



**ORANGE COUNTY TRANSPORTATION AUTHORITY**

**Taxable Sales Forecast - Dr. Esmael Adibi - Chapman  
University**

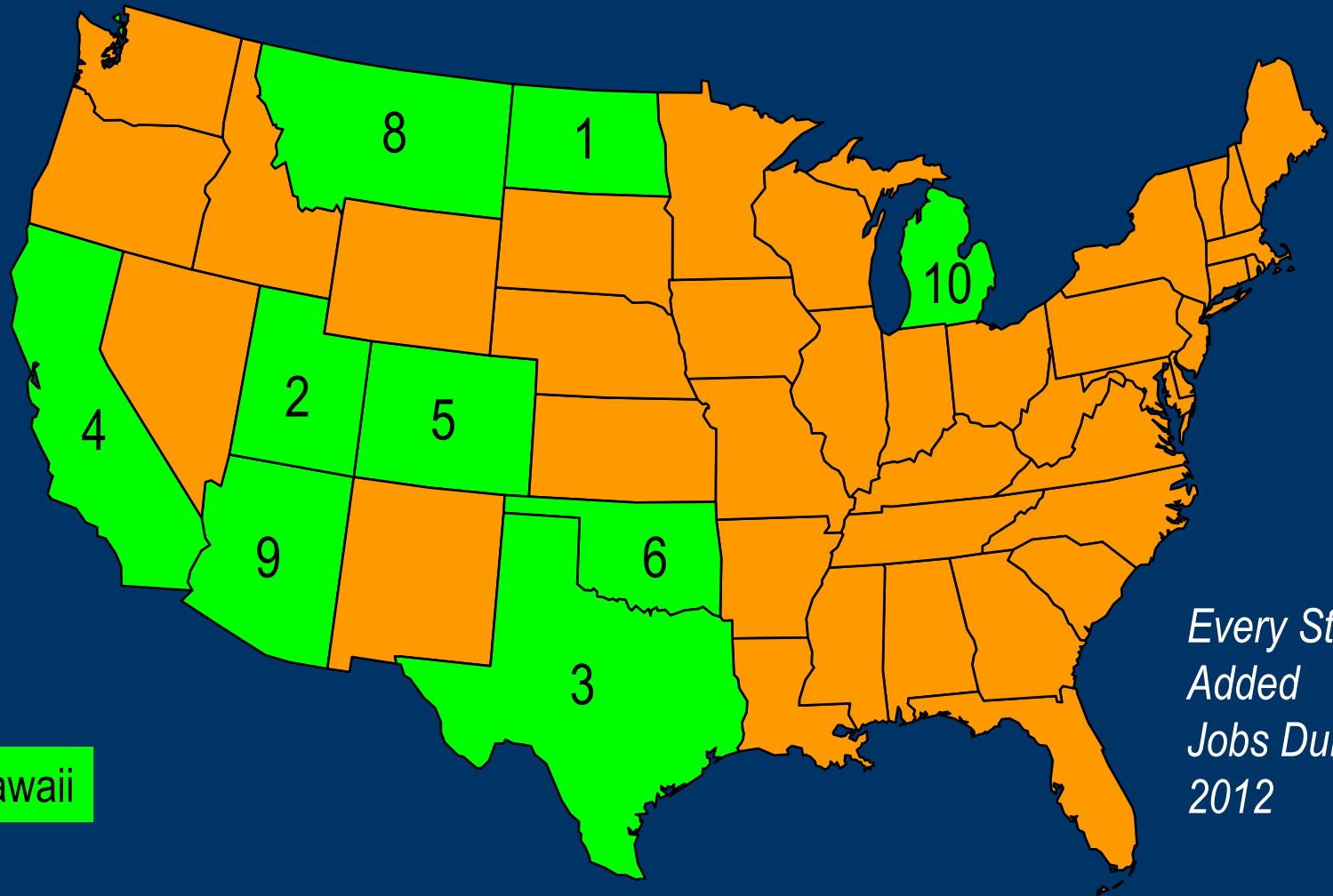
**PowerPoint**

# The Chapman University Economic Forecast



**A. GARY ANDERSON CENTER FOR ECONOMIC RESEARCH  
ARGYROS SCHOOL OF BUSINESS AND ECONOMICS**

# Top 10 Job Growth States 2012



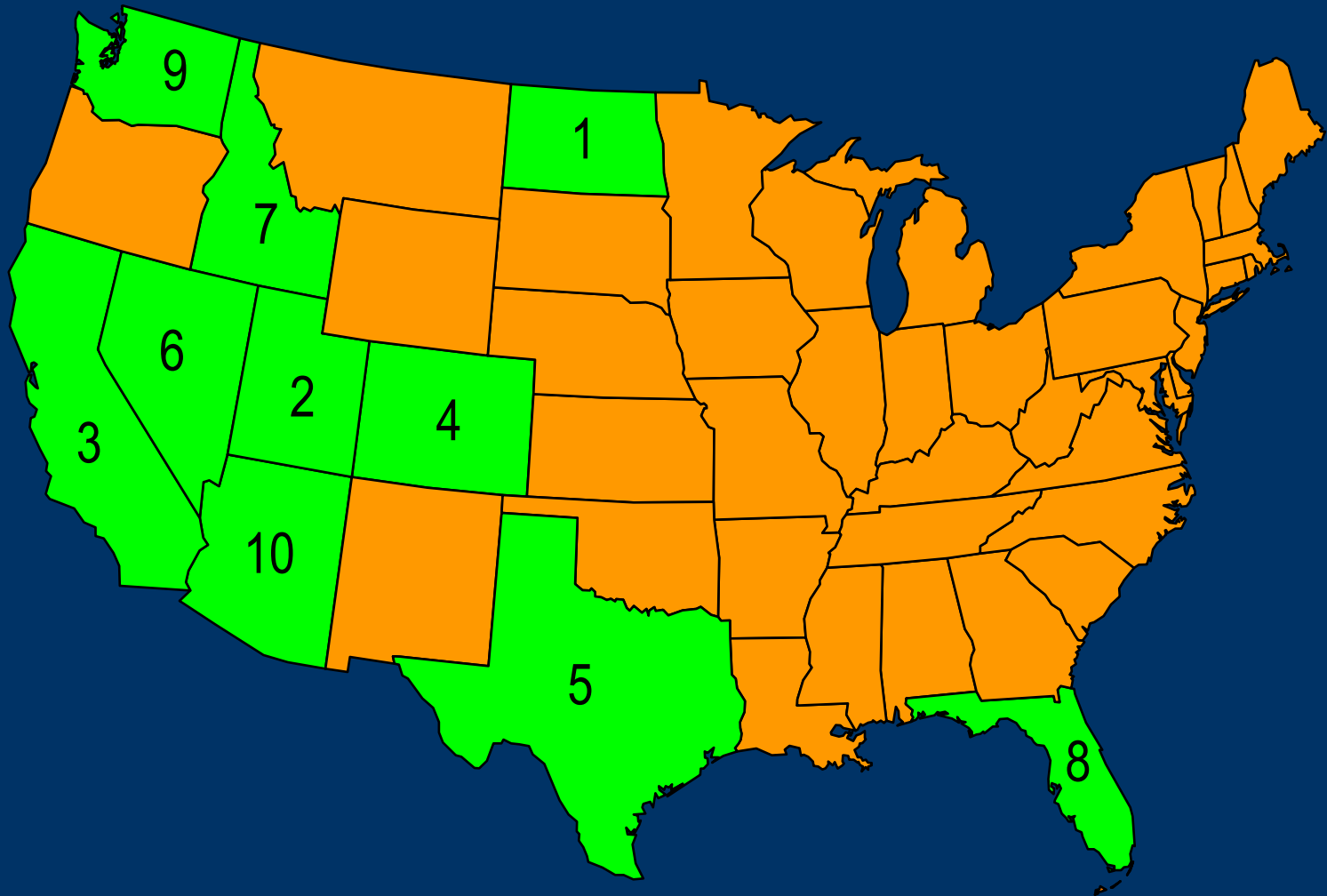
7 Hawaii

*Every State  
Added  
Jobs During  
2012*

# Payroll Job Growth 2013

	<b>Preliminary Data</b>	<b>Benchmark Data</b>
<b>Orange County</b>	<b>2.1%</b>	<b>2.5%</b>
<b>San Diego</b>	<b>1.8%</b>	<b>2.6%</b>
<b>California, S.A.</b>	<b>1.7%</b>	<b>3.0%</b>
<b>Los Angeles</b>	<b>1.6%</b>	<b>2.6%</b>
<b>Inland Empire</b>	<b>1.2%</b>	<b>4.0%</b>

# Top 10 Job Growth States 2013



# Payroll Employment California



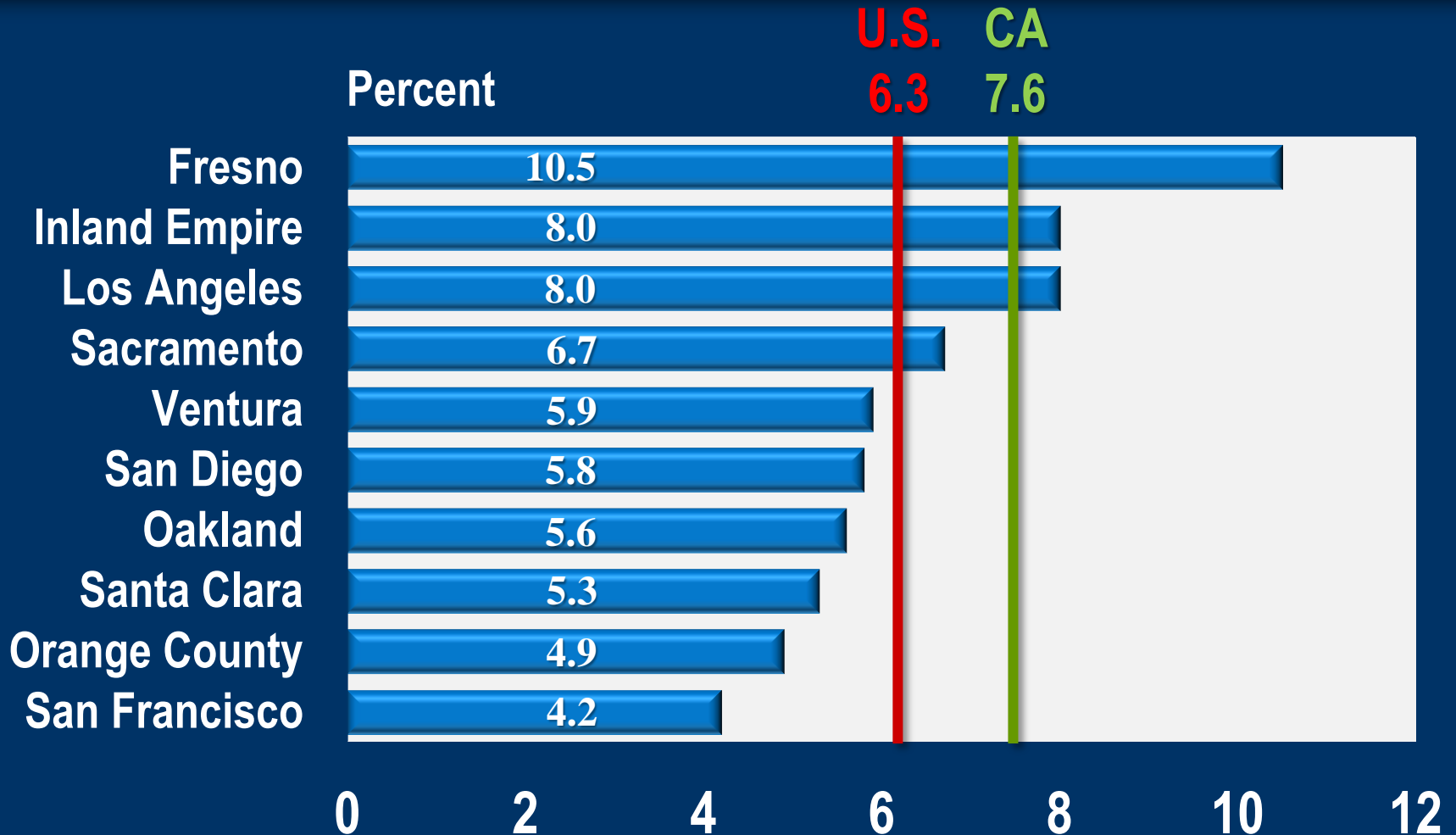
# Payroll Employment Orange County

Thousands of Jobs



# Unemployment Rates

## May 2014



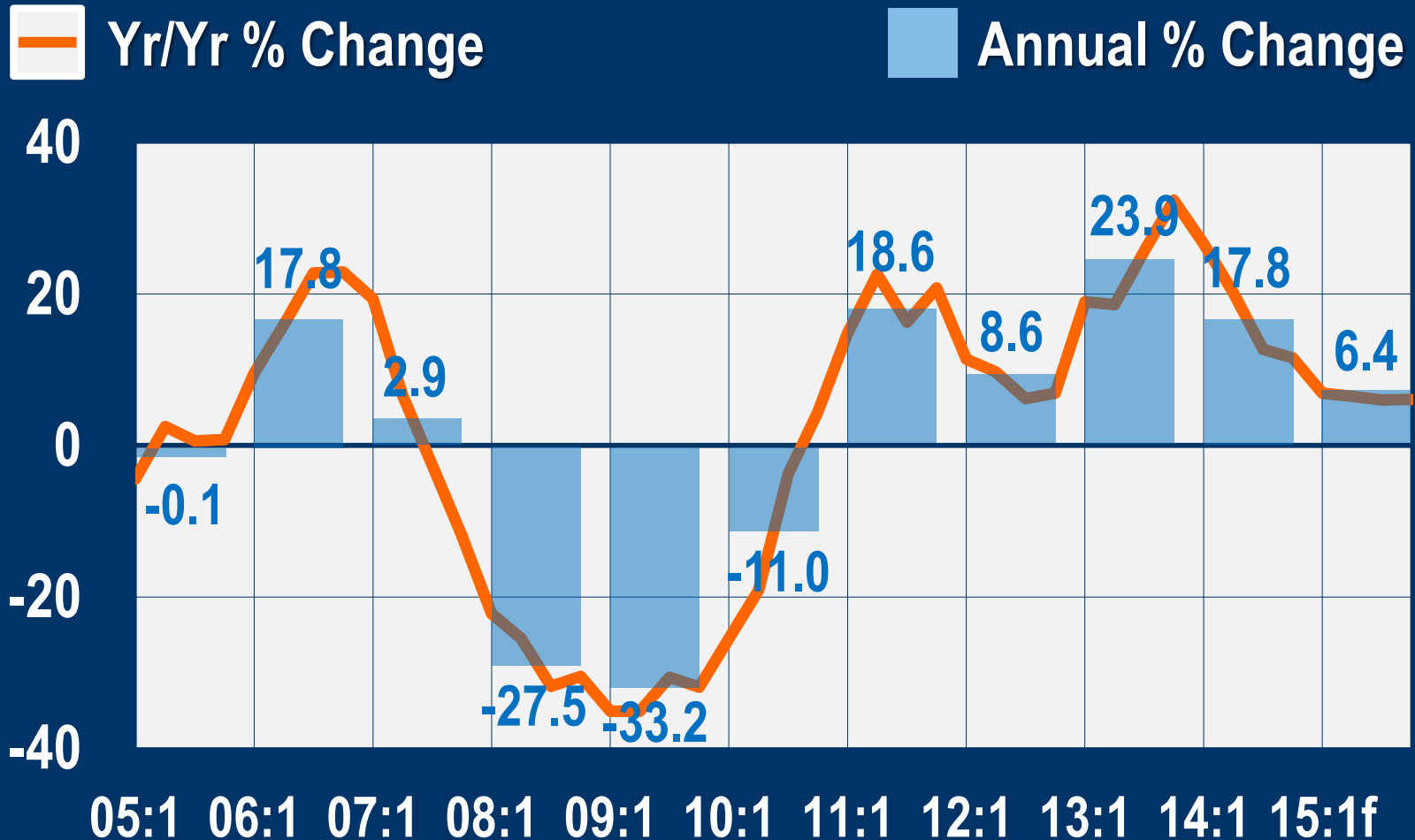
Source: EDD



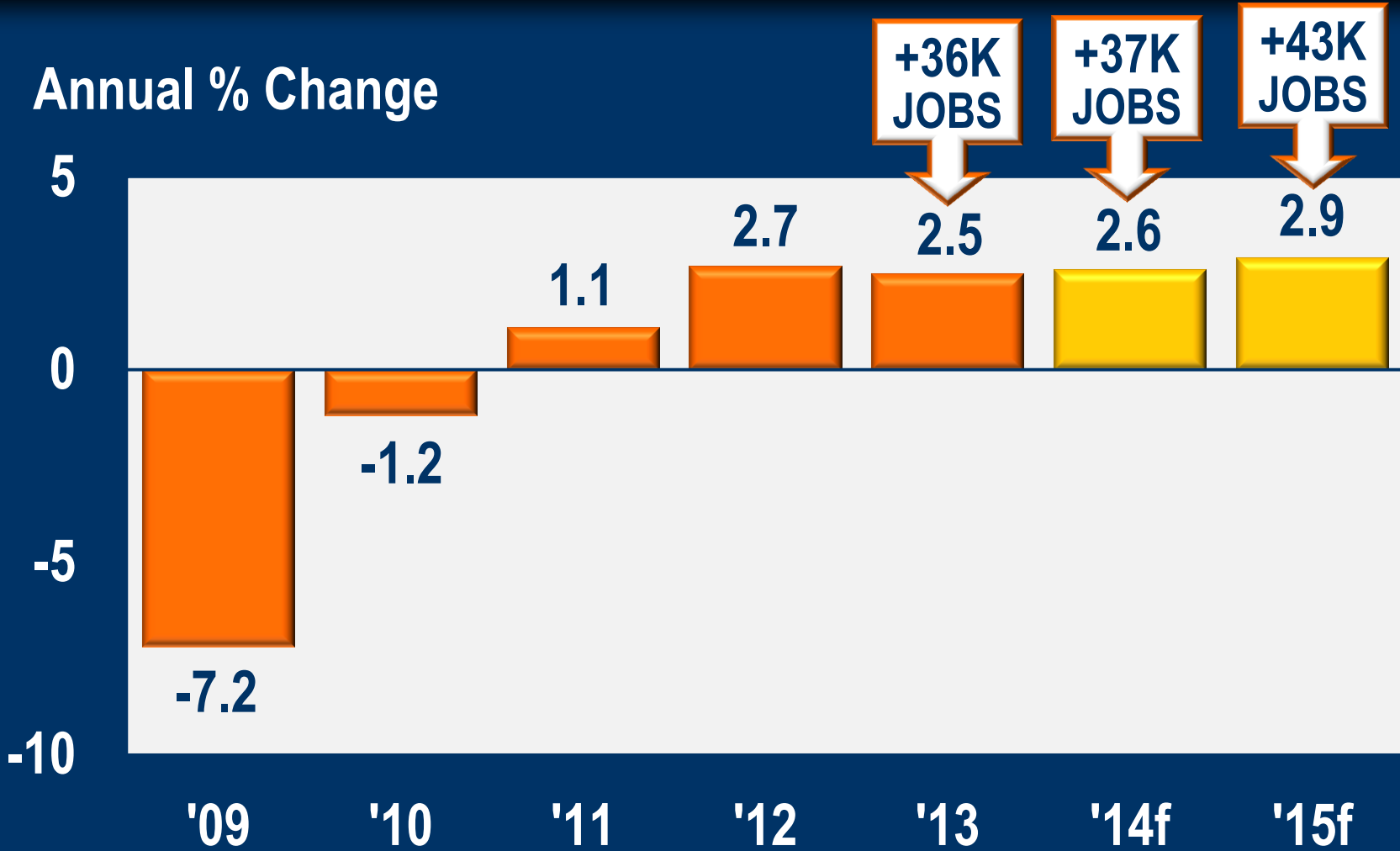
# Factors Affecting Job Growth

- **Real GDP**
- **Exports**
- **Construction Spending**

# Construction Spending Orange County



# Job Growth Orange County



# Another Housing Bubble?



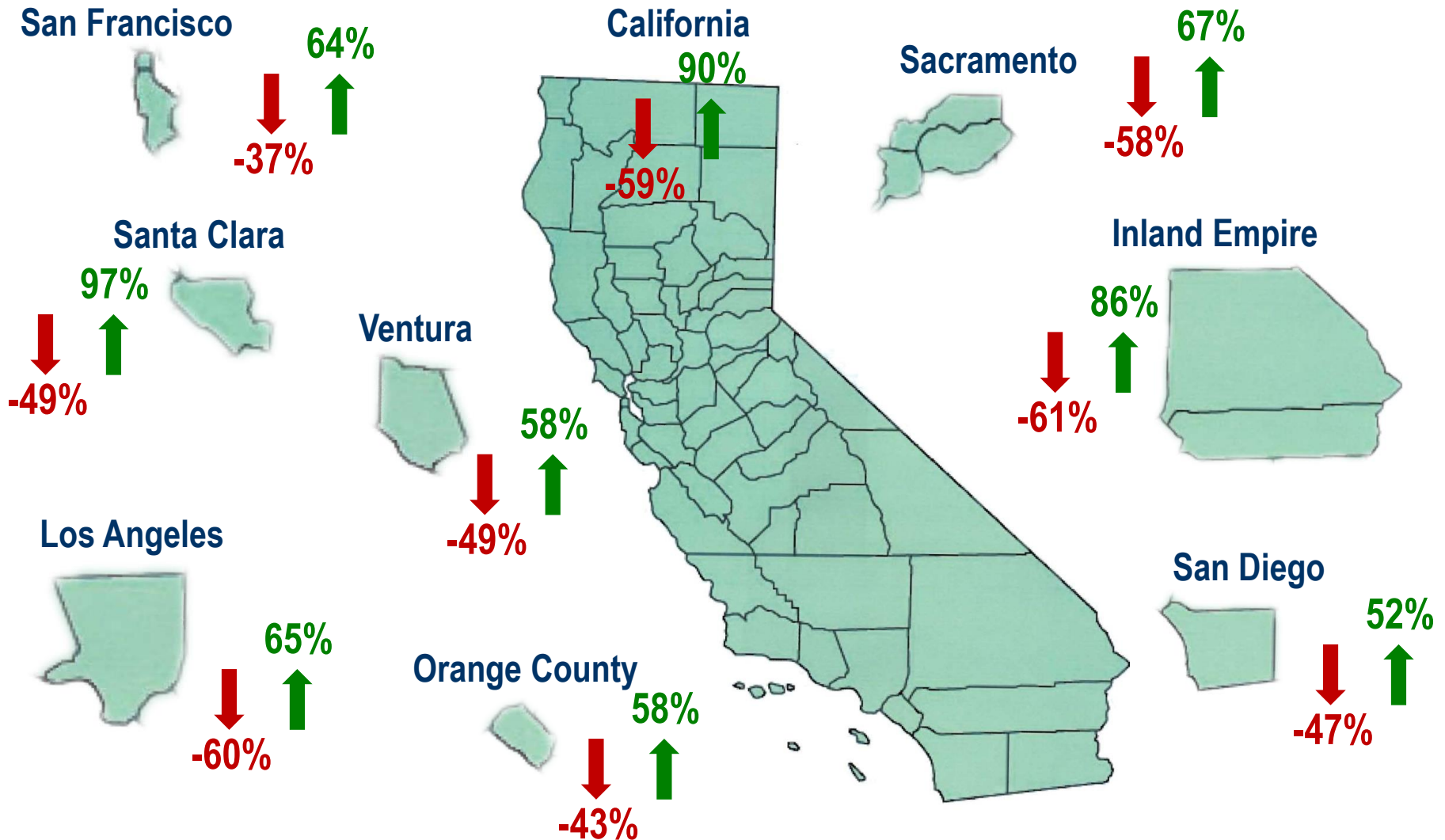
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# Resale Single Family Home Prices Orange County

Annual % Change

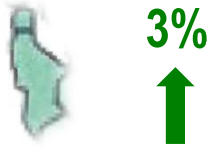


# 2007-2014 Housing Cycle



# 2007-2014 Housing Cycle

San Francisco



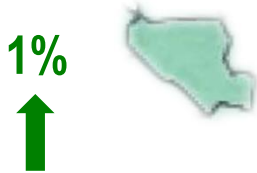
California



Sacramento



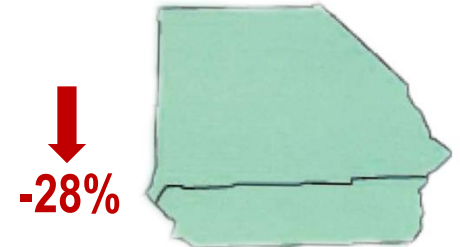
Santa Clara



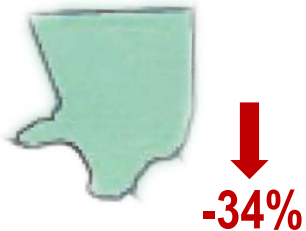
Ventura



Inland Empire



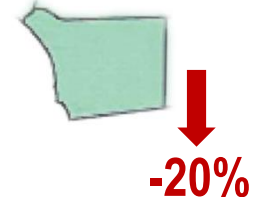
Los Angeles



Orange County



San Diego



# Factors Affecting Home Prices

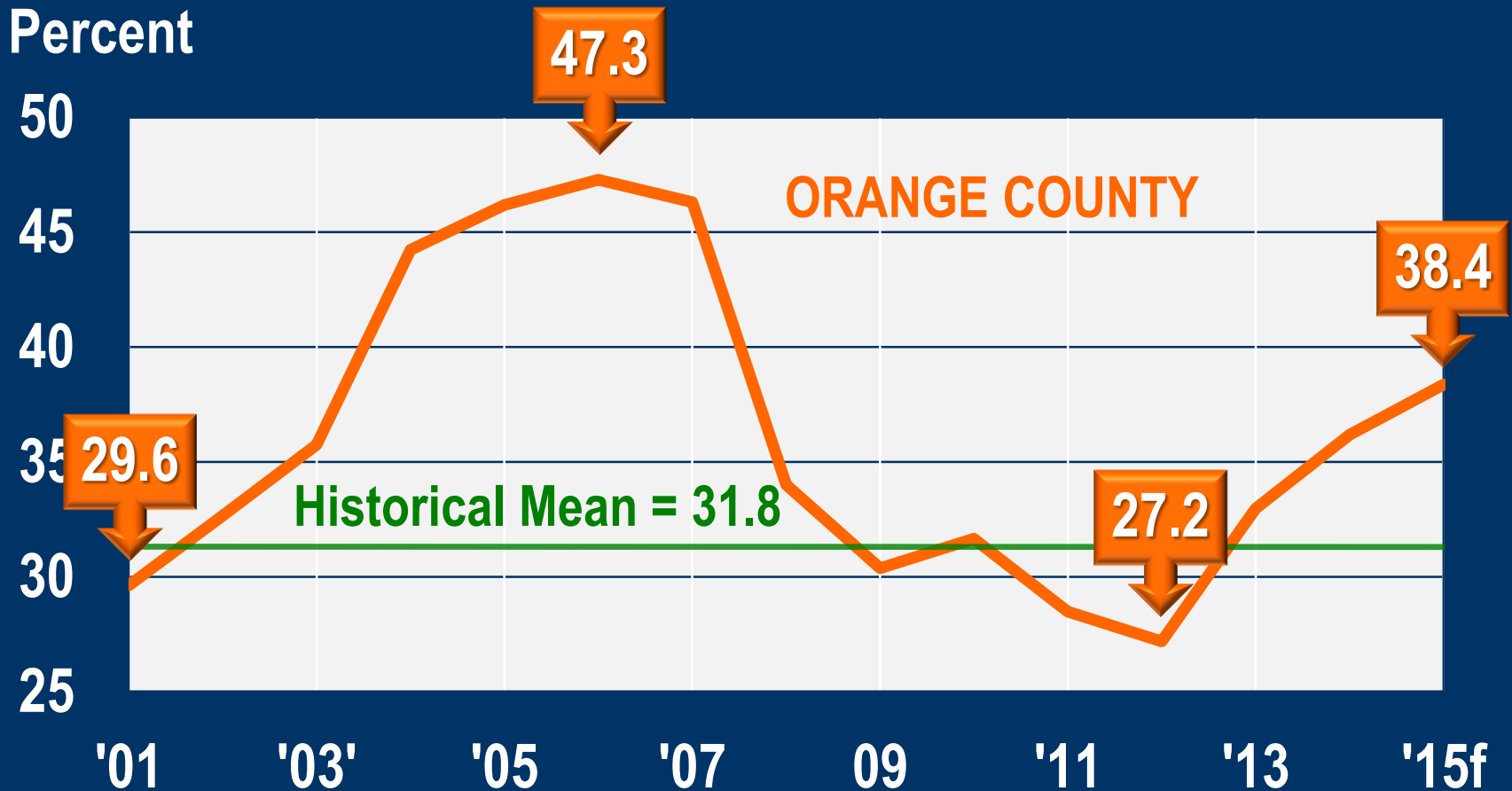
	<b>Very Unfavorable</b>	<b>Unfavorable</b>	<b>Neutral</b>	<b>Favorable</b>	<b>Very Favorable</b>
<b>DEMAND:</b>					
<b>Jobs/ Unemployment</b>					
<b>Housing Affordability</b>					
<b>SUPPLY:</b>					
<b>Permits</b>					
<b>Unsold inventory</b>					



# Factors Affecting Home Prices

	Very Unfavorable	Unfavorable	Neutral	Favorable	Very Favorable
<b>DEMAND:</b>					
Jobs/ Unemployment				✓	
Housing Affordability					
<b>SUPPLY:</b>					
Permits					
Unsold inventory					

# Percent of Median Family Income Needed to Purchase a Median-Priced Home



# Factors Affecting Home Prices

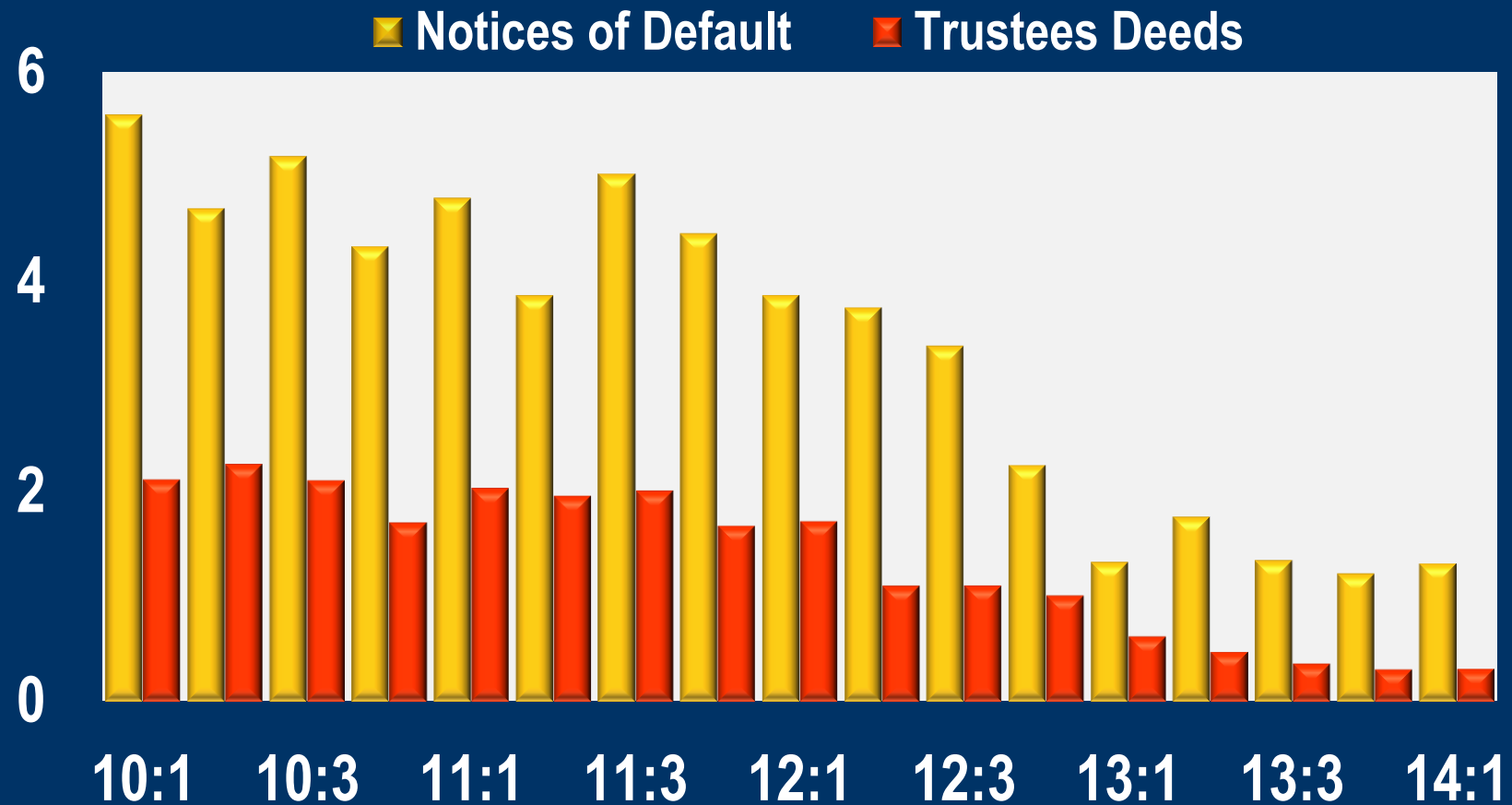
	Very Unfavorable	Unfavorable	Neutral	Favorable	Very Favorable
<b>DEMAND:</b>					
Jobs/ Unemployment				✓	
Housing Affordability			✓		
<b>SUPPLY:</b>					
Permits					
Unsold inventory					

# Factors Affecting Home Prices

	Very Unfavorable	Unfavorable	Neutral	Favorable	Very Favorable
<b>DEMAND:</b>					
Jobs/ Unemployment				✓	
Housing Affordability			✓		
<b>SUPPLY:</b>					
Permits		✓			
Unsold inventory					

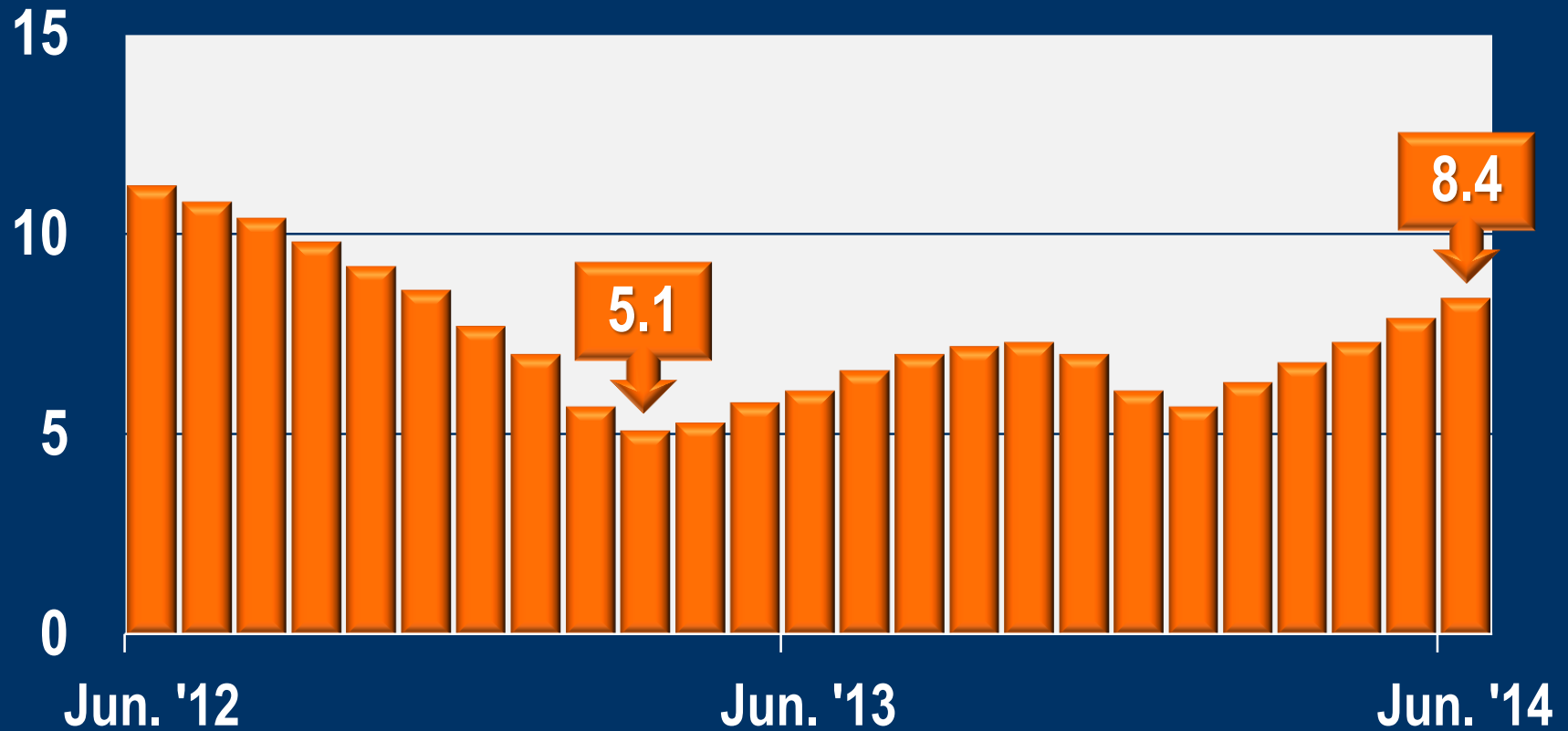
# NODs and Trustees Deeds Orange County

In Thousands



# Housing Inventory Orange County

Thousands of Units



Source: Housing Tracker

# Net Population Outflow and Destination California

2005-2012

In Thousands



# Factors Affecting Home Prices

	Very Unfavorable	Unfavorable	Neutral	Favorable	Very Favorable
<b>DEMAND:</b>					
Jobs/ Unemployment				✓	
Housing Affordability			✓		
<b>SUPPLY:</b>					
Permits		✓			
Unsold inventory			✓		



# Resale Single-family Home Prices

## Orange County

Yr/Yr % Change



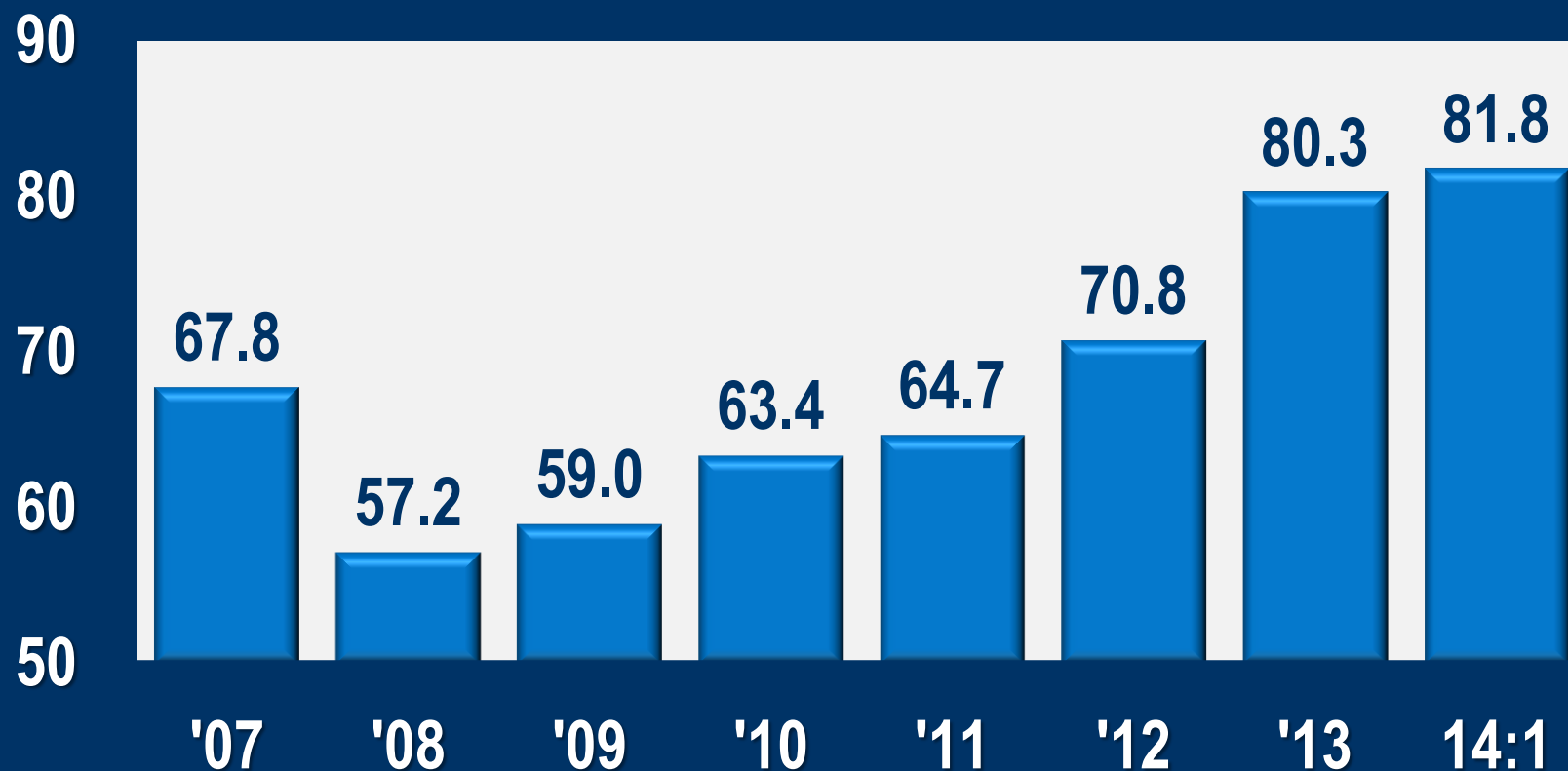
# Consumer Sentiment California

## Composite Index



# Household Net Worth

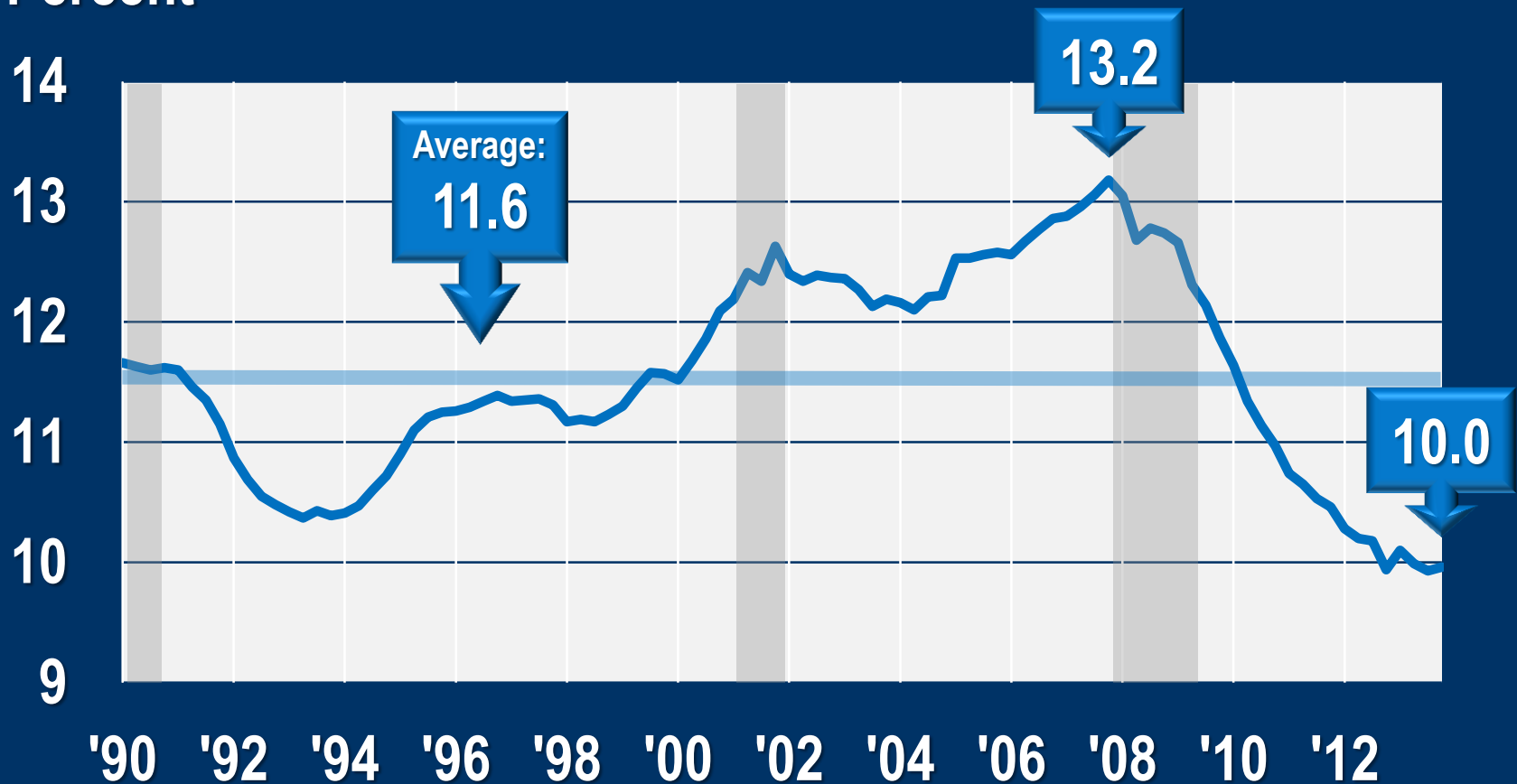
Trillions of \$



Source: The Federal Reserve Board

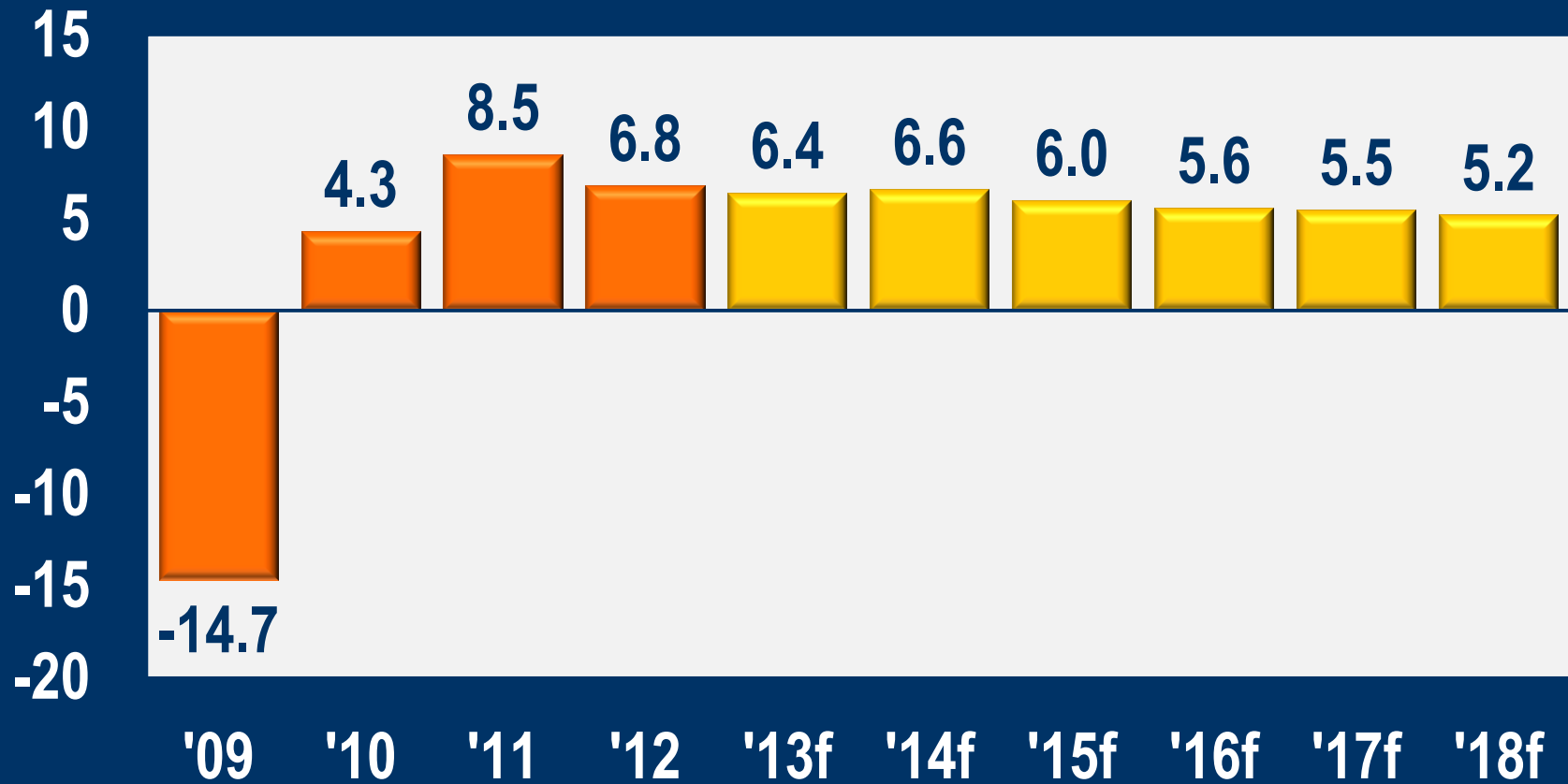
# Household Debt Service Payments As a Percentage of Disposable Income

Percent



# Taxable Sales

## Annual % Change



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