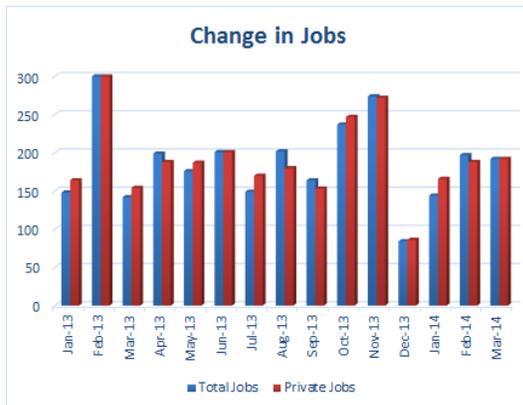


ECONOCAST™ UPDATE – April 7, 2014

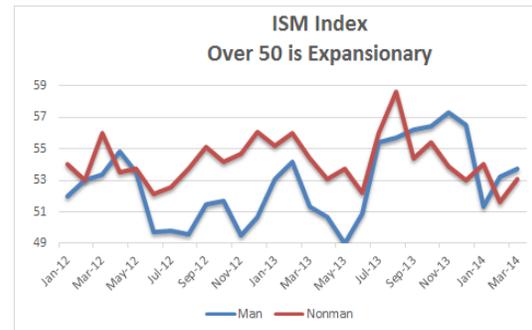
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U.S. Economy – More Jobs

The March employment report confirms accelerating economic growth after the winter weather slowdown. Job gains totaled 192,000 in March, and February's gain was revised up by 22,000. Gains were widespread in March pointing to sustained gains going forward. Finally, after five years of modest growth the recovery has replaced all the jobs lost in the Great Recession. The unemployment rate was unchanged, but this was because of a strong growth in the labor force of over 500,000 all of whom found employment. Job growth is now attracting discouraged workers back into the job market. Average weekly hours also increased setting the stage for accelerating gains going forward.



Manufacturing improved as production bounced back after two months of weather delays. The ISM manufacturing index rose to 53.7, and new orders rose. The ISM nonmanufacturing index also rebounded confirming that the recent string of weak were the result of the bad weather.

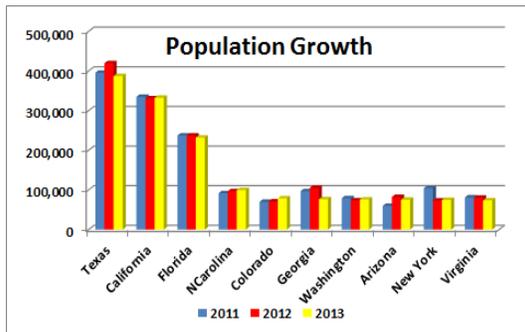


With the U.S. economy shaking off the effects of the abnormal winter weather most of the lost economic output in the first quarter will be made up between April and June, adding nearly 1 percentage point to GDP growth in 2014Q2

Finally, Chairman Yellen reassured financial markets that the Fed was not going to raise interest rates anytime soon. She stated that the Fed's 6.5% target for the unemployment rate would now not be a hard target.

Florida Economy: Population Growth

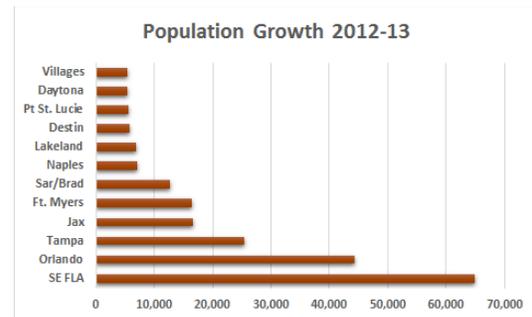
Florida's population growth was essentially unchanged at 232,111 for 2013 according to the latest Census data. Most other fast growing states also experienced no acceleration in their population growth last year. There are two main reasons for this: (a) the overall recovery is modest and (b) housing markets have restrained interstate migration.



At the metro level Southeast Florida (Miami, Ft. Lauderdale, W. Palm) grew 64,909 in 2013 ranking 7th nationally and Orlando ranked 10th with a gain of 44,390. In percentage terms The Villages was the fastest growing U.S. metro area up 5.5% in 2013. Growth rebounded strongly in Southwest Florida in 2013 propelled by an upsurge in retiree migration into Naples, Ft. Myers, Sarasota and Bradenton. By this point in the recovery housing markets in East of the Mississippi have sufficiently recovered to support stronger retiree moves into Florida.

International migration was also strong in 2013, especially in Miami-Dade County which posted another whopping gain of 32,104 international migrants. This is the third year in a row when international migration into Miami-Dade topped 25,000. The

continuing political unrest and deteriorating economic conditions in Venezuela in particular, but also to a lesser extent in Argentina and Brazil supported these migration flows. However, as is typically the case for Miami-Dade County when international migration spikes, it also causes significant outflows of existing residents to other Florida counties, especially to Broward County. As a result, Miami-Dade's population only increased by 22,446 in 2013 – a strong number nevertheless.



Orange County grew fastest in 2013 powered by increases in all three drivers: (a) natural increase (births-deaths), (b) international migration, and (c) domestic migration from other states. Strong job growth in the Orlando MSA is largely responsible. The high levels of domestic migration into Southwest Florida are clearly evident in data as retiree migration soared to this region of Florida.

