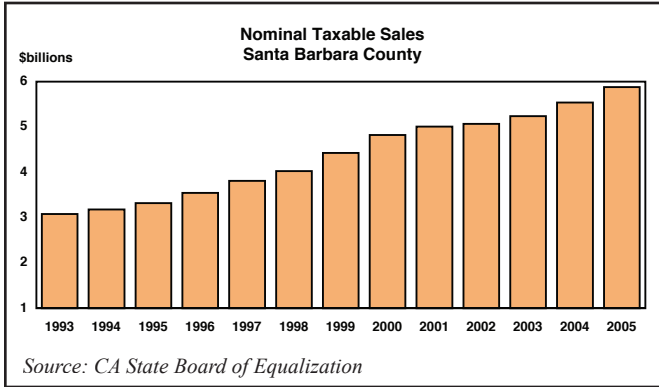
Tri-County Business Sentiment Survey Raw Data Summary for the Tri-Counties 2006 Quarter 1

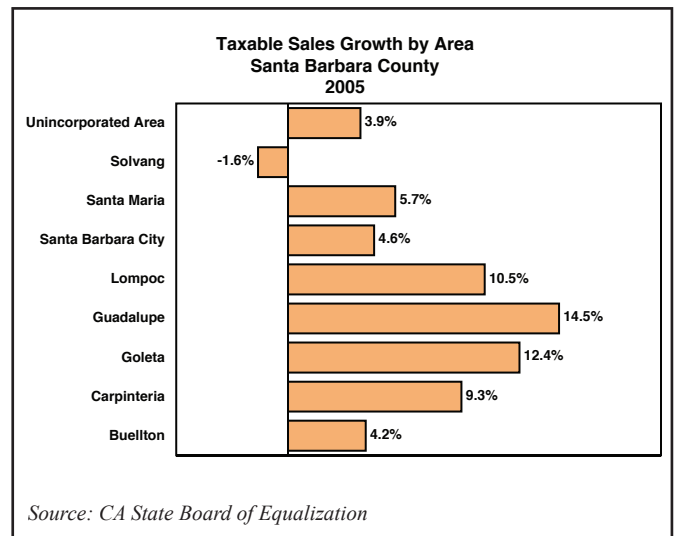
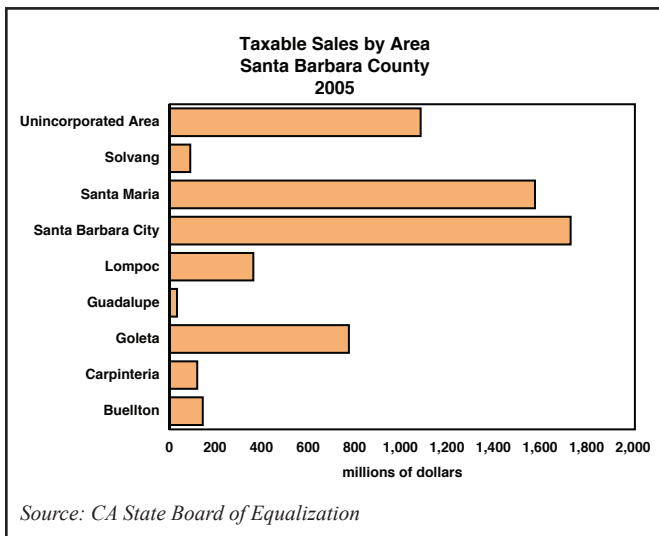
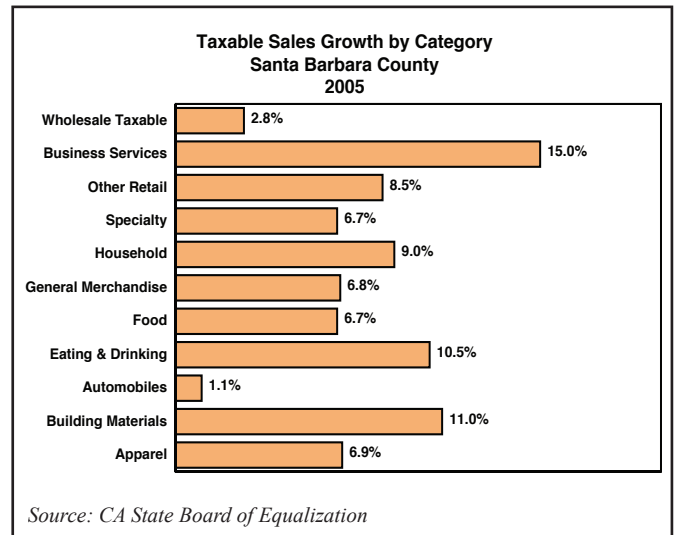
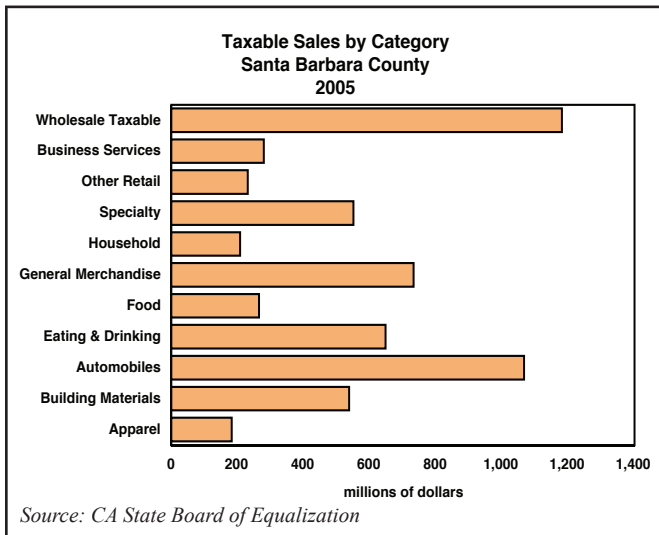
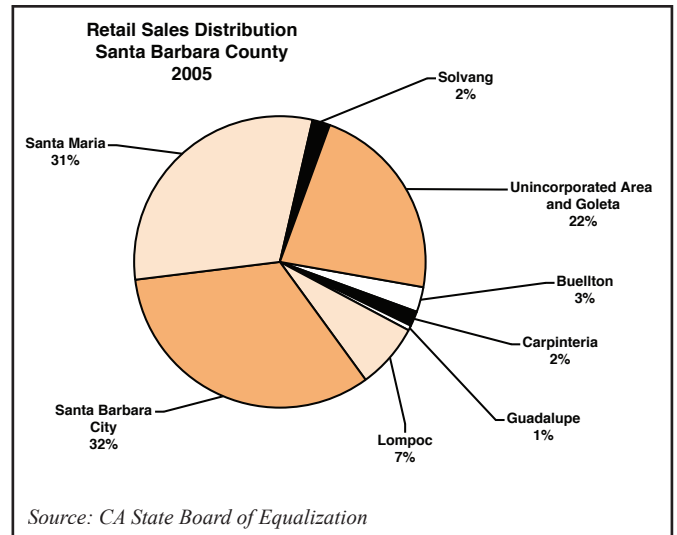
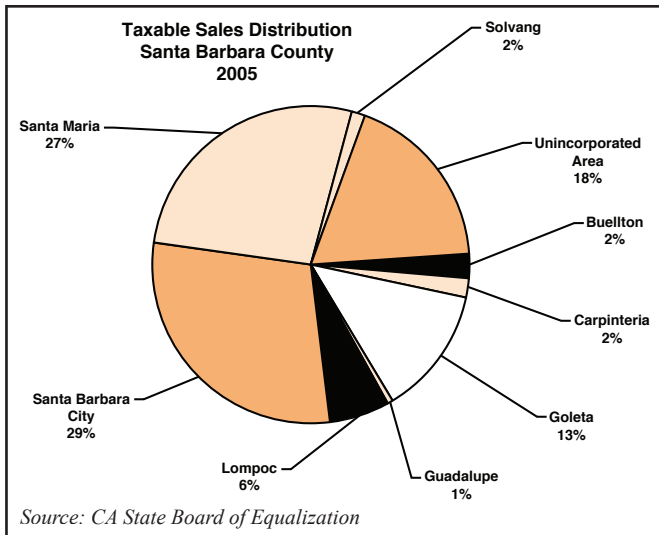
	much worse	worse	no change	better	much better	total
IS YOUR FIRM BETTER OFF OR WORSE THAN ONE YEAR AGO?	11.02	47.46	30.08	10.59	0.85	100.00
IN SIX MONTHS, DO YOU EXPECT YOUR FIRM TO BE BETTER OR WORSE OFF?	7.63	54.66	30.51	6.78	0.42	100.00
ARE PRESENT BUSINESS CONDITIONS BETTER OR WORSE THAN A YEAR AGO?	4.66	33.05	45.34	16.53	0.42	100.00
	downsizing 10% or more	downsizing 1-9%	no change	expanding 1-9%	expanding more than 10%	total
WILL YOU BE EXPANDING OR DOWNSIZING YOUR FIRM IN THE NEXT TWELVE MONTHS?	10.17	30.08	53.39	4.66	1.69	100.00
	more deterioration	some decline	no change	some improvement	much improvement	total
DO YOU EXPECT IN THE NEXT SIX MONTHS TO SHOW IMPROVED OR DETERIORATED LOCAL BUSINESS CONDITIONS?	3.81	33.05	50.00	13.14	0.00	100.00
DO YOU EXPECT THE LOCAL ECONOMY TO HAVE BETTER OR WORSE CONDITIONS IN THE NEXT FIVE YEARS?	4.24	40.25	36.02	18.64	0.85	100.00
	much more	more	same as now	less	much less	total
DO YOU EXPECT THERE WILL BE MORE OR LESS UNEMPLOYMENT IN THE COMING 12 MONTHS?	2.97	22.88	58.05	16.10	0.00	100.00
	rise sharply	modestly rise	remain the same	fall modestly	decline sharply	total
WHAT DO YOU THINK WILL HAPPEN TO INTEREST RATES IN THE COMING 12 MONTHS?	1.69	3.39	13.56	80.51	0.85	100.00
	very bad time	bad time	no different than other times	good time	very good time	total
DO YOU THINK IT IS A GOOD TIME OR A BAD TIME TO BUY A HOME?	4.66	27.12	63.14	4.66	0.42	100.00
DO YOU THINK IT IS A GOOD TIME OR A BAD TIME TO PURCHASE MAJOR HOUSEHOLD ITEMS OR AUTOMOBILES?	2.54	32.20	34.75	28.39	2.12	100.00
	much less affordable	less affordable	same as now	more affordable	much more affordable	total
DO YOU THINK BUYING A HOME WILL BE MORE OR LESS AFFORDABLE SIX MONTHS FROM NOW?	2.12	20.76	34.75	42.37	0.00	100.00

Note: These values represent the percentage of respondents answering each particular choice.

Source: UCSB Economic Forecast Project

Retail Sales

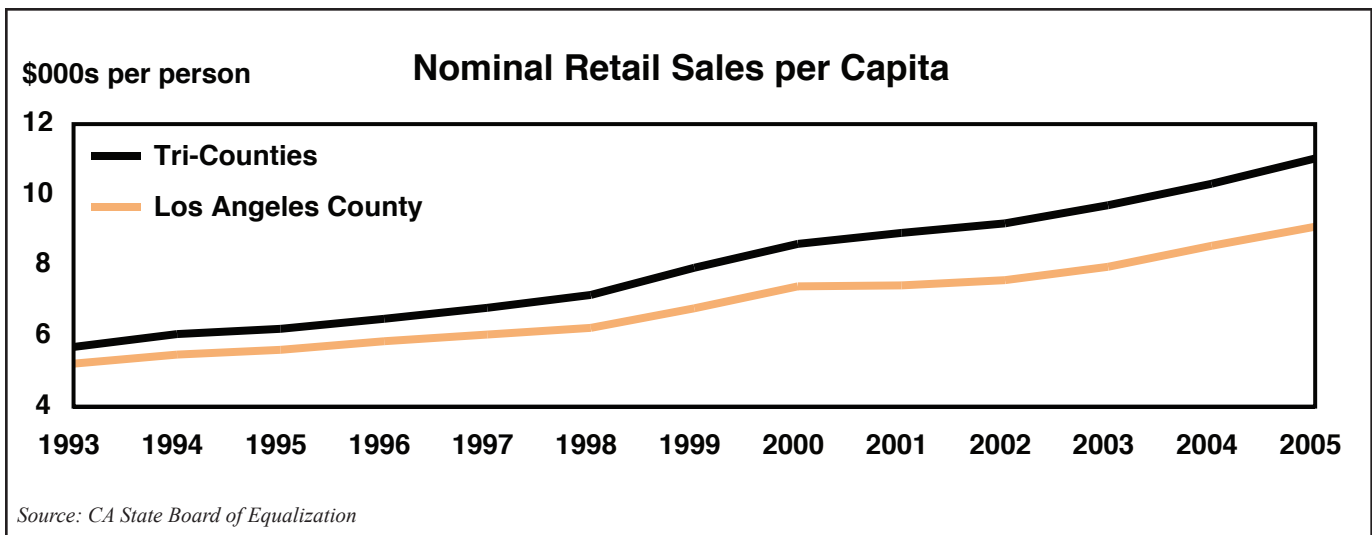
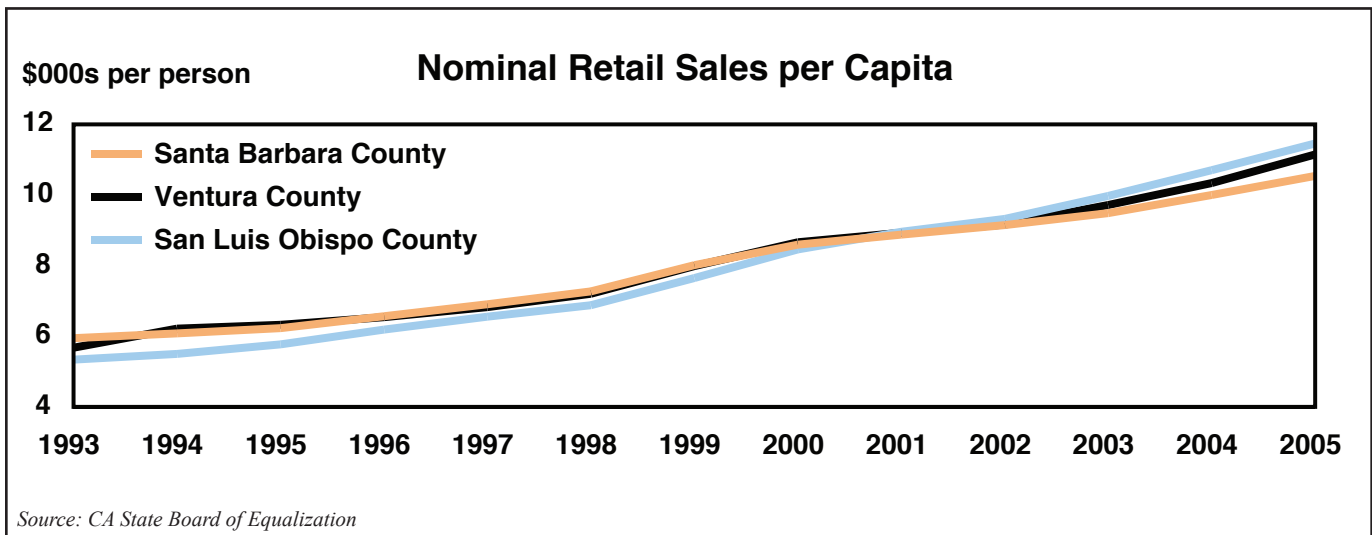
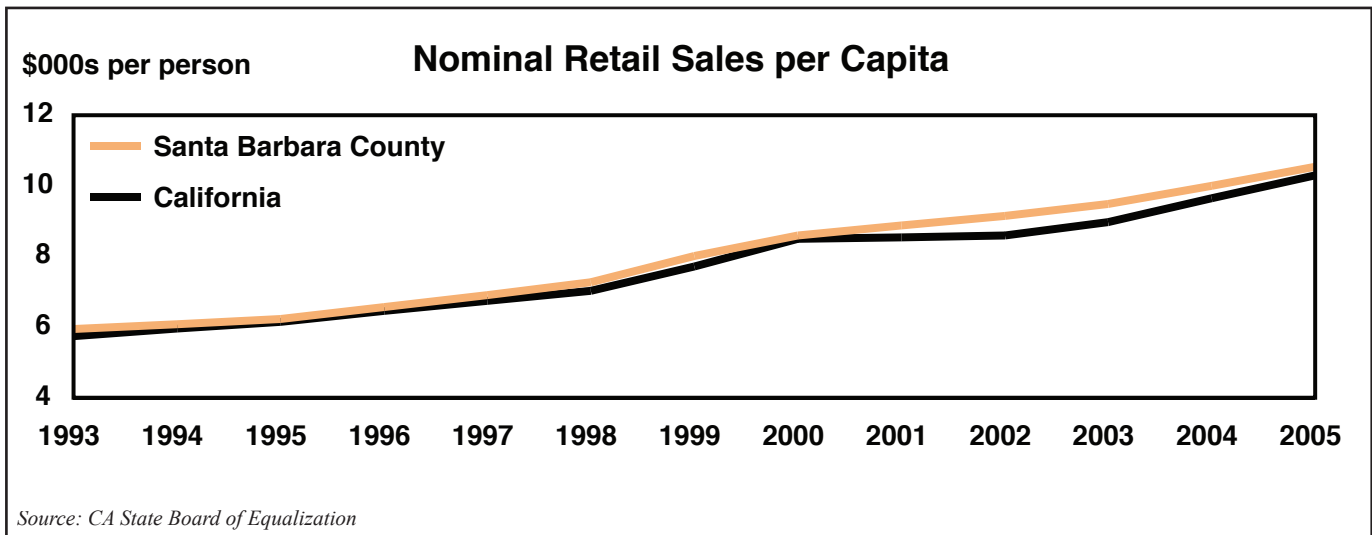




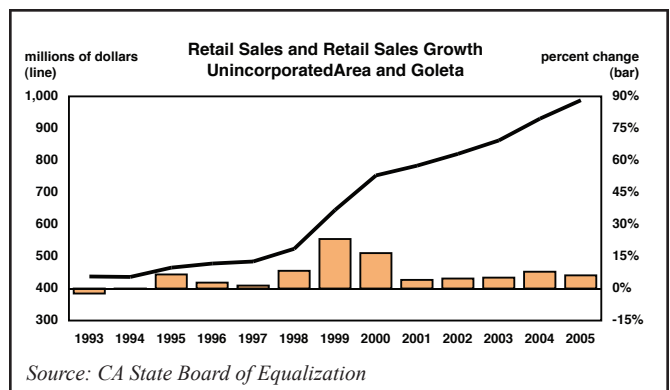
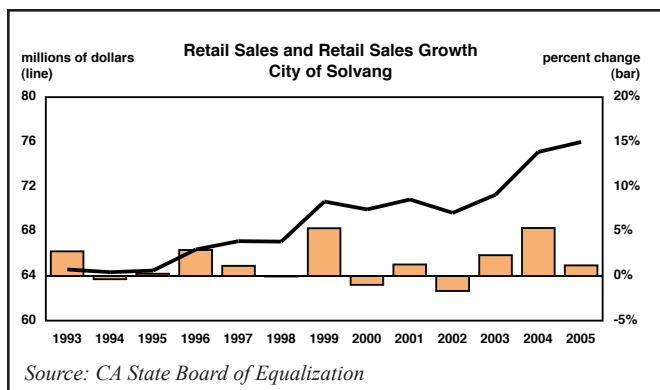
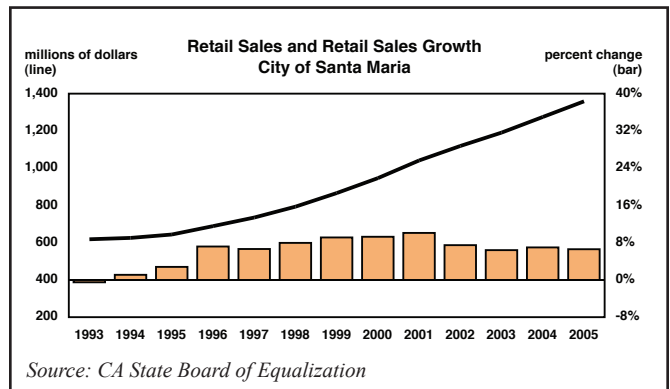
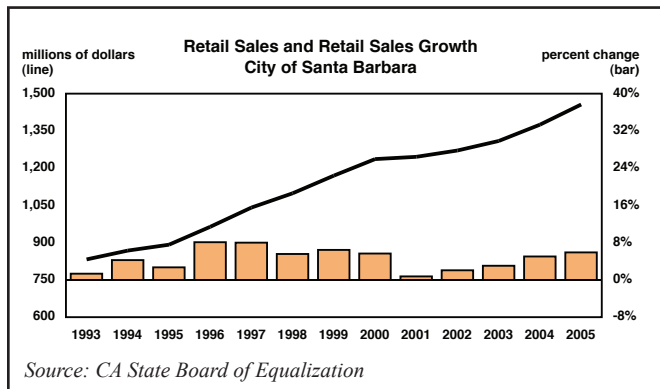
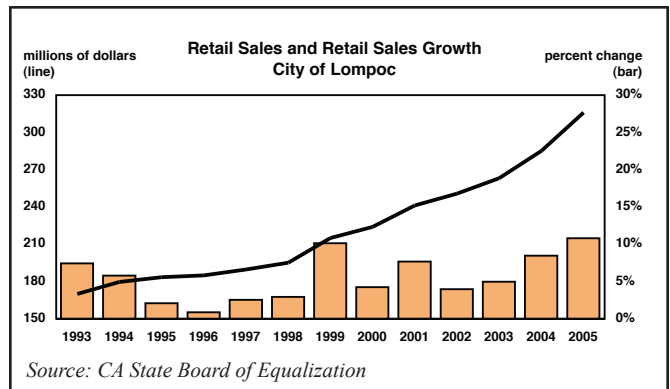
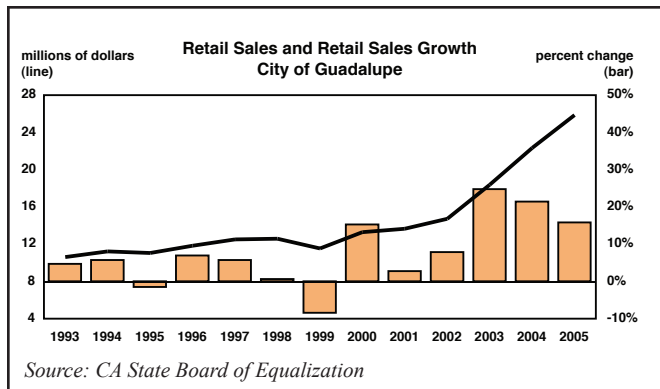
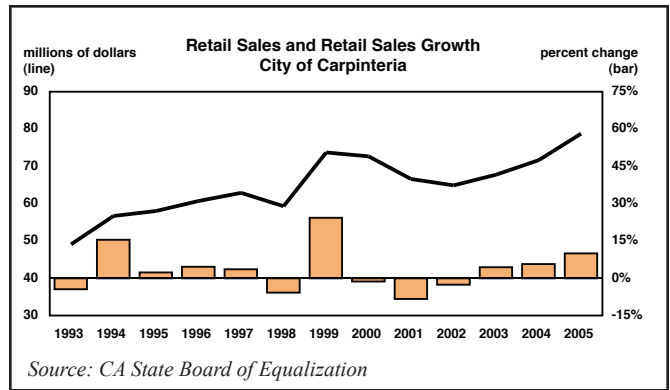
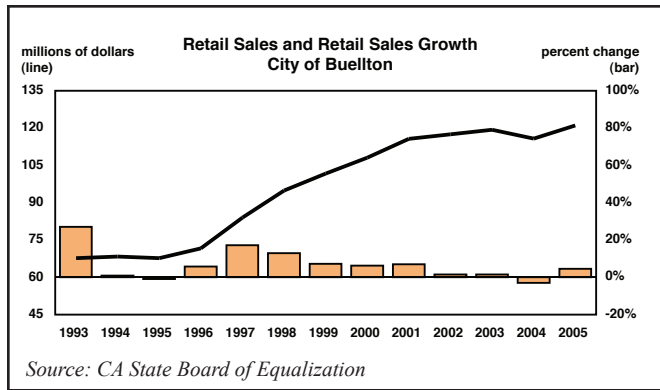
Santa Barbara County Retail Sales by Type

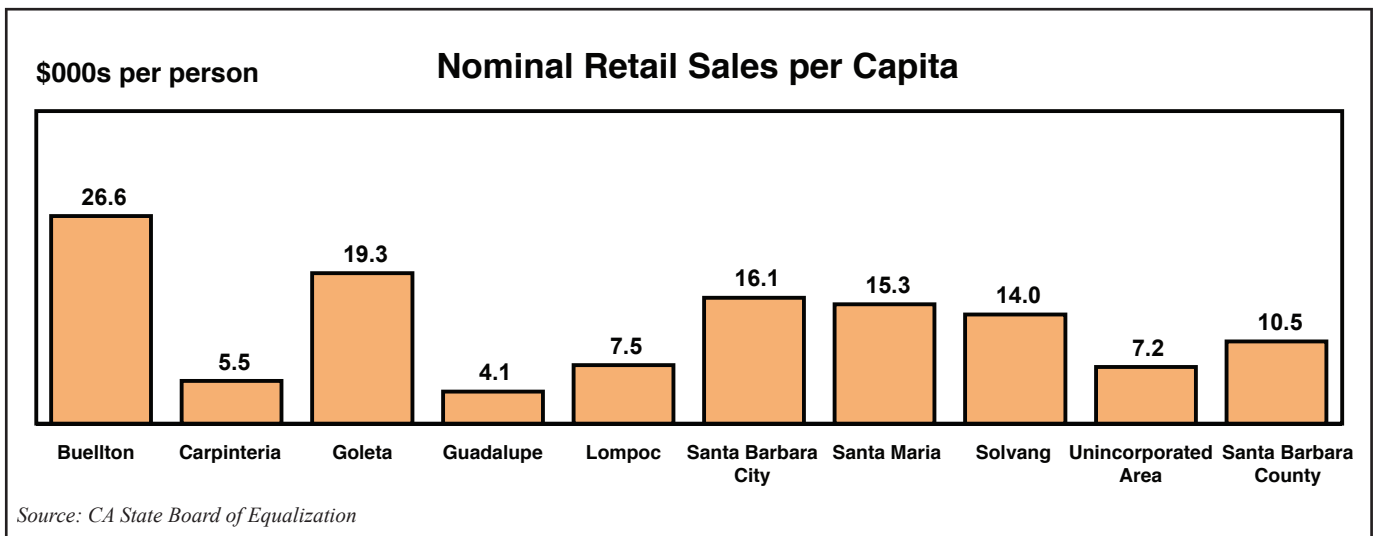
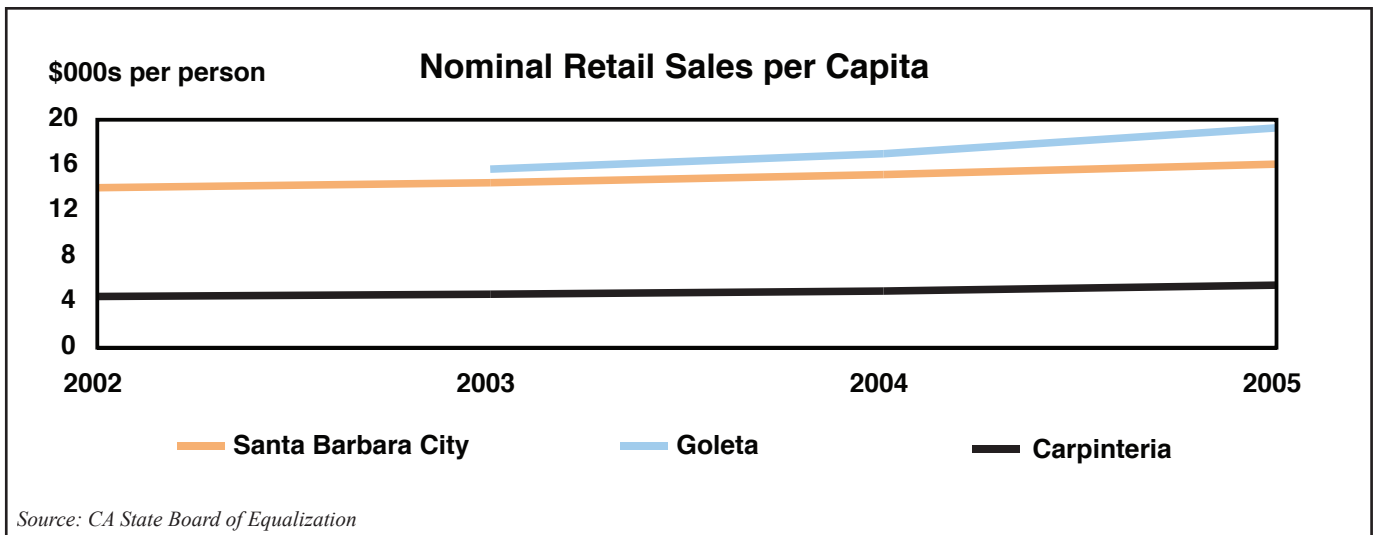
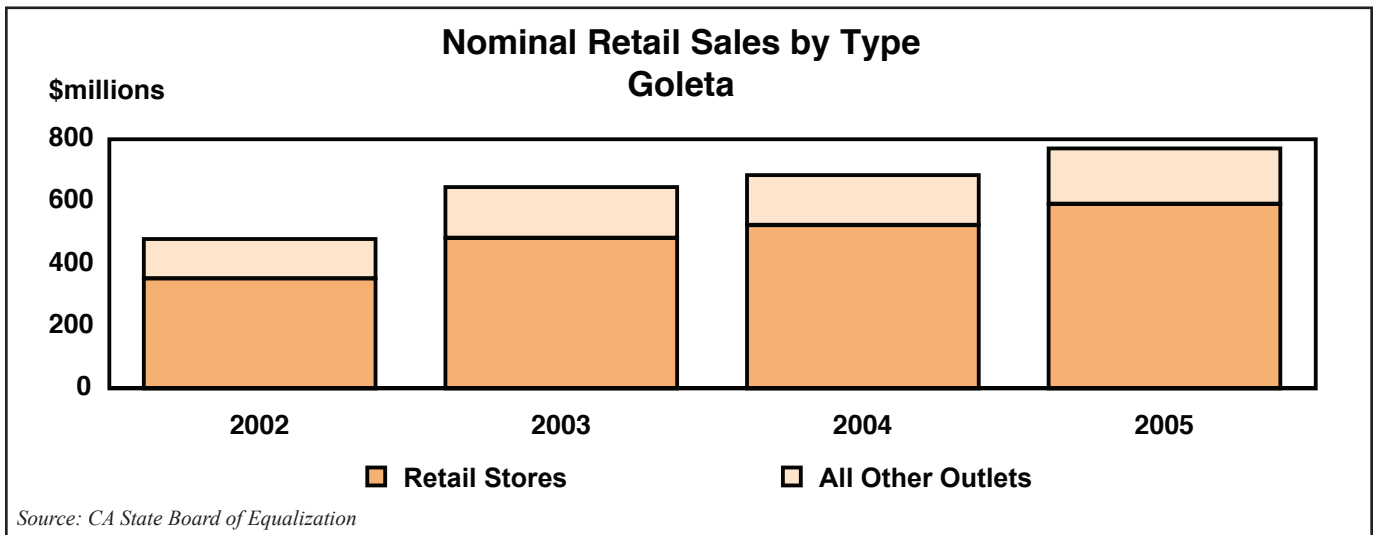
	1999	2000	2001	2002	2003	2004	2005
Total Taxable Sales (\$millions)	4,426.5	4,823.3	5,009.9	5,068.4	5,240.2	5,541.5	5,880.5
Total Taxable Sales (2000 \$millions)	4,572.5	4,823.3	4,846.9	4,771.3	4,808.3	4,920.6	4,998.2
percent change	7.5	5.5	0.5	-1.6	0.8	2.3	1.6
Wholesale Taxable Sales (\$millions)	1,026.0	1,142.1	1,181.7	1,096.0	1,093.4	1,148.4	1,180.7
Wholesale Taxable Sales (2000 \$millions)	1,059.8	1,142.1	1,143.2	1,031.7	1,003.3	1,019.7	1,003.5
percent change	6.1	7.8	0.1	-9.8	-2.8	1.6	-1.6
Business Services Sales (\$millions)	247.1	258.1	249.5	244.8	244.2	243.1	279.6
Business Services Sales (2000 \$millions)	255.2	258.1	241.4	230.4	224.1	215.9	237.7
percent change	3.0	1.1	-6.5	-4.6	-2.7	-3.7	10.1
Retail Sales (\$millions)	3,153.5	3,423.1	3,578.7	3,727.7	3,902.5	4,150.0	4,420.2
Retail Sales (2000 \$millions)	3,257.4	3,423.1	3,462.3	3,509.2	3,580.9	3,685.0	3,757.0
percent change	8.3	5.1	1.1	1.4	2.0	2.9	2.0
Apparel Sales (\$millions)	119.1	120.1	124.6	140.3	150.1	171.0	182.7
Apparel Sales (2000 \$millions)	123.0	120.1	120.6	132.1	137.8	151.8	155.3
percent change	-1.8	-2.4	0.4	9.5	4.3	10.2	2.3
Bldg Mat'l and Farm Sales (\$millions)	321.2	349.9	379.4	393.1	427.1	484.3	537.5
Bldg Mat'l and Farm Sales (2000 \$millions)	331.7	349.9	367.1	370.1	391.9	430.0	456.8
percent change	19.7	5.5	4.9	0.8	5.9	9.7	6.2
Autos/Supplies/Gas Sales (\$millions)	719.8	809.7	877.8	944.7	1,001.3	1,055.1	1,066.3
Autos/Supplies/Gas Sales (2000 \$millions)	743.6	809.7	849.3	889.3	918.8	936.8	906.3
percent change	9.9	8.9	4.9	4.7	3.3	2.0	-3.3
Eating and Drinking Sales (\$millions)	445.4	483.8	511.5	533.8	553.9	585.9	647.3
Eating and Drinking Sales (2000 \$millions)	460.0	483.8	494.9	502.5	508.3	520.3	550.2
percent change	4.3	5.2	2.3	1.5	1.1	2.4	5.7
Food Stores Sales (\$millions)	225.4	228.8	235.0	242.4	246.9	248.6	265.2
Food Stores Sales (2000 \$millions)	232.9	228.8	227.4	228.2	226.6	220.8	225.4
percent change	-0.1	-1.8	-0.6	0.4	-0.7	-2.5	2.1
General Merchandise Sales (\$millions)	592.2	625.2	639.2	644.6	662.9	685.7	732.2
General Merchandise Sales (2000 \$millions)	611.7	625.2	618.4	606.8	608.3	608.8	622.3
percent change	12.9	2.2	-1.1	-1.9	0.3	0.1	2.2
Home Furnish./Appliances Sales (\$millions)	139.4	171.8	160.5	174.0	181.4	190.7	207.9
Home Furnish./Appliances Sales (2000 \$millions)	144.0	171.8	155.3	163.8	166.4	169.3	176.7
percent change	4.0	19.3	-9.6	5.5	1.6	1.7	4.3
Specialty Stores Sales (\$millions)	421.2	458.7	472.8	475.4	479.3	515.9	550.3
Specialty Stores Sales (2000 \$millions)	435.1	458.7	457.4	447.5	439.8	458.1	467.7
percent change	8.0	5.4	-0.3	-2.2	-1.7	4.2	2.1
Other Retail Sales (\$millions)	169.7	175.2	178.3	179.5	199.6	212.8	230.9
Other Retail Sales (2000 \$millions)	175.3	175.2	172.5	169.0	183.1	188.9	196.3
percent change	2.2	-0.1	-1.5	-2.0	8.4	3.2	3.9

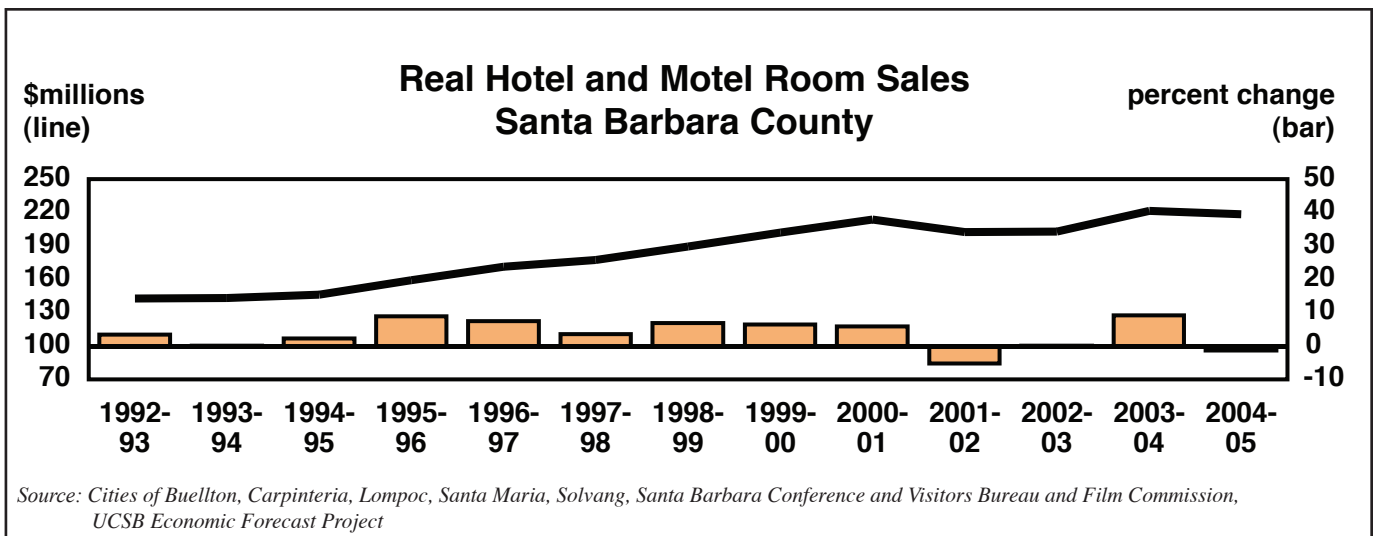
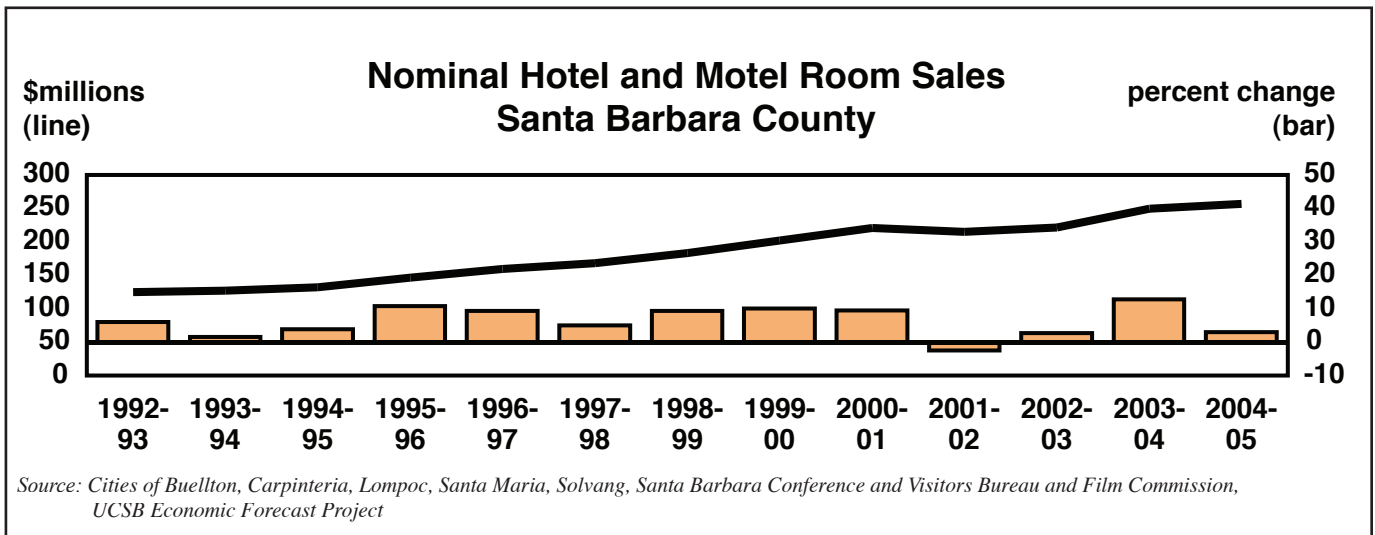
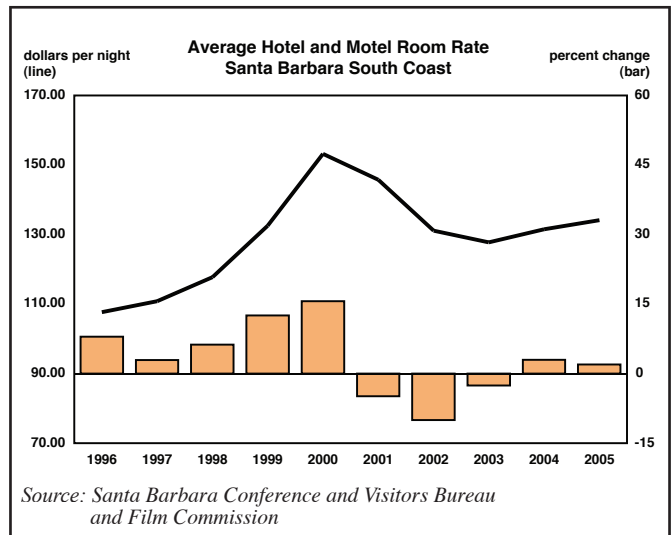
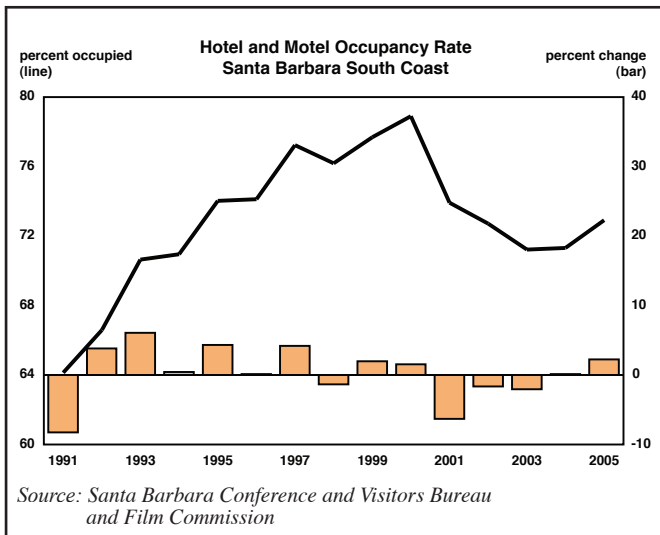
Source: CA State Board of Equalization and UCSB Economic Forecast Project

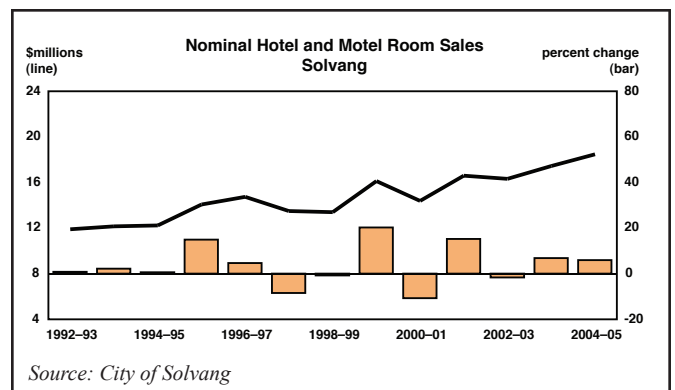
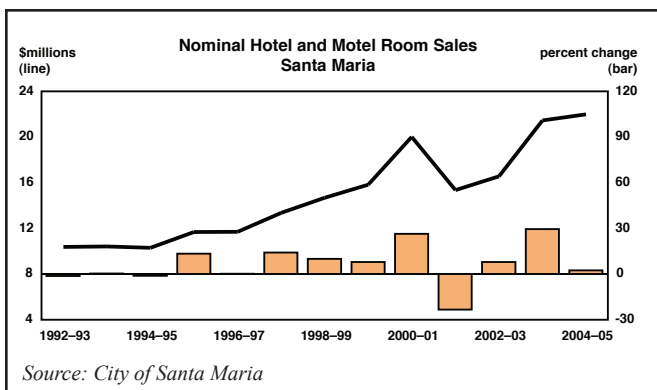
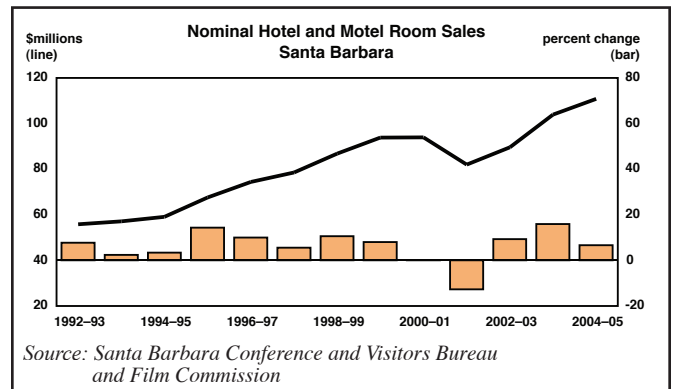
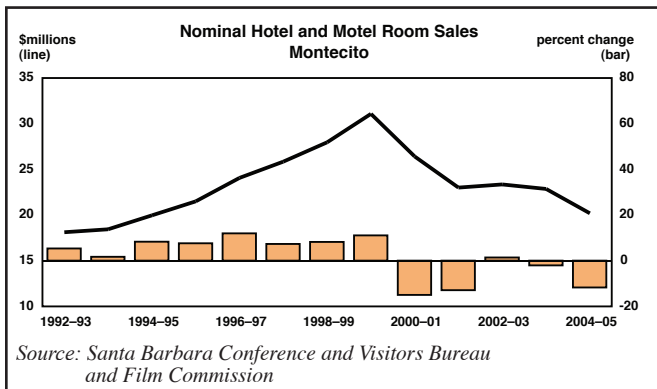
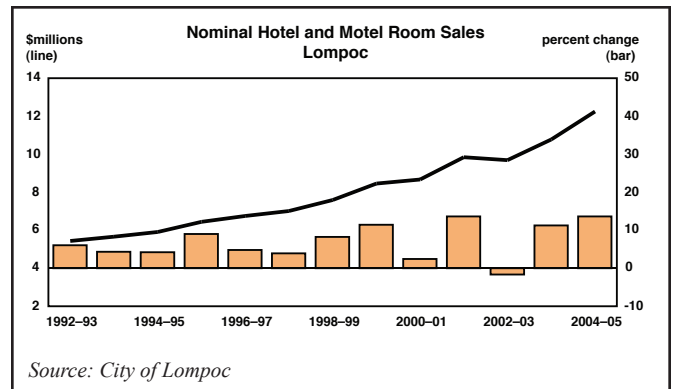
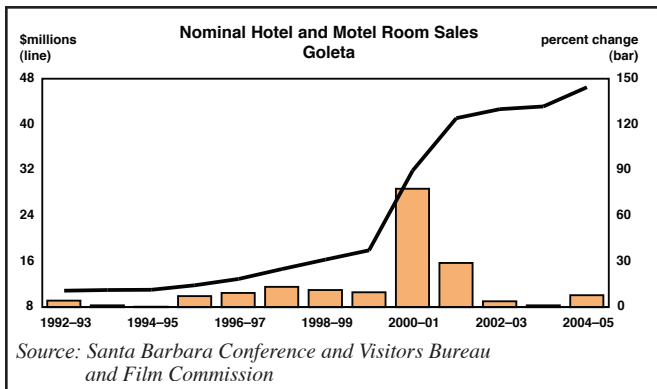
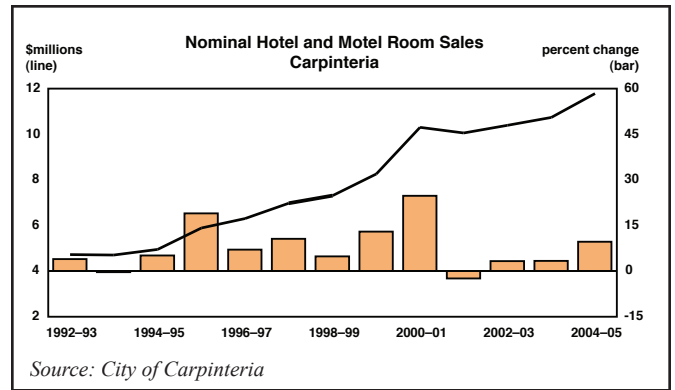
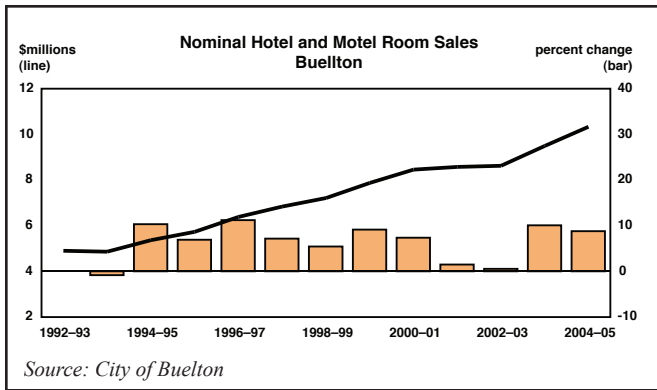


Retail Sales





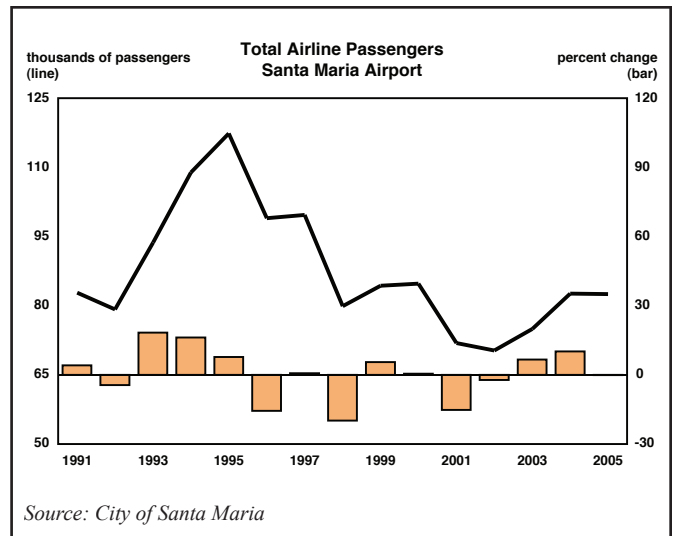
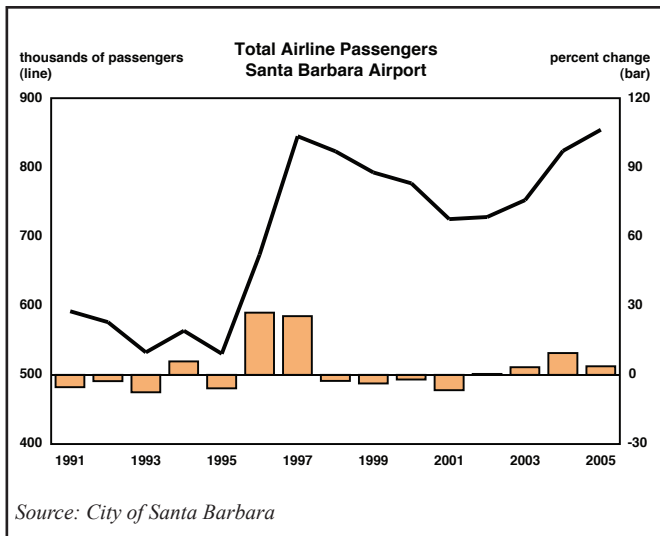




Hotel / Motel Room Sales Santa Barbara County

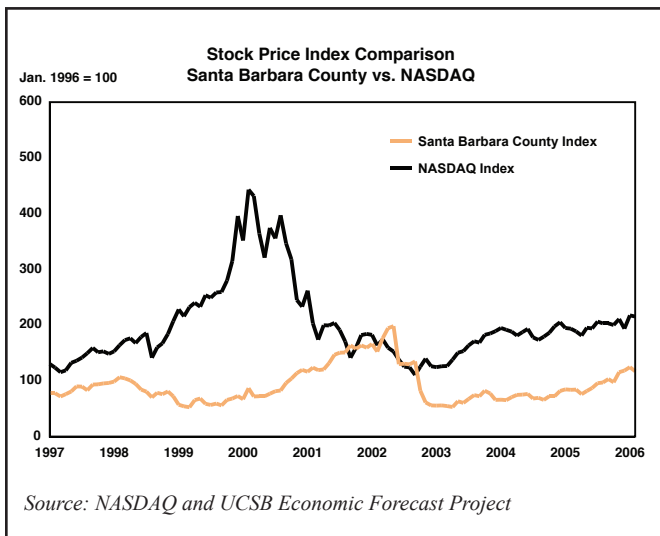
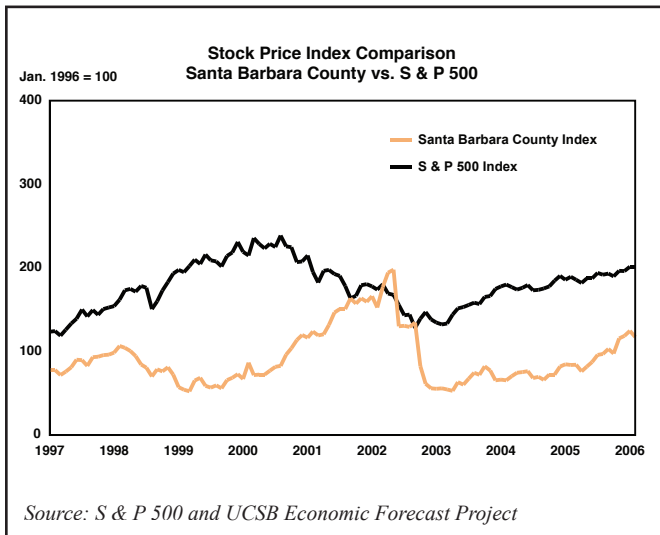
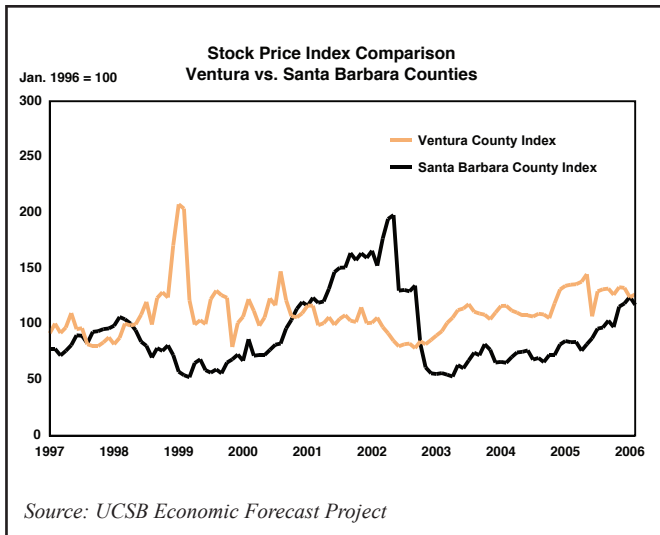
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Region (thousands of dollars)	-- fiscal years --							
Buellton	6,836	7,209	7,870	8,451	8,578	8,625	9,496	10,333
Carpinteria	6,972	7,310	8,260	10,306	10,057	10,391	10,739	11,779
The Goleta Valley *	14,669	16,326	17,933	31,875	41,103	42,668	43,143	46,509
Lompoc	7,011	7,590	8,458	8,664	9,843	9,682	10,773	12,242
Montecito	25,845	27,971	31,080	26,417	23,010	23,347	22,865	20,190
Santa Barbara	78,517	86,829	93,838	93,946	81,982	89,641	103,926	110,814
Santa Maria**	13,353	14,679	15,834	20,020	15,350	16,553	21,449	21,984
Solvang	13,499	13,399	16,122	14,392	16,587	16,313	17,437	18,474
Other	1,081	2,185	2,433	6,741	8,647	3,816	9,434	4,416
Santa Barbara County (\$000s)	167,783	183,497	201,828	220,813	215,157	221,036	249,261	256,740
percent change	5.1	9.4	10.0	9.4	-2.6	2.7	12.8	3.0
Santa Barbara County (2000 \$000s)	177,382	189,546	201,828	213,631	202,544	202,819	221,329	218,218
percent change	3.6	6.9	6.5	5.8	-5.2	0.1	9.1	-1.4

Source: Cities of Buellton, Carpinteria, Lompoc, Santa Maria, Solvang, Santa Barbara Conference and Visitors Bureau and Film Commission, UCSB Economic Forecast Project
 Note: Fiscal Years *Includes both city and county land. **Without annual accruals.



Santa Barbara County Travel Impacts							
	1992	1999	2000	2001	2002	2003	2004
Total Direct Travel Spending (\$Million)							
Visitor Spending at Destination	760	1,087	1,158	1,157	1,168	1,209	1,272
Other Travel	10	11	12	11	10	10	12
Total Direct Spending	770	1,097	1,169	1,168	1,179	1,219	1,284
Visitor Spending by Type of Traveler Accommodation (\$Million)							
Hotel, Motel	416	648	687	704	714	742	786
Private Campground	18	21	23	23	23	24	26
Public Campground	14	9	16	16	16	17	18
Private Home	88	109	114	111	112	115	119
Vacation Home	22	26	27	29	29	30	31
Day Travel	201	273	290	273	274	282	294
Spending at Destination	760	1,087	1,158	1,157	1,168	1,209	1,272
Visitor Spending by Commodity Purchased (\$Million)							
Accommodations	144	222	241	253	260	268	281
Food & Beverage Services	209	293	304	303	313	324	344
Food Stores	25	33	36	36	37	38	40
Ground Tran. & Motor Fuel	61	79	96	89	84	101	119
Arts, Entertainment & Recreation	120	174	182	181	184	189	196
Retail Sales	197	281	295	291	287	286	290
Air Transportation (visitor only)	4	4	4	4	4	4	4
Spending at Destination	760	1,087	1,158	1,157	1,168	1,209	1,272
Industry Earnings Generated by Travel Spending (\$Million)							
Accommodations & Food Service	145	217	234	234	247	261	275
Arts, Entertainment & Recreation	55	80	84	83	84	86	90
Retail	31	40	42	45	45	45	47
Auto Rental & Ground Tran.	1	3	3	3	3	3	3
Air Transportation (visitor only)	3	3	3	4	3	3	3
Other Travel	7	7	8	8	8	7	8
Total Direct Earnings	241	350	373	377	390	406	425
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accommodations & Food Service	7.6	9.8	10.2	9.7	9.8	10.0	10.1
Arts, Entertainment & Recreation	3.0	3.8	3.8	3.6	3.5	3.5	3.7
Retail	1.6	1.7	1.7	1.7	1.6	1.5	1.6
Auto Rental & Ground Tran.	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Air Transportation (visitor only)	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other Travel	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Total Direct Employment	12.6	15.8	16.2	15.5	15.2	15.4	15.8
Tax Receipts Generated by Travel Spending (\$Million)							
Local Tax Receipts	19	29	31	32	33	35	36
State Tax Receipts	32	45	48	46	48	49	52
Total Direct Tax Receipts	51	74	79	78	80	84	88

Source: The CA Division of Tourism



Company and Ticker Listing

Applied Material	APM*
Benton Oil	BNO*
Big Dog	BDOG
Calavo Growers	CVGW
CKE Restaurants	CKR
Community West Bank	CWBC
Computer Motion, Inc.	RBOT*
Deckers Outdoor Company	DECK
EarthShell Corp	ERTH.PK
Expertelligence	EXPG.PK
Fidelity National Informa Financials	FNIS*
Greka Energy	GRKA*
Harrington West Financial Group Inc	HWFG
INAMED	IMDC*
Mentor Corporation	MNTR
Mirivant Medical Technologies	MRVT
Netlogix Communications	NETX*
Pacific Capital Bank	PCBC
The Plastic Surgery Company	PSU*
QAD, Incorporated	QADI
Santa Barbara Restaurant	SBRG*
Software.com Incorporated	SWCM*
Somera Communications	SMRA
Superconductor Technologies	SCON
Tenet Healthcare	THC
STAR Telecommunications	STRX*

Source: UCSB Economic Forecast Project

* These companies have either been purchased by another company or have gone out of business since the beginning of this index. They are still included in this index because of their historical value.

Agriculture - Statistical Summary Santa Barbara County

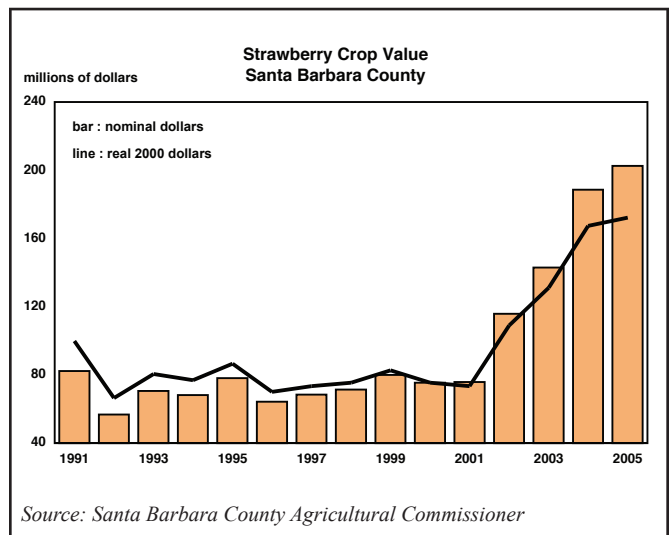
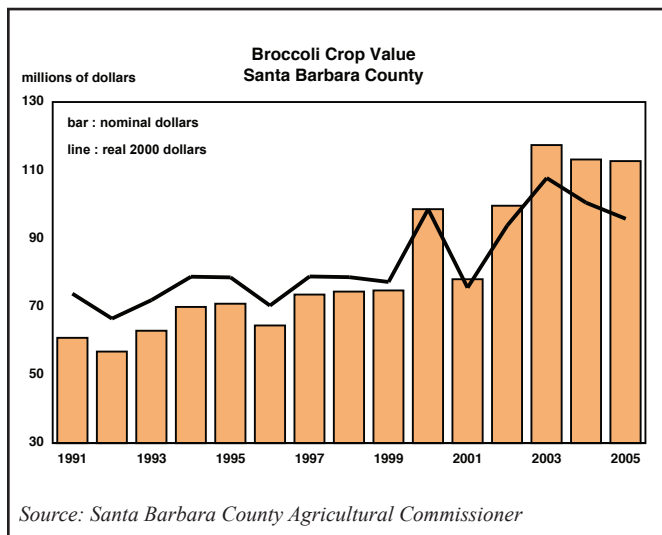
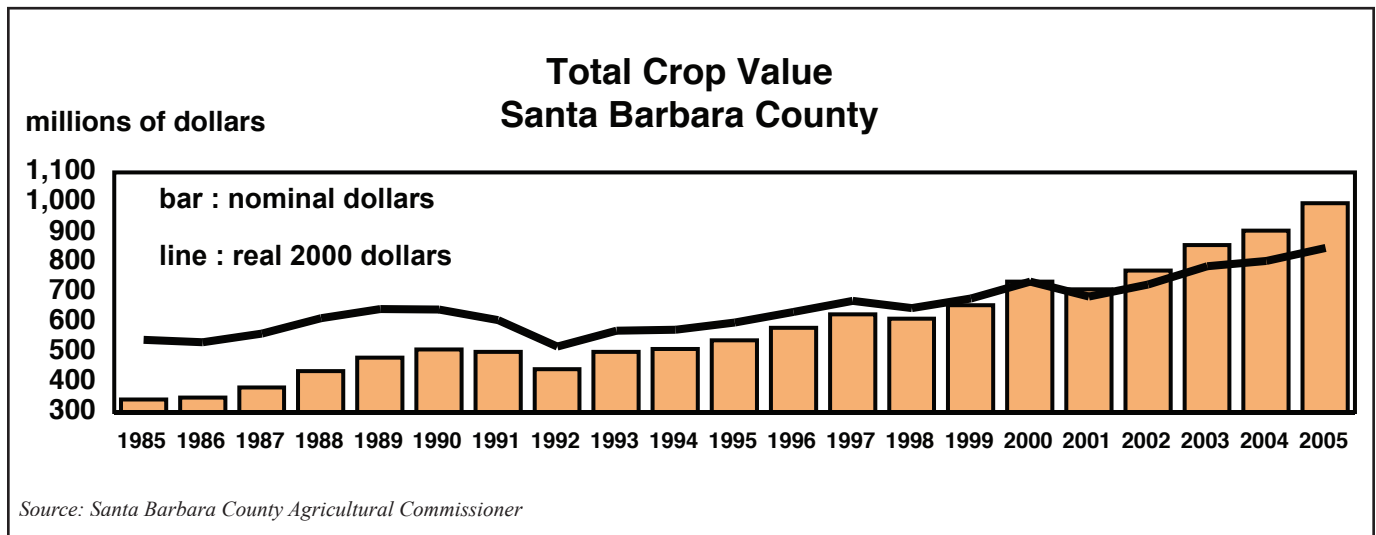
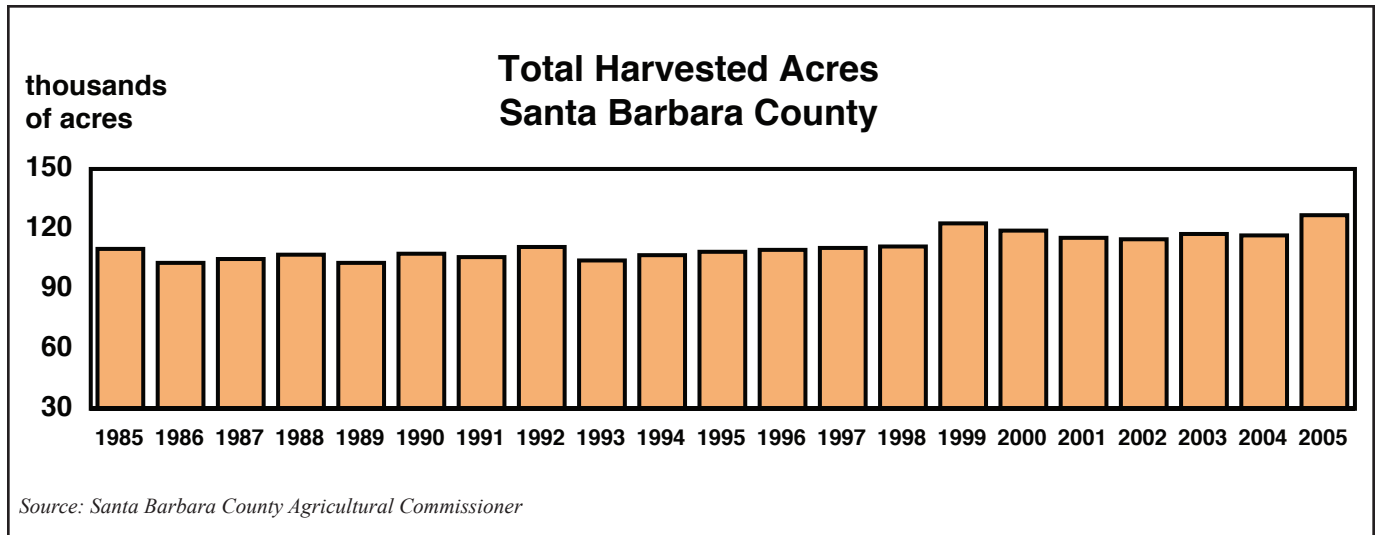
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total Crop Value (\$Millions)	539.3	581.6	626.0	611.9	657.0	735.0	709.1	771.7	858.0	905.4	997.6
percent change	5.8	7.8	7.6	-2.3	7.4	11.9	-3.5	8.8	11.2	5.5	10.2
Real Total Crop Value (2000 \$Millions)	598.0	634.1	671.2	646.9	678.6	735.0	686.1	726.4	787.3	803.9	847.9
percent change	4.2	6.0	5.9	-3.6	4.9	8.3	-6.7	5.9	8.4	2.1	5.5
Total Agricultural Acreage (000s of acres)	712	713	714	714	726	714	711	710	712	712	722
Total Harvested Acreage (000s of acres)	109	110	111	111	123	119	115	115	117	117	127
Pasture Acreage (000s of acres)	604	604	604	603	603	595	595	595	595	595	595
Earnings per Harvested Acre (\$)	4,969	5,310	5,663	5,498	5,347	6,162	6,143	6,727	7,304	7,757	7,869
Real Earnings per Harvested Acre (2000 \$)	5,510	5,789	6,072	5,813	5,523	6,162	5,944	6,333	6,702	6,887	6,689
Employment in Agriculture (Jobs)	14,117	14,642	14,733	13,833	15,258	14,850	13,758	14,233	16,183	16,008	16,325
Average Salary in Agriculture (\$ per worker)	14,778	15,018	15,810	16,926	17,412	18,069	20,589	21,085	20,064	21,070	21,156
Real Average Salary in Agriculture (2000 \$ per worker)	16,386	16,373	16,953	17,894	17,986	18,069	19,919	19,849	18,411	18,709	17,982
Number of Farm Proprietors	1,676	1,630	1,628	1,692	1,682	1,658	1,528	1,528	1,505	1,336	1,227
Farm Proprietor Income (\$Millions)	136.9	134.4	160.8	150.1	167.8	151.4	68.3	152.2	214.6	228.5	240.4

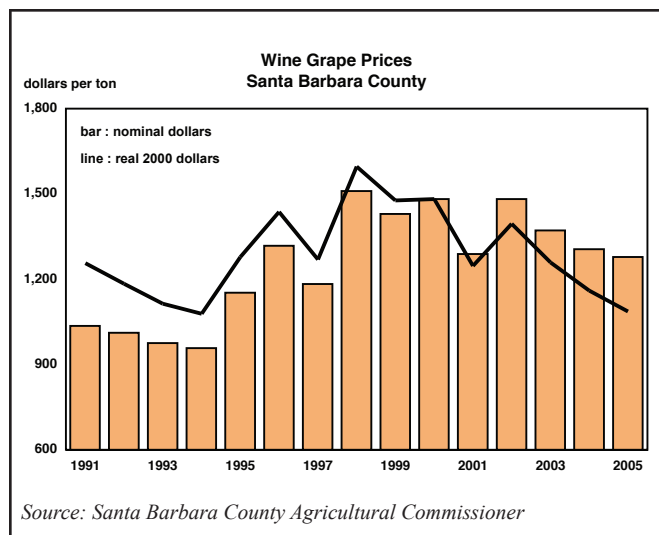
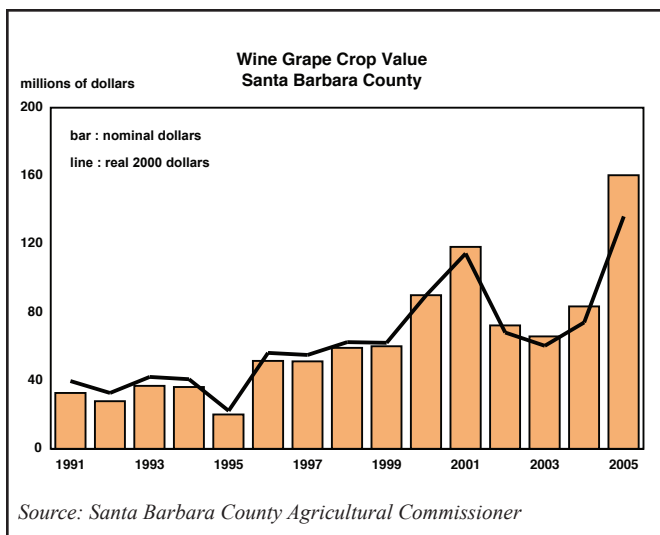
Source: CA Employment Development Department, CA Department of Finance, Santa Barbara County Agricultural Commissioner

Leading Agriculture Production by Dollars Santa Barbara County

Crop	2005 ranking	2005 Value	2004 ranking	2004 Value
Strawberries	1	\$202,616,827	1	\$186,066,115
Wine Grapes	2	\$160,365,223	3	\$83,427,478
Broccoli	3	\$112,690,506	2	\$113,153,407
Head Lettuce	4	\$59,191,137	4	\$51,062,252
Cauliflower	5	\$39,288,326	5	\$35,790,197
Cattle	6	\$30,791,535	8	\$28,610,862
Avocados	7	\$29,017,588	7	\$29,353,518
Celery	8	\$27,453,638	6	\$31,007,372
Leaf Lettuce	9	\$23,976,443	10	\$17,953,657
Lemons	10	\$19,211,743	12	11797448

Source: Santa Barbara County Agricultural Commissioner

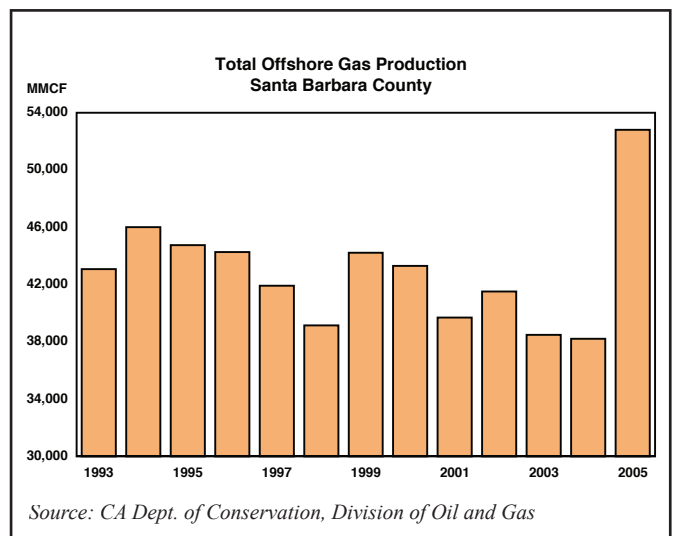
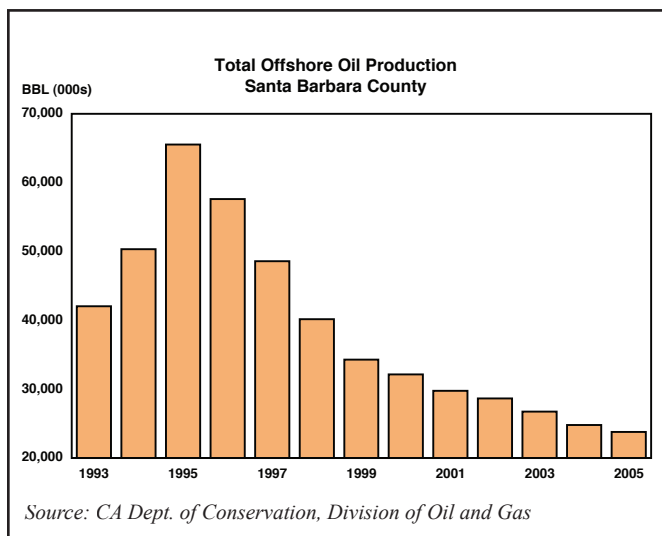
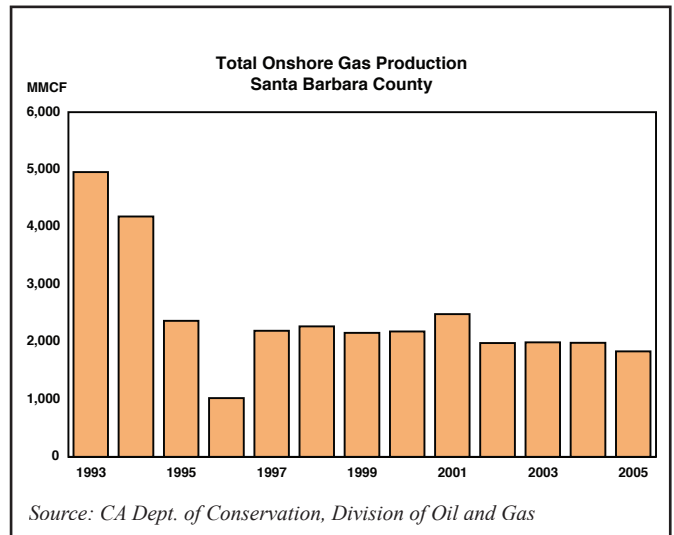
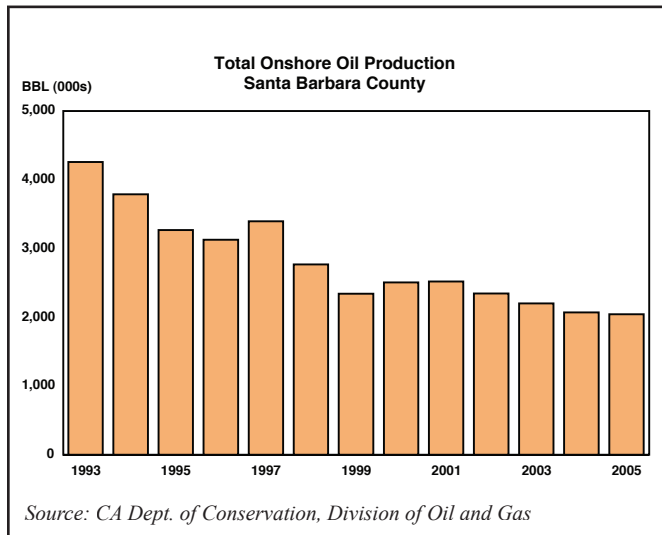
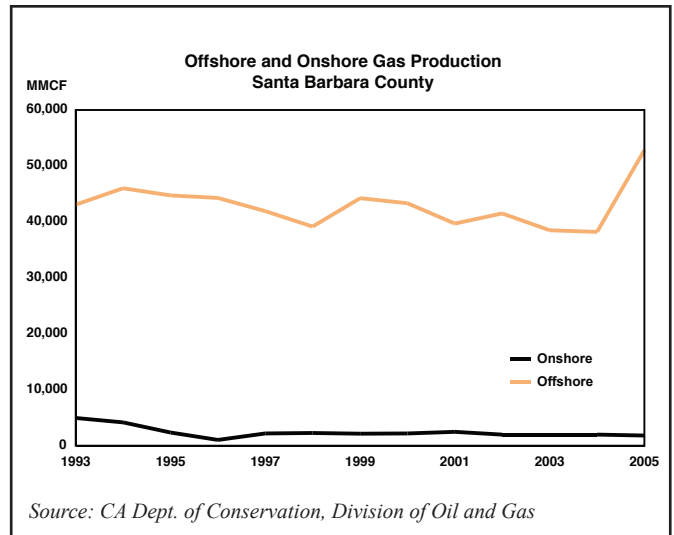
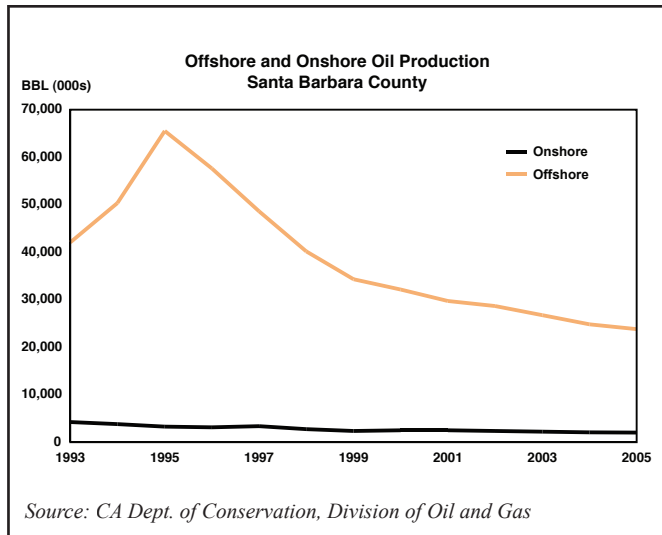




District 8* Total Grape Production and Average Wine Grape Prices					
Grape Variety	2005 Tons of Grapes Crushed	2005 Tons of Grapes Purchased	2005 Average Price (dollars per ton)	2004 Average Price (dollars per ton)	Percentage Change
Chardonnay	82,660	24,799	1,215	1,278	-4.9
Sauvignon Blanc	8,281	6,004	847	918	-7.8
Others	14,858	7,359			
Total White	105,798	38,162	1,137	1,176	-3.3
Cabernet Sauvignon	66,947	48,490	833	925	-9.9
Merlot	32,005	23,759	960	1,019	-5.8
Pinot Noir	15,576	7,988	2,351	2,273	+3.4
Syrah	22,574	14,781	1,035	1,122	-7.7
Zinfandel	15,993	12,835	701	683	+2.7
Others	18,521	12,833			
Total Red	171,615	120,686	977	1,043	-6.3
Total White & Red	277,413	158,847	1,015	1,074	-5.4

Source: California Agricultural Statistics Service
* District 8 includes Santa Barbara, Ventura, and San Luis Obispo Counties

Oil and Gas



Onshore Oil and Gas Production Ventura, Santa Barbara and San Luis Obispo Counties and California

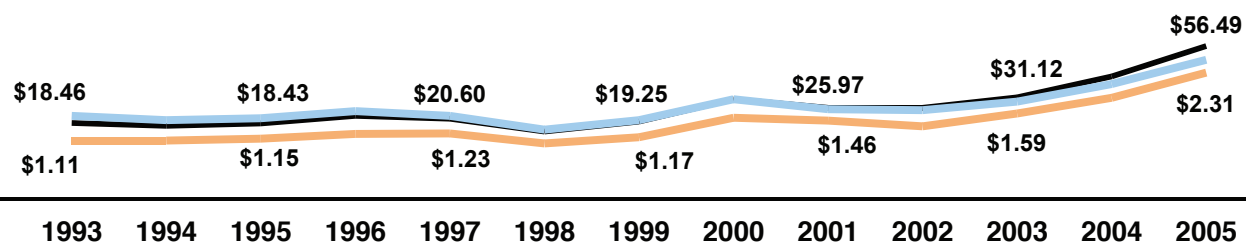
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Ventura County											
Oil (thousands of BBL)	9,892	9,809	10,334	9,457	9,030	8,724	8,322	8,280	8,047	7,723	9,040
Gas (MMCF)	10,505	10,589	11,364	9,641	9,229	9,320	8,839	8,231	7,424	7,220	7,750
Santa Barbara County											
Oil (thousands of BBL)	3,270	3,129	3,395	2,768	2,344	2,507	2,522	2,345	2,201	2,070	2,043
Gas (MMCF)	2,368	1,022	2,196	2,269	2,157	2,183	2,485	1,983	1,994	1,984	1,836
San Luis Obispo County											
Oil (thousands of BBL)	640	702	644	640	686	693	717	764	718	668	587
Gas (MMCF) *	120	200	191	175	-369	-379	-119	-176	-105	-220	0
State of California											
Oil (millions of BBL)	259.1	262.9	264.2	263.8	254.1	253.2	243.6	241.2	232.6	224.5	215.0
Gas (BCF)	234.2	233.8	238.7	272.4	322.2	326.3	330.7	315.2	298.5	279.7	183.0
Percent of Tri-County Onshore Production to Total California Onshore Production											
Oil (%)	5.3	5.2	5.4	4.9	4.7	4.7	4.7	4.7	4.7	4.7	5.4
Gas (%)	5.5	5.1	5.8	4.4	3.4	3.4	3.4	3.2	3.1	3.2	5.2

Source: CA Dept. of Conservation, Division of Oil and Gas

Note: BBL = barrels, MMCF = millions of cubic feet, BCF = Billions of cubic feet, Oil = oil and condensate

* The negative production number indicates that oil & gas production operations consume more natural gas than they produce. Some operations employ gas-fueled turbines to generate both electricity and steam (also known as co-generation). The steam is used as a source of heat for enhanced recovery of oil in mature reservoirs and for processing operations. The electricity powers production and processing operations; excess may be sold to the public utility.

Spot Price of West Texas Intermediate Crude Oil and U.S. Average Price of Regular Unleaded



Source: Energy Information Administration

Offshore Oil and Gas Production Ventura and Santa Barbara Counties and California

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Ventura County											
State Oil (thousands of BBL)	272	474	663	678	421	327	302	229	224	202	139
State Gas (MMCF)	291	397	626	614	358	274	204	158	202	242	66
Federal Oil and Gas											
Federal Oil (thousands of BBL)	5,280	5,053	4,836	4,561	4,463	4,053	3,575	3,615	3,177	2,859	2,784
Federal Gas (MMCF)	4,876	4,778	4,446	4,501	4,173	3,801	3,873	4,115	3,535	3,145	3,124
Total Offshore Oil and Gas											
Total Offshore Oil (thousands of BBL)	5,551	5,526	5,499	5,239	4,885	4,380	3,877	3,844	3,401	3,060	2,923
Total Offshore Gas (MMCF)	5,167	5,175	5,072	5,115	4,531	4,075	4,077	4,273	3,738	3,388	3,190
Santa Barbara County											
State Oil (thousands of BBL)	1,454	1,474	1,755	1,238	1,252	1,336	1,204	1,246	1,194	1,185	992
State Gas (MMCF)	666	1,018	1,450	1,291	1,398	1,736	1,798	2,071	1,262	1,775	2,100
Federal Oil and Gas											
Federal Oil (thousands of BBL)	64,074	56,150	46,846	38,926	33,046	30,818	28,545	27,402	25,540	23,623	22,811
Federal Gas (MMCF)	44,082	43,259	40,469	37,855	42,829	41,572	37,892	39,441	37,232	36,446	50,706
Total Offshore Oil and Gas											
Total Offshore Oil (thousands of BBL)	65,529	57,624	48,601	40,164	34,298	32,154	29,749	28,648	26,734	24,808	23,803
Total Offshore Gas (MMCF)	44,748	44,277	41,919	39,146	44,226	43,308	39,690	41,511	38,494	38,221	52,806
California											
Total Offshore Oil (thousands of BBL)	92,257	84,331	76,237	67,396	57,412	54,251	50,166	48,359	45,648	43,141	41,300
Total Offshore Gas (MMCF)	55,425	54,854	52,920	50,281	54,262	52,716	49,046	50,805	47,195	46,687	60,100
Percent of Ventura and Santa Barbara Counties Offshore Production as a percent of Total California Offshore Production											
Oil (%)	77.0	74.9	71.0	67.4	68.2	67.3	67.0	67.2	66.0	64.6	64.7
Gas (%)	90.1	90.2	88.8	88.0	89.9	89.9	89.2	90.1	89.5	89.1	93.2

Source: CA Dept. of Conservation, Division of Oil and Gas
 Note: BBL = barrels, MMCF = millions of cubic feet, Oil = Oil and Condensate

Offshore Oil and Gas Production by Field Ventura and Santa Barbara Counties and California										
Field	Crude Oil (thousands of BBL)					Natural Gas (MMCF)				
	2001	2002	2003	2004	2005	2001	2002	2003	2004	2005
Federal Leases										
Point Arguello	6,514	5,725	4,708	3,624	3,440	179	2,652	3,651	3,573	7,650
Hondo	9,947	8,919	7,665	7,698	6,210	23,054	24,347	21,690	21,803	25,100
Pescado	5,839	6,724	6,329	5,253	5,030	3,752	5,362	5,968	5,378	11,100
Pitas Point	3	2	1	1	1	3,890	3,080	1,798	850	656
Point Pedernales	1,798	2,244	2,328	2,387	2,710	658	1,074	907	877	1,100
Sacate	2,997	2,173	2,776	2,958	3,750	2,876	898	1,552	2,506	3,390
Sockeye	1,446	1,617	1,734	1,701	1,670	3,483	2,027	1,665	1,459	1,710
Carpinteria	734	712	624	519	488	631	484	422	374	373
Dos Cuadras	1,908	1,955	1,752	1,547	1,520	2,302	2,428	2,339	2,156	2,020
Hueneme	146	71	59	113	162	420	434	207	134	328
Santa Clara	788	878	742	680	614	520	769	567	482	403
State Leases										
Alegria	0	0	0	0	0	0	0	0	0	0
Carpinteria	0	0	0	0	0	0	0	0	0	0
Elwood	15	0	0	0	0	0	0	0	0	0
South Elwood	1,189	1,246	1,194	1,185	992	1,798	2,071	1,262	1,775	2,100
Point Conception	0	0	0	0	0	0	0	0	0	0
Summerland	0	0	0	0	0	0	0	0	0	0
Montalvo West	108	95	98	97	91	117	117	147	134	36
Rincon	193	134	126	104	48	87	41	55	108	30
Federal Total	32,120	31,018	28,717	26,481	25,595	41,765	43,556	40,767	39,591	53,830
State Total	1,506	1,475	1,418	1,387	1,131	2,002	2,229	1,464	2,017	2,166
Ventura and Santa Barbara County Offshore Totals	33,626	32,492	30,134	27,868	26,726	43,767	45,785	42,231	41,608	55,996
California Offshore Totals	50,166	48,359	45,648	43,141	41,300	49,046	50,805	47,195	46,687	60,100
Percent of Ventura and Santa Barbara Counties Offshore Production as a percent of Total California Offshore Production										
percent	67.0	67.2	66.0	64.6	64.7	89.2	90.1	89.5	89.1	93.2

Source: CA Dept. of Conservation, Division of Oil and Gas

Note: BBL = barrels, MMCF = millions of cubic feet, Oil = Oil and Condensate

All Governmental Revenues and Expenditures Santa Barbara County											
Revenues (Millions of Dollars)	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
	fiscal years										
Taxes	87.2	87.2	89.6	97.0	103.5	113.6	125.6	132.3	126.6	140.6	176.7
Property Taxes	45.7	47.8	49.3	51.6	54.8	58.2	65.9	70.0	72.4	80.4	113.1
Property Transfer Taxes	1.1	1.3	1.6	2.2	2.6	3.1	3.0	3.4	2.6	4.4	5.0
Sales Taxes	6.8	7.8	6.9	8.6	8.9	10.8	12.2	11.3	8.9	9.1	7.0
Transient Occupancy Taxes	3.4	3.5	3.9	4.2	4.6	5.1	6.5	5.9	4.4	5.4	4.8
Other Taxes	30.3	26.7	27.9	30.4	32.6	36.3	38.0	41.7	38.3	41.3	46.8
Licensing & Permits	7.0	7.3	7.9	8.9	10.1	10.3	12.4	13.5	12.3	14.4	13.7
Fines & Penalties	3.5	7.1	6.3	7.9	9.1	8.3	8.1	10.8	12.2	9.6	9.7
Use of Money & Property	8.1	10.8	10.8	13.0	10.4	10.3	18.5	14.0	10.7	5.5	9.5
Inter-Governmental	180.8	199.7	193.5	194.2	221.0	233.5	252.9	270.4	260.8	260.6	253.1
Charges for Current Services	52.4	66.5	71.8	77.2	85.8	95.9	101.9	117.5	117.1	123.7	134.3
Other Revenues	13.3	11.6	12.0	11.8	11.7	17.8	11.2	16.8	13.5	13.1	15.8
Total Revenues	352.4	390.1	392.0	410.1	451.7	489.7	530.5	575.3	553.1	567.5	612.8
Expenditures (Millions of Dollars)											
General	31.1	30.9	34.2	35.9	39.4	43.3	47.1	59.9	58.4	59.2	55.3
Public Protection	138.6	146.6	145.9	158.0	165.8	176.1	186.1	200.9	210.0	221.7	235.0
Public Ways & Facilities	15.5	17.4	21.4	26.6	29.1	27.2	30.8	23.8	22.1	24.4	32.5
Health Services	59.1	64.8	72.1	75.4	81.2	87.3	103.8	106.8	110.4	117.3	130.2
Public Assistance	92.7	89.8	85.5	84.2	94.7	94.9	100.0	104.7	105.9	105.2	107.4
Education	2.1	1.9	2.3	2.1	2.2	2.4	2.5	2.7	2.6	2.8	2.7
Debt Services	14.3	12.1	11.5	9.3	14.5	16.8	9.5	8.7	9.2	10.3	10.0
Other Expenditures	33.4	31.5	27.8	26.4	31.2	33.8	31.5	57.8	53.6	55.8	55.6
Total Expenditures	372.4	383.0	389.2	408.7	443.5	464.9	501.7	556.6	563.2	586.4	618.7
Surplus or Deficit	-20.0	7.1	2.8	1.4	8.1	24.8	28.8	18.8	-10.0	-18.9	-5.9

Source: County of Santa Barbara Auditor-Controller

Public Sector Employment and Average Salaries Santa Barbara County								
	Federal Government		State Government		Local Government		All Government	
	Jobs	Average Salary	Jobs	Average Salary	Jobs	Average Salary	Jobs	Average Salary
1991	4,158	25,660	8,883	17,155	16,183	25,526	29,225	23,738
1992	4,100	28,877	8,900	17,654	16,242	26,826	29,242	25,058
1993	4,100	31,076	8,775	33,374	16,350	27,197	29,225	29,089
1994	4,025	30,723	8,975	36,176	16,325	29,295	29,325	29,681
1995	3,708	29,402	9,483	36,053	16,500	32,180	29,692	30,392
1996	3,433	31,517	9,417	32,656	16,842	33,179	29,692	30,377
1997	3,717	46,115	9,467	35,759	17,700	31,853	30,883	31,998
1998	3,975	39,694	9,558	38,886	18,292	32,053	31,825	34,259
1999	3,892	40,242	9,775	40,152	18,775	33,549	32,442	35,735
2000	3,883	43,239	9,800	41,013	19,150	34,810	32,833	37,124
2001	3,817	44,599	10,100	45,309	20,533	36,996	34,450	39,543
2002	3,925	47,663	10,417	46,060	21,408	37,986	35,750	40,663
2003	3,875	50,430	10,558	46,529	21,142	39,510	35,575	42,159
2004	3,783	54,250	10,383	47,948	21,700	39,220	35,867	42,575
2005	3,733	55,646	10,425	47,996	22,200	40,468	36,358	43,551

Source: CA Employment Development Department

Largest Property Tax Payers - Santa Barbara County Fiscal Year 2005 - 06

Rank	Owner Name	Total Tax		Total Values
		Dollars		
1	Exxon Corporation	3,648,805		364,779,806
2	Verizon California Inc.	1,829,581		171,759,894
3	Beringer Wine Estates Company	1,777,116		75,493,950
4	Southern California Gas Co.	1,595,144		151,359,740
5	Ht-Santa Barbara Inc	1,353,019		127,500,000
6	Raytheon Company	1,282,345		121,802,173
7	1260 Bb Property, LLC	1,260,336		108,000,000
8	Pacific Offshore Pipeline Co	1,167,730		116,773,030
9	Boeing Corporation	1,028,973		98,293,610
10	Southern California Edison Co.	997,770		94,089,825
11	Redevelopment Agency/Santa Barbara	885,160		85,173,774
12	Tara li, Llc	861,076		84,682,979
13	Fairway Bb Property, LLC	828,337		81,304,442
14	Pacific Gas & Electric Co.	824,793		77,808,485
15	Parker Fess Doubletree Hotel	771,278		74,982,759
16	Lockheed Martin Astronautics	748,394		71,490,781
17	Sperling, Peter V	710,802		69,619,562
18	Sp Maravilla LLC	705,222		62,759,486
19	Marsupial Properties, LLC	688,687		67,432,041
20	Jackson Family Estates li, LLC	599,885		56,584,318
21	Camino Real li Limited Liability Company	553,959		49,179,588
22	Venoco, Inc	544,166		52,143,402
23	Fw Ca-Five Points Shopping Center, LLC	480,657		46,793,125
24	Rice Ranch Ventures, LLC	476,500		45,000,000
25	Boeing Company	464,405		44,362,535
26	Plains Exploration & Production	463,102		45,077,859
27	Cingular Wireless, LLC	456,007		43,029,244
28	Nettleship Patricia S Trustee	449,550		43,706,553
29	Islay Investments	413,964		27,333,000
30	Pini, Dario L	413,929		39,460,605
31	Breitbart Energy Company, LP	412,854		38,456,000
32	Mcc Bb Property, LLC	400,961		38,936,520
33	Nassau Land Company LP	400,127		37,526,541
34	Ire-Sb Inc	379,730		36,505,073
35	University Business Center Associates	375,733		34,884,061
36	Pacific Oaks, LP	369,163		31,793,779
37	Santa Maria Partners, LLC	350,322		28,665,933
38	Spaceport Systems International LP	336,332		32,128,318
39	Ampersand Publishing, LLC	333,709		31,687,230
40	Okonite Company Inc	332,491		31,946,077
41	Union Pacific Railroad Company	330,678		31,580,949
42	Rockbridge Investments, LP	328,021		31,314,452
43	Cox Communications Inc	322,131		31,439,838
44	Reitman Ivan & Genevieve Trustees	317,863		30,763,780
45	Wrbd li, LP	312,472		31,247,240
46	Colombo, Paul	312,054		30,617,825
47	Qad Ortega Hill LLC	303,446		28,954,541
48	Pioneer Santa Maria, LLC	295,883		28,458,000
49	Solvang Mesa, LLC	294,819		19,144,888
50	Windscape Village LLC	292,344		27,617,790

Source: County of Santa Barbara

REAL ESTATE



Santa Barbara County real estate continues to be in high demand, with buyers complaining about a lack of inventory. This is the case for both residential and commercial product types, and in both North County and South County. This has resulted in a number of related market conditions for commercial and residential real estate: prices and rents remain disconnected, capitalization rates (Cap Rates) remain low, and sellers have retained the upper hand.

Real estate price increases continue to make headlines in 2005. South Coast single-family median home prices remained well over the \$1 million mark during 2005, resulting in a median value at \$1.13 million for the year (up from \$981,000 for 2004). South Coast condominium prices were \$650,000 in 2005, up from \$575,000 in 2004. The average cost per South Coast apartment unit (properties with more than ten units) was \$216,300 in 2005, up from \$192,500 in 2004. South Coast Office sales values per square foot were up by 32 percent and Retail sales values per square foot were up by 30 percent in 2005.

However, residential and commercial rental/lease rates have not increased as much. This makes sense, as purchase demand often comes from outside the local area and/or from locals whose wealth does not depend on the local economy, while rents are tied only to the local economy. This is not to say the County's economy is doing poorly, as it is not. However, demand for real estate arising from local economic activity is small relative to investment demand from all over the country.

Analysts mention that Cap Rates are falling in the face of rising interest rates. However, in contrast to nominal interest rates, real interest rates are falling. While the nominal U.S. 30-year fixed mortgage rate rose from 5.83 percent in 2004 to 5.87 percent in 2005, the deflated rate fell from 3.17 in 2004 to 1.90 in 2005. Real mortgage rates and real Cap Rates are consistent in that they are both falling. Falling Cap Rates are consistent with previously mentioned market conditions: high demand for property and rents that are not growing as quickly as valuations.

There are some differences appearing in residential versus commercial markets, with residential sales volumes decreasing relative to commercial sales volumes. Residential sellers will sometimes wait longer for a better price than commercial sellers. In addition, much of the residential market is not income-producing, and thus justification of value based on income streams are not analyzed as they would be in the commercial setting. The residential market does appear to be shifting slightly away from sellers; however, we (as well as most in the industry) do not expect the pendulum to swing all the way over to buyers in 2006. We expect a slowdown in price growth, and as sellers wait for their price, we will see a reduction in sales volumes. We do not expect prices to crash.

Santa Barbara County Commercial Real Estate has not slowed yet; in fact, it might be starting a growth phase, with 2005 the strongest year of the last few. Three potential factors could slow Commercial Real Estate: 1) Prices could rise so high that even 1031-exchangers find it in their best interest to pay taxes; 2) construction costs

could rise high enough relative to rents that neither owner-users nor investors can afford current valuations; 3) the economy could slow down. Regarding the last factor, we note that local unemployment rates are very low at 4.3 percent, the second lowest in 14 years and 110 basis points lower than California's. From our current Santa Barbara County Business Sentiment survey, response to the question "Is your firm expanding in the next year?" has been very positive. Our short-run forecast for Santa Barbara County's economy is for continued growth.

RESIDENTIAL REAL ESTATE

Housing Demand and Baby-Boomer Demographics

Coastal California housing demand is being driven by: rapidly rising net wealth, demographics, low interest rates, and a quality of life that buyers are willing to pay for. We will discuss the Baby-Boomer demographic next, and interest rates will be discussed at the end of this chapter.

The Baby-Boomer demographic began impacting residential real estate in 1990. The leading-edge Baby Boomer turned 44 years old in 1990, an age where

research has shown families often trade up to larger and/or nicer homes. Because only one age-cohort reached this age in 1990, the impact on the market at that time was small. However, the Boomer's impact on the market due to trade-up home purchases was significant in the late 1990s and early 2000s.

By 2005, the youngest Baby Boomers were 44. This did not, however, bring an end to the Baby Boomers' impact on the housing market. By 2013, the youngest Boomers will reach 52 years of age, the average age when families buy vacation or second homes. We expect Boomers will continue influencing Coastal California housing markets for a few more years.

Why is Today's Housing Market Different from that of the Early 1990s?

Today's housing market differs from that of the early 1990s, when the prices of homes fell. The 1990s decline was due to a major recession associated with major defense cutbacks, the savings and loan restructuring, and an abundant supply of new homes. It is clear that the first two conditions do not exist today. And we will demonstrate that the third condition is also not relevant today.

We analyzed new housing

units permitted for California and for Santa Barbara County from 1980 to 2004. New housing units permitted per capita averaged 9.4 and 7.6 for California and Santa Barbara County, respectively, for the period 1986 to 1989—the years leading up to the fall of median home prices in the early 1990s. The same statistics for the period from 2001 to 2004 are 5.0 and 3.6, respectively. The rate of per-capita Santa Barbara County home building fell by 52 percent from the late 1980s to the 2001 to 2004 period, indicating it is not likely that the County's new housing market is overbuilt.

Residential Development

Santa Barbara County's 2005 new housing permit levels, at 980 units, were down substantially from 1,406 new housing permits in 2004. Much of this decrease was in Santa Maria. The days of Santa Maria new housing construction at the rate of 1,000 units per year appear to be over, which will maintain the market balance in favor of sellers, even in North County. Despite this, Santa Maria remains the city with Santa Barbara County's most vibrant new home market. North Santa Barbara County will continue to produce the bulk of new housing in the County, with projects

in planning for Lompoc, Orcutt, and Santa Maria that will steadily bring new housing units to the County's marketplace.

Please see the Economic

Outlook on the inserted CD for additional articles and data on "Residential Real Estate." It includes contributing author articles by Dawn Dyer, Gary Goldberg,

and Steve Golis. In addition, the CD contains detailed data on residential real estate development projects in Santa Barbara County.

SANTA BARBARA COUNTY - SOUTH COAST MULTI-FAMILY HOUSING FORECAST SPRING 2006

Dawn Dyer, Dyer Sheehan Group Inc.

Compared to the cost of buying a home in the Santa Barbara County - South Coast, renting an apartment is a bargain ... that is, if you can find one. While the median home price in the area has escalated 96% over the past five years, to a startling \$1,160,000, South Coast rents have only increased 14% since 2001. However, with the current vacancy rate of just 1.34%, finding a vacant apartment could be a challenge.

Why Rents Have Not Kept Pace With Home Prices

While the April 2006 overall average rent of \$1,295 may seem like a good deal, when weighed against million dollar plus home prices, you will still need an annual income of nearly \$52,000 to qualify to rent the average 681 square foot, 38-year old apartment in the South Coast. If you have a family, and need a larger unit, you will need an income of

about \$83,000 per year to qualify for the average \$2,081 rent on a three-bedroom unit, based upon the traditional qualifying standard of 30% of income for housing. Many hardworking individuals and families living in the South Coast don't earn nearly this much, and property owners/managers are having increasing difficulty finding tenants who qualify, based on this financial formula. As a result, many renters are paying higher percentages of their income for basic housing; in some cases 50% or more of the household income is required for rent. In some cases, two or more unrelated people (or families) pool their resources and share an apartment. Several of the property managers with whom we spoke indicated that the demand for two-bedroom units has increased, due to people doubling up in housing. Demand is also strong for one-bedroom and studio units, with many renters having to "settle" for a smaller

home than they would prefer, due to economic limitations.

The discrepancy between the increase in rental rates and soaring home prices reflects the changing demographic trends in the area. The California Association of Realtors reports that the number of local households which can afford to buy the median priced home in the South Coast has decreased from 24% in 2001, to only 6% in December 2005. As young and middle-aged workers are priced out of home ownership in the South Coast, many are relocating to other areas. The increased morning and evening commute times along the 101 Freeway offers evidence of the number of South Coast workers who have moved to areas with less expensive housing in Ventura County, northern Santa Barbara County, and even into neighboring San Luis Obispo County.

While middle income workers have the flexibility of com-

muting longer distances to work, in exchange for the opportunity to own a home, those working at the multitude of local jobs in the retail, service, and hospitality sectors don't earn enough to justify the cost of commuting (especially with rising gas prices). While this segment of the local workforce represents a "captive" renter market, there is a limit to the amount of rent that workers in these industries can afford to pay. This explains why rental rates have not risen as quickly as home prices over the past 5 years. Rents are much more closely tied to income levels than are home prices.

South Coast Rents Break New Ground

Despite the factors discussed above, rental rates are still increasing. The average overall April 2006 rent in the South Coast Market Area increased 4.7% over the past year, to a new record high of \$1,295. The sharpest increase in the overall market rents was for one-bedroom units, which went up 5.4% to \$1,122, with an average unit size of only 591 sq. ft.

The City of Santa Barbara has the tightest rental market in the area with a vacancy rate of only 0.68%. Although Carpinteria booked the highest vacancy rate at 3.93%, it should be noted that this is still well

INCOME REQUIRED TO QUALIFY AS RENTER				
SANTA BARBARA COUNTY - SOUTH COAST MARKET AREA - APRIL 2006				
Unit Type	Average Floor Area	Average Mo Rent	Qualifying Income @ 30%	
			Hourly	Annual
Studio	400 sq ft	\$897	\$17.94	\$35,880
1 Bedroom	591 sq ft	\$1,122	\$22.44	\$44,880
2 Bedroom	873 sq ft	\$1,651	\$33.02	\$66,040
3 Bedroom	1,263 sq ft	\$2,081	\$41.62	\$83,240
Overall	681 sq ft	\$1,295	\$25.90	\$51,800

Source: Dyer Sheehan, Inc.

below the 5% rate that is generally considered to represent equilibrium in the market. Furthermore, many of the apartments in Carpinteria have been converted to weekly or vacation rentals, and therefore have more variability in occupancy rates. Carpinteria also had the highest overall average rent per square foot at \$2.08, followed closely by Isla Vista at \$2.06 per sq. ft. Isla Vista also had the steepest increase in overall rents last year, at more than 8%, while the average 2-bedroom rent in Isla Vista increased a striking 11.4%, to a new record of \$1,911 per month. The fact that Isla Vista rents appreciated much more than the rest of the South Coast is not surprising, given the fact that the majority of its renters are students, and therefore, are not necessarily dependent on income from local employment to pay the rent.

Future Developments

With such a strikingly low vacancy rate, which has been sustained for the past several years, we might expect to see a flurry of new apartment construction activity. Although there have been some new projects built or winding their way through the approval process recently, these are primarily small infill developments, yielding a handful of additional rental units. There are also a few larger buildings in the works, but these are almost exclusively subsidized low-income projects. While the addition of these affordable housing units will certainly help meet the needs of some tenants at the lowest end of the economic scale, there is virtually no new construction of "market rate" rental units being planned.

The shortage of housing for moderate income residents will continue unabated. As home prices in the neighboring areas like Ventura County continue to appreciate, this alternative for Santa Barbara's workforce housing will become less attractive, and may lead to further closing of businesses in the

South Coast. If employers cannot attract and retain workers, due to the high cost of housing, eventually the employers are forced to relocate as well.

However, there will always be those who are attracted to Santa Barbara's outstanding natural beauty, lively cultural amenities, and

unique lifestyle. These consistent demand factors combined with the limited supply of rental housing, will result in continued moderate, but steady rental price appreciation, and low vacancy rates, resulting in a strong market for multi-family property owners along the South Coast for the foreseeable future.

WHERE IS THE HIGH END REAL ESTATE MARKET IN THE SPRING OF 2006?

Gary Goldberg, Coastal Properties

Now, that is the question. Where is the market today? What surprises most people is "where" they think the market is, is usually behind reality. What I mean by this is that when markets shift from seller's markets to neutral market to buyers markets, or fluctuate in between the three markets, most buyers or sellers are really behind the shift/change in the market by many months. Why? The market is actually changing monthly, but the public does not typically see the difference until houses actually close escrow (e.g. a property may go into escrow and not close for a month or two, and the press reports the closing only, they do not know when or how properties are going into escrow). In other words, Realtors watch the market change and

the public tends to follow months later. For this simple reason, I always recommend buyers and sellers use realtors when handling their real estate transactions.

How about answering the question, where is the market today? In Santa Barbara, where have so many sub-markets (based upon price ranges) within our entire market, one has to look at the various price ranges to truly see where the market is. The high-end market, (\$5,000,000 and up), has not cooled off at all – it is still rolling since the Internet boom in 1998. There have been at least six closings over \$10,000,000 and two or three in escrow as well. If you look deeper into this spectrum, three of the sales are over \$20,000,000 and of them all are ocean front properties.

An interesting thing about most of these high-end purchases is that the buyers are paying all cash for their homes. The high-end buyer is not bothered by the recent increases of the Fed rate, thereby also impacting the mortgage rate. This factor has caused the move-up and the entry-level markets to slow down, but not the high-end. These same buyers have also decided to place money into real estate and not as much in the stock market, as compared to the late 1990s (big Internet boom years).

A few other interesting facets in the high-end are: (1) most of the money is coming from out of the area, particularly from colder regions of the country – East Coast and Midwest; (2) baby

boomers are planning for their retirement and making second home or primary home purchases now (and I believe this group of buyers will continue to for years to come); (3) most of these purchases are for second or third or

even fourth homes; and (4) buyers do not have enough inventory to choose from.

This all tells us the high-end market is still very strong, and looking like it will stay that way for a while.

RESIDENTIAL INCOME MARKET UPDATE, APRIL 2006

Steve Golis, Radius Group Commercial Real Estate

North County

The North County, (Santa Maria and Lompoc), experienced a slowdown in the second half of 2005 compared with previous years. The 2005 market was still a seller's market, however, it was not as "hot" as the previous year, and the first half of 2005. The sales in the North County though have yet again surpassed their previous levels. There were a total of 20 sales in the North County in 2005, (buildings of over 5 units), an increase of 25 percent over 2004!

Interest Rates seem to be stabilizing and it appears that 2006 will end the interest rate hikes from the FED. However, with the rising interest rates, there is more inventory available than as of this writing last year.

Most 2005 North County investors continue to come from

the South County. South Santa Barbara County investors still seem to favor the North County as they know that is where the growth and home development has been and continues to be as far as Santa Barbara County goes. Investors seeking a better cap rate, return, etc., find the added value to be attractive by investing their dollars in North County.

As was the case in 2004, most of the notable sales for 2005 in Santa Barbara County were located in the North County.

Notable Santa Maria Sales

- 50 units at 311 E. Bunny, sold to a South County buyer
- 48 units at 616-702 W. Alvin sold to a South County buyer
- 208 units at 333 N. Enos Drive - The Lincolnwood Apartments, sold to an Institutional buyer

- 112 units at 200 N. McLelland - The Central Plaza Apartments, sold to the County Housing Authority, an income restricted housing deal

Notable Lompoc Sales

- 204 units at 401 W. Pine -The Ravenswood Apartments, sold to an Institutional buyer
- 48 units at 240 W. Pine - a housing credit deal that sold to the County Housing Authority

The North County (Santa Maria and Lompoc) apartment market continues to be on an upward trend, though I feel slowing slightly as it seems rents have stabilized. This time last year there were very few buildings available on the open market in the Santa Maria and Lompoc areas. However, as of January 2006

there were more choices of available property than as of this time last year. South County actually has less inventory of over-5-unit buildings for sale than the North County, which has not happened in a few years.

Though, additional inventory is available, properties that are aggressively priced seem to not be selling. However, overall, it is still a sellers market. I feel that buyers are a little more cautious on making sure the property they are pursuing falls within comparable levels. There are still a lot of 1031-exchange dollars fueling the market.

Rents in 2005 showed no gains as a few larger projects went on the market. For example, two bedroom units in Santa Maria were renting in 2003 for approximately \$825.00. At this time rents on those same units are roughly the same, with vacancy stabilized at 3 to 4 percent. In both Lompoc and Santa Maria, there continues to be a limited amount of new apartment construction taking place as compared to new single-family and condominium development. In Lompoc the vacancy rate has increased slightly, though Santa Maria occupancy levels seem stable.

The few projects that are in the design and development phase should have no impact on the

continued tightness of the market because of the strong need for housing. The median home price has increased at a staggering pace in the last 24 months, which is further pricing tenants out of the home ownership market. I feel these factors will continue to fuel a healthy environment for increasing rents and strong occupancy over the coming years.

Short Term Forecast for 2006 for the North County

- Price-per-unit averages will stay at or near \$115,000 per-unit the remainder of this year. Although there have been some sales of smaller buildings (5 to 10 units) in the North County that have exceeded over \$130,000 per-unit recently.
- Capitalization rates will remain in the range of 5.5 to 6.5. However, this will change depending how far interest rates go up.
- Gross rent multipliers will stay at or near 11.5-12.0 times Gross. However, this will change depending how far interest rates go up.

South County

The South County of Santa Barbara seems to have stabilized beginning in mid-2005. Both the North County and the South

County seem to have more supply than last year, though still relatively low. Interest rates as we are all aware have moved up, however are still very reasonable and low compared to historic levels.

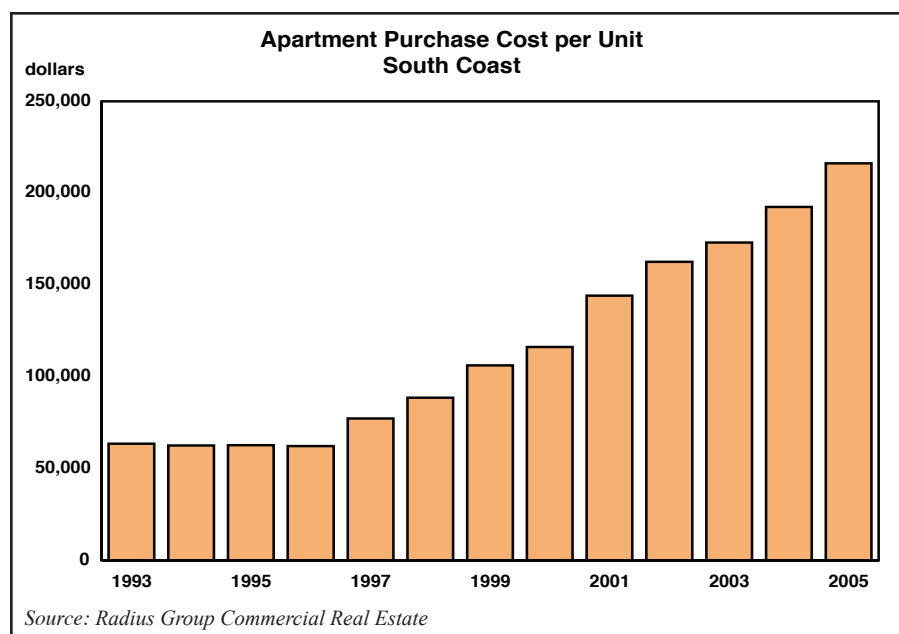
Rents in the South County should remain stable. Occupancies have moved up and rents seem to be moving in a slow northerly direction and should continue in that direction for the rest of this year, especially with our lack of building in the South County. I feel the market has shifted slightly though still appears to be a seller's market.

The strength of the market over the last 7 years, creates a consequence; which means an investor can expect to pay higher prices on a price-per-unit basis, a higher gross rent multiplier, and an overall lower Capitalization rate than in other parts of the County.

The 2005 average price per-unit for 5-9 units was \$240,437. The average price per-unit for 2005 for buildings for 10-plus apartment units was \$216,263. Both of these figures represent yet another increase from 2004.

Two Recent Sales in January 2006 worth noting for South County

Hollipat Apartments and Commercial: this is a 54-units plus a medical building with



vacant land. The property was a bid that produced over 15 offers, (showing the continued strength of the market for market priced properties in a good location). The property ultimately sold to Cottage Hospital to incorporate into their future development plans. The property had an asking price of \$15.5 million.

CBC and Chimney Sweep: this is a very large notable sale (already for 2006) consisting of two complexes totaling 238 units in Isla Vista. The property sold in January 2006 for \$57.1 million to a small publicly traded REIT, which bodes extremely well for the strength of our local apartment market.

Fixed interest rates as of February 2006 are in the mid to high 6% range, adjustable rates are about a point to a point in

a half lower (fixed rates are the same as last year, so stable at this time). These rates represent about a full percentage point higher than 2003. While interest rates are still relatively low, and rents are moving up, it has moved Cap rates down on sales again for the year 2005. Though Cap rates have moved down slightly, rents have increased across the board, translating into a neutral effect on prices from the previous year.

Short term forecast for 2005 for the South County

- Average 2005 sales of 5+ units were \$240,437 per-unit, and \$216,263 for 10+ units. We should see modest increases in price-per-unit averages in 2006.
- Capitalization rates of sales will

be in the high 4's to low 5's. Average 2005 was 3.91 for 5-9 units and 3.96 for 10+ units.

- Gross Rent Multipliers: I feel will be in the range of 11.5 to 13.50. The average for the year in 2005 was 16.40 for 5-9 Units and 15.38 for 10+ Units.

Look for 2006 to have an increased inventory with more options for buyers. The market should remain a seller's market. However, buyers shall be more cautious to make sure their subject property falls within comparable guidelines. It is still a good time to invest in commercial real estate along our Central Coast and diversify those investment dollars. Although I am predicting higher Cap rates and lower Gross Rent Multiples, I feel prices will go up slightly. I forecast rents to continue an upward trend for 2006. Pricing of apartments is a direct reflection of income, therefore the predication for slightly higher prices and yet better overall returns for the buyers.

**Multi-Family Housing Rent Survey
Current Survey Data For April 2006**

Combined South Coast Market Areas

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$		
				Lowest	Highest	Average
Total Properties Surveyed: 98	Studio	501	400 sq ft	\$700	\$1,970	\$897
Minimum Property Size: 5 Units	1 Bedroom	2,877	591 sq ft	\$800	\$1,800	\$1,122
Maximum Property Size: 183 Units	2 Bedroom	1,598	873 sq ft	\$975	\$2,600	\$1,651
Average Property Age: 38 Years	3 Bedroom	164	1,263 sq ft	\$1,525	\$3,000	\$2,081
Weighted Average Vacancy Rate: 1.34%	Overall	5,140	681 sq ft	\$700	\$3,000	\$1,295

City of Santa Barbara Market Area

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$		
				Lowest	Highest	Average
Total Properties Surveyed: 48	Studio	167	428 sq ft	\$700	\$1,970	\$903
Minimum Property Size: 8 Units	1 Bedroom	1,398	589 sq ft	\$825	\$1,800	\$1,134
Maximum Property Size: 168 Units	2 Bedroom	688	933 sq ft	\$1,000	\$2,500	\$1,585
Average Property Age: 42 Years	3 Bedroom	81	1,474 sq ft	\$1,675	\$3,000	\$2,149
Weighted Average Vacancy Rate: 0.68%	Overall	2,334	709 sq ft	\$700	\$3,000	\$1,285

Goleta Valley Market Area

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$		
				Lowest	Highest	Average
Total Properties Surveyed: 19	Studio	61	450 sq ft	\$900	\$1,060	\$936
Minimum Property Size: 12 Units	1 Bedroom	654	588 sq ft	\$910	\$1,510	\$1,132
Maximum Property Size: 183 Units	2 Bedroom	404	837 sq ft	\$1,125	\$1,975	\$1,552
Average Property Age: 34 Years	3 Bedroom	81	1,054 sq ft	\$1,525	\$2,265	\$2,020
Weighted Average Vacancy Rate: 1.35%	Overall	1,200	696 sq ft	\$900	\$2,265	\$1,323

Isla Vista Market Area

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$		
				Lowest	Highest	Average
Total Properties Surveyed: 18	Studio	200	372 sq ft	\$800	\$1,025	\$846
Minimum Property Size: 14 Units	1 Bedroom	688	594 sq ft	\$975	\$1,400	\$1,094
Maximum Property Size: 170 Units	2 Bedroom	412	839 sq ft	\$1,485	\$2,600	\$1,911
Average Property Age: 35 Years	3 Bedroom	0	n/a	n/a	n/a	n/a
Weighted Average Vacancy Rate: 1.21%	Overall	1,300	638 sq ft	\$800	\$2,600	\$1,315

City of Carpinteria Market Area

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$		
				Lowest	Highest	Average
Total Properties Surveyed: 13	Studio	73	372 sq ft	\$800	\$1,300	\$987
Minimum Property Size: 5 Units	1 Bedroom	137	601 sq ft	\$800	\$1,395	\$1,098
Maximum Property Size: 78 Units	2 Bedroom	94	749 sq ft	\$975	\$1,800	\$1,422
Average Property Age: 35 Years	3 Bedroom	2	1,175 sq ft	\$1,600	\$2,000	\$1,800
Weighted Average Vacancy Rate: 3.93%	Overall	306	595 sq ft	\$800	\$2,000	\$1,176

Source: Dyer Sheehan Group, Inc.

**Multi-Family Housing Rent Survey
Historical Survey Data**

Santa Barbara County - Combined South Coast Market Areas

Unit Type	Average Monthly Rent in \$					Average Monthly Rent in \$ per Sq. Ft.				
	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06
Studio	\$840	\$849	\$861	\$881	\$897	\$2.14	\$2.16	\$2.19	\$2.25	\$2.29
1 Bedroom	\$1,048	\$1,054	\$1,065	\$1,089	\$1,122	\$1.80	\$1.82	\$1.84	\$1.88	\$1.94
2 Bedroom	\$1,549	\$1,562	\$1,582	\$1,616	\$1,651	\$1.81	\$1.83	\$1.84	\$1.88	\$1.92
3 Bedroom	\$2,053	\$2,066	\$2,022	\$2,057	\$2,081	\$1.67	\$1.69	\$1.65	\$1.68	\$1.70
Overall	\$1,216	\$1,225	\$1,237	\$1,264	\$1,295	\$1.83	\$1.85	\$1.87	\$1.91	\$1.96
Weighted Average Vacancy Rate for Dates Indicated Above:						2.98%	1.60%	2.25%	1.60%	1.34%

City of Santa Barbara Market Area

Unit Type	Average Monthly Rent in \$					Average Monthly Rent in \$ per Sq. Ft.				
	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06
Studio	\$868	\$874	\$880	\$883	\$903	\$2.06	\$2.07	\$2.09	\$2.09	\$2.15
1 Bedroom	\$1,053	\$1,060	\$1,067	\$1,105	\$1,134	\$1.84	\$1.85	\$1.86	\$1.93	\$1.98
2 Bedroom	\$1,540	\$1,555	\$1,568	\$1,582	\$1,585	\$1.70	\$1.71	\$1.72	\$1.74	\$1.74
3 Bedroom	\$2,175	\$2,175	\$2,082	\$2,113	\$2,149	\$1.52	\$1.52	\$1.43	\$1.45	\$1.48
Overall	\$1,223	\$1,232	\$1,237	\$1,265	\$1,285	\$1.80	\$1.81	\$1.82	\$1.87	\$1.91
Weighted Average Vacancy Rate for Dates Indicated Above:						2.91%	1.35%	1.90%	0.58%	0.68%

Goleta Valley Market Area

Unit Type	Average Monthly Rent in \$					Average Monthly Rent in \$ per Sq. Ft.				
	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06
Studio	\$887	\$887	\$909	\$934	\$936	\$1.99	\$1.99	\$2.03	\$2.09	\$2.10
1 Bedroom	\$1,052	\$1,062	\$1,083	\$1,097	\$1,132	\$1.82	\$1.84	\$1.87	\$1.89	\$1.93
2 Bedroom	\$1,469	\$1,512	\$1,520	\$1,528	\$1,552	\$1.79	\$1.84	\$1.85	\$1.86	\$1.87
3 Bedroom	\$1,936	\$1,962	\$1,971	\$2,011	\$2,020	\$1.84	\$1.87	\$1.88	\$1.91	\$1.92
Overall	\$1,243	\$1,265	\$1,281	\$1,295	\$1,323	\$1.82	\$1.85	\$1.87	\$1.89	\$1.92
Weighted Average Vacancy Rate for Dates Indicated Above:						4.75%	2.66%	3.99%	1.60%	1.35%

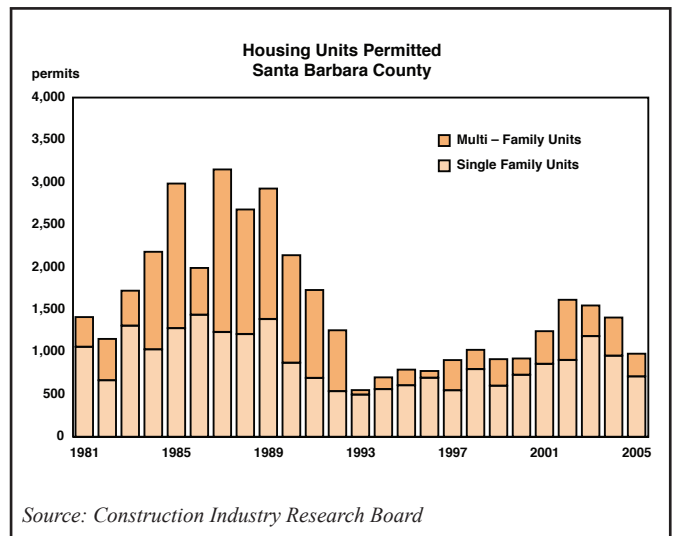
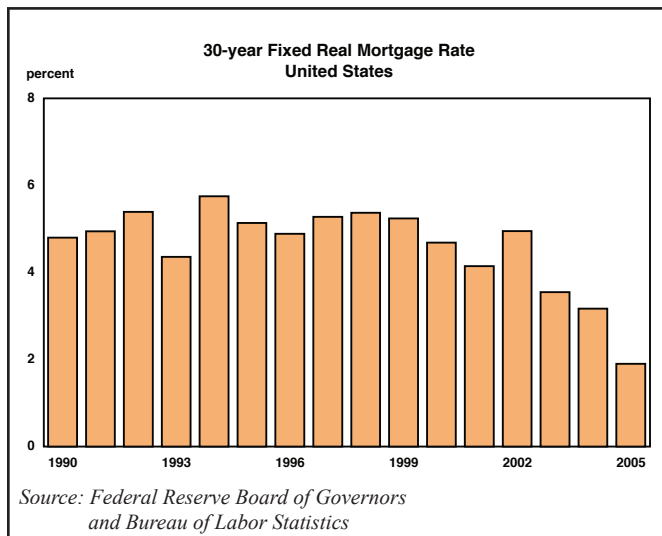
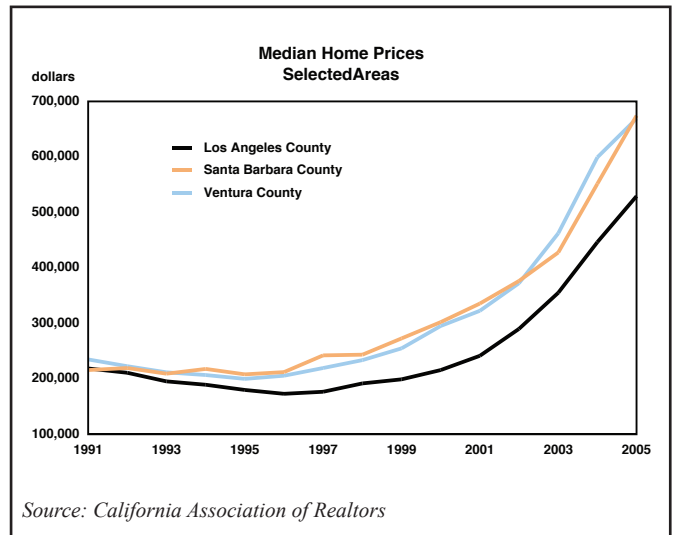
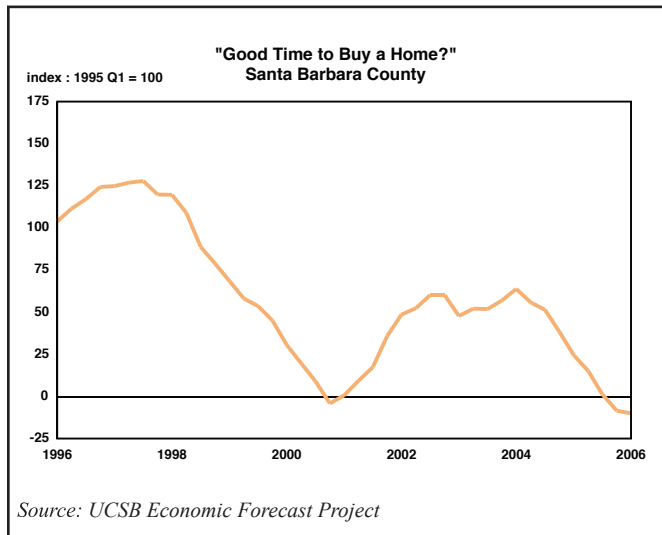
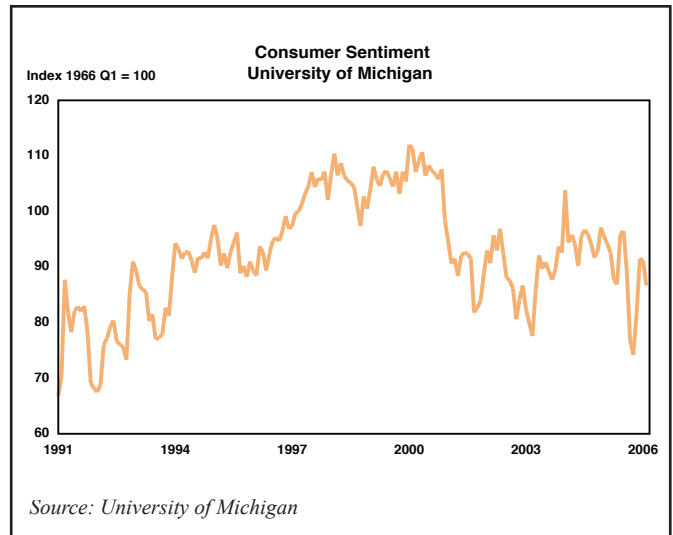
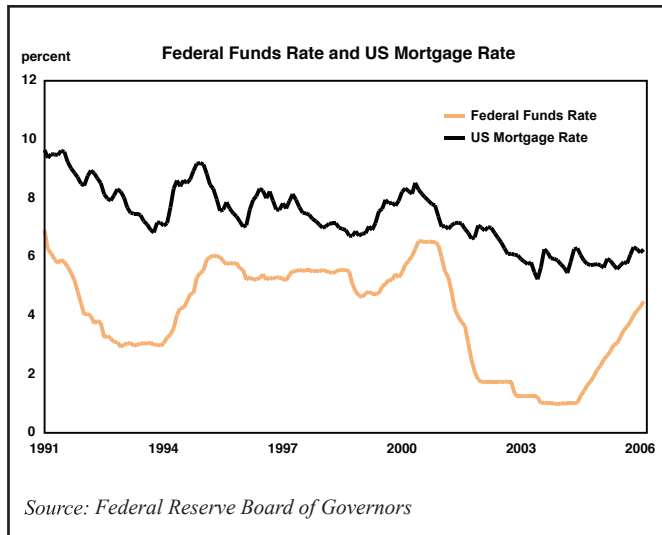
Isla Vista Market Area

Unit Type	Average Monthly Rent in \$					Average Monthly Rent in \$ per Sq. Ft.				
	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06
Studio	\$783	\$799	\$799	\$827	\$846	\$2.11	\$2.16	\$2.16	\$2.23	\$2.28
1 Bedroom	\$1,033	\$1,033	\$1,041	\$1,052	\$1,094	\$1.73	\$1.76	\$1.77	\$1.79	\$1.87
2 Bedroom	\$1,693	\$1,678	\$1,715	\$1,807	\$1,911	\$2.02	\$2.01	\$2.05	\$2.15	\$2.27
3 Bedroom	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Overall	\$1,204	\$1,201	\$1,217	\$1,257	\$1,315	\$1.88	\$1.90	\$1.92	\$1.97	\$2.06
Weighted Average Vacancy Rate for Dates Indicated Above:						2.13%	1.61%	1.93%	0.00%	1.21%

City of Carpinteria Market Area

Unit Type	Average Monthly Rent in \$					Average Monthly Rent in \$ per Sq. Ft.				
	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06	Apr-04	Oct-04	Apr-05	Oct-05	Apr-06
Studio	\$892	\$897	\$947	\$981	\$987	\$2.52	\$2.53	\$2.64	\$2.76	\$2.78
1 Bedroom	\$1,059	\$1,064	\$1,083	\$1,087	\$1,098	\$1.77	\$1.78	\$1.81	\$1.82	\$1.84
2 Bedroom	\$1,328	\$1,318	\$1,364	\$1,402	\$1,422	\$1.78	\$1.76	\$1.83	\$1.88	\$1.90
3 Bedroom	\$1,625	\$1,625	\$1,625	\$1,625	\$1,800	\$1.40	\$1.40	\$1.40	\$1.40	\$1.53
Overall	\$1,106	\$1,107	\$1,141	\$1,162	\$1,176	\$1.95	\$1.95	\$2.01	\$2.06	\$2.08
Weighted Average Vacancy Rate for Dates Indicated Above:						1.79%	0.94%	1.42%	7.57%	3.93%

Source: Dyer Sheehan Group, Inc.



Residential Real Estate Market Activity

	1999	2000	2001	2002	2003	2004	2005
California							
Median Home Price	\$217,510	\$241,350	\$262,350	\$316,130	\$371,520	\$450,770	\$524,020
Median Home Price (\$2000)	\$225,494	\$241,350	\$252,261	\$296,885	\$340,605	\$401,464	\$450,186
percent change	5.6	7.0	4.5	17.7	14.7	17.9	12.1
Ventura County							
Median Home Price	\$254,950	\$295,080	\$322,560	\$372,400	\$462,520	\$599,280	\$668,870
Median Home Price (\$2000)	\$263,355	\$295,080	\$312,070	\$350,568	\$424,401	\$532,125	\$568,512
percent change	6.6	12.0	5.8	12.3	21.1	25.4	6.8
Santa Barbara County							
Median Home Price	\$272,740	\$302,260	\$335,540	\$376,350	\$427,850	\$551,680	\$674,440
Median Home Price (\$2000)	\$281,731	\$302,260	\$324,628	\$354,287	\$392,588	\$489,859	\$573,246
percent change	9.4	7.3	7.4	9.1	10.8	24.8	17.0
Number of Home Sales	2,874	2,905	2,774	3,098	2,901	2,900	2,607

Source: California Association of Realtors

Home Prices and Affordability

	1999	2000	2001	2002	2003	2004	2005
California							
Affordability (percent)	37.0	31.0	34.0	29.0	26.0	20.0	16.0
Median Home Price	\$217,510	\$241,350	\$262,350	\$316,130	\$371,520	\$450,770	\$524,020
percent change	8.7	11.0	8.7	20.5	17.5	21.3	16.2
Median Family Income	\$54,100	\$55,200	\$58,400	\$60,800	\$60,300	\$62,500	\$62,500
percent change	2.9	2.0	5.8	4.1	-0.8	3.6	0.0
Santa Barbara County							
Affordability (percent)	30.0	23.0	23.0	18.4	17.4	11.3	7.6
Median Home Price	\$272,740	\$302,260	\$335,540	\$376,350	\$427,850	\$551,680	\$674,440
percent change	11.9	10.8	11.0	12.2	13.7	28.9	22.3
Median Family Income (Fiscal Years)	\$52,100	\$53,500	\$56,500	\$56,800	\$60,600	\$64,700	\$64,700
percent change	1.4	2.7	5.6	0.5	6.7	6.8	0.0

Source: California Association of Realtors and U.S. Department of Housing and Urban Development

Condominium Listings, Sales and Prices Santa Barbara and Goleta

	1999	2000	2001	2002	2003	2004	2005	2006:01	2006:02
Santa Barbara - East of State Street									
Listings (# of condos)	127	120	93	125	78	64	87	6	7
Sales (# of condos)	106	90	70	98	77	65	95	4	6
Median Price (dollars)	300,917	371,792	395,792	555,667	542,167	615,167	732,336	730,000	805,000
Average Price (dollars)	338,991	412,493	455,676	559,084	636,953	681,836	872,114	865,000	889,963
Santa Barbara - West of State Street									
Listings (# of condos)	132	134	118	129	120	113	112	5	2
Sales (# of condos)	118	107	100	101	126	110	123	8	2
Median Price (dollars)	257,890	301,292	358,083	412,708	481,950	738,222	680,667	675,000	626,000
Average Price (dollars)	286,973	327,211	379,185	455,475	511,601	740,883	759,278	662,300	892,500
Goleta - North of Highway 101									
Listings (# of condos)	94	88	87	77	58	81	44	5	0
Sales (# of condos)	90	81	81	72	58	75	55	6	1
Median Price (dollars)	218,125	268,475	308,638	374,417	452,658	546,208	609,250	610,000	835,000
Average Price (dollars)	235,769	266,672	310,628	383,652	462,275	562,250	627,731	675,750	835,000
Goleta - South of Highway 101									
Listings (# of condos)	118	111	100	79	93	75	81	3	0
Sales (# of condos)	131	91	89	82	91	74	77	5	9
Median Price (dollars)	182,015	250,625	305,792	337,367	385,500	521,458	596,292	610,000	579,500
Average Price (dollars)	205,186	277,462	309,531	358,117	415,371	517,896	626,247	597,600	631,056

Source: Santa Barbara Association of Realtors Multiple Listing Service

Single Family Home Listings, Sales and Prices Santa Barbara South Coast

	1999	2000	2001	2002	2003	2004	2005	2006:01	2006:02
Santa Barbara South Coast									
Listings (# of homes)	1,732	1,727	1,666	1,195	1,133	1,161	1,168	67	25
Days on Market (days)	103	87	85	59	61	57	61	NA	NA
Sales (# of homes)	1,331	1,333	1,232	1,220	1,283	1,374	1,315	97	73
Median Price (dollars)	475,000	572,000	655,000	749,000	825,000	981,000	1,130,000	1,000,000	1,050,000
Average Price (dollars)	651,399	810,864	964,673	1,081,719	1,180,995	1,453,365	1,592,666	1,374,049	1,722,403
Carpinteria / Summerland									
Listings (# of homes)	135	140	130	88	71	75	56	2	0
Days on Market (days)	103	117	104	66	79	51	88	NA	NA
Sales (# of homes)	98	93	84	97	96	85	66	3	4
Median Price (dollars)	417,250	545,000	649,000	749,000	725,000	920,000	1,295,000	1,475,000	970,000
Average Price (dollars)	615,805	702,534	972,351	1,010,025	1,006,117	1,768,869	2,413,521	1,386,667	937,500
Montecito									
Listings (# of homes)	278	312	284	201	169	143	149	11	3
Days on Market (days)	138	126	132	98	100	123	101	NA	NA
Sales (# of homes)	199	234	190	208	196	200	200	16	10
Median Price (dollars)	1,121,847	1,410,000	1,595,000	1,675,000	1,900,000	2,505,000	2,450,000	2,167,500	3,845,000
Average Price (dollars)	1,287,800	1,679,687	2,115,291	2,187,644	2,429,115	3,127,331	3,203,723	2,769,344	4,818,500
Santa Barbara East of State Street									
Listings (# of homes)	414	460	400	279	255	254	238	13	8
Days on Market (days)	82	74	78	55	56	49	60	NA	NA
Sales (# of homes)	314	344	298	285	274	304	273	15	16
Median Price (dollars)	520,965	625,000	719,000	795,000	950,000	1,115,000	1,310,000	1,280,000	1,335,000
Average Price (dollars)	594,200	728,572	840,569	918,401	1,061,798	1,272,486	1,455,598	1,524,700	1,520,584
Santa Barbara West of State Street									
Listings (# of homes)	381	334	348	241	211	200	200	8	5
Days on Market (days)	87	77	74	50	42	46	43	NA	NA
Sales (# of homes)	283	297	268	251	227	232	213	18	9
Median Price (dollars)	415,868	500,000	600,000	675,000	766,000	915,000	1,056,000	948,000	1,160,000
Average Price (dollars)	475,600	572,865	679,463	760,235	882,121	1,013,633	1,173,662	1,043,889	1,334,333
Hope Ranch									
Listings (# of homes)	50	28	46	30	29	29	20	2	0
Days on Market (days)	147	167	108	90	103	57	85	NA	NA
Sales (# of homes)	42	20	25	25	34	33	27	1	1
Median Price (dollars)	1,137,964	1,800,000	1,725,000	1,850,000	1,925,000	2,241,000	2,700,000	960,000	2,550,000
Average Price (dollars)	1,365,800	2,127,719	1,925,865	2,123,600	2,356,764	2,653,988	4,050,315	960,000	2,550,000
Goleta North of Highway 101									
Listings (# of homes)	269	245	229	175	166	203	165	9	4
Days on Market (days)	67	61	60	39	45	40	34	NA	NA
Sales (# of homes)	239	203	200	179	193	226	187	6	12
Median Price (dollars)	417,441	483,000	549,000	648,900	739,000	900,000	993,000	976,500	930,000
Average Price (dollars)	497,000	565,225	627,111	756,210	919,970	1,065,713	1,149,898	1,009,417	1,004,375
Goleta South of Highway 101									
Listings (# of homes)	139	126	111	91	117	91	80	6	1
Days on Market (days)	57	68	52	28	31	25	38	NA	NA
Sales (# of homes)	109	105	98	92	121	107	82	6	5
Median Price (dollars)	359,064	433,000	475,500	599,000	675,000	852,000	925,000	915,000	1,099,000
Average Price (dollars)	391,300	468,203	526,068	662,013	750,099	895,158	1,040,921	934,333	1,023,900

Source: Santa Barbara Association of Realtors Multiple Listing Service

Residential Real Estate Market Activity in Santa Barbara County

	1999	2000	2001	2002	2003	2004	2005
Buellton							
Median Home Price	\$230,458	\$272,167	\$318,396	\$371,227	\$457,583	\$577,479	\$686,529
Median Home Price (\$2000)	\$238,056	\$272,167	\$308,041	\$349,464	\$419,871	\$512,767	\$583,522
percent change	23.3	14.3	13.2	13.4	20.1	22.1	13.8
Number of Home Sales	74	56	61	51	57	95	47
Carpinteria							
Median Home Price	\$265,833	\$320,750	\$357,504	\$418,917	\$507,917	\$648,125	\$751,841
Median Home Price (\$2000)	\$274,597	\$320,750	\$345,877	\$394,358	\$466,056	\$575,496	\$639,034
percent change	15.8	16.8	7.8	14.0	18.2	23.5	11.0
Number of Home Sales	171	125	95	103	114	170	126
Goleta							
Median Home Price	\$332,161	\$389,854	\$395,917	\$439,208	\$570,792	\$737,375	\$882,818
Median Home Price (\$2000)	\$343,111	\$389,854	\$383,041	\$413,460	\$523,749	\$654,745	\$750,359
percent change	17.8	13.6	-1.7	7.9	26.7	25.0	14.6
Number of Home Sales	612	351	223	249	223	278	208
Guadalupe							
Median Home Price	\$92,528	\$83,818	\$136,375	\$179,313	\$217,000	\$284,604	\$382,938
Median Home Price (\$2000)	\$95,578	\$83,818	\$131,940	\$168,801	\$199,116	\$252,711	\$325,481
percent change	-1.4	-12.3	57.4	27.9	18.0	26.9	28.8
Number of Home Sales	39	25	49	50	59	60	59
Lompoc							
Median Home Price	\$133,666	\$153,063	\$184,981	\$235,663	\$283,792	\$363,229	\$423,665
Median Home Price (\$2000)	\$138,073	\$153,063	\$178,965	\$221,847	\$260,403	\$322,526	\$360,098
percent change	1.0	10.9	16.9	24.0	17.4	23.9	11.6
Number of Home Sales	707	642	656	630	654	714	724
Santa Barbara							
Median Home Price	\$342,750	\$430,354	\$500,224	\$562,945	\$662,263	\$895,333	\$1,075,591
Median Home Price (\$2000)	\$354,049	\$430,354	\$483,955	\$529,943	\$607,682	\$795,002	\$914,208
percent change	13.5	21.6	12.5	9.5	14.7	30.8	15.0
Number of Home Sales	995	862	580	586	649	1,084	1,005
Santa Maria							
Median Home Price	\$138,443	\$158,243	\$188,063	\$243,667	\$293,313	\$366,896	\$443,122
Median Home Price (\$2000)	\$143,007	\$158,243	\$181,946	\$229,382	\$269,139	\$325,781	\$376,635
percent change	3.4	10.7	15.0	26.1	17.3	21.0	15.6
Number of Home Sales	1,600	1,423	1,496	1,439	1,621	2,054	1,925
Solvang							
Median Home Price	\$309,303	\$327,042	\$392,534	\$451,845	\$575,771	\$721,625	\$837,791
Median Home Price (\$2000)	\$319,500	\$327,042	\$379,768	\$425,356	\$528,318	\$640,760	\$712,088
percent change	23.5	2.4	16.1	12.0	24.2	21.3	11.1
Number of Home Sales	154	133	107	129	131	132	127

Source: First American Real Estate Solutions

Residential Building Activity

	1999	2000	2001	2002	2003	2004	2005
Carpinteria							
Total Residential Units Permitted	18	43	8	1	5	4	14
Single Family Units Permitted	15	4	8	1	1	1	5
Multiple Family Units Permitted	3	39	0	0	4	3	9
Residential Building Value (\$millions)	6.3	5.7	2.7	1.5	1.7	2.5	5.4
Guadalupe							
Total Residential Units Permitted	29	22	111	130	11	100	31
Single Family Units Permitted	29	22	103	50	11	1	14
Multiple Family Units Permitted	0	0	8	80	0	99	17
Residential Building Value (\$millions)	4.6	3.5	18.3	22.5	1.9	6.6	2.3
Lompoc							
Total Residential Units Permitted	93	0	4	21	74	34	25
Single Family Units Permitted	1	0	0	21	72	30	25
Multiple Family Units Permitted	92	0	4	0	2	4	0
Residential Building Value (\$millions)	10.6	8.2	3.5	9.6	27.6	9.9	9.5
Santa Barbara							
Total Residential Units Permitted	59	55	106	138	115	120	256
Single Family Units Permitted	41	33	44	39	61	56	46
Multiple Family Units Permitted	18	22	62	99	54	64	210
Residential Building Value (\$millions)	27.9	17.4	28.7	52.8	59.4	46.6	82.1
Santa Maria							
Total Residential Units Permitted	246	333	762	984	976	765	317
Single Family Units Permitted	205	333	556	630	704	643	294
Multiple Family Units Permitted	41	0	206	354	272	122	23
Residential Building Value (\$millions)	40.8	54.5	109.2	142.9	159.6	133.6	65.1
Santa Barbara County							
Total Residential Units Permitted	915	924	1,245	1,614	1,549	1,406	980
Single Family Units Permitted	601	731	858	904	1,186	956	711
Multiple Family Units Permitted	314	193	387	710	363	450	269
Residential Building Value (\$millions)	225.3	233.8	283.1	356.6	409.7	357.5	340.5

Source: Construction Industry Research Board

New Residential Building Permits by Region in Santa Barbara County

		2001	2002	2003	2004	2005
		number of permits				
Santa Barbara Region						
Total Residential Units		88	273	53	31	141
Single Family Units		54	23	32	14	123
Multi Family Units		20	235	1	5	2
Condominium Units		3	0	0	0	0
Santa Barbara Unincorporated						
Total Residential Units		54	24	49	25	133
Single Family Units		25	13	28	9	116
Multi Family Units		18	0	1	4	1
Condominium Units		3	0	0	0	0
Hope Ranch						
Total Residential Units		3	1	2	3	2
Single Family Units		3	1	2	3	2
Multi Family Units		0	0	0	0	0
Condominium Units		0	0	0	0	0
Goleta Unincorporated						
Total Residential Units		31	246	2	1	2
Single Family Units		26	7	2	1	2
Multi Family Units		2	235	0	0	0
Condominium Units		0	0	0	0	0
Isla Vista						
Total Residential Units		0	2	0	2	4
Single Family Units		0	2	0	1	3
Multi Family Units		0	0	0	1	1
Condominium Units		0	0	0	0	0
Carpinteria / Summerland						
Total Residential Units		10	12	23	21	19
Single Family Units		9	9	20	14	17
Multi Family Units		0	0	0	2	0
Condominium Units		0	0	0	0	0
Montecito / Mission Canyon						
Total Residential Units		32	25	15	21	24
Single Family Units		30	24	14	21	23
Multi Family Units		2	1	1	0	0
Condominium Units		0	0	0	0	1
North Santa Barbara Unincorporated						
Total Residential Units		44	74	86	98	115
Single Family Units		27	32	78	74	88
Multi Family Units		0	4	0	15	0
Condominium Units		0	26	0	0	19
Lompoc Unincorporated						
Total Residential Units		9	40	48	71	28
Single Family Units		5	12	47	66	9
Multi Family Units		0	4	0	3	0
Condominium Units		0	22	0	0	19
Santa Maria Unincorporated						
Total Residential Units		35	34	38	27	87
Single Family Units		22	20	31	8	79
Multi Family Units		0	0	0	12	0
Condominium Units		0	4	0	0	0
Santa Ynez Valley						
Total Residential Units		128	123	158	53	34
Single Family Units		119	114	146	38	30
Multi Family Units		1	2	5	6	0
Condominium Units		2	3	0	0	0
Buellton City						
Total Residential Units		77	63	131	30	11
Single Family Units		74	60	123	18	9
Multi Family Units		1	0	4	6	0
Condominium Units		2	3	0	0	0
Solvang City						
Total Residential Units		7	12	3	7	2
Single Family Units		7	12	2	6	2
Multi Family Units		0	0	1	0	0
Condominium Units		0	0	0	0	0
Santa Ynez Township						
Total Residential Units		44	48	24	16	21
Single Family Units		38	42	21	14	19
Multi Family Units		0	2	0	0	0
Condominium Units		0	0	0	0	0

Source: County of Santa Barbara

NON-RESIDENTIAL REAL ESTATE

South Coast Commercial Real Estate

The South Coast 2005 Commercial real estate market improved significantly over 2004. Market segments that had large vacancies in 2004 (for example Office space in Carpinteria) improved significantly in 2005, and those market segments with low vacancies in 2004 (for example Retail space in Santa Barbara) remained low in 2005.

The Retail market remains tight across the South Coast, with only 109,000 square feet vacant out of a base of 14.9 million square feet. There is virtually no Retail development in the South Coast. The South Coast Office market experienced a big rebound from 2004, with notable improvements in each sub-area: Carpinteria, Goleta, and Santa Barbara. The South Coast Office market experienced significant net absorption (200,000 square feet), consistent with stronger leasing activity than the previous few years. Citrix Systems is pursuing the only approved Office project of 160,000 square feet located in the City of Santa Barbara's airport property. South Coast Industrial market

activity was stronger in 2005 as well, with approximately 40,000 square feet of net absorption and with lease rates up in Carpinteria and Santa Barbara.

Lease rates also rose with more strength than they did in 2004, with overall South Coast actual rates up 12 percent in 2005 compared with five percent in 2004. South Coast sale prices were up even more than lease rates in 2005 (32 percent for Office, 43 percent for Medical, 7 percent for Industrial, and 30 percent for Retail).

As mentioned, vacancy rates reduced significantly in Carpinteria's Office and Industrial market segments, falling from 22.4 percent for Office in Jan. 2005 to 12.9 percent in Jan. 2006, and Industrial fell from 6.3 percent in Jan. 2005 to 3.2 percent in Jan. 2006. The Goleta area experienced reductions as well, from 6.9 percent to 4.9 percent for Office space for the same time period. Santa Barbara's Office space vacancy also fell dramatically, from 5.2 percent in Jan. 2005 to 2.8 percent in Jan. 2006.

Santa Maria Commercial Real Estate

Santa Maria's 2005 Commercial real estate market was strong across all market segments. How-

ever, it is interesting to note that while the Santa Maria economy is one of the strongest in the Central Coast in terms of job creation, not many companies that use large Office, R&D, or Manufacturing spaces have located to Santa Maria.

Santa Maria's 2005 Retail market improved significantly, with two of the remaining large vacant spaces partially leased. Not much Retail development has occurred in the past few years, but there are now projects in planning that will add to the City's base. These include the College Square (65,000 square feet at College and Betteravia), the Santa Maria Commons (120,000 square feet at McCoy and Broadway), and the Westgate Marketplace (120,000 square feet at Blosser and Battles). The College Square and Santa Maria Commons are approved, while the Westgate Marketplace is in planning. The downtown mall has been in need of renovation, and has seen a proposal for a 12-screen movie theater for the top level.

The Santa Maria Office market has seen significant development in the past two years, with an increase in the base of about 10 percent (or about 70,000 square feet). Despite this increase, the Office market vacancy rate is relatively low, and 2005 lease

rates increased by about \$0.10 per square foot for second-generation space.

The Santa Maria Industrial market vacancy rate is relatively low at less than six percent, and leasing activity is strong for small spaces (approximately 4,000 square feet). However, leasing activity for large space is weak. The seven-building, 139,000 square-foot FairSky Technology Park is in the process of being sub-divided for smaller users in the market. In addition, manufacturing-zoned properties are being absorbed for non-manufacturing uses such as churches, furniture stores, and commercial services users.

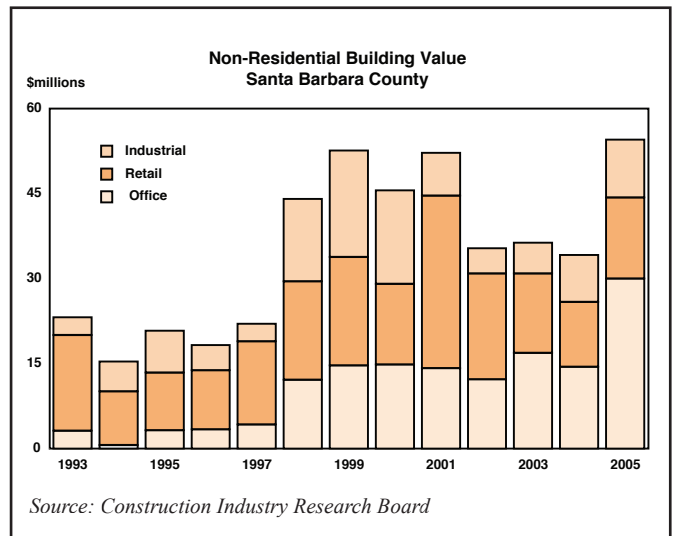
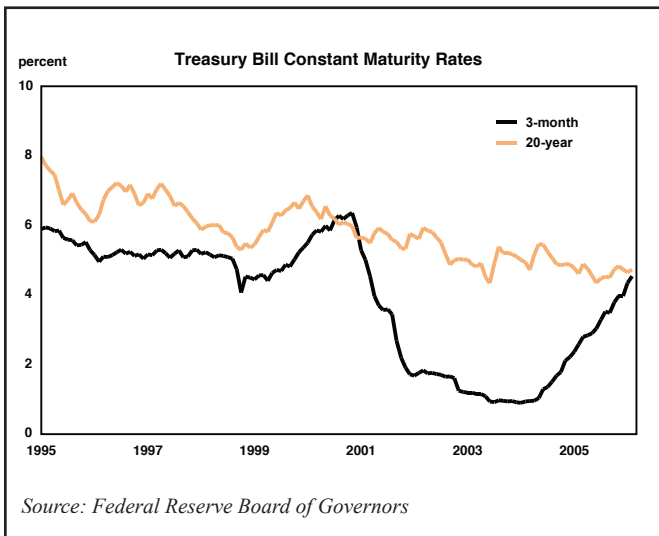
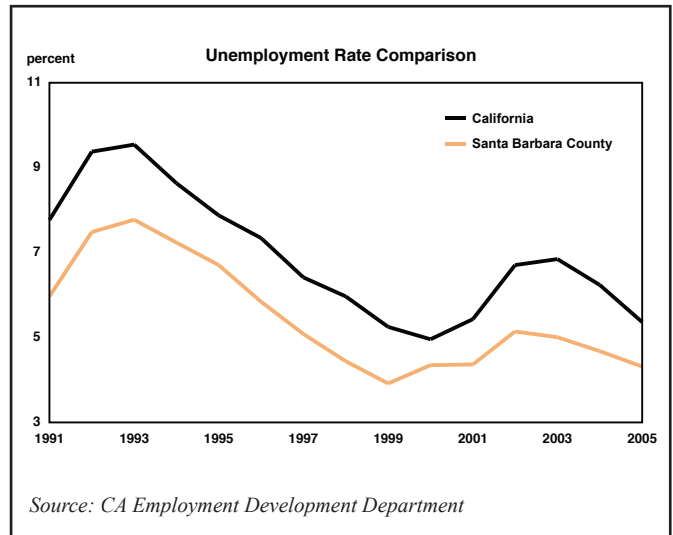
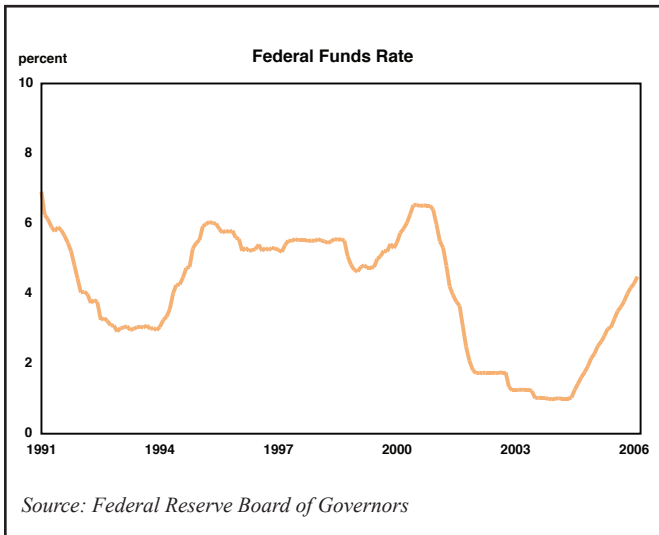
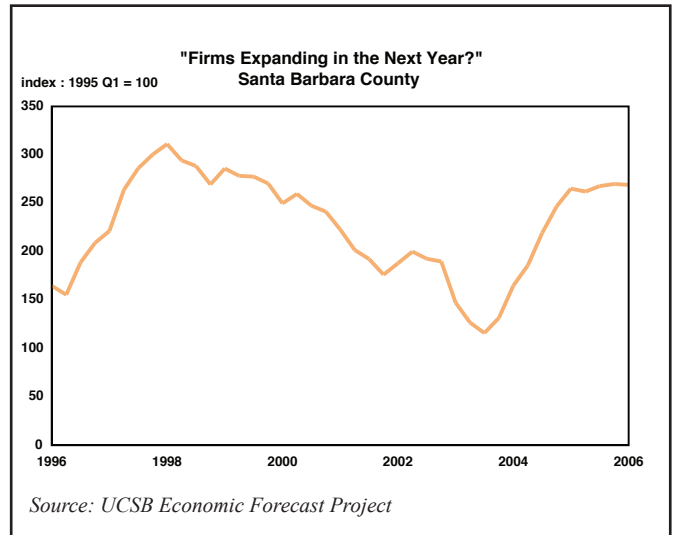
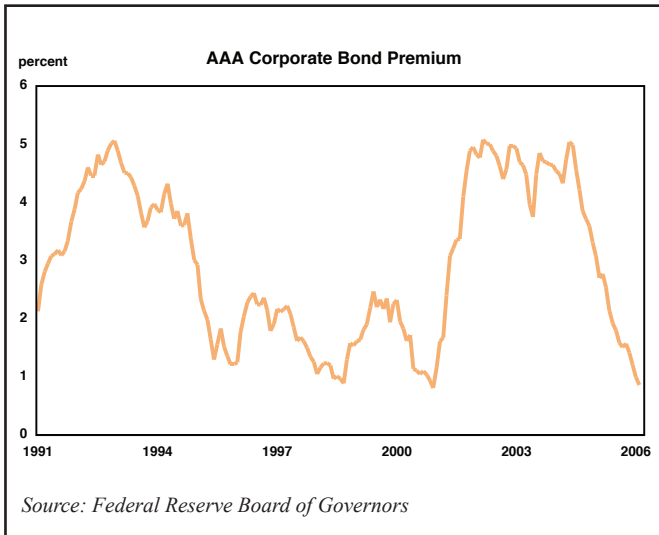
INTEREST RATES

The FED continued raising their target interest rate during 2005 and thus far through 2006, which led to similar rate increases in short-term debt instruments such as the 3-month Treasury Bill. We believe that the recent rate increases have been effective in removing excess liquidity from the monetary system. Core inflation rates have remained subdued (2.2 percent for the United States in 2005), so we do not see a need for further rate increases.

Despite the changes occurring in the short-term debt market, the long-term debt market has continued to experience substantial demand. This demand comes from outside the United States (foreign central banks) and from inside (investors, households, and institutional). All of these buyers find the risk and return trade-off of long-term bonds attractive. We do not expect this to change quickly. In the short term, the fundamental impact that low, long-term interest rates have had on Santa Barbara County's economy and real estate markets is likely to continue.

Please see the Economic Outlook on the inserted CD for additional data on "Commercial Real Estate." It includes contributing author articles by Mike Hieshima, AJ Schrader, and Phillip Kyle; Steve McCarty and Greg Stafford; Francois DeJohn, Stephen Hayes, and Kristopher Roth; as well as Bob Tuler and Brian Johnson. In addition, the CD contains detailed data on Commercial real estate development projects in Santa Barbara County.

Non-Residential Real Estate



Non-Residential Building Values

	1999	2000	2001	2002	2003	2004	2005
	millions of dollars						
Carpinteria							
Non-Residential Building Value	2.9	0.8	5.8	0.8	1.2	1.4	2.8
Office Building Value	0.0	0.0	2.6	0.0	0.0	0.0	0.0
Industrial Building Value	1.7	0.0	0.0	0.0	0.0	0.0	0.0
Retail Building Value	0.0	0.0	0.0	0.0	0.5	0.0	1.2
Guadalupe							
Non-Residential Building Value	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Office Building Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Industrial Building Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Retail Building Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lompoc							
Non-Residential Building Value	7.8	14.5	7.7	8.7	4.0	4.3	3.5
Office Building Value	0.0	0.0	0.0	2.9	0.0	0.0	0.0
Industrial Building Value	0.0	6.0	0.0	0.0	0.0	0.0	0.0
Retail Building Value	0.0	1.6	5.7	0.4	0.2	0.0	0.0
Santa Barbara							
Non-Residential Building Value	25.4	38.3	29.7	43.0	40.0	21.3	71.7
Office Building Value	5.4	3.2	0.0	0.4	0.0	1.3	22.6
Industrial Building Value	0.0	1.3	0.0	0.0	0.0	0.0	0.0
Retail Building Value	4.9	6.1	2.7	5.3	4.2	3.3	7.2
Santa Maria							
Non-Residential Building Value	31.0	21.7	48.3	35.7	36.2	31.6	33.0
Office Building Value	0.8	3.0	11.2	4.8	7.2	7.9	6.4
Industrial Building Value	11.0	5.6	4.4	0.9	2.3	4.3	5.1
Retail Building Value	5.1	4.9	21.5	11.8	8.1	4.1	2.9
Santa Barbara County							
Non-Residential Building Value	142.3	133.2	134.2	142.1	130.1	118.0	162.3
Office Building Value	14.7	14.8	14.2	12.2	16.9	14.4	30.0
Industrial Building Value	18.8	16.5	7.6	4.5	5.4	8.3	10.2
Retail Building Value	19.1	14.2	30.4	18.7	14.0	11.5	14.3

Source: Construction Industry Research Board

New Non-Residential Building Permit Value by Region in Santa Barbara County

	thousands of dollars				
	2001	2002	2003	2004	2005
Santa Barbara Region					
Total New Non-Residential Value	\$8,796	\$18,570	\$15,394	\$8,502	\$1,125
Office	\$194	\$2,963	\$4,455	\$101	\$0
Retail	\$546	\$1,330	\$3,857	\$3,736	\$0
Industrial	\$32	\$0	\$0	\$235	\$0
Santa Barbara Unincorporated					
Total New Non-Residential Value	\$5,588	\$14,321	\$11,185	\$3,742	\$396
Office	\$194	\$2,963	\$4,455	\$0	\$0
Retail	\$0	\$0	\$225	\$178	\$0
Industrial	\$0	\$0	\$0	\$0	\$0
Hope Ranch					
Total New Non-Residential Value	\$1,036	\$1,435	\$398	\$767	\$209
Office	\$0	\$0	\$0	\$0	\$0
Retail	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0
Goleta Unincorporated					
Total New Non-Residential Value	\$1,796	\$2,802	\$3,810	\$3,993	\$416
Office	\$0	\$0	\$0	\$101	\$0
Retail	\$546	\$1,330	\$3,632	\$3,557	\$0
Industrial	\$32	\$0	\$0	\$235	\$0
Isla Vista					
Total New Non-Residential Value	\$376	\$13	\$0	\$0	\$104
Office	\$0	\$0	\$0	\$0	\$0
Retail	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0
Carpinteria / Summerland					
Total New Non-Residential Value	\$1,856	\$2,432	\$1,175	\$1,915	\$1,103
Office	\$0	\$244	\$518	\$332	\$3
Retail	\$0	\$0	\$0	\$451	\$3
Industrial	\$1,469	\$158	\$0	\$0	\$9
Montecito / Mission Canyon					
Total New Non-Residential Value	\$2,645	\$3,610	\$2,689	\$2,917	\$3,096
Office	\$0	\$116	\$0	\$0	\$0
Retail	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$688	\$0	\$0	\$10
North Santa Barbara Unincorporated					
Total New Non-Residential Value	\$2,258	\$1,260	\$9,977	\$4,484	\$1,022
Office	\$31	\$351	\$198	\$2,559	\$2
Retail	\$125	\$0	\$2	\$0	\$0
Industrial	\$24	\$4	\$9,208	\$0	\$0
Lompoc Unincorporated					
Total New Non-Residential Value	\$610	\$234	\$256	\$144	\$232
Office	\$0	\$127	\$0	\$0	\$0
Retail	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0
Santa Maria Unincorporated					
Total New Non-Residential Value	\$1,648	\$1,027	\$9,721	\$4,340	\$790
Office	\$31	\$224	\$198	\$2,559	\$2
Retail	\$125	\$0	\$2	\$0	\$0
Industrial	\$24	\$4	\$9,208	\$0	\$0
Santa Ynez Valley					
Total New Non-Residential Value	\$8,473	\$5,924	\$7,725	\$4,875	\$9,174
Office	\$0	\$323	\$0	\$0	\$1,009
Retail	\$799	\$40	\$0	\$179	\$0
Industrial	\$2,726	\$2,977	\$3,472	\$3,045	\$5,584
Buellton City					
Total New Non-Residential Value	\$2,119	\$1,861	\$4,921	\$3,907	\$7,355
Office	\$0	\$0	\$0	\$0	\$1,009
Retail	\$0	\$0	\$0	\$179	\$0
Industrial	\$1,735	\$1,802	\$3,199	\$3,045	\$5,584
Solvang City					
Total New Non-Residential Value	\$55	\$211	\$95	\$127	\$166
Office	\$0	\$0	\$0	\$0	\$0
Retail	\$0	\$40	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0
Santa Ynez Township					
Total New Non-Residential Value	\$6,300	\$3,853	\$2,710	\$841	\$1,653
Office	\$0	\$323	\$0	\$0	\$0
Retail	\$799	\$0	\$0	\$0	\$0
Industrial	\$991	\$1,175	\$272	\$0	\$0

Source: County of Santa Barbara

THE SANTA BARBARA RETAIL REAL ESTATE MARKET

Mike Hieshima, Phillip Kyle, and A.J. Schrader, Epsteen and Associates

Overall Impression

Santa Barbara retail real estate continues to be very strong. The retail market is characterized by low vacancy and strong rents. Few vacancies occur in high end areas of Montecito and State Street, and when vacancies occur they are filled quickly. Milpas street and upper State continue to be the main areas of growth in Santa Barbara County.

North County continues to grow with a few large centers coming this year, including a 150,000 square foot project at the corner of Broadway and McCoy in Santa Maria. There is also a planned 200,000 square foot project at the corner of Battles and Blosser in Santa Maria.

In mid to late 2006, CVS will start unloading stores in the central coast. The average store will be 12,900 square feet. This will result in the re-branding of the 3 Sav-On stores in Santa Barbara County.

Carpinteria, Summerland, and Montecito

There are two major centers in Carpinteria: Shepard Place and

Casitas Pass Shopping Center. Casitas Pass has zero vacancy with existing rents between \$1.50-\$2.00 NNN per square foot. Existing rents are the same in Shepard Place; however there is one vacancy of 1,024 square feet being offered at \$2.00 NNN per square foot.

The shopping center at the southwest corner of Linden and Carpinteria Ave is due for completion in June, 2006, and will include a Coffee Bean and Tea Leaf. Rents in this center are around \$2.00 NNN per square foot.

Summerland is a small retail market with little vacancy and rents around \$4.00 per square foot. Montecito also has rents at \$4.00 per square foot with little vacancy and low turnover.

Santa Barbara

Santa Barbara continues to have a low vacancy rate of 2.3%. There are two notable vacancies: one at the corner of Milpas and Montecito, and 5,700 square feet available at 3883 La Cumbre Rd. Rents are \$3.00-\$3.50 NNN per square foot. In the past year, two new Starbucks stores opened at

the corner of Cota and State and Victoria and State. Kragen also opened at 436 Milpas, taking over the old Sammy's Camera store. Both stores are trading successfully in the market. Rents at La Cumbre Mall are between \$3.00 and \$4.00 per square foot.

There are several proposed developments in Santa Barbara, including the redevelopment of the Chevron station on Milpas to a mixed use project. The gas station at the corner of La Cumbre Ave and La Cumbre Lane has been proposed to be redeveloped into 6,000 square foot of retail with rents at \$5.00 per square foot. The Circuit City center on upper State Street has been rumored for a redevelopment that would include Whole Foods market; however after being approved, the project had been appealed.

Goleta

Goleta's overall retail vacancy is 2%. Goleta has relatively new or refurbished spaces at Fairview shopping center, Calle Real, and Camino Real Marketplace that are continuing to do well. Goleta will start to see the slow revitalization

of Old Town, with tenants being forced to occupy new buildings at higher rents. There is also the potential for several Hollywood Video stores to come back on the market in Goleta.

The Fairview Shopping Center remodel and re-tenancy is almost complete, with the center being 95% leased, and rents around \$2.75-\$3.00 per square foot. In the Calle Real shopping center, there is one vacancy of 1,280 square feet.

Buellton

Buellton has a low retail vacancy, with rents exceeding \$2.00 per square foot NNN for space near McMurray Rd and Highway 246. The Oaks Springs Village project developer is currently amending the Specific Plan. This center will bring 9 acres of retail to the Buellton market.

Lompoc

The year 2005 saw the addition of Pier 1 Imports and Petco into the Lompoc retail market. Both stores are fully opened and are trading well. Two tenants are currently negotiating for an available space with rents from \$1.00-\$1.50 per square foot. There are currently negotiations

for a 25,000 square foot gym and 25,000 square foot furniture store that would absorb much of the 125,000 square feet of available space in Lompoc.

Orcutt

The most notable vacancy in Orcutt is the former 30,000 square foot Ralph's grocery store at Clark and Bradley. There are still two major shopping centers in planning: Orcutt Marketplace, and Orcutt Plaza. Orcutt Marketplace is currently going through the entitlement process for a proposed 285,000 square foot neighborhood project that will include a multi level hotel/motel.

The planned 200,000 square foot Orcutt Plaza could not find a water source, so it is currently in the annexation process.

Santa Maria

Santa Maria's vacancy rate is around 7%, with rents around \$1.35 per square foot and shopping center pads going for \$3.00 per square foot NNN. The Crossroads center continues to do very well and is 100% occupied. In 2005, Gold's Gym took the former 35,000 square foot space occupied by House-2-Home, while Ashley furniture and a fitness center took the former Montgomery Wards

space at \$1.00 per square foot. The downtown mall has been rumored for a large renovation, and has seen a proposal for a 12 screen theater on the top level of the mall. Other options are also being considered.

There are a few proposed developments in Santa Maria including College Square at the southwest corner of College and Betteravia. It is a 65,000 square foot center that will include WesCom Credit Union, Starbucks Coffee, and Jamba Juice. This center should be done in the 4th quarter of 2006. Regency Centers has broken ground on 150,000 square foot development at McCoy and Broadway that will include Kohl's and a Rite Aid. There is also a planned 200,000 square foot development at the corner of Battles and Blosser, although that has not yet been approved.

SANTA MARIA – STAYING THE COURSE OF GROWTH, FIRST QUARTER 2006

Steve McCarty and Greg Stafford, *Stafford-McCarty Commercial Real Estate*

Highlights

- Income producing investment properties are very hard to find.
- All commercial market segments of real estate showed improvement over the 1st quarter of 2005.
- Price of commercial land has skyrocketed within this last year.
- Commercial rents fall short of providing reasonable returns on today's construction costs.
- Industrial vacancy demonstrates record lows from approximately 5.89% last year to approximately 5.64% for the 1st quarter of 2006.
- Retail vacancy is virtually nil indicating pent-up demand remains.

Residential

As compared to last year, there are more homes on the market and prices appear to be stabilizing resulting in a more balanced relationship between buyers and sellers. Mortgage interest rates remain attractive with asking prices of homes in the Santa Maria remaining below those of surrounding communities.

The residential market remained strong for all of 2005. The median price of Santa Maria homes increased from \$450,000 last year to \$469,000 with an average per square foot sales price of \$308 per square foot, which is above last year's average of \$265 per square foot. Building permits are down compared to last year. 525 single family units were completed in 2005, and 751 single family units were built in 2004. (Single family units include both detached and attached homes).

As of this article, there are approximately 460 single-family homes on the market in the combined markets of Santa Maria and Orcutt, which represents a historically normal four-month inventory. 424 homes sold during the period of October 2005 to the present.

The following are the primary residential developments in Santa Maria:

- Rose Garden Village (SWC Westgate/Battles) 291 SFR +/-50% Built. Builder: Inland Pacific.
- Harvest Glen Townhomes (SEC Sonya Ln./Blosser Rd.) 203 townhouses with an approved tentative

map. Builder: Capital Pacific.

- Acquistapace Homes (SEC Sonya Ln./Western) 169 SFR with an approved tentative map. Builder: Capital Pacific.
- La Vigna at Westgate Ranch (SEC Westgate/Battles) 142 SFR in plan-check for final approval. Builder: Jon Martin.

Several Market Notes Regarding Affordability

Due to the high housing costs, there is a continuing trend of multiple families purchasing and occupying entry-level single-family homes. Lenders express concerns with the highly leveraged financing composition (many second and third mortgages) of the home sales in the Santa Maria market. The concern is foreclosure potential, as there is evidence of some softening in asking prices for new tract homes in Santa Maria.

Contrastingly, for buyers with more equity and discretionary funds, the largest residential development under construction in the area is the 1,300+ home Trilogy community located on the Nipomo Mesa. (About 60 homes

have been sold as of date of publication of this article). The homes range in cost from \$600,000's to low \$1,000,000's, and range from 1,894 square feet to 3,694 square feet. The "resort lifestyle" community has 45 holes of golf and a 31,000 square foot "Monarch Club" which will house, among other things, a restaurant, fitness center, wine room, art studio, and learning center. The pace of sales has been reported as "good". Total build-out is expected to take 8 to 9 years. This project adds further diversification to the housing inventories. However, all the above, both entry level and destination, are becoming less affordable for the income of the area.

Retail/Commercial

Retail space vacancy is virtually nil at approximately +/-1%. For the most part, there has been little anchored or general Retail space added to the city's inventory in the last several years, however things are changing.

For the purpose of this report, databank numbers include functional, non-competitive inventory (older buildings and warehouses) and excludes non-market square footage such as mini-storage, airport hangers, etc.

As of this article, grading is taking place for the +/-117,000

square foot Santa Maria Commons shopping center at the SWC of McCoy and Broadway. The site consists of 10 acres with Kohl's as the primary Retail anchor store, and World Savings, Starbucks, and T-Mobil as smaller users. Pre-leasing has been brisk with only a limited amount of space remaining.

Construction is finishing up at Hunter's Landing Highway Food Court at the SEC of Highway 101 & Stowell Rd. on a 6,336 square foot steak house restaurant and a 1,827 square foot gift shop.

The former Stephen's Auto Center at the NWC of Skyway and Broadway is undergoing a re-development plan for approximately 40,000 square feet of Retail and Office space. The existing structures will be demolished to make way for the new commercial complex.

New Retail on the horizon is the Westgate Marketplace (120,000 square feet) to be located at the NWC S. Blosser & Battles Rd., which is in the pre-leasing phase. In the Orcutt area, two shopping centers, Orcutt Plaza (230,000 square feet) and Orcutt Marketplace (295,000 square feet), are still awaiting approvals. The developers of the Orcutt Marketplace expect to receive entitlements by July, 2006, and anticipate commencement of construction 1st quarter of 2007.

Asking rents for all of the above Retail centers are \$1.75 per square foot per month NNN to \$2.50 per square foot per month NNN.

Existing commercial/retail space within the City of Santa Maria (as of first quarter 2005) is approximately 3,966,000 square feet. Since last year, most of the former Home Base building has been leased leaving 22,000 square feet available at \$1.35 per square foot per month NNN, and Club 24 has taken approximately half of the former Montgomery Ward's building leaving approximately 30,000 square feet vacant. These are the only large vacant retail spaces remaining within the city.

Shopping center-sized land parcels are very hard to find. Prices can be expected to be \$15.00 to 20.00+/- per square foot, if the land can be located. Well-located General retail C2 zoned lots and smaller parcels, which are in very limited supply, can command prices of \$30 to \$50 per square foot (this includes anchored pads).

Office

The Office market base inventory increased to approximately 933,000 square feet from 865,000 square feet last year, which is a 7.8% increase over 2004. The previous year was approximately

2.4% from 2003 to 2004, which indicates significant inventory for this relatively small market segment.

The following are significant Office projects in the city:

- La Brea Plaza 700 Block of East Main 29,587 sq. ft. in two buildings
- Betteravia Business Plaza NEC Betteravia and Miller 31,016 sq. ft., (fully leased)
- Parkway Medical Center 2342 Professional Parkway 29,394 sq. ft. medical office

El Potrero Office Park (Fugate) Consists of 4 buildings totaling approximately 66,000 sq. ft. Two buildings have been completed and are 100% leased. The remaining two buildings are in the following stages:

- Building C (12,748 sq. ft.) – The shell is nearing completion (estimated completion date June, 2006) Asking rental rate is \$2.00/sq. ft./mo. Modified Gross with a \$20/sq. ft. TI allowance.
- Building D (15,501 sq. ft.) – The shell is completed with about 10% to 20% of the space committed for lease.

The Office market has tightened up somewhat during the last year. Concomitant with the

increased absorption of space there has been an increase in Office rents.

Market rents for 2nd generation Office space are typically \$1.20 per square foot to \$1.25 per square foot Gross, which is an increase over the previous year by approximately \$0.10 per square foot. Ever-increasing construction costs are driving rental rates upward for new buildings. Rental rates for new office products have reached \$2.00 per square foot Modified Gross with \$20 +/- for Tenant Improvement allowances.

The story from last year still holds for medical use facilities in that inventory is extremely limited. Listed properties with medical build-out are virtually non-existent. Conversion of existing Office space for medical use is unlikely as typical office product has less parking than what is required for medical uses. Thus, medical expansion is forced into new construction with higher rents associated therewith.

Land prices are similar to the discussion in the Retail segment above, as Santa Maria's C-2 zoning allows Office uses as well as retail uses. Land prices are increasing and hard-to-find smaller parcels are generally costing \$20 to \$50 per square foot (depending on location).

Industrial

Vacancy is at an all time low at 5.45%. Both users/buyers and investors continue to drive transactions in the Santa Maria Industrial market segment. Stafford-McCarty databanks indicate that the industrial base for completed, functioning inventory in Santa Maria at the time of this article is approximately 6,907,000, an increase of about 155,000 square feet over last year.

The following are vacated buildings/units, identified with the prior tenants, which have yet to been reported in previous years.

Former B. Allen Printing, 2625 Skyway Dr., 20,149 square feet, approximately _ recently leased leaving approximately 10,000 sq. ft. vacant.

Former B. Allen Printing, 2601 Skyway Dr., 22,567 square feet, approximately _ recently leased to Bethel Associates leaving +/-12,000 sq. ft. vacant.

1235 W. McCoy Ln., approximately 40,000 square feet, back-filled with Ashley Furniture.

Former UPS Teleservices on Aviation Way, 36,300 square feet has been absorbed and occupied by the local company Café FX.

Former Radco Building, 2905 Industrial Parkway, 30,300 square feet has been absorbed by Berry Pack.

Key User Expansions:

Driscoll Strawberries purchased approximately 20 acres of land on Stowell Road and is building an approximately 150,000 square foot cooler and crate shed.

Radco has completed its 60,000 square foot facility on 6.23 acres of land on Industrial Parkway.

The Santa Maria market typical Industrial requirement has been 4,000+/- square feet, which is coming from tenants looking for incubator space and other small users. Multi-tenant Industrial projects offering smaller units have demonstrated greater absorption than last year. Conversely, Stafford-McCarty databanks show several well-located buildings, with units of over 10,000 square feet, having had vacancies for over 48 months. Overall Industrial employment has demonstrated flat to modest growth. Maintaining manufacturing companies in the Central Coast is becoming increasingly difficult due to the high cost of housing.

From a watch-see perspective of the market, the most noticeable project continues to be the seven-building, 139,000+/- square foot FairSky Technology Park. The targeted companies for this project have been larger office and R & D users, which have been noticeably

absent from Santa Maria employer rosters. Multiple buildings in the Park were sold in 2005 to investors. There are plans to subdivide the approximate 20,000 square feet buildings into Industrial condominiums for the smaller user/buyers present in the market. Escrow transaction valuations for these products were in the mid \$90s per square foot, but now surpass the \$100 per square foot level. As of this article, there are +/-30,000 square feet vacant.

A trend of non-traditional users is emerging: manufacturing zoned properties are hosting more non-manufacturing users. Non-denominational churches have been moving into Industrial properties, both free-standing as well as multi-tenant. Quasi retail users, such as furniture stores, and commercial services users are also back filling spaces.

Meyer Asset Management Phase II, 70,076 square feet (of a total 143,947 square feet), and Enterprise Business Park Phase II, 34,905 square feet, have both been completed.

This being said, speculative Industrial development continues with Myers Asset Management continues his speculative Industrial development and has purchased additional property along A Street proposing Industrial product but in smaller versions than the ap-

proximately 10,000 to 20,000 square foot building offerings of the last project.

There has been an active market for building sales the last year. Below area sampling of comparable building sale figures for 2005.

Building	Size/ sq. ft.	Price/ sq. ft.
1235 W McCoy Ln.	40,000	\$91.88
2625 Skyway	20,149	\$90.33
2240 A Street	11,113	\$95.74
2390 A Street	11,848	\$93.18
2330 A Street	22,024	\$87.00

Central Coast Wine Services at 2717 Aviation Way (52,599 square feet existing) is adding 41,458 square feet to its facility. The Food Bank of Santa Barbara County is constructing a 20,100 square foot warehouse at 490 W. Foster Rd.

Asking rents for 2nd generation multi-tenant buildings have increased and range from approximately \$0.45 per square foot to \$0.75 per square foot NNN. New construction shell rates are approximately \$0.65 to \$0.75 per square foot NNN.

Industrial Land

The price of Industrial land has climbed dramatically last year. An interesting example is excess land associated with the former

Santa Barbara Research facility. The surplus 56 acres of PD-M1 zoned land was initially priced at approximately \$5.16 per square foot; however, the property has been reportedly in and out of escrow at a price of approximately \$11.00 per square foot. Conversion of Industrial land for housing and Retail has come under scrutiny by the City Council. There exists sensitivity for creating an Industrial preserve. The M1 zoned 56-acre former Santa Barbara Research site on Betteravia was turned down for conversation to Retail with Wal-Mart as the intended user. This property is attracting attention due to its strong location and larger size.

It continues to be increasingly difficult to find finished lot product. One to seven acre sale prices range from approximately \$5.00 to \$10.00 per square foot, if they can be located. M2 PD land sales of six to twenty acres have sold for \$120,000 per-acre or approximately \$2.75 per square foot for land with partial infrastructure availability.

The Airport District, which controls the bulk of the M-1 Light Industrial zoned land, is proposing an approximate 42-acre Research Park of approximately 500,000 square feet. A portion of the project has been approved with 15-20 lots, leasehold interest only, and the balance is still under District re-

view regarding design and CEQA mitigation issues. This status has remained the same for the last three years. The District is awaiting a non-jeopardy biological opinion in order to proceed which they expect in the next few months.

The City of Santa Maria has annexed approximately 932 acres west of A Street between Santa Maria Valley Railroad to the north and Betteravia Road to the south), formerly known as Area 9 and the so-called "Robinson Helicopter" property (120 acres of industrial land along Betteravia Rd.) Although these properties have come into the City they lack infrastructure. It may be several years, in addition to heavy infrastructure funding not yet quantified, before it becomes buildable.

Several key land transactions:

The Betteravia Industrial Corridor has hosted several transactions, aside from the activity on the Santa Barbara Research property discussed earlier. The Maldonado family has purchased Unocal's Industrial zoned land holdings along Betteravia Road in two acquisitions: 1) the approximately 119 acre O'Donnell Fee for \$3,850,000 (\$0.74 per square foot) and 2) the approximate 13 acre Padereski Fee for \$1,100,000 (\$1.94 per square foot). Both

these properties require improvement and infrastructure. The Maldonado family has become a significant Industrial landholder in the valley. Other transactions along the corridor:

Balance of Consolidated

Lumber Property:

7.3 acres PD-CM

\$5.92 per sq. ft.

Resale of the Sheehy Property:

12.7 acres PD-M

\$4.47 per sq. ft.

Agricultural

Farmland valuations continue to move upward. Strawberry and vegetable ground values are approximately \$30,000 to \$40,000 per acre. Rarely will and land become openly available and potential buyers seeking to acquire growing ground will have to push the market to get seller's attentions.

For comparative purposes, Oxnard land valuations are in the \$65,000 to \$70,000 per acre range. In the Salinas Valley, valuations are in the mid to high \$50,000 per acre. Ground lease rates in Oxnard are surpassing Salinas. Reportedly, owners are seeking \$3,000 to 3,500 per acre rental rates. As a comparison, Salinas Valley annual lease rates are \$2,200 to \$2,400 per acre

for quality ground, Santa Maria Valley, \$1,200 to \$1,800 per acre. However it is anticipated that strawberry ground leases will pass the \$2,000 per acre level in the near future.

Fess Parker sold approximately 213 acres of vineyard known as the Ashley Vineyard, \$8,800,000. This demonstrated valuations for the production portions of approximately \$35,000 an acre and \$10,000 per acre for farming land.

Currently, capitalization rates for agricultural ground are ranging approximately 4 to 5%.

Commercial Investment

Capitalization rates continue their push downward, in spite of rising interest rates. The investment market area continues to surprise insiders with its continued price escalations. With interest rates rising, (Prime is at 7.75 at the time of this writing) and lower capitalization rates we see investment real estate becoming less attractive. Prospective 1031 reinvestment buyers are electing to pay capital gain taxes versus overpaying for property as prices continue to escalate.

The Capitalization Rate, (cap rate), is calculated by dividing the annual net operating income (NOI—which does not

include debt service) by the purchase price, e.g., \$100,000 NOI/\$1,500,000 purchase price equals .0667 or a 6.67 cap rate.

Shopping center, Office, and Industrial capitalization rates have ranged between 5.6 and 7.5, with low six's being the target. Once again the cap rates have dropped approximately 0.5 cap rate from the previous year.

Ancillary issues and observations: The equity required for conventional loans and down payments has climbed in order to bridge the gap between lender debt coverage ratio requirements (DCR) and current market rental rates. Hence, commercial real estate is following patterns of residential real estate in that buyers must come into transactions with bigger down payments in order to have manageable monthly mortgage payments.

Following are capitalization rate ranges evinced over the last four years:

2002	9.0 to 9.5
2003.....	7.0 to 8.0
2004.....	6.5 to 7.5
2005.....	5.5 to 6.5

To illustrate the capitalization influence on valuation, let us assume a commercial building produces a net income to the investor of \$100,000 per year. The

declining market cap rates would correlate to the approximate purchase prices for the same piece of property and income according to the following years:

2002	\$1,100,000
2003.....	\$1,428,000
2004.....	\$1,538,000
2005.....	\$1,818,000

Shopping center investors/developers are telling us that it is difficult to add value by fixing up the property to attract higher rate paying tenants. They are now talking to us about “ground-up” development, which translates to demand for sites in which to build.

Several market transactions between \$1 million and \$2.85 million that occurred in Santa Maria:

- 1101 S. Broadway
Multi-tenant Office
\$1,065,000
3,860 sq. ft.
5.6 Cap Rate
Investor
- 326 West Main
Multi-tenant
\$1,340,000
7,099 sq. ft.
6 Cap Rate
Investor

- 1234 Fairway
Multi-tenant Industrial/Office
\$2,850,000
20,100 sq. ft.
7.5 Cap Rate
Investor

Santa Maria continues to be similar to other investment markets in that there is little availability of product. This condition also holds true for the balance of the Central Coast.

Summary

Santa Maria continues to be the only city in the Central Coast producing any significant quantity of housing stock. They are preparing themselves for continued growth for all market segments by annexation and infrastructure development.

Transactions for 2005 demonstrate confidence in the region and stability for the Santa Maria market, however, housing valu-

ations and absorption show less vigorous signs than the boom of the last years. Commercial investment valuations may soften as the interest rates increase but at this time the litmus test for valuations of commercial assets remains reproduction cost.

Santa Maria remains the “watch spot” and economic engine for the central coastal region of California.

SOUTH COAST COMMERCIAL REAL ESTATE 2005 YEAR IN REVIEW

Francois D. DeJohn, Stephen H. Hayes, and Kristopher Roth of Leider-Hayes Commercial Realty

Market Overview

2005 was an incredible year for commercial real estate on the South Coast with 92 commercial sales valued at \$255 million and 226 leases valued at \$100 million. Currently, there is approximately 35.1 million square feet (sf) of office, industrial and retail space with only 1.1 million sf vacant. This equates to an unbelievably low vacancy rate of 3.1%, down 16% from 2004. As the high cost of housing has many thinking that businesses will leave the area, 2005 delivered a much different story. In fact, the office sector had positive net absorption of 200,000 sf in 2005, which equates to approximately 1,000 new jobs.

Additionally, the sublease market improved considerably, with the total amount of space dropping 31% from 2004. Actual lease rates responded to these factors increasing 12% on average. Commercial development continued to be non-existent, with approximately 50,000 sf built on the entire South Coast. Lastly, the sale market remained red hot, with prices increasing 34% on average in Santa Barbara.

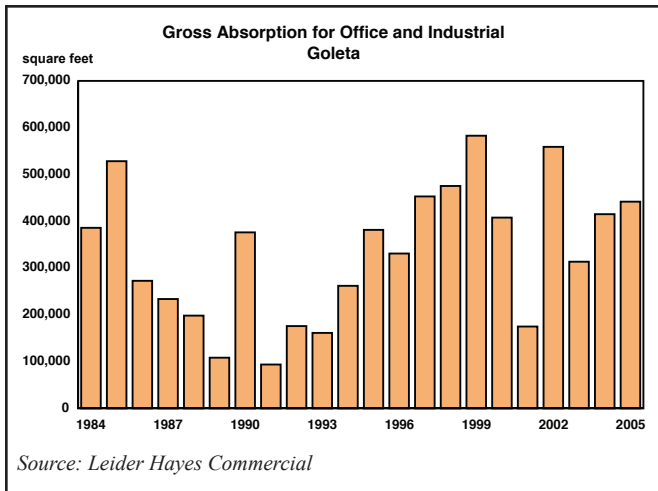
Office Leasing

Santa Barbara

The Santa Barbara office market is best known for its charming “Spanish Style” buildings with red tiled roofs. However, the 2005 Santa Barbara office market will be best remembered for its vacancy dropping from 5.35% to 3.03%, a 43% decrease! The majority of the office tenants are small to medium

Year in Review: 2005					
Vacancy	Net Absorption	Sublease Space	New Construction	Actual Lease Rates	Santa Barbara Sale Prices
↓ 16%	+ 207K	↓ 31%	+ 50K	↑ 12%	↑ 34%

Source: Leider Hayes Commercial



sized companies with a median size of approximately 2,000 sf. Commercial development is restricted to 30,000 sf per year and there is virtually no vacant land in the downtown area to develop. The only large approved office project is located at 6100 Hollister Avenue (160,000 sf) on the City of Santa Barbara's airport property, which is expected to be built by 2008 and will be 100% occupied by Citrix Systems. Mixed-use development continues to be supported by the City, which has pushed land prices well above \$100 psf and has made pure office development economically unfeasible.

There is approximately 5 million sf of office space in Santa Barbara. Currently, 151,000 sf is available for lease (36,000 sf for sublease) at an average asking rate of \$2.15 psf (\$2.13 end of 2004), ranging from \$1.55-\$3.05 psf. There are currently 38 active list-

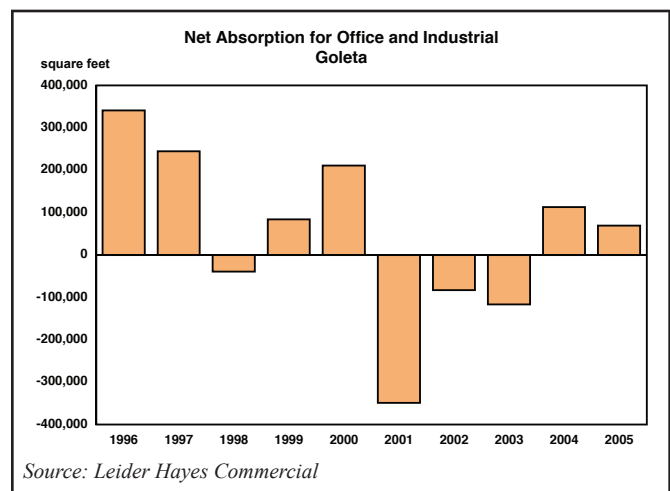
ings. Both asking and actual rates are above the \$2.00 psf mark for the second year in a row. In 2005, there was an astounding 252,000 sf of gross absorption (116,000 sf net absorption) at an average rental rate of \$2.22 psf (\$2.01 in 2004). Actual rental rates rose 10.4%, asking rates rose 1%.

There were 78 leases signed in 2005 greater than 1,000 sf, four of which were above 10,000 sf. Tenet Healthcare's decision to move their operations to Texas placed over 65,000 sf on the market at the end of 2004, most notably their corporate headquarters at 3820 State Street (32,000 sf) and 3760 State Street (20,000 sf). However, 3820 State Street was quickly sold to Select Personnel, who has occupied approximately 21,000 sf of the building, with the bal-

ance going to United General Title (8,000 sf) and Dr. Kubisch DDS (3,000 sf). Santa Barbara also saw a flurry of new banks open, with Santa Barbara Commercial Bancorp completing the largest lease of 2005 at 1033 Anacapa Street (13,000 sf). 3760 State Street (20,000 sf) is the largest office space available in Santa Barbara.

Goleta

The Goleta office market is the location of choice for many of the South Coast's medium to large sized companies with a median size of approximately 6,000 square feet. Its proximity to UCSB, the Santa Barbara Airport and a highly educated workforce, make Goleta a very desirable location for business. Approximately 50% of all office space is located in the 15 largest properties, namely University Business Center and



Castilian Tech Center. The City of Goleta was incorporated in 2002 with a “no-growth” city council in power. The only approved office projects in Goleta are located at 41 S. Los Carneros (100,000 sf), 420 S. Fairview (67,000 sf) and 5901 Hollister (40,000 sf). There has only been one office building built in Goleta over the past five years, which totaled 61,000 sf.

There is approximately 4.3 million sf of office space in Goleta. Currently, 267,000 sf is available for lease (104,000 sf for sublease) at an average asking rate of \$1.70 psf (\$1.61 end of 2004), ranging from \$1.35-\$2.27 psf. There are currently 22 active listings. In 2005, there was 293,000 sf of gross absorption (35,000 sf net absorption) at an average actual rate of \$1.60 (\$1.55 in 2004). Actual rental rates and asking rates increased to 3.2% and 5.6%, respectively. The vacancy rate is currently 6.2%, down from 7.1%, a 12% decrease.

Leasing in Goleta picked up after an average year in 2004 with a total of 34 transactions. 10 of these deals were above 10,000 sf, four of which were greater than 20,000 sf. Asylum Research and Wyatt Technologies, who already occupied 20,000 sf each in the former Applied Magnetics building at 6300 Hollister, expanded into an additional 10,000 sf each.

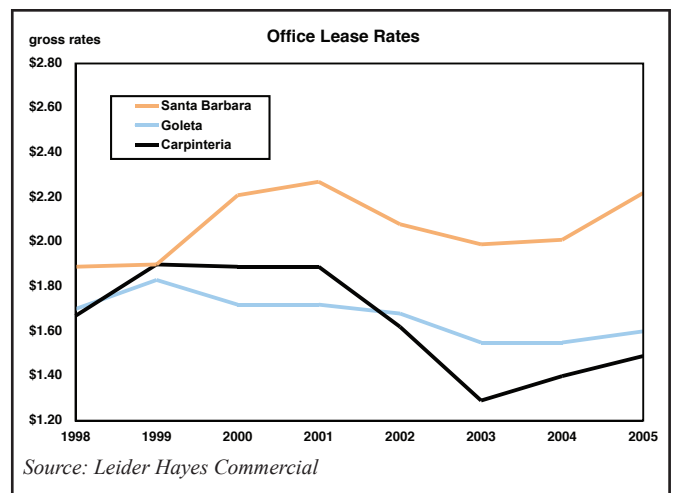
Linvatech, recently purchased by Conmed, leased 34,000 sf at the Hollister Business Park. Toyon Research leased 40,000 sf at 6800 Cortona. Bargain Network completed the largest office deal (44,000 sf) in Goleta when it decided to consolidate all of its operation into one location at 6300 Hollister Avenue. However, Bargain has vacated a 39,000 sf building at 326 Bollay Drive, the second largest available space in Goleta. The largest available office space in Goleta is located at 7410 Hollister Avenue, (39,000 sf), which is one of four buildings General Dynamics vacated in 2004/2005.

Carpinteria

The office market in Carpinteria has some of the most spectacular office buildings on the South Coast overlooking the Pacific Ocean and is known for its small town charm. This market experienced vacancy rates in the 20-30% range from 2001 to 2004, as QAD, Benton Oil and Unisys left the area. How-

ever, 2005 was a real turning point for this market as we saw the vacancy rate drop by 44% as several new companies moved to Carpinteria for its attractive lease rates and close proximity to Ventura County. The Carpinteria office market is by far the smallest office market on the South Coast and has a median tenant size of approximately 4,000 sf. The only office development named the Lagunitas Business Park (180,000 sf) has been in the approval process for over 6 years. There has been no office development over the past five years.

There is approximately 560,000 sf of office space in Carpinteria. Currently, 61,000 sf is available for lease (none for sublease) at an average asking rate of \$1.41 psf (\$1.43 end of 2004), ranging from \$1.10-\$1.86 psf. There are currently 10 active listings. In 2005, there was 74,000



Office Space Summary				
City	Available Space (s.f.) 12/31/05	Available Space (s.f.) 12/31/04	% Change	Net Absorption 2005
Santa Barbara	151,000	268,000	-43.7%	116,267
Goleta	267,000	302,000	-11.6%	35,071
Carpinteria	61,000	110,000	-44.5%	48,671
Totals	479,000	680,000	-29.6%	200,009

Source: Leider Hayes Commercial

sf of gross absorption (49,000 sf net absorption) at an average actual rate of \$1.49 (\$1.40 in 2004). Actual rental rates rose 6.4%, asking rates dropped slightly. The vacancy rate is currently 10.9%, down from 19.5%. This is the lowest the vacancy rate has been in 5 years.

2005 was a great year in terms of leasing activity in Carpinteria with 17 transactions taking place, however, none were north of 10,000 sf. AnAmerican Corp. inked the largest lease (9,921 sf at 6307 Carpinteria Avenue. The largest available space (29,000 sf) is still located at 5464 Carpinteria Avenue. This building was previously occupied by Venoco and QAD, but can be split into several smaller suites. Interestingly, this

building accounts for 48% of the total vacant office space in Carpinteria. So, if one large tenant were to lease this facility, the vacancy rate in Carpinteria would drop to 5.7% overnight.

Industrial Leasing

Santa Barbara

The Santa Barbara industrial market remained strong with actual rates increasing 10% in 2005. However, the vacancy rate has increased from 1.1% to 2.2% and asking rates have decreased 3% since the beginning of 2005. This segment is mostly comprised of small to medium sized local businesses, with a median size of approximately 2,500 sf. Demand

from home improvement / construction tenants has continued to keep this sector strong.

There is approximately 4.8 million sf of industrial space in Santa Barbara. Currently, 103,000 sf is available for lease (none for sublease) at an average asking rate of \$1.25 psf (\$1.29 end of 2004), ranging from \$0.75-\$1.61 psf. There are currently 11 active listings. In 2005, there was 76,000 sf of gross absorption (-53,000 sf net absorption) at an average achieved rate of \$1.20 (\$1.09 in 2004).

Santa Barbara had 15 leases signed in 2005, only one above 10,000 sf. Hill Road Ventures leased 15,000 sf at 201 W. Montecito. There are currently five buildings that have more than 10,000 sf available for lease, which is unusual for Santa Barbara.

Goleta

The Goleta industrial market consists of several large industrial buildings, where many of the South Coast's largest manufacturers reside. The median sized tenant in Goleta is approximately 5,000 sf. The large industrial sector (10,000 sf+) has been affected by the downsizing or relocation of several large manufacturers (Dupont, Joslyn Electronics, Agil-

Office Gross Lease Rate Summary				
City	Average Actual Rate (\$ / s.f.) 2005	Average Actual Rate (\$ / s.f.) 2004	% Change	Average Asking Rate (\$ / s.f.) 12/31/05
Santa Barbara	\$2.22	\$2.01	10.4%	\$2.15
Goleta	\$1.60	\$1.55	3.2%	\$1.70
Carpinteria	\$1.49	\$1.40	6.4%	\$1.41
Averages	\$1.77	\$1.65	6.7%	\$1.75

Source: Leider Hayes Commercial

ity Communications and Hendry Telephone). Furthermore, there continues to be very little demand from large users (10,000+ sf) and the cost of housing will continue to exacerbate this problem. However, the small to medium size segment of this market (less than 10,000 sf) has remained strong.

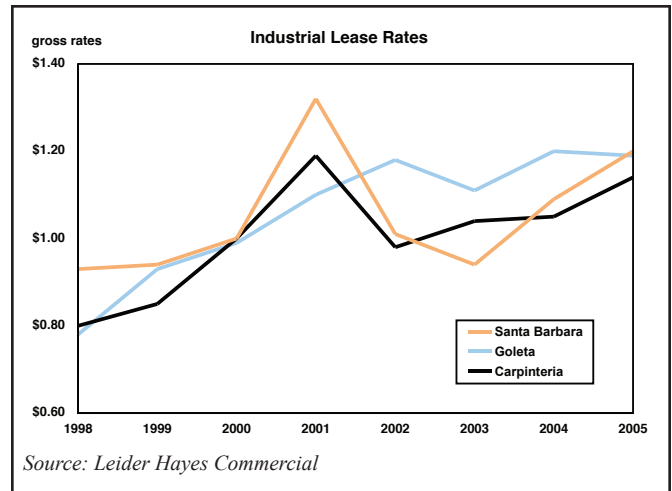
There is approximately 4.2 million sf of industrial space in Goleta. Currently, 356,000 sf is available for lease (120,000 sf for sublease) at an average asking rate of \$1.26 psf (\$1.22 end of 2004), ranging from \$0.95-\$1.52 psf. There are currently 11 active listings. In 2005, there was 149,000 sf of gross absorption (34,000 sf net absorption) at an average actual rate of \$1.19 (\$1.20 in 2004). Asking rates increased slightly by 3% and actual rates decreased slightly. Surprisingly, the industrial vacancy in Goleta actually declined in 2005, dropping from 9.3% to 8.5%, a 9% decrease.

Goleta had a relatively good year in industrial leasing with 17 lease transactions completed in Goleta; however, only 2 of them were above 10,000 sf. The largest industrial lease (58,000 sf) was completed by UCSB at 6740 Cortona Drive, which was very positive news for the market. Additionally, the former headquarters for Hendry Telephone located at 75 Castilian Drive (37,000 sf)

was sold to Ber-mant Development and will be converted to a high-tech incubator. There are currently 6 available spaces over 20,000 sf, with very little demand from large warehouse and manufacturing users. Owners of large industrial buildings will need to consider re-positioning their buildings into office / R&D or demising their buildings into smaller spaces.

Carpinteria

The Carpinteria industrial market is mostly comprised of medium sized companies, with a median size of approximately 3,500 sf. Most of the industrial properties are concrete tilt-up construction and are in better shape than many of the buildings in Goleta and Santa Barbara. There are



no approved industrial buildings to be built in Carpinteria.

There are approximately 1.33 million sf of industrial space in Carpinteria. Currently, 53,000 sf is available for lease (11,000 sf for sublease) at an average asking rate of \$1.22 psf (\$1.21 end of 2004), ranging from \$0.95-\$1.41 psf. There are currently 6 active listings. In 2005, there was 86,000 sf of gross absorption (56,000 sf net absorption) at an average rental rate of \$1.14 (\$1.05 in 2004). Asking rental rates increased slightly, but actual rates rose 9%. The vacancy rate is currently 3.9%, down from 7.3%.

Industrial Space Summary				
City	Available Space (s.f.) 12/31/05	Available Space (s.f.) 12/31/04	% Change	Net Absorption 2005
Santa Barbara	103,000	51,000	102.0%	-52,725
Goleta	356,000	390,000	-8.7%	33,894
Carpinteria	42,000	98,000	-57.1%	55,932
Totals	501,000	539,000	-7.1%	37,101

Source: Leider Hayes Commercial

Industrial Gross Lease Rate Summary				
City	Average Actual Rate (\$ / s.f.) 2005	Average Actual Rate (\$ / s.f.) 2004	% Change	Average Asking Rate (\$ / s.f.) 12/31/05
Santa Barbara	\$1.20	\$1.09	10.1%	\$1.25
Goleta	\$1.19	\$1.20	-0.8%	\$1.26
Carpinteria	\$1.14	\$1.05	8.6%	\$1.22
Averages	\$1.18	\$1.11	5.9%	\$1.24

Source: Leider Hayes Commercial

There were 16 industrial leases signed in 2005, with only 1 above 10,000 sf. S&S Seeds completed the largest industrial lease in Carpinteria at 47,000 sf at 6155 Carpinteria Avenue, which is the main reason why the vacancy rate dropped 47%. Currently, there are 4 space available above 10,000 sf, with the largest located at 1029 Cindy Lane (11,000 sf).

Retail Leasing

South Santa Barbara County continues to see strong interest from national retailers clamoring to get into our vibrant retail market, especially on State Street in Downtown Santa Barbara with its unique mix of historic buildings and charming storefronts. This

segment is comprised of both local and national retailers, with the median size tenant at approximately 2,500 sf. This has been the tightest segment of our local market and it will continue to be very challenging for retailers to find the right space in Santa Barbara. There are virtually no new retail projects planned, but several of the largest retail centers have changed hands over the past two years, namely Paseo Nuevo, La Cumbre Shopping Mall and Five Points Shopping Center.

There are approximately 14.9 million sf of retail space on the South Coast, 10.5 million sf in Santa Barbara, 4 million sf in Goleta and 440,000 sf in Carpinteria. Currently, there is only 109,000 sf is available for lease (none for sub-

lease) on the entire South Coast at an average asking rate of \$2.82 psf (\$2.97 end of 2004), ranging from \$1.78 to \$7.50 psf. In 2005, there was 110,000 sf of gross absorption (-31,000 sf net absorption).

Santa Barbara had 39 leases signed in 2005, at an average actual rate of \$2.96 psf (\$2.43 in 2004). The largest retail lease of the year was completed by Savon at 222 W. Carrillo Street (13,000 sf), the former BKM Furniture site. Additionally, Harley Davidson inked the 2nd largest lease at 506 Chapala Street (9,000 sf), the former Firestone Building.

Sales

The South Coast has approximately 3,300 commercial properties situated on approximately 3,100 acres of land with an approximate value \$14 billion. Furthermore, there are only approximately 275 acres of undeveloped commercial land with very rigid growth controls in place.

The sale market for office, industrial, retail, medical and land was very active in 2005. In fact, there were a total of 92 sales on the South Coast that totaled \$255 million. Sale prices increased in all sectors as interest rates remained low, lease rates increased and demand for quality commercial real estate from investors, owner users

Retail Space Summary				
City	Available Space (s.f.) 12/31/05	Available Space (s.f.) 12/31/04	% Change	Net Absorption 2005
Santa Barbara	74,000	66,000	12.1%	-9,000
Goleta	28,000	18,000	55.6%	-20,000
Carpinteria	7,000	5,000	40.0%	-2,000
Totals	109,000	89,000	22.5%	-31,000

Source: Leider Hayes Commercial

Retail Gross Lease Rate Summary				
City	Average Actual Rate (\$ / s.f.) 2005	Average Actual Rate (\$ / s.f.) 2004	% Change	Average Asking Rate (\$ / s.f.) 12/31/05
Santa Barbara	\$2.96	\$2.43	21.8%	\$3.90
Goleta	NA	NA	NA	\$2.58
Carpinteria	NA	NA	NA	\$2.19
Averages	NA	NA	NA	\$2.89

Source: Leider Hayes Commercial

and developers outpaced supply. Given that there are so few sales in Goleta and Carpinteria, here are the highlights for the Santa Barbara sale market:

The two largest offices sale of 2005, both sold for approximately \$11 million. 5464 Carpinteria Avenue (53K sf) sold to a local investor with 50% of the building vacant. 3820 State Street (32K sf) sold to Select Personel who has occupied approximately 65% of the building for its own use. The largest industrial sale was located at 6868 Cortona Drive, which sold to a local investor for \$8.2 million. This property was 100% vacant and the new owner has plans to convert this building into office / R&D space. Lastly, the largest retail sale of the year is also one

of the largest sales ever recoreded on the South Coast, was Regency’s purchase of the Five Points Shopping Center for approximately \$47 million. This purchase adds to their retail portfolio on Upper State, which already includes the Circuit City Center.

Outlook

- Office: The office market will continue to improve across the South Coast. Look for vacancy at 4% by the end of 2006 and rental rates up another 5-10 percent. Landlords with high quality office space in downtown SB will see the greatest price appreciation.
- Industrial: The industrial markets in SB and Carp will con-

tinue to be strong. However, the large industrial market in Goleta (10K+) will continue to be challenging. Owners will be forced to demise large buildings into smaller spaces or convert them to office / R&D spaces. Low tech manufacturing companies like Hendry Telephone will continue to leave the South Coast.

- Retail: Expect to see a continuation of sub 1% vacancy rates and strong rent increases. Many retailers will continue to be frustrated with the lack of quality available spaces. Macerich’s and Regency’s purchases of the La Cumbre Shopping Mall, Five Points and the Circuit City Center on Upper State Street will energize the already emerging Upper State Street area of Santa Barbara.
- Sales: The South Coast has declining vacancy rates, increasing lease rates, a growing economy and virtually no new commercial development, which all point to another strong year in the sales market. However, rising interest rates and a regained interest in the equities market should temper the incredible price appreciation we experienced in 2005.

Sales Summary 2005					
	Cap Rates	Price PSF	% Change	# of Sales	Total Value
Office	5.2%	\$457	32%	25	\$68 million
Medical		\$672	43%	4	\$6 million
Industrial		\$362	7%	8	\$18 million
Retail	5.1%	\$467	30%	14	\$80 million
Land		\$142	58%	7	\$11 million
Totals			34%	58	\$183 million

Source: Leider Hayes Commercial

SOUTH COAST COMMERCIAL/INDUSTRIAL REAL ESTATE UPDATE

Bob Tuler and Brian Johnson: Radius Group January 2006

2005 Year End Review

Along the South Coast, vacancy rates dropped in most sectors of commercial real estate. Only the industrial sector of Santa Barbara saw a slight increase in its vacancy rate. The great news was the office markets of Santa Barbara, Goleta and Carpinteria all saw large reductions in their vacancy rates. Lease rates remained stable overall, except for slight increases in the Santa Barbara retail and the

Carpinteria industrial sectors.

Santa Barbara

Office Space

The 2005 Santa Barbara office market was highlighted by a 45% reduction in the vacancy rate, from 5.2% to 2.8%. This is a new five-year low and the third straight year of declines. There are now only two spaces available in Santa Barbara with

10,000 SF or more. Demand is very strong for space in the downtown area. One interesting note was that 2005 saw a wave of new financial institutions locating downtown.

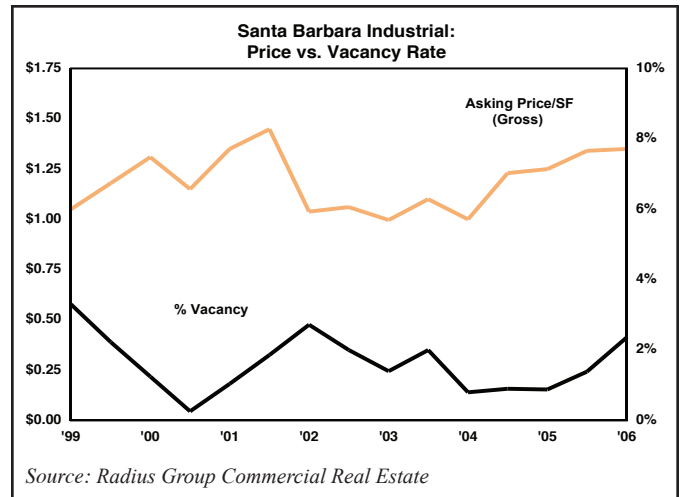
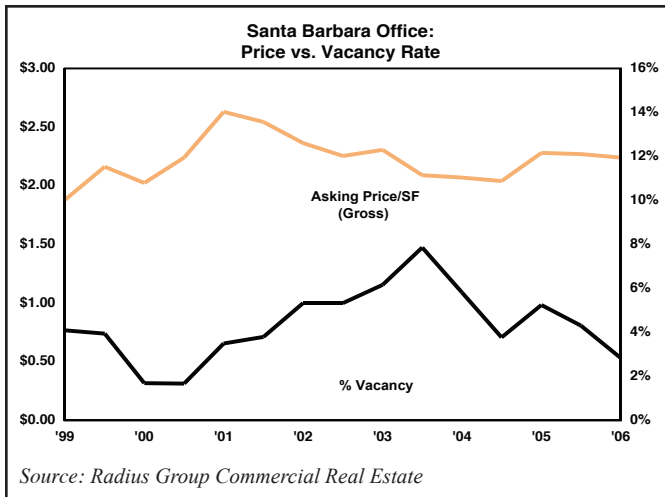
The asking lease rate is averaging \$2.24/SF on a gross basis. We expect lease rates will rise as the market has tightened considerably over the last year. We forecast that lease rates will rise approximately 5% this year due to the low vacancy rate.

Vacancy Rate				Rental Rate			
	Jan-05	Jan-06	% Change		Jan-05	Jan-06	% Change
Santa Barbara				Santa Barbara			
Office	5.2%	2.8%	-46.2%	Office	\$2.28	\$2.24	-1.8%
Industrial	0.9%	2.4%	166.7%	Industrial	\$1.25	\$1.35	8.0%
Retail	0.3%	0.6%	100.0%	Retail	\$2.85	\$3.00	5.3%
Goleta				Goleta			
Office	6.9%	4.9%	-29.0%	Office	\$1.60	\$1.65	3.1%
Industrial	9.0%	8.7%	-3.3%	Industrial	\$1.22	\$1.25	2.5%
Carpinteria				Carpinteria			
Office	22.4%	12.9%	-42.4%	Office	\$1.61	\$1.44	-10.6%
Industrial	6.3%	3.2%	-49.2%	Industrial	\$0.92	\$1.15	25.0%

Source: Radius Group Commercial Real Estate

LARGEST AVAILABLE OFFICE SPACES IN SANTA BARBARA			LARGEST OFFICE SPACE LEASE DEALS IN SANTA BARBARA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
3760 State Street	19,000	Tenet Healthcare	1033 Anacapa	12,800	SB Commercial Bank
735 State Street	11,000	Mission Research	223 E. De La Guerra	11,500	Sonos, Inc.
1501 Chapala	10,000	Commission Junction	911 Olive Street	10,700	Softshare
836 Anacapa	9,400	Post Office	10 E. Yanonali	10,000	Blue Casa Comm.
135 E. Ortega	8,900	Isera Group	819 Reddick	9,500	Multiprobe
4181 State Street	7,500	Tenet Healthcare	205 E. Carrillo	7,000	Radius Group Commercial

Source: Radius Group Commercial Real Estate



Industrial Space

Last year saw an increase in the vacancy rate from 1% to 2.4%. This was due to several new large spaces coming onto the market. There are now six locations of 10,000 SF or more for lease or sublease. Otherwise, the rest of the industrial market continues to be tight. There are fewer spaces for small traditional industrial users as more “commercial/office” users are starting to move into the industrial areas to take advantage

of lower lease rates. The average asking lease rate for industrial space is currently \$1.35/SF on a gross basis. We believe the industrial vacancy rate will remain stable through 2006. Look for lease rates to drop slightly for spaces above 5,000 SF.

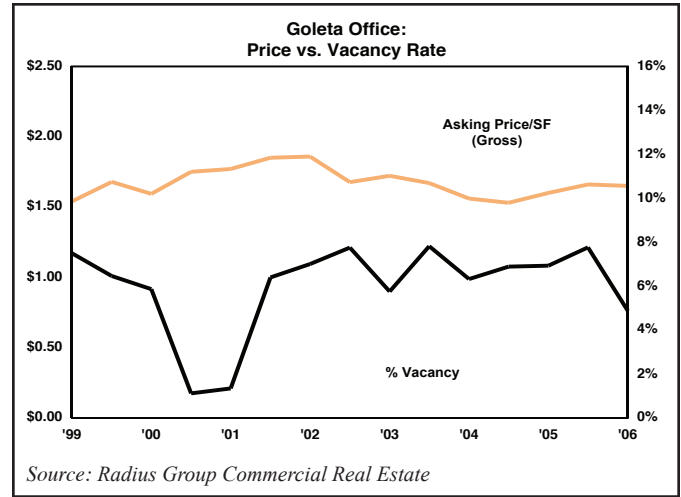
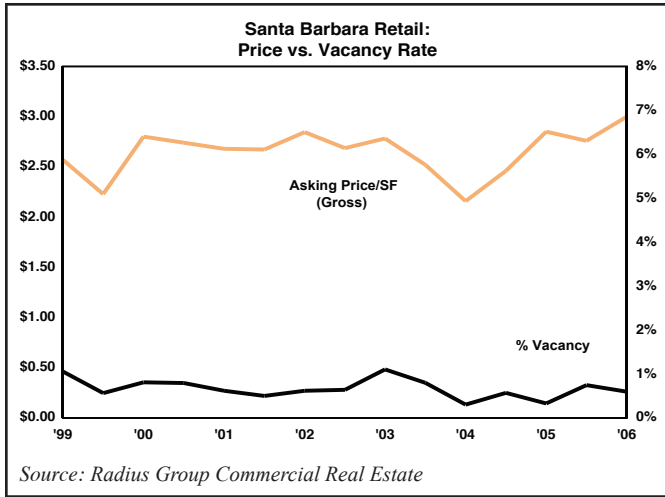
Retail Space

Santa Barbara Retail continues to be a very tight market. With the vacancy rate holding steady under 1%, we are seeing continued increases in the lease

rates. The average asking lease rates are around \$3.00/SF gross, but State Street rents are seeing new highs of \$4.00 to \$7.00 per SF on a gross basis. National tenants are demanding more space and are willing to pay more for it. Local companies are seeing the effects. There are now three Starbucks on State Street within a seven block stretch. We expect lease rates to continue to rise in 2006 as demand continues for State Street retail.

LARGEST AVAILABLE INDUSTRIAL SPACES IN SANTA BARBARA			LARGEST INDUSTRIAL SPACE LEASE DEALS IN SANTA BARBARA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
320 N. Nopal	16,000	Sputtered Films	18 Anacapa Street	9,700	Smart Business Interiors
415 N. Salsipuedes	14,500		1 N. Calle Cesar Chavez	7,700	A American Self Storage
436 N. Gutierrez	12,500	SB Ceramics	734 Cacique	6,400	Alex's Tile Works
1 N. Calle Cesar Chavez	12,200	Fidelity Title	134 Nopalitos	6,400	United Refrigeration
400 E. Gutierrez	10,000	Int'l. Sports Science Assn	617 Salsipuedes	5,200	Marble Expo
4181 State Street	10,000	Tenet Healthcare	205 Anacapa	3,800	205 Winery

Source: Radius Group Commercial Real Estate



Goleta

Office Space

The Goleta Office market saw a big turnaround in 2005. It went from an almost historic high of 7.8% in June to 4.9% by the end of the year. That is the lowest rate in four years. Market activity was strong with eight leases of 10,000 SF or more. In addition, we did not see the large numbers of new vacancies that we saw in 2004. The average asking lease rate held

steady over the year at \$1.65/SF gross with the best deals on the spaces that have been sitting the longest. We believe that the vacancy rate for Goleta should remain stable, as long as we do not lose any more large companies to other markets. We might see lease rates start to creep up again due to the vacancy rate being below 5%.

Industrial Space

Goleta Industrial vacancy rates remained stable at 8.7% for 2005

with only a minor decrease from the 9% rate of 2004. The majority of the deals for space made were between 5,000 and 9,000 SF. There is little space available under 3,000 SF and little activity on spaces over 20,000 SF. Seven large properties account for 90% of the vacant space in Goleta. The average asking lease rate also held steady at around \$1.25/SF on a gross basis. We expect to see a continued decline in the vacancy rate in 2006. Lease rates will hold steady as smaller spaces will see more demand due to their scarcity.

LARGEST AVAILABLE RETAIL SPACES IN SANTA BARBARA			LARGEST INDUSTRIAL RETAIL DEALS IN SANTA BARBARA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
530 State Street	11,500	RADD Thrift	222 W. Carrillo	13,300	Sav On Drugs
602-604 Anacapa	9,800	Siesta Sleep Center	506 Chapala	9,200	Harley Davidson
1230 State Street	7,900	Copeland's Sports	1115 State Street	5,500	Camille Day Spa
4159 State Street	6,000	Lenz Floor Covering	15 W. Figueroa	5,000	SB Bridal
700 State Street	6,000	La Dolce Vita	1107 State Street	4,700	So Good Jewelry
436 N. Milpas	5,700	Armstrong Photo Labs	3122 State Street	3,700	Berlin Pagen Furniture

Source: Radius Group Commercial Real Estate

LARGEST AVAILABLE OFFICE SPACES IN GOLETA			LARGEST OFFICE SPACE LEASE DEALS IN GOLETA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
7410 Hollister	38,000	General Dynamics	6300 Hollister	43,900	Bargain Network
6769 Hollister	27,700	Dupont	6800 Hollister	40,000	Toyon Research
336 Bollay Drive	26,900	Miravant	7416 Hollister	33,900	ConMed Corporation
7408 Hollister	18,900	General Dynamics	6300 Hollister	20,000	Asylum Research
749 Ward Drive	18,600	ConMed Corporation	90 Castilian 1st & 2nd	19,300	Integrated Insurance
7402 Hollister	16,400	Hollingshead	6800 Hollister	11,900	Raytheon

Source: Radius Group Commercial Real Estate

Carpinteria

Office Space

The big story in Carpinteria is the office market. The vacancy rate was cut from 22% to 12.9%. The property at 5464 Carpinteria accounts for over 50% of the current vacancy in Carpinteria. Average asking lease rates are still low at \$1.44/SF gross and that is helping to attract tenants from Goleta and Santa Barbara. Another factor making Carpinteria popular is the access to the Ventura employee and housing market. We expect

vacancy rates to continue to drop below 10% in 2006 and lease rates to increase slightly.

Industrial

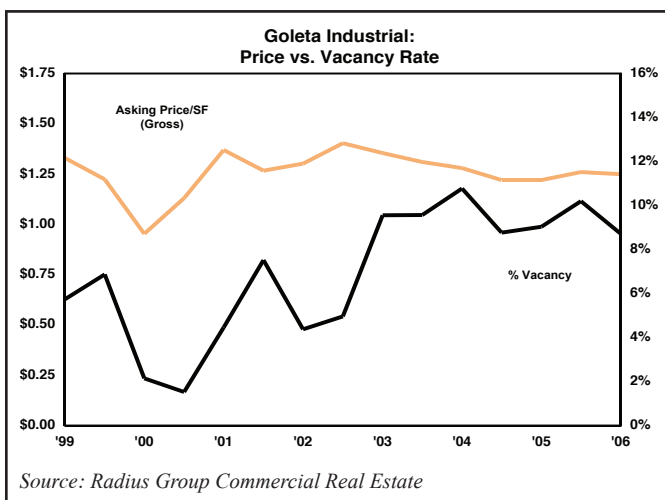
The Carpinteria Industrial market also saw a sizable decrease in the vacancy rate in 2005 from 6.3% to 3.2%. The decline is primarily due to one lease at 6155 Carpinteria Avenue by S&S Seeds. The industrial market in Carpinteria is relatively small so deals like these can cause large swings in the rate. Lease rates have increased slightly to take advantage of the low vacancy

rates and to get more in line with Santa Barbara and Goleta. Along the South Coast, vacancy rates dropped in most sectors of commercial real estate. Only the industrial sector of Santa Barbara saw a slight increase in its vacancy rate. The great news was the office markets of Santa Barbara, Goleta and Carpinteria all saw large reductions in their vacancy rates. Lease rates remained stable overall, except for slight increases in the Santa Barbara retail and the Carpinteria industrial sectors.

Santa Barbara

Office Space

The 2005 Santa Barbara office market was highlighted by a 45% reduction in the vacancy rate, from 5.2% to 2.8%. This is a new five-year low and the third straight year of declines. There are now only two spaces available in Santa Barbara with 10,000 SF or more. Demand is very strong for space in the downtown area. One interesting note was that 2005 saw a



LARGEST AVAILABLE INDUSTRIAL SPACES IN GOLETA			LARGEST INDUSTRIAL SPACE LEASE DEALS IN GOLETA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
6775 Hollister	120,000	Dupont	30 S. La Patera	23,000	Direct Relief
6868 Cortona	61,200	Joslyn Electronics	389 S. Los Cameros	8,700	Global Beer Network
7406 Hollister	51,300	General Dynamics	389 S. Los Cameros	7,900	Event Rents, Inc.
500 S. Fairview	43,100	Earthshell	165 Castilian	7,200	GBMI
153 Castilian	28,800		5551 Ekwil Drive	5,600	Akela, Inc.
99 Aero Camino	25,900	JSS Inc.	5551 Ekwil Drive	5,600	RVM Scientific

Source: Radius Group Commercial Real Estate

LARGEST AVAILABLE OFFICE SPACES IN CARPINTERIA			LARGEST OFFICE SPACE LEASE DEALS IN CARPINTERIA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
1026-1030 Cindy Lane	22,300		6155 Carpinteria Ave.	47,600	S&S Seeds
1029 Cindy Lane	11,200	We Care	6385-A Rose Lane	8,200	Event Electronics LLC
6385-B Rose Lane	7,200	Body Trends	6383-A Rose Lane	7,800	Pacific Scientific
1000 Cindy Lane	2,800		5049 Sixth Street	3,700	Island Brewing
4187 Carpinteria Ave.	1,500		6420 Via Real #7	1,200	Team Scarab
6440 Via Real #6	1,200	Carpathia	6440 Via Real #2	1,200	Bobro Engineering

Source: Radius Group Commercial Real Estate

wave of new financial institutions locating downtown.

The asking lease rate is averaging \$2.24/SF on a gross basis. We expect lease rates will rise as the market has tightened considerably over the last year. We forecast that lease rates will rise approximately 5% this year due to the low vacancy rate.

Industrial Space

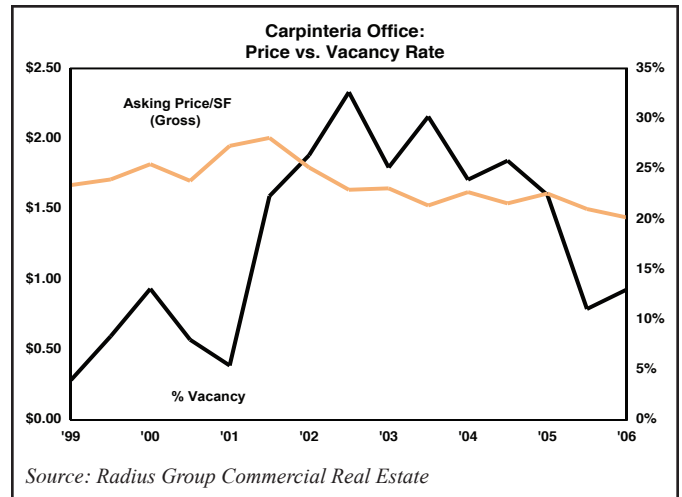
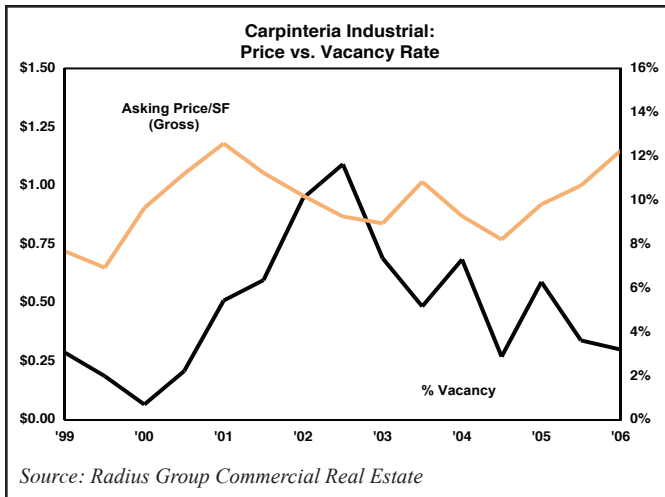
Last year saw an increase in the vacancy rate from 1% to 2.4%. This was due to several new large spaces coming onto the market. There are now six locations of 10,000 SF or more for lease or sublease. Otherwise, the rest of

the industrial market continues to be tight. There are fewer spaces for small traditional industrial users as more “commercial/office” users are starting to move into the industrial areas to take advantage of lower lease rates. The average asking lease rate for industrial space is currently \$1.35/SF on a gross basis. We believe the industrial vacancy rate will remain stable through 2006. Look for lease rates to drop slightly for spaces above 5,000 SF.

Retail Space

Santa Barbara Retail continues to be a very tight market. With the vacancy rate holding

steady under 1%, we are seeing continued increases in the lease rates. The average asking lease rates are around \$3.00/SF gross, but State Street rents are seeing new highs of \$4.00 to \$7.00 per SF on a gross basis. National tenants are demanding more space and are willing to pay more for it. Local companies are seeing the effects. There are now three Starbucks on State Street within a seven block stretch. We expect lease rates to continue to rise in 2006 as demand continues for State Street retail.



Goleta

Industrial Space

Carpinteria

Office Space

The Goleta Office market saw a big turnaround in 2005. It went from an almost historic high of 7.8% in June to 4.9% by the end of the year. That is the lowest rate in four years. Market activity was strong with eight leases of 10,000 SF or more. In addition, we did not see the large numbers of new vacancies that we saw in 2004. The average asking lease rate held steady over the year at \$1.65/SF gross with the best deals on the spaces that have been sitting the longest. We believe that the vacancy rate for Goleta should remain stable, as long as we do not lose any more large companies to other markets. We might see lease rates start to creep up again due to the vacancy rate being below 5%.

Goleta Industrial vacancy rates remained stable at 8.7% for 2005 with only a minor decrease from the 9% rate of 2004. The majority of the deals for space made were between 5,000 and 9,000 SF. There is little space available under 3,000 SF and little activity on spaces over 20,000 SF. Seven large properties account for 90% of the vacant space in Goleta. The average asking lease rate also held steady at around \$1.25/SF on a gross basis. We expect to see a continued decline in the vacancy rate in 2006. Lease rates will hold steady as smaller spaces will see more demand due to their scarcity.

Office Space

The big story in Carpinteria is the office market. The vacancy rate was cut from 22% to 12.9%. The property at 5464 Carpinteria accounts for over 50% of the current vacancy in Carpinteria. Average asking lease rates are still low at \$1.44/SF gross and that is helping to attract tenants from Goleta and Santa Barbara. Another factor making Carpinteria popular is the access to the Ventura employee and housing market. We expect vacancy rates to continue to drop below 10% in 2006 and lease rates to increase slightly.

LARGEST AVAILABLE INDUSTRIAL SPACES IN CARPINTERIA			LARGEST INDUSTRIAL SPACE LEASE DEALS IN CARPINTERIA		
ADDRESS	SIZE (SF)	VACATED BY	ADDRESS	SIZE (SF)	NEW TENANT
5464 Carpinteria Ave.	31,300	Veneco	6307 Carpinteria Ave.	9,900	Anamerican Corp.
6410 Via Real	10,800	QAD, Inc.	1013-1017 Mark Ave.	9,700	Int'l. Sports Science Assn.
6450 Via Real #3-10	9,000		5464 Carpinteria Ave.	8,000	Callwave
6450 Via Real #6-8	4,800	Sinus Pharma	1160 Eugenia Place	5,600	Swift Energy
4180 Via Real	3,500	Evolutions Footwear	1180 Eugenia Place	5,600	Experclick, Inc.
6420 Via Real #5-6	2,500		5464 Carpinteria Ave.	5,400	Narvyx Pharma, Inc.

Source: Radius Group Commercial Real Estate

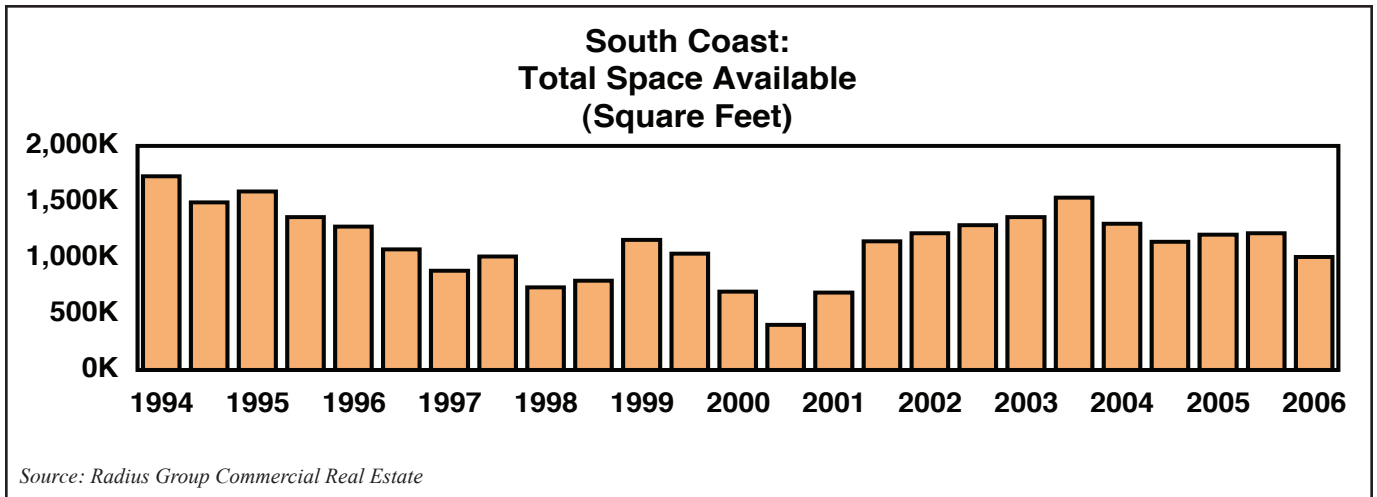
Total Office, Industrial and Retail Vacancy Rates Santa Barbara, Goleta and Carpinteria										
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006*
Office										
Carpinteria	5.1%	3.4%	6.2%	10.5%	13.9%	29.5%	27.7%	24.9%	16.7%	13.0%
Goleta	5.1%	5.3%	7.0%	3.5%	3.9%	7.4%	6.8%	6.6%	7.4%	4.9%
Santa Barbara	4.1%	3.2%	4.0%	1.7%	3.6%	5.3%	7.0%	4.8%	4.8%	2.8%
Industrial										
Carpinteria	3.5%	3.2%	2.5%	1.5%	5.9%	10.9%	6.3%	5.1%	5.0%	3.2%
Goleta	2.9%	1.6%	6.3%	1.8%	6.0%	4.7%	9.6%	9.8%	9.6%	8.7%
Santa Barbara	2.1%	2.3%	2.8%	0.8%	1.5%	2.4%	1.7%	0.9%	1.1%	2.4%
Retail										
Santa Barbara	1.8%	1.0%	0.8%	0.8%	0.6%	0.6%	1.0%	0.4%	0.5%	0.6%

Source: Radius Group Commercial Real Estate
Note: * Estimated

Industrial

The Carpinteria Industrial market also saw a sizable decrease in the vacancy rate in 2005 from 6.3% to 3.2%. The decline is primarily due to one lease at 6155 Carpinteria Avenue by S&S Seeds. The industrial market in Carpinteria is relatively small so deals like these can cause large swings in the rate. Lease rates have increased slightly

to take advantage of the low vacancy rates and to get more in line with Santa Barbara and Goleta. The average asking lease rate for space is \$1.15/SF gross. Vacancy rates and lease rates should remain stable in 2006.



Gross Lease Rates for Office, Industrial and Retail Space Santa Barbara, Goleta and Carpinteria

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006*
----- dollars per square foot per month -----										
Office										
Carpinteria	\$1.51	\$2.00	\$1.44	\$1.76	\$1.98	\$1.72	\$1.59	\$1.58	\$1.59	\$1.61
Goleta	\$1.39	\$1.36	\$1.61	\$1.67	\$1.81	\$1.77	\$1.70	\$1.55	\$1.52	\$1.55
Santa Barbara	\$1.70	\$1.85	\$2.02	\$2.13	\$2.59	\$2.31	\$2.20	\$2.06	\$2.04	\$2.05
Industrial										
Carpinteria	\$0.81	\$0.86	\$0.86	\$0.98	\$1.12	\$0.92	\$0.93	\$0.82	\$0.83	\$0.87
Goleta	\$0.90	\$0.93	\$1.28	\$1.04	\$1.32	\$1.35	\$1.33	\$1.25	\$1.28	\$1.14
Santa Barbara	\$0.94	\$1.01	\$1.15	\$1.23	\$1.40	\$1.05	\$1.05	\$1.12	\$1.51	\$1.56
Retail										
Santa Barbara	\$2.06	\$2.43	\$2.40	\$3.36	\$2.68	\$2.77	\$2.65	\$2.31	\$2.40	\$2.49

Source: Radius Group Commercial Real Estate

SANTA BARBARA COUNTY REAL ESTATE DEVELOPMENT

RESIDENTIAL

Buellton

Oak Springs Village

Located at the northeast corner of McMurray Road and Highway 246, Oak Springs Village is a project by Barry Swenson Builders. The specific plan was approved with: 20 single-family units, 28 townhomes, 24 affordable units and 75 senior assisted-living units. All the divisions are still pending approval from the City Council.

Carpinteria

Narang Condos

A 40-unit condominium project at 4646 Carpinteria Ave. is currently under construction. Located on the west end of Carpinteria Ave, the project will include a mix of two- and three- bedroom condos, live/work spaces, several above-garage units, and 4,672 square feet of commercial space. Five of the units will be set aside as low-income housing.

Goleta

Joint Proposal for the Ellwood/Devereux Coast

The City of Goleta, UCSB, and the County of Santa Barbara are planning the Ellwood-Devereux Open Space and Habitat Management Plan. These plans are also being coordinated with residential development in the areas including Ocean Meadows Golf Course, Ellwood Mesa, and Santa Barbara Shores Park. This is an area bounded by Isla Vista on the east side, the Pacific Ocean on the south side, and Ellwood/El Encanto residential areas in Goleta on the north side.

There are three residential projects that may occur as part of these plans. Ocean Meadows Residences is expected to be located on two pieces of Ocean Meadows Golf Course land (under County jurisdiction) for a total 53 units, 32 single-family and 21 condominiums. Santa Barbara County Board of Supervisors has tentatively approved this project. Comstock Homes will potentially provide 62 single-family residences in the area bordering the south side of 7800s Hollister Avenue. This is under City jurisdiction. This planning and development effort relocates previously planned residential development away from

Coastal areas inland in an effort to preserve the West Campus Bluffs and Ellwood Mesa areas. The entire project will span 137 acres.

Residences at Sandpiper

Originally approved by Santa Barbara County, the city of Goleta did not grant approval for Residences at Sandpiper. Builder Chuck Lande and the Oly Chadmar Partnership envision 87 market-rate and 22 affordable homes on 14.5 acres along Hollister Ave. between Highway 101 and the Sandpiper Golf Course. The project is pending legal review.

Campus Pointe/Villages at Los Carneros

The Bermant Development Company has filed an application to convert existing development rights for 200,000 square feet of R&D/Industrial space to residential. The existing project is named Campus Pointe. The revised plan, named Villages at Los Carneros, calls for 265 units, a mixture of townhouse condominiums and townhouse flats. Twenty percent would be “affordable housing” (limit of 120 percent of median family income). Eighteen percent would be “critical workforce affordable”, which would use income limits of 150 to 200 percent

of median family income. This project is still pending approval.

La Sumida Gardens

Located on Hollister and Turnpike Aves, this is a 208-unit apartment project with half of the units to be Affordable Housing. The developer is The Towbes Group and the project has been approved. Construction may begin in 2007.

Goleta Teacher Homes

The Santa Barbara School District is considering constructing California's first-ever live/work housing for teachers. The project will be located on 23 acres of district owned land between Santa Barbara and Goleta. Plans call for between 250-400 condos to be built in two separate phases. The project is still in the pre-application stages.

Guadalupe

DJ Farms Development Site

Bollenbacher & Kelton Inc. is planning development on a 218-acre area southeast of Highway 1 and West Main Street. The developer is proposing 955 residential units, including apartments and detached units, as well as a school site and mixed commercial areas.

The EIR has recently been finalized. The next step is a specific development plan.

Lompoc

Seabreeze Estates

145 residential units have been approved for a site on the southeast corner of Central and Bailey avenues. The residences will be a mix of single-family residences and apartments, and will include a community park. A 13-acre wetland area and a 3-acre riparian area are to be preserved as well. Developer DS Ventures expects that construction could begin sometime soon.

Gardens At Briar Creek

Originally slated as the southern parcel of Seabreeze Estates, this project was bought by Centex Homes. The project will consist of 150 single-family homes on the intersection of North and Bailey streets. The plans have been approved and construction is expected to begin sometime in 2006.

Wye/Burton Ranch

The Wye Annexation, on the intersection of Harris Grade and Casmalia Avenues, contains two

segments totaling 150 acres. One piece will be developed by the Towbes Group and the other by Martin-Farrell Homes. 462 home, single-family and multi-family, are planned to be built on these two parcels. There are nine other parcels that are part of the Annexation, but development of those parcels is farther down the road.

PXP development

Texas-based oil giant, Plains Exploration and Production Company (PXP) is considering a project to build an estimated 1,300 homes on 800 acres three miles north of Lompoc. The project is still in the pre-app stages and should be going to the city for review soon.

Los Alamos

The Junction

John Van den Bergh is developing The Junction, a mixed-use project at the intersection of Main and Bell streets. The residential portion of the project is planned to include 19 multiple-family units apartments in the second story. The bottom floor will include approximately 13,000 square feet of retail space. The project is pending approval.

Orcutt

Old Mill Development

The Santa Barbara County Planning Commission approved the Old Mill residential project which will allow 60 single-family homes to be built. Lots will range from 4,000 square feet to 10,141 square feet. A total of 6 units will be set aside at price-restricted levels—based on affordability for families at a “low” income range—and will remain price-restricted for 45 years. The project is located at Old Mill and Blosser.

Rice Ranch

McCadden Development has sold the Rice Ranch project to John Scardino, who purchased the project in conjunction with development firm Troxler. The Rice Ranch project is near the corners of Bradley and Stubblefield. There will be five neighborhoods with a total of 725 housing units. There will be 494 single-family homes and 231 condos. Affordable housing will account for 20% (143) of the homes. The community will also contain an elementary school, a 26-acre neighborhood park, and “pocket gathering places.” The project is not in construction yet but is expected to begin sometime in 2006.

Santa Barbara City

St. Vincent's/Mercy Housing Project

Mercy Housing is constructing a large affordable housing project on the grounds of St. Vincent's. At a price tag of \$14 million, Mercy Housing includes 95 affordable senior units and 75 affordable rental units. St. Vincent's is located at 4200 Calle Real, a short distance west of Highway 154.

State Street Lofts

This mixed development project on 3885 & 3887 State Street will include 38 condos, 17 affordable units and 9,243 square feet of retail space. The project has been rejected once and is currently back in the planning process because opponents of this project cite traffic and parking issues as emerging problems.

Carrillo Plaza

Planner Steve Delson of the DBN Development Company has created a redevelopment of existing Carrillo Plaza on 210 West Carrillo Street. He wants to demolish the 19,000 square feet of retail space and construct a mixed-use development in its stead. The new plans include 15,000 square

feet of commercial space and 55 condos, a few of which will be live/work housing.

Santa Barbara County

Isla Vista Master Plan

In 2000, the County of Santa Barbara, UCSB, and the Isla Vista Recreation and Park District (IVRPD) agreed to develop a Master Plan for the Isla Vista community (IVMP). A Project Area Committee/General Plan Advisory Committee (IV PAC/GPAC) was formed in 2001 to integrate the community into the Master Plan process. The County Board of Supervisors accepted the Draft Master Plan, as recommended by the IV PAC/GPAC, and began an environmental review in 2003. The goal of the IVMP is to revitalize the area. The Redevelopment Area for IVMP covers Isla Vista (about 1 square mile) as well as UCSB's Francisco Torres and Storke Ranch.

Isla Vista has 4,908 existing residential units where some 18,500 people live (13,000 of whom are students) and its downtown has 134,000 square feet of floor space. There are several major issues that the IVMP proposes to address. Traffic will be improved with internal roundabouts, completion of sidewalks, and a possible bike

boulevard along Sueno Road. The neighborhood's long-standing problem with parking will be alleviated by a downtown parking lot/structure. Revitalizing Isla Vista's downtown will involve streetscape improvements, the encouragement of mixed-use developments, and programs to help existing businesses.

A new community center that will be home to the Isla Vista Teen Center and a new elder care facility will be built in Estero Park. Housing issues will be addressed by identifying affordable housing opportunities. Planners will design codes that describe the shape and form of new residential development and implement incentives that encourage developers to build larger numbers of smaller units per site. The IV/UCSB interface where thousands of people pass daily between Isla Vista and the University will also be revitalized.

Preserve at San Marcos

This 377-acre area is zoned for 75 homes, however due to the area's ecologic sensitivity, the current proposal is for only 20 homes (5 of them being affordable), saving 340 acres as open space/public park/natural preserve. The project is located east of Highway 154 and a small distance north of Foothill

Road, and is being developed by the Bermant Development Corporation. The project has recently been approved.

Santa Barbara Ranch

Matt Osgood is proposing 72 luxury homes on 485 acres of land in Naples on the Gaviota coast. The homes are expected to be almost evenly split on either side of Highway 101. The homes are planned for four-acre to ten-acre parcels. The project has currently gone to the Council for review. The County would like to transfer Mr. Osgood's development rights to more urban areas in the South Coast, and has until (roughly) Oct. 2007 to design the transfer.

Eastern Goleta Valley Projects

The Santa Barbara County Planning department has identified four sites in which housing could be built. These include the Cavaletto Property (26 acres), the MTD Property (18.6 acres), the County Campus (15 acres), and the Tatum Property (22.8 acres). While possible that homes could be put on these properties at 20-units per acre, this will likely subsidize a bit. The County has funded a visioning process for the area, that will involve public input. However, the County may

be forced to move forward quickly with housing at these locations due to the need to fulfill the state mandated Housing Element.

Santa Maria

Santa Maria Projects Approved or Under Construction

The Westgate Ranch I 108 single-family home project is partially built at the southwest corner of Westgate and Battles. This project is by Tony Wells.

The 208-apartment Bradley Square Townhomes project is close to complete at 2500 South Bradley Road in the Bradley Square subdivision.

Traditions (at Bradley Square) is under construction south of McCoy Lane at College Drive. This 226 single-family home project by Wallace and Associates is more than two-thirds completed.

Classics (at Bradley Square) is under construction south of Crossroads Lane at Bradley Road. This 313 single-family home project by Inland Pacific Builders is more than two-thirds completed.

The 291 single-family home Estates at Pacific Crest project at the southwest corner of Westgate and Battles is under construction by Inland Pacific Builders.

The 149 single-family home Arborwalk project is under con-

struction at the northwest corner of Miller and McCoy by Watt Developers. This project is at least 15 percent built.

The 32 home Foxenwoods Townhomes project is under construction at Foxenwood and Wellington by Foxenwood Builders.

The Mission Creek Village Condos project has begun construction for 84 condominiums at the southeast corner of Sunrise Drive and Santa Maria Way.

The 242 senior-unit project Arbor View Terrace is at least 60 percent built, located at the northeast corner of East Donovan Road and North Suey Road. Also the 31 senior-unit expansion to the Vandenberg Senior Residence is approved for 1316 South Broadway.

The 142-home La Vigna project is approved for construction at the northeast corner of Westgate Road and Marsala Avenue. This project is by the Towbes Group and Martin-Farrell Homes.

The Acquistapace Homes project is approved for 169 single-family homes for the northeast corner of Carmen Lane and Blosser Road. Construction is expected to begin this year.

(Villagio) or The Village, is a 53 single-family home project approved for construction at 1500 East Donovan Road by Bollenbacher and Kelton.

Santa Maria Residential Projects in Planning

A 117-acre area being developed by the Towbes Group and Martin-Farrell Homes is part of the Westgate Specific Plan. The residential component includes single-family units, apartments, and a mobile-home park and will be located at Battles Road and Blosser Road.

The Mahoney property is an unincorporated 450-acre parcel just north of the unincorporated Tanglewood subdivision and southeast of the intersection of Mahoney Road and Black Road. Signature Pacific Development Company LLC, the firm who asked the City to consider annexing the property, could build up to 1,600 residential units on 273 acres and develop 10 acres as commercial and industrial. In October 2003, the County Board of Supervisors approved the annexation into Santa Maria. Final approval for the annexation is under consideration by the Local Agency Formation Commission.

A proposal for perhaps 400 mobile homes; 160 houses, condos, or townhouses; 220 multifamily housing units; and 18-acres of commercial development is ready to start through Santa Maria's planning process. The

proposal is to build on the 115-acre Moretti Property west of Blosser Road. The City Council has approved the doubling of the allowable retail square-footage on the property, increasing it from 76,230 to 174,240. The project is in early planning stages.

Solvang

Skytt Mesa

The Skytt Family is developing 87.6 acres between Chalk Hill Road and Highway 246. The project is approved for 169 single-family homes on 55 acres. The remaining 32.6 acres includes 12 acres of open space and 20.6 acres of road right-of-ways. A recently requested permit extension of one year is expected to be granted.

UCSB

UCSB Student Housing

There are two new housing projects planned for UCSB students: both located along El Colegio Road. The first one, Sierra Madre Apartments, is expected to be completed in fall 2006. It will consist of 151 three-bedroom units and will primarily serve as student-family housing. The second development is the San Clemente Apartments. It

is a 327-unit, 976-bed project with combinations of one, two, or four bedroom units. It is mainly targeted at housing graduate students and completion is expected in late 2007.

Vandenberg Village

Providence Landing

Providence Landing is a project of 140 acres on Burton Mesa at the intersection of Casmalia and Constellation Drives. The project consists of 284 single-family homes between 1,700 and 2,900 square feet with prices that expect to start around \$500,000. 72 affordable townhouses are planned as well. These will range in sizes from 950 to 1,150 square feet and sell from \$77,000 to \$153,000. Of these affordable units, 21 units are for very low-income households, 30 are for low-income households, and 10 are for the lower-moderate income levels. Construction on this project has been going on for some time now.

NON-RESIDENTIAL REAL ESTATE DEVELOPMENT

Buellton

Bach Hotel

This project is the development of a 2.06-acre site into a four-story hotel with 106 standard guest rooms, 1,000 square feet of restaurant space, 1,200 square feet of meeting facilities, and other complimentary uses located on 412 and 450 Avenue of the Flags. Other features include two meeting rooms, a fitness center, and a pool and spa. This project is approved.

Oak Springs Village

This project is the commercial space portion of the Oak Springs Village Specific Plan, which calls for a total of 145,000 square feet of commercial space on McMurray and Highway 246. This includes 103,000 square feet of retail space, of which 55,000 square feet is a large pad for an anchor tenant, and a 36,000 square foot pad is also available for a large tenant. This project also calls for 42,000 square feet of office space, divided into two buildings. The

project is still under review but should be approved soon.

Carpinteria

Lagunitas

Investec and Parkstone are proposing five two-story commercial buildings at 6380 Via Real. The five buildings cover 360,000 square feet and will house research and development and office space. Along with these office buildings, the project calls for 74 condos and small homes that will be geared toward city employees and middle-income families. The project is pending approval.

Rincon Bluffs Resort

A conceptual review to construct this resort was held in a joint meeting with the City Council and Planning Commission. It is proposed to feature a 200-250 room hotel, 4 or 5 restaurants, a conference facility, ancillary retail, and a spa. King Ventures and R2L Architects are working on this project.

Goleta

Old Town Inn and Village

Architect and developer Detlev Peikert plans to build a

Hampton Inn and 37 townhouses at 5665 Hollister Avenue, which is next to the Goleta Valley Community Center. The Hampton Inn will be a 98-room, three-story hotel fronting Hollister Avenue. The townhouses will be at the rear of the property. Six townhouses are designated as affordable. Although the project is approved, construction may not commence in 2006.

Cabrillo Business Park

The Sares-Regis Group is planning an Office and/or R&D development on 6767 Hollister Avenue. They have proposed development of 740,600 square feet of Office/R&D space, self-storage, and onsite service related uses. Over 240,00 square feet would be in 6 existing buildings, which would be remodeled. About 175,000 square feet would be self-storage units. The project is still pending approval.

Guadalupe

Guadalupe Hotel

Guadalupe officials are considering several downtown properties that could be the future home of a planned hotel. The Redevelopment Agency made a list of vacant sites in the City that

could be purchased. The sites are all vacant lots behind several businesses on the east side of the 800 block of Guadalupe Street. Another possible location is on the west side of the 900 block of Guadalupe Street.

Lompoc

Lompoc Retail Complex

The Lompoc Housing and Community Development Corporation has submitted a proposal for a 34,332 square foot retail and general office complex. The project would be located on the northeast corner of Ocean Avenue and H Street, next to the Lompoc Theater. The two building complex would cost from \$4 million to \$4.5 million. Potential tenants include Pier 1 or Z Gallery. The project was approved earlier this year and should begin construction soon.

Orcutt

Orcutt Marketplace

The Orcutt Marketplace is a 306,100 square foot neighborhood shopping center proposed for the northwest corner of Clark Avenue and Highway 101. The center will likely contain Spencer's Fresh Market (40,000 sq.ft), a 16,500

sq.ft. health club and 68,100 sq.ft. of shops including: Starbucks, a financial institution, some freeway service retail, and three restaurant pads. All this retail is envisioned to be on the first floor while there will be medical offices on the second floor. Recently the specific plan for this project added another 100,000 square feet to the development. Because of this new space, the project is still in the planning process.

Orcutt Plaza

The County Planning Commission approved Hawkeye Investments' Orcutt Plaza on June 11, 2003. As planned, the project is a development with 220,779 square feet of retail space at the intersection of Santa Maria Way and College Drive. Vons and Kohl's are expected anchors. Besides those, Border's Books and Music, Petco Animal Supplies Inc., a drive-through Starbucks, and restaurants will round out the project's tenants. The lack of a water source is the pending issue with this project. This and several other projects have recently applied for annexation into the City of Santa Maria, which would allow them to receive city services, including water.

Addamo Diamante Winery

This 33,000 square foot winery on Clark Avenue east of Highway 101 has been approved. The facility itself will have 9,800 square feet in storage space, a 4,900 square foot banquet hall and a 3,000 square foot administration building. The 50 acres of surrounding grape fields should provide for around 21,000 cases of wine annually.

Santa Barbara City

Santa Barbara Gateway

This is a 200,000 square foot mixed-use project located along the 6100 block of Hollister Avenue. It has been split into three parts: an 80,000 square foot R&D center, an 80,000 square feet of general office space and 20,000 square feet of retail space. The project has recently been approved and developer Bermant Homes hopes to begin construction soon. The project has a significant tenant in Citrix Systems, who plan to occupy the Office and R&D space.

Ritz-Carlton

Developer Bill Levy has begun construction on the \$170 million Ritz-Carlton Club after providing the remaining \$1.4 mil-

lion in fees to the city. Architectural renderings of the 62-unit timeshare project show a major transformation of the first three blocks of lower State Street. The project is located at 35 State Street and will also include 38,000 square feet of retail space. Buildings will be knocked down and in their place will rise a small village of timeshares, stores, restaurants, parking lots, wider sidewalks and narrowed streets, and public walkways.

Santa Maria

Santa Maria Projects Recently Completed

Meyer Asset Management has recently completed construction of a multi-tenant

Industrial project at 2300-2400 A Street with a total of 11 buildings and a total buildout of 138,650 square feet.

Enterprise Research recently completed 34,900 square feet of multi-tenant Industrial space in two buildings at 2232 Depot Street.

Santa Maria Projects in Construction

The Santa Maria Industrial Office Complex has 14,180 square feet in construction at 2640-2650 Industrial Parkway consisting of four buildings. Completion is imminent as of April 2005.

Coyway Commercial Center at the 2300s of South Broadway has begun construction of a new center with Office and Retail space, yielding a total buildout of 67,800 square feet.

The Fugate Business Complex at 2615 South Miller Street is under construction providing an eventual total buildout of 66,500 square feet of new Office space. The project has at least two completed buildings out of a total of four.

The Betteravia Business Plaza, a 31,000 square feet Office project in construction at 411/421 Betteravia Road is almost complete.

The LaBrea Plaza, is in construction at 700 E. Main Street to provide 30,000 square feet of Office and Retail space in two buildings.

Santa Maria Projects Submitted for Plancheck

Central Coast Wine Services is expanding their West main Street facility by adding approximately 94,000 square feet of warehouse space. Phase I, 52,600 is built and Phase II, 41,400 is in plancheck.

Santa Maria Projects Approved by Planning Commission

Huntington Investments has planning commission approval to develop a 14,100 square feet multi-tenant Industrial complex at 2351 Thompson Way.

Blosser Commercial has planning commission approval to develop a 18,638 square foot multi-tenant Industrial building at 715 South Blosser Road.

Martinez and Associates have planning commission approval to develop a 13,134 square foot multi-tenant Office building at the northeast corner of Auto Park Way and Mercury Drive, to be called the Mercury Office Building.

***Santa Maria Projects
Pending Review***

The FAA and the Santa Maria Airport District have plans for a research park and a golf course on Airport owned property next to the Santa Maria Airport. In August 2003, plans were changed to accommodate the tiger salamander and the U.S. Fish and Wildlife Services informally approved it. Now, 156 acres are planned for light industry and a golf course will occupy another 196 acres. Formal approval from the agency is still pending. If federal officials formally approve the plan, the project will still need city approval and will need to complete the California Environmental Quality Act requirements before receiving approval.

Santa Maria Commons

This 115,000 square foot retail project has begun grading on the SW corner of McCoy and

Broadway. It will include a Kohl's department store (88,000 sq.ft), a Rite-Aid (16,710 sq.ft) and two other retail buildings at 6,000 and 3,500 square feet, respectively.

Santa Ynez Township

Chumash

The Bureau of Indian Affairs, (BIA), has agreed to allow the Chumash to annex 6.9 acres for a museum and cultural center, located across Highway 246 from the Chumash Casino. The Chumash plan a 3.5-acre commemorative park, a 14,350 square foot cultural center and museum, and a two-story commercial building with 27,600 square feet of space, adjacent to Highway 246, Numanzia Street, and Santa Ynez Park. The project will be further reviewed by the BIA and by the County before development begins.

The Chumash have another request with BIA to annex a separate 5.81-acre parcel that is near the Casino. The Chumash have not declared any particular intention for the 5.81-acre parcel and are not required to do so as part of the annexation process.

Solvang

Worldmark Solvang

Trendwest Resorts has completed construction of 76 vacation

condominiums, timeshares, at 280 Alisal Road. The development, called Worldmark Solvang, contains a mix of units ranging from studios to three bedroom apartments. Like overnight hotel guests, the Worldmark Solvang occupants will pay occupancy tax to the City.

UC Santa Barbara

IV Performing Arts Center

An \$18 million IV Performing Arts Center serving the UCSB campus and the greater South Coast community is under construction by UCSB. The centerpiece of the proposal is a flexible theater with movable seats for up to 300 people for events from student productions and touring speakers.

Vandenberg Village

California Space Center

A space center has been proposed to be built on 66 acres just outside Vandenberg's main gate. The goal is to attract more tourists and students to Vandenberg Air Force Base. The project will include a permanent launch viewing site, visitor center, educational complex, a conference center and an IMAX theater. The project is pending approval.

Residential Development in Santa Barbara County

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>SubType</u>	<u># Units</u>
<u>Buellton</u>					
Approved					
Vintage Walk	575-595 Ave. of Flags	N/A	N/A	Twnehse	17
Valley Station	E Industrial/ W Central	N/A	N/A	SFU	36
Country Crossrds	480 Ave of Flags	N/A	N/A	Apts.	17
Pending					
Sr. Units	Jonata Park Rd	N/A	N/A	Sr. Units	257
Oak Springs Vil.	McMurray/246 (NE)	N/A	N/A	SFU	20
McMurray Mixed Use	S end of McMurray Rd	N/A	N/A	Apts.	10
McMurray Rd Townhmes	Damassa/McMurray	N/A	N/A	Twnehse	74
Hwy 246 Townhomes	NWC Hwy 246/LA Lata	N/A	N/A	Twnehse	44
Snta Ynez Villy. Wine Ctr	E McMurray/E Damassa	N/A	N/A	Condos	35
Oak Springs Vil.	McMurray/246 (NE)	N/A	N/A	Sr Units	75
Oak Springs Vil.	McMurray/246 (NE)	N/A	N/A	Twnehse	28
Oak Springs Vil.	McMurray/246 (NE)	around 1000	N/A	Affrd hsg	25
<u>Carpinteria</u>					
In Construction					
Narang	4646 Carpinteria	755-1116	N/A	Condos	40
Carpinteria Gateway	4991 Carpinteria Ave	N/A	N/A	Condos	4
Pending					
Green Heron Spring	1300 Cravens Lane	N/A	N/A	Condos	34
Lagunitas	6380 Via Real	N/A	N/A	Condos	74
Mission Terrace	1497 Linden	1600-3000	N/A	SFU	27
<u>Goleta</u>					
Approved					
Ellwood Devereux	7800s Hollister	2871-4141	N/A	SFU	62
El Encanto Apts.	7388 Calle Real	N/A	N/A	Apts.	16
Old Town Village	5665 Hollister Ave	N/A	N/A	Twnehse	37
Yardi Systems	5901-49,-59,-79 Hollister	N/A	N/A	Apts.	6
Sumida Gardens	5501 Overpass Rd.	624-1106	N/A	Apts.	200
In Construction					
Ellwood Apts.	360 Ellwood Beach	N/A	\$428-up/m	Apts.	8
Robinson Homes	Baker,Violet,Daffodil Lns	N/A	N/A	SFU	13
Pending					
Citrus Village	7388 Calle Real	N/A	N/A	Apts.	11
Village@Los Carneros	S LosCarneros/Castilian	N/A	N/A	Twnehse	265
Hollipat Apartments	SE Hollister/Patterson	N/A	N/A	Apts.	35
<u>Guadalupe</u>					
Pending					
DJ Farms	SEC HW 1/W Main	N/A	N/A	SFU	955
Minami	N/A	N/A	N/A	SFU	488

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>SubType</u>	<u># Units</u>
<u>Lompoc</u>					
Approved					
T Street Condos	516 N. T St	N/A	N/A	Condos	5
River Terrace	E Laurel/12th	N/A	N/A	Apts.	22
River Terrace	E Laurel/12th	N/A	N/A	Condos	147
River Terrace	E Laurel/12th	N/A	N/A	Twnhse	65
Seabreeze Estates	Bailey/Central	N/A	N/A	Apts.	145
Wye/Burton Ranch	Harris Grade/Casmalia	N/A	N/A	Condos	462
Popma Condos	302 E. Maple Ave	N/A	N/A	Condos	8
Wolberg Apts	521 W Ocean	N/A	N/A	Apts.	8
Gardens@ Briar Creek	North/Bailey	N/A	N/A	SFU	150
Crown Laurel	NEC Laurel/V	N/A	N/A	SFU	73
Pending					
River Terrace	E Laurel/12th	N/A	N/A	SFU	62
Mission Oaks	1400 E. Burton Mesa	N/A	N/A	SFU	27
Maple Gardens	302 E Maple St	N/A	N/A	Twnhse	8
Las Casitas	115 S Third St	N/A	N/A	SFU	15
<u>Los Alamos</u>					
Pending					
N/A	SWC Den/Bell	N/A	N/A	N/A	N/A
The Junction	Main/Bell	N/A	N/A	Apts.	19
N/A	SEC Den/Bell	N/A	N/A	Apts.	10
Legacy Estates	Den St	N/A	N/A	SFU	59
<u>Mesa Oaks</u>					
In Construction					
Bluffs @ Mesa Oaks	Harris Grade/Onstott	2000-3100	\$360-440	SFU	76
<u>Orcutt</u>					
Approved					
Stonegate	Broadway/Rice Rnch	1079-1561	\$128-240	SFU	44
Key Site 10	W Bradley/S Clark	2597-4474	N/A	SFU	16
Ward Building	340 E.Clark	N/A	N/A	Apts.	N/A
Old Mill	Blosser/Old Mill	N/A	N/A	SFU	60
Terrace Ranch	5320 Stillwell Rd.	N/A	N/A	Condos	17
Rice Ranch	Bradley/Stubblefield	N/A	N/A	SFU	494
Rice Ranch	Bradley/Stubblefield	N/A	N/A	Condos	231
In Construction					
Jensen's Crossing	S end of Stillwell Rd	1185-1975	\$136-278	SFU	55
Mesa Verde	Stillwell Rd	2220-2775	N/A	SFU	64
Cobblestone	S end of Stillwell Rd	1879-2490	\$335-433	SFU	57
Harp Springs	Harp Ave/Clark	N/A	N/A	SFU	44
Vintage Ranch	End of Stubblefield	2288-3794	\$131-145	SFU	52
Pending					
N/A	156 S.Broadway	N/A	N/A	Apts.	N/A

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>SubType</u>	<u># Units</u>
<u>Santa Barbara County</u>					
Approved					
N/A	5045 Hollister Ave	N/A	N/A	SFU	9
Devereux School	701 Storke Rd	N/A	N/A	N/A	20
Preserve at San Marcos	Hwy 154/Foothill Rd	N/A	N/A	SFU	20
In Construction					
Zaca Creek Homes	Jonata Park Rd	3000	N/A	SFU	11
N/A	4385 Hollister Ave	1000-2500	N/A	Twnhse	12
Pending					
Park Hill Estates	4700 Via Los Santos	N/A	N/A	SFU	14
Preserve at San Marcos	Hwy 154/Foothill Rd	N/A	N/A	Affrd hsg	5
“MTD Property”	C Real/San Antonio	N/A	N/A	Apts.	400
Ocean Meadows	Storke/El Colegio	N/A	N/A	Condos	21
Dos Pueblos Naples	N/A	N/A	N/A	SFU	10
Hillside House	1235 Veronica Springs Rd	N/A	N/A	Apts.	127
N/A	nr Hwy 101/Los Alamos	N/A	N/A	SFU	59
N/A	bt Kellogg/Camino	N/A	N/A	SFU	12
SB Ranch	Naples(nr Bacara)	N/A	N/A	SFU	73
Noel Hsg Project	Cath. Oaks/Patterson	N/A	N/A	SFU	82
Ocean Meadows	Storke/El Colegio	N/A	N/A	SFU	32
Tecolote Ranch	N/A	N/A	N/A	SFU	26
<u>Santa Barbara</u>					
Approved					
Paseo Chapala	NEC Chapala/Ortega	N/A	\$600s-up	Condos	29
Chapala One	401 Chapala St	N/A	N/A	Condos	46
N/A	1905 Cliff Dr	650-1000	N/A	Apts.	4
N/A	4004 Via Lucero	N/A	N/A	Condos	13
N/A	1822 San Pascual	N/A	N/A	Condos	7
Design Arc Condos	29 W. Calle Laureles	N/A	N/A	Condos	5
Casa Mina	622 Anacapa St	2600-2900	\$2-2.3 mil	Condos	7
N/A	120 S Soledad	N/A	N/A	Apts.	12
N/A	1819 De La Vina	1217-2050	N/A	Duplex	4
N/A	2109 Cliff Dr	1300-2400	N/A	N/A	5
N/A	721-739 Chapala	N/A	N/A	Apts.	23
In Construction					
Laguna Court	1420-1430 Laguna St	1095-2388	\$825-up	Condos	16
Greenwell Acres	2438-2520 Modoc Rd	1,741-2,429	from \$995,000	SFU	25
St. Vincent's	4200 Calle Real	N/A	N/A	Affrd hsg	75
Casas de Ortega	631 W Ortega	1110-1290	high \$600s	Condos	9
N/A	323 S Voluntario	~900	N/A	Affrd hsg	20
Victoria St Apts	210 W Victoria St	N/A	N/A	Apts.	6
St. Vincent's	4200 Calle Real	N/A	N/A	Sr. Units	95
Las Palmas Viejas	4366 Modoc Rd	2175-2500	\$1,595-up	SFU	6

Real Estate Development

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>SubType</u>	<u># Units</u>
La Aldea	929 Laguna St	~1302	N/A	Condos	5
Cota Street Studios	223 & 225 E. Cota St	1100-2100	\$1.6-2.4 mil	Condos	7
Agave Court	1034 E. Canon Perdido	1300-2100	1.3 million	Condos	6
Affordable Rental Hsg	315 W Carrillo St	216	N/A	Affrd hsg	62
N/A	1034 E Canon Perdido	1360-2030	N/A	Condos	6
Ritz-Carlton Club	35 State St	N/A	\$100-350	Condos	62
N/A	319 W Pedregosa	N/A	N/A	Condos	6
Pending					
N/A	414 De La Vina	N/A	N/A	SFU	5
N/A	Cathedral Oaks Rd	1300-1700	\$250-409	Affrd hsg	150
N/A	21 E Anapamu	~575	N/A	Affrd hsg	12
N/A	101 Garden	N/A	N/A	Affrd hsg	16
N/A	222 Santa Barbara St	N/A	N/A	Affrd hsg	16
Alta Mesa	1701-1704 Vista Oceano	3525-4517	N/A	SFU	6
N/A	318 State St	N/A	N/A	Condos	28
N/A	737 E Anapamu	N/A	N/A	Condos	6
Cottage Housing	601 E Micheltorena St	N/A	N/A	Live/wrk	115
Habitat for Humanity	3965 Via Lucero	~1200	N/A	Affrd hsg	N/A
SB Mental Health	617 Garden St	600	N/A	Affrd hsg	47
N/A	1225 Anacapa St	506-526	N/A	N/A	12
N/A	500 Anacapa St	N/A	N/A	N/A	24
N/A	111 Santa Barbara	N/A	N/A	Live/wrk	58
N/A	1722 State St	N/A	N/A	Condos	12
N/A	630 Anacapa St	N/A	N/A	Condos	9
Sandman Inn	3714 State St	750-1750	N/A	Condos	73
N/A	117 W De La Guerra	N/A	N/A	Condos	9
N/A	110 E Cota St	N/A	N/A	Condos	6
N/A	1818 Castillo	N/A	N/A	Apts.	5
N/A	428 Chapala St	~1700	N/A	Condos	7
N/A	121 W De La Guerra	N/A	N/A	Condos	14
N/A	517 W Figueroa St	N/A	N/A	Apts.	9
N/A	210 Megis Rd	1200-1800	N/A	Condos	10
Rogers Tract	422 Santa Fe Pl	1375-2200	N/A	Twnhse	14
Andalucia Bldg	318-324 State St	800-3400	\$2 mil-up	Condos	28
N/A	517 Chapala St	N/A	N/A	Condos	6
N/A	433 E Canon Perdido St	N/A	N/A	Condos	18
N/A	531 Chapala St	N/A	N/A	Condos	7
N/A	1829 State St	N/A	N/A	Commercial	N/A
N/A	1829 State St	N/A	N/A	Commercial	N/A
N/A	101 Garden	N/A	N/A	Condos	101
N/A	412 Anacapa St	N/A	N/A	Condos	6
N/A	526 W. Anapamu St	N/A	N/A	Condos	5
N/A	523 Chapala St	N/A	N/A	Condos	7

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>Sub/Type</u>	<u># Units</u>
N/A	15 S Hope	N/A	N/A	Condos	16
<u>Santa Maria</u>					
Approved					
Ted Zenich Gardens	1034 E. Chapel St	N/A	N/A	Affrd hsg	24
La Ventana	NWC Main/Fremont	N/A	N/A	Twnhse	57
Acquistapace	NEC Carmen/Blosser	N/A	N/A	SFU	169
Celebration	NWC Inger/Miller	N/A	N/A	Live/wrk	15
Centennial Plaza	SWC Plaza/Miller	N/A	N/A	Condos	72
Celebration	NWC Inger/Miller	N/A	N/A	SFU	42
Centennial Plaza	SWC Plaza/Miller	N/A	N/A	Apts.	7
Mattei's Landing	Battles/Blosser	N/A	N/A	Affrd hsg	377
Siena(Westgate Rnch)	Battles/Blosser	N/A	N/A	Condos	117
Celebration	NWC Inger/Miller	N/A	N/A	Twnhse	21
In Construction					
Estates at Pacific Crest	SWC Westgate/Battles	1600-2400	N/A	SFU	291
Classics\Bradley	Crossroads/Bradley	1500-2300	\$314-369	SFU	313
Arborwalk	Miller/McCoy	N/A	N/A	SFU	149
Brian Court	S End of Brian St.	N/A	N/A	SFU	10
La Ventana I	1575 E Main St	N/A	N/A	SFU	60
Arbor View Ter.	NEC Suey/E	N/A	N/A	Sr. Units	242
Foxenwoods Twnhms	4300s S Foxenwood Cir	N/A	N/A	Twnhse	32
Pending					
Refugio	NWC Proffesional/McCoy	N/A	N/A	Twnhse	130
Westfield@Pacific Crest	SWC Battles/SMVRR	N/A	N/A	Condos	128
Harvest Glen	SEC Sonya/Blosser	N/A	N/A	Twnhse	203
Terraces@Pacific Crest	SWC Battles/SMVRR	N/A	N/A	Twnhse	116
Crabtree	580 E. Newlove St	N/A	N/A	SFU	11
La Vigna	NEC Westgate/Marsala	N/A	\$400s-up	SFU	142
McCoy Prop. Sr	500 W McCoy Ln	N/A	N/A	Sr. Units	21
<u>Santa Ynez</u>					
In Construction					
Brierwood Ranch	Quail Valley/Old Rnch	~5000	\$1.7-1.8 mil.	SFU	13
Approved					
Tsai Mixed Use	539 Alisal Rd	N/A	N/A	N/A	6
Skytt Mesa	Chalk Hill Rd	N/A	N/A	SFU	169
Nielsen-High Mead.	2007 High Meadow Rd	N/A	N/A	SFU	4
Bella Vista Est.	1871 Laurel Ave	N/A	N/A	SFU	3
In Construction					
Creekside Place	801-809 Creekside Pl	N/A	N/A	SFU	6
Pending					
Cerny TM	Old Mission Dr	N/A	N/A	SFU	8

Real Estate Development

<u>Project Name</u>	<u>Location/Area</u>	<u>Size (sf)</u>	<u>Prices</u>	<u>SubType</u>	<u># Units</u>
Old Mill LLC	1945 Old Mill Ln	N/A	N/A	SFU	8
<u>Summerland</u>					
In Construction					
Montecito Ranch Est	101/Evans Ave	N/A	N/A	SFU	8
<u>UCSB</u>					
Approved					
North Campus Housing	Phelps Rd. N of Ocean	N/A	N/A	N/A	387
In Construction					
San Clemente	N of El Colegio(I.V.)	N/A	N/A	Apts.	327
Pending					
Alumni Housing	University/Mesa	9250	N/A	N/A	N/A
<u>Vandenberg Village</u>					
In Construction					
Heritage Senior Hsg	Burton Mesa/Sirius Ave	N/A	N/A	Sr. Units	173
Providence Landing	Lom. Casmalia/Constell.	1700-2900	\$500-up	SFU	284
Providence Landing	Lom. Casmalia/Constell.	950-1150	\$77-153	Affrd hsg	72
Pending					
Oak Hills	Galaxy Wy/Oak Hill	N/A	N/A	SFU	21

Sources: numerous, including City reports and County reports.
 Note that # Units for those in construction are total buildout. Some number of the # Units might already be built.

Non-Residential Development in Santa Barbara County

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
<u>Buellton</u>			
Approved			
Bach Hotel	412 & 450 Ave. of Flags	Hotel	106
Vintage Walk	575-595 Ave. of Flags	Retail	N/A
Country Crossrds	SEC Ave of Flags/2nd	Retail	13147
Firestone Brewery Ph.II	McMurray/Thomas	Industrial	5320
Industrial Wy Partners	270 Industrial Wy	Industrial	12057
Buellton Indus. Ptrs. II	S end of Industrial Wy	Industrial	16285
Platinum Performance	E of Thomas north end	Industrial	31187
Valley Station	E Industrial/ W Central	Retail	5992
Lord Industrial Park	77 & 81 Industrial Wy	Industrial	33842
In Construction			
Goldstein Ind. Dev.	45-67(odd) Industrial Wy	Industrial	65792
Thin Film Tech.	175 Industrial Wy	Industrial	7000
Larry Saarloos	63 Thomas Rd	Industrial	9600
The Storage Vault	711 Jonata Park	Storage	78700
Elec. Workers Bldg.	N end of Thomas Ave	Gen. Ofc.	4968
Pending			
Oak Springs Vil.	McMurray/246	Retail	145000
Snta Ynez Villy. Wine Ctr	E McMurray/E Damassa	Winery	22300
Mowry Farmer's Market	W of Thumbelina/Hwy 246	Retail	14856
Petersen Preliminary	NEC Hwy 246/La Lata	Industrial	16285
William Senior Comm.	Jonata Park Rd	Retail	14790
<u>Carpinteria</u>			
In Construction			
Carpinteria Gateway	4991 Carpinteria Ave	Retail	6000
Narang	4646 Carpinteria	Retail	4672
Pending			
Rincon Bluffs Resort	Carpinteria Ave	Hotel	225
Office	5103 Carpinteria Ave	Gen. Ofc.	N/A
Lagunitas	6385 Via Real	R&D	145425
<u>Goleta</u>			
Approved			
Old Town Inn	5665 Hollister Ave	Hotel	98

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Fairview Corp. Ctr.	420 S Fairview	Gen. Ofc.	65600
Yardi Systems	5959 Hollister Ave	Gen. Ofc.	44000
Yardi Systems	5959 Hollister Ave	Retail	7850
ACE-ABLE Indus.	7200 Hollister Ave	Gen. Ofc.	36427
In Construction			
Farmers Market	7004 MarketPlace	Retail	N/A
Pending			
Costco Gas Station	7095 Marketplace Dr	Retail	10800
Town & Country	5669 Calle Real	N/A	2700
Hollister Busi. Pk.	7404 Hollister	Gen. Ofc.	130675
Cabrillo Busi. Pk.	6767 Hollister Ave	Gen. Ofc.	704600
Gordon Mixed Use	345 Pine Ave	Other	3462
Tech Dr Indus	W side of Tech Dr	Industrial	68000
Stokes Industrial Building	E. Side of Tech Dr.	Industrial	5000
Pacific Technology	5383 Hollister	Gen. Ofc.	12040
SB Campus Ctr.	6830 Cortona	R&D	171526
Fairview Comm Ctr	151 S Fairview Ave	Gen. Ofc.	5460
24 Hr. Fitness	6868 Cortona Dr	Retail	39754
L Carneros Pt	1 S Los Carneros	Retail	31051
Fairview Comm Ctr	151 S Fairview Ave	Retail	10115
Bacara Expansion	8301 Hollister Ave	Hotel	62
Porter Plaza	5955 Calle Real	Retail	5200
Page Hotel	W. side of Kellogg/Ekwill	Hotel	247
University Properties	SEC Tech/Thornwood	Industrial	5427
<u>Lompoc</u>			
Approved			
Lompoc Hsg Asst.	NEC Ocean/H St	Retail	34332
N/A	N. of Lompoc Airport	Storage	N/A
Yanez Electric	112 N. F St	N/A	5000
Office Building	1407 N. H St	Gen. Ofc.	12205
Crown Laurel	NEC Laurel/V	Industrial	23000
In Construction			
Barto Heating & Air	300 N. "G" St	Gen. Ofc.	12580
Aquatic Center	205 W College Ave	N/A	41677
Schuyler Mini-Storage	NEC "R" St/Laurel	Storage	39225

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Pending			
Medical Office	Central/L St	Med. Ofc.	18600
<u>Los Alamos</u>			
Approved			
Cottonwood Corners	Helena/Bell	Retail	8000
Pending			
N/A	SEC Den/Bell	Gen. Ofc.	7700
N/A	SWC Den/Bell	Retail	N/A
The Junction	Main/Bell	Retail	13000
N/A	SEC Den/Bell	Retail	7500
<u>Los Olivos</u>			
In Construction			
Family School	N. of Los Olivos	N/A	5920
Pending			
Dunn School	Hwy 154/Santa Ynez	N/A	125000
Newport Farms	N Refugio/Ontiveros	N/A	13858
<u>Orcutt</u>			
Approved			
Addamo Winery	E Clark/101	Winery	33000
Orcutt Plaza	Santa Maria/College	Retail	220779
In Construction			
Ward Building	340 E.Clark	Retail	4000
Pending			
N/A	156 S.Broadway	Retail	N/A
N/A	201 S.Broadway	Retail	N/A
N/A	100 Dyer	Retail	N/A
Orcutt Mrktpl	Clark/W of 101	Retail	306100
Lebard Retail Cntr.	Clark/Foxenwood	Retail	13364
N/A	800 E.Clark	Retail	20280
<u>Santa Barbara County</u>			
Approved			
Girls Inc	4973 Hollister Ave	N/A	32572
Teixeira Winery	9660 Foxen Cyn Rd.	Winery	N/A
Absolute Storage	4001 State St	Storage	70000
In Construction			
Mini Storage	Patterson/Hwy 101	N/A	30000

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Pending			
Patterson Packing	99 N. Patterson Ave	Storage	62156
Trisep Corp	6325 Lindmar Ave	Storage	6940
Por La Mar/Craid	905 S Patterson	Other	1498561
R San Marcos GC	E of Lk Cachuma/N Hwy 154	N/A	16510
N/A	2121 Alisos Ave	Winery	60100
Airport Facilities	601 Firestone Blvd	N/A	15325
<u>Santa Barbara</u>			
Approved			
N/A	401 Chapala St	Retail	8959
Whole Foods Market	State/Hitchcock	Retail	40000
Paseo Chapala	NEC Chapala/Ortega	Retail	6000
SB Gateway	6100 Hollister Ave	R&D	80000
SB Gateway	6100 Hollister Ave	Gen. Ofc.	80000
SB Gateway	6100 Hollister Ave	Retail	20000
Giovanni's/Java Kai	1905 Cliff Dr	Retail	6500
N/A	721-739 Chapala	Retail	9788
La Cumbre Plaza	3815 State St	Retail	5979
N/A	3757 State St	Retail	67226
N/A	3660 State St	N/A	11374
N/A	628 State St	Restaurant	4362
SB Nat. Hist. Museum	2559 Puesta del Sol	N/A	4736
Coalition Shelter	816 Cacique St	N/A	11856
Youth Hostel	12 E Montecito	N/A	11091
Riviera Park	2050 Alameda Padre	Gen. Ofc.	12369
Granada Theater	1214-1216 State St	Other	13360
In Construction			
Auto Dealer	709 Union St	Retail	4320
Ritz-Carlton Club	35 State St	Retail	38908
Office Buildings	403 E Montecito St	Gen. Ofc.	8159
Harbor View Inn	29 State St	Hotel	19
Discovery Pavilion	500 Ninos Dr	Retail	7374
Parking Staff Ofc.	1221 Anacapa St	Gen. Ofc.	8810
Clerk-Recorder Ofc.	130 E Victoria	Gen. Ofc.	10204
Office Buildings	111 E Victoria St	Gen. Ofc.	9905

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Pending			
Hotel	22 E Montecito St	Hotel	50
Auto Dealer	301 S Hope Ave	Retail	99566
Boys & Girls Club	632 Canon Perdido	N/A	14800
N/A	109 Harbor Way	Restaurant	4200
Sandman Inn	3714 State St	Hotel	112
N/A	318 State St	Retail	26804
Hotel	101 Garden	Hotel	205
N/A	1298 Coast Village	N/A	N/A
Hotel	222 Helena Ave	Hotel	25
N/A	117 N Quarantina	Industrial	37600
N/A	1298 Coast Village	Retail	5028
N/A	1298 Coast Village	Gen. Ofc.	6472
Brooks Inst.	535 E Montecito	Condos	N/A
Airport Terminal	500 Fowler Rd	N/A	61000
N/A	1035 Chapala St	Gen. Ofc.	35000
N/A	630 Anacapa St	Retail	11507
Ambulatory Care Cntr	601 E Micheltoarena St	Med. Ofc.	30000
N/A	433 E Canon Perdido St	Gen. Ofc.	9500
Cottage Hospital	320 W Pueblo St	Med. Ofc.	434955
Brooks Inst.	535 E Montecito	Priv. Schl.	8000
Franklin Ctr. Clinic	1136 E Montecito	Med. Ofc.	9600
N/A	500 Anacapa St	Gen. Ofc.	15943
Mercury Office Bldg.	454 William Moffett Pl	Gen. Ofc.	4819
Foothill Centre	4151 Foothill Rd	Gen. Ofc.	67556
Craviotto Project	634 Anacapa St	N/A	32000
N/A	630 Anacapa St	Retail	6000
N/A	1722 State St	Retail	10000
SB Mental Health	617 Garden St	Gen. Ofc.	11915
Andalucia Bldg	318-324 State St	Retail	26804
N/A	412 Anacapa St	Retail	5286
<u>Santa Maria</u>			
Approved			
VA Outpatient Clinic	1520 E Main St	Med. Ofc.	36200
Palisades Car Wash	1144 W.Main St	Retail	3542
DMS Electric	2224 S Westgate Rd	Retail	5000

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Calderon Tires	1245 W Main St	Retail	10116
SM Museum of Flight	3015 Airpark Dr	Retail	9600
S.M. Industrial Bldg	1021 Tama Ln	Industrial	8884
S.M. Asphalt Plant	Hwy 166/ Hwy 101	Industrial	N/A
Accord Engineering	NEC Skyway/McCoy	Industrial	14000
La Brea Ice Company	307 E Oak St	Industrial	15040
SLS Med. Clinic	1510 E Main St	Med. Ofc.	14702
Donahue Properties	SEC Westgate/Jason	Retail	22000
Cars of S.M.	834 W Main St	Retail	5813
Blosser Commercial	715 S Blosser Rd	Industrial	18638
Knutson Industrial Ofc	2370 SkyWay Dr	Gen. Ofc.	13888
R. Jones Wrhse(Ph.2)	1440 Jason Way	Wrhse	17032
Driscoll Strawberry	SEC W.Stowell" E" St	Industrial	156000
Mercury Office Bldg.	NEC Auto Park/Mercury	Gen. Ofc.	13134
Templo El Salvador	800 W Hidden Pines	Industrial	27953
Centennial Plaza	SWC Plaza/Miller	Gen. Ofc.	9095
Central Coast Packing	W End of Jill/Craig	Wrhse	24300
JC Properties	1445 Jason Way	Wrhse	6700
Galaxy Theater	100 Town Center East	Retail	37000
Food Bank	490 W. Foster Rd	Wrhse	16000
Celebration	NWC Inger/Miller	Gen.Ofc	24000
College Squares	S Betteravia/ W College	Retail	64100
Parker Wine Wrhse	2643 Industrial Pkwy	Storage	21410
SM Freeway Ctr	1000 E Betteravia	Retail	16620
In Construction			
Aircraft Hangars	2975-2997 Airpark Dr	Storage	59103
Ctrl Coast Wine	2717 Aviation Way	Wrhse	94057
Salidin Indus. Bldg	909 W Boone St	Industrial	16000
Huntington Invest.	2351 Thompson Wy	Industrial	14120
Food Bank	490 W. Foster Rd	Wrhse	20100
R. Jones Wrhse(Ph.1)	1440 Jason Way	Wrhse	15698
Villavicencio Bldg	1116 W Church St	Retail	3651
Good Samaritan Shelter	401 W. Morrison	Shelter	33750
Gold's Gym	1321 S Bradley	Retail	107258
S.M. Commons	McCoy/Broadway	Retail	119454
Coast Hills Cred.Union	S end of Crossroads	Retail	4200

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Fugate Bus. Complex	2615-50 S Miller/2646	Gen. Ofc.	66500
<u>Santa Maria</u>			
Coyway Comm. Ctr.	2301-99 S Broadway	Gen. Ofc.	67800
Shepard Medical	1418 E Main St	Med. Ofc.	15298
Amir Med. Bldgs	816-820 E Enos Dr	Med. Ofc.	10277
Parkway Med. Center	2342 Prof. Pkwy.	Med. Ofc.	29394
<u>Pending</u>			
SMOOTH	300 Roemer Wy	Gen. Ofc.	9778
Airport Industrial	1300-1400(odd) Fairway	Industrial	153600
Comm Mfg Cmplx	NEC Westgate/Jason	Industrial	26950
Kamal Market	1606 N Broadway	Retail	2576
Moretti Project	Blosser/La Brea	Retail	N/A
Okonite Expansion	2900 Skyway Dr	Industrial	80000
Westgate Ranch	Battles/Blosser	Retail	N/A
N/A	NWC Skyway/Broadway	Retail	40000
<u>Santa Ynez</u>			
<u>Approved</u>			
Dierberg Winery	N of Happy Cyn Rd	Winery	20800
<u>In Construction</u>			
Royal Oaks Winery	N Refugio/Roblar	Winery	14281
<u>Pending</u>			
Afromsky Winery	N of Happy Cyn Rd	Winery	16400
Shoestring Winery	800 E Hwy 246	Winery	7360
<u>Solvang</u>			
<u>Approved</u>			
Evergreen Dynasty	1635 Mission Dr	Retail	3937
Abiad	459 Atterdag Rd	Retail	3800
Nyborg Office Bldg	1420 Mission	Gen. Ofc.	7800
Tsai Mixed Use	539 Alisal Rd	Retail	8943
Wine County Inn	1554 Copenhagen Dr	Hotel	5431
<u>UCSB</u>			
<u>Approved</u>			
Psychology Building	UCSB Campus	School	12000
Residential Life Resource Center	UCSB Campus	School	5700
Student Resource Building	UCSB Campus	School	43100
Ctr. For Film, TV, Media	UCSB Campus	School	200000

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>
Materials Research Lab	UCSB Campus	School	8100
In Construction			
Marine Sciences Research Building	UCSB Campus	School	38000
Life Sciences Building	UCSB Campus	School	47500
Harder Stadium Offices	UCSB Campus	School	10165
Intercollegiate Athletics Building	UCSB Campus	School	28600
Rec Cen Expansion	UCSB Campus	School	37600
CNSI Building	UCSB Campus	School	70000
Kohn Hall	UCSB Campus	School	5000
Pending			
Extended Learning Services Vanden. Vil.	UCSB Campus	School	10000
Pending			
California Space Cntr	Air force base	Industrial	N/A

*Sources: numerous, including City reports and County reports.
 Note that # Units for those in construction are total buildout. Some number of the # Units might already be built.*

Hotel Development in Santa Barbara County

<u>Project Name</u>	<u>Location/Area</u>	<u>Specific</u>	<u>Sq. Ft.</u>	<u>Developer</u>
<u>Buellton</u>				
Bach Hotel	412 & 450 Ave. of Flags	106	Approved	Kui Li
<u>Carpinteria</u>				
Rincon Bluffs Resort	Carpinteria Ave	225	Pending	King Ventures
<u>Goleta</u>				
Old Town Inn	5665 Hollister Ave	98	Approved	Ocean Park Hotels
Bacara Expansion	8301 Hollister Ave	62	Pending	Bacara Hotel
Page Hotel	W. side of Kellogg/Ekwill	247	Pending	John Cahill
<u>Lompoc</u>				
Extended Stay	513, 519 N "G" St	19	On Hold	Surf Development
<u>Santa Barbara</u>				
Sandman Inn	3714 State St	112	Pending	Blackbird Architects
Hotel	101 Garden	205	Pending	Lenvik and Minor
Harbor View Inn	29 State St	19	In Construction	A. Romasanta
Hotel	22 E Montecito St	50	Pending	Bankers Mort. Realty
Hotel	222 Helena Ave	25	Pending	Dawn Sherry

COMMUNITY



Santa Barbara County is a wonderful place to live, and it appears to be getting better. The County's air, though never bad, is perfect as measured by the Ozone stations we monitor. The health of citizens is excellent and even seems to be improving. We currently have an abundance of water, and our beaches are clean, except during or immediately after storms. Our students perform better on standardized tests than the average California student.

Still, Santa Barbara County is not an idyllic paradise for everyone, and the data show evidence of this. Kindergarten through grade 12 enrollment has been flat for the County. In most districts, enrollment has been declining. Given the demographic changes, County enrollments are probably at a maximum, and we expect to see enrollments decline over the next few years. This is because many working families with children simply cannot afford to own a home in Santa Barbara County. So they are leaving, and enrollments are falling.

Crime rates, particularly violent crime rates, provide more

dramatic evidence that all may not be well in Santa Barbara. For several years now, we at the UCSB Economic Forecast Project have been warning that the increasingly bimodal population is likely to result in social problems. We see our rising crime rates as evidence of this.

In a market where housing costs are not supported by local economics and where workforce housing is not provided, three things seem to happen: 1) Wealthy people from outside the region purchase a high percentage of homes and bid up prices; 2) Middle-class families with children leave; 3) Low-income families crowd into existing single-family residences. Once these people crowd into the homes, you get the same outcomes that seem to always result from very high-density living. Crime rates are the canary in the mine shaft.

Crime rates are usually negatively correlated with economic prosperity. When times are good, crime tends to fall. When times are bad, crime tends to rise. Wealthy communities tend to have low crime rates. Poorer commu-

nities tend to have higher crime rates. Here, however, we have seen rather dramatic increases in crime rates in a very robust economy. As we discuss elsewhere, this economy is booming. Given the nature of the economy, I'm tempted to describe the rise in Santa Barbara County violent crime as "alarming."

Then there is traffic. Santa Barbara County traffic is getting worse every year. And it will continue to get worse. A very large proportion of County traffic is through-traffic on Highway 101. Given California's population growth and prosperity, this component of the County's traffic will continue to increase. There is nothing the local community can do to limit it.

Local demographic and economic trends will also cause traffic to increase. With increasingly fewer families able to live on the South Coast, more and more South Coast workers will be commuting in from Ventura County or North Santa Barbara County. This causes increased congestion from Oxnard to Santa Maria. Santa Maria and other North County communities

have another source of congestion. San Luis Obispo is seeing economic and demographic trends very similar to those on Santa Barbara County's South Coast. Consequently, increasing numbers of San Luis Obispo workers are living in North Santa Barbara County and are commuting to work. These commuters contribute to increased traffic congestion.

Given housing prices and existing demographic and economic trends, it appears that there is nothing that can be done to reduce traffic. Congestion therefore can only be reduced by adding to existing infrastructure or by building new infrastructure, such as a rail line for commuters.

This brings me to my final two-part topic, housing construction and home prices. First, is new home building always detrimental to existing home prices? I and others have said that homeowners limit growth, in part at least, to increase their wealth by increasing the value of their home. This is, however, counter to historic precedent, and I'm frequently challenged on the assertion.

Throughout history and around the world, most communities and peoples have embraced growth. In part, this was for self defense. Larger commu-

nities are safer from attacks by their neighbors. However, even when defense was not an issue, communities wanted to grow. Presumably, this growth was expected to increase the wealth of the existing citizens.

In part, the growth was expected to increase the economic opportunities of the community's existing citizens, thereby increasing their wealth. Economic growth also increased the economic opportunities of incoming migrants, and part of that opportunity would naturally be capitalized in existing home values. The value of the home would increase and drive up the wealth of the homeowner.

Growth can also increase home values by increasing community amenities. Larger communities are more likely to have nice restaurants, cultural activities and centers, shopping opportunities, parks, and the like. These amenities increase the desirability of a community and the price of homes.

New home building is clearly not always detrimental to existing home prices. Here, unbridled growth is likely to be detrimental to existing home prices because Santa Barbara County is abundantly endowed with amenities, and home prices

are well beyond being influenced by economic activity. Does that mean that no home building is wealth-maximizing for existing homeowners? Probably not.

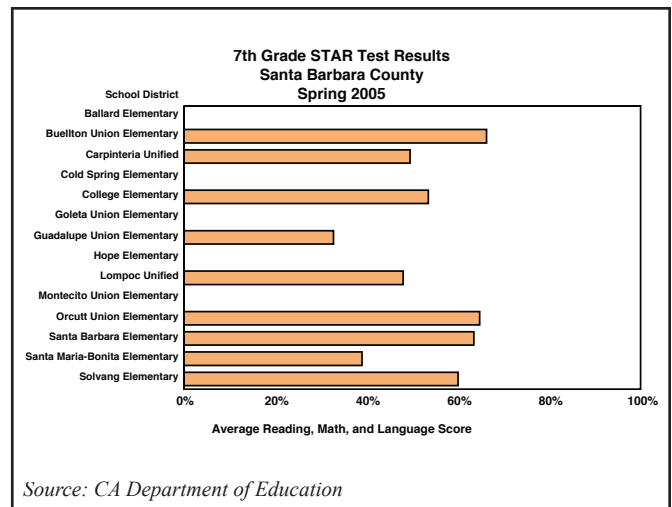
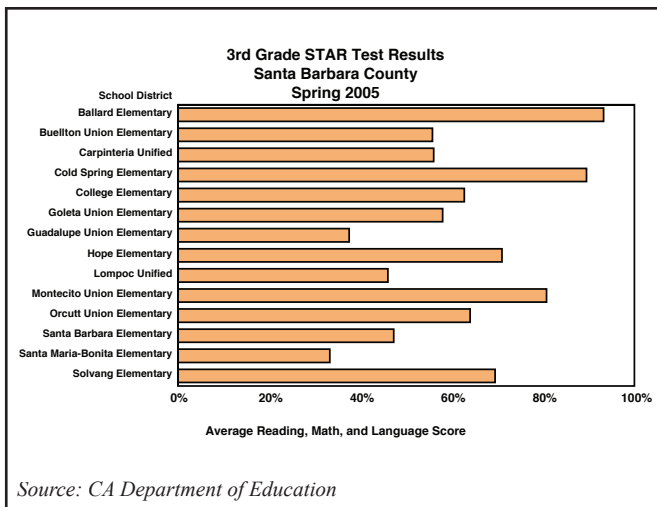
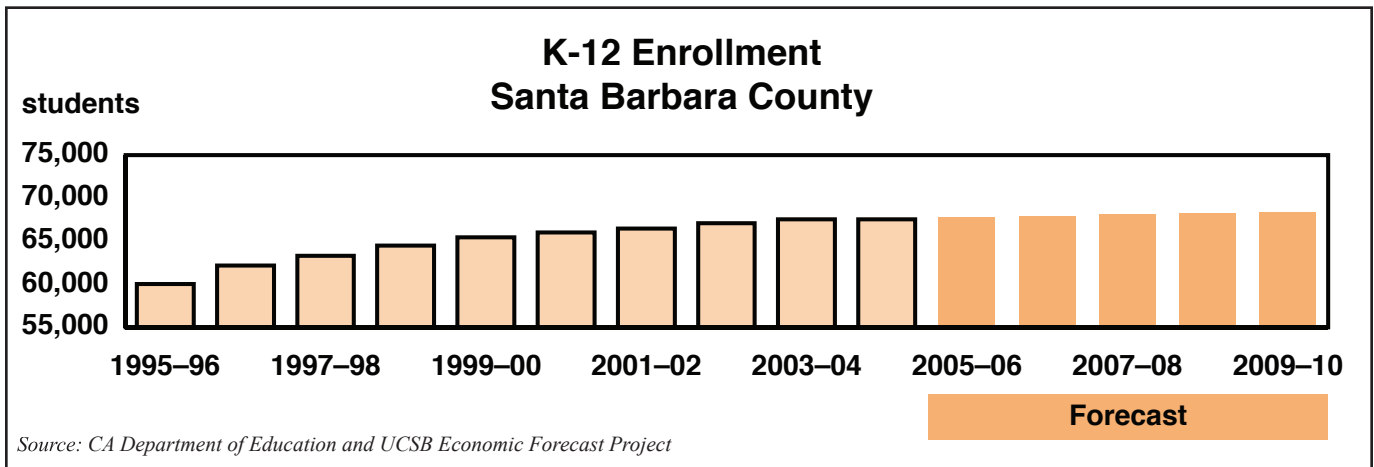
In economics, we have a term called "corner solution" that can be applied to home building in Santa Barbara County. A "corner solution" is an all-or-nothing concept—it is an extreme solution to a problem. In this case, the two "corner solutions" would be no building at all or unlimited building, rather than an intermediary solution to the problem (some building). Corner solutions are seldom optimal.

On Santa Barbara County's South Coast, we are already seeing some of the negative results of the corner solution (virtually no home construction). These results were discussed above: crowding, traffic, and crime are increasing. Homeowners must ask if it is possible for these negatives to adversely impact home prices.

Santa Barbara County is at the forefront of a new economic phenomenon. There has never before existed a society where the communications technology, demographics, and wealth combined in such a manner that that society could afford large communities whose citizens did not

generate the income and wealth to support their own consumption. Certainly, there have been islands of such communities dedicated to consumption (Cape Cod is an example), but these communities have been small and have derived their economies from nearby major economic centers.

Now, with few exceptions, all of Coastal California is becoming what we can call “consumption communities.” Santa Barbara, Monterey, and San Luis Obispo are the leading edge of the trend. Only time will tell if the negatives will eventually impact home prices. In the short run, we do not expect to see any measurable impact on home prices.



Academic Performance Index (API) Santa Barbara County

	2005 Growth	2004 Base	Growth Target	Met Growth Target
High School				
Carpinteria Senior High	698	681	5	Yes
Cabrillo Senior High	769	759	2	Yes
Lompoc High	675	643	8	Yes
Dos Pueblos Senior High	798	814	A	No
San Marcos Senior High	748	741	3	Yes
Santa Barbara Senior High	743	739	3	Yes
Righetti (Ernest) High	707	712	4	No
Santa Ynez Valley Union High	772	737	3	Yes

Source: CA Department of Education
Note: 'A' means the school scored at or above the statewide performance target of 800 in 2004.

STAR CAT/6 2005 Test Results Santa Barbara County

	Reading	Math	Language	Spelling	Average
Grade 3					
Ballard Elementary	100%	91%	100%	82%	93%
Buellton Union Elementary	48%	70%	53%	52%	56%
Carpinteria Unified	42%	69%	51%	62%	56%
Cold Spring Elementary	95%	100%	95%	68%	90%
College Elementary	51%	66%	66%	68%	63%
Goleta Union Elementary	49%	68%	55%	60%	58%
Guadalupe Union Elementary	28%	43%	36%	43%	38%
Hope Elementary	66%	79%	74%	65%	71%
Lompoc Unified	35%	52%	44%	53%	46%
Montecito Union Elementary	79%	86%	81%	77%	81%
Orcutt Union Elementary	58%	72%	62%	64%	64%
Santa Barbara Elementary	35%	53%	44%	57%	47%
Santa Maria-Bonita Elementary	22%	43%	29%	39%	33%
Solvang Elementary	70%	80%	66%	62%	70%
Santa Barbara County	39%	57%	46%	53%	49%
California	36%	44%	55%	55%	48%
Grade 7					
Ballard Elementary	NA	NA	NA	NA	NA
Buellton Union Elementary	67%	67%	68%	63%	66%
Carpinteria Unified	48%	53%	47%	50%	50%
Cold Spring Elementary	NA	NA	NA	NA	NA
College Elementary	60%	53%	58%	43%	54%
Goleta Union Elementary	NA	NA	NA	NA	NA
Guadalupe Union Elementary	24%	34%	34%	39%	33%
Hope Elementary	NA	NA	NA	NA	NA
Lompoc Unified	47%	47%	45%	53%	48%
Montecito Union Elementary	NA	NA	NA	NA	NA
Orcutt Union Elementary	59%	67%	59%	74%	65%
Santa Barbara Elementary	77%	61%	68%	48%	64%
Santa Maria-Bonita Elementary	35%	43%	31%	47%	39%
Solvang Elementary	58%	70%	57%	55%	60%
Santa Barbara County	49%	54%	48%	57%	52%
California	46%	45%	49%	57%	49%

Source: CA Department of Education

Student Teacher Ratios Santa Barbara County				
School District	Number of Students per Teacher			
	2001-02	2002-03	2003-04	2004-05
Ballard Elementary	19.6	18.3	18.6	21.8
Buellton Union Elementary	19.2	20.0	19.9	21.3
Carpinteria Unified	20.9	20.6	20.6	20.5
Cold Spring Elementary	15.2	15.8	17.0	14.4
College Elementary	20.5	19.6	20.1	18.6
Goleta Union Elementary	19.8	19.7	19.9	19.6
Guadalupe Union Elementary	18.8	18.7	18.9	18.9
Hope Elementary	20.1	20.5	21.0	20.5
Lompoc Unified	19.0	18.9	20.1	20.5
Montecito Union Elementary	14.8	14.0	12.9	13.0
Orcutt Union Elementary	21.0	21.1	22.7	21.9
Santa Barbara Elementary	19.1	19.8	19.8	19.6
Santa Barbara High	21.4	21.9	22.9	21.3
Santa Maria Joint Union High	24.2	24.9	25.0	26.3
Santa Maria-Bonita Elementary	19.8	20.5	21.3	21.7
Santa Ynez Valley Union High	28.5	26.8	25.7	26.5
Solvang Elementary	20.0	19.9	21.1	21.2
Santa Barbara County	19.9	20.2	20.9	20.9
California	20.6	20.7	21.2	21.2

Source: CA Department of Education

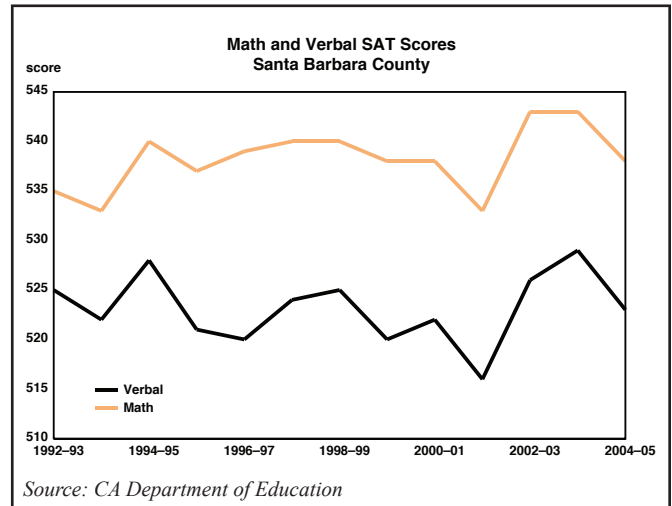
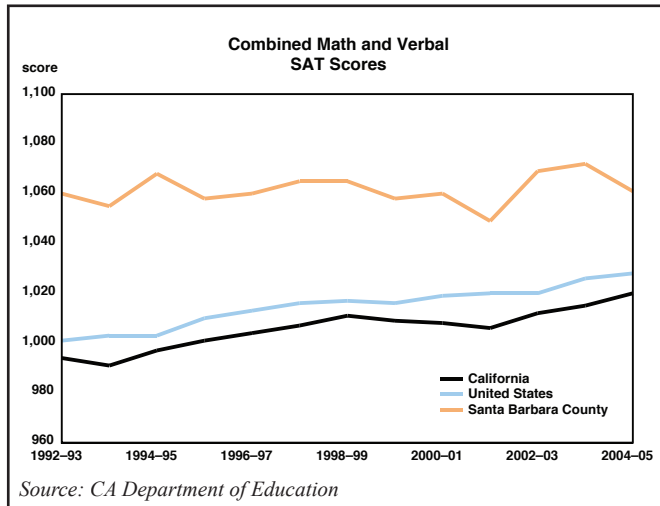
Average Class Size Santa Barbara County				
School District	Average Number of Students per Class			
	2001-02	2002-03	2003-04	2004-05
Ballard Elementary	19.6	18.3	18.6	21.8
Buellton Union Elementary	23.5	22.7	22.5	25.0
Carpinteria Unified	25.9	25.8	25.6	25.4
Cold Spring Elementary	18.4	18.0	19.5	18.2
College Elementary	21.1	18.6	19.8	20.3
Goleta Union Elementary	22.1	22.1	22.3	22.1
Guadalupe Union Elementary	23.9	23.6	25.4	25.0
Hope Elementary	21.9	22.3	22.3	20.3
Lompoc Unified	24.6	24.5	25.4	25.4
Montecito Union Elementary	17.9	17.7	16.7	17.2
Orcutt Union Elementary	22.7	25.3	26.0	26.2
Santa Barbara Elementary	21.2	21.5	21.4	22.0
Santa Barbara High	27.9	25.3	28.2	27.5
Santa Maria Joint Union High	27.7	28.0	27.8	28.4
Santa Maria-Bonita Elementary	24.0	24.7	25.9	26.4
Santa Ynez Valley Union High	26.9	26.9	26.7	26.3
Solvang Elementary	23.0	23.7	22.1	22.3
Santa Barbara County	25.4	25	26.0	26.0
Statewide	26.3	26.2	27.4	27.3

Source: CA Department of Education

California High School Exit Exam Santa Barbara County 2004-05

School District	Percent Passing	
	Math	English / Language Arts
Carpinteria Unified	71%	65%
Lompoc Unified	69%	71%
Santa Barbara High	73%	74%
Santa Maria Joint Union High	62%	57%
Santa Ynez Valley Union High	81%	80%
Santa Barbara County	66%	65%
Statewide	63%	65%

Source: CA Department of Education



SAT I Scores Santa Barbara County

School District	Grade 12 Enrollment	Number Tested	Percent Tested	Verbal Average	Math Average	2004-05 Total	2003-04 Total
Carpinteria Unified	240	69	28.8%	514	509	1,023	1,070
Lompoc Unified	739	194	26.3%	510	509	1,019	1,036
Santa Barbara High	1,590	721	45.3%	547	560	1,107	1,142
Santa Maria Joint Union High	1,549	335	21.6%	476	512	988	956
Santa Ynez Valley Union High	274	124	45.3%	539	545	1,084	1,054
Santa Barbara County	4,608	1,453	31.5%	523	538	1,061	1,072
California	409,576	146,877	35.9%	499	521	1,020	1,015

Source: CA Department of Education

Dropout Rates Santa Barbara County 2003-04

High Schools	Number of Dropouts	Total Enrollment	One Year Rate
Carpinteria Senior High	0	855	0.0%
Cabrillo Senior High	24	1,554	1.5%
Lompoc Senior High	16	1,637	1.0%
Dos Pueblos Senior High	6	2,273	0.3%
San Marcos Senior High	10	2,077	0.5%
Santa Barbara Senior High	5	2,355	0.2%
Righetti (Ernest) High	19	2,583	0.7%
Santa Maria High	116	3,803	3.1%
Santa Ynez Valley Union High	5	1,114	0.4%
Santa Barbara County	281	19,889	1.4%
Statewide	61,211	1,876,927	3.3%

Source: CA Department of Education

High School Dropout Rates

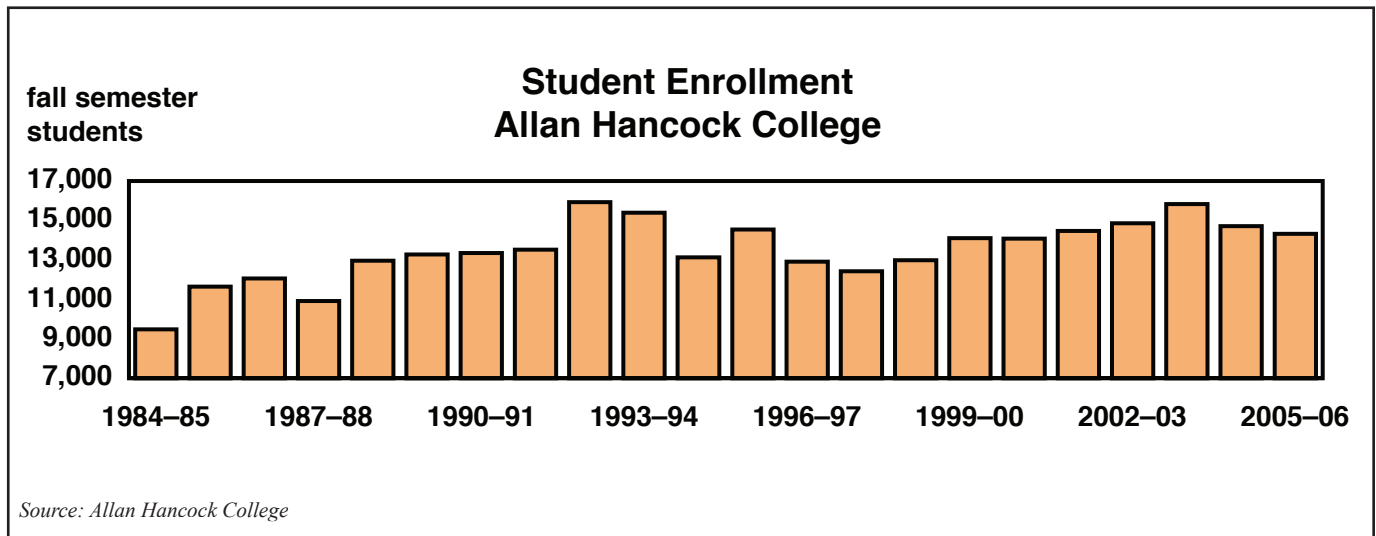
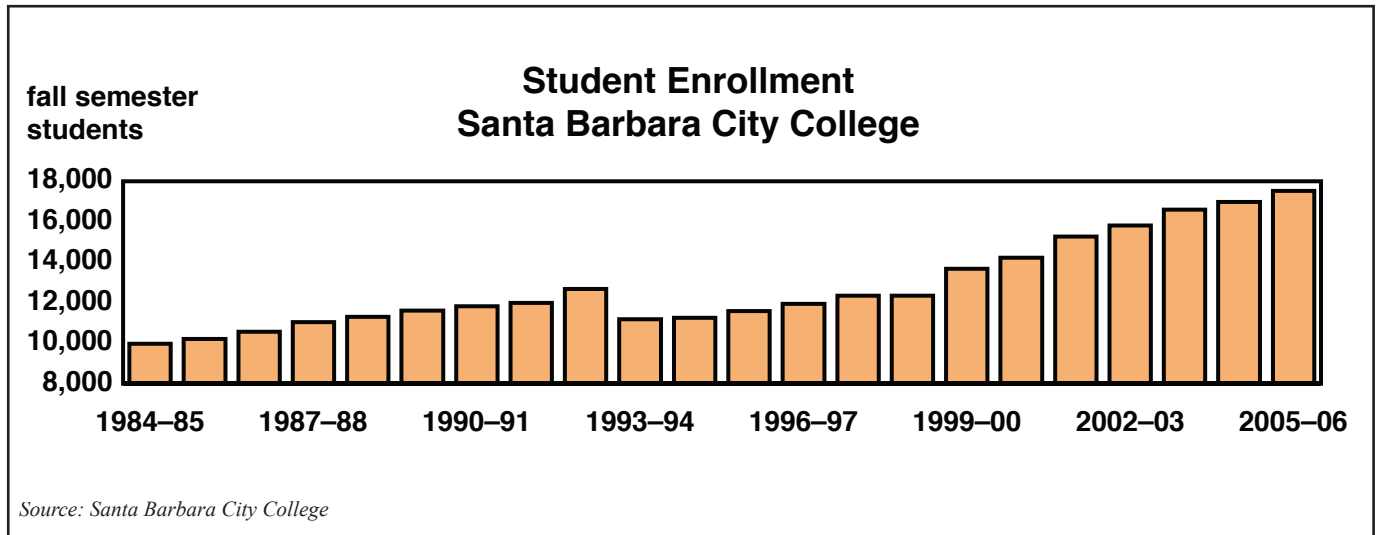
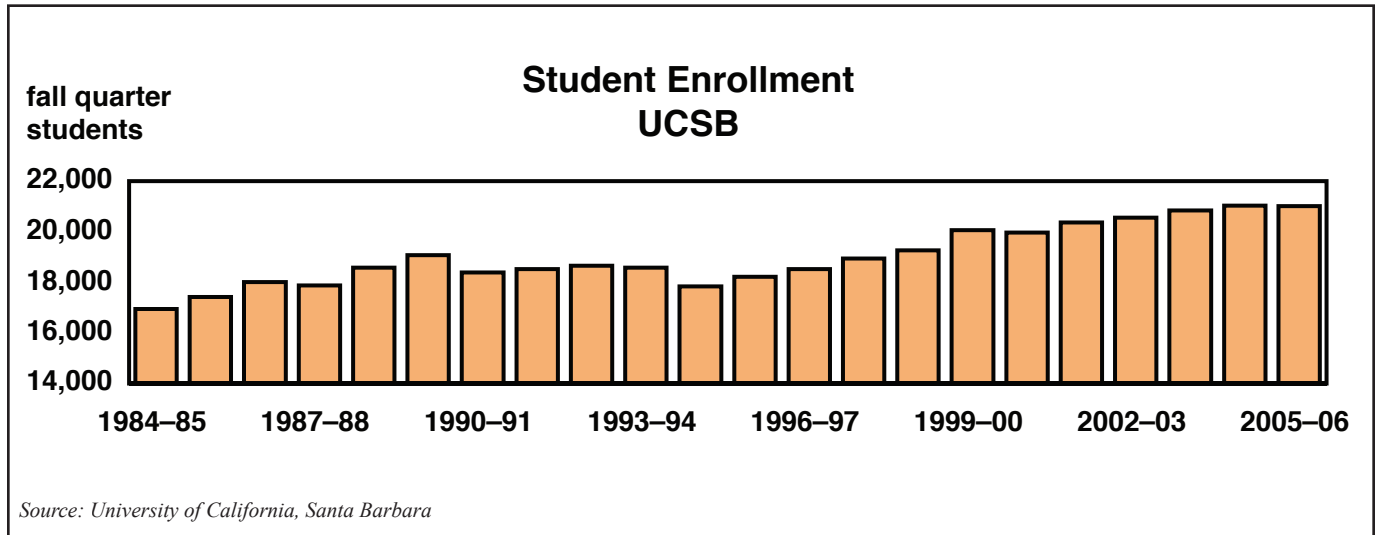
School District	One Year Dropout Rates				
	1999-00	2000-01	2001-02	2002-03	2003-04
Carpinteria Senior High	0.0%	0.0%	0.5%	0.5%	0.0%
Cabrillo Senior High	1.6%	0.7%	0.9%	0.7%	1.5%
Lompoc Senior High	3.9%	4.7%	2.2%	1.7%	1.0%
Dos Pueblos Senior High	0.5%	0.6%	0.2%	0.4%	0.3%
San Marcos Senior High	0.2%	6.0%	0.7%	0.5%	0.5%
Santa Barbara Senior High	0.9%	1.2%	0.5%	0.4%	0.2%
Righetti (Ernest) High	1.1%	1.0%	0.6%	0.8%	0.7%
Santa Maria High	1.9%	0.7%	2.5%	3.9%	3.1%
Santa Ynez Valley Union High	0.3%	0.2%	0.5%	0.5%	0.4%
Santa Barbara County	1.6%	1.5%	1.3%	1.8%	1.4%
Statewide	2.8%	2.4%	3.2%	3.2%	3.3%

Source: CA Department of Education

High School Graduates Santa Barbara County 2003-04

School District	12th Grade Enrollment	Number of Graduating Seniors	Graduation Rate	UC/CSU Eligible Graduates	% UC/ CSU Eligible Graduates
Carpinteria Senior High	207	198	95.7%	56	28.3%
Cabrillo Senior High	319	299	93.7%	148	49.5%
Lompoc Senior High	329	280	85.1%	85	30.4%
Dos Pueblos Senior High	508	484	95.3%	298	61.6%
San Marcos Senior High	471	426	90.4%	242	56.8%
Santa Barbara Senior High	540	478	88.5%	217	45.4%
Righetti (Ernest) High	516	477	92.4%	128	26.8%
Santa Maria High	767	680	88.7%	147	21.6%
Santa Ynez Valley Union High	231	213	92.2%	109	51.2%
Santa Barbara County	4,505	3,840	85.2%	1,442	37.6%
Statewide	395,194	343,484	86.9%	115,680	33.7%

Source: CA Department of Education

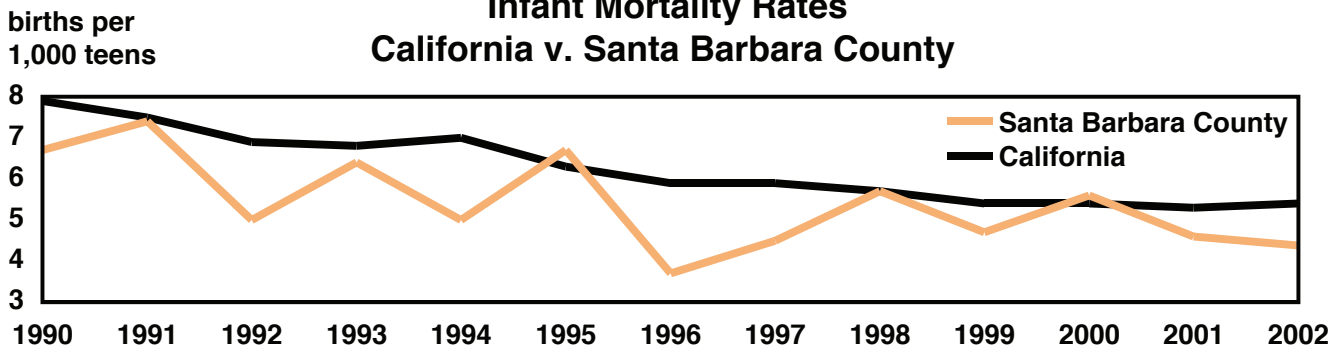


**Santa Barbara County Ozone Trends:
Days Exceeding the State Standard for 1-Hour Observations at 0.08 ppm**

	1999	2000	2001	2002	2003	2004	2005
Santa Barbara	1	0	0	0	0	1	0
Santa Ynez	0	0	1	0	1	0	0
Lompoc	0	1	0	0	1	1	0
Santa Maria	0	0	0	0	0	0	0
Carpinteria	1	1	1	0	1	0	0
Goleta	1	0	0	0	1	0	0

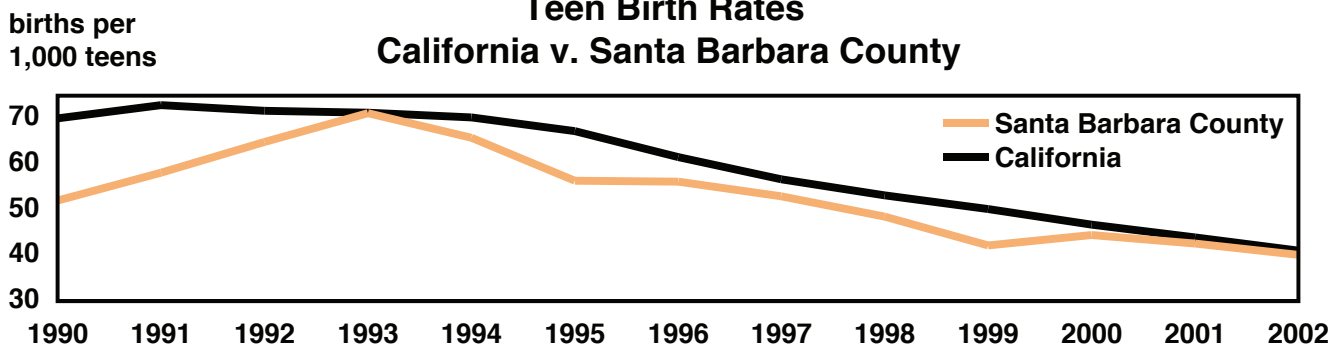
Source: Santa Barbara County Air Pollution Control District

**Infant Mortality Rates
California v. Santa Barbara County**



Source: CA Department of Health

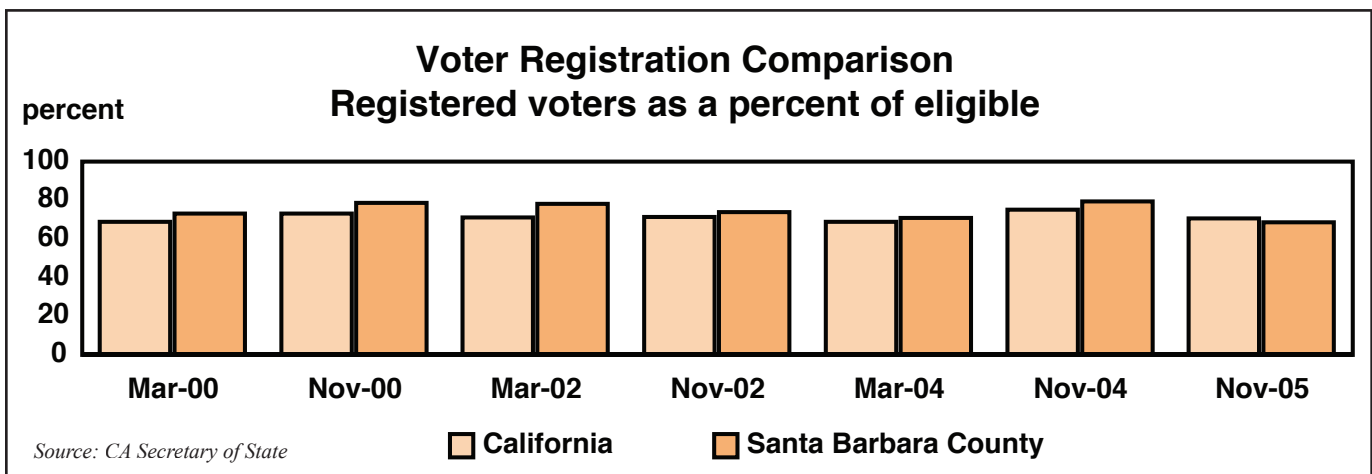
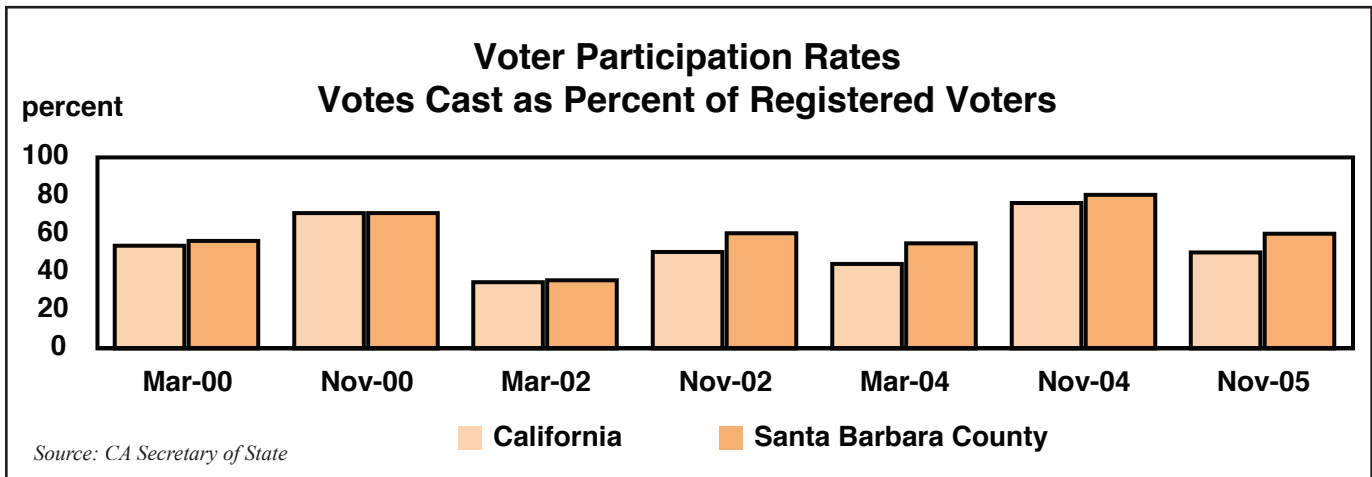
**Teen Birth Rates
California v. Santa Barbara County**



Source: CA Department of Health

Composition of Registered Voters Santa Barbara County				
	Percent of Total Registered			
	Democrat	Republican	Independent	Green
March 2000	41.7%	37.4%	2.0%	1.2%
October 2000	41.3%	36.6%	2.1%	1.7%
March 2002	40.8%	37.0%	2.1%	1.8%
October 2002	40.1%	37.5%	2.0%	1.9%
March 2004	39.6%	37.3%	2.0%	1.8%
October 2004	40.6%	35.4%	2.0%	1.5%
October 2005	40.6%	36.3%	2.0%	1.3%

Source: CA Secretary of State



Annual Beach Report Card Comparison by County Dry April 2004 - Mar 2005

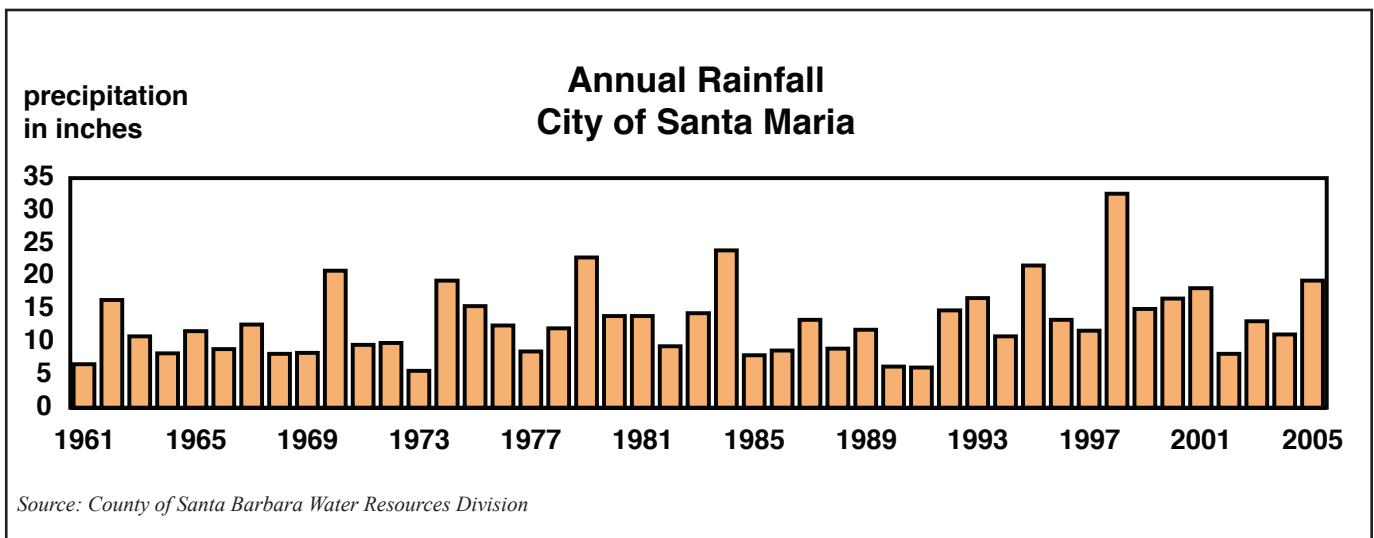
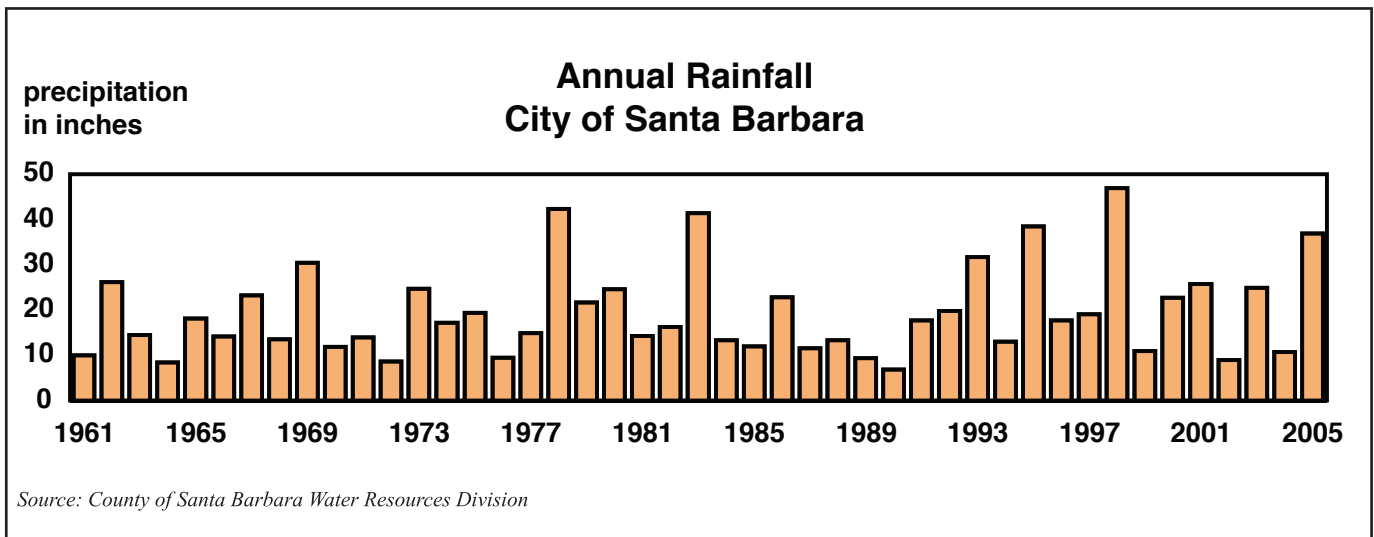
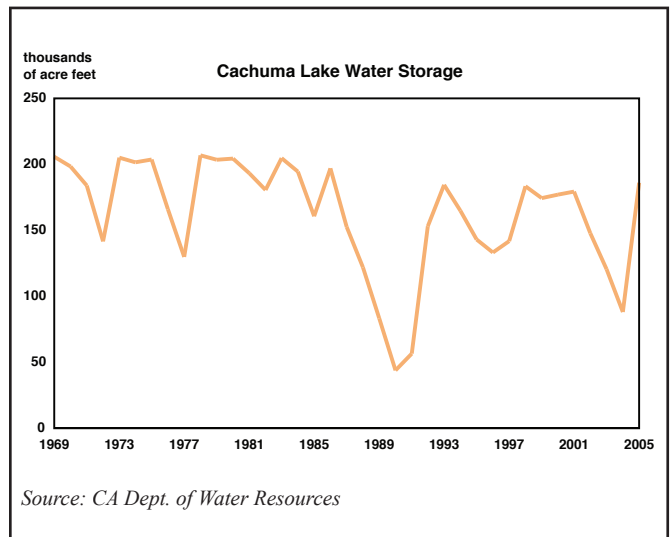
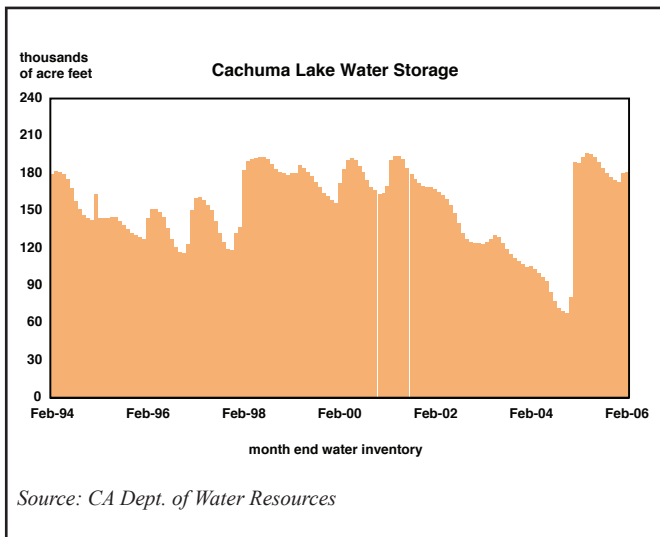
Counties - North to South	A	B	C	D	F
Monterey	NS	NS	NS	NS	NS
San Luis Obispo	81.3%	18.8%	0.0%	0.0%	0.0%
Santa Barbara	70.0%	20.0%	5.0%	0.0%	5.0%
Ventura	72.7%	22.7%	4.5%	0.0%	0.0%
Los Angeles	41.6%	28.6%	18.2%	1.3%	10.4%
Combined Averages	55.6%	25.2%	11.9%	0.7%	6.7%

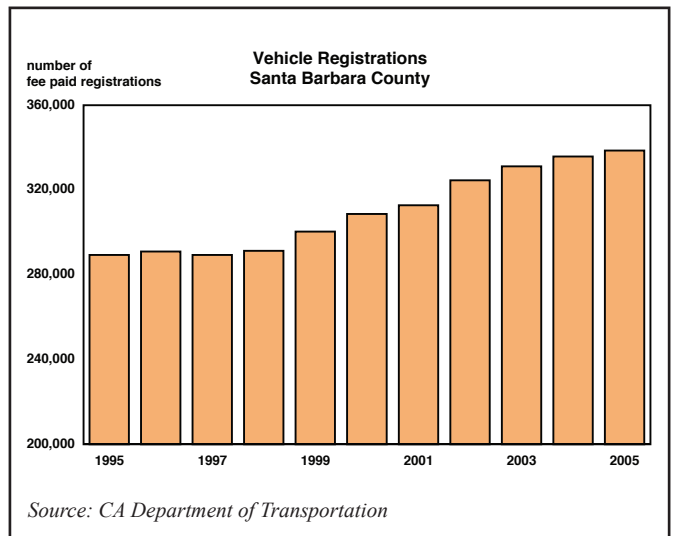
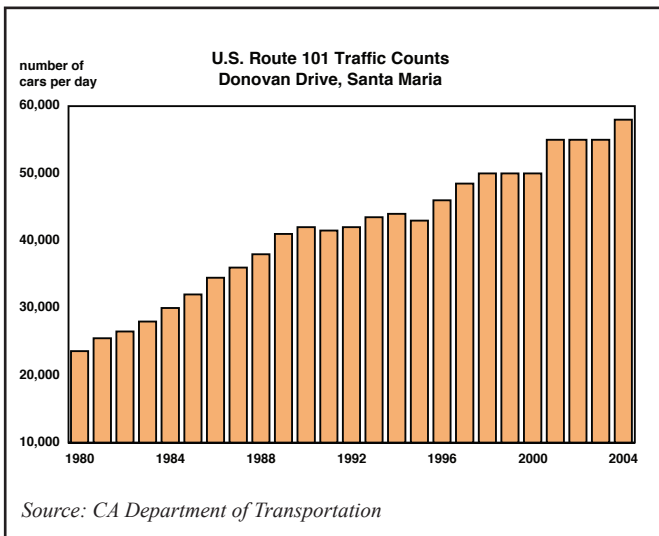
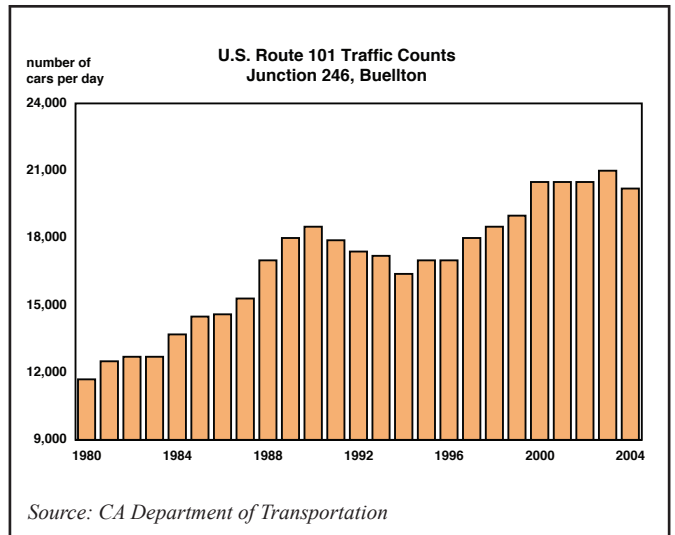
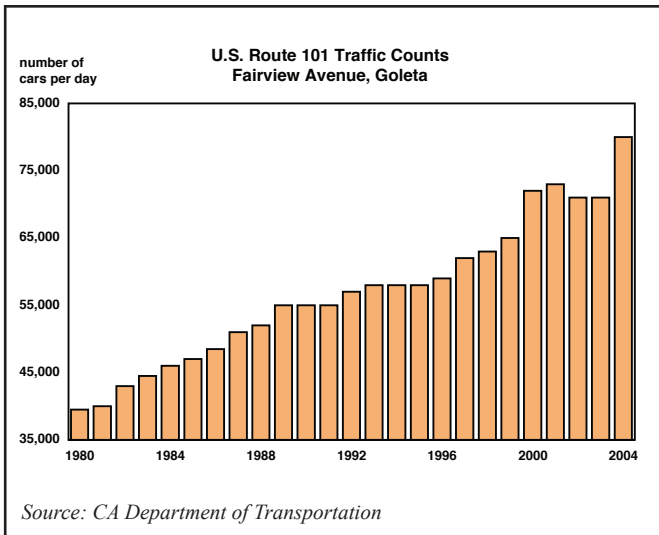
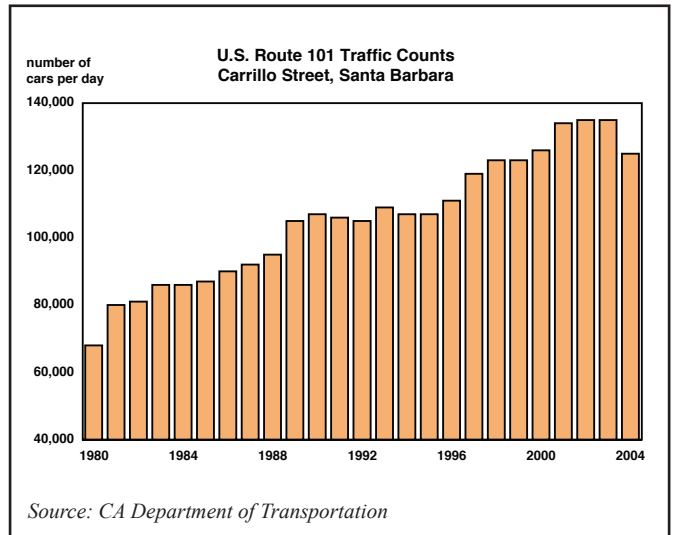
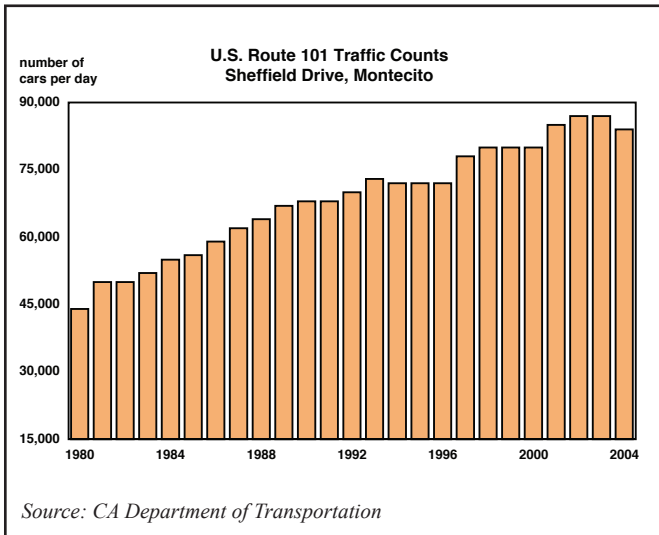
Source: Heal the Bay

Annual Beach Report Card Santa Barbara County

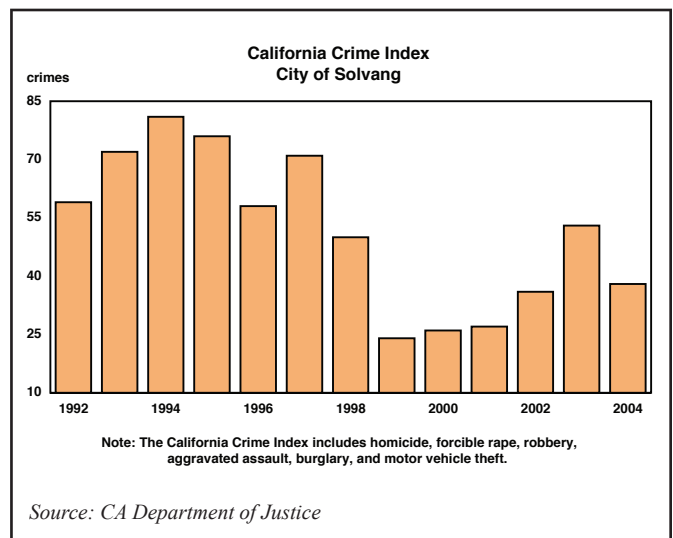
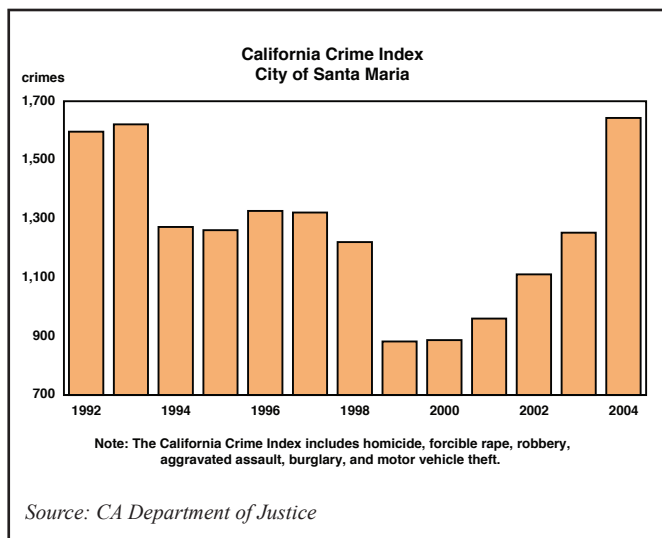
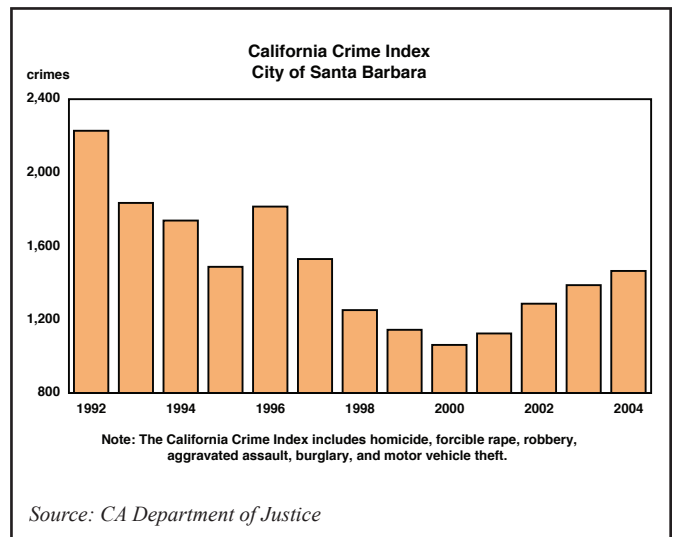
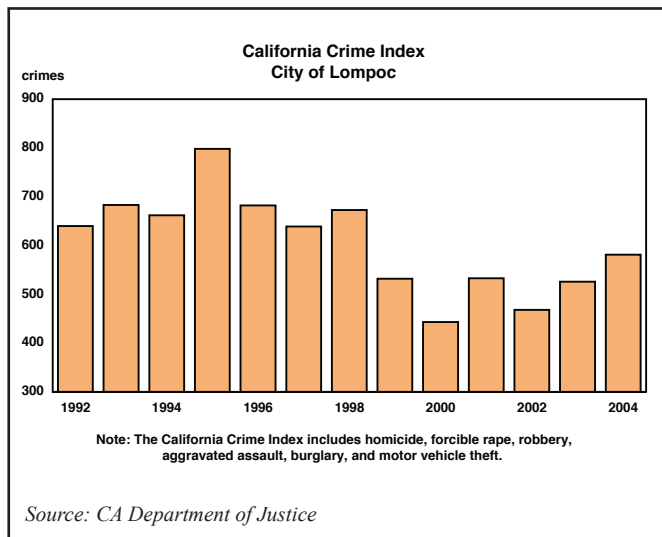
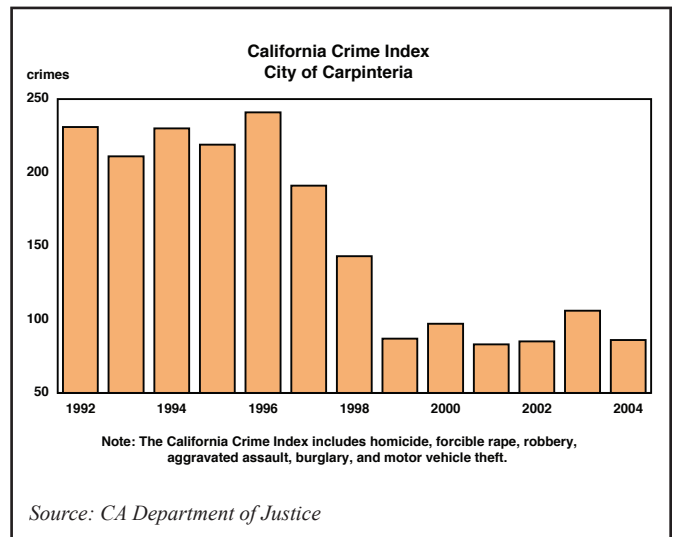
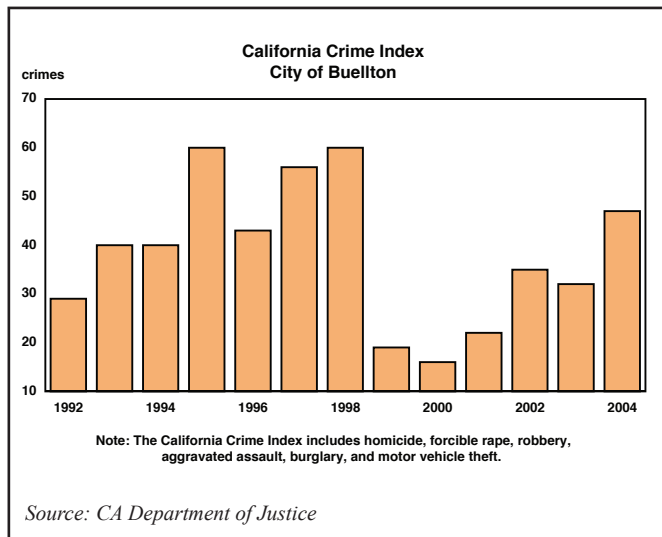
Beach Locations - North to South	2004-2005			2003-2004		
	Weather & Period			Weather & Period		
	Dry	Dry	Wet	Dry	Dry	Wet
	AB411 4/04-10/04	Year 4/04-3/05	Year 4/04-3/05	AB411 4/03-10/03	Year 4/03-3/04	Year 4/03-3/04
Guadalupe Dunes	A	A	D	A	A	A+
Ocean Beach at Santa Ynez River	A	A	F	ns	C	A+
Surf Beach (1/2 mile south from Ocean Beach)	ns	ns	ns	A+	A+	A+
Jalama Beach at Jalama Creek	A	A	F	B	A	C
Gaviota State Beach at Canada de las Cruces	B	B	D	B	A	F
Arroyo Quemada	A+	A	F	A	B	A
Refugio State Beach at Canada del Refugio	A	A	F	A+	A	C
El Capitan State Beach at Canada del Capitan	A	A	D	A	A	A
Haskell's Beach	B	B	F	B	B	B
Sands at Coal Oil Point	A	A	F	A+	A+	A
Goleta Beach- 200 yds east of pier	B	C	F	B	B	A
Hope Ranch Beach at Las Palmas Creek	A	A	F	A	A	D
Arroyo Burro Beach at Arroyo Burro Creek	B	B	F	B	B	F
Leadbetter Beach at Honda Creek	A	A	F	A	A	B
East Beach at Mission Creek	B	F	F	A+	B	F
East Beach at Sycamore Creek	A	A	F	A	A	B
Butterfly Beach	A	A	F	B	B	A
Hammond's Beach at Montecito Creek	A	A	F	B	B	D
Carpinteria City Beach- projection of Linden Av.	A	A	F	A+	A	B
Carpinteria State Beach at Carpinteria Creek	A	B	F	A+	A	F
Rincon Beach at Rincon Creek	A+	A+	C	A	A	A+

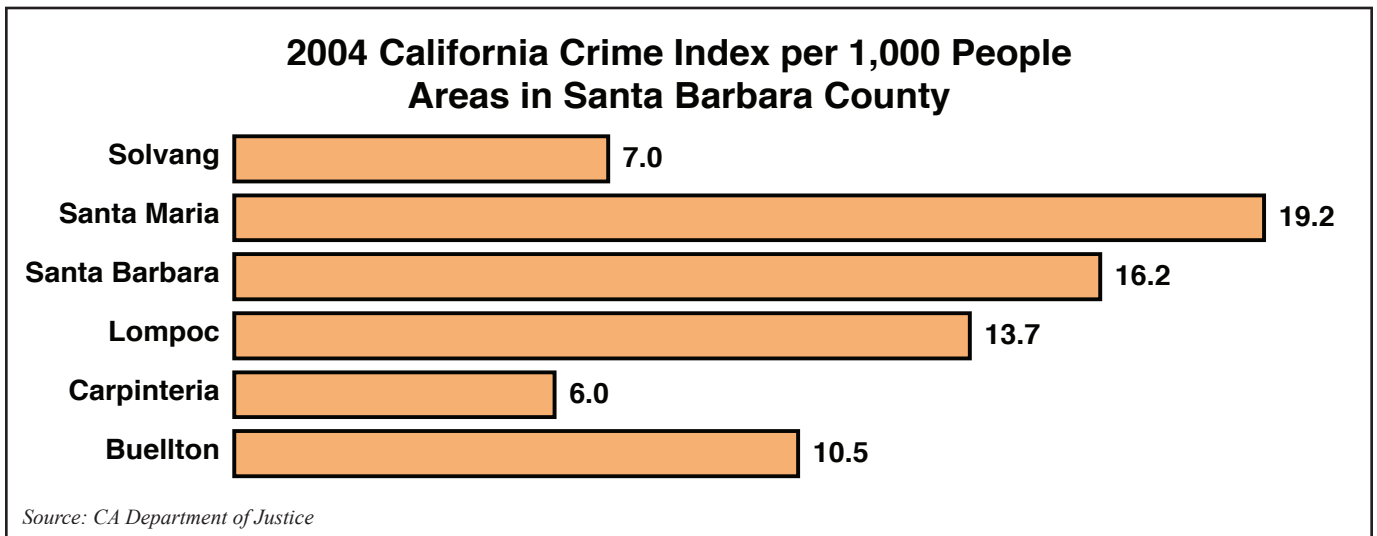
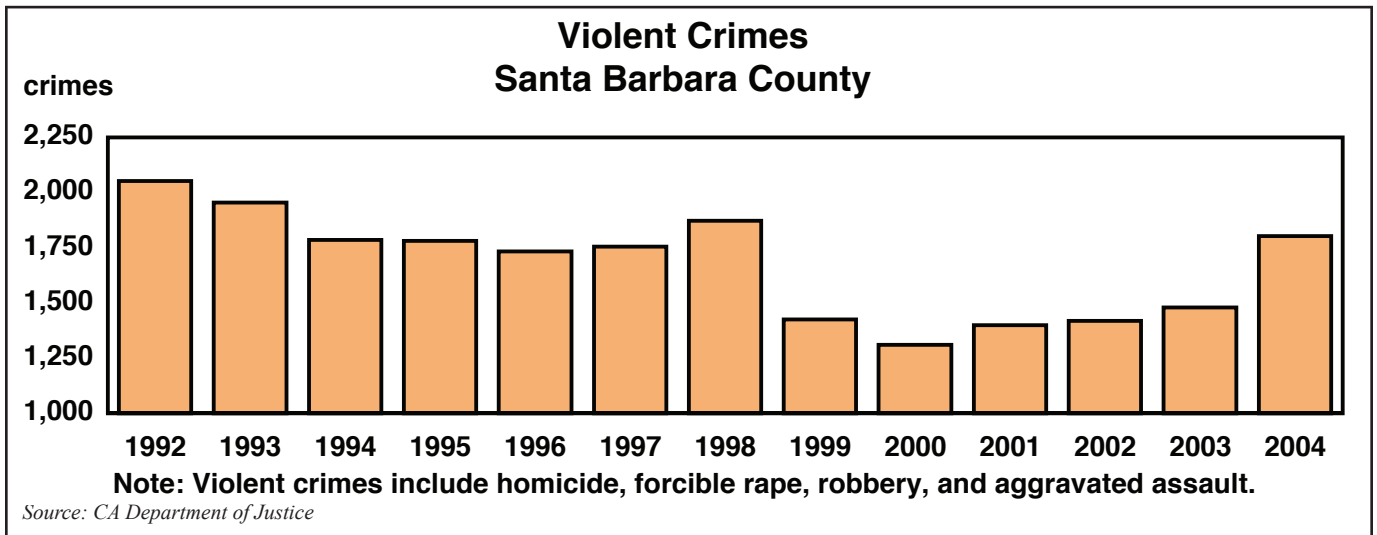
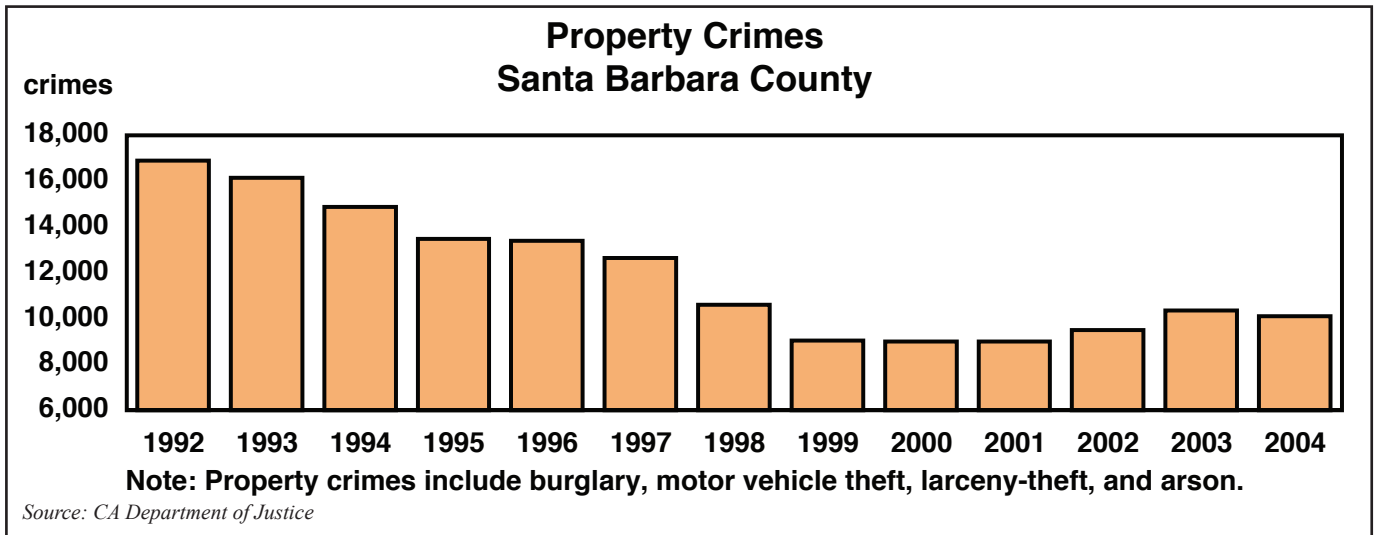
Source: Heal the Bay





Crime





ECONOMIC REVIEW AND FORECAST



As we discuss in the “Economic Activity” section of this publication, the United States economy has been remarkably robust in the presence of significant uncertainty. The economy has been growing at impressive rates, even while oil prices rise, war continues in two countries, the global war on terror persists, and uncertainty abounds. Much of this growth can be attributed to productivity growth resulting from technological advances, increased international trade, and a growing service sector. We expect these drivers of growth to persist. Therefore, our forecast for the most likely outcome in 2006 and 2007 is for continued strong growth.

There are risks to this forecast, though. The international geo-political situation is obviously unsettled. The possibility of a significant event leading to recession is not the most likely outcome, but it is plausible. A disruption of oil supply would pose a particular hazard. Research has shown that high oil prices caused by demand pose little threat to our economy, but supply interruptions could be devastating.

We think that current monetary policy represents the greatest threat for recession. The FED has increased short-term interest rates by 25 basis points at each Federal Open Market Committee meeting since June 2004. Consequently, the overnight rate has increased from 1.00 percent to 4.75 percent over that period. Long-term rates have increased much more modestly. While the FED contends that the failure of long-term rates to rise in lock step with short-term rates is a conundrum, this is simply not the case. Long-term rates have never tracked the Fed Funds Target Rate. Rather than indicating that there is something wrong with the market, the current relationship between short-term interest rates and long-term interest rates clearly shows that the Fed Funds Target Rate is too high.

FED policy acts with a lag. Not only does it act with a lag, but so too does the length of the lag vary with each business cycle. The FED does not yet know the impact of its current policy, and given its history of swinging too far, it has likely raised interest rates too much. This can only lead

to slower economic growth than would otherwise occur. It could lead to a recession.

High short-term interest rates increase the likelihood of a recession. If the FED policy does lead to a recession, it will likely come in late 2006 or early 2007. Given the underlying strength of the United States economy, and the rapidity with which the FED would reverse current policy in the presence of significant adverse economic data, we expect that any such recession would be short and mild. That is, such a recession would be similar to the 2000-2001 recession. We stress that recession is only an increasing possibility. We believe that the underlying strength of the economy makes continued strong growth the most likely outcome. The FED clearly concurs.

As we discuss in the “Economic Activity” section, data revisions show that the California economy has been even stronger than the United States economy. Given the negatives associated with California, this is impressive. We discuss some of the reasons for California’s robust growth in the “Economic Activ-

ity” section. Given where we are in the business cycle, and the lack of the excesses we saw in the 1990s, we expect California to continue to show very strong economic growth.

Many are worried about California house prices and their potential to precipitate a California recession. These people feel that California home prices are unrealistically high and must fall. Such a fall would have the potential to seriously impair California’s economy.

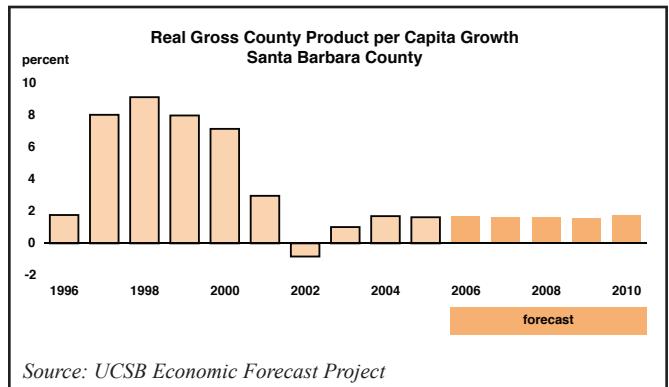
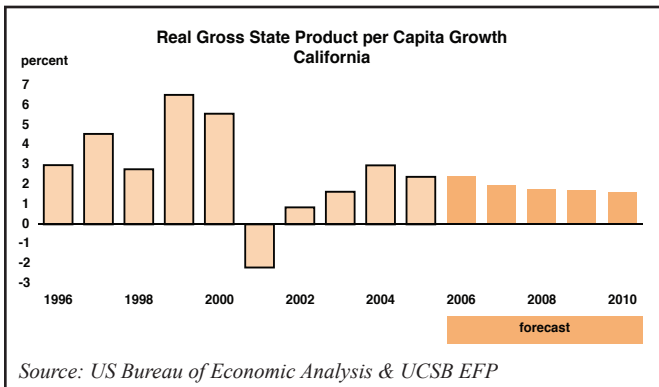
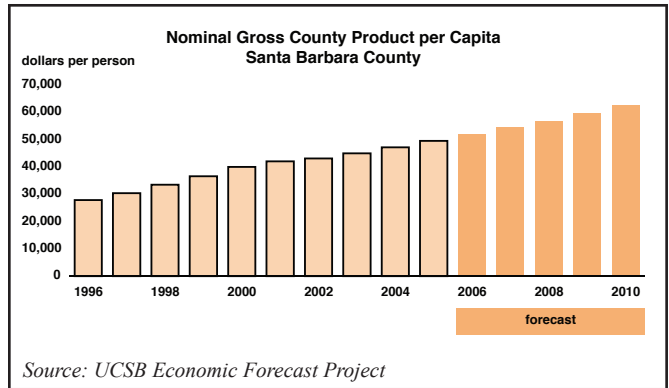
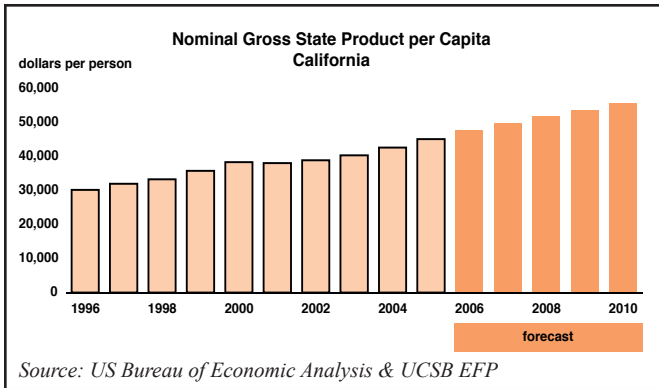
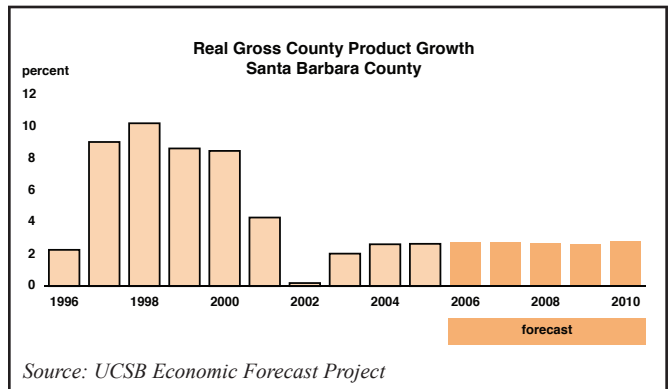
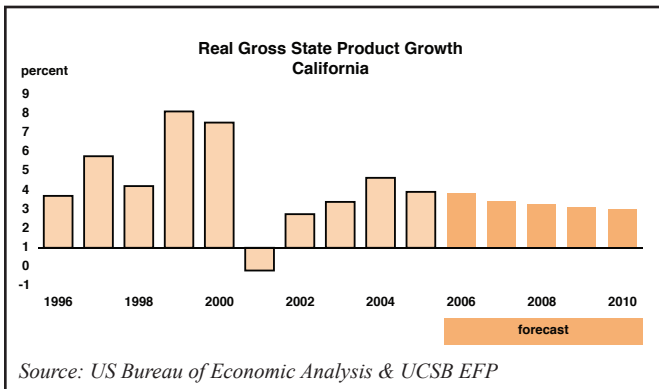
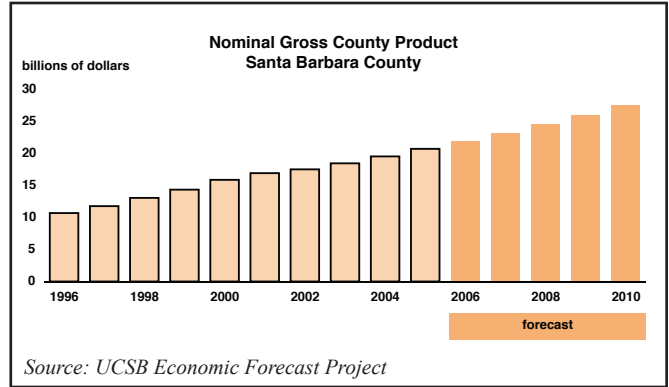
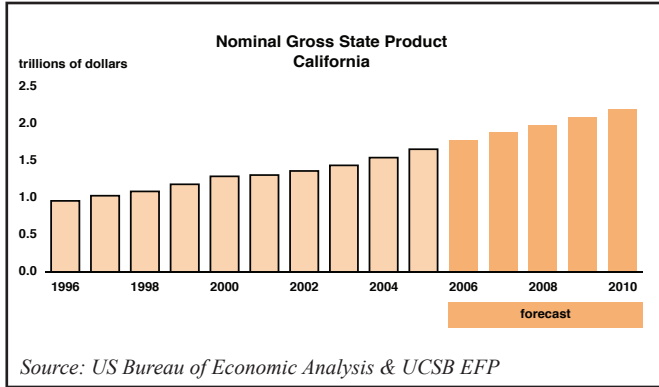
We do not share these concerns. We believe that California’s home prices are the market’s rational response to changing wealth and demographics. As such, barring an extreme negative shock, California home prices will most likely remain strong. However, we have seen a recent cooling in the market, and we welcome the cooling. The growth rates of home prices have fallen from clearly unsustainable rates. While sales have declined and time-on-market has increased, home prices have remained solid. We expect the growth in home prices to remain positive.

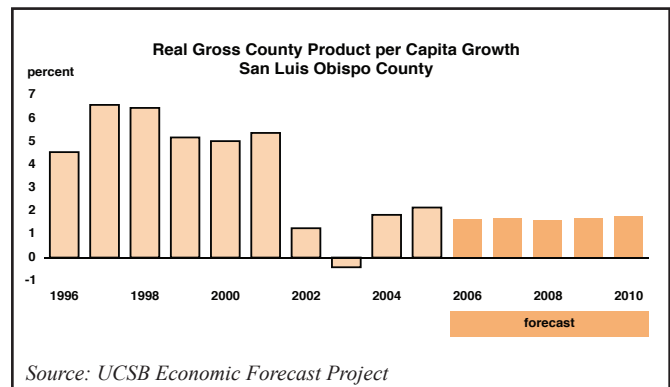
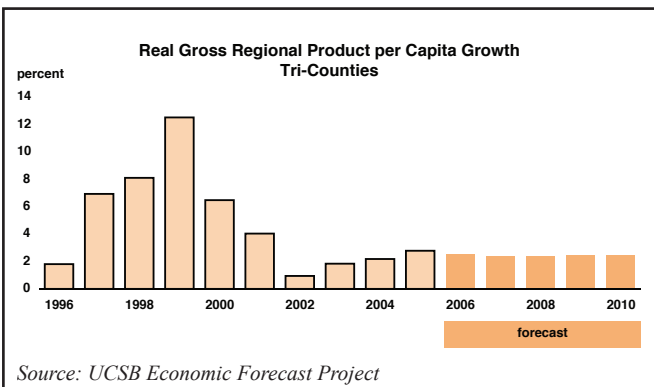
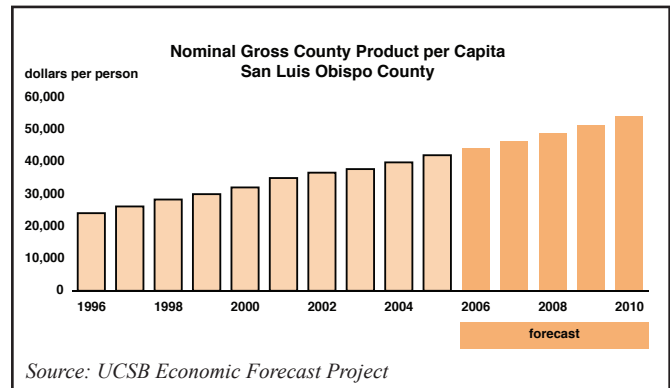
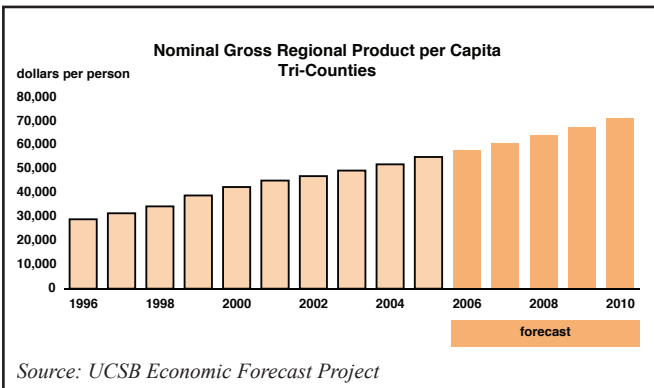
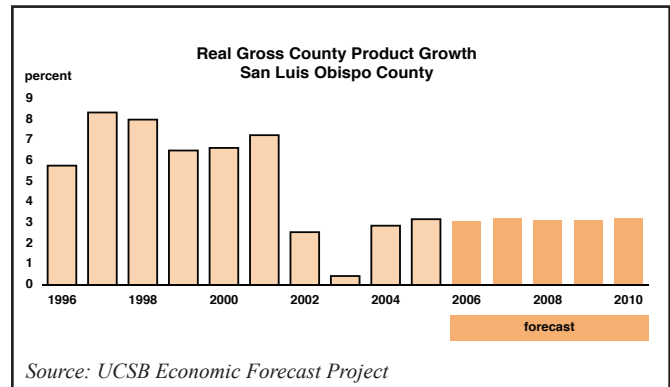
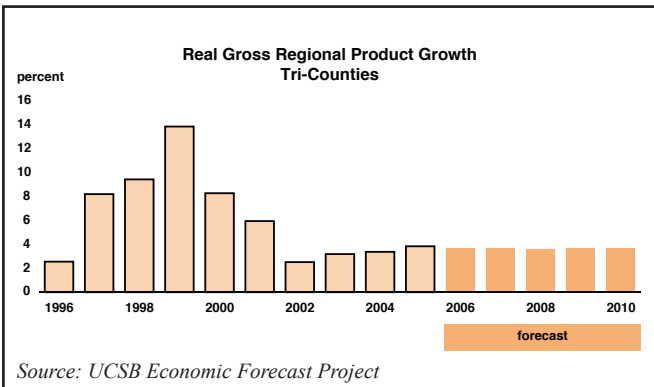
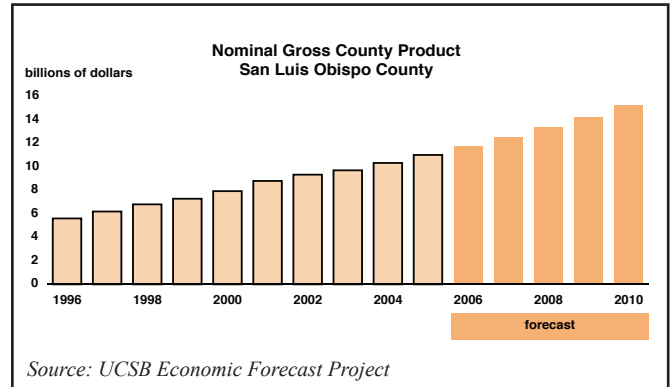
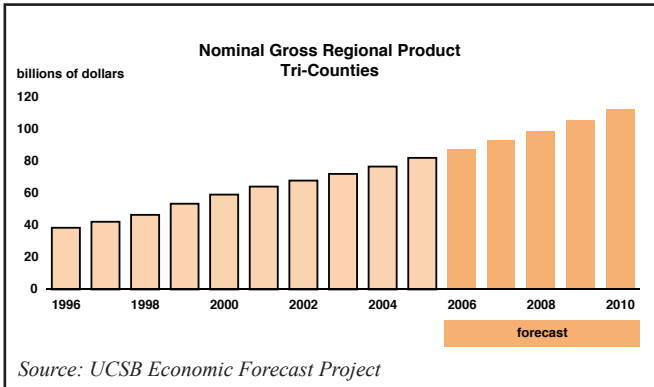
Similarly, Santa Barbara County home prices will also remain strong. In the South Coast, this will be because of high demand and low supply. North County’s home-price

growth will reflect both demand, referred from South Coast and San Luis Obispo County, and changing composition of both homes and population.

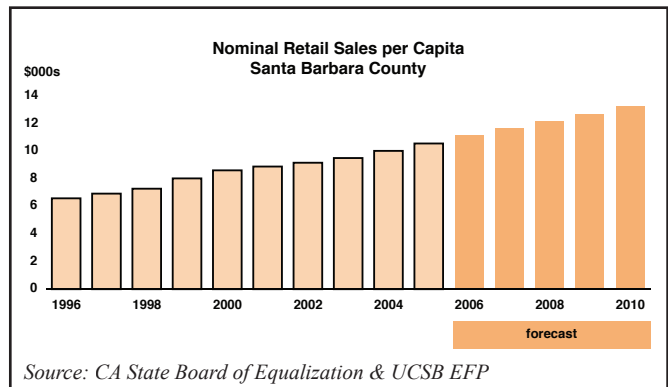
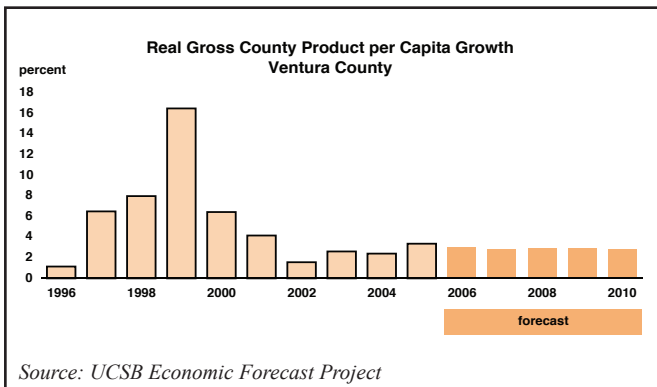
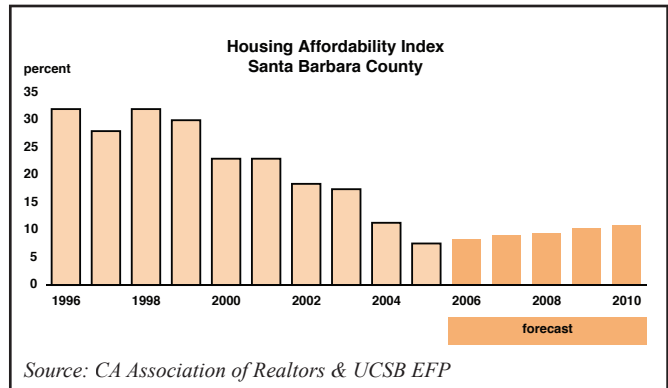
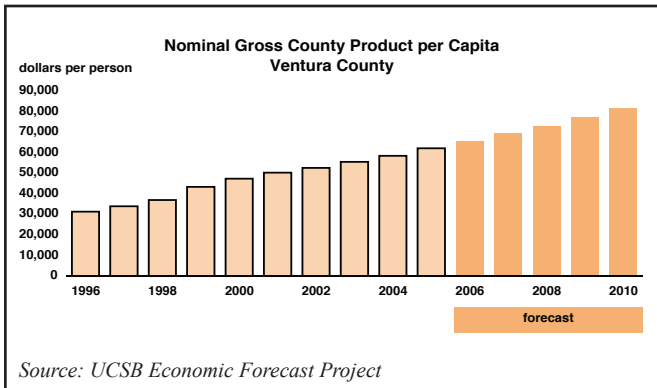
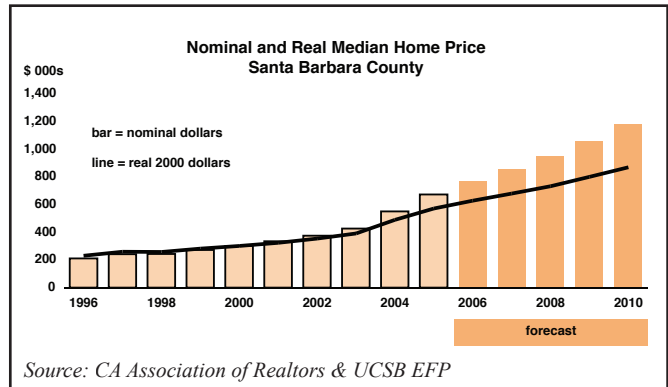
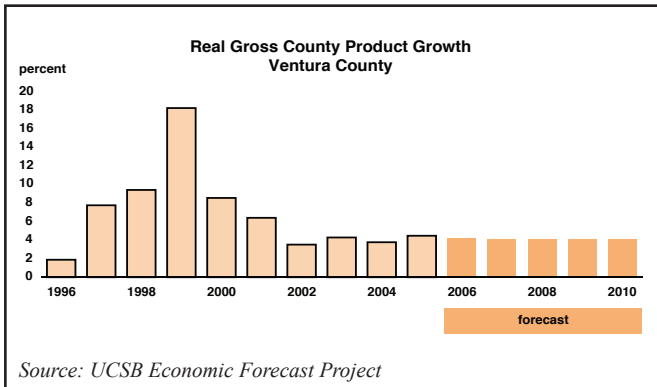
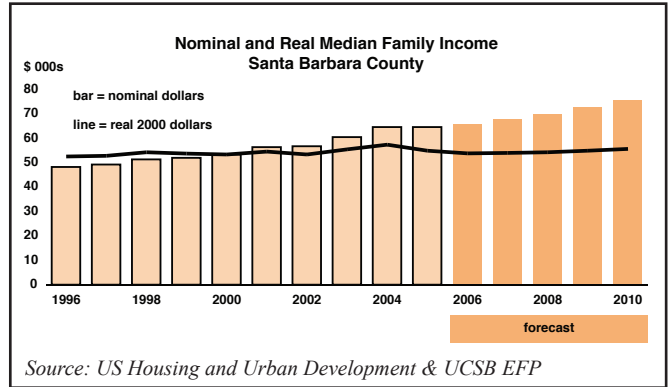
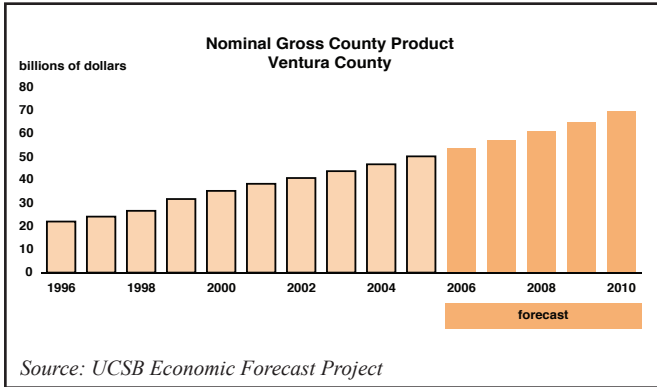
Santa Barbara County’s economy will continue to grow relatively slowly. The South Coast’s economic growth will be anemic at best, and negative at worst. North Santa Barbara County’s growth, by contrast, will be robust, driven by construction, retail, and services (as the population continues to grow more upscale). The demographic changes will be the result of high home prices in the South Coast and in San Luis Obispo County. The referred demand for housing from these communities by mid-level employees will continue to drive both housing and much of North County’s economic growth.

Economic Review and Forecast





Economic Review and Forecast



UCSB ECONOMIC FORECAST PROJECT

2006 QUARTER 1 FORECAST HIGHLIGHTS

California and the United States

- The United States economy continues to grow with strength despite ongoing shocks that would threaten a less resilient recovery. Our estimates for 2006 and 2007 economic growth are 3.0 and 2.6 percent. Core inflation remained low at 2.2 percent growth for 2005, and we forecast a slight increase to 2.3 percent in 2006.
- The California economy, in spite of its many problems, is also in a solid growth phase. We estimate 2006 California economic growth of 3.9 percent, and forecast 2007 growth of 3.4 percent. In particular, the State is benefiting from productivity gains and a muted technology rebound.

Real Estate and Interest Rates

- Real median home price growth rates for existing single-family homes in Santa Barbara County slowed from 24.8 percent in 2004 to 17.0 percent in 2005. We forecast that the declining growth rate trend will continue, with a 2007 real growth rate of 9.7 percent. These growth rates for California were 17.9 percent in 2004, 12.1 percent in 2005, and the 2006 forecast is 7.0 percent. As price growth slows, we forecast sales volumes will decrease as relative market power shifts slightly away from sellers to buyers.
- Mortgage rates, 5.87 percent in 2005, were essentially unchanged from 5.84 percent in 2004. While we do not believe the fundamentals should change much, expectations are for a rise in long-term interest rates. We forecast 6.33 percent for 2006, which is still a relatively low rate despite being almost 50 basis points greater than 2005.

The Tri-Counties¹

- We continue to be optimistic about the Tri-County economy. Recent high-frequency employment data indicate continued strength in the job market. We forecast the Tri-County Economy will grow by 3.7 percent in 2006, similar to the rate of growth of 3.8 in 2005. San Luis Obispo County's 2006 economic growth is forecast to be 3.1 percent, and Ventura County's economic growth is forecast at 4.2 percent.

Santa Barbara County

- We forecast that Santa Barbara County's economy will continue to grow in 2006 and 2007. While we revised economic growth down slightly for 2005, from 2.8 to 2.7 percent, our positive outlook for the County's economy has not changed. The 2006 and 2007 forecasts are for 2.8 percent real economic growth annually.
- We track the County's economy at the Regional level (South Coast, North Santa Barbara County, and Santa Ynez Valley), as well as at the Metropolitan-area level (cities)². The northern parts of the County are growing steadily. This is despite layoffs at the Chumash Casino, a big driver of the Santa Ynez Valley economy. Notwithstanding the layoffs, the Casino and Hotel are doing well. And growth continues in the northern parts of the County despite a residential construction slowdown in Santa Maria (relative to the 2001 to 2004 period). In fact, partial-year 2005 data indicate that by far the strongest job market in Santa Barbara County is the Santa Maria Valley. Our forecast of North Santa Barbara County economic growth in 2006 is 3.7 percent.
- The South Coast might yet show job growth in 2005. Partial-year South Coast jobs data indicate a contraction in the South Coast job market in 2005. On the other hand, commercial leasing activity was strong in 2005, indicating that the South Coast job market may have been more active than the jobs data indicate. We will get end-of-year South Coast jobs data in about six months, and then in about a year the Countywide employment data will be revised. The Tables in this book show South Coast 2005 economic growth (real Gross Product) of 1.7 percent while jobs decline by 0.6 percent (these numbers are consistent with an increase in productivity).

Our forecast of South Coast economic growth in 2006 is two percent.

- The California Department of Finance estimated that Santa Barbara County’s population grew by 1.0 percent in the year ended January 1, 2005. We forecast that the population growth rate will remain the same in 2006. This might be an optimistic forecast since recent data indicate net-migration outflows are growing.
- We forecast Santa Barbara County’s real retail sales will grow 2.7 percent in 2006, a continuation of recent trends. This amounts to a nominal increase of 6.5 percent.
- The South Coast’s 2005 hotel and motel occupancy rate was 72.9 percent, up from 71.3 percent in 2004. We forecast a gradual increase in occupancy, as the area is still in recovery from 9/11. As with many areas, South Coast average room rates have been rising, from about \$131.5 per room per night in 2004 to \$134.1 per room per night in 2005. We forecast a continuation of small but steady increases in room rates in 2006 and 2007.
- Santa Barbara County’s 2005 existing single-family median home price was \$674,400, compared with \$1.13 million for the South Coast. Prices in all areas of the County increased in the past year. However, we forecast that price appreciation will slow. Also, sales volumes will slow. South Coast single-family volumes are forecast to slow from 1,315 in 2005 to 1,137 in 2006, while price growth will slow from 15.2 percent in 2005 to 11.9 percent in 2006.

Risk and Uncertainty

- There are two primary risks to this forecast. The first risk is a possible monetary policy induced slowdown. The second risk is the possible detrimental economic impact of geopolitical instability.
- The possibility of a mild recession, most likely in 2007, is increasing. If a recession occurs, it will have been caused by the FED’s recent over-tightening of short-term interest rates. The yield curve is not a cause of recession, as some analysts claim. It measures where FED-influenced, short-term interest rates are in relation to market-determined, long-term interest rates. The recent flattening of the yield curve indicates that the FED over-tightened, and is oftentimes a corollary to recession. Our subjective probability of this scenario is 15 percent.
- Iran’s recent confrontational stance with much of the rest of the world may precipitate a foreign policy crisis within the next few months. This would lead to jitters in equity markets, possible oil supply interruptions, almost surely a run-up in oil prices, perhaps even war. We currently assign a subjective probability of this scenario at five percent.
- We find the frequent pessimism voiced in the popular business press puzzling, given the strength and resilience of the U.S. economy. We attribute this pessimism to uncertainty. The uncertainty exists due to above-mentioned international political risks, as well as increased competition, oil price volatility, terrorism, changes in economic relationships brought about by increased international trade and technology, and travel security issues. We point to the strength and resilience of the U.S. economy as a too-often-ignored reason for optimism.

Santa Barbara County Key Numbers

	2004	2005	2006
Population (Jan)	415,100	419,300	423,500
Population growth rate	0.9 %	1.0 %	1.0 %
Output	\$19.6 billion	\$20.8 billion	\$22.0 billion
Output per capita	\$47,100	\$49,500	\$51,900
Number of jobs created (versus prior year)	2,733	3,208	3,263
Retail sales per capita.....	\$10,000	\$10,500	\$11,100
Median home price (existing single-family homes)	\$551,700	\$674,400	\$767,600
Residential units permitted per 1000 people.....	3.4	2.3	2.6
Housing Affordability Rate	11.3	7.6	8.4

¹The Tri-Counties region includes San Luis Obispo County, Santa Barbara County, and Ventura County.

²The proposed Mission County roughly combines our “North Santa Barbara County” and the Santa Ynez Valley. Our “North Santa Barbara County” includes Lompoc, Vandenberg Air Force Base, Guadalupe, Santa Maria, Orcutt, and adjoining unincorporated areas.

TABLE 1: SANTA BARBARA COUNTY FORECAST OVERVIEW - PART 1

	1995	1996	1997	1998	1999	2000
Output (see tables 5-6) *						
Gross County Product (\$ billions)	10.2	10.7	11.8	13.1	14.4	15.9
Gross County Product (\$ 2000 billions)	11.0	11.2	12.3	13.5	14.7	15.9
percent change	1.8	2.3	9.0	10.2	8.6	8.5
Per Capita Output (\$ thousands)	26.6	27.8	30.4	33.4	36.5	39.9
Per Capita Output (\$ 2000 thousands)	28.7	29.2	31.6	34.5	37.3	39.9
percent change	1.1	1.8	8.1	9.2	8.0	7.2
Per Worker Output (\$ thousands)	62.9	64.7	69.6	77.1	82.0	88.2
Per Worker Output (\$ 2000 thousands)	67.8	68.0	72.4	79.6	83.7	88.2
percent change	0.8	0.2	6.5	9.9	5.1	5.5
Labor Force and Employment (see tables 7-15) *						
Unemployment Rate (percent)	6.7	5.8	5.1	4.4	3.9	4.4
Civilian Labor Force (thousands of people)	191.7	190.6	194.1	194.8	197.7	203.0
percent change	-1.9	-0.6	1.8	0.4	1.5	2.7
Household Survey Employment (thousands of workers)	178.9	179.5	184.2	186.1	190.0	194.2
percent change	-1.3	0.3	2.6	1.0	2.1	2.2
Establishment Survey Employment (thousands of jobs)	158.6	160.2	166.2	168.8	174.6	179.5
percent change	0.7	1.0	3.7	1.6	3.4	2.8
Average Salary (\$ thousands)	25.5	26.1	27.4	28.7	29.5	32.0
Average Salary (\$ 2000 thousands)	28.3	28.5	29.4	30.4	30.5	32.0
percent change	0.8	0.7	3.4	3.2	0.5	4.8
Demographics (see table 15) *						
Jan. 1 Population (thousands)	382.4	384.3	387.7	391.3	393.5	398.2
percent change	0.7	0.5	0.9	0.9	0.6	1.2
Jul. 1 Population (thousands)	383.7	384.9	390.5	392.0	394.9	400.9
percent change	0.7	0.3	1.5	0.4	0.7	1.5
Net In-Migration (thousands)	-0.5	-2.1	2.7	-1.4	0.3	3.3
Natural Increase (thousands)	3.2	3.3	3.0	2.9	2.6	2.7
percent change	-16.2	3.2	-8.9	-0.9	-11.1	2.6
Births (thousands)	6.1	6.0	5.7	5.8	5.5	5.6
percent change	-8.5	-1.2	-4.5	1.6	-4.8	1.3
Deaths (thousands)	2.9	2.7	2.8	2.9	2.9	2.9
percent change	1.7	-6.1	0.7	4.2	1.7	0.1
K-12 Enrollment (thousands)	60.0	62.2	63.3	64.5	65.4	66.0
percent change	2.6	3.6	1.8	1.9	1.4	0.9

Sources: UCSB Economic Forecast Project, CA Employment Development Department, CA Department of Finance, Dataquest

* References are to later tables for more detailed forecast data

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	16.9	17.6	18.5	19.6	20.8	22.0	23.2	24.6	26.0	27.6
	16.6	16.6	17.0	17.4	17.9	18.4	18.9	19.4	19.9	20.5
	4.3	0.2	2.0	2.6	2.7	2.8	2.8	2.7	2.7	2.8
	42.0	43.1	44.9	47.1	49.5	51.9	54.3	56.8	59.6	62.5
	41.1	40.8	41.2	41.9	42.6	43.4	44.1	44.8	45.5	46.3
	3.0	-0.8	1.0	1.7	1.6	1.7	1.6	1.6	1.6	1.7
	94.3	97.5	101.0	105.5	111.5	116.2	121.0	125.8	131.0	136.3
	92.3	92.4	92.7	93.9	96.0	97.1	98.2	99.2	100.0	101.0
	4.5	0.1	0.4	1.2	2.3	1.2	1.1	1.0	0.9	1.0
	4.4	5.1	5.0	4.7	4.3	4.3	4.2	4.2	4.2	4.3
	203.2	206.1	209.7	214.1	215.9	220.2	224.8	229.3	234.1	239.3
	0.1	1.5	1.7	2.1	0.8	2.0	2.1	2.0	2.1	2.2
	194.3	195.6	199.2	204.2	206.6	210.8	215.3	219.9	224.4	229.2
	0.1	0.6	1.9	2.5	1.2	2.0	2.1	2.1	2.1	2.1
	179.8	179.6	182.2	184.9	188.1	191.4	194.9	198.5	202.3	206.2
	0.2	-0.1	1.4	1.5	1.7	1.7	1.8	1.8	1.9	1.9
	33.3	33.7	35.0	36.7	38.1	39.2	40.6	41.9	43.3	45.0
	32.2	31.7	32.1	32.5	32.3	32.1	32.3	32.5	32.7	33.1
	0.7	-1.5	1.1	1.4	-0.6	-0.6	0.5	0.5	0.8	1.1
	403.2	407.4	411.5	415.1	419.3	423.5	428.1	432.6	437.1	441.8
	1.3	1.0	1.0	0.9	1.0	1.0	1.1	1.1	1.1	1.1
	405.5	409.3	413.8	416.8	419.7	423.9	428.5	433.0	437.6	442.2
	1.1	0.9	1.1	0.7	0.7	1.0	1.1	1.1	1.1	1.1
	1.8	1.1	1.6	-0.1	-0.6	0.7	1.1	1.0	1.0	1.1
	2.8	2.7	2.9	3.1	3.5	3.5	3.5	3.5	3.6	3.5
	4.6	-5.4	7.7	7.6	13.7	-1.5	0.8	1.1	1.1	-0.3
	5.7	5.6	5.7	6.0	6.4	6.4	6.4	6.5	6.6	6.6
	1.5	-1.2	1.6	4.2	7.5	-0.4	0.9	1.1	0.9	0.3
	2.9	3.0	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0
	-1.4	2.8	-3.9	0.8	0.8	0.9	1.0	1.1	0.7	1.1
	66.5	67.1	67.5	67.6	67.8	68.0	68.1	68.3	68.4	68.5
	0.7	0.9	0.6	0.1	0.4	0.2	0.3	0.2	0.2	0.2

TABLE 2: SANTA BARBARA COUNTY FORECAST OVERVIEW - PART 2

	1995	1996	1997	1998	1999	2000
Income (see table 16) *						
Personal Income (\$ billions)	9.6	10.0	10.4	11.3	11.9	12.9
Personal Income (\$ 2000 billions)	10.6	10.9	11.1	11.9	12.3	12.9
percent change	-0.4	2.5	2.0	7.4	2.8	5.1
Per Capita Personal Income (\$ thousands)	25.1	26.0	26.8	28.9	30.2	32.4
Per Capita Personal Income (\$ 2000 thousands)	27.8	28.4	28.7	30.5	31.2	32.4
percent change	-1.1	2.0	1.1	6.4	2.2	3.9
Median Family Income (\$ thousands)	47.5	48.3	49.3	51.4	52.1	53.5
Median Family Income (\$ 2000 thousands)	52.7	52.7	52.9	54.3	53.8	53.5
percent change	-1.6	-0.0	0.4	2.8	-1.0	-0.6
Retail Sales (see tables 18-19) *						
Total Taxable Sales (\$ billions)	3.3	3.5	3.8	4.0	4.4	4.8
Total Taxable Sales (\$ 2000 billions)	3.7	3.9	4.1	4.3	4.6	4.8
percent change	2.8	5.0	5.8	4.1	7.5	5.5
Retail Sales (\$ billions)	2.4	2.5	2.7	2.8	3.2	3.4
Retail Sales (\$ 2000 billions)	2.6	2.8	2.9	3.0	3.3	3.4
percent change	1.6	4.2	4.2	4.8	8.3	5.1
Per Capita Taxable Sales (\$ thousands)	8.7	9.2	9.8	10.3	11.3	12.1
Per Capita Taxable Sales (\$ 2000 thousands)	9.6	10.1	10.5	10.9	11.6	12.1
percent change	2.1	4.5	4.9	3.1	6.9	4.2
Per Capita Retail Sales (\$ thousands)	6.2	6.6	6.9	7.3	8.0	8.6
Per Capita Retail Sales (\$ 2000 thousands)	6.9	7.2	7.4	7.7	8.3	8.6
percent change	0.9	3.7	3.3	3.9	7.7	3.8
Tourism (see table 18-19) *						
Hotel/Motel Occupancy Rate (percent)	74.0	74.1	77.2	76.2	77.7	78.9
Hotel/Motel Average Room Rate (\$ dollars)	99.7	107.7	110.8	117.8	132.5	153.2
Hotel/Motel Average Room Rate (\$ 2000 dollars)	110.6	117.4	118.8	124.5	136.9	153.2
percent change	-3.9	6.1	1.2	4.8	10.0	11.9
Real Estate (see tables 20-25) *						
Housing Affordability Rate (percent) (1)	32.0	32.0	28.0	32.0	30.0	23.0
Median Home Price (\$ thousands) (2)	185.2	185.2	199.3	211.6	232.0	270.7
Median Home Price (\$ 2000 thousands)	205.4	201.9	213.7	223.7	239.7	270.7
percent change	-6.2	-1.7	5.9	4.7	7.1	13.0
Number of Home Sales (thousands) (2)	3,150	3,611	4,047	4,560	4,517	3,720
Home Sales Turnover Rate (sales per thousand people) (2)	8.2	9.4	10.4	11.7	11.5	9.3
Building Activity (see tables 23-24) *						
Housing Units Permitted	792	775	903	1,026	915	924
Per Capita Housing Units Permitted (per thousand people)	2.1	2.0	2.3	2.6	2.3	2.3
Non-Residential Permit Value (\$ millions)	52.0	73.1	96.6	129.9	142.3	133.2
Non-Residential Permit Value (\$ 2000 millions)	57.7	79.7	103.6	137.3	147.0	133.2
percent change	-10.9	38.2	30.0	32.5	7.1	-9.4
Per Capita Non-Residential Permit Value (\$)	136.0	190.2	249.3	332.0	361.7	334.6
Per Capita Non-Residential Permit Value (\$ 2000)	150.8	207.4	267.3	351.0	373.6	334.6
percent change	-11.5	37.5	28.9	31.3	6.5	-10.4

Sources: UCSB Economic Forecast Project, CA Department of Finance, CA Board of Equalization, Smith-Travel Research, California Association of Realtors, First American Real Estate Solutions, Construction Industry Research Board

* References are to later tables for more detailed forecast data. (1) Existing single-family homes (2) All homes

Forecast Tables

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
13.1	13.0	13.5	14.4	15.2	16.1	17.0	18.0	19.0	20.1
12.7	12.3	12.4	12.8	12.9	13.2	13.6	13.9	14.3	14.8
-1.8	-3.4	1.4	2.8	1.2	2.1	2.7	2.7	2.9	3.0
32.5	32.0	32.9	34.6	36.3	38.1	39.8	41.6	43.4	45.4
31.4	30.1	30.2	30.8	30.8	31.2	31.7	32.2	32.8	33.4
-3.0	-4.4	0.4	1.9	0.2	1.1	1.6	1.6	1.8	1.9
56.5	56.8	60.6	64.7	64.7	65.8	68.0	70.1	72.9	75.7
54.7	53.5	55.6	57.5	55.0	53.9	54.1	54.3	55.0	55.7
2.2	-2.2	4.0	3.3	-4.3	-2.0	0.4	0.4	1.2	1.3
5.0	5.1	5.2	5.5	5.9	6.2	6.6	6.9	7.3	7.7
4.8	4.8	4.8	4.9	5.0	5.1	5.2	5.4	5.5	5.6
0.5	-1.6	0.8	2.3	1.6	2.3	2.5	2.5	2.5	2.5
3.6	3.7	3.9	4.2	4.4	4.7	5.0	5.3	5.5	5.8
3.5	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3
1.1	1.4	2.0	2.9	2.0	2.7	2.7	2.7	2.7	2.7
12.4	12.4	12.7	13.3	14.0	14.7	15.4	16.0	16.7	17.3
12.0	11.7	11.7	11.9	11.9	12.1	12.2	12.4	12.6	12.8
-0.8	-2.6	-0.2	1.4	0.6	1.3	1.4	1.4	1.4	1.4
8.9	9.2	9.5	10.0	10.5	11.1	11.6	12.1	12.7	13.2
8.6	8.6	8.7	8.9	9.0	9.1	9.3	9.4	9.6	9.7
-0.1	0.3	1.0	2.0	1.0	1.6	1.6	1.6	1.6	1.6
73.9	72.7	71.2	71.3	72.9	73.3	73.5	73.8	74.0	74.3
145.8	131.1	127.8	131.5	134.1	141.0	147.5	153.8	160.5	167.4
141.0	123.5	117.2	116.8	116.7	118.3	120.2	122.1	124.0	126.1
-8.0	-12.5	-5.0	-0.4	-0.1	1.3	1.6	1.5	1.6	1.7
23.0	18.4	17.4	11.3	7.6	8.4	9.0	9.5	10.2	10.9
280.8	345.2	412.7	591.6	697.1	800.4	905.8	1,014.7	1,134.9	1,263.4
271.6	325.0	378.7	525.3	592.5	655.7	721.1	786.3	856.8	929.6
0.3	19.6	16.5	38.7	12.8	10.7	10.0	9.0	9.0	8.5
3,338	3,335	3,613	4,801	4,418	4,061	4,153	4,152	4,186	4,221
8.3	8.2	8.8	11.6	10.5	9.6	9.7	9.6	9.6	9.6
1,245	1,614	1,549	1,406	980	1,114	1,169	1,138	1,098	1,112
3.1	4.0	3.8	3.4	2.3	2.6	2.7	2.6	2.5	2.5
134.2	142.1	130.1	118.0	162.3	139.1	151.7	161.8	173.7	184.4
129.9	133.8	119.4	104.8	138.0	114.0	120.7	125.4	131.1	135.7
-2.5	3.0	-10.8	-12.2	31.7	-17.4	5.9	3.8	4.6	3.5
332.8	348.8	316.1	284.2	387.2	328.5	354.3	374.0	397.3	417.5
322.0	328.4	290.1	252.3	329.1	269.1	282.1	289.8	299.9	307.2
-3.8	2.0	-11.7	-13.0	30.4	-18.2	4.8	2.7	3.5	2.4

TABLE 3: TRI-COUNTIES FORECAST - PART 1

	1995	1996	1997	1998	1999	2000
Output						
Gross County Product (\$ billions)	36.5	38.5	42.3	46.6	53.5	59.3
Gross County Product (\$ 2000 billions)	39.6	40.6	44.0	48.1	54.7	59.3
percent change	2.5	2.5	8.2	9.4	13.8	8.3
Per Capita Output (\$ thousands)	27.8	29.1	31.5	34.4	39.0	42.5
Per Capita Output (\$ 2000 thousands)	30.1	30.7	32.8	35.5	39.9	42.5
percent change	1.7	1.8	6.9	8.1	12.5	6.5
Per Worker Output (\$ thousands)	72.9	75.5	81.8	88.1	97.4	104.3
Per Worker Output (\$ 2000 thousands)	79.1	79.8	85.0	90.9	99.6	104.3
percent change	0.6	0.9	6.6	6.9	9.6	4.7
Labor Force and Employment (see tables 7,8) *						
Unemployment Rate (percent)	7.1	6.6	5.9	5.0	4.3	4.4
Civilian Labor Force (thousands)	671.9	669.8	678.1	689.1	703.6	719.3
percent change	-0.6	-0.3	1.2	1.6	2.1	2.2
Household Survey Employment (thousands of workers)	624.2	625.5	637.9	654.4	673.2	687.8
percent change		0.2	2.0	2.6	2.9	2.2
Establishment Survey Employment (thousands of jobs)	492.7	498.2	513.1	529.6	550.6	572.9
percent change	1.4	1.1	3.0	3.2	4.0	4.1
All Industries Average Salary (\$)	25.7	26.6	28.2	29.6	31.0	33.6
All Industries Average Salary (\$ 2000)	28.5	29.0	30.3	31.3	32.0	33.6
percent change	-0.1	1.9	4.4	3.4	2.3	5.0
Demographics						
Jan. 1 Population (thousands)	1,314.4	1,324.0	1,339.5	1,355.8	1,371.6	1,394.5
percent change	0.8	0.7	1.2	1.2	1.2	1.7
Jul. 1 Population (thousands)	1,319.0	1,328.9	1,350.0	1,361.6	1,381.5	1,407.7
percent change	0.7	0.7	1.6	0.9	1.5	1.9
Net In-Migration (thousands)	-2.6	-1.6	10.3	1.5	9.9	16.2
Natural Increase (thousands)	12.0	11.4	10.8	10.0	10.0	10.0
percent change	-4.8	-4.3	-5.3	-7.3	-0.3	-0.1
Births (thousands)	20.7	20.4	19.8	19.5	19.4	19.7
percent change	-3.5	-1.4	-3.1	-1.6	-0.3	1.2
Deaths (thousands)	8.8	9.0	9.0	9.4	9.4	9.7
percent change	-1.8	2.6	-0.3	5.4	-0.2	2.6
K-12 Enrollment (thousands)	218.6	225.1	229.4	234.9	240.5	243.7
percent change	3.1	3.0	1.9	2.4	2.4	1.4
Income						
Personal Income (\$ billions)	32.8	34.2	36.4	38.7	41.3	45.1
Personal Income (\$ 2000 billions)	36.3	37.3	39.0	40.9	42.6	45.1
percent change	2.9	2.6	4.6	5.0	4.1	5.8
Per Capita Personal Income (\$ thousands)	24.9	25.8	27.2	28.6	30.1	32.3
Per Capita Personal Income (\$ 2000 thousands)	27.6	28.2	29.1	30.2	31.1	32.3
percent change	2.1	1.8	3.4	3.7	2.9	4.0

Sources: UCSB Economic Forecast Project, CA Employment Development Department, CA Department of Finance, Dataquest
 *References to later tables are for more detailed forecast data.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
64.2	67.9	72.2	76.8	82.2	87.6	93.2	99.2	105.8	112.6
62.8	64.4	66.4	68.6	71.3	73.9	76.6	79.3	82.2	85.2
5.9	2.5	3.2	3.4	3.8	3.7	3.6	3.6	3.6	3.7
45.2	47.1	49.4	52.0	55.0	58.0	61.0	64.2	67.6	71.2
44.2	44.6	45.5	46.4	47.7	48.9	50.1	51.3	52.6	53.9
4.0	0.9	1.8	2.2	2.8	2.5	2.4	2.4	2.4	2.5
111.2	116.8	123.1	129.5	136.1	142.3	148.6	155.2	162.1	169.2
108.7	110.6	113.3	115.7	118.0	120.1	122.1	124.1	126.1	128.1
4.2	1.7	2.4	2.2	2.0	1.8	1.7	1.6	1.6	1.6
4.6	5.4	5.4	5.0	4.6	4.2	3.8	3.5	3.1	3.0
728.7	742.8	751.4	760.9	772.9	780.3	792.2	803.2	814.5	828.0
1.3	1.9	1.1	1.3	1.6	0.9	1.5	1.4	1.4	1.6
695.6	702.8	711.2	723.0	737.2	747.7	762.2	775.3	789.0	803.3
1.1	1.1	1.2	1.7	2.0	1.4	1.9	1.7	1.8	1.8
581.0	583.6	588.6	595.0	606.8	618.7	631.0	643.7	657.3	671.2
1.4	0.4	0.9	1.1	2.0	2.0	2.0	2.0	2.1	2.1
34.4	35.0	36.8	38.8	40.5	42.2	43.8	45.5	47.2	49.1
33.3	33.0	33.7	34.4	34.4	34.6	34.9	35.3	35.7	36.1
-0.8	-1.1	2.3	2.1	-0.2	0.5	1.0	1.1	1.1	1.2
1,419.9	1,441.9	1,460.9	1,477.8	1,493.0	1,509.9	1,528.2	1,546.1	1,564.0	1,582.5
1.8	1.6	1.3	1.2	1.0	1.1	1.2	1.2	1.2	1.2
1,431.9	1,451.6	1,470.0	1,485.5	1,497.8	1,514.8	1,533.1	1,551.0	1,569.0	1,587.6
1.7	1.4	1.3	1.1	0.8	1.1	1.2	1.2	1.2	1.2
14.2	10.0	8.0	4.7	0.9	5.4	6.5	6.0	5.8	6.4
10.0	9.6	10.4	10.7	11.4	11.5	11.8	12.0	12.1	12.2
0.2	-3.7	8.3	3.0	6.2	1.2	2.3	1.2	1.2	0.9
19.7	19.4	20.2	20.5	21.3	21.5	21.8	22.0	22.2	22.3
0.4	-1.7	4.0	1.9	3.6	1.1	1.4	0.9	0.8	0.7
9.7	9.8	9.7	9.8	9.9	10.0	10.0	10.1	10.1	10.1
0.6	0.3	-0.2	0.8	0.8	1.0	0.4	0.4	0.3	0.4
246.8	248.8	249.6	248.5	248.7	249.1	249.7	250.1	250.7	251.2
1.3	0.8	0.3	-0.5	0.1	0.1	0.2	0.2	0.2	0.2
46.3	47.1	49.1	52.3	56.0	59.7	63.3	67.1	71.4	76.1
44.8	44.3	45.0	46.4	47.6	48.9	50.4	52.0	53.9	56.0
-0.7	-1.0	1.5	3.1	2.5	2.8	3.1	3.2	3.6	3.8
32.6	32.7	33.6	35.4	37.5	39.5	41.4	43.4	45.7	48.1
31.5	30.7	30.8	31.4	31.9	32.4	33.0	33.6	34.5	35.4
-2.4	-2.5	0.2	2.0	1.4	1.6	1.9	2.0	2.5	2.6

TABLE 4: TRI-COUNTIES FORECAST - PART 2

	1995	1996	1997	1998	1999	2000
Retail Sales						
Total Taxable Sales (\$ billions)	11.4	12.1	13.0	13.8	15.4	16.8
Total Taxable Sales (\$ 2000 billions)	12.7	13.2	14.0	14.6	15.9	16.8
percent change	2.6	4.1	6.1	4.3	8.9	6.1
Retail Sales (\$ billions)	8.2	8.6	9.1	9.7	10.9	12.0
Retail Sales (\$ 2000 billions)	9.0	9.4	9.8	10.3	11.2	12.0
percent change	1.7	3.6	4.3	5.1	9.5	6.8
Per Capita Taxable Sales (\$ thousands)	8.7	9.1	9.7	10.2	11.2	12.1
Per Capita Taxable Sales (\$ 2000 thousands)	9.6	10.0	10.4	10.7	11.6	12.1
percent change	1.8	3.4	4.8	3.0	7.7	4.4
Per Capita Retail Sales (\$ thousands)	6.2	6.5	6.8	7.2	7.9	8.6
Per Capita Retail Sales (\$ 2000 thousands)	6.9	7.1	7.3	7.6	8.2	8.6
percent change	0.9	2.8	3.1	3.9	8.2	5.0
Real Estate						
Median Home Price (\$ thousands) *	169.5	172.2	181.1	193.5	210.6	245.9
Median Home Price (\$ 2000 thousands)	188.0	187.7	194.1	204.5	217.6	245.9
percent change	-5.7	-0.2	3.4	5.4	6.4	13.1
Number of Home Sales (thousands) *	15.1	16.6	18.4	21.9	21.3	18.1
percent change	-13.0	9.5	10.9	18.9	-2.5	-15.2
Home Sales Turnover Rate (sales per thousand people) *	11.5	12.5	13.7	16.1	15.5	13.0
percent change	-13.7	8.7	9.7	17.4	-3.7	-16.6
Building Activity						
Housing Units Permitted	3,943	4,304	4,548	5,938	7,021	6,532
percent change	-6.4	9.2	5.7	30.6	18.2	-7.0
Per Capita Housing Units Permitted (per thousand people)	3.0	3.3	3.4	4.4	5.1	4.7
percent change	-7.1	8.4	4.4	29.0	16.9	-8.5
Non-Residential Permit Value (\$ millions)	271.9	299.5	355.7	496.0	602.1	531.9
Non-Residential Permit Value (\$ 2000 millions)	301.5	326.5	381.5	524.4	621.9	531.9
percent change	-1.4	8.3	16.8	37.5	18.6	-14.5
Per Capita Non-Residential Permit Value (\$)	206.9	226.2	265.6	365.9	438.9	381.4
Per Capita Non-Residential Permit Value (\$ 2000)	229.4	246.6	284.8	386.8	453.4	381.4
percent change	-2.2	7.5	15.5	35.8	17.2	-15.9

Sources: UCSB Economic Forecast Project, CA Board of Equalization, First American Real Estate Solutions, Construction Industry Research Board

* All homes

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
					<i>estimated</i>	<i>forecast</i>				
17.6	18.1	18.9	20.4	22.0	23.7	25.2	26.7	28.3	30.0	
17.1	17.0	17.4	18.1	18.7	19.4	20.1	20.7	21.4	22.1	
1.2	-0.1	2.0	4.2	3.2	3.9	3.4	3.3	3.3	3.3	
12.7	13.2	14.2	15.2	16.5	17.8	19.0	20.2	21.4	22.7	
12.3	12.5	13.0	13.5	14.0	14.6	15.1	15.6	16.2	16.7	
2.1	1.7	4.3	4.0	3.5	4.1	3.6	3.5	3.4	3.4	
12.4	12.5	13.0	13.8	14.7	15.7	16.5	17.3	18.1	19.0	
12.0	11.8	11.9	12.3	12.5	12.9	13.1	13.4	13.7	14.0	
-0.6	-1.6	0.7	3.0	2.1	2.7	2.1	2.1	2.1	2.1	
8.9	9.2	9.7	10.3	11.0	11.8	12.4	13.1	13.7	14.4	
8.6	8.6	8.9	9.2	9.4	9.7	9.9	10.1	10.3	10.6	
0.2	0.2	2.9	2.8	2.5	3.0	2.4	2.3	2.3	2.2	
274.6	325.9	394.1	510.9	590.5	670.3	747.1	828.4	918.7	1,018.7	
265.6	306.8	361.6	453.7	501.9	549.1	594.7	641.9	693.6	749.5	
8.0	15.5	17.9	25.5	10.6	9.4	8.3	7.9	8.1	8.1	
16.6	17.7	16.9	18.8	18.9	19.1	19.9	20.3	20.8	19.8	
-8.4	6.8	-4.7	11.7	0.2	1.4	4.1	2.0	2.3	-4.5	
11.7	12.3	11.5	12.7	12.6	12.7	13.0	13.1	13.3	12.5	
-10.1	5.2	-5.9	10.5	-0.8	0.3	2.8	0.8	1.1	-5.6	
6,478	6,050	7,438	6,093	7,151	6,593	6,651	6,341	6,261	5,983	
-0.8	-6.6	22.9	-18.1	17.4	-7.8	0.9	-4.7	-1.3	-4.4	
4.6	4.2	5.1	4.1	4.8	4.4	4.4	4.1	4.0	3.8	
-2.6	-8.0	21.3	-19.0	16.2	-8.8	-0.3	-5.8	-2.4	-5.6	
531.3	551.7	622.9	577.8	722.0	711.7	746.9	735.7	767.7	808.3	
514.0	519.3	571.6	513.1	613.7	684.8	692.8	667.5	681.3	698.8	
-3.4	1.0	10.1	-10.2	19.6	11.6	1.2	-3.7	2.1	2.6	
374.2	382.6	426.4	391.0	483.6	471.3	488.7	475.8	490.8	510.8	
362.0	360.2	391.2	347.2	411.0	453.5	453.4	431.7	435.6	441.6	
-5.1	-0.5	8.6	-11.3	18.4	10.3	-0.0	-4.8	0.9	1.4	

TABLE 5: GROSS REGIONAL PRODUCT

	1995	1996	1997	1998	1999	2000	2001
California (see tables 33-38) *							
Gross State Product (\$ billions)	909.0	958.5	1,028.6	1,086.6	1,183.6	1,291.1	1,307.9
Gross State Product (\$ 2000 billions)	971.3	1,007.4	1,065.6	1,110.5	1,200.6	1,291.1	1,288.8
percent change	3.6	3.7	5.8	4.2	8.1	7.5	-0.2
All Industries Payroll (\$ billions)	431.5	436.8	458.2	493.9	539.6	611.4	618.0
All Industries Payroll (\$ 2000 billions)	478.5	476.2	491.3	522.2	557.4	611.4	597.9
percent change	3.2	-0.5	3.2	6.3	6.7	9.7	-2.2
All Industries Price Deflator (2000=100)	93.6	95.1	96.5	97.8	98.6	100.0	101.5
percent change	1.8	1.7	1.5	1.4	0.8	1.4	1.5
The Tri-Counties							
Gross County Product (\$ billions)	36.5	38.5	42.3	46.6	53.5	59.3	64.2
Gross County Product (\$ 2000 billions)	39.6	40.6	44.0	48.1	54.7	59.3	62.8
percent change	2.5	2.5	8.2	9.4	13.8	8.3	5.9
All Industries Payroll (\$ billions)	12.9	13.5	14.6	15.7	17.0	19.1	19.9
All Industries Payroll (\$ 2000 billions)	14.3	14.8	15.6	16.6	17.6	19.1	19.2
percent change	1.8	3.5	5.9	5.9	6.2	8.5	0.8
Santa Barbara County							
Gross County Product (\$ billions)	10.2	10.7	11.8	13.1	14.4	15.9	16.9
Gross County Product (\$ 2000 billions)	11.0	11.2	12.3	13.5	14.7	15.9	16.6
percent change	1.8	2.3	9.0	10.2	8.6	8.5	4.3
All Industries Payroll (\$ billions)	4.1	4.3	4.6	4.9	5.2	5.8	6.0
All Industries Payroll (\$ 2000 billions)	4.6	4.7	5.0	5.1	5.3	5.8	5.8
percent change	1.8	2.8	5.8	3.4	3.9	7.8	0.5
All Industries Price Deflator (2000=100)	92.8	95.2	96.2	96.9	98.0	100.0	102.2
percent change	2.3	2.6	1.0	0.8	1.1	2.1	2.2
South Coast Of Santa Barbara County							
Gross Regional Product (\$ billions)	7.1	7.3	8.1	8.8	9.3	10.5	11.2
Gross Regional Product (\$ 2000 billions)	7.7	7.7	8.5	9.2	9.6	10.5	10.9
percent change	3.6	0.6	10.1	7.8	4.5	9.4	4.4
All Industries Payroll (\$ billions)	2.6	2.7	3.0	3.2	3.3	3.8	4.0
All Industries Payroll (\$ 2000 billions)	2.9	2.9	3.2	3.3	3.4	3.8	3.9
percent change	3.0	1.3	9.6	3.2	2.6	11.2	2.1
All Industries Price Deflator (2000=100)	91.8	94.0	95.6	95.9	97.2	100.0	103.1
percent change	2.2	2.4	1.7	0.3	1.4	2.9	3.1
North Santa Barbara County							
Gross Regional Product (\$ billions)	3.8	4.0	4.1	4.4	5.0	5.6	5.9
Gross Regional Product (\$ 2000 billions)	4.0	4.3	4.3	4.6	5.1	5.6	5.8
percent change	-3.8	5.4	1.0	6.0	12.4	8.8	3.8
All Industries Payroll (\$ billions)	1.3	1.3	1.4	1.5	1.8	2.0	2.1
All Industries Payroll (\$ 2000 billions)	1.4	1.5	1.5	1.6	1.8	2.0	2.0
percent change	-5.5	5.7	0.9	8.5	13.6	8.6	0.2

Sources: US Bureau of Economic Analysis, California Employment Development Department & UCSB Economic Forecast Project
 * References are to later tables for more detailed forecast data

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
1,363.6	1,438.1	1,543.8	1,657.5	1,781.5	1,881.4	1,983.6	2,088.9	2,197.6
1,324.3	1,369.2	1,432.9	1,489.0	1,546.5	1,599.8	1,652.0	1,703.7	1,755.1
2.8	3.4	4.6	3.9	3.9	3.4	3.3	3.1	3.0
613.3	629.4	666.1	709.4	751.9	802.3	854.0	909.8	966.3
577.4	577.5	591.4	603.0	616.0	638.7	661.7	686.9	711.0
-3.4	0.0	2.4	2.0	2.2	3.7	3.6	3.8	3.5
103.0	105.0	107.7	111.3	115.2	117.6	120.1	122.6	125.2
1.5	2.0	2.6	3.3	3.5	2.1	2.1	2.1	2.1
67.9	72.2	76.8	82.2	87.6	93.2	99.2	105.8	112.6
64.4	66.4	68.6	71.3	73.9	76.6	79.3	82.2	85.2
2.5	3.2	3.4	3.8	3.7	3.6	3.6	3.6	3.7
20.4	21.6	23.0	24.4	26.0	27.5	29.1	30.8	32.7
19.2	19.8	20.4	20.8	21.3	21.9	22.6	23.3	24.0
-0.3	3.1	3.3	1.7	2.4	3.0	3.0	3.2	3.3
17.6	18.5	19.6	20.8	22.0	23.2	24.6	26.0	27.6
16.6	17.0	17.4	17.9	18.4	18.9	19.4	19.9	20.5
0.2	2.0	2.6	2.7	2.8	2.8	2.7	2.7	2.8
6.1	6.4	6.8	7.1	7.4	7.8	8.2	8.6	9.1
5.7	5.9	6.0	6.0	6.1	6.2	6.3	6.5	6.7
-1.4	2.8	2.8	-0.3	0.9	2.2	2.2	2.6	2.9
105.6	108.9	112.4	116.2	119.7	123.3	126.9	130.9	134.9
3.4	3.1	3.2	3.4	3.0	3.0	3.0	3.2	3.1
11.4	11.8	12.4	13.1	13.8	14.6	15.3	16.2	17.1
10.8	10.8	11.0	11.1	11.4	11.6	11.8	12.0	12.2
-1.3	-0.2	1.7	1.7	2.0	1.9	1.7	1.8	1.9
4.1	4.2	4.5	4.6	4.8	5.0	5.3	5.5	5.8
3.8	3.9	4.0	3.9	3.9	4.0	4.1	4.2	4.3
-1.6	1.9	1.7	-0.4	0.2	1.5	1.5	2.3	2.6
106.3	109.8	113.3	116.9	120.5	124.2	128.1	132.1	136.3
3.1	3.3	3.2	3.2	3.1	3.1	3.1	3.2	3.2
6.3	6.8	7.2	7.7	8.2	8.8	9.3	9.9	10.6
6.0	6.3	6.5	6.7	7.0	7.3	7.6	7.8	8.1
3.3	4.5	3.5	4.1	3.7	3.9	4.0	3.7	4.0
2.2	2.3	2.4	2.5	2.7	2.9	3.0	3.2	3.4
2.1	2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.5
4.3	2.1	1.4	1.0	2.2	2.9	2.9	2.9	3.0

TABLE 6: INDUSTRIAL STRUCTURE

	1995	1996	1997	1998	1999	2000
Percent of Total Output						
Santa Barbara County						
Agriculture	8.5	8.5	7.7	7.2	7.2	7.4
Mining & Quarrying	2.5	2.5	2.4	1.7	2.0	1.9
Construction	3.5	3.5	4.5	4.5	4.7	4.6
Durable Goods Manufacturing	8.7	8.2	8.5	8.4	8.1	8.4
Non-Durable Goods Manufacturing	2.0	2.2	2.4	2.5	2.5	2.7
Transportation	1.3	1.3	1.8	1.7	1.6	1.7
Communications	1.7	1.4	1.6	1.7	1.6	1.6
Utilities	1.5	1.4	1.4	1.4	1.3	1.4
Retail Trade	11.5	11.6	11.4	11.4	11.2	10.8
Wholesale Trade	4.9	5.3	5.4	5.5	5.9	6.9
Finance, Insurance & Real Estate	16.6	15.7	15.5	16.9	16.8	17.0
Services	20.8	20.8	20.4	21.1	20.4	20.6
Public Sector	16.6	17.4	17.0	16.0	16.9	15.1
South Coast of Santa Barbara County						
Agriculture	2.4	2.6	2.5	2.5	2.6	2.5
Mining & Quarrying	2.2	2.6	2.5	2.3	2.4	1.9
Construction	3.7	3.9	4.3	4.0	4.1	3.9
Durable Goods Manufacturing	12.2	11.7	11.9	10.1	9.9	8.6
Non-Durable Goods Manufacturing	2.2	2.6	2.6	2.7	2.5	2.5
Transportation, Communications & Utilities	4.5	4.0	4.5	4.0	3.9	3.9
Retail Trade	9.6	10.0	10.1	10.6	10.4	10.6
Wholesale Trade	4.9	5.6	5.6	5.9	6.4	7.5
Finance, Insurance & Real Estate	20.2	19.0	18.8	21.0	21.1	21.2
Services	24.3	24.1	23.7	24.7	24.8	25.8
Public Sector	13.7	13.9	13.4	12.1	11.9	11.4
North Santa Barbara County						
Agriculture	18.0	17.6	16.8	15.8	15.1	15.1
Construction	2.7	2.7	4.3	4.5	4.4	4.3
Industry (Manufacturing & Mining)	9.6	9.2	10.6	11.4	10.3	13.3
Transportation, Communications & Utilities	4.9	4.8	4.6	4.5	4.9	4.6
Retail Trade	12.6	12.4	12.5	12.3	12.1	11.4
Wholesale Trade	4.6	4.5	4.6	4.4	4.6	4.2
Finance, Insurance & Real Estate	9.4	9.4	9.0	8.9	8.4	8.2
Services	13.8	14.0	13.3	13.9	12.5	11.8
Public Sector	24.3	25.4	24.3	24.2	27.7	27.1

Source: UCSB Economic Forecast Project

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	7.5	7.6	8.2	8.4	8.5	8.4	8.4	8.4	8.4	8.4
	1.9	1.7	1.7	1.8	1.9	2.0	2.1	2.1	2.2	2.3
	4.5	4.5	4.6	4.7	4.9	5.1	5.2	5.4	5.5	5.6
	8.3	7.7	7.5	7.2	6.8	6.5	6.2	5.9	5.6	5.3
	2.6	2.5	2.5	2.3	2.2	2.1	2.0	1.9	1.8	1.7
	1.8	1.8	1.9	1.8	1.8	1.7	1.7	1.7	1.7	1.7
	1.6	1.4	1.2	1.1	1.1	1.1	1.0	1.0	1.0	1.0
	1.5	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6
	10.5	10.3	10.2	10.1	9.9	9.8	9.8	9.8	9.7	9.7
	6.5	6.3	6.0	5.8	5.7	5.5	5.3	5.1	5.0	4.8
	17.6	17.8	17.9	18.1	18.1	18.2	18.3	18.4	18.5	18.5
	20.7	21.3	21.3	21.8	22.4	23.0	23.4	23.9	24.4	25.0
	14.9	15.4	15.5	15.3	15.2	15.1	14.9	14.8	14.7	14.5
	2.5	2.5	2.4	2.4	2.3	2.2	2.1	2.1	2.0	2.0
	2.0	1.7	1.7	1.7	1.9	2.0	2.1	2.2	2.3	2.5
	3.9	4.0	4.1	4.2	4.3	4.4	4.5	4.6	4.6	4.7
	8.3	7.8	7.4	7.1	6.7	6.3	6.0	5.6	5.3	5.0
	2.5	2.3	2.2	2.1	2.0	1.9	1.8	1.7	1.6	1.5
	4.3	4.3	4.1	3.8	3.6	3.6	3.5	3.5	3.4	3.3
	10.1	9.7	9.8	9.7	9.5	9.3	9.1	9.0	8.8	8.7
	7.0	6.8	6.5	6.4	6.2	6.0	5.8	5.7	5.5	5.3
	22.3	22.8	23.3	23.6	23.7	23.9	24.0	24.1	24.2	24.3
	25.9	26.8	27.1	27.7	28.6	29.4	30.1	30.9	31.6	32.4
	11.1	11.3	11.4	11.3	11.2	11.0	10.8	10.7	10.5	10.4
	15.5	15.4	16.8	17.3	17.3	17.1	17.1	17.1	17.2	17.1
	4.3	4.3	4.4	4.6	4.8	5.1	5.2	5.4	5.6	5.8
	13.1	12.5	12.1	11.6	11.5	11.3	11.0	10.7	10.4	10.1
	4.7	4.8	4.7	4.7	4.7	4.8	4.8	4.8	4.9	4.9
	11.1	11.2	10.7	10.7	10.6	10.6	10.8	11.0	11.1	11.3
	4.1	4.0	3.8	3.7	3.6	3.5	3.4	3.3	3.1	3.0
	8.1	8.1	8.0	8.1	8.1	8.2	8.3	8.4	8.4	8.5
	12.0	12.2	12.2	12.4	12.7	13.0	13.2	13.4	13.7	14.0
	27.1	27.6	27.3	26.9	26.7	26.5	26.2	25.8	25.5	25.3

TABLE 7: TRI-COUNTIES EMPLOYMENT BY SECTOR

	1995	1996	1997	1998	1999	2000
Jobs						
Agricultural Production	34,150	36,000	36,867	36,100	37,075	38,967
percent change	-2.3	5.4	2.4	-2.1	2.7	5.1
Mining and Construction	24,275	24,075	26,067	27,675	31,417	31,692
percent change	7.9	-0.8	8.3	6.2	13.5	0.9
Manufacturing	51,533	54,450	58,525	60,658	61,833	64,567
percent change	-1.4	5.7	7.5	3.6	1.9	4.4
Durables Manufacturing	36,333	38,258	41,558	42,650	42,300	44,575
percent change	-3.3	5.3	8.6	2.6	-0.8	5.4
Nondurables Manufacturing	15,200	16,192	16,967	18,008	19,533	19,992
percent change	3.5	6.5	4.8	6.1	8.5	2.3
Transportation, Warehousing, and Utilities Services	12,600	12,500	12,483	11,800	11,442	11,592
percent change	-0.1	-0.8	-0.1	-5.5	-3.0	1.3
Information Services	11,525	11,408	12,083	12,867	13,850	14,000
percent change	-2.3	-1.0	5.9	6.5	7.6	1.1
Wholesale Trade Services	14,092	14,000	14,725	15,483	16,367	17,875
percent change	2.5	-0.7	5.2	5.2	5.7	9.2
Retail Trade Services	57,692	57,483	60,275	61,550	64,750	67,358
percent change	3.0	-0.4	4.9	2.1	5.2	4.0
Finance, Insurance, and Real Estate Services	23,525	22,833	23,825	26,233	27,892	28,833
percent change	-3.7	-2.9	4.3	10.1	6.3	3.4
Professional and Technical Services	56,675	58,100	55,925	60,250	62,958	68,542
percent change	3.7	2.5	-3.7	7.7	4.5	8.9
Education and Health Services	46,450	46,417	47,542	48,992	50,483	51,300
percent change	1.8	-0.1	2.4	3.1	3.1	1.6
Leisure and Hospitality Services	51,950	51,333	52,417	53,725	55,900	58,967
percent change	2.8	-1.2	2.1	2.5	4.1	5.5
Other Services*	16,983	17,225	17,908	18,167	18,675	19,608
percent change	0.6	1.4	4.0	1.4	2.8	5.0
Subtotal, All Private Industries	401,450	405,825	418,642	433,500	452,642	473,300
percent change	1.4	1.1	3.2	3.6	4.4	4.6
Government	91,292	92,417	94,483	96,058	97,917	99,575
percent change	1.3	1.2	2.2	1.7	1.9	1.7
Total, All Industries	492,742	498,242	513,125	529,558	550,558	572,875
percent change	1.4	1.1	3.0	3.2	4.0	4.1
Addendum, All Non-farm Industries	458,592	462,242	476,258	493,458	513,483	533,908
percent change	1.7	0.8	3.0	3.6	4.1	4.0

Source: CA Employment Development Department. Revised from previous publications; due in part to conversion to NAICS.

*Note: Other Services include Repair & Maintenance, Personal & Laundry, and Civic & Professional Organizations.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
37,675	37,992	40,267	40,750	42,833	43,881	44,937	46,059	47,272	48,535
-3.3	0.8	6.0	1.2	5.1	2.4	2.4	2.5	2.6	2.7
33,050	31,983	33,567	35,233	37,950	38,996	39,863	40,755	41,652	42,536
4.3	-3.2	5.0	5.0	7.7	2.8	2.2	2.2	2.2	2.1
62,933	58,292	56,892	57,933	58,142	58,807	59,533	60,243	61,032	61,824
-2.5	-7.4	-2.4	1.8	0.4	1.1	1.2	1.2	1.3	1.3
42,625	39,083	37,783	37,650	37,758	37,992	38,258	38,524	38,872	39,222
-4.4	-8.3	-3.3	-0.4	0.3	0.6	0.7	0.7	0.9	0.9
20,308	19,208	19,108	20,283	20,383	20,815	21,275	21,718	22,160	22,602
1.6	-5.4	-0.5	6.2	0.5	2.1	2.2	2.1	2.0	2.0
12,083	11,950	12,067	12,300	12,492	12,668	12,893	13,165	13,468	13,782
4.2	-1.1	1.0	1.9	1.6	1.4	1.8	2.1	2.3	2.3
14,617	13,717	12,658	12,283	11,925	12,073	12,275	12,517	12,765	13,017
4.4	-6.2	-7.7	-3.0	-2.9	1.2	1.7	2.0	2.0	2.0
18,875	18,692	18,392	19,225	19,742	20,205	20,677	21,154	21,655	22,167
5.6	-1.0	-1.6	4.5	2.7	2.3	2.3	2.3	2.4	2.4
67,083	67,800	67,900	69,000	70,358	71,814	73,319	74,859	76,479	78,080
-0.4	1.1	0.1	1.6	2.0	2.1	2.1	2.1	2.2	2.1
32,300	35,100	36,283	37,358	37,883	38,519	39,370	40,233	41,188	42,167
12.0	8.7	3.4	3.0	1.4	1.7	2.2	2.2	2.4	2.4
65,742	66,058	66,467	68,142	70,067	72,251	74,373	76,468	78,745	81,034
-4.1	0.5	0.6	2.5	2.8	3.1	2.9	2.8	3.0	2.9
53,575	55,550	57,283	57,600	58,808	60,448	62,044	63,611	65,310	67,011
4.4	3.7	3.1	0.6	2.1	2.8	2.6	2.5	2.7	2.6
60,792	61,967	63,600	64,817	65,850	67,322	68,752	70,143	71,663	73,176
3.1	1.9	2.6	1.9	1.6	2.2	2.1	2.0	2.2	2.1
19,950	20,533	20,450	20,042	20,392	20,592	20,760	20,904	21,078	21,238
1.7	2.9	-0.4	-2.0	1.7	1.0	0.8	0.7	0.8	0.8
478,675	479,633	485,825	494,683	506,442	517,574	528,795	540,110	552,307	564,566
1.1	0.2	1.3	1.8	2.4	2.2	2.2	2.1	2.3	2.2
102,342	103,967	102,792	100,300	100,317	101,152	102,242	103,585	104,992	106,592
2.8	1.6	-1.1	-2.4	0.0	0.8	1.1	1.3	1.4	1.5
581,017	583,600	588,617	594,983	606,758	618,726	631,036	643,695	657,299	671,158
1.4	0.4	0.9	1.1	2.0	2.0	2.0	2.0	2.1	2.1
543,342	545,608	548,350	554,233	563,925	574,845	586,099	597,636	610,027	622,623
1.8	0.4	0.5	1.1	1.7	1.9	2.0	2.0	2.1	2.1

TABLE 8: TRI-COUNTIES AVERAGE SALARY BY SECTOR

	1995	1996	1997	1998	1999	2000
Dollars						
Agricultural Production	15,579	15,632	17,262	18,685	18,972	19,519
percent change	5.4	0.3	10.4	8.2	1.5	2.9
Mining & Quarrying	50,608	54,601	56,539	55,141	57,543	55,132
percent change	0.2	7.9	3.5	-2.5	4.4	-4.2
Construction	28,575	29,595	31,456	32,383	33,159	34,211
percent change	-0.3	3.6	6.3	2.9	2.4	3.2
Durables Manufacturing	38,143	39,125	42,506	41,916	46,879	50,191
percent change	0.5	2.6	8.6	-1.4	11.8	7.1
Non-Durables Manufacturing	28,222	30,301	32,378	34,148	54,453	79,565
percent change	1.6	7.4	6.9	5.5	59.5	46.1
Transportation	24,933	25,153	26,171	28,185	29,283	29,920
percent change	-2.1	0.9	4.1	7.7	3.9	2.2
Communications*	44,310	44,697	49,996	46,125	41,131	50,173
percent change	8.9	0.9	11.9	-7.7	-10.8	22.0
Utilities	52,307	54,627	54,038	58,189	62,152	61,956
percent change	1.1	4.4	-1.1	7.7	6.8	-0.3
Retail Trade*	14,873	15,219	15,970	17,201	18,222	19,178
percent change	2.9	2.3	4.9	7.7	5.9	5.2
Wholesale Trade	33,213	35,095	35,664	38,663	41,636	44,572
percent change	0.9	5.7	1.6	8.4	7.7	7.1
Finance, Insurance and Real Estate*	30,582	34,753	36,408	38,753	41,210	42,497
percent change	-0.7	13.6	4.8	6.4	6.3	3.1
Services*	24,761	25,727	27,602	29,687	28,657	30,624
percent change	2.0	3.9	7.3	7.6	-3.5	6.9
Private Sector	24,590	25,481	27,271	28,771	30,322	33,195
percent change	1.1	3.6	7.0	5.5	5.4	9.5
Public Sector	30,457	31,609	32,444	33,330	34,058	35,498
percent change	2.6	3.8	2.6	2.7	2.2	4.2
Total, All Sectors	25,659	26,593	28,217	29,599	30,987	33,599
percent change	1.4	3.6	6.1	4.9	4.7	8.4

Source: California Employment Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
20,342	21,005	20,809	21,360	21,595	21,720	22,142	22,519	22,842	23,222
4.2	3.3	-0.9	2.6	1.1	0.6	1.9	1.7	1.4	1.7
60,950	59,128	56,579	59,516	62,590	64,703	67,399	70,117	73,082	76,149
10.6	-3.0	-4.3	5.2	5.2	3.4	4.2	4.0	4.2	4.2
35,903	36,999	37,647	40,106	41,454	43,198	45,162	47,200	49,307	51,475
4.9	3.1	1.8	6.5	3.4	4.2	4.5	4.5	4.5	4.4
50,364	48,450	51,496	54,411	58,372	62,258	65,685	69,146	72,449	76,020
0.3	-3.8	6.3	5.7	7.3	6.7	5.5	5.3	4.8	4.9
64,070	60,130	68,046	69,751	74,165	78,816	83,422	88,339	93,750	99,023
-19.5	-6.2	13.2	2.5	6.3	6.3	5.8	5.9	6.1	5.6
31,478	32,915	33,979	36,680	38,386	40,016	41,563	43,144	44,680	46,594
5.2	4.6	3.2	7.9	4.7	4.2	3.9	3.8	3.6	4.3
54,137	57,103	54,913	59,724	62,621	65,811	67,959	70,200	72,811	75,724
7.9	5.5	-3.8	8.8	4.9	5.1	3.3	3.3	3.7	4.0
66,331	66,713	66,413	69,824	72,514	74,812	77,140	79,340	81,452	83,954
7.1	0.6	-0.5	5.1	3.9	3.2	3.1	2.9	2.7	3.1
19,806	20,364	20,761	21,261	21,931	22,609	23,238	23,854	24,431	25,116
3.3	2.8	2.0	2.4	3.2	3.1	2.8	2.7	2.4	2.8
44,080	49,169	54,632	56,485	57,885	60,106	62,523	65,100	67,537	70,533
-1.1	11.5	11.1	3.4	2.5	3.8	4.0	4.1	3.7	4.4
45,031	49,443	54,471	62,149	66,405	70,166	72,854	75,838	78,942	82,749
6.0	9.8	10.2	14.1	6.8	5.7	3.8	4.1	4.1	4.8
31,670	31,951	33,344	35,024	36,370	37,781	39,449	41,018	42,727	44,381
3.4	0.9	4.4	5.0	3.8	3.9	4.4	4.0	4.2	3.9
33,809	34,141	35,876	37,992	39,689	41,417	43,135	44,866	46,651	48,560
1.9	1.0	5.1	5.9	4.5	4.4	4.2	4.0	4.0	4.1
37,414	39,039	40,935	42,703	44,343	46,024	47,512	48,990	50,315	51,755
5.4	4.3	4.9	4.3	3.8	3.8	3.2	3.1	2.7	2.9
34,448	35,016	36,763	38,789	40,461	42,173	43,848	45,533	47,240	49,071
2.5	1.7	5.0	5.5	4.3	4.2	4.0	3.8	3.7	3.9

TABLE 9: SANTA BARBARA COUNTY EMPLOYMENT BY SECTOR

	1995	1996	1997	1998	1999	2000
Jobs						
Agricultural Production	14,117	14,642	14,733	13,833	15,258	14,850
percent change	1.9	3.7	0.6	-6.1	10.3	-2.7
Mining and Quarrying	1,583	1,425	1,492	1,367	1,208	1,150
percent change	12.4	-10.0	4.7	-8.4	-11.6	-4.8
Construction	5,517	6,092	7,083	6,942	8,008	8,125
percent change	5.2	10.4	16.3	-2.0	15.4	1.5
Manufacturing	14,225	14,792	15,658	15,650	15,258	15,858
percent change	-9.0	4.0	5.9	-0.1	-2.5	3.9
Durables Manufacturing	11,417	11,842	12,692	12,658	12,133	12,600
percent change	-10.6	3.7	7.2	-0.3	-4.1	3.8
Nondurables Manufacturing	2,808	2,950	2,967	2,992	3,125	3,258
percent change	-1.5	5.1	0.6	0.8	4.5	4.3
Transportation, Warehousing, and Utilities Services	3,767	3,783	3,783	3,258	2,900	2,875
percent change	4.6	0.4	0.0	-13.9	-11.0	-0.9
Information Services	4,067	4,058	4,183	4,433	4,100	4,250
percent change	-0.8	-0.2	3.1	6.0	-7.5	3.7
Wholesale Trade Services	4,108	4,067	4,417	4,700	4,933	5,183
percent change	-8.7	-1.0	8.6	6.4	5.0	5.1
Retail Trade Services	17,983	17,608	18,683	19,208	20,692	20,950
percent change	1.1	-2.1	6.1	2.8	7.7	1.2
Finance, Insurance, and Real Estate Services	7,350	7,017	7,492	7,950	8,050	8,392
percent change	-2.9	-4.5	6.8	6.1	1.3	4.2
Professional and Technical Services	17,267	18,533	17,242	17,525	18,125	20,208
percent change	8.4	7.3	-7.0	1.6	3.4	11.5
Education and Health Services	16,283	15,850	16,350	17,158	18,017	18,433
percent change	2.8	-2.7	3.2	4.9	5.0	2.3
Leisure and Hospitality Services	17,817	17,725	19,067	19,600	20,167	20,817
percent change	-0.2	-0.5	7.6	2.8	2.9	3.2
Other Services*	4,825	4,900	5,083	5,367	5,475	5,617
percent change	0.2	1.6	3.7	5.6	2.0	2.6
Subtotal, All Private Industries	128,908	130,492	135,267	136,992	142,192	146,708
percent change	0.6	1.2	3.7	1.3	3.8	3.2
Government	29,692	29,692	30,883	31,825	32,442	32,833
percent change	1.3	0.0	4.0	3.1	1.9	1.2
Total, All Industries	158,600	160,183	166,150	168,817	174,633	179,542
percent change	0.7	1.0	3.7	1.6	3.4	2.8
Addendum, All Non-farm Industries	144,483	145,542	151,417	154,983	159,375	164,692
percent change	0.6	0.7	4.0	2.4	2.8	3.3

Source: CA Employment Development Department. Revised from previous publications; due in part to conversion to NAICS.

*Note: Other Services include Repair & Maintenance, Personal & Laundry, and Civic & Professional Organizations

Forecast Tables

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
13,758	14,233	16,183	16,008	16,325	16,750	17,167	17,596	18,028	18,462
-7.4	3.5	13.7	-1.1	2.0	2.6	2.5	2.5	2.5	2.4
1,167	858	800	800	900	912	919	926	936	944
1.5	-26.4	-6.8	0.0	12.5	1.3	0.8	0.8	1.1	0.8
8,367	7,992	8,633	9,675	10,075	10,292	10,485	10,708	10,936	11,156
3.0	-4.5	8.0	12.1	4.1	2.2	1.9	2.1	2.1	2.0
15,067	13,383	13,333	13,225	13,567	13,550	13,570	13,594	13,612	13,628
-5.0	-11.2	-0.4	-0.8	2.6	-0.1	0.2	0.2	0.1	0.1
11,825	10,200	10,075	9,975	10,217	10,144	10,088	10,035	9,973	9,907
-6.2	-13.7	-1.2	-1.0	2.4	-0.7	-0.6	-0.5	-0.6	-0.7
3,242	3,183	3,258	3,250	3,350	3,405	3,482	3,559	3,639	3,722
-0.5	-1.8	2.4	-0.3	3.1	1.7	2.3	2.2	2.3	2.3
2,958	2,808	2,900	2,933	2,992	3,051	3,112	3,175	3,240	3,297
2.9	-5.1	3.3	1.2	2.0	2.0	2.0	2.0	2.0	1.8
4,500	4,117	4,067	4,017	4,217	4,294	4,374	4,456	4,540	4,614
5.9	-8.5	-1.2	-1.2	5.0	1.8	1.9	1.9	1.9	1.6
5,375	4,758	4,342	4,533	4,708	4,810	4,904	5,002	5,101	5,204
3.7	-11.5	-8.8	4.4	3.9	2.2	1.9	2.0	2.0	2.0
20,167	20,333	20,092	20,208	20,100	20,510	20,925	21,335	21,807	22,291
-3.7	0.8	-1.2	0.6	-0.5	2.0	2.0	2.0	2.2	2.2
8,842	8,617	8,425	8,517	8,558	8,657	8,849	9,040	9,237	9,439
5.4	-2.5	-2.2	1.1	0.5	1.2	2.2	2.2	2.2	2.2
19,617	20,608	21,075	22,083	22,975	23,639	24,347	25,070	25,872	26,705
-2.9	5.1	2.3	4.8	4.0	2.9	3.0	3.0	3.2	3.2
18,600	19,250	19,317	19,567	19,475	19,999	20,557	21,127	21,761	22,418
0.9	3.5	0.3	1.3	-0.5	2.7	2.8	2.8	3.0	3.0
21,000	20,950	21,700	21,908	22,275	22,522	22,795	23,067	23,395	23,731
0.9	-0.2	3.6	1.0	1.7	1.1	1.2	1.2	1.4	1.4
5,958	5,983	5,750	5,583	5,608	5,657	5,711	5,765	5,832	5,902
6.1	0.4	-3.9	-2.9	0.4	0.9	1.0	0.9	1.2	1.2
145,375	143,892	146,617	149,058	151,775	154,641	157,716	160,861	164,298	167,789
-0.9	-1.0	1.9	1.7	1.8	1.9	2.0	2.0	2.1	2.1
34,450	35,750	35,575	35,867	36,358	36,756	37,166	37,592	38,010	38,444
4.9	3.8	-0.5	0.8	1.4	1.1	1.1	1.1	1.1	1.1
179,825	179,642	182,192	184,925	188,133	191,397	194,882	198,453	202,309	206,233
0.2	-0.1	1.4	1.5	1.7	1.7	1.8	1.8	1.9	1.9
166,067	165,408	166,008	168,917	171,808	174,647	177,715	180,857	184,280	187,771
0.8	-0.4	0.4	1.8	1.7	1.7	1.8	1.8	1.9	1.9

TABLE 10: SANTA BARBARA COUNTY AVERAGE SALARY BY SECTOR

	1995	1996	1997	1998	1999	2000
Dollars						
Agricultural Production	14,778	15,019	15,810	16,926	17,412	18,069
percent change	5.0	1.6	5.3	7.1	2.9	3.8
Mining & Quarrying	55,418	55,108	56,208	53,660	62,222	66,260
percent change	12.1	-0.6	2.0	-4.5	16.0	6.5
Construction	30,707	30,296	33,168	34,562	34,006	35,327
percent change	2.4	-1.3	9.5	4.2	-1.6	3.9
Durables Manufacturing	44,519	45,493	47,193	45,807	46,595	49,747
percent change	1.1	2.2	3.7	-2.9	1.7	6.8
Non-Durables Manufacturing	26,142	28,098	29,178	30,660	29,557	31,284
percent change	5.6	7.5	3.8	5.1	-3.6	5.8
Transportation	24,244	24,000	25,973	27,978	26,664	27,518
percent change	2.8	-1.0	8.2	7.7	-4.7	3.2
Communications*	41,449	42,024	41,675	40,733	43,065	47,070
percent change	16.5	1.4	-0.8	-2.3	5.7	9.3
Utilities	48,311	49,361	48,915	52,247	53,490	51,421
percent change	4.2	2.2	-0.9	6.8	2.4	-3.9
Retail Trade*	14,261	14,762	15,598	16,830	17,710	18,679
percent change	3.5	3.5	5.7	7.9	5.2	5.5
Wholesale Trade	36,267	40,170	41,377	43,896	47,999	54,502
percent change	5.4	10.8	3.0	6.1	9.3	13.5
Finance, Insurance and Real Estate*	32,541	33,799	37,045	40,589	43,939	47,302
percent change	13.5	3.9	9.6	9.6	8.3	7.7
Services*	24,967	25,016	26,728	28,889	29,694	33,060
percent change	0.5	0.2	6.8	8.1	2.8	11.3
Public Sector	28,638	30,353	30,351	30,937	32,147	33,859
percent change	4.2	6.0	-0.0	1.9	3.9	5.3
Private Sector	24,768	25,165	26,776	28,199	28,950	31,569
percent change	1.9	1.6	6.4	5.3	2.7	9.1
Total, All Sectors	25,477	26,097	27,429	28,713	29,542	31,986
percent change	2.4	2.4	5.1	4.7	2.9	8.3

Source: California Employment Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	20,589	21,085	20,064	21,070	21,156	20,738	21,183	21,510	21,888	22,208
	13.9	2.4	-4.8	5.0	0.4	-2.0	2.1	1.5	1.8	1.5
	66,146	63,414	58,510	63,934	67,211	69,969	72,383	74,825	77,577	80,489
	-0.2	-4.1	-7.7	9.3	5.1	4.1	3.5	3.4	3.7	3.8
	36,776	38,290	39,973	41,973	42,479	44,004	45,947	47,774	49,696	52,002
	4.1	4.1	4.4	5.0	1.2	3.6	4.4	4.0	4.0	4.6
	52,168	52,543	58,890	57,956	60,943	64,647	67,892	71,476	74,808	78,375
	4.9	0.7	12.1	-1.6	5.2	6.1	5.0	5.3	4.7	4.8
	36,919	38,830	39,608	42,132	41,214	41,971	43,424	44,502	45,706	46,815
	18.0	5.2	2.0	6.4	-2.2	1.8	3.5	2.5	2.7	2.4
	31,007	32,392	33,185	34,825	35,786	36,683	37,744	39,073	40,418	42,871
	12.7	4.5	2.4	4.9	2.8	2.5	2.9	3.5	3.4	6.1
	52,863	50,808	50,729	51,657	51,997	54,502	55,210	56,250	57,252	59,811
	12.3	-3.9	-0.2	1.8	0.7	4.8	1.3	1.9	1.8	4.5
	52,174	53,778	52,554	58,194	67,678	69,373	71,381	73,894	76,437	81,076
	1.5	3.1	-2.3	10.7	16.3	2.5	2.9	3.5	3.4	6.1
	19,624	20,740	21,253	21,645	22,700	23,172	23,732	24,236	24,734	25,656
	5.1	5.7	2.5	1.8	4.9	2.1	2.4	2.1	2.1	3.7
	46,163	44,062	44,992	48,091	47,472	48,684	50,059	51,430	53,009	55,142
	-15.3	-4.6	2.1	6.9	-1.3	2.6	2.8	2.7	3.1	4.0
	45,202	48,379	53,954	61,717	67,842	70,913	72,561	74,298	76,495	80,293
	-4.4	7.0	11.5	14.4	9.9	4.5	2.3	2.4	3.0	5.0
	33,391	33,854	35,546	37,697	39,818	41,142	43,041	44,885	47,060	48,974
	1.0	1.4	5.0	6.1	5.6	3.3	4.6	4.3	4.8	4.1
	36,247	36,781	37,986	38,559	38,724	40,058	41,212	42,361	43,656	44,972
	7.1	1.5	3.3	1.5	0.4	3.4	2.9	2.8	3.1	3.0
	32,604	32,949	34,246	36,195	37,893	39,029	40,417	41,772	43,265	44,958
	3.3	1.1	3.9	5.7	4.7	3.0	3.6	3.4	3.6	3.9
	33,302	33,710	34,975	36,652	38,055	39,228	40,569	41,882	43,335	44,954
	4.1	1.2	3.8	4.8	3.8	3.1	3.4	3.2	3.5	3.7

TABLE 11: SOUTH COAST EMPLOYMENT BY SECTOR

	1995	1996	1997	1998	1999	2000
Jobs						
Agricultural Production	2,936	3,142	3,269	3,427	3,558	3,769
percent change	4.8	7.0	4.0	4.8	3.8	5.9
Mining & Quarrying	236	248	260	292	470	435
percent change	5.4	5.1	4.8	12.5	61.1	-7.5
Construction	3,562	3,844	4,405	4,370	4,884	5,022
percent change	10.4	7.9	14.6	-0.8	11.8	2.8
Durables Manufacturing	8,600	8,334	9,072	8,238	8,398	8,129
percent change	1.2	-3.1	8.9	-9.2	1.9	-3.2
Non-Durables Manufacturing	2,033	2,374	2,413	2,633	1,906	2,001
percent change	-3.7	16.8	1.6	9.1	-27.6	5.0
Transportation, Communications, and Utilities*	2,757	2,504	3,131	2,668	2,427	2,772
percent change	17.6	-9.2	25.0	-14.8	-9.1	14.2
Retail Trade*	17,015	16,866	17,913	18,566	19,000	19,986
percent change	3.7	-0.9	6.2	3.6	2.3	5.2
Wholesale Trade	3,056	3,061	3,399	3,628	3,845	4,375
percent change	-5.8	0.2	11.0	6.7	6.0	13.8
Finance, Insurance and Real Estate*	4,787	4,595	4,661	5,375	4,853	5,622
percent change	-22.4	-4.0	1.4	15.3	-9.7	15.8
Services*	28,978	28,717	29,522	30,767	32,819	35,611
percent change	3.0	-0.9	2.8	4.2	6.7	8.5
Public Sector	17,222	18,394	19,504	17,542	17,062	17,446
percent change	1.5	6.8	6.0	-10.1	-2.7	2.3
Private Sector	73,960	73,685	78,044	79,964	82,159	87,721
percent change	1.1	-0.4	5.9	2.5	2.7	6.8
Total, All Sectors	91,182	92,079	97,548	97,506	99,220	105,167
percent change	1.2	1.0	5.9	-0.0	1.8	6.0

Sources: California Economic Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	2,939	2,670	2,669	2,811	2,813	2,861	2,914	2,966	3,014	3,056
	-22.0	-9.2	-0.0	5.3	0.1	1.7	1.8	1.8	1.6	1.4
	478	282	236	213	212	210	209	207	207	205
	9.9	-41.1	-16.3	-9.6	-0.4	-0.9	-0.8	-0.8	-0.0	-0.8
	5,184	4,970	5,157	5,629	5,621	5,664	5,694	5,714	5,727	5,736
	3.2	-4.1	3.8	9.1	-0.1	0.8	0.5	0.4	0.2	0.2
	7,804	7,248	6,904	6,572	6,660	6,517	6,383	6,251	6,123	5,997
	-4.0	-7.1	-4.8	-4.8	1.3	-2.1	-2.1	-2.1	-2.1	-2.1
	1,583	1,252	1,112	1,348	1,364	1,361	1,366	1,369	1,373	1,377
	-20.9	-20.9	-11.2	21.2	1.2	-0.2	0.4	0.3	0.3	0.3
	4,086	4,140	4,109	4,091	4,163	4,227	4,291	4,356	4,422	4,472
	47.4	1.3	-0.7	-0.4	1.7	1.5	1.5	1.5	1.5	1.1
	13,516	11,406	10,940	11,267	11,232	11,390	11,546	11,686	11,885	12,086
	-32.4	-15.6	-4.1	3.0	-0.3	1.4	1.4	1.2	1.7	1.7
	3,450	3,021	2,704	2,822	2,781	2,820	2,849	2,880	2,911	2,942
	-21.1	-12.4	-10.5	4.4	-1.4	1.4	1.1	1.1	1.1	1.1
	7,702	7,360	7,112	7,009	7,107	7,162	7,282	7,404	7,528	7,654
	37.0	-4.4	-3.4	-1.4	1.4	0.8	1.7	1.7	1.7	1.7
	41,762	44,387	46,406	45,698	44,703	45,237	45,799	46,340	46,887	47,443
	17.3	6.3	4.5	-1.5	-2.2	1.2	1.2	1.2	1.2	1.2
	18,675	19,941	19,578	19,404	19,606	19,709	19,852	20,008	20,146	20,313
	7.1	6.8	-1.8	-0.9	1.0	0.5	0.7	0.8	0.7	0.8
	88,505	86,737	87,348	87,460	86,656	87,448	88,332	89,174	90,076	90,968
	0.9	-2.0	0.7	0.1	-0.9	0.9	1.0	1.0	1.0	1.0
	107,180	106,678	106,926	106,864	106,262	107,157	108,184	109,182	110,222	111,281
	1.9	-0.5	0.2	-0.1	-0.6	0.8	1.0	0.9	1.0	1.0

TABLE 12: SOUTH COAST AVERAGE SALARY BY SECTOR

	1995	1996	1997	1998	1999	2000
Dollars						
Agricultural Production	16,668	17,209	18,192	18,495	20,662	21,375
percent change	2.8	3.2	5.7	1.7	11.7	3.4
Mining & Quarrying	141,656	134,788	128,555	114,279	76,974	81,667
percent change	-5.1	-4.8	-4.6	-11.1	-32.6	6.1
Construction	32,066	31,716	33,828	34,432	33,648	35,778
percent change	0.2	-1.1	6.7	1.8	-2.3	6.3
Durables Manufacturing	47,421	47,908	49,241	48,148	48,986	51,920
percent change	6.1	1.0	2.8	-2.2	1.7	6.0
Non-Durables Manufacturing	29,224	30,353	32,845	33,258	34,583	36,095
percent change	7.8	3.9	8.2	1.3	4.0	4.4
Transportation, Communications, and Utilities*	31,273	31,603	33,483	36,568	38,007	41,973
percent change	5.3	1.1	6.0	9.2	3.9	10.4
Retail Trade*	14,166	14,885	15,901	17,298	17,835	19,334
percent change	3.5	5.1	6.8	8.8	3.1	8.4
Wholesale Trade	38,199	44,797	45,460	49,320	53,966	61,460
percent change	1.7	17.3	1.5	8.5	9.4	13.9
Finance, Insurance and Real Estate*	35,462	36,585	40,274	43,490	48,099	50,910
percent change	20.9	3.2	10.1	8.0	10.6	5.8
Services*	26,736	27,482	29,473	31,780	31,986	36,158
percent change	3.1	2.8	7.2	7.8	0.7	13.0
Public Sector	33,085	32,378	32,828	34,727	37,197	38,085
percent change	0.4	-2.1	1.4	5.8	7.1	2.4
Private Sector	27,748	28,572	30,365	31,772	32,536	35,744
percent change	4.3	3.0	6.3	4.6	2.4	9.9
Total, All Sectors	28,756	29,332	30,857	32,303	33,337	36,132
percent change	3.5	2.0	5.2	4.7	3.2	8.4

Sources: California Economic Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
					<i>estimated</i>	<i>forecast</i>				
22,154	24,423	25,095	25,375	23,939	23,920	24,208	24,321	24,696	24,964	
3.6	10.2	2.8	1.1	-5.7	-0.1	1.2	0.5	1.5	1.1	
88,369	87,809	76,657	91,353	87,925	89,980	93,264	96,209	99,517	103,522	
8.2	-0.6	-12.7	19.2	-3.8	2.3	3.7	3.2	3.4	4.0	
37,271	38,323	40,624	41,996	42,529	43,929	45,787	47,548	49,331	51,677	
4.2	2.8	6.0	3.4	1.3	3.3	4.2	3.8	3.8	4.8	
55,222	57,695	63,887	63,722	66,726	71,276	75,451	80,011	84,823	90,111	
6.4	4.5	10.7	-0.3	4.7	6.8	5.9	6.1	6.0	6.2	
32,673	34,467	36,723	37,064	35,313	35,756	36,831	37,553	38,568	39,735	
-9.5	5.5	6.5	0.9	-4.7	1.3	3.0	2.0	2.7	3.0	
50,476	51,641	50,945	55,562	62,844	64,695	66,051	67,450	69,292	73,197	
20.3	2.3	-1.3	9.1	13.1	2.9	2.1	2.1	2.7	5.6	
23,605	27,739	28,212	28,166	29,604	29,865	30,455	31,076	31,481	32,705	
22.1	17.5	1.7	-0.2	5.1	0.9	2.0	2.0	1.3	3.9	
52,189	50,896	48,083	52,002	51,552	52,609	54,385	56,011	57,997	61,296	
-15.1	-2.5	-5.5	8.2	-0.9	2.1	3.4	3.0	3.5	5.7	
50,915	52,231	58,757	70,559	77,623	81,177	83,158	85,110	87,726	92,543	
0.0	2.6	12.5	20.1	10.0	4.6	2.4	2.3	3.1	5.5	
32,654	31,784	32,978	34,918	36,868	37,819	39,561	41,280	43,478	45,244	
-9.7	-2.7	3.8	5.9	5.6	2.6	4.6	4.3	5.3	4.1	
40,978	41,845	44,183	45,206	44,892	46,386	47,551	48,716	50,280	51,882	
7.6	2.1	5.6	2.3	-0.7	3.3	2.5	2.5	3.2	3.2	
36,659	37,135	38,612	40,905	43,331	44,632	46,291	47,941	49,913	52,150	
2.6	1.3	4.0	5.9	5.9	3.0	3.7	3.6	4.1	4.5	
37,411	38,015	39,632	41,686	43,619	44,954	46,521	48,081	49,977	52,097	
3.5	1.6	4.3	5.2	4.6	3.1	3.5	3.4	3.9	4.2	

TABLE 13: NORTH SB COUNTY EMPLOYMENT BY SECTOR

	1995	1996	1997	1998	1999	2000
Jobs						
Agricultural Production	10,686	11,127	10,255	10,100	11,231	11,507
percent change	5.2	4.1	-7.8	-1.5	11.2	2.5
Construction	1,322	1,432	1,878	1,850	2,073	2,437
percent change	-0.5	8.3	31.1	-1.5	12.1	17.5
Industry (Mining and Manufacturing)	3,835	3,800	3,972	4,683	4,570	5,642
percent change	1.7	-0.9	4.5	17.9	-2.4	23.5
Transportation, Communications, and Utilities*	1,426	1,586	1,634	1,573	1,708	1,698
percent change	2.2	11.2	3.0	-3.7	8.5	-0.5
Retail Trade*	9,382	9,574	9,530	9,548	10,149	10,231
percent change	-0.6	2.0	-0.5	0.2	6.3	0.8
Wholesale Trade	1,506	1,447	1,474	1,461	1,660	1,662
percent change	0.7	-3.9	1.8	-0.9	13.6	0.1
Finance, Insurance and Real Estate*	1,351	1,380	1,242	1,203	1,201	1,260
percent change	-20.7	2.1	-10.0	-3.1	-0.2	4.9
Services*	9,920	10,340	10,575	10,791	10,304	11,035
percent change	10.9	4.2	2.3	2.1	-4.5	7.1
Public Sector	14,507	14,899	13,925	14,239	18,449	19,333
percent change	-3.8	2.7	-6.5	2.3	29.6	4.8
Private Sector	39,428	40,686	40,560	41,210	42,896	45,471
percent change	3.1	3.2	-0.3	1.6	4.1	6.0
Total, All Sectors	53,935	55,585	54,484	55,449	61,345	64,804
percent change	1.2	3.1	-2.0	1.8	10.6	5.6

Sources: California Economic Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	10,101	10,946	12,925	12,682	12,954	13,321	13,669	14,027	14,394	14,767
	-12.2	8.4	18.1	-1.9	2.1	2.8	2.6	2.6	2.6	2.6
	2,462	2,277	2,497	3,259	3,530	3,689	3,841	4,034	4,239	4,438
	1.1	-7.5	9.7	30.5	8.3	4.5	4.1	5.0	5.1	4.7
	5,708	4,584	4,604	4,593	4,716	4,849	5,001	5,154	5,300	5,441
	1.2	-19.7	0.4	-0.2	2.7	2.8	3.1	3.1	2.8	2.7
	1,987	1,957	2,041	2,120	2,165	2,231	2,300	2,372	2,445	2,521
	17.0	-1.5	4.3	3.9	2.1	3.0	3.1	3.1	3.1	3.1
	7,884	7,341	7,302	7,590	7,771	8,010	8,258	8,514	8,778	9,050
	-22.9	-6.9	-0.5	3.9	2.4	3.1	3.1	3.1	3.1	3.1
	1,668	1,656	1,207	1,424	1,472	1,530	1,588	1,649	1,711	1,777
	0.4	-0.7	-27.1	18.0	3.4	3.9	3.8	3.8	3.8	3.8
	1,897	2,056	2,090	2,347	2,546	2,596	2,691	2,784	2,880	2,981
	50.6	8.3	1.7	12.3	8.4	2.0	3.7	3.4	3.5	3.5
	13,689	15,107	15,704	15,631	16,185	16,642	17,119	17,609	18,253	18,924
	24.1	10.4	4.0	-0.5	3.5	2.8	2.9	2.9	3.7	3.7
	18,007	19,066	19,276	19,208	19,391	19,716	20,015	20,321	20,633	20,943
	-6.9	5.9	1.1	-0.4	1.0	1.7	1.5	1.5	1.5	1.5
	45,396	45,923	48,369	49,646	51,339	52,867	54,466	56,141	58,002	59,899
	-0.2	1.2	5.3	2.6	3.4	3.0	3.0	3.1	3.3	3.3
	63,403	64,989	67,645	68,854	70,730	72,583	74,482	76,463	78,635	80,842
	-2.2	2.5	4.1	1.8	2.7	2.6	2.6	2.7	2.8	2.8

TABLE 14: NORTH SB COUNTY AVERAGE SALARY BY SECTOR

	1995	1996	1997	1998	1999	2000
Dollars						
Agricultural Production	14,626	14,834	15,735	16,101	16,650	16,708
percent change	7.2	1.4	6.1	2.3	3.4	0.3
Construction	27,093	26,161	32,128	36,381	36,077	34,470
percent change	4.0	-3.4	22.8	13.2	-0.8	-4.5
Industry (Mining and Manufacturing)	29,908	29,649	32,524	32,875	32,732	40,783
percent change	5.2	-0.9	9.7	1.1	-0.4	24.6
Transportation, Communications, and Utilities*	28,012	26,274	26,686	29,220	30,342	31,390
percent change	5.9	-6.2	1.6	9.5	3.8	3.5
Retail Trade*	14,585	14,652	15,263	15,962	17,027	17,555
percent change	2.6	0.5	4.2	4.6	6.7	3.1
Wholesale Trade	30,407	33,025	34,069	36,541	37,830	38,224
percent change	6.1	8.6	3.2	7.3	3.5	1.0
Finance, Insurance and Real Estate*	25,481	27,387	29,922	32,600	32,692	34,301
percent change	4.7	7.5	9.3	9.0	0.3	4.9
Services*	19,135	20,085	19,127	21,001	22,574	23,122
percent change	-3.7	5.0	-4.8	9.8	7.5	2.4
Public Sector	34,418	37,359	39,622	43,449	43,181	45,602
percent change	-12.4	8.5	6.1	9.7	-0.6	5.6
Private Sector	19,114	19,427	20,453	21,876	22,629	24,216
percent change	2.4	1.6	5.3	7.0	3.4	7.0
Total, All Sectors	23,230	24,233	25,352	27,416	28,810	30,596
percent change	-5.1	4.3	4.6	8.1	5.1	6.2

Sources: California Economic Development Department

*These sectors had significant changes in classification in 2001. Please contact us for details.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
19,984	20,189	19,235	20,041	20,586	20,137	20,610	20,964	21,323	21,663
19.6	1.0	-4.7	4.2	2.7	-2.2	2.4	1.7	1.7	1.6
36,690	39,021	38,882	40,632	39,643	41,271	43,273	45,113	47,112	49,302
6.4	6.4	-0.4	4.5	-2.4	4.1	4.9	4.3	4.4	4.7
42,698	36,626	37,462	37,715	39,190	41,264	42,817	44,449	45,388	46,298
4.7	-14.2	2.3	0.7	3.9	5.3	3.8	3.8	2.1	2.0
30,238	31,986	32,958	34,966	37,636	39,623	41,061	42,009	42,951	44,893
-3.7	5.8	3.0	6.1	7.6	5.3	3.6	2.3	2.2	4.5
21,422	23,727	24,523	25,365	25,782	26,805	27,651	28,277	29,185	30,206
22.0	10.8	3.4	3.4	1.6	4.0	3.2	2.3	3.2	3.5
32,681	31,623	38,486	38,531	39,891	41,534	42,235	43,190	44,139	44,446
-14.5	-3.2	21.7	0.1	3.5	4.1	1.7	2.3	2.2	0.7
34,848	38,086	40,773	39,498	41,326	43,391	44,540	45,998	47,452	49,162
1.6	9.3	7.1	-3.1	4.6	5.0	2.6	3.3	3.2	3.6
22,202	22,217	22,965	24,808	26,142	27,529	28,783	29,911	30,905	32,131
-4.0	0.1	3.4	8.0	5.4	5.3	4.6	3.9	3.3	4.0
47,938	53,524	54,373	54,899	56,146	58,116	59,958	61,802	63,637	65,342
5.1	11.7	1.6	1.0	2.3	3.5	3.2	3.1	3.0	2.7
26,201	25,712	25,983	27,430	28,444	29,470	30,560	31,553	32,495	33,569
8.2	-1.9	1.1	5.6	3.7	3.6	3.7	3.3	3.0	3.3
32,374	33,871	34,073	35,093	36,039	37,251	38,460	39,592	40,666	41,800
5.8	4.6	0.6	3.0	2.7	3.4	3.2	2.9	2.7	2.8

TABLE 15: SANTA BARBARA POPULATION, ENROLLMENT & UNEMPLOYMENT

	1995	1996	1997	1998	1999	2000
Population						
California (millions of people)	31.6	31.8	32.2	32.7	33.1	33.8
percent change	0.6	0.7	1.2	1.4	1.5	1.9
Los Angeles County (millions of people)	9.1	9.1	9.1	9.2	9.3	9.5
percent change	0.1	0.0	0.5	0.9	1.1	1.7
Tri-Counties (thousands of people)	1314.4	1324.0	1339.5	1355.8	1371.6	1394.5
percent change	0.8	0.7	1.2	1.2	1.2	1.7
Santa Barbara County						
Santa Barbara County (thousands of people)	382.4	384.3	387.7	391.3	393.5	398.2
percent change	0.7	0.5	0.9	0.9	0.6	1.2
Buellton (thousands of people)	3.4	3.5	3.5	3.7	3.8	3.8
percent change	-0.6	2.4	2.3	4.0	1.9	1.9
Carpinteria (thousands of people)	13.9	13.9	14.0	14.0	14.0	14.2
percent change	0.4	0.0	0.7	0.4	-0.4	1.4
Guadalupe (thousands of people)	5.6	5.7	5.7	5.7	5.6	5.6
percent change	-0.9	2.3	0.0	-0.4	-0.9	-0.4
Lompoc (thousands of people)	39.4	39.7	40.3	40.5	40.7	41.2
percent change	-0.1	0.8	1.5	0.5	0.4	1.2
Santa Barbara City (thousands of people)	88.3	88.8	89.7	90.5	91.0	92.1
percent change	0.8	0.6	1.0	0.9	0.6	1.2
Santa Maria (thousands of people)	69.8	71.2	72.4	74.0	75.5	77.1
percent change	2.1	2.0	1.7	2.2	2.0	2.1
Solvang (thousands of people)	5.0	5.1	5.1	5.2	5.2	5.3
percent change	0.4	1.9	0.5	1.5	1.0	1.9
Unincorporated Santa Barbara County (thousands of people)*	157.1	156.5	157.0	157.8	157.9	159.1
percent change	0.4	-0.4	0.3	0.5	0.1	0.8
Santa Barbara County Enrollments						
University of California, Santa Barbara (thousands of students)	18.2	18.5	18.9	19.3	20.1	20.0
percent change	2.2	1.7	2.2	1.8	4.1	-0.5
Kindergarten through 12th Grade (thousands of students)	60.0	62.2	63.3	64.5	65.4	66.0
percent change	2.6	3.6	1.8	1.9	1.4	0.9
Santa Barbara City College (thousands of students)	11.6	11.9	12.3	12.2	13.7	14.2
percent change	2.9	3.0	3.4	-1.0	11.9	4.1
Employment & Unemployment						
Santa Barbara County Unemployment Rate (percent)	6.7	5.8	5.1	4.4	3.9	4.4
Santa Barbara County Labor Force (thousands of workers)	191.7	190.6	194.1	194.8	197.7	203.0
percent change	-1.9	-0.6	1.8	0.4	1.5	2.7
Santa Barbara County Employment (thousands of workers)	178.9	179.5	184.2	186.1	190.0	194.2
percent change	-1.3	0.3	2.6	1.0	2.1	2.2

Sources: CA Department of Finance, County of Santa Barbara, UCSB, SBCC & CA Employment Development Department

* Note: Goleta incorporated as a city in February 2002.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
34.4	35.1	35.7	36.3	36.8	37.3	37.9	38.4	38.9	39.5
2.0	1.9	1.7	1.6	1.5	1.4	1.4	1.5	1.4	1.4
9.7	9.8	10.0	10.1	10.2	10.4	10.6	10.7	10.9	11.1
1.9	1.7	1.5	1.3	1.2	1.6	1.5	1.5	1.5	1.5
1419.9	1441.9	1460.9	1477.8	1493.0	1509.9	1528.2	1546.1	1564.0	1582.5
1.8	1.6	1.3	1.2	1.0	1.1	1.2	1.2	1.2	1.2
403.2	407.4	411.5	415.1	419.3	423.5	428.1	432.6	437.1	441.8
1.3	1.0	1.0	0.9	1.0	1.0	1.1	1.1	1.1	1.1
3.9	4.0	4.2	4.5	4.6	4.7	4.8	5.0	5.2	5.3
2.5	1.6	5.9	5.8	2.0	3.1	3.2	3.2	3.2	3.0
14.4	14.4	14.4	14.4	14.3	14.4	14.4	14.3	14.2	14.2
1.5	0.4	-0.1	-0.1	-0.3	0.5	-0.4	-0.5	-0.4	-0.5
5.9	6.1	6.3	6.3	6.3	6.5	6.7	6.9	7.1	7.3
5.6	3.3	3.2	0.6	-0.3	3.0	3.1	3.0	3.0	3.0
41.5	41.6	41.9	42.3	42.3	42.8	43.2	43.7	44.2	44.6
0.9	0.3	0.6	1.0	0.1	1.1	1.0	1.1	1.1	1.1
90.1	90.6	90.5	90.6	90.5	90.1	89.9	89.6	89.3	89.0
-2.2	0.5	-0.1	0.1	-0.1	-0.4	-0.3	-0.3	-0.3	-0.3
78.6	80.4	82.2	85.4	88.8	90.7	93.3	95.7	98.1	100.4
1.9	2.3	2.2	3.9	4.0	2.2	2.8	2.6	2.5	2.4
5.4	5.4	5.4	5.4	5.4	5.5	5.5	5.5	5.5	5.6
1.2	0.9	0.1	-0.0	-0.2	0.5	0.5	0.5	0.5	0.5
163.5	164.8	135.7	135.5	136.3	138.0	139.5	141.1	142.7	144.4
2.7	0.8	-17.7	-0.2	0.6	1.2	1.1	1.1	1.1	1.2
20.4	19.8	20.8	21.0	21.0	21.0	21.1	21.1	21.1	21.1
2.1	-2.8	5.3	0.9	-0.1	0.1	0.1	0.1	0.1	0.1
66.5	67.1	67.5	67.6	67.8	68.0	68.1	68.3	68.4	68.5
0.7	0.9	0.6	0.1	0.4	0.2	0.3	0.2	0.2	0.2
15.3	15.8	16.6	17.0	17.5	17.9	18.2	18.6	19.0	19.4
7.3	3.6	5.0	2.4	3.2	2.0	2.0	2.0	2.0	2.0
4.4	5.1	5.0	4.7	4.3	4.3	4.2	4.2	4.2	4.3
203.2	206.1	209.7	214.1	215.9	220.2	224.8	229.3	234.1	239.3
0.1	1.5	1.7	2.1	0.8	2.0	2.1	2.0	2.1	2.2
194.3	195.6	199.2	204.2	206.6	210.8	215.3	219.9	224.4	229.2
0.1	0.6	1.9	2.5	1.2	2.0	2.1	2.1	2.1	2.1

TABLE 16: INCOME AND PETROLEUM

	1995	1996	1997	1998	1999	2000
California						
Personal Income (\$ billions)	771.5	812.4	861.6	931.6	995.3	1,100.7
Personal Income (\$ 2000 billions)	874.1	903.3	937.3	993.8	1,031.9	1,100.7
percent change	3.2	3.3	3.8	6.0	3.8	6.7
Median Family Income* (\$ thousands)	46.6	48.4	50.0	52.6	54.1	55.2
Median Family Income (\$ 2000 thousands)	52.8	53.8	54.4	56.1	56.1	55.2
percent change	-1.2	1.9	1.1	3.2	-0.1	-1.6
Los Angeles County (\$ billions)						
Total Personal Income	213.1	222.8	232.4	253.5	264.0	279.1
Total Personal Income (\$ 2000)	236.3	242.9	249.2	268.0	272.7	279.1
percent change	2.0	2.8	2.6	7.6	1.7	2.3
Median Family Income* (\$ thousands)	45.2	46.9	47.8	49.8	51.3	52.1
Median Family Income (\$ 2000 thousands)	50.1	51.1	51.3	52.7	53.0	52.1
percent change	-1.6	2.0	0.2	2.7	0.7	-1.7
Tri-Counties (\$ billions)						
Total Personal Income	32.8	34.2	36.4	38.7	41.3	45.1
Total Personal Income (\$ 2000)	36.3	37.3	39.0	40.9	42.6	45.1
percent change	2.9	2.6	4.6	5.0	4.1	5.8
Santa Barbara County (\$ billions)						
Wage & Salary	4.7	4.9	5.2	5.6	5.9	6.6
Non-Wage	3.9	4.1	4.2	4.7	4.9	5.2
Div. Int. & Rent	2.8	3.0	3.0	3.4	3.6	3.9
Transfer Payments	1.1	1.2	1.2	1.2	1.3	1.3
Residential Adjustments	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3
Proprietors Income	1.1	1.1	1.2	1.3	1.3	1.4
Total Personal Income	9.6	10.0	10.4	11.3	11.9	12.9
Total Personal Income (\$ 2000)	10.6	10.9	11.1	11.9	12.3	12.9
percent change	-0.4	2.5	2.0	7.4	2.8	5.1
Median Family Income* (\$ thousands)	47.5	48.3	49.3	51.4	52.1	53.5
Median Family Income (\$ 2000 thousands)	52.7	52.7	52.9	54.3	53.8	53.5
percent change	-1.6	-0.0	0.4	2.8	-1.0	-0.6
Oil and Gas Production						
Total Oil Production (millions of barrels)	68.8	60.8	52.0	42.9	36.6	34.7
Offshore Production (millions of barrels)	65.5	57.6	48.6	40.2	34.3	32.2
Onshore Production (millions of barrels)	3.3	3.1	3.4	2.8	2.3	2.5
Total Gas Production (millions of cubic feet)	47.1	45.3	44.1	41.4	46.4	45.5
Offshore Production (millions of cubic feet)	44.7	44.3	41.9	39.1	44.2	43.3
Onshore Production (millions of cubic feet)	2.4	1.0	2.2	2.3	2.2	2.2

Sources: California Department of Finance & US Housing and Urban Development
& California Department of Conservation: Division of Oil, Gas, & Geothermal Resources

*Fiscal Year Data

Forecast Tables

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
1,135.3	1,147.9	1,184.1	1,262.2	1,338.2	1,422.7	1,502.5	1,581.0	1,662.3	1,747.5
1,091.6	1,078.0	1,085.5	1,124.2	1,149.6	1,180.4	1,213.6	1,245.4	1,278.4	1,312.3
-0.8	-1.3	0.7	3.6	2.3	2.7	2.8	2.6	2.7	2.7
58.4	60.8	60.3	62.5	62.5	64.1	66.2	68.3	70.4	72.6
56.2	57.1	55.3	55.7	53.7	53.2	53.5	53.8	54.1	54.5
1.7	1.7	-3.2	0.7	-3.5	-1.0	0.6	0.6	0.6	0.7
294.5	302.1	311.3	326.2	348.0	370.1	390.6	411.9	434.5	457.4
284.9	284.4	285.6	289.7	295.8	303.2	311.0	319.2	328.1	336.6
2.1	-0.2	0.4	1.4	2.1	2.5	2.6	2.6	2.8	2.6
54.5	54.5	50.3	53.5	54.5	56.2	57.9	59.6	61.2	62.9
52.7	51.3	46.2	47.5	46.3	46.0	46.1	46.2	46.2	46.3
1.2	-2.7	-10.0	2.9	-2.6	-0.5	0.1	0.2	0.1	0.1
46.3	47.1	49.1	52.3	56.0	59.7	63.3	67.1	71.4	76.1
44.8	44.3	45.0	46.4	47.6	48.9	50.4	52.0	53.9	56.0
-0.7	-1.0	1.5	3.1	2.5	2.8	3.1	3.2	3.6	3.8
6.8	7.0	7.5	7.9	8.3	8.7	9.2	9.7	10.3	10.9
5.3	5.0	4.9	5.3	5.6	6.0	6.3	6.6	7.0	7.3
3.9	3.4	3.4	3.5	3.8	4.1	4.3	4.5	4.8	5.1
1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
-0.3	-0.3	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.5	-0.5
1.3	1.3	1.5	1.6	1.7	1.8	1.9	2.0	2.2	2.3
13.1	13.0	13.5	14.4	15.2	16.1	17.0	18.0	19.0	20.1
12.7	12.3	12.4	12.8	12.9	13.2	13.6	13.9	14.3	14.8
-1.8	-3.4	1.4	2.8	1.2	2.1	2.7	2.7	2.9	3.0
56.5	56.8	60.6	64.7	64.7	65.8	68.0	70.1	72.9	75.7
54.7	53.5	55.6	57.5	55.0	53.9	54.1	54.3	55.0	55.7
2.2	-2.2	4.0	3.3	-4.3	-2.0	0.4	0.4	1.2	1.3
32.3	31.0	28.9	26.9	25.8	25.8	25.6	25.4	25.2	24.9
29.7	28.6	26.7	24.8	23.8	23.7	23.5	23.3	23.1	22.9
2.5	2.3	2.2	2.1	2.0	2.0	2.0	2.0	2.0	2.0
42.2	43.5	40.5	40.2	54.6	52.8	50.6	48.5	47.8	47.1
39.7	41.5	38.5	38.2	52.8	51.0	48.7	46.6	45.9	45.2
2.5	2.0	2.0	2.0	1.8	1.8	1.8	1.8	1.8	1.8

TABLE 17: AGRICULTURE, COUNTY FISCAL, AND FINANCIAL

	1995	1996	1997	1998	1999	2000
Agriculture						
Total Crop Value (millions)	539.3	581.6	626.0	611.9	657.0	735.0
Total Crop Value (millions of 2000 dollars)	598.0	634.1	671.2	646.9	678.6	735.0
percent change	4.2	6.0	5.9	-3.6	4.9	8.3
Earnings per acre (dollars)	4969.2	5310.1	5634.9	5498.0	5352.1	6162.5
Earnings per acre (2000 dollars)	5510.2	5789.0	6042.3	5812.5	5528.5	6162.5
percent change	2.6	5.1	4.4	-3.8	-4.9	11.5
Total Acreage Used (thousands of acres)	712.4	713.3	714.2	714.4	725.7	714.4
Harvested Acreage (thousands of acres)	108.5	109.5	111.1	111.3	122.8	119.3
Grazing Acreage (thousands of acres)	603.9	603.8	603.6	603.1	602.9	595.1
Rainfall (inches, ave. of Lake Cachuma, SB city and SM city)	28.6	18.0	17.5	38.4	14.0	19.2
County Government (Fiscal Year, millions)						
Total Expenditures (millions of dollars)	372.4	383.0	389.2	408.7	443.5	464.9
Total Expenditures (2000 dollars)	413.0	417.5	417.3	432.1	458.2	464.9
percent change	4.9	1.1	-0.1	3.6	6.0	1.5
Total Revenues (millions of dollars)	352.4	390.1	392.0	410.1	451.7	489.8
Total Revenues (2000 dollars)	390.8	425.3	420.3	433.5	466.6	489.8
percent change	-4.4	8.8	-1.2	3.1	7.6	5.0
Sales Tax Collected (millions of dollars)	6.8	7.8	6.9	8.6	8.9	10.8
Sales Tax Collected (2000 dollars)	7.6	8.5	7.4	9.1	9.2	10.8
percent change	-12.9	12.1	-12.6	23.0	1.0	17.1
Surplus/Deficit (millions of dollars)	-20.0	7.1	2.8	1.4	8.1	24.8
Financial						
Southern California Consumer Price Index (2000=100)	90.2	91.7	93.3	94.6	96.8	100.0
percent change	1.6	1.7	1.7	1.4	2.3	3.3
California Consumer Price Index (2000=100)	88.3	89.9	91.9	93.7	96.5	100.0
percent change	1.7	1.9	2.2	2.0	2.9	3.7
United States Consumer Price Index (2000=100)	88.5	91.1	93.2	94.7	96.7	100.0
percent change	2.8	2.9	2.3	1.6	2.2	3.4
Federal Funds Rate (percent)	5.84	5.30	5.46	5.35	4.97	6.24
Conventional 30-yr Mortgage Rate, US (percent)	7.96	7.81	7.60	6.94	7.43	8.06
United States Consumer Sentiment Index (1966Q1=100)	92.2	93.6	103.2	104.6	105.8	107.6

Sources: Santa Barbara Agricultural Production Report, County of Santa Barbara, US Bureau of Labor Statistics, Board of Governors of the US Federal Reserve, University of Michigan, UCSB Economic Forecast Project, Santa Barbara Agricultural Commissioner

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
709.1	771.7	858.0	905.4	997.6	1061.5	1126.7	1188.4	1251.8	1320.9
686.1	726.4	787.3	803.9	847.9	869.6	896.9	920.8	945.1	971.9
-6.7	5.9	8.4	2.1	5.5	2.6	3.1	2.7	2.6	2.8
6143.3	6727.5	7303.5	7756.6	7869.4	8358.3	8813.1	9279.6	9755.7	10254.1
5943.5	6333.1	6701.6	6887.4	6688.7	6847.4	7015.9	7190.2	7365.4	7544.7
-3.6	6.6	5.8	2.8	-2.9	2.4	2.5	2.5	2.4	2.4
710.6	709.6	712.4	711.7	721.7	721.3	721.5	721.1	720.7	720.6
115.4	114.7	117.5	116.7	126.8	127.0	127.8	128.1	128.3	128.8
595.1	594.9	594.9	594.9	594.9	594.3	593.8	593.2	592.6	592.0
24.7	8.7	19.1	14.8	14.8	13.1	11.9	12.3	12.7	13.2
501.7	556.6	563.2	586.4	618.7	648.5	677.6	715.0	753.3	792.9
485.4	523.9	516.7	520.7	525.9	531.2	539.4	554.0	568.8	583.4
4.4	7.9	-1.4	0.8	1.0	1.0	1.5	2.7	2.7	2.6
530.5	575.3	553.1	567.5	612.8	644.5	678.5	711.1	746.6	784.0
513.3	541.6	507.5	503.9	520.9	528.0	540.1	551.0	563.7	576.8
4.8	5.5	-6.3	-0.7	3.4	1.4	2.3	2.0	2.3	2.3
12.2	11.3	8.9	9.1	7.0	7.5	7.9	8.4	8.9	9.4
11.8	10.7	8.2	8.1	6.0	6.1	6.3	6.5	6.7	7.0
9.6	-9.7	-23.4	-1.0	-26.4	2.8	3.3	3.3	3.2	3.2
28.8	18.8	-10.1	-18.9	-5.9	-3.9	0.8	-3.8	-6.7	-8.9
103.4	106.2	109.0	112.6	117.7	122.1	125.6	129.1	132.5	135.9
3.4	2.8	2.6	3.3	4.5	3.8	2.9	2.7	2.6	2.6
104.0	106.5	109.1	112.3	116.4	120.5	123.8	126.9	130.0	133.2
4.0	2.4	2.4	2.9	3.7	3.6	2.7	2.5	2.4	2.4
102.8	104.5	106.8	109.7	113.4	117.2	119.7	122.1	124.5	126.9
2.8	1.6	2.3	2.7	3.4	3.3	2.2	2.0	2.0	2.0
3.89	1.67	1.13	1.35	3.21	4.79	5.00	4.50	4.50	4.50
6.97	6.54	5.82	5.84	5.87	6.33	6.48	6.43	6.53	6.63
89.2	89.6	87.6	95.2	88.6	87.7	89.7	92.5	94.5	95.2

TABLE 18: RETAIL SALES, TOURISM, & AIR TRAVEL

	1995	1996	1997	1998	1999	2000	2001
California							
Retail Sales (\$ billions)	194.4	205.7	217.2	229.4	255.6	287.1	294.0
Retail Sales (\$ 2000 billions)	220.2	228.8	236.3	244.7	265.0	287.1	282.7
percent change	2.2	3.9	3.3	3.6	8.3	8.3	-1.5
Tri-Counties							
Retail Sales (\$ billions)	8.2	8.6	9.1	9.7	10.9	12.0	12.7
Retail Sales (\$ 2000 billions)	9.0	9.4	9.8	10.3	11.2	12.0	12.3
percent change	1.7	3.6	4.3	5.1	9.5	6.8	2.1
Santa Barbara County							
Retail Sales (\$ billions)	2.4	2.5	2.7	2.8	3.2	3.4	3.6
Retail Sales (\$ 2000 billions)	2.6	2.8	2.9	3.0	3.3	3.4	3.5
percent change	1.6	4.2	4.2	4.8	8.3	5.1	1.1
Buellton							
Retail Sales (\$ millions)	67.7	71.6	84.0	94.9	101.7	108.1	115.7
Retail Sales (\$ 2000 millions)	75.1	78.1	90.1	100.3	105.1	108.1	111.9
percent change	-2.5	4.1	15.3	11.4	4.8	2.9	3.5
Carpinteria							
Retail Sales (\$ millions)	58.0	60.7	62.9	59.3	73.7	72.7	66.6
Retail Sales (\$ 2000 millions)	64.3	66.2	67.5	62.7	76.1	72.7	64.5
percent change	0.8	2.9	1.9	-7.1	21.4	-4.5	-11.3
Guadalupe							
Retail Sales (\$ millions)	11.1	11.8	12.5	12.6	11.5	13.3	13.7
Retail Sales (\$ 2000 millions)	12.3	12.9	13.4	13.3	11.9	13.3	13.2
percent change	-3.0	5.2	4.0	-0.8	-10.5	11.6	-0.6
Lompoc							
Retail Sales (\$ millions)	183.3	184.9	189.6	195.1	214.9	223.9	241.1
Retail Sales (\$ 2000 millions)	203.3	201.6	203.3	206.3	222.0	223.9	233.3
percent change	0.5	-0.9	0.9	1.5	7.6	0.9	4.2
Santa Barbara City							
Retail Sales (\$ millions)	891.6	964.0	1041.0	1098.7	1169.6	1236.0	1245.3
Retail Sales (\$ 2000 millions)	988.7	1050.9	1116.2	1161.6	1208.1	1236.0	1204.8
percent change	1.1	6.3	6.2	4.1	4.0	2.3	-2.5
Santa Maria							
Retail Sales (\$ millions)	643.2	689.4	735.0	793.5	865.8	946.0	1041.5
Retail Sales (\$ 2000 millions)	713.3	751.5	788.2	838.9	894.3	946.0	1007.6
percent change	1.2	5.4	4.9	6.4	6.6	5.8	6.5
Solvang							
Retail Sales (\$ millions)	64.5	66.4	67.1	67.1	70.7	70.0	70.8
Retail Sales (\$ 2000 millions)	71.5	72.3	72.0	70.9	73.0	70.0	68.5
percent change	-1.3	1.2	-0.5	-1.5	2.9	-4.2	-2.0
Unincorporated*							
Retail Sales (\$ millions)	465.1	477.8	484.2	524.3	645.7	753.1	783.9
Retail Sales (\$ 2000 millions)	515.7	520.8	519.2	554.3	666.9	753.1	758.4
percent change	4.9	1.0	-0.3	6.8	20.3	12.9	0.7
South Coast Tourism							
South Coast Hotel/Motel Occupancy Rate	74.0	74.1	77.2	76.2	77.7	78.9	73.9
South Coast Average Daily Room Rate (dollars)	99.7	107.7	110.8	117.8	132.5	153.2	145.8
Air Travel							
Santa Barbara Airport Passengers (thousands)	530.6	673.8	845.1	823.2	792.5	776.9	725.1
percent change	-5.9	27.0	25.4	-2.6	-3.7	-2.0	-6.7
Santa Maria Airport Passengers (thousands)	117.3	99.0	99.7	79.9	84.3	84.8	71.9
percent change	7.7	-15.7	0.7	-19.9	5.5	0.5	-15.2

Sources: California State Board of Equalization, Santa Barbara Airport, and Santa Maria Airport, Santa Barbara Conference and Visitor's Bureau and Film Commission

* Note: Goleta incorporated as a city in February 2002.

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
301.6	320.2	350.2	379.1	408.1	434.8	462.5	490.8	521.7
283.3	293.6	311.9	325.7	338.6	351.2	364.3	377.5	391.8
0.2	3.6	6.2	4.4	4.0	3.7	3.7	3.6	3.8
13.2	14.2	15.2	16.5	17.8	19.0	20.2	21.4	22.7
12.5	13.0	13.5	14.0	14.6	15.1	15.6	16.2	16.7
1.7	4.3	4.0	3.5	4.1	3.6	3.5	3.4	3.4
3.7	3.9	4.2	4.4	4.7	5.0	5.3	5.5	5.8
3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3
1.4	2.0	2.9	2.0	2.7	2.7	2.7	2.7	2.7
117.5	119.3	115.8	121.0	126.2	132.0	138.3	144.6	152.1
110.6	109.5	102.8	102.9	103.4	105.1	107.2	109.2	111.9
-1.2	-1.0	-6.1	0.1	0.5	1.6	2.0	1.9	2.5
64.9	67.8	71.6	78.7	84.3	88.7	93.5	98.2	103.2
61.1	62.2	63.6	66.9	69.1	70.6	72.5	74.1	76.0
-5.2	1.7	2.3	5.2	3.2	2.2	2.6	2.3	2.5
14.7	18.4	22.3	25.9	28.1	30.1	32.2	34.4	36.7
13.9	16.9	19.8	22.0	23.0	24.0	24.9	26.0	27.0
5.0	21.6	17.5	10.9	4.9	3.9	4.1	4.2	4.0
250.6	263.0	285.2	316.0	339.5	360.8	383.0	405.2	428.6
235.9	241.3	253.2	268.6	278.1	287.3	296.7	305.9	315.4
1.1	2.3	4.9	6.1	3.6	3.3	3.3	3.1	3.1
1270.8	1309.3	1375.2	1456.7	1547.9	1633.8	1720.1	1808.4	1901.0
1196.3	1201.4	1221.1	1238.1	1268.1	1300.6	1332.8	1365.3	1398.7
-0.7	0.4	1.6	1.4	2.4	2.6	2.5	2.4	2.4
1119.2	1190.9	1274.2	1358.2	1450.2	1536.9	1625.0	1717.2	1813.6
1053.6	1092.8	1131.4	1154.4	1188.1	1223.5	1259.1	1296.5	1334.4
4.6	3.7	3.5	2.0	2.9	3.0	2.9	3.0	2.9
69.7	71.3	75.1	76.0	78.9	81.8	84.9	88.0	91.3
65.6	65.4	66.7	64.6	64.6	65.1	65.8	66.5	67.2
-4.3	-0.3	2.0	-3.1	0.0	0.8	1.0	1.1	1.1
820.3	862.6	930.6	987.7	1052.5	1112.3	1173.7	1237.1	1303.6
772.2	791.5	826.3	839.5	862.2	885.5	909.4	934.0	959.2
1.8	2.5	4.4	1.6	2.7	2.7	2.7	2.7	2.7
72.7	71.2	71.3	72.9	73.3	73.5	73.8	74.0	74.3
131.1	127.8	131.5	134.1	141.0	147.5	153.8	160.5	167.4
728.3	752.8	823.9	854.4	876.0	892.6	918.5	945.1	972.6
0.4	3.4	9.5	3.7	2.5	1.9	2.9	2.9	2.9
70.3	75.0	82.6	82.5	84.4	86.0	87.1	88.0	88.5
-2.2	6.7	10.2	-0.1	2.3	1.9	1.3	1.0	0.5

TABLE 19: TAXABLE SALES AND HOTEL/MOTEL ROOMSALES

	1995	1996	1997	1998	1999	2000	2001
Santa Barbara County							
Total Taxable Sales (\$ billions)	3.3	3.5	3.8	4.0	4.4	4.8	5.0
Total Taxable Sales (\$ 2000 billions)	3.7	3.9	4.1	4.3	4.6	4.8	4.8
percent change	2.8	5.0	5.8	4.1	7.5	5.5	0.5
Wholesale Taxable Sales (\$ millions)	744.0	819.3	908.7	944.5	1026.0	1142.1	1181.7
Wholesale Taxable Sales (\$ 2000 millions)	825.0	893.2	974.4	998.6	1059.8	1142.1	1143.2
percent change	7.2	8.3	9.1	2.5	6.1	7.8	0.1
Business Services (\$ millions)	190.1	198.5	227.0	234.3	247.1	258.1	249.5
Business Services (\$ 2000 millions)	210.8	216.4	243.4	247.7	255.2	258.1	241.4
percent change	2.1	2.6	12.5	1.8	3.0	1.1	-6.5
Retail Sales (\$ billions)	2.4	2.5	2.7	2.8	3.2	3.4	3.6
Retail Sales (\$ 2000 billions)	2.6	2.8	2.9	3.0	3.3	3.4	3.5
percent change	1.6	4.2	4.2	4.8	8.3	5.1	1.1
Apparel Sales (\$ millions)	127.5	128.2	126.0	118.5	119.1	120.1	124.6
Apparel Sales (\$ 2000 millions)	141.4	139.8	135.1	125.3	123.0	120.1	120.6
percent change	-2.4	-1.1	-3.4	-7.2	-1.8	-2.4	0.4
Bldg Mat'l and Farm (\$ millions)	200.0	211.1	234.4	262.1	321.2	349.9	379.4
Bldg Mat'l and Farm (\$ 2000 millions)	221.8	230.1	251.3	277.1	331.7	349.9	367.1
percent change	7.4	3.8	9.2	10.3	19.7	5.5	4.9
Autos/Supplies/Gas (\$ millions)	535.5	589.4	609.8	640.3	719.8	809.7	877.8
Autos/Supplies/Gas (\$ 2000 millions)	593.7	642.6	653.9	676.9	743.6	809.7	849.3
percent change	-3.7	8.2	1.8	3.5	9.9	8.9	4.9
Eating and Drinking (\$ millions)	352.9	370.5	390.6	417.3	445.4	483.8	511.5
Eating and Drinking (\$ 2000 millions)	391.3	403.9	418.8	441.2	460.0	483.8	494.9
percent change	2.1	3.2	3.7	5.3	4.3	5.2	2.3
Food Stores (\$ millions)	216.1	228.8	219.4	220.4	225.4	228.8	235.0
Food Stores (\$ 2000 millions)	239.6	249.4	235.2	233.0	232.9	228.8	227.4
percent change	-0.4	4.1	-5.7	-0.9	-0.1	-1.8	-0.6
General Merchandise (\$ millions)	434.2	445.8	472.7	512.5	592.2	625.2	639.2
General Merchandise (\$ 2000 millions)	481.5	486.0	506.8	541.8	611.7	625.2	618.4
percent change	-2.1	0.9	4.3	6.9	12.9	2.2	-1.1
Home Furnish./Appl. (\$ millions)	111.6	121.8	122.0	130.9	139.4	171.8	160.5
Home Furnish./Appl. (\$ 2000 millions)	123.8	132.8	130.9	138.4	144.0	171.8	155.3
percent change	1.8	7.3	-1.4	5.8	4.0	19.3	-9.6
Other Retail (\$ millions)	82.6	91.0	150.7	162.3	169.7	175.2	178.3
Other Retail (\$ 2000 millions)	91.6	99.2	161.6	171.5	175.3	175.2	172.5
percent change	8.8	8.4	62.8	6.2	2.2	-0.1	-1.5
Specialty Stores (\$ millions)	306.9	324.6	350.8	381.2	421.2	458.7	472.8
Specialty Stores (\$ 2000 millions)	340.3	353.8	376.1	403.0	435.1	458.7	457.4
percent change	8.3	4.0	6.3	7.1	8.0	5.4	-0.3
Roomsales (thousands, fiscal year)							
Santa Barbara County	131.9	146.1	159.7	167.8	183.5	201.8	220.8
Buellton	5.4	5.7	6.4	6.8	7.2	7.9	8.5
Carpinteria	5.0	5.9	6.3	7.0	7.3	8.3	10.3
Lompoc	5.9	6.4	6.7	7.0	7.6	8.5	8.7
Santa Barbara City	59.1	67.6	74.3	78.5	86.8	93.8	93.9
Santa Maria	10.3	11.7	11.7	13.4	14.7	15.8	20.0
Solvang	12.2	14.1	14.7	13.5	13.4	16.1	14.4
The Goleta Valley*	11.0	11.8	12.9	14.7	16.3	17.9	31.9
Montecito	20.0	21.5	24.1	25.8	28.0	31.1	26.4
Other Unincorporated	3.0	1.4	2.5	1.1	2.2	2.4	6.7

Sources: CA State Board of Equalization, California Hotel and Motel Association, Santa Barbara Conference and Visitor's Bureau and Film Commission, Local City and County Governments

*Includes City and County jurisdiction.

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
5.1	5.2	5.5	5.9	6.2	6.6	6.9	7.3	7.7
4.8	4.8	4.9	5.0	5.1	5.2	5.4	5.5	5.6
-1.6	0.8	2.3	1.6	2.3	2.5	2.5	2.5	2.5
1096.0	1093.4	1148.4	1180.7	1238.4	1294.8	1351.9	1409.9	1470.5
1031.7	1003.3	1019.7	1003.5	1014.6	1030.8	1047.5	1064.5	1082.0
-9.8	-2.8	1.6	-1.6	1.1	1.6	1.6	1.6	1.6
244.8	244.2	243.1	279.6	296.5	312.2	328.3	344.8	362.1
230.4	224.1	215.9	237.7	242.9	248.6	254.4	260.3	266.4
-4.6	-2.7	-3.7	10.1	2.2	2.3	2.3	2.3	2.3
3.7	3.9	4.2	4.4	4.7	5.0	5.3	5.5	5.8
3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3
1.4	2.0	2.9	2.0	2.7	2.7	2.7	2.7	2.7
140.3	150.1	171.0	182.7	194.7	205.9	217.3	229.1	241.5
132.1	137.8	151.8	155.3	159.5	163.9	168.4	172.9	177.7
9.5	4.3	10.2	2.3	2.7	2.8	2.7	2.7	2.7
393.1	427.1	484.3	537.5	572.9	606.1	640.0	675.0	711.8
370.1	391.9	430.0	456.8	469.4	482.5	495.9	509.6	523.7
0.8	5.9	9.7	6.2	2.7	2.8	2.8	2.8	2.8
944.7	1001.3	1055.1	1066.3	1139.3	1208.3	1279.0	1352.1	1429.3
889.3	918.8	936.8	906.3	933.3	961.9	991.0	1020.8	1051.6
4.7	3.3	2.0	-3.3	3.0	3.1	3.0	3.0	3.0
533.8	553.9	585.9	647.3	687.7	725.1	763.2	802.2	843.1
502.5	508.3	520.3	550.2	563.4	577.2	591.3	605.7	620.4
1.5	1.1	2.4	5.7	2.4	2.5	2.4	2.4	2.4
242.4	246.9	248.7	265.2	282.5	298.7	315.3	332.3	350.2
228.2	226.6	220.8	225.4	231.4	237.8	244.3	250.9	257.7
0.4	-0.7	-2.6	2.1	2.7	2.8	2.7	2.7	2.7
644.6	662.9	685.7	732.2	780.8	826.4	873.1	921.2	971.8
606.8	608.3	608.8	622.3	639.6	657.9	676.5	695.5	715.1
-1.9	0.3	0.1	2.2	2.8	2.9	2.8	2.8	2.8
174.0	181.4	190.7	207.9	221.9	235.2	248.8	262.8	277.6
163.8	166.4	169.3	176.7	181.8	187.2	192.7	198.4	204.2
5.5	1.6	1.7	4.3	2.9	3.0	2.9	2.9	2.9
179.5	199.6	212.8	230.9	245.6	259.2	273.0	287.2	302.2
169.0	183.1	188.9	196.3	201.2	206.3	211.5	216.9	222.3
-2.1	8.4	3.2	3.9	2.5	2.6	2.5	2.5	2.5
475.4	479.3	515.9	550.3	582.3	611.6	641.1	671.2	702.6
447.5	439.8	458.1	467.7	477.0	486.8	496.7	506.7	517.0
-2.2	-1.7	4.2	2.1	2.0	2.1	2.0	2.0	2.0
215.2	221.0	249.3	256.7	263.1	270.1	277.4	285.2	293.5
8.6	8.6	9.5	10.3	10.7	11.2	11.7	12.2	12.8
10.1	10.4	10.7	11.8	11.6	11.8	12.0	12.2	12.5
9.8	9.7	10.8	12.2	12.6	13.0	13.4	13.9	14.3
82.0	89.6	103.9	110.8	113.0	115.3	117.7	120.6	124.0
15.4	16.6	21.5	22.0	22.6	23.3	24.1	25.0	25.9
16.6	16.3	17.4	18.5	19.4	20.3	21.1	21.5	21.9
41.1	42.7	43.1	46.5	48.3	49.7	51.3	52.8	54.4
23.0	23.3	22.9	20.2	20.3	20.6	21.2	21.8	22.4
8.6	3.8	9.4	4.4	4.5	4.7	4.8	5.0	5.2

TABLE 20: SANTA BARBARA COUNTY REAL ESTATE

	1995	1996	1997	1998	1999	2000	2001
California							
Median Home Price (\$ thousands) *	178.2	177.3	186.5	200.1	217.5	241.4	262.4
Median Home Price (\$ 2000 thousands)	201.9	197.1	202.9	213.5	225.5	241.4	252.3
percent change	-5.3	-2.4	2.9	5.2	5.6	7.0	4.5
Santa Barbara County							
Median Home Price (\$ thousands) *	208.2	211.9	242.2	243.7	272.7	302.3	335.5
Median Home Price (\$ 2000 thousands)	230.9	231.1	259.7	257.6	281.7	302.3	324.6
percent change	-5.9	0.1	12.4	-0.8	9.4	7.3	7.4
Number of Home Sales *	2017	2181	2455	2604	2874	2905	2774
Affordability Index	32.0	32.0	28.0	32.0	30.0	23.0	23.0
Total Units Permitted	792	775	903	1026	915	924	1245
single family	605	695	546	798	601	731	858
multiple family	187	80	357	228	314	193	387
Residential Building Value (\$ millions)	163.2	162.8	173.4	217.3	225.3	233.8	283.1
Non-residential Building Value (\$ millions)	52.0	73.1	96.6	129.9	142.3	133.2	134.2
Office segment building value (\$ millions)	3.2	3.4	4.3	12.1	14.7	14.8	14.2
Retail segment building value (\$ millions)	10.2	10.4	14.7	17.4	19.1	14.2	30.4
Industrial segment building value (\$ millions)	7.4	4.5	3.1	14.5	18.8	16.5	7.6
Total Building Value (\$ millions)	215.2	235.9	270.0	347.2	367.7	367.0	417.3
Residential Vacancy Rates (percent)							
Buellton	6.7	6.7	6.7	6.7	6.7	3.4	3.4
Carpinteria	9.3	9.2	9.2	9.2	9.2	8.7	8.7
Guadalupe	1.9	1.9	1.9	1.9	1.9	2.5	2.5
Lompoc	5.7	5.7	5.0	5.0	5.0	4.1	4.1
Santa Barbara City	5.2	5.2	5.2	5.2	5.2	4.0	4.0
Unincorporated SB County	6.8	7.1	6.7	6.7	7.1	4.9	4.8
Santa Maria	5.9	5.9	5.9	5.9	5.9	3.1	3.1
Solvang	7.8	7.8	7.8	7.8	7.8	4.5	4.5
County of Santa Barbara	6.2	6.3	6.1	6.1	6.2	4.4	4.3
Housing Stock (thousands of homes)							
Carpinteria	5.5	5.5	5.6	5.6	5.6	5.5	5.5
Guadalupe	1.5	1.5	1.6	1.6	1.6	1.5	1.5
Lompoc	13.8	13.8	13.9	13.9	13.9	13.6	13.8
Santa Barbara City	36.4	36.4	36.7	36.7	36.8	37.1	37.1
Unincorporated SB County	58.4	58.7	59.1	59.3	60.0	58.7	58.9
Santa Maria	22.7	23.0	23.1	23.3	23.5	22.8	23.1
County of Santa Barbara	141.9	142.6	143.6	144.0	145.1	142.9	143.7

Sources: California Association of Realtors, Construction Industry Research Board & California Department of Finance

* Existing Single-Family Homes

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
316.1	371.5	450.8	524.0	580.7	633.7	688.9	745.9	811.3
296.9	340.6	401.5	450.2	481.7	511.9	542.7	573.7	609.3
17.7	14.7	17.9	12.1	7.0	6.3	6.0	5.7	6.2
376.4	427.9	551.7	674.4	767.6	855.2	948.0	1,061.0	1,184.3
354.3	392.6	489.9	573.2	628.9	680.8	734.5	801.0	871.4
9.1	10.8	24.8	17.0	9.7	8.3	7.9	9.1	8.8
3098	2901	2900	2607	2343	2466	2471	2506	2541
18.4	17.4	11.3	7.6	8.4	9.0	9.5	10.2	10.9
1614	1549	1406	980	1114	1169	1138	1098	1112
904	1186	956	711	840	796	764	779	800
710	363	450	269	274	373	374	319	313
356.6	409.7	357.5	340.5	377.0	391.3	408.9	427.7	455.2
142.1	130.1	118.0	162.3	139.1	151.7	161.8	173.7	184.4
12.2	16.9	14.4	30.0	20.6	22.2	23.8	25.6	27.3
18.7	14.0	11.5	14.3	10.3	15.3	12.1	12.6	13.6
4.5	5.4	8.3	10.2	11.9	12.8	13.6	14.6	15.4
498.7	539.8	475.5	502.8	516.1	542.9	570.7	601.4	639.6
3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
4.7	5.2	5.2	5.4	5.4	5.4	5.4	5.4	5.4
3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1.5	1.6	1.6	1.6	1.7	1.7	1.7	1.8	1.8
13.8	13.8	13.9	14.0	14.1	14.2	14.2	14.3	14.4
37.2	37.2	37.3	37.4	37.6	37.7	37.8	38.0	38.1
59.1	48.5	48.6	49.0	49.4	49.8	50.1	50.5	50.8
23.6	24.1	25.2	26.3	26.7	27.2	27.7	28.1	28.6
144.6	146.2	147.7	149.4	150.6	151.7	152.9	154.0	155.1

TABLE 21: SOUTH COAST HOME PRICES AND SALES

	1995	1996	1997	1998	1999	2000	2001
South Coast							
Median Home Price (\$ thousands) *	300.8	310.0	359.9	425.0	475.0	572.0	655.0
Median Home Price (\$ 2000 thousands)	333.5	338.0	385.9	449.3	490.7	572.0	633.7
percent change	-5.4	1.3	14.2	16.4	9.2	16.6	10.8
Number of Home Sales *	1066	1163	1443	1301	1331	1333	1232
Carpinteria/Summerland							
Median Home Price (\$ thousands) *	266.0	280.0	349.0	389.0	417.3	545.0	649.0
Median Home Price (\$ 2000 thousands)	295.0	305.3	374.2	411.3	431.0	545.0	627.9
percent change	-6.5	3.5	22.6	9.9	4.8	26.4	15.2
Number of Home Sales *	58	63	85	69	98	93	84
Montecito							
Median Home Price (\$ thousands) *	625.0	645.0	760.0	950.0	1,121.8	1,410.0	1,595.0
Median Home Price (\$ 2000 thousands)	693.0	703.2	814.9	1,004.4	1,158.8	1,410.0	1,543.1
percent change	3.2	1.5	15.9	23.2	15.4	21.7	9.4
Number of Home Sales *	135	154	184	176	199	234	190
Santa Barbara East of State St.							
Median Home Price (\$ thousands) *	324.0	326.4	410.0	475.0	521.0	625.0	719.0
Median Home Price (\$ 2000 thousands)	359.3	355.8	439.6	502.2	538.1	625.0	695.6
percent change	-7.5	-1.0	23.6	14.2	7.2	16.1	11.3
Number of Home Sales *	240	287	302	319	314	344	298
Santa Barbara West of State St.							
Median Home Price (\$ thousands) *	273.5	281.1	327.0	362.0	415.9	500.0	600.0
Median Home Price (\$ 2000 thousands)	303.3	306.5	350.6	382.7	429.6	500.0	580.5
percent change	-5.1	1.1	14.4	9.1	12.2	16.4	16.1
Number of Home Sales *	175	198	260	281	283	297	268
Hope Ranch							
Median Home Price (\$ thousands) *	737.5	807.9	925.0	1,075.0	1,138.0	1,800.0	1,725.0
Median Home Price (\$ 2000 thousands)	817.8	880.8	991.9	1,136.5	1,175.5	1,800.0	1,668.9
percent change	0.1	7.7	12.6	14.6	3.4	53.1	-7.3
Number of Home Sales *	30	26	47	42	42	20	25
Goleta North of Hwy 101							
Median Home Price (\$ thousands) *	277.0	282.0	334.0	375.0	417.4	483.0	549.0
Median Home Price (\$ 2000 thousands)	307.2	307.4	358.1	396.5	431.2	483.0	531.1
percent change	-5.6	0.1	16.5	10.7	8.8	12.0	10.0
Number of Home Sales *	205	184	231	201	239	203	200
Goleta South of Hwy 101							
Median Home Price (\$ thousands) *	253.3	253.0	275.0	319.0	359.1	433.0	475.5
Median Home Price (\$ 2000 thousands)	280.9	275.8	294.9	337.3	370.9	433.0	460.0
percent change	0.8	-1.8	6.9	14.4	10.0	16.7	6.2
Number of Home Sales *	77	86	105	108	109	105	98

Source: Santa Barbara Multiple Listing Service

* Includes single family units; and includes new as well as existing units.

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
749.0	825.0	981.0	1,130.0	1,264.4	1,401.9	1,534.7	1,705.9	1,893.3
705.1	757.0	871.1	946.5	1,035.9	1,116.0	1,189.1	1,287.9	1,393.1
11.3	7.4	15.1	8.7	9.4	7.7	6.6	8.3	8.2
1220	1283	1374	1315	1137	1257	1263	1285	1309
749.0	725.0	920.0	1,295.0	1,443.0	1,580.0	1,727.2	1,886.1	2,059.2
705.1	665.2	816.9	901.9	968.6	1,030.6	1,096.5	1,166.7	1,241.4
12.3	-5.7	22.8	10.4	7.4	6.4	6.4	6.4	6.4
97	96	85	66	65	65	65	65	65
1,675.0	1,900.0	2,505.0	2,450.0	2,727.9	2,926.0	3,134.2	3,506.1	3,921.4
1,576.8	1,743.4	2,224.3	2,422.6	2,599.9	2,709.8	2,825.2	3,079.5	3,356.7
2.2	10.6	27.6	8.9	7.3	4.2	4.3	9.0	9.0
208	196	200	200	177	201	203	209	216
795.0	950.0	1,115.0	1,310.0	1,494.3	1,680.9	1,866.4	2,070.2	2,295.8
748.4	871.7	990.1	1,092.1	1,200.8	1,312.5	1,418.5	1,533.1	1,656.9
7.6	16.5	13.6	10.3	9.9	9.3	8.1	8.1	8.1
285	274	304	273	241	275	277	279	282
675.0	766.0	915.0	1,056.0	1,200.0	1,346.2	1,484.1	1,634.3	1,799.3
635.4	702.9	812.5	892.8	977.8	1,065.9	1,143.7	1,227.2	1,316.8
9.5	10.6	15.6	9.9	9.5	9.0	7.3	7.3	7.3
251	227	232	213	179	215	213	219	226
1,850.0	1,925.0	2,241.0	2,700.0	3,000.7	3,236.9	3,470.0	3,800.4	4,161.4
1,741.5	1,766.4	1,989.9	2,159.5	2,313.2	2,424.8	2,530.1	2,699.9	2,881.2
4.4	1.4	12.7	8.5	7.1	4.8	4.3	6.7	6.7
25	34	33	27	27	28	28	29	29
648.9	739.0	900.0	993.0	1,117.5	1,243.5	1,379.7	1,535.7	1,686.1
610.9	678.1	799.1	868.7	942.3	1,018.8	1,100.3	1,193.3	1,276.9
15.0	11.0	17.9	8.7	8.5	8.1	8.0	8.5	7.0
179	193	226	187	148	150	151	153	154
599.0	675.0	852.0	925.0	1,045.3	1,160.6	1,283.9	1,405.9	1,539.3
563.9	619.4	756.5	844.2	919.5	992.1	1,068.1	1,139.7	1,216.1
22.6	9.8	22.1	11.6	8.9	7.9	7.7	6.7	6.7
92	121	107	82	71	72	74	75	77

TABLE 22: NORTH SB COUNTY HOME PRICES AND SALES

	1995	1996	1997	1998	1999	2000
Buellton						
Median Home Price (\$ thousands) *	164.7	170.0	172.4	182.6	230.5	272.2
Median Home Price (\$ 2000 thousands)	182.6	185.3	184.9	193.1	238.1	272.2
percent change	-0.7	1.5	-0.2	4.4	23.3	14.3
Number of Home Sales *	27	65	57	78	74	56
Lompoc						
Median Home Price (\$ thousands) *	127.6	124.2	123.7	129.3	133.7	153.1
Median Home Price (\$ 2000 thousands)	141.5	135.4	132.7	136.7	138.1	153.1
percent change	-2.6	-4.3	-2.0	3.0	1.0	10.9
Number of Home Sales *	506	570	566	712	707	642
Santa Maria						
Median Home Price (\$ thousands) *	123.3	123.9	124.0	130.8	138.4	158.2
Median Home Price (\$ 2000 thousands)	136.7	135.1	133.0	138.3	143.0	158.2
percent change	-4.3	-1.2	-1.5	4.0	3.4	10.7
Number of Home Sales *	1070	1238	1307	1501	1600	1423
Solvang						
Median Home Price (\$ thousands) *	242.5	216.1	228.8	244.7	309.3	327.0
Median Home Price (\$ 2000 thousands)	268.9	235.6	245.4	258.7	319.5	327.0
percent change	12.5	-12.4	4.2	5.4	23.5	2.4
Number of Home Sales *	76	76	142	178	154	133
Santa Ynez						
Median Home Price (\$ thousands) *	200.4	224.9	242.0	279.4	317.1	383.1
Median Home Price (\$ 2000 thousands)	222.2	245.1	259.5	295.4	327.5	383.1
percent change	-15.0	10.3	5.9	13.8	10.9	17.0
Number of Home Sales *	50	63	81	94	77	41

Source: First American Real Estate Solutions

* Includes single family and multiple family units; and includes new as well as existing units.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
						<i>estimated</i>	<i>forecast</i>			
	318.4	371.2	457.6	577.5	686.5	775.5	862.4	956.6	1,066.1	1,188.0
	308.0	349.5	419.9	512.8	583.5	635.3	686.5	741.2	804.9	874.1
	13.2	13.4	20.1	22.1	13.8	8.9	8.1	8.0	8.6	8.6
	61	51	57	95	47	52	66	74	76	78
	185.0	235.7	283.8	363.2	423.7	484.2	541.6	604.9	675.1	751.4
	179.0	221.8	260.4	322.5	360.1	396.7	431.1	468.7	509.7	552.9
	16.9	24.0	17.4	23.9	11.7	10.2	8.7	8.7	8.7	8.5
	656	630	654	714	724	665	713	684	689	692
	188.1	243.7	293.3	366.9	443.1	508.4	568.9	638.7	716.2	800.7
	181.9	229.4	269.1	325.8	376.6	416.5	452.9	494.9	540.7	589.2
	15.0	26.1	17.3	21.1	15.6	10.6	8.7	9.3	9.3	9.0
	1496	1439	1621	2054	1925	1744	1751	1778	1807	1833
	392.5	451.8	575.8	721.6	837.8	947.0	1,053.4	1,168.8	1,295.5	1,435.7
	379.8	425.4	528.3	640.8	712.1	775.8	838.6	905.7	978.1	1,056.4
	16.1	12.0	24.2	21.3	11.1	9.0	8.1	8.0	8.0	8.0
	107	129	131	132	127	111	118	117	116	115
	469.4	550.6	656.7	771.6	867.7	985.6	1,101.3	1,226.5	1,364.5	1,517.8
	454.1	518.3	602.5	685.1	737.5	807.5	876.7	950.4	1,030.2	1,116.7
	18.6	14.1	16.3	13.7	7.7	9.5	8.6	8.4	8.4	8.4
	29	50	48	48	39	38	38	41	44	48

TABLE 23: CITY LEVEL BUILDING ACTIVITY - PART 1

	1995	1996	1997	1998	1999	2000
Number of Homes Permitted or Millions of Dollars						
Carpinteria						
Total Housing Units Permitted	46	14	2	20	18	43
Single Family Units	46	4	0	14	15	4
Multiple Family Units	0	10	2	6	3	39
Residential Building Value	3.8	1.6	0.8	4.5	6.3	5.7
Non-Residential Building Value	1.7	1.1	2.0	18.5	2.9	0.8
Office Bldg Value	0.2	0.0	1.5	8.4	0.0	0.0
Retail Bldg Value	0.0	0.0	0.0	0.0	0.0	0.0
Industrial Bldg Value	0.0	0.0	0.0	0.2	1.7	0.0
Total Building Value	5.5	2.7	2.8	23.0	9.2	6.6
Guadalupe						
Total Housing Units Permitted	1	4	0	0	29	22
Single Family Units	1	4	0	0	29	22
Multiple Family Units	0	0	0	0	0	0
Residential Building Value	0.2	0.6	0.1	0.0	4.6	3.5
Non-Residential Building Value	0.1	0.2	0.0	1.0	0.0	0.0
Office Bldg Value	0.0	0.0	0.0	0.0	0.0	0.0
Retail Bldg Value	0.0	0.0	0.0	0.0	0.0	0.0
Industrial Bldg Value	0.0	0.0	0.0	0.0	0.0	0.0
Total Building Value	0.3	0.7	0.1	1.1	4.6	3.5
Lompoc						
Total Housing Units Permitted	63	31	0	50	93	0
Single Family Units	59	31	0	0	1	0
Multiple Family Units	4	0	0	50	92	0
Residential Building Value	12.3	6.2	2.0	8.9	10.6	8.2
Non-Residential Building Value	4.1	2.3	4.9	4.0	7.8	14.5
Office Bldg Value	0.0	0.0	0.0	0.0	0.0	0.0
Retail Bldg Value	2.6	1.1	1.3	0.0	0.0	1.6
Industrial Bldg Value	0.0	0.0	0.0	0.0	0.0	6.0
Total Building Value	16.4	8.6	6.9	12.9	18.4	22.7

Sources: Construction Industry Research Board, City of Guadalupe

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
8	1	5	4	14	6	6	6	6	6
8	1	1	1	5	4	4	4	4	4
0	0	4	3	9	2	2	2	2	2
2.7	1.5	1.7	2.5	5.4	4.1	4.7	5.1	5.6	6.1
5.8	0.8	1.2	1.4	2.8	2.8	3.0	3.1	3.2	3.2
2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.5	0.0	1.2	1.2	1.3	1.3	1.3	1.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8.5	2.3	3.0	3.9	8.2	6.9	7.7	8.2	8.8	9.4
111	130	11	100	31	40	47	49	51	53
103	50	11	1	14	20	24	26	28	30
8	80	0	99	17	20	23	23	23	23
18.3	22.5	1.9	6.6	2.3	2.9	3.5	4.0	4.5	5.2
0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18.3	22.5	1.9	6.6	2.3	3.0	3.6	4.1	4.7	5.3
4	21	74	34	25	69	91	74	69	69
0	21	72	30	25	65	87	70	65	65
4	0	2	4	0	4	4	4	4	4
3.5	9.6	27.6	9.9	9.5	20.2	22.5	21.7	22.8	24.5
7.7	8.7	4.1	4.3	3.5	3.3	3.5	3.6	3.8	3.9
0.0	2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5.7	0.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.2	18.3	31.7	14.2	13.1	23.5	26.0	25.3	26.6	28.3

TABLE 24: CITY LEVEL BUILDING ACTIVITY - PART 2

	1995	1996	1997	1998	1999	2000
Number of Homes Permitted or Millions of Dollars						
Santa Barbara City						
Total Housing Units Permitted	145	140	193	57	59	55
Single Family Units	25	94	32	51	41	33
Multiple Family Units	120	46	161	6	18	22
Residential Building Value	25.9	27.0	31.9	24.7	27.9	17.4
Non-Residential Building Value	13.1	20.9	37.9	30.8	25.4	38.3
Office Bldg Value	0.8	0.0	2.1	0.8	5.4	3.2
Retail Bldg Value	3.4	1.9	7.3	1.1	4.9	6.1
Industrial Bldg Value	0.0	0.0	0.0	0.0	0.0	1.3
Total Building Value	39.1	48.0	69.7	55.5	53.4	55.7
Santa Maria						
Total Housing Units Permitted	220	209	258	229	246	333
Single Family Units	218	209	214	229	205	333
Multiple Family Units	2	0	44	0	41	0
Residential Building Value	28.8	29.7	32.5	34.5	40.8	54.5
Non-Residential Building Value	12.6	18.5	7.8	24.0	31.0	21.7
Office Bldg Value	1.5	2.9	0.3	1.7	0.8	3.0
Retail Bldg Value	4.0	6.7	1.8	12.6	5.1	4.9
Industrial Bldg Value	1.4	0.0	0.4	1.1	11.0	5.6
Total Building Value	41.3	48.2	40.3	58.5	71.8	76.2
Unincorporated Area						
Total Housing Units Permitted	317	377	450	670	499	493
Single Family Units	256	353	300	504	339	361
Multiple Family Units	61	24	150	166	160	132
Residential Building Value	92.2	97.7	106.0	144.7	139.7	148.0
Non-Residential Building Value	20.3	30.0	44.1	51.5	75.1	57.9
Office Bldg Value	0.7	0.5	0.4	1.2	8.5	8.7
Retail Bldg Value	0.2	0.7	4.3	3.7	9.1	1.7
Industrial Bldg Value	6.0	4.5	2.8	13.2	6.1	3.6
Total Building Value	112.5	127.7	150.1	196.3	214.8	205.9

Sources: Construction Industry Research Board

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
106	138	115	120	256	141	131	132	133	134
44	39	61	56	46	46	45	46	47	48
62	99	54	64	210	95	86	86	86	86
28.7	52.8	59.4	46.6	82.1	69.7	75.0	82.8	90.9	99.3
29.7	43.0	40.0	21.3	71.7	37.4	40.0	42.8	45.7	48.7
0.0	0.4	0.0	1.3	22.6	11.8	12.6	13.5	14.4	15.4
2.7	5.3	4.2	3.3	7.2	3.7	4.1	4.4	4.8	5.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
58.4	95.8	99.3	67.9	153.8	107.2	115.1	125.6	136.6	148.1
762	984	976	765	317	466	450	424	434	444
556	630	704	643	294	368	352	326	336	346
206	354	272	122	23	98	98	98	98	98
109.2	142.9	159.6	133.6	65.1	84.5	88.2	92.3	93.9	102.5
48.3	35.8	36.2	31.6	33.0	40.1	43.5	47.1	51.0	55.0
11.2	4.8	7.2	7.9	6.4	7.8	8.5	9.2	9.9	10.7
21.5	11.8	8.1	4.1	2.9	3.5	3.8	4.1	4.4	4.8
4.4	0.9	2.3	4.3	5.1	6.1	6.7	7.2	7.8	8.4
157.5	178.6	195.7	165.1	98.2	124.5	131.7	139.4	144.8	157.5
365	222	357	377	335	388	336	343	350	357
250	200	326	219	325	333	280	286	291	297
115	22	31	158	10	55	56	57	58	60
139.0	121.5	154.2	153.5	171.1	189.1	167.7	169.2	182.5	197.6
42.8	46.3	45.5	47.4	40.8	43.4	47.6	49.2	52.0	53.4
0.4	4.1	9.7	2.9	1.0	1.1	1.2	1.2	1.3	1.3
0.5	0.0	0.5	4.0	1.3	1.4	1.5	1.5	1.6	1.7
3.2	3.6	3.1	3.9	5.2	5.5	6.1	6.3	6.6	6.8
181.8	167.8	199.7	200.9	211.8	232.6	215.2	218.3	234.4	250.8

TABLE 25: SOUTH COAST COMMERCIAL REAL ESTATE

	1995	1996	1997	1998	1999	2000
Non-Residential Space Available						
thousands of square feet						
Goleta						
Office Space	238.4	182.3	204.8	216.6	284.2	143.1
Industrial Space	258.8	109.0	116.1	64.2	256.8	75.6
Santa Barbara City						
Office Space	364.1	320.9	204.5	161.0	200.9	84.3
Industrial Space	149.5	157.2	102.0	109.5	132.6	36.1
Retail Space	269.0	177.9	185.2	108.2	85.4	84.4
Carpinteria						
Office Space	34.2	33.5	26.3	19.5	31.8	54.6
Industrial Space	108.8	143.9	43.9	39.5	31.8	18.4
Non-Residential Lease Rates						
dollars per square foot						
Goleta						
Office Rates	1.01	1.22	1.39	1.36	1.61	1.67
percent change	5.4	11.1	14.1	-2.2	18.4	3.9
Industrial Rates	0.71	0.83	0.90	0.93	1.28	1.04
percent change	-2.7	17.0	7.9	3.6	36.8	-18.4
Santa Barbara City						
Office Rates	1.44	1.53	1.70	1.85	2.02	2.13
percent change	-3.3	6.0	11.1	8.7	9.5	5.5
Industrial Rates	0.63	0.65	0.94	1.01	1.15	1.23
percent change	-6.6	3.8	44.0	7.3	14.0	6.8
Retail Rates	1.71	1.78	2.06	2.43	2.40	3.36
percent change	-2.2	4.4	15.6	17.8	-1.0	39.8
Carpinteria						
Office Rates	1.28	1.44	1.51	1.80	1.44	1.76
percent change	-2.2	12.8	4.7	19.2	-19.9	22.1
Industrial Rates	0.73	0.73	0.81	0.86	0.86	0.98
percent change	5.4	0.4	10.0	5.9	0.3	14.0
Gross Absorption of Office/Industrial Space						
thousands of square feet						
Goleta	264.0	393.0	302.3	497.6	585.6	393.2

Sources: Radius Group Commercial & Leider-Hayes Commercial

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
					<i>estimated</i>	<i>forecast</i>				
162.6	310.1	285.1	277.4	308.6	205.0	203.9	202.9	201.9	200.8	
251.5	196.0	401.9	410.3	403.9	365.8	355.3	342.9	332.0	320.4	
182.3	266.6	350.6	239.5	238.8	141.7	138.2	134.7	131.3	128.1	
69.7	113.3	81.6	40.7	54.4	113.2	111.8	110.4	109.0	107.6	
58.9	66.2	100.0	46.1	56.6	63.0	64.9	66.8	68.8	70.9	
71.9	153.2	143.7	129.1	86.9	67.4	67.4	67.4	67.4	67.4	
74.1	136.5	78.7	64.0	62.2	40.2	40.2	40.2	40.2	40.2	
1.81	1.77	1.70	1.55	1.63	1.65	1.72	1.76	1.80	1.80	
8.2	-2.2	-4.2	-8.9	5.5	1.2	4.5	2.1	2.0	0.0	
1.32	1.35	1.33	1.25	1.24	1.25	1.31	1.36	1.41	1.47	
26.7	2.3	-1.5	-6.0	-0.8	0.8	4.4	4.0	4.2	3.9	
2.59	2.31	2.20	2.06	2.28	2.24	2.27	2.30	2.33	2.36	
21.3	-10.8	-4.6	-6.6	10.7	-1.5	1.5	1.2	1.1	1.2	
1.40	1.05	1.05	1.12	1.30	1.35	1.39	1.43	1.46	1.50	
13.9	-25.0	0.0	6.2	16.1	4.2	3.2	2.4	2.4	2.4	
2.68	2.77	2.65	2.31	2.81	3.00	3.10	3.12	3.14	3.16	
-20.3	3.6	-4.3	-12.8	21.4	7.0	3.4	0.7	0.7	0.7	
1.98	1.72	1.59	1.58	1.56	1.44	1.48	1.54	1.60	1.65	
12.5	-13.1	-7.6	-0.6	-1.6	-7.4	3.1	4.0	3.4	3.2	
1.12	0.92	0.93	0.82	0.96	1.15	1.17	1.22	1.28	1.33	
14.1	-17.9	1.6	-11.8	17.1	19.8	1.5	4.6	4.5	4.5	
175.1	559.0	313.7	415.0	442.0	384.0	371.6	356.1	363.6	363.7	

TABLE 26: PER CAPITA QUANTITIES

	1995	1996	1997	1998	1999	2000
San Luis Obispo County						
Per Capita Gross County Product (\$ thousands)	22.6	24.1	26.2	28.3	30.0	32.1
Per Capita Gross County Product (\$ 2000 thousands)	24.5	25.7	27.3	29.1	30.6	32.1
percent change	1.7	4.5	6.6	6.5	5.2	5.0
Per Capita Personal Income (\$ thousands)	20.5	21.7	23.2	24.8	25.8	27.7
Per Capita Personal Income (\$ 2000 thousands)	22.7	23.7	24.9	26.2	26.7	27.7
percent change	2.6	4.4	5.2	5.2	1.7	3.7
Per Capita Retail Sales (\$ thousands)	5.8	6.2	6.5	6.9	7.6	8.5
Per Capita Retail Sales (\$ 2000 thousands)	6.4	6.7	7.0	7.3	7.9	8.5
percent change	3.4	5.4	4.2	3.5	8.7	7.2
New Housing Permits per Thousand People	4.3	5.1	5.6	7.2	6.9	6.7
Per Capita Non-Resi Bldg Permit Value (\$)	143.6	172.7	248.6	312.4	384.3	474.2
Per Capita Non-Resi Bldg Permit Value (\$ 2000)	159.2	188.3	266.6	330.3	397.0	474.2
percent change	-43.7	18.3	41.6	23.9	20.2	19.4
Santa Barbara County						
Per Capita Gross County Product (\$ thousands)	26.6	27.8	30.4	33.4	36.5	39.9
Per Capita Gross County Product (\$ 2000 thousands)	28.7	29.2	31.6	34.5	37.3	39.9
percent change	1.1	1.8	8.1	9.2	8.0	7.2
Per Capita Personal Income (\$ thousands)	25.1	26.0	26.8	28.9	30.2	32.4
Per Capita Personal Income (\$ 2000 thousands)	27.8	28.4	28.7	30.5	31.2	32.4
percent change	-1.1	2.0	1.1	6.4	2.2	3.9
Per Capita Retail Sales (\$ thousands)	6.2	6.6	6.9	7.3	8.0	8.6
Per Capita Retail Sales (\$ 2000 thousands)	6.9	7.2	7.4	7.7	8.3	8.6
percent change	0.9	3.7	3.3	3.9	7.7	3.8
New Housing Permits per Thousand People	2.1	2.0	2.3	2.6	2.3	2.3
Per Capita Non-Resi Bldg Permit Value (\$)	136.0	190.2	249.3	332.0	361.7	334.6
Per Capita Non-Resi Bldg Permit Value (\$ 2000)	150.8	207.4	267.3	351.0	373.6	334.6
percent change	-11.5	37.5	28.9	31.3	6.5	-10.4
Ventura County						
Per Capita Gross County Product (\$ thousands)	30.1	31.3	33.9	36.9	43.3	47.3
Per Capita Gross County Product (\$ 2000 thousands)	32.7	33.1	35.3	38.1	44.4	47.3
percent change	2.0	1.2	6.5	8.0	16.5	6.4
Per Capita Personal Income (\$ thousands)	26.3	27.1	28.7	29.6	31.4	33.8
Per Capita Personal Income (\$ 2000 thousands)	29.1	29.5	30.7	31.3	32.4	33.8
percent change	3.8	1.2	4.2	1.9	3.6	4.2
Per Capita Retail Sales (\$ thousands)	6.3	6.5	6.8	7.2	8.0	8.7
Per Capita Retail Sales (\$ 2000 thousands)	7.0	7.1	7.3	7.6	8.3	8.7
percent change	0.2	1.6	2.7	4.0	8.3	5.0
New Housing Permits per Thousand People	3.1	3.3	3.2	4.4	6.0	5.3
Per Capita Non-Resi Bldg Permit Value (\$)	266.1	263.3	280.0	401.8	498.2	375.9
Per Capita Non-Resi Bldg Permit Value (\$ 2000)	295.1	287.0	300.2	424.7	514.6	375.9
percent change	16.3	-2.7	4.6	41.5	21.2	-27.0

Sources: CA Employment Development Department, CA Board of Equalization, Construction Industry Research Board, CA Department of Finance, and the UCSB Economic Forecast Project

Forecast Tables

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					<i>estimated</i>	<i>forecast</i>			
35.0	36.7	37.8	39.9	42.1	44.3	46.6	48.9	51.5	54.2
33.9	34.3	34.2	34.8	35.5	36.1	36.7	37.3	38.0	38.6
5.4	1.3	-0.4	1.8	2.2	1.6	1.7	1.6	1.7	1.8
28.8	29.2	29.9	31.2	32.9	34.4	35.9	37.4	39.0	40.7
27.9	27.5	27.5	27.7	27.9	28.2	28.6	29.0	29.5	30.0
0.8	-1.5	-0.0	0.8	0.9	1.0	1.4	1.4	1.6	1.6
9.0	9.3	10.0	10.7	11.5	12.2	12.8	13.5	14.1	14.7
8.7	8.8	9.2	9.5	9.7	10.0	10.2	10.4	10.6	10.9
2.4	1.2	4.3	3.7	2.6	2.9	2.0	2.1	1.9	1.9
8.1	7.6	8.8	8.2	7.5	8.2	8.3	7.7	7.5	6.5
335.2	482.0	448.1	451.2	476.6	490.5	530.6	514.2	529.3	546.6
324.3	453.7	411.1	400.6	405.1	401.9	422.4	398.5	399.6	402.2
-31.6	39.9	-9.4	-2.6	1.1	-0.8	5.1	-5.7	0.3	0.6
42.0	43.1	44.9	47.1	49.5	51.9	54.3	56.8	59.6	62.5
41.1	40.8	41.2	41.9	42.6	43.4	44.1	44.8	45.5	46.3
3.0	-0.8	1.0	1.7	1.6	1.7	1.6	1.6	1.6	1.7
32.5	32.0	32.9	34.6	36.3	38.1	39.8	41.6	43.4	45.4
31.4	30.1	30.2	30.8	30.8	31.2	31.7	32.2	32.8	33.4
-3.0	-4.4	0.4	1.9	0.2	1.1	1.6	1.6	1.8	1.9
8.9	9.2	9.5	10.0	10.5	11.1	11.6	12.1	12.7	13.2
8.6	8.6	8.7	8.9	9.0	9.1	9.3	9.4	9.6	9.7
-0.1	0.3	1.0	2.0	1.0	1.6	1.6	1.6	1.6	1.6
3.1	4.0	3.8	3.4	2.3	2.6	2.7	2.6	2.5	2.5
332.8	348.8	316.1	284.2	387.2	328.5	354.3	374.0	397.3	417.5
322.0	328.4	290.1	252.3	329.1	269.1	282.1	289.8	299.9	307.2
-3.8	2.0	-11.7	-13.0	30.4	-18.2	4.8	2.7	3.5	2.4
50.3	52.6	55.5	58.3	62.1	65.6	69.1	72.9	77.0	81.2
49.2	50.0	51.3	52.5	54.3	56.0	57.5	59.2	61.0	62.7
4.2	1.6	2.6	2.4	3.4	3.1	2.8	2.9	3.0	2.9
33.9	34.1	35.1	37.1	39.6	41.9	44.1	46.3	48.9	51.8
32.8	32.1	32.2	32.9	33.6	34.3	35.1	35.9	37.0	38.1
-3.0	-1.9	0.2	2.3	2.1	2.1	2.1	2.3	3.0	3.2
8.9	9.2	9.7	10.3	11.1	12.0	12.7	13.4	14.1	14.8
8.6	8.6	8.9	9.2	9.5	9.8	10.1	10.4	10.6	10.9
-0.3	-0.3	3.5	2.9	3.2	3.7	2.8	2.7	2.7	2.6
4.2	3.2	4.6	3.2	5.0	3.8	3.7	3.4	3.4	3.3
408.6	368.0	476.6	426.8	441.6	538.7	544.4	515.8	526.4	547.1
395.3	346.4	437.3	379.0	375.3	441.4	433.4	399.6	397.4	402.5
5.2	-12.4	26.2	-13.3	-1.0	17.6	-1.8	-7.8	-0.5	1.3

TABLE 27: UNITED STATES GROSS STATE PRODUCT BY SECTOR

	1999	2000	2001	2002	2003
billions of dollars					
Total, All Sectors					
(\$ billions)	9,201.1	9,749.1	10,058.2	10,412.2	10,923.9
(\$ 2000 billions)	9,404.2	9,749.1	9,836.6	10,009.4	10,289.2
percent change		3.7	0.9	1.8	2.8
(\$ billions)	9,107.4	9,651.1	9,960.3	10,315.3	10,809.9
(\$ 2000 billions)	9,316.9	9,651.1	9,744.8	9,911.4	10,185.7
percent change		3.6	1.0	1.7	2.8
Sub-total, All Private Sectors					
(\$ billions)	8,127.2	8,614.3	8,869.7	9,154.1	9,604.2
(\$ 2000 billions)	8,290.8	8,614.3	8,690.1	8,847.9	9,114.0
percent change		3.9	0.9	1.8	3.0
Public Sector					
(\$ billions)	1,073.9	1,134.8	1,188.5	1,258.2	1,319.7
(\$ 2000 billions)	1,113.5	1,134.8	1,146.5	1,161.6	1,175.3
percent change		1.9	1.0	1.3	1.2
Agricultural Production					
(\$ billions)	93.8	98.0	97.9	96.9	113.9
(\$ 2000 billions)	87.4	98.0	91.8	98.1	103.5
percent change		12.2	-6.3	6.8	5.5
Mining & Quarrying					
(\$ billions)	85.4	121.3	118.7	104.9	130.3
(\$ 2000 billions)	126.6	121.3	114.9	112.4	104.6
percent change		-4.1	-5.3	-2.2	-7.0
Construction					
(\$ billions)	406.6	435.9	469.5	479.1	501.3
(\$ 2000 billions)	433.3	435.9	436.6	425.1	424.1
percent change		0.6	0.2	-2.6	-0.3
Durables Manufacturing					
(\$ billions)	820.4	865.3	778.9	771.9	798.0
(\$ 2000 billions)	775.5	865.3	813.6	824.3	874.5
percent change		11.6	-6.0	1.3	6.1
Non-Durables Manufacturing					
(\$ billions)	552.7	561.0	562.5	575.3	604.4
(\$ 2000 billions)	568.2	561.0	533.1	553.0	566.2
percent change		-1.3	-5.0	3.7	2.4

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project, Georgia State University Economic Research Center
 * Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	11,649.8	12,434.5	13,328.4	13,956.3	14,647.3	15,379.3	16,153.3
	10,755.9	11,107.0	11,511.9	11,819.1	12,163.9	12,522.0	12,892.7
	4.5	3.3	3.6	2.7	2.9	2.9	3.0
	11,528.4	12,311.6	13,202.1	13,836.2	14,530.5	15,265.5	16,042.4
	10,650.5	11,000.0	11,401.9	11,714.9	12,063.4	12,425.0	12,798.9
	4.6	3.3	3.7	2.7	3.0	3.0	3.0
	10,242.4	10,970.7	11,796.5	12,379.2	13,032.2	13,725.1	14,459.2
	9,568.9	9,913.3	10,299.0	10,595.6	10,934.1	11,285.8	11,650.0
	5.0	3.6	3.9	2.9	3.2	3.2	3.2
	1,407.4	1,463.7	1,531.9	1,577.1	1,615.1	1,654.1	1,694.1
	1,187.0	1,193.7	1,212.9	1,223.4	1,229.8	1,236.3	1,242.7
	1.0	0.6	1.6	0.9	0.5	0.5	0.5
	121.5	122.8	126.2	120.1	116.8	113.7	110.9
	105.4	107.0	110.0	104.2	100.5	97.1	93.8
	1.8	1.5	2.9	-5.3	-3.5	-3.4	-3.3
	139.0	163.3	186.8	194.4	187.8	182.0	176.8
	107.0	113.0	122.5	128.9	125.2	121.9	119.1
	2.3	5.6	8.4	5.2	-2.9	-2.6	-2.3
	534.6	559.5	593.7	612.6	642.9	675.5	710.3
	434.7	447.9	453.1	453.7	458.0	462.8	468.1
	2.5	3.1	1.2	0.1	0.9	1.1	1.1
	851.0	947.0	1,033.3	1,057.4	1,098.1	1,140.3	1,183.1
	929.6	974.7	1,016.7	1,041.3	1,081.4	1,123.1	1,165.3
	6.3	4.9	4.3	2.4	3.9	3.9	3.8
	644.5	679.9	723.4	741.3	761.1	780.7	800.0
	581.4	592.6	615.2	624.3	634.7	644.6	654.1
	2.7	1.9	3.8	1.5	1.7	1.6	1.5

TABLE 28: UNITED STATES GROSS STATE PRODUCT BY SECTOR - CONTINUED

	1999	2000	2001	2002	2003
billions of dollars					
Information Services					
(\$ billions)	439.3	458.3	476.9	470.0	493.8
(\$ 2000 billions)	437.5	458.3	476.8	475.5	502.4
percent change		4.7	4.0	-0.3	5.7
Transportation, Warehousing, and Utilities					
(\$ billions)	472.8	490.9	499.2	515.1	541.4
(\$ 2000 billions)	466.7	490.9	473.6	489.9	516.3
percent change		5.2	-3.5	3.4	5.4
Wholesale Trade					
(\$ billions)	577.7	591.7	607.1	624.9	645.4
(\$ 2000 billions)	594.1	591.7	633.1	643.0	631.0
percent change		-0.4	7.0	1.6	-1.9
Retail Trade					
(\$ billions)	635.5	662.4	691.6	744.3	770.5
(\$ 2000 billions)	633.9	662.4	708.6	746.4	788.4
percent change		4.5	7.0	5.3	5.6
Finance, Insurance, & Real Estate					
(\$ billions)	1,798.4	1,931.0	2,059.2	2,148.2	2,250.3
(\$ 2000 billions)	1,835.1	1,931.0	2,005.4	2,033.5	2,100.4
percent change		5.2	3.9	1.4	3.3
Professional & Business Services					
(\$ billions)	1,064.5	1,140.8	1,165.9	1,190.0	1,244.3
(\$ 2000 billions)	1,106.4	1,140.8	1,133.4	1,147.7	1,188.0
percent change		3.1	-0.7	1.3	3.5
Educational & Health Services					
(\$ billions)	634.5	678.4	739.3	799.1	851.2
(\$ 2000 billions)	660.1	678.4	700.1	726.8	747.1
percent change		2.8	3.2	3.8	2.8
Leisure & Hospitality Services					
(\$ billions)	327.8	350.1	361.5	382.3	396.4
(\$ 2000 billions)	339.1	350.1	347.6	354.0	360.8
percent change		3.3	-0.7	1.8	1.9
Other Services *					
(\$ billions)	217.8	229.1	241.5	252.1	263.1
(\$ 2000 billions)	229.7	229.1	225.3	223.4	224.5
percent change		-0.2	-1.7	-0.8	0.5

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project, Georgia State University Economic Research Center

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	526.6	558.7	635.1	690.8	734.7	781.5	831.3
	566.8	588.9	659.5	711.5	750.2	791.1	834.2
	12.8	3.9	12.0	7.9	5.5	5.5	5.5
	577.4	619.9	660.0	686.9	711.8	737.0	762.3
	531.1	545.4	557.5	570.5	583.9	597.2	610.1
	2.9	2.7	2.2	2.3	2.4	2.3	2.2
	688.3	748.1	798.5	819.2	855.0	892.4	931.5
	660.0	692.3	719.2	729.6	752.7	776.6	801.2
	4.6	4.9	3.9	1.4	3.2	3.2	3.2
	821.7	896.9	973.5	1,035.9	1,097.2	1,162.1	1,230.9
	838.8	884.5	930.5	972.2	1,011.0	1,051.3	1,093.3
	6.4	5.4	5.2	4.5	4.0	4.0	4.0
	2,399.8	2,526.3	2,634.7	2,753.5	2,907.5	3,070.1	3,241.8
	2,180.2	2,234.4	2,257.7	2,296.4	2,361.6	2,428.7	2,497.7
	3.8	2.5	1.0	1.7	2.8	2.8	2.8
	1,327.0	1,444.0	1,607.1	1,743.7	1,891.7	2,052.4	2,226.6
	1,264.0	1,331.5	1,419.5	1,490.8	1,564.8	1,642.5	1,724.1
	6.4	5.3	6.6	5.0	5.0	5.0	5.0
	907.8	966.8	1,041.7	1,105.0	1,176.2	1,252.1	1,332.8
	771.1	793.4	819.1	843.9	874.1	905.3	937.7
	3.2	2.9	3.2	3.0	3.6	3.6	3.6
	422.8	448.5	478.7	502.7	524.5	547.2	570.9
	371.7	381.1	390.0	397.8	403.8	409.9	416.1
	3.0	2.5	2.3	2.0	1.5	1.5	1.5
	280.5	289.1	303.9	315.8	326.8	338.2	350.0
	227.2	226.5	228.4	230.6	232.1	233.6	235.2
	1.2	-0.3	0.8	0.9	0.7	0.7	0.7

TABLE 29: UNITED STATES IMPLICIT PRICE DEFLATOR BY SECTOR

	1999	2000	2001	2002	2003
Index: 2000 = 100					
Total, All Sectors	97.8	100.0	102.3	104.0	106.2
percent change		2.2	2.3	1.7	2.1
Sub-total, All Non-farm Sectors	97.8	100.0	102.2	104.1	106.1
percent change		2.3	2.2	1.8	2.0
Sub-total, All Private Sectors	98.0	100.0	102.1	103.5	105.4
percent change		2.0	2.1	1.4	1.9
Public Sector	96.5	100.0	103.7	108.3	112.3
percent change		3.7	3.7	4.5	3.7
Agricultural Production	107.3	100.0	106.6	98.8	110.1
percent change		-6.8	6.6	-7.3	11.4
Mining & Quarrying	67.5	100.0	103.3	93.3	124.6
percent change		48.2	3.3	-9.7	33.6
Construction	93.8	100.0	107.5	112.7	118.2
percent change		6.6	7.5	4.8	4.9
Manufacturing	102.2	100.0	99.6	97.8	97.3
percent change		-2.1	-0.4	-1.8	-0.5
Durables Manufacturing	105.8	100.0	95.7	93.6	91.2
percent change		-5.5	-4.3	-2.2	-2.6
Non-durables Manufacturing	97.3	100.0	105.5	104.0	106.7
percent change		2.8	5.5	-1.4	2.6
Information Services	100.4	100.0	100.0	98.9	98.3
percent change		-0.4	0.0	-1.2	-0.6
Transportation, Warehousing, & Utilities	101.3	100.0	105.4	105.1	104.9
percent change		-1.3	5.4	-0.3	-0.3
Wholesale Trade	97.2	100.0	95.9	97.2	102.3
percent change		2.8	-4.1	1.4	5.2
Retail Trade	100.3	100.0	97.6	99.7	97.7
percent change		-0.3	-2.4	2.2	-2.0
Finance, Insurance, & Real Estate	98.0	100.0	102.7	105.6	107.1
percent change		2.0	2.7	2.9	1.4
Professional & Business Services	96.2	100.0	102.9	103.7	104.7
percent change		3.9	2.9	0.8	1.0
Education & Health Services	96.1	100.0	105.6	109.9	113.9
percent change		4.0	5.6	4.1	3.6
Leisure & Hospitality Services	96.7	100.0	104.0	108.0	109.9
percent change		3.4	4.0	3.9	1.7
Other Services *	94.8	100.0	107.2	112.8	117.2
percent change		5.4	7.2	5.3	3.8

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

2004	2005	2006	2007	2008	2009	2010
		<i>estimated</i>	<i>forecast</i>			
108.3	112.0	115.8	118.1	120.4	122.8	125.3
2.0	3.4	3.4	2.0	2.0	2.0	2.0
108.2	111.9	115.8	118.1	120.5	122.9	125.3
2.0	3.4	3.5	2.0	2.0	2.0	2.0
107.0	110.7	114.5	116.8	119.2	121.6	124.1
1.6	3.4	3.5	2.0	2.0	2.0	2.1
118.6	122.6	126.3	128.9	131.3	133.8	136.3
5.6	3.4	3.0	2.1	1.9	1.9	1.9
115.3	114.8	114.7	115.3	116.2	117.2	118.2
4.8	-0.4	-0.1	0.5	0.8	0.8	0.8
129.9	144.5	152.5	150.8	150.0	149.2	148.4
4.2	11.3	5.5	-1.1	-0.5	-0.5	-0.5
123.0	124.9	131.0	135.0	140.4	146.0	151.8
4.1	1.6	4.9	3.1	4.0	4.0	4.0
99.0	103.8	107.6	108.0	108.3	108.7	109.0
1.7	4.9	3.7	0.3	0.3	0.3	0.3
91.5	97.2	101.6	101.5	101.5	101.5	101.5
0.3	6.1	4.6	-0.1	-0.0	-0.0	-0.0
110.8	114.7	117.6	118.7	119.9	121.1	122.3
3.8	3.5	2.5	1.0	1.0	1.0	1.0
92.9	94.9	96.3	97.1	97.9	98.8	99.7
-5.5	2.1	1.5	0.8	0.9	0.9	0.9
108.7	113.7	118.4	120.4	121.9	123.4	125.0
3.7	4.5	4.2	1.7	1.2	1.2	1.2
104.3	108.1	111.0	112.3	113.6	114.9	116.3
2.0	3.6	2.7	1.1	1.2	1.2	1.2
98.0	101.4	104.6	106.6	108.5	110.5	112.6
0.2	3.5	3.2	1.8	1.9	1.9	1.9
110.1	113.1	116.7	119.9	123.1	126.4	129.8
2.7	2.7	3.2	2.7	2.7	2.7	2.7
105.0	108.5	113.2	117.0	120.9	125.0	129.1
0.2	3.3	4.4	3.3	3.4	3.4	3.4
117.7	121.9	127.2	130.9	134.6	138.3	142.1
3.3	3.5	4.4	3.0	2.8	2.8	2.8
113.8	117.7	122.7	126.4	129.9	133.5	137.2
3.5	3.4	4.3	2.9	2.8	2.8	2.8
123.5	127.6	133.1	137.0	140.8	144.8	148.8
5.4	3.4	4.3	2.9	2.8	2.8	2.8

TABLE 30: UNITED STATES GROSS LABOR PRODUCTIVITY BY SECTOR

	1999	2000	2001	2002	2003
thousands of dollars					
Total, All Sectors					
(\$ thousands)	68.9	71.2	73.5	76.3	79.3
(\$ 2000 thousands)	70.4	71.2	71.8	73.3	74.7
percent change		1.1	0.9	2.1	1.9
Sub-total, All Non-Farm Sectors					
(\$ thousands)	70.6	73.2	75.6	79.1	83.2
(\$ 2000 thousands)	72.2	73.2	73.9	76.0	78.4
percent change		1.4	0.9	2.9	3.0
Sub-total, All Private Sectors					
(\$ thousands)	71.8	74.2	76.6	79.6	82.7
(\$ 2000 thousands)	73.2	74.2	75.0	77.0	78.5
percent change		1.3	1.1	2.6	2.0
Public Sector					
(\$ thousands)	52.9	54.6	56.3	58.5	61.2
(\$ 2000 thousands)	54.8	54.6	54.3	54.0	54.5
percent change		-0.4	-0.6	-0.5	0.8
Agricultural Production					
(\$ thousands)	20.8	19.2	19.2	15.8	14.7
(\$ 2000 thousands)	19.4	19.2	18.0	16.0	13.4
percent change		-1.1	-6.3	-11.1	-16.2
Mining & Quarrying					
(\$ thousands)	142.9	203.1	195.5	180.1	227.7
(\$ 2000 thousands)	211.8	203.1	189.2	193.0	182.7
percent change		-4.1	-6.8	2.1	-5.4
Construction					
(\$ thousands)	62.1	64.2	68.8	71.3	74.5
(\$ 2000 thousands)	66.2	64.2	64.0	63.3	63.0
percent change		-3.0	-0.4	-1.0	-0.4
Durables Manufacturing					
(\$ thousands)	75.7	79.5	75.4	81.4	89.1
(\$ 2000 thousands)	71.6	79.5	78.7	86.9	97.6
percent change		11.1	-1.0	10.4	12.3
Non-Durables Manufacturing					
(\$ thousands)	85.1	87.8	92.1	99.6	109.0
(\$ 2000 thousands)	87.5	87.8	87.3	95.8	102.1
percent change		0.3	-0.6	9.7	6.6

Source: U.S. Bureau of Economic Analysis, Georgia State University Economic Forecasting Center, UCSB Economic Forecast Project.
 * Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	83.7	87.7	92.3	95.8	99.4	103.2	107.2
	77.2	78.4	79.7	81.1	82.5	84.1	85.6
	3.4	1.5	1.7	1.7	1.8	1.8	1.8
	87.7	92.3	97.4	101.0	104.9	109.0	113.3
	81.0	82.4	84.1	85.5	87.1	88.8	90.4
	3.4	1.7	2.1	1.7	1.9	1.9	1.9
	87.1	91.5	96.6	100.4	104.4	108.7	113.1
	81.4	82.7	84.3	86.0	87.6	89.3	91.1
	3.7	1.6	2.0	1.9	1.9	2.0	2.0
	65.1	67.1	68.9	70.1	71.5	73.0	74.4
	54.9	54.7	54.5	54.4	54.5	54.5	54.6
	0.8	-0.3	-0.4	-0.2	0.1	0.1	0.1
	15.5	14.9	14.3	13.7	13.2	12.7	12.2
	13.5	12.9	12.5	11.9	11.3	10.8	10.3
	0.7	-3.9	-3.7	-4.8	-4.7	-4.6	-4.5
	234.6	261.3	277.7	280.8	286.7	293.7	301.6
	180.6	180.8	182.1	186.1	191.1	196.8	203.2
	-1.2	0.1	0.8	2.2	2.7	3.0	3.3
	76.6	76.9	80.7	83.5	87.3	91.3	95.6
	62.3	61.5	61.6	61.9	62.2	62.5	63.0
	-1.1	-1.2	0.1	0.4	0.5	0.6	0.7
	95.3	105.7	115.5	120.5	125.6	131.0	136.5
	104.2	108.8	113.6	118.6	123.7	129.1	134.5
	6.7	4.5	4.4	4.4	4.3	4.3	4.2
	119.6	128.7	136.9	142.7	148.6	154.6	160.6
	107.9	112.2	116.5	120.2	123.9	127.6	131.3
	5.7	4.0	3.8	3.2	3.1	3.0	2.9

TABLE 31: UNITED STATES GROSS LABOR PRODUCTIVITY BY SECTOR - CONTINUED

	1999	2000	2001	2002	2003
thousands of dollars					
Information Services					
(\$ thousands)	182.1	176.6	182.9	193.2	218.0
(\$ 2000 thousands)	181.4	176.6	182.9	195.5	221.8
percent change		-2.6	3.5	6.9	13.5
Transportation, Warehousing, and Utilities					
(\$ thousands)	96.3	97.9	100.4	106.9	113.7
(\$ 2000 thousands)	95.1	97.9	95.2	101.6	108.4
percent change		2.9	-2.7	6.7	6.7
Wholesale Trade					
(\$ thousands)	98.0	99.7	105.2	110.6	115.0
(\$ 2000 thousands)	100.8	99.7	109.7	113.8	112.5
percent change		-1.1	10.0	3.7	-1.1
Retail Trade					
(\$ thousands)	42.4	43.4	45.4	49.5	51.7
(\$ 2000 thousands)	42.3	43.4	46.5	49.7	52.9
percent change		2.4	7.3	6.8	6.4
Finance, Insurance, & Real Estate					
(\$ thousands)	235.2	251.2	263.6	273.7	282.2
(\$ 2000 thousands)	240.0	251.2	256.7	259.1	263.4
percent change		4.6	2.2	0.9	1.6
Professional & Business Services					
(\$ thousands)	66.7	68.4	70.7	74.5	77.8
(\$ 2000 thousands)	69.3	68.4	68.8	71.8	74.3
percent change		-1.3	0.5	4.5	3.5
Educational & Health Services					
(\$ thousands)	42.9	44.9	47.3	49.3	51.3
(\$ 2000 thousands)	44.6	44.9	44.7	44.9	45.0
percent change		0.6	-0.3	0.2	0.4
Leisure & Hospitality Services					
(\$ thousands)	28.4	29.5	30.0	31.9	32.6
(\$ 2000 thousands)	29.4	29.5	28.9	29.5	29.6
percent change		0.5	-2.2	2.2	0.3
Other Services *					
(\$ thousands)	42.8	44.3	45.9	46.9	48.7
(\$ 2000 thousands)	45.1	44.3	42.8	41.6	41.6
percent change		-1.8	-3.4	-2.9	0.0

Source: U.S. Bureau of Economic Analysis, Georgia State University Economic Forecasting Center; UCSB Economic Forecast Project.
 * Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

2004	2005	2006	2007	2008	2009	2010
		<i>estimated</i>	<i>forecast</i>			
238.6	258.6	276.7	292.7	306.5	320.9	336.0
256.7	272.7	287.4	301.5	312.9	324.8	337.2
15.7	6.2	5.4	4.9	3.8	3.8	3.8
120.1	126.4	133.5	137.2	140.6	143.9	147.2
110.4	111.2	112.7	114.0	115.3	116.6	117.8
1.9	0.7	1.4	1.1	1.2	1.1	1.0
121.6	130.2	138.2	142.2	149.3	156.8	164.7
116.6	120.5	124.4	126.7	131.5	136.5	141.7
3.7	3.3	3.3	1.8	3.8	3.8	3.8
54.6	58.8	62.9	66.0	69.0	72.1	75.3
55.7	58.0	60.1	61.9	63.5	65.2	66.9
5.4	4.1	3.6	3.1	2.6	2.6	2.6
298.9	310.4	323.3	338.4	353.9	370.2	387.2
271.5	274.5	277.0	282.2	287.5	292.9	298.3
3.1	1.1	0.9	1.9	1.9	1.9	1.9
81.0	85.6	91.2	96.1	101.3	106.8	112.6
77.1	78.9	80.6	82.2	83.8	85.5	87.2
3.8	2.3	2.1	2.0	2.0	2.0	2.0
53.5	55.8	58.7	61.2	63.7	66.3	69.0
45.5	45.8	46.1	46.7	47.3	47.9	48.6
1.0	0.6	0.8	1.3	1.3	1.3	1.3
33.8	35.0	36.6	37.8	39.0	40.2	41.4
29.8	29.8	29.8	29.9	30.0	30.1	30.2
0.4	0.1	0.1	0.3	0.3	0.3	0.3
51.9	53.7	55.7	57.0	58.3	59.6	60.9
42.0	42.0	41.8	41.6	41.4	41.2	41.0
1.0	0.1	-0.5	-0.6	-0.5	-0.5	-0.5

TABLE 32: UNITED STATES EMPLOYMENT BY SECTOR

	1999	2000	2001	2002	2003
millions of jobs					
Total, All Sectors	133.5	136.9	136.9	136.5	137.7
percent change	1.5	2.5	0.0	-0.3	0.9
Sub-total, All Non-Farm Sectors	129.0	131.8	131.8	130.3	130.0
percent change	2.4	2.2	0.0	-1.1	-0.3
Sub-total, All Private Sectors	113.2	116.1	115.8	115.0	116.2
percent change	1.5	2.6	-0.3	-0.7	1.0
Public Sector	20.3	20.8	21.1	21.5	21.6
percent change	2.0	2.4	1.6	1.8	0.3
Agricultural Production	4.5	5.1	5.1	6.1	7.7
percent change	-18.8	13.4	-0.0	20.2	26.0
Mining & Quarrying	0.6	0.6	0.6	0.6	0.6
percent change	-7.4	0.0	1.7	-4.1	-1.7
Construction	6.5	6.8	6.8	6.7	6.7
percent change	6.5	3.7	0.6	-1.6	0.2
Manufacturing	17.3	17.3	16.4	15.3	14.5
percent change	-1.3	-0.3	-4.8	-7.2	-4.9
Durables Manufacturing	10.8	10.9	10.3	9.5	9.0
percent change	-0.7	0.4	-5.0	-8.2	-5.5
Non-durables Manufacturing	6.5	6.4	6.1	5.8	5.5
percent change	-2.3	-1.6	-4.4	-5.4	-4.0
Information Services	2.4	2.6	2.6	2.4	2.3
percent change	7.9	7.6	0.5	-6.7	-6.9
Transportation, Warehousing, & Utilities	4.9	5.0	5.0	4.8	4.8
percent change	2.7	2.2	-0.8	-3.1	-1.2
Wholesale Trade	5.9	5.9	5.8	5.7	5.6
percent change	1.7	0.7	-2.7	-2.1	-0.8
Retail Trade	15.0	15.3	15.2	15.0	14.9
percent change	2.5	2.1	-0.3	-1.4	-0.7
Finance, Insurance, & Real Estate	7.6	7.7	7.8	7.8	8.0
percent change	2.5	0.6	1.6	0.4	1.6
Professional & Business Services	16.0	16.7	16.5	16.0	16.0
percent change	5.3	4.5	-1.1	-3.1	0.1
Education & Health Services	14.8	15.1	15.6	16.2	16.6
percent change	2.4	2.1	3.5	3.6	2.4
Leisure & Hospitality Services	11.5	11.9	12.0	12.0	12.2
percent change	2.8	2.7	1.5	-0.4	1.6
Other Services *	5.1	5.2	5.3	5.4	5.4
percent change	2.3	1.6	1.8	2.2	0.5

Source: Georgia State University Economic Forecasting Center

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	139.2	141.7	144.4	145.7	147.4	149.0	150.6
	1.1	1.8	1.9	0.9	1.1	1.1	1.1
	131.4	133.5	135.6	137.0	138.5	140.0	141.5
	1.1	1.5	1.6	1.0	1.1	1.1	1.1
	117.6	119.9	122.1	123.3	124.8	126.3	127.9
	1.3	1.9	1.9	0.9	1.2	1.2	1.2
	21.6	21.8	22.2	22.5	22.6	22.7	22.8
	0.2	0.9	2.0	1.1	0.4	0.4	0.4
	7.8	8.3	8.8	8.8	8.9	9.0	9.1
	1.1	5.6	6.8	-0.5	1.2	1.2	1.2
	0.6	0.6	0.7	0.7	0.7	0.6	0.6
	3.5	5.5	7.6	3.0	-5.4	-5.4	-5.4
	7.0	7.3	7.4	7.3	7.4	7.4	7.4
	3.7	4.3	1.1	-0.3	0.4	0.4	0.4
	14.3	14.2	14.2	14.0	13.9	13.8	13.6
	-1.3	-0.5	-0.1	-1.8	-0.8	-0.8	-0.8
	8.9	9.0	8.9	8.8	8.7	8.7	8.7
	-0.4	0.3	-0.1	-1.9	-0.4	-0.4	-0.4
	5.4	5.3	5.3	5.2	5.1	5.1	5.0
	-2.8	-2.0	0.0	-1.7	-1.4	-1.4	-1.4
	2.2	2.2	2.3	2.4	2.4	2.4	2.5
	-2.5	-2.2	6.3	2.8	1.6	1.6	1.6
	4.8	4.9	4.9	5.0	5.1	5.1	5.2
	1.0	2.0	0.8	1.2	1.1	1.2	1.2
	5.7	5.7	5.8	5.8	5.7	5.7	5.7
	0.9	1.5	0.6	-0.3	-0.6	-0.6	-0.6
	15.1	15.3	15.5	15.7	15.9	16.1	16.3
	1.0	1.3	1.5	1.3	1.4	1.4	1.4
	8.0	8.1	8.2	8.1	8.2	8.3	8.4
	0.7	1.4	0.1	-0.2	1.0	1.0	1.0
	16.4	16.9	17.6	18.1	18.7	19.2	19.8
	2.5	3.0	4.4	3.0	2.9	2.9	2.9
	17.0	17.3	17.8	18.1	18.5	18.9	19.3
	2.2	2.3	2.4	1.7	2.2	2.2	2.2
	12.5	12.8	13.1	13.3	13.5	13.6	13.8
	2.6	2.4	2.2	1.7	1.2	1.2	1.2
	5.4	5.4	5.5	5.5	5.6	5.7	5.7
	0.2	-0.4	1.3	1.6	1.2	1.2	1.2

TABLE 33: CALIFORNIA GROSS STATE PRODUCT BY SECTOR

	1999	2000	2001	2002	2003
billions of dollars					
Total, All Sectors					
(\$ billions)	1,183.6	1,291.1	1,307.9	1,363.6	1,438.1
(\$ 2000 billions)	1,200.6	1,291.1	1,288.8	1,324.3	1,369.2
percent change		7.5	-0.2	2.8	3.4
Sub-total, All Non-Farm Sectors					
(\$ billions)	1,165.3	1,272.1	1,290.4	1,344.8	1,417.3
(\$ 2000 billions)	1,183.5	1,272.1	1,272.2	1,305.2	1,350.0
percent change		7.5	0.0	2.6	3.4
Sub-total, All Private Sectors					
(\$ billions)	1,058.3	1,154.9	1,162.1	1,208.8	1,277.8
(\$ 2000 billions)	1,070.8	1,154.9	1,148.2	1,181.3	1,226.3
percent change		7.9	-0.6	2.9	3.8
Public Sector					
(\$ billions)	125.3	136.2	145.8	154.8	160.3
(\$ 2000 billions)	129.8	136.2	140.5	142.9	142.9
percent change		4.9	3.2	1.7	-0.0
Agricultural Production					
(\$ billions)	18.3	19.0	17.5	18.8	20.8
(\$ 2000 billions)	17.1	19.0	16.6	19.1	19.2
percent change		11.1	-12.7	15.0	0.6
Mining & Quarrying					
(\$ billions)	6.3	10.1	8.9	8.9	10.3
(\$ 2000 billions)	10.4	10.1	9.0	10.3	8.2
percent change		-2.5	-11.1	14.1	-20.5
Construction					
(\$ billions)	47.2	52.7	58.6	59.8	63.7
(\$ 2000 billions)	50.3	52.7	54.5	53.1	53.8
percent change		4.8	3.4	-2.5	1.4
Durables Manufacturing					
(\$ billions)	111.0	129.0	100.8	96.2	101.7
(\$ 2000 billions)	97.6	129.0	113.8	113.6	126.6
percent change		32.2	-11.8	-0.2	11.4
Non-Durables Manufacturing					
(\$ billions)	49.2	54.2	54.0	53.9	60.0
(\$ 2000 billions)	51.8	54.2	50.0	52.6	55.0
percent change		4.6	-7.6	5.1	4.6

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	1,543.8	1,657.5	1,781.5	1,881.4	1,983.6	2,088.9	2,197.6
	1,432.9	1,489.0	1,546.5	1,599.8	1,652.0	1,703.7	1,755.1
	4.6	3.9	3.9	3.4	3.3	3.1	3.0
	1,521.5	1,634.1	1,757.4	1,856.7	1,958.2	2,062.7	2,170.6
	1,411.2	1,466.3	1,523.1	1,575.9	1,627.6	1,678.7	1,729.6
	4.5	3.9	3.9	3.5	3.3	3.1	3.0
	1,371.7	1,476.6	1,590.3	1,681.6	1,777.5	1,876.4	1,978.4
	1,289.5	1,343.3	1,397.0	1,446.7	1,497.0	1,546.9	1,596.3
	5.2	4.2	4.0	3.6	3.5	3.3	3.2
	172.1	181.0	191.2	199.8	206.2	212.5	219.2
	143.3	145.7	149.5	153.1	155.0	156.8	158.8
	0.3	1.7	2.6	2.4	1.3	1.2	1.3
	22.4	23.4	24.1	24.7	25.5	26.2	27.0
	21.7	22.8	23.4	23.9	24.5	25.0	25.5
	12.9	5.1	2.9	2.0	2.3	2.2	2.1
	11.0	13.3	15.1	15.7	16.4	16.9	17.3
	9.4	10.2	10.9	11.5	12.1	12.5	12.8
	14.7	8.9	7.1	5.5	5.2	3.1	3.0
	68.3	74.4	82.9	90.5	100.0	110.6	120.9
	59.2	63.4	67.4	71.4	75.9	80.7	84.8
	9.9	7.2	6.3	5.9	6.3	6.4	5.1
	109.2	120.6	131.0	136.3	140.7	145.2	149.8
	139.0	144.7	150.3	156.5	161.5	166.7	172.0
	9.8	4.1	3.9	4.1	3.2	3.2	3.2
	64.4	68.2	72.3	75.4	78.6	81.9	85.3
	56.5	57.7	59.7	61.7	63.7	65.7	67.7
	2.7	2.2	3.5	3.3	3.3	3.2	3.1

TABLE 34: CALIFORNIA GROSS STATE PRODUCT BY SECTOR - CONTINUED

	1999	2000	2001	2002	2003
billions of dollars					
Information Services					
(\$ billions)	75.3	81.5	82.5	81.3	87.3
(\$ 2000 billions)	76.1	81.5	81.5	80.4	85.5
percent change		7.1	0.1	-1.4	6.2
Transportation, Warehousing, and Utilities					
(\$ billions)	49.6	51.3	46.9	55.0	57.9
(\$ 2000 billions)	49.2	51.3	44.8	52.4	55.1
percent change		4.3	-12.5	16.9	5.2
Wholesale Trade					
(\$ billions)	71.8	74.5	77.2	79.6	81.9
(\$ 2000 billions)	73.9	74.5	80.5	81.9	80.1
percent change		0.8	8.1	1.7	-2.2
Retail Trade					
(\$ billions)	83.0	89.2	93.1	101.4	104.5
(\$ 2000 billions)	82.8	89.2	95.3	101.7	106.9
percent change		7.6	7.0	6.6	5.1
Finance, Insurance, & Real Estate					
(\$ billions)	247.1	263.7	285.5	303.5	322.5
(\$ 2000 billions)	252.9	263.7	277.5	286.5	299.9
percent change		4.3	5.2	3.2	4.6
Professional & Business Services					
(\$ billions)	161.1	181.0	175.3	174.7	181.1
(\$ 2000 billions)	167.5	181.0	170.5	168.4	172.8
percent change		8.1	-5.8	-1.2	2.6
Educational & Health Services					
(\$ billions)	67.8	72.4	80.2	88.7	95.0
(\$ 2000 billions)	70.4	72.4	76.0	80.9	83.8
percent change		2.8	5.0	6.4	3.5
Leisure & Hospitality Services					
(\$ billions)	42.8	46.6	49.2	53.1	55.7
(\$ 2000 billions)	44.4	46.6	47.2	49.0	50.5
percent change		5.0	1.3	3.8	3.0
Other Services *					
(\$ billions)	27.7	29.9	32.5	34.0	35.5
(\$ 2000 billions)	29.2	29.9	30.3	30.1	30.3
percent change		2.5	1.3	-0.5	0.6

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	93.7	98.9	106.9	114.4	121.8	129.6	137.7
	92.2	95.3	101.5	107.7	113.7	119.9	126.3
	7.9	3.3	6.6	6.1	5.6	5.5	5.4
	62.1	67.1	73.1	77.7	82.5	87.5	92.8
	57.8	59.7	62.4	65.3	68.5	71.7	75.1
	4.8	3.3	4.6	4.6	4.9	4.8	4.7
	87.9	94.3	99.0	102.5	106.1	109.5	112.4
	82.8	85.6	87.6	89.6	91.7	93.6	94.9
	3.4	3.5	2.2	2.3	2.4	2.0	1.4
	112.1	121.6	129.8	136.6	143.9	150.7	157.7
	109.0	114.2	118.2	122.1	126.3	129.9	133.4
	2.0	4.7	3.5	3.4	3.4	2.8	2.7
	346.2	374.8	401.8	425.4	450.4	476.9	505.0
	314.6	331.6	344.4	354.8	365.9	377.4	389.1
	4.9	5.4	3.9	3.0	3.1	3.1	3.1
	194.4	207.7	224.9	239.1	254.6	270.5	287.3
	177.3	183.3	190.2	195.7	201.7	207.2	213.0
	2.6	3.4	3.7	2.9	3.1	2.8	2.8
	102.0	108.5	117.7	125.7	133.8	142.4	151.2
	87.1	89.5	93.1	96.5	100.0	103.6	106.9
	4.0	2.8	3.9	3.7	3.6	3.5	3.3
	59.8	64.0	69.3	73.5	77.4	81.4	85.5
	52.5	54.3	56.4	58.1	59.5	60.9	62.2
	4.0	3.5	3.8	3.1	2.4	2.3	2.2
	38.1	39.9	42.3	44.1	45.5	47.0	48.6
	30.7	31.0	31.6	32.0	32.1	32.3	32.4
	1.2	1.1	1.8	1.3	0.5	0.5	0.5

TABLE 35: CALIFORNIA IMPLICIT PRICE DEFLATOR BY SECTOR

	1999	2000	2001	2002	2003
Index: 2000 = 100					
Total, All Sectors	98.6	100.0	101.5	103.0	105.0
percent change		1.4	1.5	1.5	2.0
Sub-total, All Non-farm Sectors	98.5	100.0	101.4	103.0	105.0
percent change		1.6	1.4	1.6	1.9
Sub-total, All Private Sectors	98.8	100.0	101.2	102.3	104.2
percent change		1.2	1.2	1.1	1.8
Public Sector	96.5	100.0	103.7	108.3	112.2
percent change		3.6	3.7	4.4	3.6
Agricultural Production	107.0	100.0	105.5	98.3	108.6
percent change		-6.5	5.5	-6.8	10.5
Mining & Quarrying	60.5	100.0	99.3	86.8	125.8
percent change		65.2	-0.7	-12.6	45.0
Construction	93.8	100.0	107.5	112.7	118.2
percent change		6.6	7.5	4.8	4.9
Manufacturing	107.3	100.0	94.5	90.3	89.1
percent change		-6.8	-5.5	-4.5	-1.4
Durables Manufacturing	113.8	100.0	88.6	84.7	80.3
percent change		-12.1	-11.4	-4.4	-5.1
Non-durables Manufacturing	95.1	100.0	108.0	102.5	109.2
percent change		5.2	8.0	-5.1	6.5
Information Services	99.1	100.0	101.2	101.1	102.2
percent change		1.0	1.2	-0.1	1.1
Transportation, Warehousing, & Utilities	101.0	100.0	104.5	104.9	105.0
percent change		-0.9	4.5	0.4	0.0
Wholesale Trade	97.2	100.0	95.9	97.2	102.3
percent change		2.8	-4.1	1.4	5.2
Retail Trade	100.3	100.0	97.6	99.7	97.7
percent change		-0.3	-2.4	2.2	-2.0
Finance, Insurance, & Real Estate	97.7	100.0	102.9	105.9	107.5
percent change		2.3	2.9	3.0	1.5
Professional & Business Services	96.1	100.0	102.8	103.7	104.8
percent change		4.0	2.8	0.9	1.0
Education & Health Services	96.2	100.0	105.4	109.6	113.4
percent change		3.9	5.4	3.9	3.5
Leisure & Hospitality Services	96.5	100.0	104.1	108.3	110.4
percent change		3.7	4.1	4.0	1.9
Other Services *	94.8	100.0	107.2	112.8	117.2
percent change		5.4	7.2	5.3	3.8

Source: U.S. Bureau of Economic Analysis, UCSB Economic Forecast Project

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

2004	2005	2006	2007	2008	2009	2010
		<i>estimated</i>	<i>forecast</i>			
107.7	111.3	115.2	117.6	120.1	122.6	125.2
2.6	3.3	3.5	2.1	2.1	2.1	2.1
107.8	111.4	115.4	117.8	120.3	122.9	125.5
2.7	3.4	3.5	2.1	2.1	2.1	2.1
106.4	109.9	113.8	116.2	118.7	121.3	123.9
2.1	3.3	3.6	2.1	2.2	2.2	2.2
120.1	124.2	127.9	130.6	133.0	135.5	138.1
7.0	3.4	3.0	2.1	1.9	1.9	1.9
103.3	102.9	102.8	103.3	104.1	105.0	105.8
-4.9	-0.4	-0.1	0.5	0.8	0.8	0.8
117.8	131.1	138.3	136.8	136.0	135.3	134.6
-6.4	11.3	5.5	-1.1	-0.5	-0.5	-0.5
115.5	117.3	123.0	126.8	131.8	137.1	142.5
-2.3	1.6	4.9	3.1	4.0	4.0	4.0
88.8	93.3	96.8	97.0	97.4	97.7	98.1
-0.3	5.0	3.8	0.2	0.4	0.3	0.3
78.5	83.3	87.2	87.1	87.1	87.1	87.1
-2.3	6.1	4.6	-0.1	-0.0	-0.0	-0.0
114.1	118.1	121.1	122.2	123.5	124.7	125.9
4.6	3.5	2.5	1.0	1.0	1.0	1.0
101.7	103.8	105.4	106.2	107.2	108.1	109.0
-0.5	2.1	1.5	0.8	0.9	0.9	0.9
107.5	112.4	117.0	119.0	120.5	122.0	123.5
2.4	4.5	4.2	1.7	1.2	1.2	1.2
106.2	110.1	113.1	114.4	115.7	117.1	118.4
3.9	3.6	2.7	1.1	1.2	1.2	1.2
102.8	106.5	109.8	111.9	113.9	116.1	118.2
5.2	3.5	3.2	1.8	1.9	1.9	1.9
110.1	113.0	116.7	119.9	123.1	126.4	129.8
2.3	2.7	3.2	2.7	2.7	2.7	2.7
109.7	113.3	118.3	122.2	126.3	130.5	134.9
4.7	3.3	4.4	3.3	3.4	3.4	3.4
117.1	121.2	126.5	130.2	133.8	137.5	141.4
3.2	3.5	4.4	3.0	2.8	2.8	2.8
114.0	117.9	123.0	126.6	130.1	133.7	137.5
3.2	3.4	4.3	2.9	2.8	2.8	2.8
124.3	128.5	134.0	137.9	141.8	145.8	149.8
6.1	3.4	4.3	2.9	2.8	2.8	2.8

TABLE 36: CALIFORNIA GROSS LABOR PRODUCTIVITY BY SECTOR

	1999	2000	2001	2002	2003
thousands of dollars					
Total, All Sectors					
(\$ thousands)	82.2	86.7	87.3	91.9	97.4
(\$ 2000 thousands)	83.4	86.7	86.0	89.3	92.7
percent change		3.9	-0.7	3.8	3.8
Sub-total, All Non-Farm Sectors					
(\$ thousands)	83.3	87.8	88.4	93.0	98.5
(\$ 2000 thousands)	84.6	87.8	87.1	90.3	93.8
percent change		3.8	-0.8	3.6	3.9
Sub-total, All Private Sectors					
(\$ thousands)	87.1	91.8	92.2	97.6	103.5
(\$ 2000 thousands)	88.1	91.8	91.1	95.4	99.3
percent change		4.2	-0.7	4.7	4.1
Public Sector					
(\$ thousands)	55.9	58.8	61.2	63.3	66.1
(\$ 2000 thousands)	58.0	58.8	59.0	58.4	58.9
percent change		1.4	0.4	-1.0	0.9
Agricultural Production					
(\$ thousands)	45.3	46.5	46.1	50.3	55.2
(\$ 2000 thousands)	42.3	46.5	43.7	51.2	50.9
percent change		9.9	-6.0	17.1	-0.7
Mining & Quarrying					
(\$ thousands)	238.6	381.9	395.5	438.5	521.7
(\$ 2000 thousands)	394.2	381.9	398.4	505.2	414.6
percent change		-3.1	4.3	26.8	-17.9
Construction					
(\$ thousands)	69.1	72.1	75.1	77.3	79.9
(\$ 2000 thousands)	73.6	72.1	69.9	68.6	67.6
percent change		-2.1	-3.0	-1.9	-1.4
Durables Manufacturing					
(\$ thousands)	93.7	106.4	85.9	90.9	103.0
(\$ 2000 thousands)	82.4	106.4	97.0	107.4	128.3
percent change		29.1	-8.9	10.7	19.5
Non-Durables Manufacturing					
(\$ thousands)	76.3	83.9	87.6	92.1	106.0
(\$ 2000 thousands)	80.2	83.9	81.1	89.9	97.1
percent change		4.7	-3.4	10.8	8.1

Source: U.S. Bureau of Economic Analysis, CA Employment Development Department, UCSB Economic Forecast Project.

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	103.6	109.3	115.6	120.4	125.3	130.2	135.4
	96.2	98.2	100.3	102.4	104.3	106.2	108.2
	3.7	2.1	2.2	2.1	1.9	1.8	1.8
	104.7	110.5	116.9	121.8	126.7	131.7	137.0
	97.1	99.2	101.3	103.4	105.3	107.2	109.2
	3.5	2.1	2.2	2.1	1.8	1.8	1.8
	109.7	115.8	122.6	127.8	133.1	138.6	144.4
	103.1	105.4	107.7	109.9	112.1	114.3	116.5
	3.8	2.2	2.2	2.1	2.0	1.9	1.9
	71.8	75.0	78.5	81.3	83.1	85.0	86.9
	59.8	60.4	61.3	62.3	62.5	62.7	62.9
	1.5	0.9	1.6	1.5	0.4	0.3	0.4
	60.5	62.3	63.4	64.9	66.7	68.4	70.2
	58.6	60.6	61.7	62.8	64.0	65.2	66.3
	15.3	3.3	1.9	1.8	1.9	1.8	1.7
	540.6	634.6	701.0	725.3	755.0	770.5	785.6
	459.1	484.3	507.1	530.4	555.1	569.5	583.7
	10.7	5.5	4.7	4.6	4.7	2.6	2.5
	80.4	82.5	88.1	93.6	100.4	107.9	115.7
	69.6	70.3	71.6	73.8	76.2	78.7	81.2
	2.9	1.1	1.8	3.1	3.2	3.3	3.2
	111.9	124.6	136.6	143.1	148.8	154.8	161.0
	142.5	149.5	156.6	164.3	170.9	177.7	184.8
	11.1	4.9	4.8	4.9	4.0	4.0	4.0
	115.6	125.1	133.4	140.1	147.0	154.1	161.4
	101.3	105.9	110.2	114.6	119.1	123.6	128.2
	4.3	4.6	4.0	4.0	3.9	3.8	3.7

TABLE 37: CALIFORNIA GROSS LABOR PRODUCTIVITY BY SECTOR - CONTINUED

	1999	2000	2001	2002	2003
thousands of dollars					
Information Services					
(\$ thousands)	145.6	141.5	149.7	163.5	183.4
(\$ 2000 thousands)	147.0	141.5	147.9	161.7	179.5
percent change		-3.7	4.5	9.4	11.0
Transportation, Warehousing, and Utilities					
(\$ thousands)	97.7	99.1	91.2	112.0	120.4
(\$ 2000 thousands)	96.8	99.1	87.3	106.8	114.7
percent change		2.4	-11.9	22.3	7.4
Wholesale Trade					
(\$ thousands)	114.3	115.4	117.2	122.0	126.1
(\$ 2000 thousands)	117.6	115.4	122.2	125.5	123.3
percent change		-1.8	5.9	2.7	-1.8
Retail Trade					
(\$ thousands)	55.0	57.2	59.1	64.1	65.8
(\$ 2000 thousands)	54.9	57.2	60.5	64.2	67.3
percent change		4.2	5.9	6.1	4.7
Finance, Insurance, & Real Estate					
(\$ thousands)	311.6	331.6	341.8	355.8	364.0
(\$ 2000 thousands)	318.8	331.6	332.2	335.9	338.5
percent change		4.0	0.2	1.1	0.8
Professional & Business Services					
(\$ thousands)	76.0	80.6	80.4	82.9	87.3
(\$ 2000 thousands)	79.1	80.6	78.2	79.9	83.4
percent change		2.0	-3.0	2.2	4.3
Educational & Health Services					
(\$ thousands)	49.5	51.8	55.4	59.2	61.8
(\$ 2000 thousands)	51.5	51.8	52.6	54.0	54.5
percent change		0.6	1.5	2.8	1.0
Leisure & Hospitality Services					
(\$ thousands)	33.0	35.0	36.1	38.4	39.8
(\$ 2000 thousands)	34.2	35.0	34.6	35.5	36.1
percent change		2.2	-1.0	2.4	1.7
Other Services *					
(\$ thousands)	58.5	61.5	65.0	67.3	70.4
(\$ 2000 thousands)	61.7	61.5	60.7	59.6	60.1
percent change		-0.4	-1.2	-1.8	0.8

Source: U.S. Bureau of Economic Analysis, CA Employment Development Department, UCSB Economic Forecast Project.

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	194.4	208.2	221.2	232.9	244.8	257.0	269.6
	191.2	200.5	210.0	219.2	228.4	237.8	247.3
	6.5	4.9	4.7	4.4	4.2	4.1	4.0
	128.6	137.7	148.2	155.5	162.8	170.3	177.9
	119.7	122.6	126.6	130.7	135.1	139.6	144.0
	4.4	2.4	3.3	3.2	3.4	3.3	3.2
	134.2	140.1	145.2	148.6	151.8	154.5	157.3
	126.3	127.2	128.4	129.9	131.2	132.0	132.8
	2.5	0.7	0.9	1.2	1.0	0.6	0.6
	69.3	73.5	77.4	80.3	83.3	86.4	89.5
	67.4	69.1	70.5	71.8	73.1	74.4	75.7
	0.2	2.4	2.0	1.9	1.9	1.8	1.8
	383.7	404.4	426.6	446.2	466.4	487.5	509.5
	348.7	357.7	365.6	372.2	378.9	385.7	392.6
	3.0	2.6	2.2	1.8	1.8	1.8	1.8
	93.2	96.7	101.8	105.7	109.8	114.0	118.5
	85.0	85.4	86.1	86.5	86.9	87.4	87.8
	2.0	0.4	0.8	0.5	0.5	0.5	0.5
	65.4	68.5	72.9	76.6	80.3	84.1	88.1
	55.8	56.5	57.6	58.8	60.0	61.1	62.3
	2.4	1.2	2.0	2.1	2.0	1.9	1.9
	41.6	43.4	45.8	47.6	49.2	50.9	52.6
	36.5	36.8	37.2	37.6	37.8	38.1	38.3
	1.2	1.0	1.1	0.9	0.7	0.6	0.5
	75.7	78.1	82.1	85.1	87.4	89.8	92.2
	60.9	60.7	61.2	61.7	61.6	61.6	61.6
	1.3	-0.2	0.8	0.7	-0.1	-0.1	-0.1

TABLE 38: CALIFORNIA EMPLOYMENT BY SECTOR

	1999	2000	2001	2002	2003
thousands of jobs					
Total, All Sectors	14,395.8	14,896.7	14,981.5	14,830.5	14,769.7
percent change	2.8	3.5	0.6	-1.0	-0.4
Sub-total, All Non-Farm Sectors	13,991.8	14,488.2	14,602.0	14,457.8	14,392.3
percent change	2.9	3.5	0.8	-1.0	-0.5
Sub-total, All Private Sectors	12,156.5	12,578.6	12,599.4	12,383.4	12,344.1
percent change	2.7	3.5	0.2	-1.7	-0.3
Public Sector	2,239.3	2,318.1	2,382.1	2,447.1	2,425.5
percent change	3.4	3.5	2.8	2.7	-0.9
Agricultural Production	404.0	408.5	379.5	372.7	377.4
percent change	-0.5	1.1	-7.1	-1.8	1.3
Mining & Quarrying	26.3	26.5	22.6	20.3	19.7
percent change	-4.3	0.7	-14.7	-10.0	-3.2
Construction	682.9	731.0	779.8	774.4	796.8
percent change	11.2	7.1	6.7	-0.7	2.9
Manufacturing	1,829.9	1,857.5	1,790.2	1,643.1	1,553.0
percent change	-1.5	1.5	-3.6	-8.2	-5.5
Durables Manufacturing	1,184.0	1,212.1	1,173.5	1,058.3	986.9
percent change	-1.9	2.4	-3.2	-9.8	-6.7
Non-durables Manufacturing	645.9	645.4	616.8	584.8	566.1
percent change	-0.7	-0.1	-4.4	-5.2	-3.2
Information Services	517.4	575.4	551.5	497.3	476.2
percent change	7.2	11.2	-4.2	-9.8	-4.2
Transportation, Warehousing, & Utilities	508.0	517.2	513.7	491.0	480.6
percent change	2.2	1.8	-0.7	-4.4	-2.1
Wholesale Trade	628.2	644.9	658.5	652.1	649.5
percent change	2.3	2.7	2.1	-1.0	-0.4
Retail Trade	1,508.9	1,559.4	1,575.0	1,582.2	1,588.4
percent change	2.4	3.3	1.0	0.5	0.4
Finance, Insurance, & Real Estate	793.2	795.1	835.4	853.0	885.8
percent change	2.5	0.2	5.1	2.1	3.8
Professional & Business Services	2,119.2	2,246.0	2,180.4	2,107.8	2,073.3
percent change	4.0	6.0	-2.9	-3.3	-1.6
Education & Health Services	1,368.3	1,398.0	1,446.9	1,498.8	1,536.4
percent change	2.9	2.2	3.5	3.6	2.5
Leisure & Hospitality Services	1,297.1	1,332.6	1,364.1	1,382.4	1,400.2
percent change	2.7	2.7	2.4	1.3	1.3
Other Services *	473.2	486.7	499.0	505.7	504.3
percent change	2.9	2.9	2.5	1.3	-0.3

Source: CA Employment Development Department, UCSB Economic Forecast Project

* Other Services include Repair & Maintenance, Personal & Laundry, Civic & Professional Organizations, and Household Production.

	2004	2005	2006	2007	2008	2009	2010
			<i>estimated</i>	<i>forecast</i>			
	14,899.8	15,161.1	15,412.8	15,620.3	15,836.5	16,040.5	16,228.2
	0.9	1.8	1.7	1.3	1.4	1.3	1.2
	14,530.4	14,785.2	15,033.1	15,239.8	15,454.5	15,657.0	15,843.3
	1.0	1.8	1.7	1.4	1.4	1.3	1.2
	12,504.3	12,747.2	12,975.6	13,161.8	13,356.7	13,539.3	13,705.3
	1.3	1.9	1.8	1.4	1.5	1.4	1.2
	2,395.5	2,413.9	2,437.2	2,458.5	2,479.7	2,501.2	2,522.9
	-1.2	0.8	1.0	0.9	0.9	0.9	0.9
	369.4	375.8	379.7	380.5	382.0	383.5	385.0
	-2.1	1.7	1.0	0.2	0.4	0.4	0.4
	20.4	21.0	21.5	21.7	21.8	21.9	22.0
	3.6	3.2	2.2	0.8	0.5	0.5	0.5
	850.4	901.8	941.4	967.0	995.9	1,025.6	1,044.6
	6.7	6.1	4.4	2.7	3.0	3.0	1.9
	1,533.1	1,512.7	1,501.7	1,490.9	1,480.2	1,469.6	1,459.1
	-1.3	-1.3	-0.7	-0.7	-0.7	-0.7	-0.7
	975.6	967.9	959.6	952.5	945.2	937.9	930.7
	-1.1	-0.8	-0.9	-0.7	-0.8	-0.8	-0.8
	557.4	544.8	542.1	538.3	535.0	531.7	528.4
	-1.5	-2.3	-0.5	-0.7	-0.6	-0.6	-0.6
	482.4	475.0	483.5	491.3	497.7	504.1	510.7
	1.3	-1.5	1.8	1.6	1.3	1.3	1.3
	482.8	487.1	493.2	499.8	506.9	514.1	521.4
	0.4	0.9	1.2	1.3	1.4	1.4	1.4
	655.1	673.1	682.1	689.5	699.2	709.0	714.9
	0.9	2.7	1.3	1.1	1.4	1.4	0.8
	1,617.8	1,654.2	1,677.2	1,701.3	1,727.5	1,744.3	1,761.3
	1.8	2.3	1.4	1.4	1.5	1.0	1.0
	902.2	926.8	942.1	953.4	965.8	978.4	991.1
	1.8	2.7	1.6	1.2	1.3	1.3	1.3
	2,085.1	2,147.7	2,209.3	2,261.8	2,319.6	2,372.0	2,425.7
	0.6	3.0	2.9	2.4	2.6	2.3	2.3
	1,560.0	1,584.5	1,614.4	1,640.5	1,666.9	1,693.8	1,716.4
	1.5	1.6	1.9	1.6	1.6	1.6	1.3
	1,439.4	1,474.4	1,513.9	1,546.1	1,572.4	1,599.1	1,626.3
	2.8	2.4	2.7	2.1	1.7	1.7	1.7
	503.9	510.7	515.5	518.2	521.1	524.0	526.9
	-0.1	1.4	0.9	0.5	0.6	0.6	0.6

TABLE 39: LOS ANGELES COUNTY FORECAST OVERVIEW

	1995	1996	1997	1998	1999	2000	2001
Output							
Gross County Product (\$ billions)	253.6	265.6	284.4	307.8	325.2	348.7	366.0
Gross County Product (\$ 2000 billions)	277.1	284.8	298.8	318.7	332.4	348.7	358.6
percent change	3.1	2.8	4.9	6.7	4.3	4.9	2.8
Per Capita Gross County Product (\$ thousands)	27.9	29.2	31.1	33.4	34.9	36.8	37.9
Per Capita Gross County Product (\$ 2000 thousands)	30.4	31.3	32.7	34.5	35.6	36.8	37.1
percent change	3.0	2.8	4.4	5.8	3.2	3.2	1.0
Employment							
Unemployment Rate	8.1	8.3	6.9	6.6	5.9	5.4	5.7
Establishment Survey Employment (thousands of jobs)	3,754.5	3,795.7	3,872.0	3,951.2	4,010.2	4,079.8	4,082.0
percent change	1.2	1.1	2.0	2.1	1.5	1.7	0.1
Population							
Population, Jan. 1, (thousands)	9,103.9	9,104.7	9,147.1	9,225.8	9,330.1	9,487.4	9,662.9
percent change	0.1	0.0	0.5	0.9	1.1	1.7	1.9
Income							
Personal Income (\$ billions)	213.1	222.8	232.4	253.5	264.0	279.1	294.5
Personal Income (\$ 2000 billions)	236.3	242.9	249.2	268.0	272.7	279.1	284.9
percent change	2.0	2.8	2.6	7.6	1.7	2.3	2.1
Retail Sales							
Taxable Sales (\$ billions)	79.1	82.6	86.4	90.2	97.3	106.7	107.4
Taxable Sales (\$ 2000 billions)	87.7	90.1	92.6	95.4	100.5	106.7	103.9
percent change	1.2	2.7	2.9	2.9	5.4	6.1	-2.6
Per Capita Taxable Sales (\$ thousands)	8.7	9.1	9.4	9.8	10.4	11.2	11.1
Per Capita Taxable Sales (\$ 2000 thousands)	9.6	9.9	10.1	10.3	10.8	11.2	10.8
percent change	1.1	2.7	2.4	2.1	4.2	4.4	-4.3
Real Estate							
Median Home Price (\$ thousands) *	179.9	172.9	176.5	191.7	199.0	215.9	241.4
Median Home Price (\$ 2000 thousands)	199.5	188.5	189.3	202.7	205.5	215.9	233.5
percent change	-6.4	-5.5	0.4	7.1	1.4	5.0	8.2
Home Sales (percent change) *	-1.8	15.8	13.3	13.1	0.1	3.1	6.6
Building Activity							
Housing Units Permitted (thousands)	8,405	8,607	10,424	11,692	14,383	16,944	18,253
Per Capita Housing Permitted (per thousand people)	0.9	0.9	1.1	1.3	1.5	1.8	1.9
Non-Residential Building Value (\$ millions)	1,993.0	2,099.4	2,237.3	3,125.1	3,676.3	3,301.9	3,539.0
real percent change	-14.4	3.6	4.8	37.7	14.9	-13.1	3.7
Per Capita Non-Residential Building Value (\$)	218.9	230.6	244.6	338.7	394.0	348.0	366.2
real percent change	-14.5	3.6	4.3	36.5	13.7	-14.5	1.8

Sources: UCSB Economic Forecast Project, CA Employment Development Department, CA Department of Finance, CA Board of Equalization, California Association of Realtors, Construction Industry Research Board

* Existing single-family homes

2002	2003	2004	2005	2006	2007	2008	2009	2010
				<i>estimated</i>	<i>forecast</i>			
378.4	390.8	413.6	437.8	465.1	494.9	523.8	555.1	587.9
356.8	356.0	363.7	370.6	380.6	391.9	401.7	411.9	422.8
-0.5	-0.2	2.2	1.9	2.7	3.0	2.5	2.5	2.7
38.5	39.2	40.9	42.8	44.8	46.9	48.9	51.0	53.2
36.3	35.7	36.0	36.2	36.6	37.2	37.5	37.9	38.3
-2.2	-1.7	0.9	0.7	1.1	1.4	0.9	1.0	1.1
6.8	7.0	6.5	5.3	5.4	5.5	5.6	5.6	5.6
4,034.6	3,990.8	4,004.1	4,024.1	4,067.7	4,118.4	4,177.3	4,245.2	4,313.3
-1.2	-1.1	0.3	0.5	1.1	1.2	1.4	1.6	1.6
9,828.8	9,979.4	10,107.5	10,226.5	10,389.9	10,549.4	10,712.7	10,877.9	11,045.8
1.7	1.5	1.3	1.2	1.6	1.5	1.5	1.5	1.5
302.1	311.3	326.2	348.0	370.1	390.6	411.9	434.5	457.4
284.4	285.6	289.7	295.8	303.2	311.0	319.2	328.1	336.6
-0.2	0.4	1.4	2.1	2.5	2.6	2.6	2.8	2.6
108.8	113.7	122.5	131.1	139.4	147.1	155.2	163.7	172.6
102.4	104.3	108.8	111.4	114.2	117.1	120.3	123.6	127.0
-1.5	1.9	4.3	2.4	2.5	2.5	2.7	2.8	2.7
11.1	11.4	12.1	12.8	13.4	13.9	14.5	15.1	15.6
10.4	10.5	10.8	10.9	11.0	11.1	11.2	11.4	11.5
-3.2	0.4	3.0	1.2	0.9	1.0	1.1	1.2	1.2
290.0	355.3	446.4	529.0	594.8	654.0	709.8	768.3	831.4
273.0	326.1	396.4	449.6	487.2	520.6	550.0	580.0	611.7
16.9	19.4	21.6	13.4	8.4	6.9	5.6	5.5	5.5
8.3	4.3	-4.3	4.1	1.1	-0.5	-0.4	-0.2	0.9
19,039	20,649	26,615	25,270	23,224	22,848	21,337	20,139	19,841
1.9	2.1	2.6	2.5	2.2	2.2	2.0	1.9	1.8
2,757.3	2,818.3	3,104.6	3,609.5	3,791.4	3,934.6	4,093.4	4,368.0	4,611.0
-24.2	-0.4	6.6	11.3	1.2	0.8	1.3	4.0	2.9
280.5	282.4	307.2	353.0	364.9	373.0	382.1	401.6	417.4
-25.5	-1.9	5.2	10.0	-0.3	-0.7	-0.3	2.4	1.3

SANTA BARBARA BANK & TRUST

Santa Barbara Bank & Trust (“SBB&T”) is the **LARGEST INDEPENDENT BANK** serving customers on California’s Central Coast. Our 31 Santa Barbara and Ventura County branches are staffed by **EXPERIENCED EMPLOYEES** whose market knowledge, customer familiarity and local decisions provide a level of **RELATIONSHIP BANKING** that has set the standard for financial services providers in our communities for over 45 years.

SBB&T offers a wide selection of personal and business banking products and services that are competitive with larger financial institutions. Most important, we deliver this depth of capabilities with the **LEGENDARY CUSTOMER SERVICE** that continues to set us apart from our competitors.

The Bank remains true to its vision of being the **BANK OF CHOICE** on the Central Coast. This achievement results from a unique brand of customer service delivered by dedicated employees who are recognized for their **TEAM SPIRIT**, loyalty and expertise. SBB&T has long been committed to recruiting, retaining, and rewarding the most qualified people in its communities to provide exceptional banking to their friends and neighbors.

SBB&T and its employee team are **WIDELY RESPECTED** for their commitment to enhancing the economic vitality and social welfare of the communities we serve, forging the customer and **COMMUNITY PARTNERSHIPS** that result in the consistent growth of our company, the creation of **SHAREHOLDER VALUE**, and the preservation of the unique quality of life we all share along California’s Central Coast.

Santa Barbara Bank & Trust is a brand of Pacific Capital Bank, N.A. PCB, with \$6.9 billion in assets, is a nationally chartered financial services company that also operates under the highly respected brands of First National Bank of Central California, South Valley National Bank, San Benito Bank, First Bank of San Luis Obispo and Pacific Capital Bank.

On behalf of our entire employee team, we are once again **HONORED TO PARTNER WITH THE UCSB ECONOMIC FORECAST PROJECT** to deliver this important local economic analysis to our community.



KTMS AM 990 features top national personalities (Don Imus, Rush Limbaugh, Sean Hannity & Dr. Laura) plus the best locally-based talk show hosts in Santa Barbara (Russell Palmer and Paul Berenson). KTMS provides news and traffic around the clock. KTMS is there.

99.9 KTYD-FM is Santa Barbara's Heritage Rock radio station. KTYD reaches Santa Barbara's largest adult listening audience. No other radio station in Santa Barbara touches so wide an age group. KTYD continues to proudly serve the Santa Barbara community since 1973.

K-LITE 101.7 (KSBL-FM) is Santa Barbara's soft Rock station, delivering a larger female listening audience than any other Santa Barbara radio station. K-LITE is proudly committed to superior community service, involving countless Santa Barbara charities and local non-profit efforts.

KIST-AM 1340 is Santa Barbara's Progressive Talk radio station, featuring nationally syndicated personalities from the Air America network. AM 1340 serves Santa Barbara's liberally-minded constituents with progressive talk radio.

KSPE-FM 94.5, "La Preciosa," is Santa Barbara's radio station for Latino families looking for Mexican hit songs from the 70's, 80's and 90's. KSPE-FM 94.5 is the part of the growing La Preciosa network, which is now sixteen stations strong.

KBKO-AM 1490, "Radio Bronco," is Santa Barbara's original home to Regional Mexican music. Radio Bronco, Con Sabor A Mexico, is locally-based for over 15 years now. KBKO touches all Latino cultures in Santa Barbara.

KIST-FM 107.7 is Santa Barbara's New Rock Alternative radio station. Combining the newest in Alternative with Modern rock hits from the 90's, FM 1077 appeals to Santa Barbara's younger generation.



County of Santa Barbara
Auditor-Controller

County of Santa Barbara
Housing & Community Development

The County of Santa Barbara was established by an act of the State legislature on February 18, 1850. The County provides a wide range of services to its residents including public protection through sheriff, fire, district attorney, probation, child protection and courts, public and mental health services, public assistance programs, construction and maintenance of roads and bridges, environmental services, parks, and a variety of other governmental services. The county has a 4,600-person workforce that strives to provide these services in an effective and efficient manner.

Information provided by the UCSB Economic Forecast Project concerning current and projected economic conditions has proven extremely valuable to the County for strategic planning, and in preparing revenue forecasts and the annual budget. The County believes that participation in the Economic Forecast Project better enables it to serve the needs of its citizens in a progressive and informed manner.

Lead Sponsors



County of Santa Barbara Board of Supervisors

First District - Salud Carbajal
Second District - Susan Rose, Chair
Third District - Brooks Firestone
Fourth District - Joni Gray, Vice Chair
Fifth District - Joseph Centeno

The mission of the County of Santa Barbara's Housing and Community Development Department (HCD), working in cooperation with county citizens, cities, governmental entities, commercial interests and other valuable county stakeholders, is to:

Coordinate the development and implementation of regional strategic housing and community development processes that respect local needs, priorities and our natural environment, that lead to the development and maintenance of healthy and viable neighborhoods and an improved quality of life for all in our region. HCD will facilitate this community building effort by developing partnerships and strategies to create a full spectrum of housing and economic vitality; promoting advocacy & educational activities on well designed development initiatives.



Goleta Valley Chamber of Commerce

The Voice Of Business

These are dynamic times for the Goleta Valley - historic times. As our City develops, new directions are emerging from the people who live, work and play here. The Goleta Valley Chamber of Commerce will continue to serve as the Voice of Business throughout these changes in our community by:

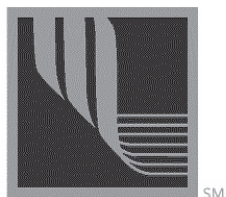
ADVOCATING specifically for the business community's interests to local, county and state government. With issues like workers' compensation and the jobs-housing balance at stake, advocacy for business has never been more important.

Providing **BUSINESS RESOURCES** for starting or growing a business, gaining new contacts, getting permits, contacting elected officials, or learning new skills. Our library of resources and trained staff can guide you to the solutions you need.

Providing opportunities to **NETWORK** with fellow businesses and potential customers at Business After Hours Mixers, Membership Luncheons, special events, and through mailings and newsletters.

PROMOTING our community and making our citizens proud through the California Lemon Festival in Goleta, beautiful printed materials to distribute to newcomers and visitors, and direct referrals of member businesses to potential customers.

Contact us for Goleta Maps, Goleta Magazines, Membership Directories, Business Referrals, Demographic Data, and Economic Data. Please visit our website www.goletavalley.com to learn more.



LIMOTTA
INTERNET TECHNOLOGIES

IT'S NOT JUST INTERNET.
IT'S BUSINESS.

LIMOTTA Internet Technologies has been a full service Internet Technology Solutions Provider since 1997. The company began with a geographic focus of serving small to mid-size businesses in central coast California (Ventura County, Santa Barbara County and San Luis Obispo County) and have recently expanded to offer services throughout California and 13 other states.

LIMOTTA Internet Technologies can address many questions you may have such as; How do I get internet connectivity when DSL is unavailable? How do I connect to my main office from home or other offices? How do I reduce downtime? How do I reduce the risk of someone hacking into my network? How do I reduce the risk of data loss? How do I increase my connection speed? How do I minimize the labor cost to maintain and support my network? How do I minimize my investment in email/unified messaging? How do I open up new distribution channels for my company's products and services? How do I legally reduce software licensing costs? How do I invest in hardware and software for my business that will guarantee the highest possible return? How do I improve the reliability and lower the costs of my telephone systems?

Our service offerings consist of: BROADBAND INTERNET CONNECTIONS, NETWORK SUPPORT CONTRACTS, WEBSITE/APPLICATIONS DEVELOPMENT, HARDWARE, SOFTWARE INVESTMENTS, FIBER & WIRELESS RETROFITS, VOIP TELEPHONY SOLUTIONS.



Mid-State Bank & Trust serves Santa Barbara, Ventura and San Luis Obispo Counties with 41 offices, including four in Santa Barbara and one in Goleta.

We offer commercial real estate and construction loans, agricultural and SBA loans, business equipment leasing, business checking and savings plans, investment management, and trust services.

We provide more than \$1 billion in loans per year to local individuals and businesses. Our lending decisions are made locally and the money you deposit in Mid-State Bank & Trust is invested back into the community through loans to local businesses like yours.

With \$2.4 billion in assets, Mid-State Bank & Trust is a community bank with big bank capabilities. We are large enough to provide you with state-of-the-art, comprehensive banking services, yet friendly enough to know you by name. As "Partners in Your Community," our unique size allows us to respond quickly to your needs and tailor our services to each community we serve.

To learn how Mid-State Bank & Trust can help you reach your business goals, visit our Web site at www.midstate-bank.com or stop by or call any of our local offices:

- 33 E. Carrillo Street, Santa Barbara, 963-5871
- 914 Carpinteria Street, Santa Barbara, 963-8928
- 2222 Bath Street, Santa Barbara, 682-3999
- 5340 Hollister Avenue, Santa Barbara, 683-3000
- 5956 Calle Real, Goleta, 967-0451



The Santa Barbara Region Chamber of Commerce

“Business is great in Santa Barbara, and Santa Barbara
is great for business”

The Santa Barbara Region Chamber of Commerce is a California non-profit business association representing some 2,000 local businesses. The organization was founded in 1878. The Chamber’s mission is to foster a vibrant economy and improve the quality of life for all who live in the region. Through its programs, the Chamber generates more than \$80 million in annual local business referrals. The chamber visitor center hosts 300,000 annual customers. The chamber website generates 14,000 hits per day.

Santa Barbara Region Chamber of Commerce
924 Anacapa Street
Santa Barbara, Cal 93101
Tel 805-965-3023
Fax 805-966-5954
Email sbchamber.org
127 years in business

Santa Barbara Roundtable

A California Non-Profit Benefit Corporation

Santa Barbara Roundtable is a California Non-Profit Benefit Corporation of community leaders, dedicated to producing and disseminating ideas so that its individual and corporate members, as well as policymakers, journalists, and interested citizens of the Santa Barbara County can better understand and address the public policy and quality of life issues and choices facing Santa Barbara County and its citizens by:

- Developing Vision Statements for Santa Barbara County and Action Plans including the roles and responsibilities of local governments, interest groups, corporations and individuals; and
- Sponsoring Task Forces of its members to help set the public policy and quality of life agenda of Santa Barbara County; and
- Conducting studies where its members produce, or contract for, Position Papers, which analyze local public policy and quality of life issues and make concrete policy recommendations.

Santa Barbara Roundtable
A California Non-Profit Benefit Corporation
Post Office Box 547
Los Olivos, CA 93441

SANTA BARBARA NEWS-PRESS

As Southern California's oldest daily newspaper, the Santa Barbara News-Press has reported on Santa Barbara County news for more than a century. More than 143,000 readers turn to the News-Press daily for a complete look at the issues that affect the county, state and nation. The newspaper is the leading supplier of news, information and advertising for the Santa Barbara County area. During recent years, the News-Press has been awarded the California Newspaper Publishers Association's prestigious General Excellence Award five times.

In recent years, the News-Press has moved aggressively to serve the changing needs and desires of our audience, and become a multi-media communications company. Broadening our reach beyond the daily paper in providing comprehensive community news and information, we also offer news on the radio, through our partnership with KZSB-AM 1290, and on the web, with live, breaking news and updates throughout the day on newspress.com. We also publish several specialty publications, including the weekly Santa Ynez Valley Living, the weekly Goleta Valley Voice, the monthly Blue Edge magazine and the biweekly Spanish-language El Mexicano de Santa Barbara. And NP Commercial Printing offers pre-press services and high volume offset printing for publishers throughout California.

As part of its ongoing commitment to the community, the News-Press supports more than 100 non-profit organizations each year. Through donated advertising space and cash donations, the News-Press contributes nearly \$500,000 to Santa Barbara area non-profits yearly.

Advisory Sponsors



BARTLETT,
PRINGLE &
WOLF, LLP



MISSION WEALTH MANAGEMENT, LLC

Bartlett, Pringle & Wolf, LLP (BPW) is the largest Certified Public Accounting and Consulting firm on the Central Coast and has played a key role in the community since 1948. Today, BPW provides a full complement of financial services. BPW is focused on working in partnership with clients to help them achieve their financial goals, strategically plan for the future, meet compliance requirements and be proactive in their quest for opportunity.

Six years ago, BPW affiliated itself with Mission Wealth Management, LLC (MWM), an independent wealth management firm. This winning partnership allows clients to evaluate all aspects of their financial landscape in concert. The integrated team offers solutions for individuals and profit and not for profit businesses both large and small.

The firm's commitment to providing a comprehensive, integrated range of services means that if a client needs tax services today, a cost segregation study on a building purchased tomorrow, and estate planning in the future, the firm's full suite of services can be structured to anticipate and keep pace with the client's ever-changing financial needs.

Bartlett, Pringle and Wolf, in conjunction with Mission Wealth Management, offers a complete menu of financial services including:

- Tax Planning and Preparation
- Estate Planning
- Financial Planning
- Integrated Wealth Management
- One of the area's largest, dedicated Audit and Accounting Department
- Implementation and support of Microsoft Great Plains Software
- Business Consulting
- Bookkeeping Services
- Cost Segregation Studies
- Insurance Services

BPW has over 50 employees and over 25 CPAs. The depth of the team enables clients to benefit from a breadth of developed financial areas of expertise. This extensive network of highly trained individuals can navigate the complex financial issues clients face to ensure they are receiving efficient solutions.

MWM is an independent, registered investment advisory firm serving clients throughout Southern California. Nationally ranked by Bloomberg magazine three years in a row*, MWM's comprehensive approach is driven by a dedication to the financial planning process and is delivered through their Integrated Wealth SolutionSM process.

To learn more about how Bartlett, Pringle & Wolf and Mission Wealth Management can help you optimize your financial success, please call Christy Leth at 805-963-7811.

*Ranking based on average client account size.

Securities offered through NATIONAL PLANNING CORPORATION (NPC), Member NASD, SIPC Advisory services offered through MISSION WEALTH MANAGEMENT, LLC (MWM). California Ins. License #0D35068. MWM and NPC are separate & unrelated companies.



City of Santa Barbara Community Development Department

The City has adopted an Economic Development Plan and Implementation Program that contains the following Goal Statement:

To affect and stimulate the Santa Barbara economy through proactive collaboration, teamwork, and establishment of partnerships with the business community, school districts, universities and colleges resulting in replacement of lost jobs, expansion of the diversity of the economic base, and increase of economic activity for sustaining our local economy.

Toward that goal, the City has established a management-level Economic Development Response Team that meets regularly to address specific issues and respond to economic development opportunities. Staff members of the City Administrator's Office and the Community Development Department are charged with implementation of the Plan.

The Redevelopment Agency of the City of Santa Barbara engages in activities in the Central City Redevelopment Project Area that promote economic development and the elimination of blighting influences. Those activities include acquisition and consolidation of property, below-market-rate financing, public-private partnerships, and the provision of affordable housing.



RESIDENTIAL BROKERAGE



The Greater Los Angeles Coldwell Banker Residential Brokerage mission is to be the highest quality, most respected, innovative, technologically advanced and successful Real Estate service firm serving the counties of Santa Barbara, Ventura & Los Angeles, while maintaining the highest professional integrity. The Coldwell Banker Company has 52 offices covering our three counties with over 3,800 real estate associates.

The Santa Barbara, Montecito & Santa Ynez Valley areas are covered by four offices and over 200 Realtors and locally is the leading Real Estate Brokerage.

Established in 1906 Coldwell Banker has more than 4,000 residential and commercial offices and 126,400 sales associates in over 30 countries. We are a full service company specializing in Luxury Estates, residential, commercial, ranch & land, new home sales and global relocation.

Ms. Betty Graham is President & COO and Diana Brookes is Executive Vice President & General Manager of the Greater Los Angeles Company covering the Santa Barbara, Ventura and a portion of Los Angeles County. H. Edward Heron, Vice President represents the company in community relations, marketing and E-Strategies.

The local Coldwell Banker management team consists of Robert P. Ruccione (Santa Barbara) Charles Farish (Montecito) & Ron Podell (Santa Ynez Valley). Please, visit our websites at www.California Moves.com or www.ColdwellBanker.com

A Century of Distinction

DAVIES

DAVIES is a strategic communications firm offering public affairs, public relations, and marketing services to clients across industries, with an emphasis on your four specialty practice areas- Real Estate, Healthcare, Energy & Natural Resources, and Nonprofit. With 39 professionals working out of offices within Santa Barbara, Sacramento and Los Angeles, DAVIES is ranked the second largest firm in Southern California and in the top 35 nationally. The Holmes Report, a leading PR industry trade publication, named DAVIES the Boutique Agency of the year for 2003.

Innovative strategies and high-impact messages-supported by flawless execution-have helped DAVIES grow into a recognized national leader. The firm's blue chip clients include ExxonMobil, Centex Homes, HCA, The Grupe Company, Harrahs Entertainment, Exempla Healthcare, PG&E, Chevron, Hyatt Development Corporation, Tenet Healthcare, and dozens of others.

DAVIES maintains strong local roots by representing some of the best-known local companies and organizations. The agency has represented the Santa Barbara Museum of Natural History, the Cities of Santa Barbara and Port Hueneme, Business First National Bank, Cottage Health System, the County of Santa Barbara, Santa Barbara City College, Santa Barbara MTD, Westmont College, Sansum-Santa Barbara and countless others. DAVIES prides itself on being at the epicenter of the Tri-counties business community.

DAVIES' sponsorship of important community events like the UCB Economic Forecast Seminar is but on way the firm expresses its pride in being part of the Tri-County business community.

Advisory Sponsors



Epstein & Associates, California's premiere retail real estate brokerage company, was founded over 40 years ago to provide the best locations for retail clients seeking a broad array of experience from a company with an outstanding record of success.

The Tri-County office, covering Ventura, Santa Barbara and San Luis Obispo counties, was formed by Mike Hieshima, Managing Partner, in 2001. Mike has over 18 years of multifaceted experience in real estate, strategic expansion of retailers, landlord representation, development, acquisition and disposition of retail properties.

The retail clients represented by Mike include: Borders Books, Ross, Starbucks Coffee, Petco, Albertsons, Savon, Chico's, Motherhood Maternity, Vitamin Shoppe, Blockbuster and Ventura County Credit Union. Mike's landlord/developer clients include: The Towbes Group, Regency Centers, Donahue Schriber and Sandstone Properties.

Adding to the rich tapestry of experience Epstein & Associates offers to its clients are partners Phillip Kyle, whose 18 years of experience in commercial retail sales, leasing, disposition and acquisition are enhanced by his international perspective as a Sydney, Australia native; David Morgan, who has overseen the redevelopment, management and leasing of over 10 million square feet of retail properties in his target region, which encompasses Ventura county; and Lawrence Tanji, who has handled exclusive listings for numerous major clients, including Pardee Construction Company, Santa Barbara Bank & Trust, Albertsons, Savon and Arroyo and Coates.

Retail success in California depends on finding the right connection, and Epstein & Associates is that link.



First American Title Insurance Company, the largest subsidiary of The First American Corporation, traces its history to 1889. One of the largest title insurers in the nation, the company offers title services through more than 900 offices and an extensive network of agents throughout the United States and abroad. One of the nation's largest title insurers with the industry's most advanced title production and delivery technology, this segment's strategy is to create a fully automated, centralized title searching facility. Sound acquisitions and improved efficiencies gained from innovative technology solutions allow this segment to expand market share and support profitability.

First American's role in buying a home— providing all of the related services needed to complete a home purchase, including real estate appraisal, title insurance, flood-zone determination, mortgage document preparation, property and casualty insurance, and more. The company has its headquarters in Santa Ana, Calif. Information about The First American Corporation's subsidiaries and an archive of company information can be found on the Internet at www.firstam.com.



PACIFIC COAST BUSINESS TIMES

Jordano's is an 89 year old family business and is the tri-counties largest wholesale distributor of food and beverages with \$190 million annual sales.

From its beginnings in 1915 as a family owned grocery store, the company has grown into a modern corporation. Jordano's has more than 500 employees with two divisions. The divisions include Jordano's Foodservice and Pacific Beverage.

Jordano's Foodservice is the Central Coast's largest distributor of food, equipment and supplies to restaurants and other foodservice operations. It has been named one of the 50 largest Foodservice Companies in the United States.

Pacific Beverage proudly distributes Anheuser-Busch brands and other fine beers through its four warehouses in the Tri-Counties, Oxnard, Santa Barbara, Santa Maria and Santa Margarita. Oxnard is a new, 125,000 square-foot facility open in May 2004.

Jordano's remains a locally owned company dedicated to providing the best possible products and service to their customers. They are committed to the welfare of their employees and their employees' families in the tri-counties.

Pacific Coast Business Times is an exciting weekly business journal that has gained a reputation as the "newspaper of record" for businesses across the Tri-County business corridor. Each week the paper chronicles successful companies in Santa Barbara, Ventura and San Luis Obispo counties. The company is locally owned, locally printed and headquartered in Santa Barbara. The Editor and Publisher is Henry Dubroff, a nationally recognized business journalist and former editor of the Denver Business Journal and the business section of the Denver Post.

Each week, the Pacific Coast Business Times offers readers a variety of news and information including sections on technology, start-up strategies, small business, personal finance, public records and a "Top 25" list. Also included are monthly special reports ranging from Who's Who roundups to a Tax Planning Guide and Top 25 Book of Lists.

The Pacific Coast Business Times is delivered primarily through subscription at a special introductory price of \$48.99 for 52 issues. A full-time staff in editorial, advertising sales and circulation is eager to help and serve you. For news, subscription or advertising information, please contact us at 805-560-6950 or go on-line at www.pacbiztimes.com.

The ROTTMAN Group

The ROTTMAN Group and its affiliates, led by Steven Rottman, president and chief executive officer, invest and manage a wide range of residential and commercial ventures throughout California.

The Company's in-house staff includes an experienced team of real estate development and management professionals with expertise in finance, accounting, planning and development, construction and property management.

The ROTTMAN Group, with its in-house and independent professionals is able to successfully manage over twenty-five partnerships and limited liability companies. The ROTTMAN Group's corporate offices are located in Santa Barbara, California.

Business Associate Sponsors

bargainnetwork

Founded in 1995, Bargain Network is a unique service that saves subscribers time and money on significant purchases by helping them make buying decisions that are based on truly objective product performance and pricing information. Bargain Network uses advanced search and database technology to provide fast and accurate data on millions of motor vehicles, homes and brand-name consumer durables.

Bargain Network is able to ensure its consumers receive objective information through a membership model that refuses compensation from advertisers, sponsors or merchants. Members pay a low membership fee after a free trial in exchange for guaranteed unbiased, impartial and up-to-date product and pricing information. Bargain Network members are never more than a few moments away from live, personalized help with their purchasing decisions via Bargain's toll-free, 24x7x365 telephone support. Besides access to live agents, members can opt to access information through the website, or via email, fax and home delivery of regularly updated catalogs.

Bargain Network has excelled as a result of its vertically integrated operations, its industry-leading proprietary systems and technical capabilities, and its world-class customer service.

Bargain Network is located in Goleta, California and is one of Santa Barbara County's largest private employers with more than 800 staff members. Bargain Network was recognized in the 2003 Pacific Coast Business Times survey as among the fastest-growing companies in the region.

To learn more about benefiting from Bargain Network's premier search and pricing service, call 800.300.6140, or go to www.bargain.com.



The first independent bank to emerge in Santa Barbara in over a decade, Business First National Bank is the only local bank whose entire focus is helping you and your business succeed. Since our launch in January 2001, Business First has grown to over \$125 million in asset size and has established a true community bank with a keen understanding of local conditions.

Business First National Bank provides sophisticated financial products, high-tech banking technology, and fast, local decision-making. Traditional banking procedures can limit your company's growth. By acting quickly, creatively, and lo-

cally, we are able to provide customized financial solutions, as well as innovative products and services to simplify your business banking needs. We believe it's not enough for us to occasionally provide extraordinary customer service—we go the extra mile to exceed the expectations of our clients every day.

Our unique partnerships with Partnervest Financial Group and Brown & Brown Insurance enable us to provide the ultimate in banking convenience: every financial service you need under one roof. And with our complimentary courier service, it's like having a branch right in your office.

Business First has two locations in Santa Barbara: 1035 State Street and 800 North Milpas Street. For more information, please contact Joanne Funari at 805-899-4300, or access the bank online at www.BusinessFirst.com.



CABRILLO
BUSINESS PARK

SARES•REGIS Group
Market-proven performance

SARES•REGIS Group is nationally recognized for development, acquisition and management of office and industrial parks, apartments, condominiums, and mixed-use communities.

SRG has maintained a regional office in the tri-counties for twenty years, developing master planned business parks including McInnes Ranch, Sares Business Center and Conejo Corporate Center. Current local business park projects include Cabrillo Business Park and Hollister Center in Goleta, and the Arbors in Thousand Oaks.

SARES•REGIS Group manages approximately \$2.5 billion in assets on behalf of its institutional partners and clients. These assets include 15 million square feet of commercial property and more than 18,000 homes and apartments. Currently, the company has more than 6.5 million square feet of commercial properties valued at \$500 million and more than 2,000 residential units under development.

Headquartered in Irvine, CA, SRG employs approximately 600 people on the west coast with other regional offices located in San Mateo, Sacramento, Phoenix and Denver.



CALIFORNIA
ASSOCIATION
OF REALTORS®

The CALIFORNIA ASSOCIATION OF REALTORS® is a trade association representing more than 105,000 REALTORS® statewide. As members of organized real estate, REALTORS® subscribe to a strict code of ethics and have access to numerous services and programs to enhance their professionalism. Preventative legal programs provide members with the latest in legal information to give them the competitive edge. C.A.R.'s extensive legislative advocacy program means members are well-represented on local, state and federal issues. Educational programs and year-round seminars help members gain new skills and professional designations like the prestigious Graduate REALTOR® Institute.

In addition to these programs, the CALIFORNIA ASSOCIATION OF REALTORS® offers its members a variety of business tools—from Research data and top-notch publications to cutting-edge technology.

All these—and other—programs and services are designed to increase the professionalism of members and give them the tools they need to better serve their clients—the consumer.

COASTAL VIEW NEWS

Carpinteria Valley's LOCAL Newspaper

Coastal View News is the only media fully dedicated to covering the news and events of Carpinteria Valley residents. Since 1994, CVN readers have relied on the weekly newspaper as their only source for vital, in-depth information directly affecting the life and growth of their community.

Recognized for its leading edge approach to business, for raising the standards of business practices, and for its numerous contributions to the community, CVN was hailed as 1995's "Small Business of the Year" and 2000's "Volunteer of the Year" by the Carpinteria Valley Chamber of Commerce. In 2004, the publication won numerous awards from the National Association of Free Community Papers, including First Place, Most Outstanding Publication in a field of 3,000 free-circulation community papers.

This spring, CVN will launch Carpinteria Magazine, a comprehensive community and visitors guide featuring the Valleys' greatest resources... entertaining, informative and beautifully presented in the true welcoming spirit of Carpinteria. 15,000 issues will be on the streets in early May.

Coastal View News is distributed to over 6,500 homes and businesses in Carpinteria, Summerland, Montecito and Santa Barbara. Its estimated readership is 15,000.

CVN is a steadfast supporter of Carpinteria Valley businesses and actively participates in all community promotions and fundraising activities. The paper is printed and published in the County of Santa Barbara, and has been adjudged a newspaper of general circulation by the Superior Court of the County of Santa Barbara (Case Number 21046). It is published each Thursday by RMG Ventures, LLC.

To learn more, visit coastalview.com or call (805) 684-4428.



Community West Bank focuses on three core competencies: Relationship Banking, Mortgage Lending and SBA Lending. Keeping credit and other banking decisions local is the key to Community West Bank's success.

With offices in Goleta, Ventura, Santa Maria and a new office in Santa Barbara, the Relationship Banking division offers a full range of business and consumer loan and deposit products. Clients can choose to bank at one of the branch offices, through on-line banking, or by use of convenient courier services.

The Bank's Mortgage Lending division originates residential real estate loans throughout the tri-counties and in the expanding markets of Sacramento and Lake Tahoe. The Mortgage Lending division also has an established manufactured housing financing program to assist with affordable housing primarily in Santa Barbara and Ventura counties.

Community West Bank is one of the nation's premier Small Business Administration (SBA) lenders offering government guaranteed loans in 10 states. As a "preferred lender" in 17 SBA districts within those states the Bank gains a competitive advantage allowing it to expedite loan processing and have more decision authority than a non-preferred lender.

A key strength of Community West Bank is the people. The Board of Directors is comprised of some of the most experienced business people in the marketplace. The employees are experienced, dedicated and committed to serving the community. It is through their efforts that the Bank's mission of "serving a diverse customer base by providing extraordinary service and competitive banking products," is carried out.



SANTA BARBARA COTTAGE HOSPITAL. Today a 366-bed acute care teaching hospital and trauma center, the largest of its kind between Los Angeles and the San Francisco Bay Area, the hospital was founded in 1888 by 50 women determined to provide a healthcare facility for the growing community of Santa Barbara. Now with annual admissions of more than 21,000 patients, 36,000 emergency department visits, and 2,300 births, the hospital is renowned for its comprehensive maternal-child and pediatric services (Cottage Children's Hospital), cardiac, neurosurgical, and oncology programs, emergency and trauma services, modern operating rooms, sophisticated diagnostic radiology equipment, outpatient surgery, eye center, and psychiatric and chemical dependency services. Its medical staff of more than 600 includes specialists in all major clinical areas.

GOLETA VALLEY COTTAGE HOSPITAL. Founded in 1966 to serve the growing community of Goleta Valley, the hospital today is licensed for 122 acute-care beds, admits 1,800 patients a year, sees 17,000 emergency visits, welcomes 300 newborns to its designated "Baby Friendly" birth center, and is recognized for its comprehensive Breast Care Center. The hospital joined forces with Cottage Health System in 1996 and opened a Subacute unit in 1998.

SANTA YNEZ VALLEY COTTAGE HOSPITAL. Offering acute-care services to the residents and visitors of Santa Ynez Valley since 1964, the 22-bed hospital became affiliated with Cottage in 1995, and today continues to provide inpatient and outpatient surgery, 24-hour emergency services, and a physician office rental program that brings specialists to the Valley.



Your Friend in the Digital AgeSM



Cox Communications, a Fortune 500 company, is a multi-service broadband communications company with approximately 6.6 million total customers, including 6.3 million basic cable subscribers. A full-service provider of telecommunications products, Cox offers an array of services, including Cox Cable; Cox High Speed Internet residential high-speed Internet access; advanced digital video programming services under the Cox Digital Cable brand; Cox High Definition Television and Cox Digital Video Recorders services; commercial data services via Cox Business Services and local advertising opportunities for businesses through Cox Media.

Cox Business Services offers local businesses access to innovative communication products over an advanced state of the art fiber-based network. Cox Business Services provides for the high bandwidth telecommunications needs of large, medium and small companies in our community.

Cox recently received the highest score of any provider in the small/midsize segment in the inaugural year of the J.D. Power and Associates Business Telecommunications Services Study and ranks highest in six factors that measure overall satisfaction: performance and reliability; sales representatives and account executives; customer service; billing; cost of service; and company image – scoring 43 index points higher than the industry average for the segment.

Cox Media, the cable network advertising unit, is the most direct method reaching directly into the homes with business messaging over more than 40 cable networks designed for specific product target audiences.

Cox Communications Santa Barbara has been recognized for support of the community through various programs in education, social services, the arts and cultural activities, receiving the 1999 Business of the Year from the Goleta Chamber, the 2000 United Way Community Service Award, the 2003 Member of the Year from the Santa Barbara Chamber and various National awards for producing local television shows. Cox has recently received the Hispanic Chamber of Commerce 2006 Business of the Year Award.

Business Associate Sponsors



Dyer Sheehan Group, Inc. ("DSG") provides a broad range of professional services to the real estate investment and development communities, as well as to governmental agencies and financial institutions. In addition to offering expert brokerage services involving apartment or NNN leased investments, and land for development; DSG conducts detailed market research, feasibility, and other specialized studies, to address specific real estate issues. Dyer Sheehan Group studies over 19,000 Ventura County apartment units, and 5,000 Santa Barbara County apartments on a semi-annual basis. The resulting survey summary data, along with a professional market perspective, is published annually by the UCSB Economic Forecast Project. DSG President, Dawn Dyer, is proud to be a member of the Ventura County Board of Directors of the UCSB-EFP.

Dyer Sheehan Group also specializes in analyzing residential development projects, negotiating complex land use and entitlement permit issues, and building political consensus for the approval of: General Plan Amendments, Zone Changes, Planned Development Permits, Tract Maps, Annexations, and Local Coastal Plan Amendments. DSG Principals have demonstrated a strong ability to facilitate open and productive dialog, enabling decision makers, community groups, and developers to work together to create development projects which are consistent with the vision and priorities of the specific locale.



Engles Communications, Inc. was founded as a Broadcasting Group in 1990. ECI grew to include three Television Stations in the midwest, four Radio Stations in Santa Barbara and a Broadcast Towers Complex in Santa Barbara County.

During the past eight years ECI changed its core focus to Real Estate investments and development and is now actively pursuing commercial and residential properties and selling its broadcast assets.



When you work with us, we will provide you with the personal attention and service that you are entitled to! We feel very proud of the reputation that we have established within our local community. You deserve the best and we believe we can provide it.

Equity Title Company was founded in 1980, and our Santa Barbara branch was opened in 1990. Since then we have worked very hard to assemble some of the very best professionals in this industry. When you need title or escrow services please call us. We will be more than happy to help you.

Three convenient locations to serve your Title and Escrow needs:

Downtown:
902 Chapala Street, Suite B
Santa Barbara, CA 93101
phone: 805.564.8366
fax: 805.564.8373

Montecito:
1290 Coast Village Road
Montecito, CA 93108
phone: 805.969.2892
fax: 805.969.2532

State Street:
3902 State Street
Santa Barbara, CA 93105
phone: 805.682.5439
fax: 805.682.8516

website: www.equitytitle.com



Farm Credit West (which is composed of Farm Credit West, FLCA and Farm Credit West, PCA) is a borrower-owned cooperative providing credit to producers of food, fiber, and flowers in Kern, Kings, San Luis Obispo, Santa Barbara, Tulare, and Ventura counties. Farm Credit West is pleased to sponsor this Economic Outlook program in an effort to better document agriculture's important role in California economy.

As a lender specializing in a single industry--agriculture--Farm Credit West is dedicated solely to proving that THE CUSTOMER COMES FIRST by providing superior customer service at competitive rates. The Board of Directors for Farm Credit West is composed of agricultural leaders who ensure that the Association provides the highest quality, value-added service by developing an in-depth understanding of California agriculture. Capitalizing on its customer-driven specialization, Farm Credit West is the premier originator of agricultural operating and mortgage loans in its territory. Other services offered include lease origination and fee appraisals.

Visit www.FarmCreditWest.com for more complete information!



FLIR Systems is a world leader in the design, manufacturing, and marketing of thermal imaging and stabilized camera systems for a wide variety of thermography and imaging applications including condition monitoring, research and development, manufacturing process control, airborne observation and broadcast, search and rescue, drug interdiction, surveillance and reconnaissance, navigation safety, border and maritime patrol, environmental monitoring and land-based security.

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Hatch & Parent is a full-service law firm with expertise in corporate and tax, complex litigation, public agency, water law, real estate and land use, environmental quality, trusts and estates, employment law, appellate law and legislative advocacy. The firm has offices in Santa Barbara, Los Angeles, Sacramento, San Diego, South Lake Tahoe and Westlake Village.



Consider Inamed, "The Company of Choice."

Inamed Corporation is a global healthcare leader with over 25 years of experience developing, manufacturing, and marketing innovative, high quality, science-based products and services that enhance the quality of people's lives. Current products include breast implants for aesthetic augmentation and reconstructive surgery; a range of dermal products to treat wrinkles; and minimally invasive devices for obesity intervention, including the LAP-BAND System for morbid obesity.

Inamed employs approximately 1200 people around the world and is headquartered in Santa Barbara, California.

We embrace hard work, teamwork and workplace diversity and the Inamed values we espouse are: Performance, Innovation and Respect. We live by the INAMED values and create the best work environment where the best people choose. We also aspire to deliver superior shareholder returns and to be a good corporate citizen in the communities where our employees live and work. We have dedicated ourselves to living and working by this value system

Inamed's commitment to its customers, employees and community is embodied by our company philosophy. We listen and deliver unparalleled satisfaction and service to our employees, customers and community. What makes Inamed special is the way in which these values are brought to the workplace and marketplace: by promoting individual and company action toward the common goal of making our community a better place in which to live and work. This is our commitment to you and the community we serve.

In recognition of our commitment to excellence and service, Inamed was listed among Forbes 200 Best Small Companies in 2002 for our achievements as a premier medical device company.



KPMR-TV/Channel 38, the Univision affiliate owned and operated by Entravision Communications Corporation, is a full-power Spanish-language TV station in the Santa Barbara, Santa Maria, San Luis Obispo Designated Market Area (DMA). At 2,450 kilowatts, KPMR's signal is the strongest broadcast signal originating within the DMA, offering consistent TV coverage from Ventura north to Paso Robles! Additionally, KPMR is carried on channel 16 on all major cable systems in the DMA. These are: Cox Communications in Santa Barbara, Comcast in Santa Maria, and Charter Communications in San Luis Obispo. KPMR is also seen on DirecTV and Dish network.

As the leading Spanish-language TV station in the Central Coast, KPMR-TV is the single most effective medium to the valuable and expanding Hispanic market of today. 29% of the DMA's total population is Hispanic and in some areas it's over 60%. By the year 2008, the Hispanic population in the Central Coast is projected to grow to 221,136. With an average household income of over \$60,000 and \$2.6 Billion in buying power, Hispanics represent 14% of the Central Coast's consumer spending.

KPMR-TV offers popular Univision network programming specifically tailored to meet the needs, tastes and preferences of U.S. In 2003, KPMR launched "Noticias Univision Costa Central," a local Spanish-language newscast committed to keeping the Central Coast community well informed regarding current topics, issues, events and other matters of concern. "Noticias Univision Costa Central" airs Monday thru Friday at 6 p.m. For up-to-the-minute news, Central Coast Hispanics have come to rely upon and tune in to the number one-rated Spanish-language local newscast in the region, "Noticias Univision Costa Central."

KPMR's impressive line-up draws hundreds of thousands of Central Coast viewers of all ages throughout the Central Coast!



At LandAmerica Lawyers Title we are committed to customer satisfaction. With this in mind, we have assembled a highly-qualified team of title insurance and escrow professionals in Santa Barbara to assist you with your real estate transactions; John Hebda, County Manager, Carolyn Ferrick, Title Operations Manager; T. J. Dwire, Title Officer, our exceptional Escrow Officers Carol Friedrichs, Susan Lowe and Ceci Murphy and our expert sales team of Darcie McKnight and Lara Woodward. With offices in Santa Barbara, Montecito, the Santa Ynez Valley and Santa Maria, we look forward to assisting you with all of your title and escrow needs.

LandAmerica Lawyers Title has been an integral part of the Santa Barbara County title and escrow community for over 3 decades and has over 75 years experience in serving residential and commercial customers nationwide. One of the largest title insurers in the nation, we are a leader in providing title insurance and a broad range of real estate related services, including escrow.



Leider Hayes Commercial serves a wide range of clients with significant expertise and a sophisticated approach to commercial real estate. The firm's four partners, Stephen Leider, Steve Hayes, Clarice Cornell, and Francois DeJohn, average nearly twenty years of commercial real estate experience and all work collectively. The same team approach is incorporated by the seasoned group of Leider Hayes' associate agents Brian McCririe, Michael Martz and Kristopher Roth. This allows clients, both individual and institutional, access to additional expertise and a deeper pool of professional resources. The combination of talent creates an ability to provide pinpointed experience to a broad array of client needs that separates Leider Hayes Commercial from its competition.



We are a business consulting firm comprised of seasoned veterans who are successful in their own specialized fields. We excel in the areas of management, leadership, conflict management, mediation, business therapy, technical implementation and most importantly, communication. We understand how solving problems may be difficult in certain business environments. Consequently, we are not hesitant to recommend a policy or procedural modification; or possibly an elimination of that process if it is not productive.

Maloney & Associates are part of a new generation of individuals who are bringing their successful experiences to the business community. We employ solid business basics, common sense and logical processes, and who are committed to ethical business practices. We promote clear thinking accountability. One of our primary rules is to always tell the client the complete story and not just what they may want to hear. More often than not, some consultants perpetuate the problem by not telling the complete story, especially if it concerns the decision maker. To often they fear "biting the hand that feeds them" and losing their business. We are in the business of helping people solve their existing problems, not perpetuating them. We also give them the tools they need to resolve future concerns.

We have been retained for assignments such as executive level leadership development, mergers and acquisition transitions, expansion and strategic planning, management development, conflict intervention in partnership and shareholder disputes and communication seminars. We are available for speaking engagements and retreat workshops. Michael Maloney, co-founder of this group, spent his early career with IBM and then commercial real estate and institutional investments and acquisitions. He is an excellent communicator and innovative organizational problem solver. Mr. Maloney's pragmatic business approach is balanced by his insight and sensitivity to people.

Mr. Maloney may be reached at his office (805) 389-5306, through his website at thinkcommonsense.com or e-mail at mmaloney@adelphia.net



Montecito Bank & Trust

Montecito Bank & Trust has over 30 years of experience in providing community banking services. Much has changed over the years, but here's what has not: our unwavering sense of purpose in supporting the communities we serve, an unwavering commitment to the premise of truly responsive banking through individual relationships, and an unwavering conviction that quality relationships are best served by quality people at every level.

No one knows the value of community relationship banking better than our business, trust and individual banking customers. Ask any one of them what makes Montecito Bank & Trust so different from other banks, and while the answers will be as varied as the customers we serve, the essence of responsiveness based on our focus on community relationship banking shines through.

Much more than a lender, Montecito Bank & Trust provides on-line cash management services, payroll, lockbox, merchant services, and through our Trust and Investment Division, we offer investment management services for individuals, businesses and a variety of nonprofit organizations.

If you are interested in establishing and developing a financial relationship with bankers who will treat your business with the attention and respect it deserves, please contact any one of our Relationship Bankers at 805-963-7511 or visit our website at www.montecito.com.

With over \$688 million in assets and offices in Carpinteria, Goleta, Montecito, Santa Barbara, Westlake Village and Valley Oaks Bank in Solvang, Montecito Bank & Trust is proud to sponsor the UCSB Economic Forecast Project again this year. We believe that economic vitality benefits everyone in the communities we serve.



QAD is a leading provider of enterprise applications for global manufacturing companies. QAD applications provide critical functionality for managing manufacturing resources and operations within and beyond the enterprise, enabling global manufacturers to collaborate with their customers, suppliers and partners to make and deliver the right product, at the right cost and at the right time. Headquartered in Santa Barbara, California, QAD was founded by UCSB graduate Pamela Meyer Lopker and her husband Karl Lopker, and is this year celebrating 25 years in business. Today, QAD operations circle the

globe, with offices in 26 countries, six development centers and more than 1,200 employees worldwide. Many of the biggest brand name companies in the world -- including Ford, Coca-Cola, General Electric and Avon -- use QAD applications in approximately 5,300 licensed sites in more than 90 countries and in as many as 27 languages.



Radius Group Commercial Real Estate, Inc. was founded in Santa Barbara, California, in May 2002 by four principals—Steve Brown, Scott Glenn, Steve Golis and Bob Tuler—whose exemplary careers encompass more than 100 years of industry experience and dedication to client service. The firm has rapidly become one of the largest and highest producing commercial real estate firms on California's Central Coast.

Buying, selling or leasing . . . Radius Group Commercial Real Estate provides the most current and prior market data, prices, demographics, comparative taxes, labor costs, competitive analysis, vacancy absorption rates and information needed to make profitable real estate decisions.

The entire Radius Group team has extensive knowledge of area markets powerfully combined with the ability to identify economic trends. Radius Group agents are empowered to anticipate opportunities, seize competitive advantage and execute optimum deals—consistently and professionally. Radius Group provides innovative real estate solutions to client requirements through unrivaled market knowledge and experience.

With a unique team philosophy as its backbone, Radius Group maintains the distinct ability not only to meet client needs, but also to produce desired results with an exceptionally high degree of flexibility, diligence, and integrity.

Raytheon

After 50 years of doing business in the Goleta Valley, Raytheon continues to be a strong member of the local business community. Raytheon's business operations in Goleta provide development, design and production of state-of-the-art government and commercial electronic and electro-optical products. Included among these products are self-protection electronic and countermeasures systems for military platforms; infrared detectors and subsystems for surveillance, target acquisition, and scientific applications; and space instruments for earth remote sensing and planetary exploration missions. These systems are deployed on a variety of combat vehicles, ships, aircraft, and spacecraft. In all, the three Raytheon organizations in Goleta

do business in more than 30 countries around the world, achieve annual revenues typically exceeding \$500 million, and maintain an employee population of more than 1,900.

Raytheon prides itself on offering a prestigious, creative high-technology atmosphere backed by the resources of the Raytheon Company. Raytheon Company, with 2005 sales of \$21.9 billion, is an industry leader in defense, government and commercial electronics, space, information technology, technical services, and business as well as special mission aircraft. With headquarters in Waltham, Mass., Raytheon employs more than 80,000 people worldwide. The relatively small size of the local organizations enables a highly flexible, dynamic workforce comprised of a wide range of technological expertise.



SANSUM-SANTA BARBARA Medical Foundation Clinic A Nonprofit Organization

Sansum-SantaBarbara Medical Foundation Clinic was created in October 1998 as a result of a merger between Sansum Medical Clinic and Santa Barbara Medical Foundation Clinic. Founded in the 1920s, the two clinics are among the oldest medical groups in California. Today, as a not-for-profit corporation, the Clinic serves approximately 300,000 patients from Santa Barbara County and throughout the country. There are over 30 specialized areas of medicine staffed by 200 physicians and healthcare practitioners and 900 employees.

Sansum-Santa Barbara Medical Foundation Clinic operates two multi-specialty clinics in the city of Santa Barbara: Sansum Clinic located at 317 West Pueblo Street and Foundation Clinic located at 215 Pesetas Lane. In addition to the two main multi-specialty clinics, the Clinic operates 7 primary care branches in Santa Barbara, Carpinteria, Goleta and Lompoc. Sansum-Santa Barbara Medical Foundation Clinic's primary care branches reflect the Clinic's continued dedication to providing healthcare services in close proximity to patients' home communities. There are also two specialty care branch offices specializing in ophthalmology and obstetrics/gynecology. The Clinic offers urgent care services at the Hitchcock Branch in Santa Barbara, Carpinteria Branch, and Lompoc Branch. For the convenience of employers of all size groups, Executive Health/VIP Physicals, complimented by comprehensive Occupational Medicine services including Workers' Compensation, are available at the Occupational Medicine Center in Santa Barbara and Lompoc.

The Sansum-Santa Barbara Medical Foundation Clinic is a nonprofit, charitable organization. The Clinic is grateful to the individuals, organizations, corporations and foundations that provide philanthropic support for its pursuit of excellence in patient care, community health education and health-related research.



The Santa Barbara Airport (SBA) has served the region with commercial air service for 65 years. It has a billion+ dollar annual impact on the local economy. There are 120 aviation and commercial/industrial Airport tenants that spend over \$4 million in rent annually. Total payroll at the Airport exceeds \$50 million per year for approximately 1,500 employees.

The Airport contributes to the economic vitality of the south and central coasts by fostering business, tourism and trade. It is the global gateway for the region with 90 commercial flights each day. It is the county's primary transportation hub providing air service for more than 850,000 passengers annually.

There is non-stop service to ten major international airports offering connecting possibilities to anywhere in the world. United Express flies to San Francisco, Denver, San Jose & Los Angeles. America West Express has service to Phoenix and Las Vegas; American Eagle provides service into Los Angeles and Dallas/Ft. Worth; Delta Connection flies into Salt Lake City; and Horizon Air provides service to Seattle and Portland.

There are 180 general aviation (private) aircraft based at SBA valued at more than \$117 million. In 2005, there were close to 152,000 operations (take-offs and landings) for all types of aircraft including general aviation, air carrier and military.

Owned and operated by the City of Santa Barbara, the Airport is completely self-supporting and debt-free, generating revenue through user fees and tenant rents. Approximately \$2.8 million is obtained annually in Federal grants to fund capital improvements. Another \$1.5 million is generated each year by Passenger Facility Charges to fund Airport improvements.

SBA has embarked on a \$97 million capital program to make needed safety and facility improvements. Construction of FAA standard safety areas for the main runway will be complete in 2007. This year design begins on Airline Terminal improvements with construction to be completed in 2010. Also, this year, the Airport will enter into a 50-year lease with Bermant Development Company for construction of 160,000 square feet of office space for Citrix Systems and 20,000 square feet of service retail on Hollister Avenue.



SANTA BARBARA
ASSOCIATION
OF
REALTORS

The purpose of the Santa Barbara Association of REALTORS® is to serve its members by providing and promoting programs and services to enhance members' freedom and ability to conduct their individual business successfully, with integrity and competency, and through collective action to promote the extension and preservation of the right to own, transfer, manage, and use real property.

Members of the local Association of Realtors are pledged, through their membership, to uphold the Code of Ethics of the National Association of Realtors. In the Code, Realtors "are pledged to provide equal opportunity in housing, truth in advertising, fair treatment to all parties to a transaction, avoidance of controversy with others, willingness to cooperate with governmental agencies, gaining full knowledge regarding laws, and many other principles of professionalism.



The Santa Barbara Independent is Santa Barbara County's most comprehensive weekly guide to local politics, news, lifestyle, entertainment, and the arts. It contains the most complete listing of community events and is must reading for active Santa Barbara County residents.

The Independent is an active sponsor of numerous community events through advertising grants that have supported the Mariachi Festival, Old Spanish Days, UCSB Athletics, and the Economic Forecast Project, among others. More than 125 community non-profits from the Arts Fund to the Endowment for Youth receive free advertising through the Independent's public affairs program.

Readership surveys reveal that the average Independent reader is 40 years old, college-educated and affluent. With a 40,000 circulation, and a pass-along rate of approximately three readers per copy, the total reach of the Santa Barbara Independent is more than 120,000 South Coast readers.

The Independent is available at more than 400 locations from Carpinteria to Lompoc. Like the best things in life, it's still free!

Business Associate Sponsors



Santa Lucia Bank was founded in 1985 in Atascadero, California with an emphasis on providing quality, personalized service to business and retail customers. The Bank continues to emphasize "Old Fashioned Customer Service" with no lines. In December of 2001, our Santa Maria facility was opened at 1825 South Broadway. The Bank's other offices are located at 7480 El Camino Real, Atascadero; 1530 East Grand Avenue, Arroyo Grande; and 1240 Spring Street in Paso Robles.

The Bank offers a complete array of deposit and lending services to businesses and professionals. Business loans include business lines of credit, equipment loans and leases, term financing, commercial and residential development and construction loans as well as long-term commercial real estate loans and SBA loans. The Bank also offers an assortment of consumer loan products, including Home Mortgage loans.

Leah T. West is the Vice President and Manager of our Santa Maria office. She is complimented by James P. Burubeltz, Vice President/Commercial Loan Officer, Stella Martinez, Operations Officer and a friendly staff of employees to take care of all your banking needs. If you are not already acquainted with our officers and staff, we welcome you to stop by and see what "Friendly Community Banking" is all about.



Stewart Information Services Corp. (NYSE-STC) is a technology-driven, strategically competitive, real estate information and transaction management company. Stewart provides title insurance and related information services required for settlement by the real estate and mortgage industries through more than 9,000 policy-issuing offices and agencies in the United States and international markets. Stewart also provides post-closing lender services, mortgage default management solutions, automated county clerk land records, property ownership mapping, geographic information systems, property information reports, flood certificates, document preparation, background checks and expertise in tax-deferred exchanges. More information can be found at www.stewart.com.



The Dreier Group is a multi-faceted privately-held organization, involved in fields such as property management, archival systems, private party and event planning and trend watching. The various interests of The Dreier Group management team is constantly leading the company into new directions, creating a very dynamic environment. As the company forays into uncharted territory, it develops and designs its own systems and methods of practice to create a cohesive unit out of the many areas in which The Dreier Group is active.

The background of The Dreier Group personnel covers such specialties as computer information technology and networking, graphic design, education, literature, fine arts, accounting, marketing and acquisitions. Every team member brings a fresh perspective to any goal or challenge.

Established in Santa Barbara in 2003, The Dreier Group is committed to community involvement. Its employees are urged to participate in charitable causes, such as the Santa Barbara Zoo, the Santa Barbara Bowl, Girls Inc., and the Santa Barbara Chamber Orchestra. This volunteer activity has resulted in an increased understanding of the inner-workings of the great city of Santa Barbara, as well as meeting many of the people that make this city a wonderful place to live and work.

The Dreier Group is pleased to support the UCSB Economic Forecast Project and appreciate the fine work it does for the community.



Towbes Capital Partners

Towbes Capital Partners, LLC (or TCP) was formed to expand the Towbes Group's real estate portfolio by combining the capital of its principals with capital from third party investors. Towbes Capital Partners' principals are Michael Towbes, Robert Skinner, and Craig Zimmerman. Since its inception, Towbes Capital Partners has acquired over 500,000 sq. ft. of real estate valued at over \$91 million. For more information on Towbes Capital Partners, visit www.towbes.com



The Towbes Group

The Towbes Group, Inc. is a Santa Barbara based development, construction and asset management company dedicated to providing customer satisfaction. Our company has a history of over fifty years of professional experience in all aspects of residential and commercial real estate development, including construction, development, and property management. We have developed over 5,000 residential units and over 1.4 million square feet of commercial properties. We currently manage 1.7 million square feet of commercial space and 1,800 residential units. Almost all of this development has been in the tri-county area, and a majority has been in Santa Barbara County.

We are pleased to be a sponsor and to support the UCSB Economic Forecast Project.



The largest credit union headquartered in Ventura County, VCCU is a financially strong and growing source of personal financial solutions. In fact, this community has considered Ventura County Credit Union a key provider of financial services for more than 50 years. Credit unions are not-for-profit cooperative financial institutions where customers are owners, providing themselves with lower loan rates and higher returns on their insured investments. The credit union philosophy has always been People Helping People.

More than 45,000 VCCU member-owners enjoy individual attention and high-tech financial services. VCCU's full-spectrum of 24-hour financial products includes free checking, free online banking, bill payment service and telephone banking. The Credit Union has everything a bank offers and more including high-yield investments, savings and a nationwide network of no-fee ATMs. Home mortgages, new and used vehicle loans and personal loans have extremely competitive rates and in many cases instant approval is available 24-hours a day.

For the REAL thing — great financial and personal service, visit Ventura County Credit Union. VCCU offices are located in Ventura, Oxnard, Camarillo, Thousand Oaks and Simi Valley. For more information about VCCU, or to become a member of a great low-cost banking alternative, call 805/ 477-4000 or log on to www.vccuonline.net.

VILLAGE PROPERTIES REALTORS

Village Properties is one of the leading Real Estate Companies of Santa Barbara County with offices in Montecito, Santa Barbara and Santa Ynez: Serving Carpinteria, Summerland, Montecito, Goleta, Santa Barbara and Santa Ynez. The key to Village Properties' success is Experience. Our agents are knowledgeable, connected, and committed to providing you with the finest professional real estate service available. Our association with Christie's gives us the worldwide connections to present the finest properties in our communities to a new group of prospective buyers. We have enjoyed an enhanced level of service by marketing our properties internationally through Christie's and Christie's Great Estates. Call us at 805-969-8900 or email us today to learn more about buying or selling a home, and our local real estate market.



WELLS FARGO

Wells Fargo (NYSE: WFC) is a diversified financial services company providing banking, insurance investments, mortgage and consumer finance for more than 27 million customers through 6,000+ stores, the internet and other distribution channels across North America and internationally.

Wells Fargo has \$422 billion in assets and 146,000 team members. We are one of the United States' top 40 largest private employers. Moody's Investors Service rated Wells Fargo as the only 'AAA' bank in the U.S. Diversity Inc. rated us among the top 25 companies in all industries for diversity. Wells Fargo was rated by Forbes as one of the top 25 U.S. companies in all industries based on a composite ranking of revenue, profits, assets and market value.

With Commercial Banking offices in both Santa Barbara and Ventura Counties, Wells Fargo provides you and your business with local personal attention in addition to the vast resources of one of the world's most sophisticated financial networks.



Founded in 1975, Wilson Printing was established adjacent to the University of California, Santa Barbara campus as The Alternative Copy Shop to provide copying and binding services to the faculty, staff, and students of UCSB. Over the next 25 years, Wilson Printing has evolved to become the area's leader in providing color printing, digital copying and printing, color copying, digital prepress, bindery and bookbinding services. Wilson Printing continues to be a major supplier of these services to the university, as well as many of the hi-tech companies, schools, and institutions in the Santa Barbara area.

Located in Old Town Goleta, Wilson Printing caters to discriminating business clients who need close attention to detail, careful color reproduction, and exacting standards in their printed communication pieces. Wilson Printing was the first to bring digital Xerox Docutech copying and digital color copying to Santa Barbara County. Wilson Printing remains innovative in bringing the most current printing technology and pre-press proofing systems together.

Wilson Printing prides itself in its involvement in the surrounding community. We currently and actively support many University programs; organizations such as the Boy Scouts, Girl Scouts, YMCA, local area schools, various youth sports programs; and many local charities and service clubs.

Wilson Printing may be contacted at (805) 964-8875; on the World Wide Web at www.wilprint.com; or join us at 5777 Hollister Avenue in Goleta for a personalized tour.

Corporate Sponsors



ARCHBALD & SPRAY LLP ATTORNEYS AT LAW

Archbald & Spray LLP has a statewide reputation for providing exceptional legal service to clients throughout the Central Coast. A strong litigation practice has been the firm's cornerstone since 1960. In addition, our attorneys provide mediation services, preventive law counseling and handle transactional matters for businesses in varied industries, including energy, hospitality, high-tech, service, transportation, manufacturing, health care, and insurance. We also represent governmental entities, non-profit organizations, and a wide range of professionals.

At Archbald & Spray, we work closely with our clients to achieve effective and cost-sensitive solutions to legal problems. By emphasizing four core principles - integrity, industry, intelligence and innovation - the firm has earned professional respect from the judiciary and colleagues, enabling our attorneys to obtain prompt, favorable results for our clients through negotiation, mediation and/or litigation.

We have successfully defended clients at trial and on appeal faced with business-threatening lawsuits in both state and federal courts, including contract and commercial matters, labor and employment disputes, environmental, land use, product and professional liability, and insurance coverage matters.

Archbald & Spray applauds the significant contributions made by the UCSB Economic Forecast Project and is proud to be a continuing sponsor of its activities.



Bank of America is one of the world's largest financial institutions, serving individual consumers, small and middle market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk-management products and services. Bank of America is the No. 1 overall Small Business Administration (SBA) lender in the United States and the No. 1 SBA lender to minority-owned small businesses. Our consumer and commercial banking operations serve more than one in four households in the United States, transacting with more than 150 customers per second.

Bank of America provides an unmatched convenience in the Santa Barbara and Ventura Counties, serving consumer and small business relationships with more than 30 retail banking offices, more than 120 ATMs and an award-winning online banking system.

Bank of America has \$1.2 trillion in assets and over 175,000 team members. Bank of America was recently named one of the nation's Top 10 companies for corporate diversity and opportunity by *Minority MBA* magazine for the second straight year and *Forbes* named Bank of America among the "Best of the Web."

Our Private Bank division is one of the world's largest corporate fiduciaries for individuals, with \$104.5 billion in assets under management and 50,000 trust relationships.

The Bank of America Foundation contributed more than \$72 million to help children and families succeed in life by supporting programs in early childhood development, economic and financial education and teacher development. Communities are strengthened through additional grants to nonprofits that help people obtain affordable housing and develop job skills.

To learn how Bank of America can help you reach your financial goals, visit our website at www.bankofamerica.com or call us at 805-564-2064.



Bermant Development Company was founded in 1983 by Jeffrey C. Bermant to help solve the complex challenges facing California's communities. We begin residential projects with a simple goal: balance the need for competitively priced homes, a community's need for environmentally sensitive development, and the requirements of the marketplace.

Our comprehensive team of planners, engineers, architects, environmentalists, builders, and managers enable us to look at the larger issues-to master plan a project to meet the needs of communities. Our team is able to generate solutions not traditionally offered by developers. The results are innovative projects that add value to the community, win the support of neighborhoods, and the approval of local governments.

Through its Bermant Homes affiliate, it has built 400 homes in Santa Barbara and San Luis Obispo Counties in the last five years. We currently have about 800 residential units in various stages of planning or production. Through our commercial division we have built almost 1,000,000 square feet of Class A executive office buildings, planned research and development parks, and light industrial property.

Our BDC Metro affiliate was formed to create solutions for working families who are being priced out of housing in their communities. Its innovative solutions for workforce housing will allow cities to develop housing for the critical workers that serve their communities without public funds.

BDC Management is our management company for properties of third party clients. BDC Management presently manages more than 900 apartment units and 300,000 square feet of commercial property.



C&D llp CPAs & ADVISORS

At C&D we understand the importance of a dialogue between business and the community. Once again we are proud sponsors of the UCSB Economic Forecast Project.

Our entire staff along with partners, Kathleen Campbell, Deborah Gioia, Verva Enoch, Tammy Vogsland, and Janet Olivera, strive to provide sound solutions and advice to our clients that enhance their financial situations. Our expertise in taxation, accounting and auditing, and business and estate planning allow us to serve the diverse interests of our clients ranging from agriculture and ranching, to vineyards and wineries, real estate professionals, manufacturing, and retail businesses.

C&D has been a part of the Central Coast business community for over two decades and we continue to be committed to building lasting relationships with our clients and our community. We understand that the financial future of our community begins with the strength of each individual, each business. We can help you develop a financially stable business with our exceptional customer service and wide range of financial expertise.



The Cancer Center of Santa Barbara is an independent, non-profit cancer treatment center founded in 1949 by Elisha Converse. Mr. Converse wished to bring the most advanced cancer treatment available to the local community in honor of his wife, Lillian, who had suffered from the disease.

Today, the Center is comprised of three medical departments - radiation oncology, hematology/medical oncology and nuclear medicine - all of which serve the Central Coast. A wellness program is in place to implement preventative programs, community alliances and educational tools for risk reduction, cancer management and the prevention of re-occurrence. The social services department offers assistance with: child care, health insurance, long term care and transportation. Under the auspices of the National Cancer Institute and other research consortia, the latest cancer treatments are made available to patients, while participating in the progress that is being made nationwide to achieve more effective cancer treatments. Additionally, the Center is involved in designing its own research studies as well as funding research at UCSB to provide better treatment.

The mission of the Cancer Center serves as a guiding force and allows us to maintain the quality and compassionate care that have been our hallmark for more than half a century.



CB Richard Ellis, Inc. is the world's leading commercial real estate services firm. The company serves real estate owners and investors in more than 240 offices worldwide. Services include property sales and leasing, property management, corporate advisory services, mortgage banking, investment management, appraisal/valuation and research & consulting.

The Sales professionals at CB Richard Ellis have the depth of knowledge and breadth of experience to keep up with today's ever-changing real estate market. Our full service brokerage capabilities combined with unparalleled local market knowledge of Santa Barbara, Ventura and San Luis Obispo counties result in an ability to offer clients effective, intelligent and strategic solutions in a timely manner.

Enjoying a longstanding reputation of professionalism, one-on-one personalized service and innovation, CB Richard Ellis is dedicated to meeting the needs of each client and successfully closing every transaction.

We are proud to be a continuing sponsor of UCSB's Economic Forecast Project.



C E A R N A L
A N D R U L A I T I S
A R C H I T E C T U R E
I N T E R I O R D E S I G N
521 1/2 STATE STREET
SANTA BARBARA
CALIFORNIA 93101

Since our inception in 1983, Cearnal Andrulaitis, LLP, a 16-person architectural and interior design firm, has been committed to providing the highest quality architectural and interior design services available on the South Coast. Our responsibility to the thorough understanding of each challenge we encounter ensures unique design solutions to meet our clients' aesthetic, budgetary and program objectives.

Over the past 20 years, our clients have included the County and City of Santa Barbara, Santa Barbara Bank & Trust, Westmont College, St. Francis Hospital, Cottage Hospital, Michael Towbes Development, Sansum/Santa Barbara Medical Foundation, The Lee Group Development Company, Senior Resource Group, Capital Pacific Homes, and Morgans Hotel Group (formerly Ian Schrager Hotels). We have designed some of Santa Barbara's most prominent buildings, including the headquarters of Santa Barbara Bank & Trust, the Hotel Andalucia, the Santa Barbara County District Attorney Building and Braille Institute.

CALLP's current projects include the Cottage Hospital Workforce Housing project at the old St. Francis Hospital site, UCSB's new faculty housing project and the proposed Whole Foods Market on upper State Street. We are the local design architects for the rebuild of Cottage Hospital and are responsible for their new childcare facility, which is designed to achieve a LEEDS Silver rating. Projects under construction include a downtown Santa Barbara Housing Authority project and Santa Barbara County's Children's Services building. We are working on a number of downtown infill mixed-use projects in Santa Barbara and Ventura, including the adaptive reuse of Ventura's Historic Elk's Lodge.

Cearnal Andrulaitis has always been committed to sustainable architecture. Conscious choices in our planning, design, building methods and materials is always a part of what we do. We continually work to educate ourselves and our clients about how we can create buildings that lessen the load on the planet.

Our greatest asset is our ability to achieve results through teamwork; always striving for the highest quality design solutions; always grounded in integrity and honesty; always committed to the collective service of our clients and our community.



Chicago Title

Chicago Title welcomes you with a professional, experienced team. You can depend on our title and escrow personnel for prompt and thorough performance. Our goal is dependable, accurate service on every transaction. It's a tradition you can trust.

As a member of the Chicago Title and Trust Family of Title Insurers, we offer superior financial strength, 3,800 locations nationwide and revenues exceeding \$1 billion annually. We look forward to serving you.

1847-2004 BUILDING FOR THE NEXT 157 YEARS



Located in the heart of Santa Barbara County's wine country, the Chumash Casino Resort offers a wide array of activities. From an exciting casino experience to luxurious hotel accommodations to top-notch entertainment, it has become the entertainment hub in the region.

Chumash Casino Resort guests experience the excitement of dazzling gaming activities 24/7 with 2,000 of the latest and greatest slots and video machines, Blackjack, poker and bingo.

The upscale hotel features 106 spacious rooms, including 17 luxury suites and a 5,000 sq. ft. luxury spa. The hotel has received the coveted Four Diamond Award from AAA of Southern California each year since it opened in 2004.

The Chumash Casino Resort has a variety of culinary pleasures: The Creekside Buffet, Chumash Café, and The Willows. Offering steaks and fine entrées, The Willows received a Four Diamond Award from AAA of Southern California - one of only three restaurants in Santa Barbara County to receive the award, and the only restaurant on a Native American gaming property to receive such a rating.

The resort's Samala Showroom offers a variety of concerts and events, featuring top performers such as Fleetwood Mac, Brooks & Dunn, Tony Bennett and Latin pop sensation Juanes.

With Four Diamond dining and accommodations, a luxury spa, high profile entertainers, luxury car giveaways and exciting gaming, it's no wonder that visitors find plenty of ways to live it up at the Chumash Casino Resort.

Corporate Sponsors



We are a family-owned business which has grown steadily over the years to become one of the top real estate firms in Santa Barbara and the surrounding areas. We enjoy powerful community recognition built upon our trademark and guarantee of personalized service to our clients.

Our real estate professionals, who live right in the communities we serve, have intimate knowledge of each community's character, mood and growth potential. Drawing on their extensive knowledge of schools, recreation facilities, shopping opportunities and transportation, our real estate associates are able to better respond to and satisfy the special housing needs of their clients, and they can readily meet the unique challenges and issues families may encounter in selecting their new homes.

It is because of our dedicated real estate professionals that you can feel confident that all of your real estate needs will be handled in the most trustworthy, professional, confidential and efficient manner.

For the investor, our commercial department is able to provide our valued clients with income and commercial property opportunities.

One indication of our professionalism is a computer generated CMA (Competitive Market Analysis), which compiles complete and accurate information to assist you in the decision making process regarding the pricing and marketing of your most valuable asset - your home.



"Making a difference in our neighbors' lives..."

Experience the credit union difference at CoastHills, a not-for-profit financial cooperative owned by the people who save and borrow there. CoastHills Federal Credit Union was established in 1958 at Vandenberg Air Force Base to serve the financial needs

of its military personnel. The credit union changed its name to CoastHills in October of 2003, and has steadily grown into a top-rated financial institution serving the San Luis Obispo and northern Santa Barbara counties.

Currently CoastHills has ten branches along the Central Coast, plus a call center and convenient access to on-line services through our web site, bankamongfriends.com.

Currently CoastHills has assets of more than 470 Million, and serves more than 49,000 members. With some of the best rates on consumer and mortgage loans, plus financial planning and insurance services, CoastHills consistently receives the highest marks for member service satisfaction.

CoastHills' goal is to serve all of our members well, including those of modest means. Our vision statement is to "make a difference in our neighbors' lives," and we strive to live up to that promise to our members and to our community.

In October of 2005, CoastHills sent a team of five employees to provide relief support to the areas stricken by Hurricanes Katrina and Rita. Through the American Red Cross, the team members served as shelter supervisors, call center operators, and emergency medical supporters for a three week period. The employees received their full salary from CoastHills during their deployment.

Beginning in January of 2005, CoastHills provided 100% medical, dental, and vision insurance premiums for all eligible employees and their families. This is a huge commitment to our 155 employees and their families as we establish CoastHills as the employer of choice on the Central Coast.

Contact Info:
Scott Coe
VP Marketing
CoastHills Federal Credit Union
(805)733-7643
scottc@coasthills.coop



The Community Environmental Council (CEC) is a regional 501 (c)(3) non-profit environmental organization with headquarters in Santa Barbara. CEC was founded in 1970 following a swell of outrage and concern over a devastating oil spill in the Santa Barbara Channel, and has been working on local environmental issues every since.

Since its inception, CEC has pioneered scores of real-life solutions for the community: offering alternatives to pesticides, giving support to the organic foods movement, showcasing and promoting the use of green building techniques, and taking hazardous wastes out of homes and businesses.

Perhaps CEC's best-known success has been with recycling — a bold but experimental idea that led to the establishment of the first recycling center in Santa Barbara more than three decades ago. CEC recently divested themselves of their recycling business and refocused their organizational mission to more heavily emphasize energy and water issues.

Today, CEC is working toward an ambitious goal of energy independence for Santa Barbara County under their Fossil Free by 2033 campaign. CEC is working on projects that will assess regional potential for renewable energy technologies; decrease our demand for electricity through energy efficiency and conservation measures; get more solar power installed on businesses and homes; and demonstrate that liquefied natural gas terminals are unnecessary in California.

CEC also recognizes the importance of restoring and maintaining healthy watersheds with programs that remove barriers to fish migration; clean local beaches; prevent pollution; and educate the public about local watershed issues.



Carl Schneider, A.I.A., NCARB

Offering a full range of services, CSA Architects is an aggressive, award winning architectural firm with a strong focus on design, sustainability, and personal attention to follow through for all projects. Founded by Carl Schneider, AIA, CSA Architects offers a depth and breadth of knowledge in residential architecture that benefits the complex criteria and constraints of a diverse clientele.

Specializing in residential work, CSA is versed in the requirements for affordable housing, senior housing and multi-family condominiums as well as for lavish custom estates. Capabilities also encompass community centers, recreation buildings, commercial buildings and sophisticated mixed-use programs.

CSA believes designing projects with sustainable features is in the best interest of the client, as well as the community. We encourage our clients to incorporate sustainable features into their projects. CSA designed the first building in Santa Barbara County that incorporates a geo-thermal loop system for heating and cooling. Other projects include systems such as roof mounted photovoltaic cells for electrical generation, a natural fresh air ventilation system so a conventional air conditioning was not required, and a health clinic with all interior materials done with zero to very low VOC's to provide a healthy interior environment.

CSA's reputation for top performance is matched by its commitment in every transaction, and to a positive outcome for each client. CSA is based in Santa Barbara, California, with clients throughout the Western United States. Awards range from a Pacific Coast Builders Conference "Award of Merit" in the category of Best Custom Residence under 6,000 square feet to the Las Casitas Housing Excellence Award for Best Custom Home by the New Mexico Home Builders Association.

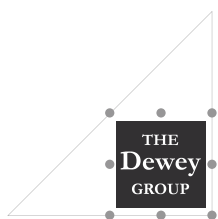
Mr. Schneider's experience encompasses nearly three decades in the field of professional architecture. Li-

censed in California since 1982, Mr. Schneider earned accreditation with the National Council of Architectural Registration Boards (NCARB) in 1983 and is a member of the Santa Barbara Chapter of the American Institute of Architects. He currently serves on the "Design Review Board" for the City of Goleta and was an inaugural member.

DesignARC

Architecture + Interior Design

DesignARC is one of Santa Barbara's leading architecture and Interior design firms. Based in the community for over 29 years, the firm has one of the largest architectural and interior design staffs in the Tri-County areas. DesignARC's award winning work includes a variety of commercial, institutional, manufacturing, and residential projects. The firm has consistently been recognized over the years as an award winning design focused organization with a specific emphasis on producing inspired architectural solutions that work. The firm maintains fully staffed offices in Los Angeles and Orange County and is involved in the design of projects throughout California, New York, Nevada, Mexico, and Costa Rica. Recent significant projects include the \$65 million UCSB Manzanita Village Housing project, the \$20 million Santa Barbara Bowl renovation, the \$6.5 million Roosevelt School, Superconductor Technologies Corporate Offices, and many prominent commercial and residential projects. Contact Michael Holliday AIA at 963-4401 #26 for more information or visit www.designarc.net.



The Dewey Group, founded by John Dewey in 1986, acquires, entitles, renovates, and/or develops residential, commercial and self-storage properties and portfolios, often with challenging environmental or entitlement issues.

Since 1995 as a co-general partner, Mr. Dewey arranged financing for the acquisition and renovation of nearly 5,000 multi-family units in the Western US. His financing helped fuel the growth of one of Southern California's most respected real estate companies. Many of these properties were purchased and renovated with private equity, conventional financing, and often through tax-exempt municipal-bond financing and the sale of tax credits.

Mr. Dewey spent the early years of his career working in real estate capital markets for Lehman Brothers, placing debt and equity in commercial and residential units. These financings covered thousands of units and hundreds of millions of dollars in transaction volume. A member of NAIOP, CORENET, the Mortgage Bankers Association of America and a licensed California real estate broker, Mr. Dewey graduated with a BA in Business-Economics from UCLA. Mr. Dewey currently serves as Vice-Chairman of the board of The Spina Bifida Foundation, based in Washington D.C., responsible for the prevention, awareness and research of Spina Bifida, the most frequently occurring and most permanently disabling birth defect. Mr. Dewey is an active volunteer with the March of Dimes and currently serves on the board of directors of Lighthouse Ministries, a community outreach program of Mariners Church located in Irvine, CA.

Additionally, The Dewey Group currently employs 4 full time project feasibility analysts to support acquisition and market feasibility analysis activities.



First built in 1922, the El Paseo Restaurant embodies a proud and historic Santa Barbara tradition of service, style and hospitality. Enjoy authentic Mexican entrees or sip margaritas by the fireplace in a beautiful indoor/outdoor courtyard with bougainvillea-draped balconies, murals, fountain, flower cart and a unique retractable roof.

Fell, Marking, Abkin, Montgomery, Granet & Raney, LLP

Fell, Marking, Abkin, Montgomery, Granet & Raney, LLP, has been providing legal services for over 25 years. The firm's attorneys specialize in a broad spectrum of legal fields, including: general and complex civil litigation and dispute resolution, business and technology, international commercial transactions, real estate transactions, land use, environmental, securities, taxation, eminent domain, family law, estate planning, wealth preservation, probate, trust and estate administration, and telecommunications. The firm acts as general legal counsel to various entities, including publicly traded and privately held corporations, in a wide variety of business transactions. The attorneys in the firm are committed to providing the highest quality and individualized legal services consistent with each client's economic needs and constraints. The attorneys in the firm take great pride in the Santa Barbara County community and are proud to sponsor the UCSB Economic Forecast Project.

HOWARD AND VAN SANDE STRUCTURAL CONSULTANTS, INC.

Howard and Van Sande Structural Consultants, Inc., was founded by Lynn L. Howard and Gregory K. Van Sande in 1984.

Over the years, the firm has established itself as one of the most respected structural engineering firms in the Tri-Counties. Paramount is our commitment to quality backed up by a very experienced staff.

As a supplement to the firm's veteran staff, the most current computer technology available in the industry is utilized for engineering and analysis and construction drawings.

The majority of services performed by Howard and Van Sande have been for structures located throughout the Central and South Coast and encompass commercial, industrial and public facilities as

well as large scale private residences. Our experience also includes structural investigation and expert consultation to insurance companies and law offices regarding structural failures; seismic strengthening of unreinforced masonry buildings; structural investigations and reports; remodels and additions; construction administration; shop drawing; and computer animation studies.

The firm has considerable experience in working with various building construction techniques and materials such as: wood frame; cast-in-place, precast, and prestressed concrete; utilizing conventional and three dimensional ductile moment-resisting steel frames; and computer modeling and finite element analysis.



Investec is one of California's most diversified real estate companies providing Investment, Development, Construction, Property Management, and Sales & Marketing for commercial and residential properties throughout Central and Southern California since 1983.

Awarded the Central Coast Building Industry Association Builder of the Year and the Green Award for Environmental Excellence, Investec has earned the reputation as one of Santa Barbara's premier real estate investors.

As its principals, Kenneth Slaughter and Richard Ridgway lead a company that is committed to the highest standards of quality, innovation and responsible planning. Investec is pleased to participate as a sponsor of the UCSB Economic Forecast Project.

Corporate Sponsors



KEYT-TV has been the Tri-County's ABC affiliate for more than 50 years, broadcasting some of TV's most watched entertainment and news programming, while placing significant emphasis on local news and community involvement.

KEYT has won numerous awards, including two Emmys, one for best newscast, another for Friday Football Focus, the hugely popular and long-running high school football highlights show.

KEYT has been named "Station of the Year" by the Associated Press and has received the "Mark Twain" award for best newscast in the region.

KEYT airs five daily live newscasts from early morning until late at night, simulcasting the 6 p.m. news in Spanish. In addition to its four evening newscasts on the weekends, Channel 3 also airs In Focus, a live, topical interview program on Sunday evenings, and the weekly Coastal Business Report seen Sunday mornings.

KEYT's local emphasis also includes a deep commitment to community service. The station devotes a tremendous amount of airtime and resources to support a broad range of community outreach programs, including four local telethons each year. The Unity Telethon raises money to provide food and clothing for underprivileged families in our area. The Mission for Mentors Telethon raises mentor hours for at-risk children who need an adult role model and friend. The Children's Miracle Network Telethon supports the area's only neo-natal care facility at Cottage Hospital.

KEYT's coverage area extends from Simi Valley in Ventura County to the northern reaches of San Luis Obispo County, and is seen in more than 500,000 households.



MarBorg Industries is a locally owned and operated waste management and recycling enterprise run by the Borgatello family. The Borgatellos have been in the Santa Barbara waste management business since 1934. MarBorg Industries' focus on recycling sets it apart from its competition. MarBorg Industries is the largest source of diversion from our landfill in both the City and County of Santa Barbara. Along with successful commercial and residential recycling programs MarBorg Industries has developed a state of the art Construction and Demolition recycling center off of Milpas St. The newest program in MarBorg's recycling portfolio is a comprehensive computer and electronics drop-off center located off Milpas St.

MarBorg Industries believes in protecting our environment through comprehensive recycling efforts so that our community's growth does not compromise our outstanding quality of life. We must look forward to the generations ahead so our children and grandchildren can enjoy the beauty of Santa Barbara just as we have.



Martin Farrell Homes, Inc.

Martin Farrell Homes, Inc. is a Santa Barbara-based residential real estate development company. Jon Martin and Mason Farrell, the two principals, have been in the residential real estate development business for a combined 40 years. Prior to forming their own company in 1993, both partners worked for Michael Towbes Construction & Development, Inc.

Martin Farrell Homes was recently awarded "Best Production Home Over 2,000 Square Feet" by the Homebuilder's Association of the Central Coast for the Santa Barbara and San Luis Obispo County areas.

Our projects and community service have received many awards of distinction over the years.

We were ranked by the South Coast Business Times as the 3rd largest builder-developer in the Ventura, Santa Barbara and San Luis Obispo tri-county area in 2004, and 7th largest in 2005. However, we are a firm believer that bigger is not necessarily better. A successful organization maintains its high standards in the process of growth, and that is our primary goal.

Jon Martin has significant experience working with residential and commercial development projects in Santa Barbara and San Luis Obispo Counties since 1985. With an economics and finance background, his expertise is political and entitlement issues relating to planning and project approvals, as well as managing product development and construction. He is President of the Homebuilder's Association of the Central Coast.

Mason Farrell has been in the development business since 1987, and has an extensive background in marketing and sales of residential and commercial developments. He currently serves as a Trustee at the Santa Barbara Foundation and Ganna Walska Lotusland.

Our company philosophy is to create and deliver to the marketplace high quality residential, commercial and mixed use developments which provide a high value to the end customer. We pride ourselves on exceeding not only our customers' expectations, but also our investment partners and lenders on every project we have built, which has earned us a very positive reputation in the local community.

We wish to grow our company at a rate that allows the principals to maintain a hands-on approach so that we can continue to pay close attention to the important details that separate an outstanding development project from an average one.



The Montecito office of Merrill Lynch Private Client Group is proud to sponsor the UCSB Economic Forecast Project. Our firm is committed to helping people build and manage wealth.

Headed by Robert Gilson in Montecito, Merrill Lynch provides planning-based financial services, including investment services, private banking, retirement and group employee benefit services, insurance, home financing, personal credit and business financing services, trust services, estate planning, and financial portfolio planning to more than four million households, small-to-mid-sized businesses, and regional financial institutions.



Milpas Motors

Milpas Motors is your local Automobile Consultant offering all Makes and Models of New Vehicles along with top quality Pre Owned options.

All Brand New Vehicles are available through their Broker Program which allows Milpas Motors act as your buying service and deliver your newly purchased or leased vehicle right to your door.

Another popular service offered by Milpas Motors would include their Exclusive Consignment Service which allows their clients to maximize the sale value of their vehicles while offering the up most convenience.

Milpas Motors also offers financing at some of the lowest rates in the Industry and they are a preferred lending partner with Santa Barbara Bank and Trust.

Born out of passion for Automobiles and molded by a 25 year track record of success, Milpas Motors is the local company offering Value, Commitment and Quality to all Friends and Neighbors here in Santa Barbara.

Milpas Motors is a proud sponsor of the UCSB Economic Forecast Project.



Pacific Riviera Mortgage is operated by a seasoned mortgage industry professional with extensive knowledge in Real Estate Financing! Locally owned, Pacific Riviera Mortgage is an affiliate of Guarantee Mortgage.

Guarantee Mortgage and its affiliates have an excellent, proven track record of long-term relationships with all of the major mortgage providers on the West Coast and Nationwide. This network of relationships with lenders guarantees our Loan Officers the accessibility to every competitive loan program available in the marketplace. These relationships along with GM's exceptional quality and volume of business equate to a wider selection of mortgage product choices at the lowest rates with superior lender support.

Pacific Riviera Mortgage acknowledges that our valued clients demand excellence in service. At Pacific Riviera Mortgage we value our clients and know that they have special and specific financial needs. The clients we seek are those who demand, deserve and appreciate the highest level of service and performance in all of their real estate financing activities.



Pacifica Real Estate Group, a California Corporation, is a full service, diversified company offering expertise to investors in the acquisition, development, brokerage, and management of real property.

Pacifica and its affiliates have developed and/or acquired numerous commercial properties throughout California.

Our mission is to create value and profit in real estate for our clients and

investor partners. Pacifica's success is based on the ability to acquire and develop properties at the optimum price; to maximize return through professional property management and brokerage services; and to implement successful exit strategies, which are carefully planned from the time of acquisition.

Once again, we are proud to sponsor the UCSB Economic Forecast Project, and we salute its valuable service to the community.



Paseo Nuevo Shopping Center, located in the heart of historic downtown Santa Barbara, is the premiere shopping destination for locals and tourists. Anchored by Nordstrom and Macy's, Paseo Nuevo includes 50 specialty shops and restaurants situated amongst garden courtyards and tropical, flowering vines. A unique feature of this outdoor center is the attached Arts Complex, home of the Contemporary Arts Forum and Center Stage Theater. Paseo Nuevo is the perfect blending of art, fashion and cuisine in Santa Barbara.

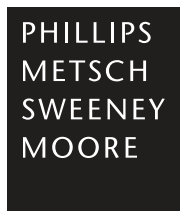


Penfield & Smith is an employee-owned, professional services company with Corporate headquarters located at 101 E. Victoria Street in Santa Barbara, California. With the tradition of 60 years in business on the Central Coast, this company maintains its mission "To provide professional civil engineering and land surveying services which are timely, cooperative, economical and of a high order of professional and technical achievement."

The company was formed in 1946 and has grown to be the largest consulting firm of its type in the Santa Barbara area. Services provided include Civil Engineering, Transportation Planning and Design, Land Surveying, Land Planning, Permit Processing and Construction Administration. The company provides services to both public and private sector clients and has expanded to provide services to other communities including Camarillo, Santa Maria and Lancaster. With branch offices in each of these cities, Penfield & Smith is able

to meet the needs of local developers and public agencies alike.

Penfield & Smith has been very involved with many historical projects on the Central Coast including the Santa Barbara Bowl, the Santa Barbara Harbor, Stearn's Wharf, UCSB, and numerous City beautification projects. With over 130 employees in four offices, the company is able to provide personal, high quality service to clients throughout the Central Coast and Southern California. For more information, please check our web site at www.penfieldsmith.com.



ARCHITECTS

Celebrating 100 Years in Business

Phillips Metsch Sweeney Moore Architects is a full-service architectural planning and design firm dedicated to projects that enrich the community. With a focus on public education, healthcare, municipal and performing arts clients, PMSM Architects provides in-house planning, programming, architectural design, interiors and space planning, project management and construction administration services. We supplement these core services with additional specialized expertise including sustainable design, LEED certification, local/state government approval processing, historic preservation, restoration, and renovation.

Distributed among 4 offices-Santa Barbara, Santa Maria, Paso Robles and Visalia-our staff of 50 is committed to enhancing the future of Santa Barbara County. We are currently designing the restoration of the Granada Theatre, the Renaissance Plan for the Music Academy of the West, the Science & Health Occupations Building at Allan Hancock College, and several projects for Cottage Health System. Our current projects under construction include the new Psychology Building Addition at UCSB that will house an fMRI suite, an addition to the Sports Pavilion at Santa Barbara City College, and a 3-pool indoor Aquatic Center for the City of Lompoc.

This year we celebrate 100 years in business in Santa Barbara County. We attribute our enduring success to dedicating ourselves, as people and professionals, to projects that enrich the community while maintaining our core values of honesty, integrity, and professionalism. Our reward has been the opportunity to work with the majority of our clients on a repeat basis.

We appreciate the opportunity to serve Santa Barbara County. To learn more about Phillips Metsch Sweeney Moore Architects, please visit our web-site at www.pmsm-architects.com.



Suzanne Elledge Planning & Permitting Services, Inc. has provided professional planning, land use consultation, permit processing, and project management services to a wide variety of public and private sector clientele throughout Santa Barbara County since 1994.

Our firm is widely recognized for taking a creative and respectful approach to guiding projects through the public review and entitlement process. We have extensive experience representing a diverse range of residential, institutional, and commercial projects and we have earned a reputation for successfully integrating the objectives of our clients with the community's planning policies.

Our professional staff provides unsurpassed quality of service at competitive rates. Our enthusiasm for facilitating successful permit acquisition and our reputation for providing superior, personalized service have been leading factors in our steady growth over the past twelve years. The focus of our work has been primarily on the South Coast, but as the need for planning services expands in the North County, we look forward to the increased opportunity to provide planning and entitlement services to clients with projects in our North County communities.

In addition to the expertise provided by our own staff, we have an excellent working relationship with an extensive network of professionals in the fields of engineering, surveying, architecture, landscape architecture, and environmental consultation.

Corporate Sponsors

REICKER, PFAU, PYLE & McROY LLP ATTORNEYS AT LAW

Santa Barbara's Business Law Firm

Reicker, Pfau, Pyle & McRoy LLP is Santa Barbara's premier business law and commercial litigation law firm. We represent the Central Coast community in their business, financial, real estate and securities transactions and related litigation. Reicker, Pfau, Pyle & McRoy is rated "AV" by Martindale-Hubbell.

Reicker, Pfau, Pyle & McRoy was established in June 1996 by six attorneys as a full service business law firm providing business, transactional and litigation legal services so that every client receives individual attention from an experienced and skilled partner. We strive to provide our clients with the finest legal representation available with an effective, efficient and cost-effective approach to solving problems. We currently have seven partners and three associates.

Our transactional attorneys, Bruce W. McRoy, Michael E. Pfau, Daniel A. Reicker, Andrew D. Simons, Steven R. Roeser and Christine Vanston represent businesses and individuals in general business, corporate, securities, tax, real estate, intellectual property, franchise and other legal matters. They have extensive experience with a variety of sophisticated transactions, including private and public offerings of securities, venture capital investments, and private and public mergers and acquisitions. They also have extensive experience in investment and financing transactions, domestic and international licensing, and technology transfer issues and acting as in-house counsel for local businesses.

Our litigation attorneys, Alan A. Blakeboro, Diana Jessup Lee, Kurt H. Pyle and Jana M. Beck concentrate on complex business disputes and commercial litigation, notably in the areas of corporate and partnership disputes, real estate disputes and leasing, securities arbitrations and disputes, contracts, debtor/creditor relations, civil writs and appeals, employment and retirement law, intellectual property litigation and disputes involving estates, trusts and wills.

Our clients are located throughout California and the world and include

major manufacturers of electronic, biomedical, computer hardware and software and other industrial products, real estate and hotel development and management companies, financial institutions, investment banking and venture capital funds, and individuals.

We also represent academic and research institutions and professionals with respect to the licensing and exploitation of their scientific developments. We have expertise and experience in dealing with patent, copyright and other intellectual property issues and routinely represent our high tech and industrial clients with respect to licensing, technology transfer and intellectual property enforcement matters.



SANTA BARBARA ASSET MANAGEMENT

SANTA BARBARA ASSET MANAGEMENT is an investment advisory and portfolio management firm. The firm has experience and expertise in managing equity and balanced portfolios of marketable securities for individuals, corporations, foundations, and trusts. We are compensated by asset valued based fees. The hard won experience gained by our professionals over many investment and economic cycles is the cornerstone of our services.

SANTA BARBARA ASSET MANAGEMENT's mission is to provide experienced investment advice and asset management, with integrity, to our clients. In the provision of these services, the firm further undertakes, as its mission, the continued tradition of a business organization in which investment professionals can individually and collectively work, grow, and prosper in a manner that mutually benefits the client and the firm.

An investment philosophy is a set of beliefs about how one should approach the task of investing money. When capital growth is the objective, we believe the investor obtains the best potential return for the least amount of risk. This is assumed by owning a diversified portfolio of equities, in well managed companies, that have demonstrated their ability to achieve high and stable rates of growth. We strive to invest in companies that not only have demonstrated success, but have the potential to continue that achievement.

SANTA BARBARA ASSET MANAGEMENT uses highly disciplined analytical procedures, based on historically reliable relationships between corporate financial performance and securities market performance, in managing investment portfolios. We believe our investment process has been consistent over varied market cycles.



Santa Barbara City College (SBCC) is a comprehensive community college serving the south coast of Santa Barbara County. The Santa Barbara High School District established SBCC in 1909, making it the second oldest community colleges in California. SBCC is renowned as one of the leading two-year public colleges in the nation and as a premier college in the California system of 109 Community Colleges. The college moved to its present and permanent location in the summer of 1959. Located on a stunning 74-acre bluff overlooking the Pacific Ocean, the college boasts state-of-the-art facilities, a first-rate faculty, small classes, and a wide array of student services and support programs.

The institution's growth has been rapid, in both enrollments and program offerings. Over 17,500 students currently attend City College's day and evening credit classes. The college offers an extensive program of postsecondary education, which is especially responsive to the needs of those in the local community. SBCC's over 100 credit programs serve anyone who is over 18 years of age or anyone who has earned a high school diploma or the equivalent. Each year, more than 41,000 individuals enroll in the non-credit Continuing Education Division located at various sites throughout the Santa Barbara area in addition to the Wake and Schott Centers. SBCC is a local college with an international reputation. The College enrolls students from outside the Santa Barbara district, including students from virtually every state and from over 70 countries worldwide. At SBCC, faculty and staff focus on the students' success and on providing them with a comprehensive academic experience.

Web site: www.sbccc.edu

United Way
of Santa Barbara County



United Way of Santa Barbara County (UWSBC) has the unique and positive vision that "in our community, everyone has a hopeful future." UWSBC has served the local community since 1923 and through our Power of Partnership, we improve lives of children, families and seniors through connecting and empowering resources. UWSBC is not merely a fundraising agent, but rather acts as a unifying force, working to support non-profits and include workplaces as they seek to effectively help the community. Through funding over 80 local non-profits and enacting our own unique initiatives such as Fun in the Sun (a summer enrichment program for poverty-level and homeless children) UWSBC seeks to find lasting, meaningful solutions rather than cosmetic solutions to community problems.

Through strategic planning and community involvement, UWSBC's core values have been specifically articulated over the past year. These core values are the center of our organization as we seek to serve this community to the best of our ability. We are caring – we are committed to people helping people every day...one generation voluntarily and compassionately paving the way for future generations. We are innovative – using the Power of Partnership, we connect strengths, multiply resources, and create the best ways to make measurable improvements in local lives. We are trustworthy – we are the finest stewards of your donated time, ideas, and money. We value leadership – we initiate, influence, and support desired positive changes in our neighborhoods and communities.

UWSBC is focused on developing four key areas: successful children and teens, strong families, vital and independent seniors, and a better community. United with community leaders, volunteers, non-profits and businesses, we can provide a hopeful future for everyone in Santa Barbara County.



SANTA BARBARA
FOUNDATION

The Santa Barbara Foundation is tax-exempt public charity established in 1928 to enrich the quality

of life for all of the County's citizens through philanthropy. The Foundation administers private resources for philanthropic purposes, spanning fields of interest that include education, personal development, health, human services, culture, recreation, environment, and community enhancement. The Foundation holds a vital role in Santa Barbara, addressing ever-changing challenges by strengthening local nonprofit agencies and fostering community-wide awareness and support.

The Foundation's mission is to serve as a leader, catalyst and resource for philanthropy; toward this end, the Foundation allocates approximately \$14 million annually in grants and scholarships; provides leadership by strategically investing and allocating resources; acts as a steward by overseeing the growth and effective use of donor directed gifts; and initiates and participates in partnerships with other agencies.

SEED MACKALL LLP

Seed Mackall LLP has been providing outstanding legal services to its clients for more than 25 years, emphasizing practical, result oriented approaches to client issues. Although the firm has a long history in Santa Barbara, our lawyers and their practices reflect sophisticated legal skills on par with much larger national firms. In fact, many of our lawyers joined the firm after practicing at national firms.

The firm serves as general legal counsel to partnerships, publicly traded and privately held corporations and other business entities. Seed Mackall also counsels clients engaged in offerings of equity and debt securities, tax-exempt financing, technology financing and licensing and the purchase and sale of public and privately held business entities.

Seed Mackall also provides a full range of estate planning services such as preparing wills, trusts and all the related documents that a client may need to develop a comprehensive estate plan.

Seed Mackall LLP represents clients in connection with real estate transactions, development, financing and leasing. In addition, Seed Mackall assists its clients in the litigation and resolution of complex business and real estate disputes and has represented secured and unsecured creditors in debtor reorganization and liquidation cases.



At Seymour Duncan, the phrase, "it's only rock 'n' roll" only tells half the story. The other half of their market-leading success is based on solid business practices and a commitment to helping the world's guitarists and bassists get "tone that sets them apart."

Seymour Duncan is the world's leading musical instruments pickup manufacturer. They've been in business for 22 years in Santa Barbara, California. Their products are carried by 1,500 music stores in the USA and are found in 45 countries internationally. Their OEM customers include nearly all major guitar builders. And their artist roster is a veritable "Who's Who" of the worlds top guitarists and bassists representing bands from Aerosmith to ZZ Top and all points in between.

Since electric guitar pickups are an "image product" Seymour Duncan has employed a marketing-driven product push. In the USA, their print advertising presence represents one-third of the entire product category. Their advertising, collateral materials, and tradeshow displays have garnered numerous awards.

Their Goleta-based facility is home to 76 employees, 36 in manufacturing. They recently devoted nearly \$250,000 to Information Services technology. They own several patents for pickup designs and technology for electric and acoustic guitars.

Seymour Duncan's commitment to the community extends from their CEO's involvement in the CEC Indicators Project and the Economic Community Project, to the Company's founding sponsorship of the Sings Like Hell concert series at the Lobero Theatre in Santa Barbara.

Seymour Duncan: For Tone that Sets You Apart!



From parking lots to highway construction, A.J. Diani Construction Co., Inc. is equipped to handle almost any sized project. With experienced project personnel and an extensive and varied fleet of late model equipment Diani Construction focuses on efficiency and productivity to remain competitive, no matter how large or how small the job.

A.J. Diani Construction Co., Inc. also provides a full spectrum of environmental services. From pre-construction consulting and site remediation, to environmental management and emergency response, trained and certified personnel work to ensure project compliance through an increasingly complex regulatory environment.

Using conventional and innovative construction technologies, A.J. Diani Construction Co., Inc. offers a comprehensive range of mitigation, cleanup, and treatment capabilities, in a responsive, cost-effective and environmental sensitive manner to ensure project effectiveness and that public safety and health are never compromised.



Venoco, Inc. is the largest California-based, independent oil and gas production company. Headquartered in Carpinteria, Calif., Venoco's operations include six offshore platforms in the Santa Barbara Channel, the Beverly Hills and Santa Clara Avenue oil fields in Southern California, five natural gas fields in California's Sacramento Basin, and the Big Mineral Creek field located in the Hagerman National Wildlife Refuge in Texas. Venoco is one of the largest natural gas producers in California. Venoco has expanded to include an International Division with operations in Argentina and is actively pursuing other opportunities in Latin America.

Since its inception in 1992, Venoco has demonstrated its corporate responsibility to the community, its employees and all its neighbors by employing state-of-the-art technology, continually

upgrading and improving both operations and procedures and achieving an exceptional record of clean, safe operations. Venoco safely operates facilities in some of the most environmentally sensitive areas including on the campus of Beverly Hills High School, the Hagerman National Wildlife Refuge and offshore in the Santa Barbara Channel.



Vulcan is the largest producer of construction aggregates in the United States and one of the nations leading producers of chemicals and other construction materials.

Vulcan principal product, crushed stone is used in virtually all forms of construction. With over 330 aggregates facilities and other production and distribution facilities, Vulcan serves markets in over 20 states and the District of Columbia.

Vulcans Chemicals segment is a significant producer of liquid caustic soda, industrial specialty chemicals. We serve several industries, such as pulp, paper, textile and industrial and municipal environmental water management with chemicals and services.



Western States Petroleum Association (WSPA) is a non-profit trade association that represents approximately 30 companies that account for the bulk of petroleum exploration, production, refining, transportation and marketing in the six western states of Arizona, California, Hawaii, Nevada, Oregon and Washington. Founded in 1907, WSPA is the oldest petroleum trade association in the United States.

WSPA is dedicated to ensuring that Americans continue to have reliable access to petroleum and petroleum products through policies that are socially, economically and environmentally responsible. We believe the best way to achieve this goal is through better understanding of the relevant issues by government leaders, the media and the general public. Toward that end, WSPA works to disseminate accurate information on industry issues and provide a forum for the exchange of ideas on petroleum matters.

ACKNOWLEDGMENTS

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DAVIES Communications, Inc.

I wish to thank our databank contributors and our Santa Barbara County sponsors of the UCSB Economic Forecast Project. Sponsor funding of the project goes directly toward the development and maintenance of the economic and demographic database and forecasting models for Santa Barbara County.

I thank Dan Walters of The Sacramento Bee and Brian Wesbury, Chief Economist at First Trust Advisors L.P., for participating in the Economic Forecast Seminar this year. The seminar was held on April 27, 2006 at the Lobero Theatre, Santa Barbara.

I also thank my research staff for their skill and efforts in the preparation of this annual publication for 2006. I alone take responsibility for the errors that surely remain.

Bill Watkins, Executive Director

UCSB

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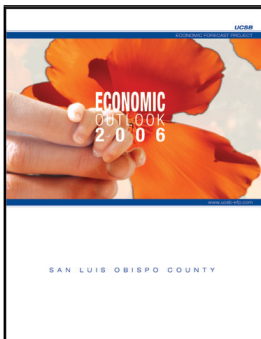
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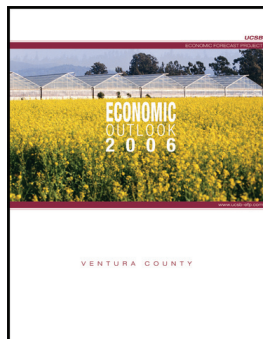
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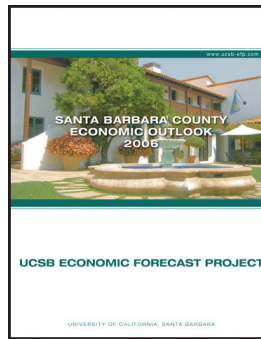
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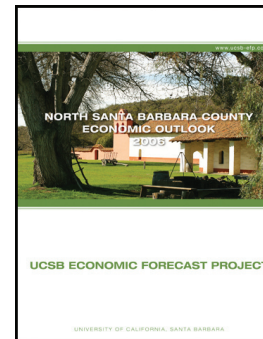
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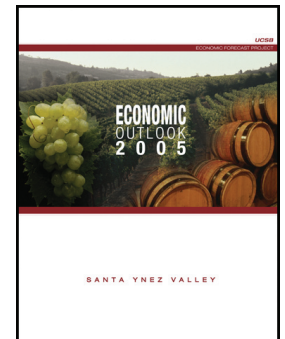
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