

2011

Investing in the Quality of Life of our County:
*The Transfer of Wealth in San Luis Obispo
County over the next 50 Years*





Table of Contents

Introduction_____	3
Executive Summary_____	4
Methodology_____	5
Study Findings_____	6
San Luis Obispo County_____	10
San Luis Obispo City_____	11
East_____	12
Coastal_____	13
South County_____	14
Urban North_____	15

Introduction

Investing in the Quality of Life of our County

People live in San Luis Obispo County for the quality of life. Clean air, fertile land, and an entrepreneurial spirit are frequently cited as important reasons for living here.

Under the surface, however, are deep concerns about affordable housing, head of household jobs, and strengthening our schools.

What can we do now to provide for future generations?

As part of an on-going discussion, the San Luis Obispo County Community Foundation created this report, *Investing in the Quality of Life of our County*. We commissioned the RUPRI Center for Rural Entrepreneurship to analyze historic trends and current data and develop likely scenarios of the value of assets that currently exist in households across our county. Using conservative estimates of economic growth, the team estimated the value of the intergenerational transfer of those assets over the next 10, 20 and 50 years – the transfer of wealth opportunity. This research would not have been possible without the sponsorship of Rabobank.

The equation is quite simple. If there will be a transfer of nearly \$62 billion over the next 50 years, and 5% of that is captured in endowments which pay out 5%, we would create a \$155 million annual investment in the quality of life in San Luis Obispo County.

What would this annual investment mean for the arts? For health care? For our children?

You can make a difference. Here are five things you can do now to invest in the future of the quality of life in San Luis Obispo County:

- Think about what makes your community special, and commit to investing in it
- Call the San Luis Obispo County Community Foundation or your favorite nonprofit to learn about leaving a legacy for your community's future
- Create an estate plan, or adapt it to help a cause that is important to you
- Give at least 5% to the causes that matter most to you, now and for future generations
- Talk to others about the importance of remembering the community in their plans

Together we can all make a difference. We would be honored to help you.

Sincerely,



Dee Lacey
President of the Board
San Luis Obispo County
Community Foundation



Barry VanderKelen
Executive Director
San Luis Obispo County
Community Foundation



Rabobank



Executive Summary

Summary of Overall Findings

Based on this analysis, San Luis Obispo County is likely to face a significant transfer of wealth (TOW) opportunity beginning as early as 2020.

- Projected 2010 Net Worth of all San Luis Obispo households is estimated to be \$35 billion.
- The South County Region (Five Cities and south) is the wealthiest region in the County. Over the next 50 years, the wealth in this region is projected to increase to 29 percent of all wealth in the County.
- The Urban North (Atascadero, Templeton and Paso Robles) is the second wealthiest region, with more than a quarter of the County's wealth is in this region. Per household net worth is projected to decrease slightly as the population in this region grows.
- Nearly a quarter of the County's wealth is in San Luis Obispo. The amount of wealth per household is highest in San Luis Obispo and is projected to remain at the top over the next 50 years.
- The Coastal Region (From San Simeon through Los Osos) has 17% of the County's wealth. Per household net worth is second highest in this region and is projected to remain second over the next 50 years.
- The East Region (Bradley through Santa Margarita) has the least amount of wealth. It is also lowest in terms of per household net worth and is projected to remain lowest over the next 50 years.

- Over the next 10 years, an estimated \$7 billion will be available to transfer between generations in San Luis Obispo County households – the Transfer of Wealth (TOW) opportunity. Over the next 20 years, the TOW opportunity is estimated to be almost \$16 billion.
- If just 5% of the 10 year TOW opportunity were to be captured by local non-profit organizations, such as the Community Foundation, for the betterment of local communities, those organizations would realize almost \$344 million. This same 5% capture over 20 years is an estimated \$808 million.
- Using a conservative 5% annual rate of return on the endowments this TOW capture might build, approximately \$17 million would be generated over the next 10 years to support community economic development and other charitable investments. Over 20 years, approximately \$40 million would be generated.

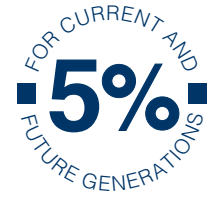


Methodology

TOW scenarios are created using a method developed and refined specifically for this purpose. It's important to remember that this method produces scenarios based on projections of likely futures, not predictions or forecasts of actual future outcomes. Historical trends are analyzed to formulate assumptions about the future. The scenarios are not designed to dictate policy but rather provoke strategic discussions driven by a simple question – what if the community were able to capture just 5% of the wealth that will transfer between generations over the next 10, 20, or 50 years to support investments in community betterment?

For this study, 2010 was chosen as the base year for analysis. Fifty years of historical indicators (extending back to the post-World War II period and up through 2007, the most recent year for which an adequate number of adjusted indicators necessary to establish current net worth are available) and project estimates 10 years (to 2020), 20 years (to 2030) and 50 years (to 2060) into the future.

The analysis is conducted in “inflation adjusted dollars.” In other words, these are real dollars – a dollar in 2030 is worth the same as a dollar in 2005.



Study Authors

Research for this study was conducted by staff of the RUPRI Center for Rural Entrepreneurship. The authors of the Technical Report of Findings include Don Macke (Project Leader), Ahmet Binerer (Research Analyst) and Dr. Deborah Markley (Report Editor). For more information about the Rural Policy and Research Institute (RUPRI) Center for Rural Entrepreneurship please visit: www.energizingentrepreneurs.org.





Estimating Current Net Worth

The TOW analysis uses a data series produced by the U.S. Federal Reserve, Survey of Consumer Finance Report, to match demographic characteristics for the study region with key national indicators. Every three years since the 1980s, the U.S. Federal Reserve has commissioned an extensive survey of household finances in the United States. The current report covers 2007. This report provides detailed U.S. asset and liability holdings by key demographic characteristics (e.g., age of household, income of household, race, employment type, region, and housing status). Table 1 shows data relationships used in estimating net worth at the state and county levels in 2007.

Since the base year for the TOW analysis is 2010, estimates of state and county net worth are adjusted to 2010 levels. The U.S. Federal Reserve's Flow of Funds Accounts of the United States is used to inflate the estimates to current net worth (CNW). The Flow of Funds Report is the definitive national accounting of household current net worth in the United States on a year-to-year basis.

Table 1 - Relationships between Key Demographic Indicators and U.S. Mean Net Worth (NW) (2007 values)

Demographic Indicator	Relationship with U.S. Mean NW
Household Income	Strong positive relationship with income <ul style="list-style-type: none"> • Top 10% income group – mean NW = \$3.1 million • Bottom 20% income group – mean NW = \$100,000
Household Age Cohorts	Positive relationship with age, up to peak <ul style="list-style-type: none"> • Increasing mean NW up to \$954,000 peak for 65-74 cohort • Declining mean NW beyond age 75
Family Structure	Positive relationship with marital status; inverse relationship with children <ul style="list-style-type: none"> • Couple with no children – mean NW = \$756,000 • Single with children – mean NW = \$219,000
Head of Household Education Level	Positive relationship with education level <ul style="list-style-type: none"> • College degree – mean NW = \$1 million • No high school diploma – mean NW = \$135,000
Race or Ethnicity	Inverse relationship with non-white status <ul style="list-style-type: none"> • White non-Hispanic – mean NW = \$651,000 • Non-white or Hispanic – mean NW = \$215,000
Head of Household Work Status/ Entrepreneurship	Positive relationship with self-employment <ul style="list-style-type: none"> • Self-employed – mean NW = \$1.84 million • Employed – mean NW = \$330,000
Head of Household Occupation	Positive relationship with professional occupations <ul style="list-style-type: none"> • Managerial or professional – mean NW = \$1 million • Other – mean NW = \$181,000
Housing Status	Positive relationship with home ownership <ul style="list-style-type: none"> • Owner – mean NW = \$732,000 • Renter – mean NW = \$67,000



Customization

Final CNW estimates for 2010 are customized for each study area based on the relationships between a number of key indicators at the state and county levels as compared to the national level. Primary indicators include: (a) dividend, interest and rent income, (b) income characteristics, (c) age characteristics, (d) concentrations of creative class employment, (e) concentrations of business ownership, and (f) market valuation of real property by class.

There is growing research and analysis that supports the view that significant innovation and wealth result from certain types of economic activities often referred to as the “knowledge economy” or the “creative class”. In this TOW analysis, we consider the current concentration of creative class workers and the likely growth of this economic segment over the study period, employing methodology developed by the Economic Research Service within the U.S. Department of Agriculture.

San Luis Obispo County has a high concentration of small businesses. Entrepreneurship or business ownership is full of challenges and risks where most new businesses fail. Despite this reality, on average, self-employed heads of households have 5.6 times more CNW as compared to those who work for someone else.

A number of additional indicators are used to customize CNW estimates:

- Adjacency to high amenity areas, second home development and retirees
- Pockets of the ultra-rich (locals or newcomers whose wealth puts them in the top 1% in the U.S.)
- Effects of public lands – federal, state and local

- Pockets of high corporate stock ownership
- Specific new economic development projects
- Effects of the gaming industry, if any
- Behavioral patterns of savings and investing
- Effects of new immigrants and repatriation of earnings
- Areas of future population boom, bust, or plateau
- Public housing impacts
- Institutionalized populations (e.g., prisons, care homes, military)

Building Demographic/Population Models

For each study region, we built a population model for the scenario period and an economic forecasting model, using existing and available population forecasts, or building them if not. There are strong and historic relationships between drivers of wealth, defined as changes in population, personal income, and gross domestic product, and change in household current net worth (summarized in Table 2). For example, based on historic data, every 1% increase in population is associated with a 2.6% increase in personal income while a 1% increase in personal income is associated with a 1% increase in CNW. We employ these relationships along with demographic and economic forecasts to project household CNW over time.

Table 2 - Relationships between Drivers of Wealth and Household Current Net Worth

Demographic Indicator	Population	GDP	Personal Income	CNW
Population	1:1	1:2.45	1:2.60	1:2.62
GDP	2:45.1	1:1	1:1.06	1:1.07
Personal Income	2.60:1	1.06:1	1:1	1:1
CNW	2.62:1	1.07:1	1:1	1:1





Discounting Assets

Many assets will not be available for giveback either to heirs, charities or communities, therefore the value of our CNW is discounted to reduce the value of our CNW projections and generate a TOW estimate that more closely represents the likely TOW opportunity for each area. This discounting can reduce gross CNW by 50% to 75% depending upon the demographics of households in a particular place. For example, CNW might be discounted for the following:

- *Assets that depreciate quickly such as automobiles or household goods*
- *Assets where future value is hard to estimate such as collections, art and jewelry*
- *Future income associated with defined benefits with no cash value*
- *Closely-held assets including farms, ranches and family businesses*
- *Assets of lower-income households that are likely to be consumed during retirement, leaving limited estates available for giveback*

Review and Verification

To ensure that we have captured all material considerations, we undertook a careful review and verification process so that our TOW scenarios reflect each region's unique circumstances and realities. We are especially grateful to the San Luis Obispo Council of Governments for supporting the data needs of this project. A Technical Advisory Committee helped identify unique factors that would impact estimates of either CNW or TOW:

Wendy Brown, CPA, Retired, San Luis Obispo

*Michael Harmon, Census Data Coordinator,
SLO Council of Governments*

Dee Lacey, Lacey Livestock, Paso Robles

Steve Jobst, M.D., Shell Beach

Karen Shanley, Shanley & Associates, San Luis Obispo

Barry VanderKelen, San Luis Obispo County Community Foundation

Detailed Regional and County Analysis

San Luis Obispo is a physically big and diverse County geographically and socially. Because of this complexity, we have organized the County into five geographic communities (based on the advice of the Technical Advisory Committee). Figure 1 below provides a map illustrating these communities.

Figure 1 – San Luis Obispo County Regions
Defined by the Technical Advisory Committee



We have employed Zip Code level information to define and study each of the County's five specified communities. Table 3 provides a listing of the Zip Codes included in each community. It should be noted that we have a high degree of match between the County's geography and these Zip Code communities. But this match is not absolute.

Library of Reports and Databases

Related to this project, we have prepared an electronic library containing additional research and analysis. The resources of this library will help develop a deeper understanding of the TOW scenario analysis results. To access the library:

- www.energizingentrepreneurs.org
- Click the Tow Icon
- Click Examples of recent projects
- Click Investing in the Quality of Life in our County
- Library of Reports and Databases can be found at the end of the report



Table 3 – Definition of Regions

Regions	Places and Zip Codes
San Luis Obispo City (SLO city)	San Luis Obispo (93401, 93405, and 93407).
East	San Miguel (93451), Maricopa (93252), Bradley (93426), Shandon (93461), Creston (93432), and Santa Margarita (93453).
Coastal	San Simeon (93452), Cambria (93428), Cayucos (93430), Morro Bay (93442), and Los Osos (93445).
South County	Grover Beach (93433), Arroyo Grande (93420), Nipomo (93444), Pismo Beach (93449), and Oceano (93445).
Urban North	Atascadero (93422), Templeton (93465), and Paso Robles (93446).

Table 4 below provides our current net worth (CNW) and transfer of wealth (TOW) opportunity analysis for San Luis Obispo County and its five regions.

Table 4 - Summary Results by Regions

Estimated 2010 Net Worth, 10 and 50 Year Transfer of Wealth Scenarios

Regions	2010 Net Worth Billions \$	10-Year TOW Opportunity Billions \$	50-Year TOW Opportunity Billions \$
San Luis Obispo	\$34.77	\$6.88	\$61.89
San Luis Obispo City	\$8.66	\$1.68	\$15.56
East	\$1.05	\$0.20	\$1.86
Coastal	\$5.95	\$1.17	\$10.84
South County	\$9.78	\$1.86	\$17.95
Urban North	\$9.32	\$1.98	\$15.69

Compared to most other communities in the United States, San Luis Obispo has greater relative household wealth and a significantly larger TOW opportunity. The potential of the TOW opportunity to create community endowments capable of supporting critical community building activities is unique and significant.

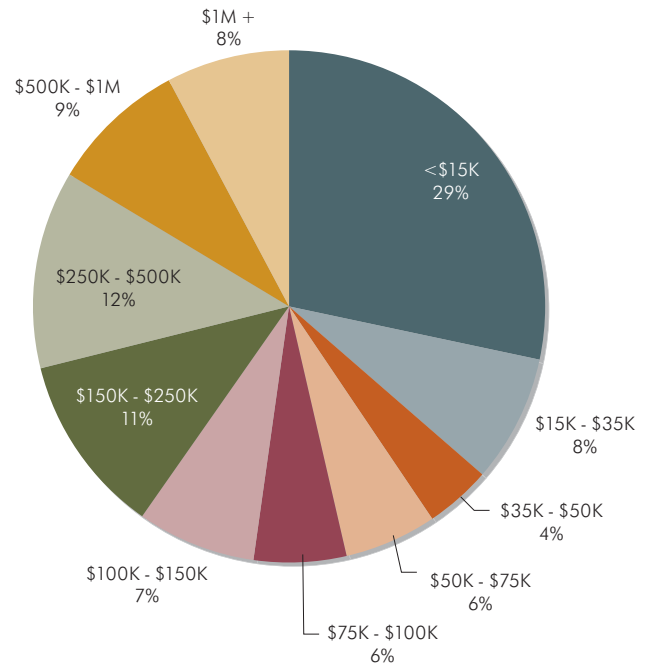
Based on the scenarios we have prepared for the County, the 50-year TOW opportunity is projected to be nearly \$62 billion. Over time, if just five percent of the 50-year TOW opportunity could be captured in community endowments, a remarkable \$3.1 billion could be capitalized. Assuming a conservative five percent annual payout rate \$155 million could be invested in community betterment each and every year over time.



San Luis Obispo County

The County has experienced explosive population growth over the last 30 years increasing from just over 100,000 residents in 1970 to over 260,000 residents today. Personal income growth is even stronger dramatically outpacing both U.S. and California income growth rates for the last three decades. Significantly, household wealth has been created and rooted in this County as a result of these changes. Looking at just the 10-year TOW opportunity of nearly \$7 billion, if just five percent of this opportunity could be captured into community endowments \$344 million could be capitalized over time. The grant-making capacity of this level of endowments is over \$17 million annually (assuming a 5% payout rate).

Figure 2 - Households by Net Worth in San Luis Obispo County in 2010



2010 Households by Net Worth

	Number	Percent
Total	105,371	100.0%
< \$15,000	29,912	28.4%
\$15,000 - \$34,999	8,466	8.0%
\$35,000 - \$49,999	4,436	4.2%
\$50,000 - \$74,999	6,177	5.9%
\$75,000 - \$99,999	6,163	5.8%
\$100,000 - \$149,999	7,763	7.4%
\$150,000 - \$249,999	12,012	11.4%
\$250,000 - \$499,999	13,079	12.4%
\$500,000 - \$999,999	9,225	8.8%
\$1,000,000 +	8,138	7.7%
Median Net Worth	\$88,758	
Average Net Worth	\$420,184	

Population, Household & Net Worth Analysis for San Luis Obispo County from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	246,681	273,572	287,595	14,023	1.00%
Median Age	37.3	39.0	39.1	0.1	0.05%
Households	92,739	105,374	111,540	6,166	1.14%
Average Household Size	2.49	2.44	2.43	-0.01	-0.08%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	8,215	14,367	14,979	21,890	20,419	12,310	13,191
< \$15,000	7,298	8,382	4,965	4,187	2,601	1,256	1,223
\$15,000 - \$34,999	429	1,884	1,993	1,737	1,430	608	385
\$35,000 - \$49,999	93	443	950	1,189	1,103	304	354
\$50,000 - \$99,999	159	1,625	1,803	3,149	1,958	1,824	1,822
\$100,000 - \$149,999	124	580	1,199	1,999	1,528	1,010	1,323
\$150,000 - \$249,999	39	558	1,504	3,032	2,573	1,596	2,710
\$250,000 - \$499,999	65	642	1,209	2,529	3,016	2,805	2,813
\$500,000 +	8	253	1,356	4,068	6,210	2,907	2,561
Median Net Worth	\$8,442	\$12,855	\$42,493	\$113,896	\$202,576	\$214,135	\$193,490
Average Net Worth	\$16,199	\$69,708	\$203,738	\$426,099	\$756,531	\$666,245	\$479,279

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing

San Luis Obispo City

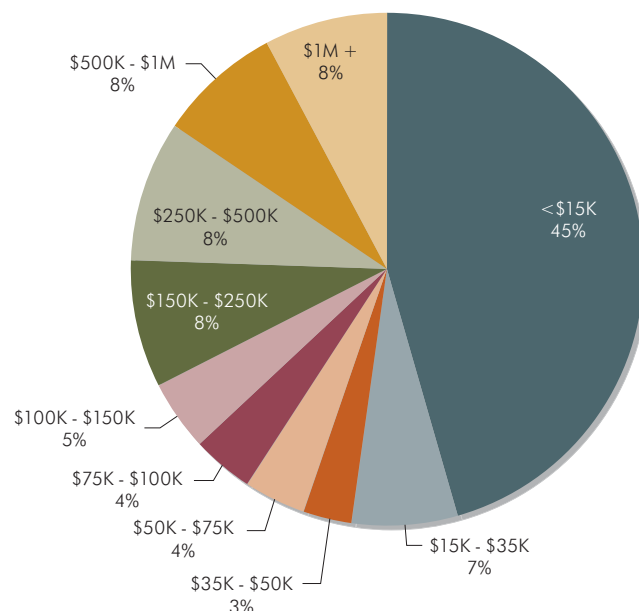
2010 CNW = \$8.66 Billion

10-Year TOW Opportunity = \$1.68 Billion

50-Year TOW Opportunity = \$15.56 Billion

The City of San Luis Obispo captures nearly 22% of all households in the County in 2010. The influences of higher education are significant and shape the character of this community. The City of San Luis Obispo is also the urban center for most of the County (Santa Barbara influences the southern communities in the County). Reflecting the range of residents from college students to well established families median household CNW is \$26,000 and average CNW is \$385,000 representing a dramatic range. 7.8% of all households have CNW's of exceeding \$500,000 and 7.7% of households have CNW's exceeding \$1 million.

Figure 3 - Households by Net Worth in San Luis Obispo City in 2010



2010 Households by Net Worth

	Number	Percent
Total	22,761	100.0%
< \$15,000	10,363	45.5%
\$15,000 - \$34,999	1,501	6.6%
\$35,000 - \$49,999	703	3.1%
\$50,000 - \$74,999	900	4.0%
\$75,000 - \$99,999	894	3.9%
\$100,000 - \$149,999	1,034	4.5%
\$150,000 - \$249,999	1,800	7.9%
\$250,000 - \$499,999	2,041	9.0%
\$500,000 - \$999,999	1,779	7.8%
\$1,000,000 +	1,746	7.7%
Median Net Worth	\$26,319	
Average Net Worth	\$385,521	

Population, Household & Net Worth Analysis for San Luis Obispo City from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	59,927	63,085	64,979	1,894	0.59%
Median Age	29.0	29.3	30.1	0.8	0.54%
Households	20,907	22,761	23,740	979	0.85%
Average Household Size	2.29	2.21	2.20	-0.01	-0.09%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	5,415	3,847	2,515	3,533	2,980	1,880	2,591
< \$15,000	5,165	2,583	1,018	851	329	179	238
\$15,000 - \$34,999	161	439	322	228	188	81	82
\$35,000 - \$49,999	16	74	161	187	148	45	72
\$50,000 - \$99,999	25	260	264	416	249	240	340
\$100,000 - \$149,999	22	110	134	232	204	120	212
\$150,000 - \$249,999	7	93	220	372	318	208	582
\$250,000 - \$499,999	13	197	210	364	369	369	519
\$500,000 +	6	91	186	883	1,175	638	546
Median Net Worth	\$7,863	\$11,170	\$27,604	\$115,197	\$273,640	\$277,558	\$198,722
Average Net Worth	\$10,598	\$71,865	\$175,109	\$522,368	\$935,519	\$878,380	\$503,951

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing



East

Bradley through Santa Margarita

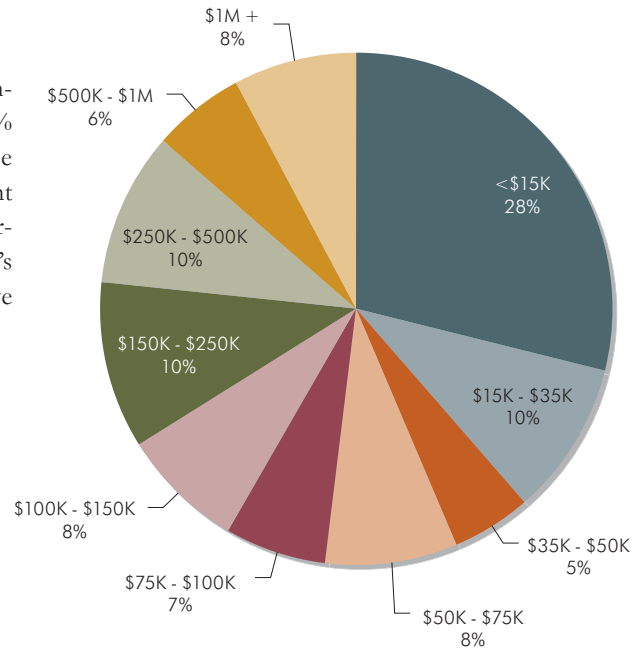
2010 CNW = \$ 1.05 Billion

10-Year TOW Opportunity = \$200 Million

50-Year TOW Opportunity = \$1.86 Billion

Geographically, the eastern part of the County is vast and comparatively is sparsely populated. This community holds just 4.1% of the County's 2010 households. This community can best be characterized as isolated pockets of settlement with significant areas of open space. Median household CNW is \$68,000 and average household CNW is \$396,000. 5.8% of households have CNW's of \$500,000 (i.e., \$500,000 to \$999,999) or more and 7.9% have CNW's of \$1 million or more.

Figure 4 - Households by Net Worth in East in 2010



2010 Households by Net Worth

	Number	Percent
Total	4,313	100.0%
< \$15,000	1,243	28.8%
\$15,000 - \$34,999	428	9.9%
\$35,000 - \$49,999	212	4.9%
\$50,000 - \$74,999	353	8.2%
\$75,000 - \$99,999	285	6.6%
\$100,000 - \$149,999	332	7.7%
\$150,000 - \$249,999	453	10.5%
\$250,000 - \$499,999	416	9.6%
\$500,000 - \$999,999	249	5.8%
\$1,000,000 +	342	7.9%
Median Net Worth	\$68,065	
Average Net Worth	\$395,965	

Population, Household & Net Worth Analysis for East from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	12,385	11,628	12,417	789	1.32%
Median Age	36.5	40.5	40.6	0.1	0.05%
Households	3,625	4,313	4,626	313	1.41%
Average Household Size	3.02	2.67	2.66	-0.01	-0.08%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	137	543	696	1,030	942	594	371
< \$15,000	91	330	268	255	183	70	46
\$15,000 - \$34,999	18	80	99	98	82	41	10
\$35,000 - \$49,999	3	24	40	62	59	14	10
\$50,000 - \$99,999	11	70	100	189	83	138	47
\$100,000 - \$149,999	1	14	62	101	74	52	28
\$150,000 - \$249,999	5	13	59	126	129	54	67
\$250,000 - \$499,999	8	7	47	90	87	109	68
\$500,000 +	0	5	21	109	245	116	95
Median Net Worth	\$11,291	\$12,341	\$29,210	\$69,896	\$141,484	\$129,323	\$206,362
Average Net Worth	\$45,328	\$44,498	\$115,020	\$276,336	\$644,368	\$557,632	\$565,418

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing

Coastal

San Simeon through Los Osos

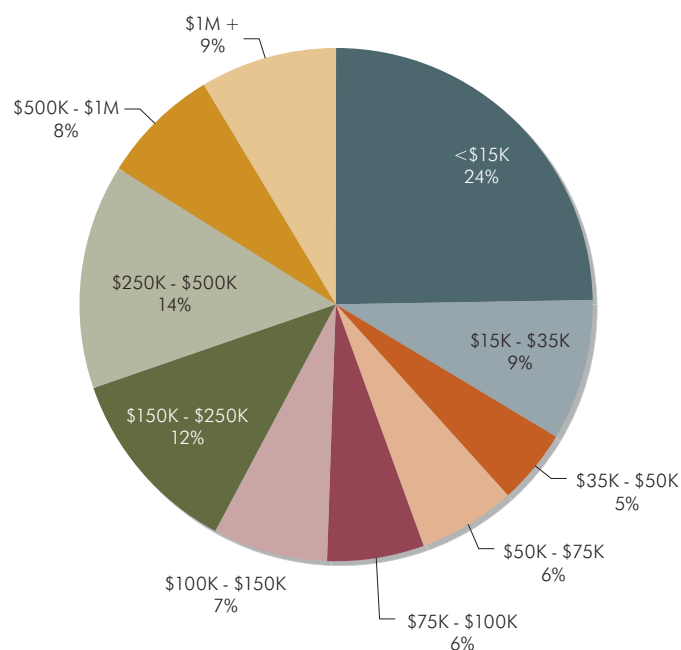
2010 CNW = \$5.95 Billion

10-Year TOW Opportunity = \$ 1.17 Billion

50-Year TOW Opportunity = \$ 10.84 Billion

Nearly 16% of all County households live in coastal communities. Median CNW is estimated at \$98,000 and the average household CNW is estimated at \$447,000. 7.7% of households have CNW's above \$500,000 and 8.5% have CNW's above \$1 Million. Considering just the 10-Year TOW opportunity, if just five percent could be captured through community giveback into endowments \$59 million could be capitalized over time. The grant-making capacity (assuming 5% annual payout rate) would be \$2.9 million.

Figure 5 - Households by Net Worth in Coastal in 2010



2010 Households by Net Worth

	Number	Percent
Total	16,642	100.0%
< \$15,000	4,104	24.7%
\$15,000 - \$34,999	1,484	8.9%
\$35,000 - \$49,999	782	4.7%
\$50,000 - \$74,999	1,003	6.0%
\$75,000 - \$99,999	1,023	6.1%
\$100,000 - \$149,999	1,234	7.4%
\$150,000 - \$249,999	1,981	11.9%
\$250,000 - \$499,999	2,336	14.0%
\$500,000 - \$999,999	1,275	7.7%
\$1,000,000 +	1,420	8.5%
Median Net Worth	\$97,797	
Average Net Worth	\$447,037	

Population, Household & Net Worth Analysis for Coastal from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	36,039	36,484	37,122	638	0.35%
Median Age	45.3	50.8	52.8	2.0	0.78%
Households	15,977	16,642	17,051	409	0.49%
Average Household Size	2.23	2.17	2.16	-0.01	-0.09%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	480	1,750	1,944	3,163	4,206	2,451	2,648
< \$15,000	380	1,030	768	818	654	266	188
\$15,000 - \$34,999	55	300	295	326	323	117	68
\$35,000 - \$49,999	8	63	129	202	251	65	64
\$50,000 - \$99,999	13	137	236	463	454	337	386
\$100,000 - \$149,999	15	60	120	284	290	184	281
\$150,000 - \$249,999	8	93	129	327	524	326	574
\$250,000 - \$499,999	1	50	140	287	620	619	619
\$500,000 +	0	17	127	456	1,090	537	468
Median Net Worth	\$9,474	\$12,743	\$26,232	\$69,349	\$168,362	\$221,719	\$197,124
Average Net Worth	\$19,563	\$54,246	\$157,495	\$337,921	\$660,151	\$636,276	\$460,332

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing



South County

Five Cities and south

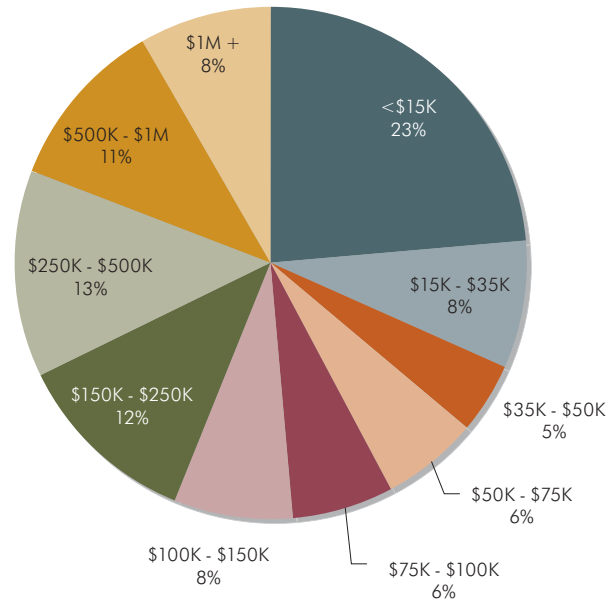
2010 CNW = \$9.78 Billion

10-Year TOW Opportunity = \$1.86 Billion

50-Year TOW Opportunity = \$17.95 Billion

The communities in the southern part of the County are home to over 29% of all County households. These communities are influenced by the urban footprints of both San Luis Obispo and Santa Barbara. The South County has a higher median household CNW at \$107,000 and an average CNW of \$455,000. Over 11% of all households have CNW's of \$500,000 or more and 8.2% have CNW's of \$1 million or more. There is significant rooted and new wealth in this collection of communities. Given the diversity we assume there is complexity with respect to community needs and donor preferences.

Figure 6 - Households by Net Worth in South County in 2010



2010 Households by Net Worth

	Number	Percent
Total	30,883	100.0%
< \$15,000	7,260	23.5%
\$15,000 - \$34,999	2,516	8.1%
\$35,000 - \$49,999	1,393	4.5%
\$50,000 - \$74,999	1,897	6.1%
\$75,000 - \$99,999	1,947	6.3%
\$100,000 - \$149,999	2,363	7.7%
\$150,000 - \$249,999	3,567	11.6%
\$250,000 - \$499,999	3,994	12.9%
\$500,000 - \$999,999	3,429	11.1%
\$1,000,000 +	2,517	8.2%
Median Net Worth	\$107,126	
Average Net Worth	\$455,210	

Population, Household & Net Worth Analysis for South County from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	68,904	78,595	83,511	4,916	1.22%
Median Age	39.3	41.3	41.2	-0.1	-0.05%
Households	26,534	30,883	32,962	2,079	1.31%
Average Household Size	2.58	2.53	2.52	-0.01	-0.08%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	1,021	4,055	4,677	6,641	6,168	4,083	4,238
< \$15,000	765	2,312	1,405	1,284	804	364	326
\$15,000 - \$34,999	98	567	614	511	438	180	108
\$35,000 - \$49,999	28	155	329	354	327	100	100
\$50,000 - \$99,999	62	511	513	930	628	639	561
\$100,000 - \$149,999	35	182	368	560	487	302	429
\$150,000 - \$249,999	9	163	489	814	728	547	817
\$250,000 - \$499,999	22	133	361	770	817	930	961
\$500,000 +	2	32	598	1,418	1,939	1,021	936
Median Net Worth	\$10,010	\$13,154	\$49,454	\$118,108	\$195,666	\$227,635	\$213,495
Average Net Worth	\$28,862	\$54,965	\$254,189	\$470,552	\$772,205	\$697,701	\$526,929

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing

Urban North

Atascadero, Templeton and Paso Robles

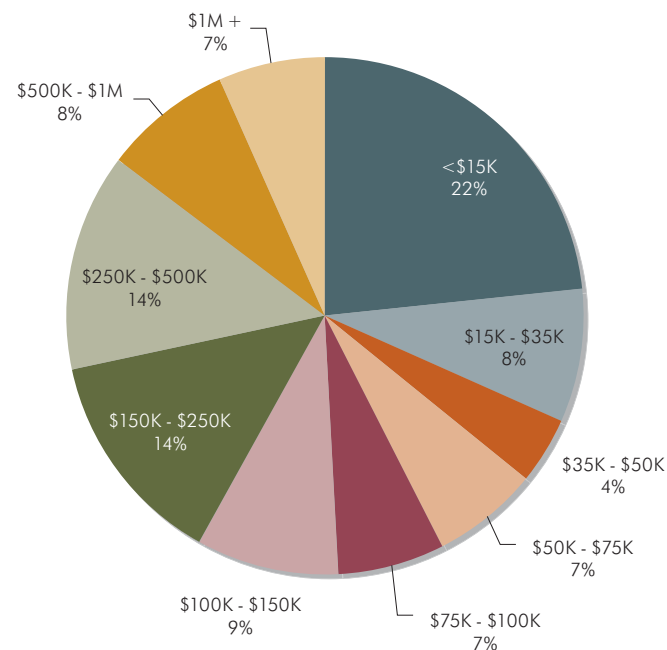
2010 CNW = \$9.32 Billion

10-Year TOW Opportunity = \$1.98 Billion

50-Year TOW Opportunity = \$15.69 Billion

The Urban North communities capture 30% of all County households in 2010. Median CNW is projected at \$104,000 and average households CNW is estimated at \$392,000. The somewhat lower values illustrate the working class nature of many of the Urban North's communities. 8% of all households have CNW's of \$500,000 or more and 6.7% have CNW's of \$1 million or more.

Figure 7 - Households by Net Worth in Urban North in 2010



2010 Households by Net Worth

	Number	Percent
Total	31,939	100.0%
< \$15,000	7,415	23.2%
\$15,000 - \$34,999	2,662	8.3%
\$35,000 - \$49,999	1,414	4.4%
\$50,000 - \$74,999	2,115	6.6%
\$75,000 - \$99,999	2,085	6.5%
\$100,000 - \$149,999	2,878	9.0%
\$150,000 - \$249,999	4,319	13.5%
\$250,000 - \$499,999	4,369	13.7%
\$500,000 - \$999,999	2,542	8.0%
\$1,000,000 +	2,140	6.7%
Median Net Worth	\$103,661	
Average Net Worth	\$391,512	

Population, Household & Net Worth Analysis for Urban North from ESRI

	Census 2000	2010	2015	2010-2015	2010-2015
				Change	Annual Rate
Population	74,748	87,001	92,921	5,920	1.33%
Median Age	37.3	39.5	39.4	-0.1	-0.05%
Households	26,749	31,939	34,373	2,434	1.48%
Average Household Size	2.70	2.64	2.62	-0.02	-0.15%

2010 Net Worth by Age of Householder

Number of Households

	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	1,194	4,337	5,337	7,778	6,363	3,473	3,457
< \$15,000	914	2,236	1,612	1,089	706	412	446
\$15,000 - \$34,999	98	523	686	603	423	207	122
\$35,000 - \$49,999	40	136	303	397	341	85	112
\$50,000 - \$99,999	51	659	710	1,189	574	511	506
\$100,000 - \$149,999	50	213	524	845	491	371	384
\$150,000 - \$249,999	11	205	615	1,410	905	479	694
\$250,000 - \$499,999	29	254	460	1,034	1,140	793	659
\$500,000 +	1	111	427	1,211	1,783	615	534
Median Net Worth	\$9,798	\$14,547	\$52,966	\$132,908	\$212,932	\$173,406	\$165,402
Average Net Worth	\$29,031	\$90,141	\$196,734	\$390,391	\$719,748	\$538,782	\$404,478

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: ESRI forecasts for 2010 and 2015; U.S. Bureau of the Census, 2000 Census of Population and Housing

