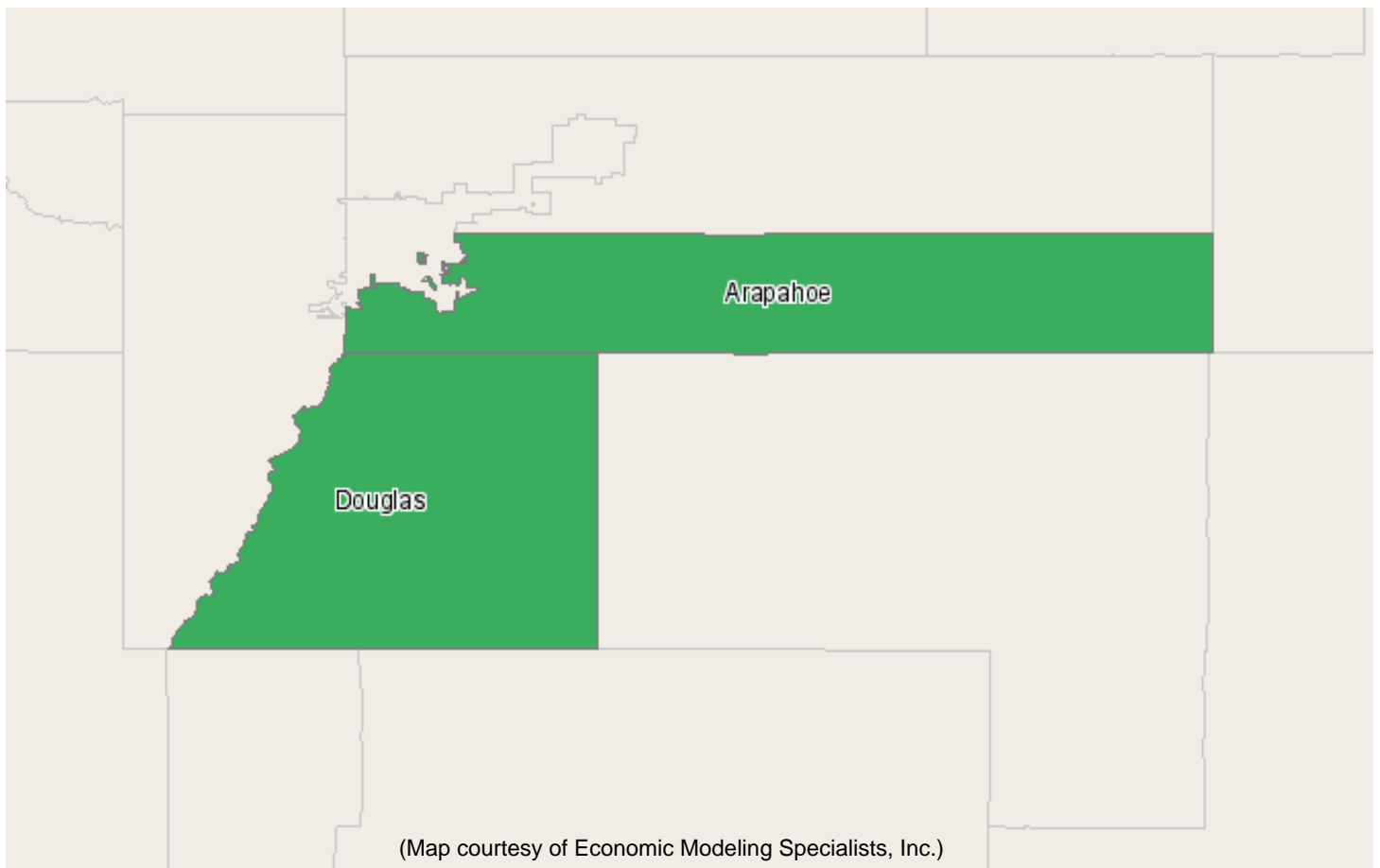




Geography

Together, Arapahoe and Douglas counties make up the southeast portion of the Denver Metro Area, which also includes Adams, Broomfield, Denver and Jefferson counties.

Arapahoe County is 806 square miles in area, and was first incorporated as part of the Kansas Territory in 1855. It was one of the original 17 counties when the Colorado Territory was organized in 1861, and is currently the third most populous of the 64 counties now in Colorado.



Douglas County is 842 square miles in area, and was ranked number 1 among the nation's counties for the rate of population growth during the 1990s, but had fallen to 7th in the nation by July 2006. It is one of only four counties in the Western United States in the top 10 growth list, and the only county in Colorado in the top 10.

2009 Arapahoe & Douglas County Regional Profile

Economy

The Denver Metro Area is the primary economic engine of Colorado. It is made up of six counties: Adams, Arapahoe, Broomfield, Denver, Douglas and Jefferson. Together, these six counties produce nearly one half of Colorado's 3.1 million labor force, and almost 58% of the state's gross receipts.

At \$82.5 billion, businesses in Arapahoe and Douglas counties make up almost 32% of the Denver Metro Area's gross receipts, and over 18.5% of gross receipts in the entire state. A more in-depth analysis of the chart below, supplied courtesy of Economic Modeling Specialists, Inc. (EMSI), shows that Arapahoe and Douglas counties are state- and metro-wide centers for both the Information and Finance/Insurance industries. In addition to Information and Finance, Arts, Entertainment and Recreation, Retail trade, Construction, Professional and Technical Services, and Health Care and Social Assistance are heavily concentrated in the two-county region.

Government is financially under-represented in the two county region, making up less than 25% of gross receipts for the Denver Metro Area. Industries with the lowest gross receipts in the area are Utilities, Manufacturing, Transportation and Warehousing.

Industry	Gross Receipts (in Thousands)					
	Arapahoe/ Douglas Combined	Percent Metro Denver	Percent Colorado	Denver Metro	Percent Colorado	Colorado
Information	\$ 15,421,719.38	50.47%	36.27%	\$ 30,558,615.92	71.86%	\$ 42,522,399.51
Finance and insurance	\$ 11,271,134.63	46.86%	33.92%	\$ 24,051,355.89	72.39%	\$ 33,224,930.29
Professional and technical services	\$ 7,725,968.87	36.41%	22.10%	\$ 21,217,648.06	60.69%	\$ 34,960,256.51
Real estate and rental and leasing	\$ 5,940,905.87	32.35%	20.23%	\$ 18,362,871.71	62.54%	\$ 29,361,822.22
Government	\$ 5,361,505.06	22.40%	9.41%	\$ 23,935,290.20	42.03%	\$ 56,951,673.53
Wholesale trade	\$ 4,625,878.51	30.69%	21.80%	\$ 15,074,045.48	71.05%	\$ 21,215,692.69
Construction	\$ 4,611,682.05	37.71%	18.38%	\$ 12,229,605.97	48.73%	\$ 25,094,972.36
Health care and social assistance	\$ 4,591,726.79	35.32%	19.57%	\$ 12,999,871.21	55.40%	\$ 23,464,466.56
Retail trade	\$ 4,249,516.86	37.94%	19.16%	\$ 11,200,428.76	50.49%	\$ 22,183,900.56
Manufacturing	\$ 3,950,511.92	12.36%	7.33%	\$ 31,958,240.44	59.27%	\$ 53,919,705.44
Mining	\$ 3,637,747.34	27.59%	16.42%	\$ 13,185,104.60	59.53%	\$ 22,149,698.17
Administrative and waste services	\$ 2,429,979.34	33.28%	19.39%	\$ 7,302,116.61	58.27%	\$ 12,530,669.14
Management of companies and enterprises	\$ 2,060,004.07	29.50%	25.80%	\$ 6,982,278.31	87.45%	\$ 7,984,748.54
Accommodation and food services	\$ 1,967,885.29	29.87%	13.54%	\$ 6,588,699.12	45.32%	\$ 14,538,456.43
Other services, except public administration	\$ 1,819,585.63	32.00%	17.17%	\$ 5,686,407.24	53.66%	\$ 10,596,339.20
Arts, entertainment, and recreation	\$ 907,933.62	41.09%	17.81%	\$ 2,209,728.26	43.35%	\$ 5,096,838.71
Transportation and warehousing	\$ 875,806.80	9.73%	6.71%	\$ 9,005,148.27	69.01%	\$ 13,049,750.43
Educational services	\$ 622,486.44	29.77%	20.50%	\$ 2,091,315.88	68.88%	\$ 3,036,006.81
Utilities	\$ 281,534.50	9.91%	4.50%	\$ 2,841,766.30	45.42%	\$ 6,256,844.85
Agriculture, forestry, fishing and hunting	\$ 146,341.83	31.35%	2.19%	\$ 466,768.03	6.98%	\$ 6,691,497.87
Totals	\$ 82,499,854.81	31.98%	18.55%	\$ 257,947,306.26	57.99%	\$ 444,830,669.83

Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2

Arapahoe and Douglas counties also offer significant employment opportunity. Second Quarter 2009 information from Economic Modeling Specialists, Inc. shows that almost 34% of Metro Denver's jobs are located in Arapahoe and Douglas counties. Almost 17% of Colorado's job opportunities are in Arapahoe and Douglas counties.

A perusal of the chart below shows Arapahoe and Douglas counties have heavier concentrations (relative to other counties in the Denver Metro Area) of jobs in Information, Finance and Insurance, Mining, Real Estate, Retail Trade, Arts, Entertainment and Recreation, Professional and Technical

2009 Arapahoe & Douglas County Regional Profile

Services, Construction and Management of Companies/Enterprises. The lightest concentrations of jobs are in Utilities, Manufacturing, and Transportation and Warehousing. The greatest number of jobs is in Retail, Professional and Technical Services, Government, Health Care and Social Assistance, and Finance and Insurance.

Industry	Jobs						
	Arapahoe/ Douglas Combined	Percent		Denver Metro	Percent		Colorado
		Metro Denver	Colorado		Denver Metro	Colorado	
Retail trade	58,043	38.94%	18.58%	149,054	47.70%	312,456	
Professional and technical services	55,933	36.90%	20.83%	151,574	56.45%	268,524	
Government	48,459	26.94%	11.35%	179,904	42.13%	427,047	
Health care and social assistance	48,175	34.65%	17.50%	139,029	50.51%	275,262	
Finance and insurance	46,679	46.68%	29.23%	100,001	62.63%	159,670	
Construction	37,545	36.38%	16.67%	103,201	45.82%	225,225	
Administrative and waste services	34,329	34.99%	19.21%	98,124	54.90%	178,736	
Accommodation and food services	32,110	29.92%	13.41%	107,325	44.81%	239,497	
Real estate and rental and leasing	32,026	39.72%	19.13%	80,628	48.16%	167,412	
Other services, except public administration	26,225	34.93%	17.20%	75,074	49.25%	152,429	
Information	26,078	48.23%	29.63%	54,073	61.43%	88,018	
Wholesale trade	19,900	27.29%	18.19%	72,929	66.66%	109,398	
Manufacturing	12,236	17.40%	8.24%	70,337	47.35%	148,540	
Arts, entertainment, and recreation	12,159	38.10%	14.92%	31,914	39.15%	81,509	
Transportation and warehousing	9,886	16.00%	10.24%	61,788	64.02%	96,515	
Educational services	9,274	27.68%	16.40%	33,503	59.25%	56,544	
Management of companies and enterprises	8,905	36.36%	28.41%	24,488	78.14%	31,340	
Mining	6,395	40.65%	15.01%	15,731	36.91%	42,614	
Agriculture, forestry, fishing and hunting	1,839	34.53%	3.42%	5,325	9.90%	53,768	
Utilities	486	12.54%	5.44%	3,876	43.39%	8,932	
Totals	526,682	33.81%	16.86%	1,557,876.13	49.88%	3,123,436.06	

Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2

A more in-depth analysis permits drilling further down into each major industry sector. The chart below shows the top 20 industry sub-sectors by employment and number of establishments in Arapahoe and Douglas counties. The employment leader is local government, with 7.7% of total employment in the two counties.

Top 20 Industry Sectors, Arapahoe/Douglas Counties				
NAICS Code	Description	2009 Jobs	2010 Jobs	2008 Establishments
9300	Local government	38,109	39,789	89
7221	Full-service restaurants	14,205	15,007	545
5413	Architectural and engineering services	12,719	13,247	781
5415	Computer systems design and related services	12,068	12,289	1,594
7222	Limited-service eating places	11,796	12,541	820
5617	Services to buildings and dwellings	10,447	11,701	658
5313	Activities related to real estate	10,066	10,890	458
5312	Offices of real estate agents and brokers	10,017	10,715	659
5311	Lessors of real estate	9,660	10,298	307
5239	Other financial investment activities	9,284	10,001	366
5511	Management of companies and enterprises	8,905	9,421	406
5241	Insurance carriers	8,726	8,822	216
5416	Management and technical consulting services	8,569	8,901	1,233
5419	Other professional and technical services	7,981	8,163	396
6211	Offices of physicians	7,473	7,888	610
5242	Insurance agencies, brokerages, and related	7,189	7,397	805
4451	Grocery stores	7,010	7,174	109
5171	Wired telecommunications carriers	6,962	6,494	91
4543	Direct selling establishments	6,910	7,203	101
7139	Other amusement and recreation industries	6,728	7,133	184

Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2

2009 Arapahoe & Douglas County Regional Profile

The charts below show top 20 industries by number of jobs in each county.

Top 20 Industry Sectors, Arapahoe County

NAICS Code	Description	2009 Jobs	2010 Jobs	2008 Establishments
9300	Local government	26,782	27,613	60
5413	Architectural and engineering services	9,293	9,452	519
7221	Full-service restaurants	8,967	9,316	383
5415	Computer systems design and related services	8,694	8,650	894
5311	Lessors of real estate	8,387	8,912	238
5313	Activities related to real estate	8,312	8,946	335
5617	Services to buildings and dwellings	8,307	9,263	432
7222	Limited-service eating places	7,877	8,235	572
5312	Offices of real estate agents and brokers	7,624	8,110	386
5241	Insurance carriers	7,469	7,414	148
5239	Other financial investment activities	7,378	7,893	271
5416	Management and technical consulting services	6,504	6,702	709
6211	Offices of physicians	6,218	6,516	469
5511	Management of companies and enterprises	6,169	6,402	278
5419	Other professional and technical services	6,118	6,208	258
5242	Insurance agencies, brokerages, and related	5,832	5,950	616
5614	Business support services	5,721	6,405	187
5222	Nondepository credit intermediation	5,283	5,470	226
2111	Oil and gas extraction	5,222	5,548	71
4543	Direct selling establishments	5,176	5,361	59

Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2

Top 20 Industry Sectors, Douglas County

NAICS Code	Description	2009 Jobs	2010 Jobs	2008 Establishments
9300	Local government	11,327	12,176	29
7221	Full-service restaurants	5,238	5,690	163
7222	Limited-service eating places	3,919	4,306	248
5413	Architectural and engineering services	3,426	3,794	261
5415	Computer systems design and related services	3,374	3,639	700
7139	Other amusement and recreation industries	3,095	3,405	78
5511	Management of companies and enterprises	2,736	3,019	128
5171	Wired telecommunications carriers	2,617	2,671	25
5312	Offices of real estate agents and brokers	2,394	2,605	273
5223	Activities related to credit intermediation	2,370	2,758	121
4529	Other general merchandise stores	2,327	2,548	12
4451	Grocery stores	2,269	2,426	23
4521	Department stores	2,144	2,178	15
5617	Services to buildings and dwellings	2,140	2,437	226
5172	Wireless telecommunications carriers	2,098	2,101	15
5416	Management and technical consulting services	2,065	2,199	524
5239	Other financial investment activities	1,906	2,108	95
5419	Other professional and technical services	1,863	1,955	139
5313	Activities related to real estate	1,753	1,944	123
4543	Direct selling establishments	1,734	1,841	42

Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2

2009 Arapahoe & Douglas County Regional Profile

The following tables show percentage of female owned and minority owned firms in Arapahoe and Douglas counties. Source: U.S. Census 2002 employer data.

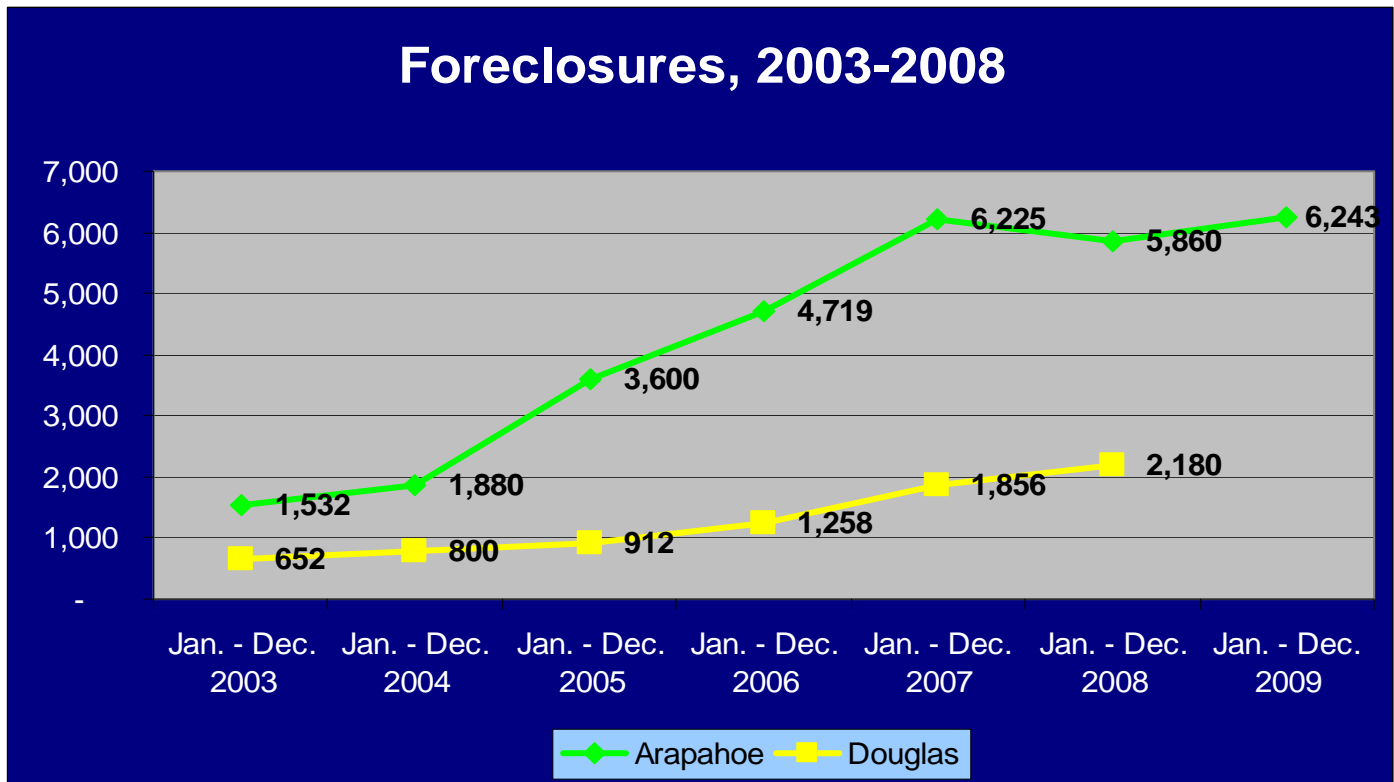
Female Owned Firms	
Arapahoe	29.5%
Douglas	34.4%

Minority Owned Firms	
Arapahoe	12.6%
Douglas	7.8%

The table below shows basic household and income information. Note the high percentage in each county of owner-occupied housing.

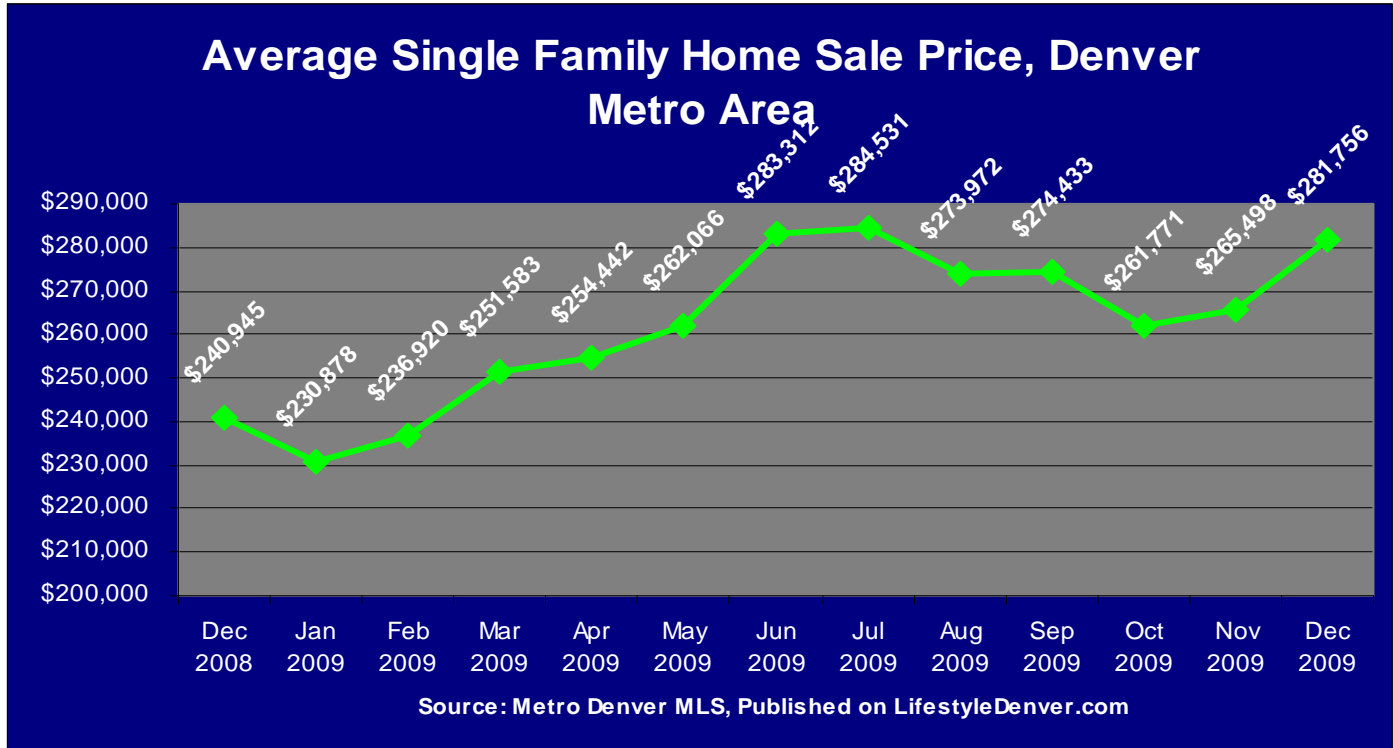
From U.S. Census: American Factfinder, 2007 Estimates	Arapahoe	Douglas
Median Individual Earnings Aged 25+ in 2007	\$ 33,004.00	\$ 52,547.00
Males	\$ 37,499.00	\$ 68,786.00
Females	\$ 28,767.00	\$ 37,404.00
Median Household Income	\$ 83,667.00	\$ 102,767.00
Number Households	208,881	91,557
Number Married Couple Households	102,362	63,778
Average Household Size	2.30	2.82
Percent Owner Occupied	68%	83%
Average Value Owner Occupied House	\$ 234,100.00	\$ 331,000.00
Median Monthly Housing Cost	\$ 1,614.00	\$ 2,067.00
Percent With 2nd Mortgage or Home Equity Loan	32.6%	41.7%

The chart below, courtesy of the Colorado County Treasurer & Public Trustee Associations shows year-over-year foreclosures in Arapahoe and Douglas counties between 2003 and 2009. Douglas County data is not in at this writing.



2009 Arapahoe & Douglas County Regional Profile

Foreclosures are one measure of the health of a local economy. Another measure is the average sale price of homes. Data shown on the chart below is courtesy of LifestyleDenver.com and comes from the Denver MLS. The chart below shows the average single family home price in the Denver Metro Area. As of December 2009, the average price of a single family home in the region was only 1.7% off from the peak in July 2008.



Higher than average individual and family incomes, a resilient housing market and a diverse industrial base offering employment in a variety of high-skilled, high wage jobs in growing industries also suggest that the two county region and the Denver Metro Area at large may be on the way to recovery.

Workforce

The next step in a thorough profile of Arapahoe and Douglas counties is to analyze the workforce available to employers. This includes basic demographic data, including the educational attainment and occupational skills of working age residents of the two counties, as well as a study of the labor shed from which businesses located in the southern Denver Metro Area can draw.

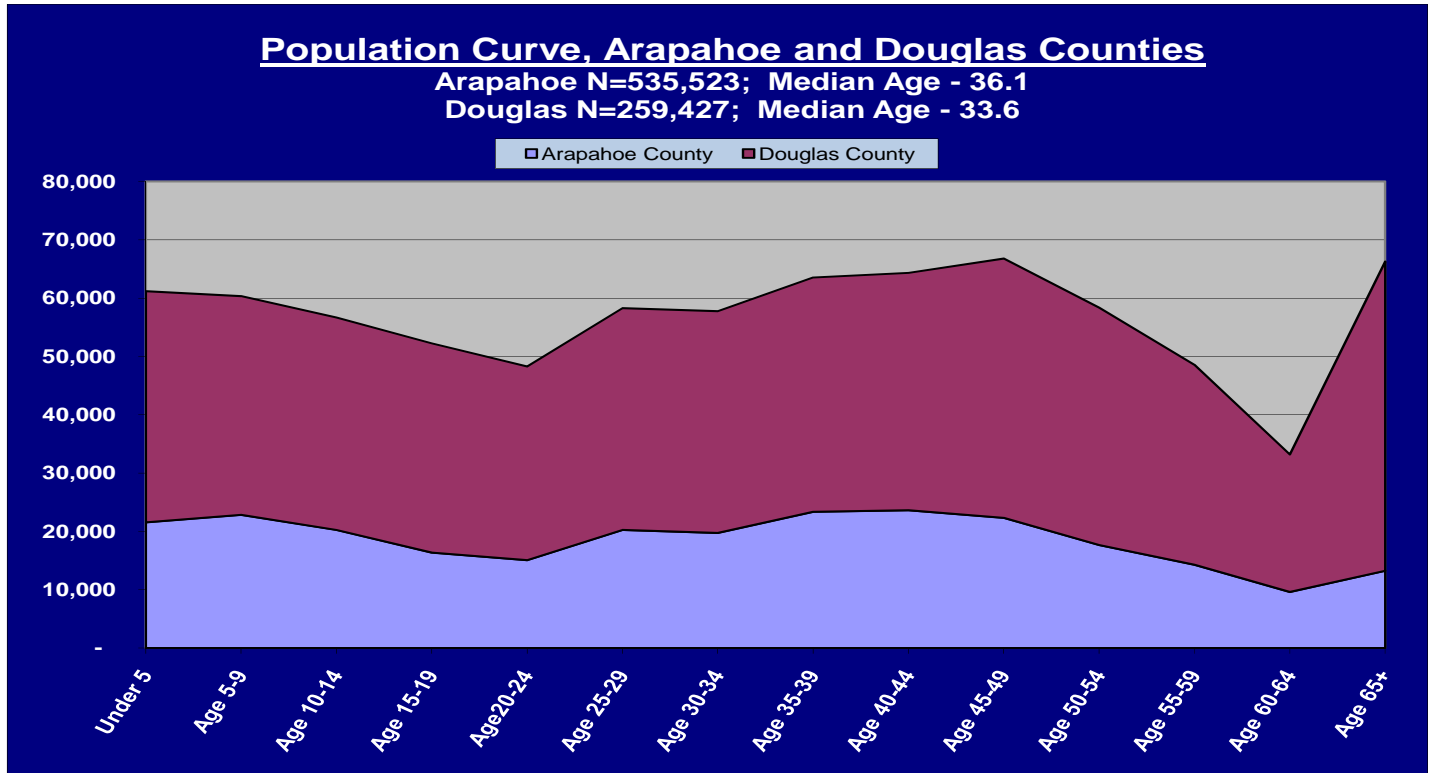
The table below shows the most current population estimates of Arapahoe and Douglas counties from the U.S. Census American Factfinder. 2030 projection estimates are from community profiles supplied by the Denver Council of Regional Governments (DRCOG).

Current and Projected Population		
County	2007 Population	2030 Projection
Arapahoe	545,089	809,673
Douglas	272,117	509,783

2009 Arapahoe & Douglas County Regional Profile

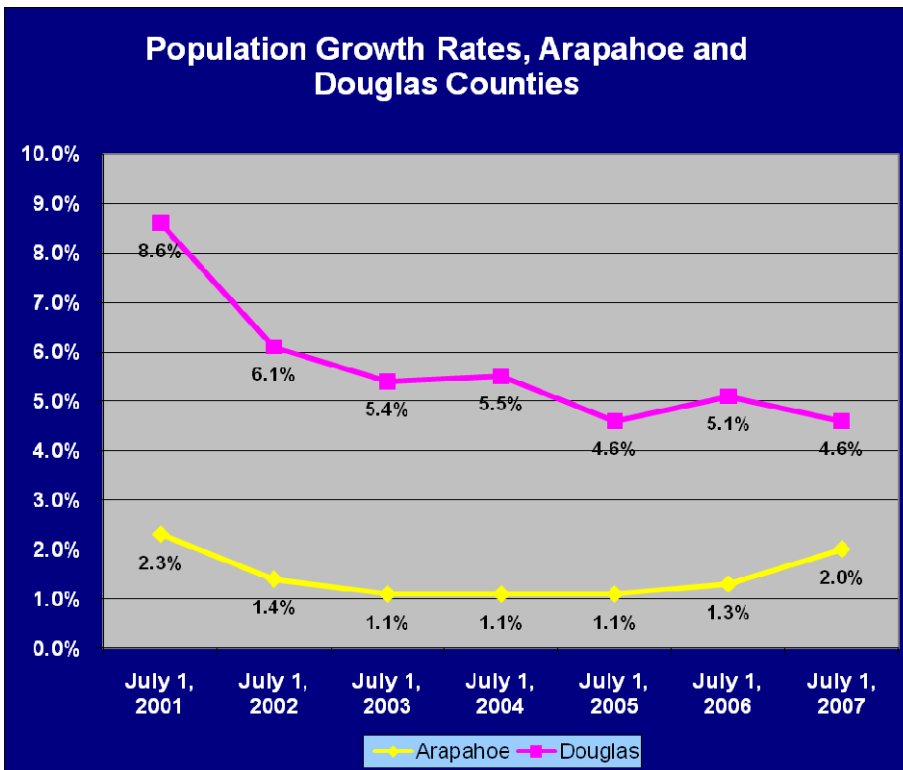
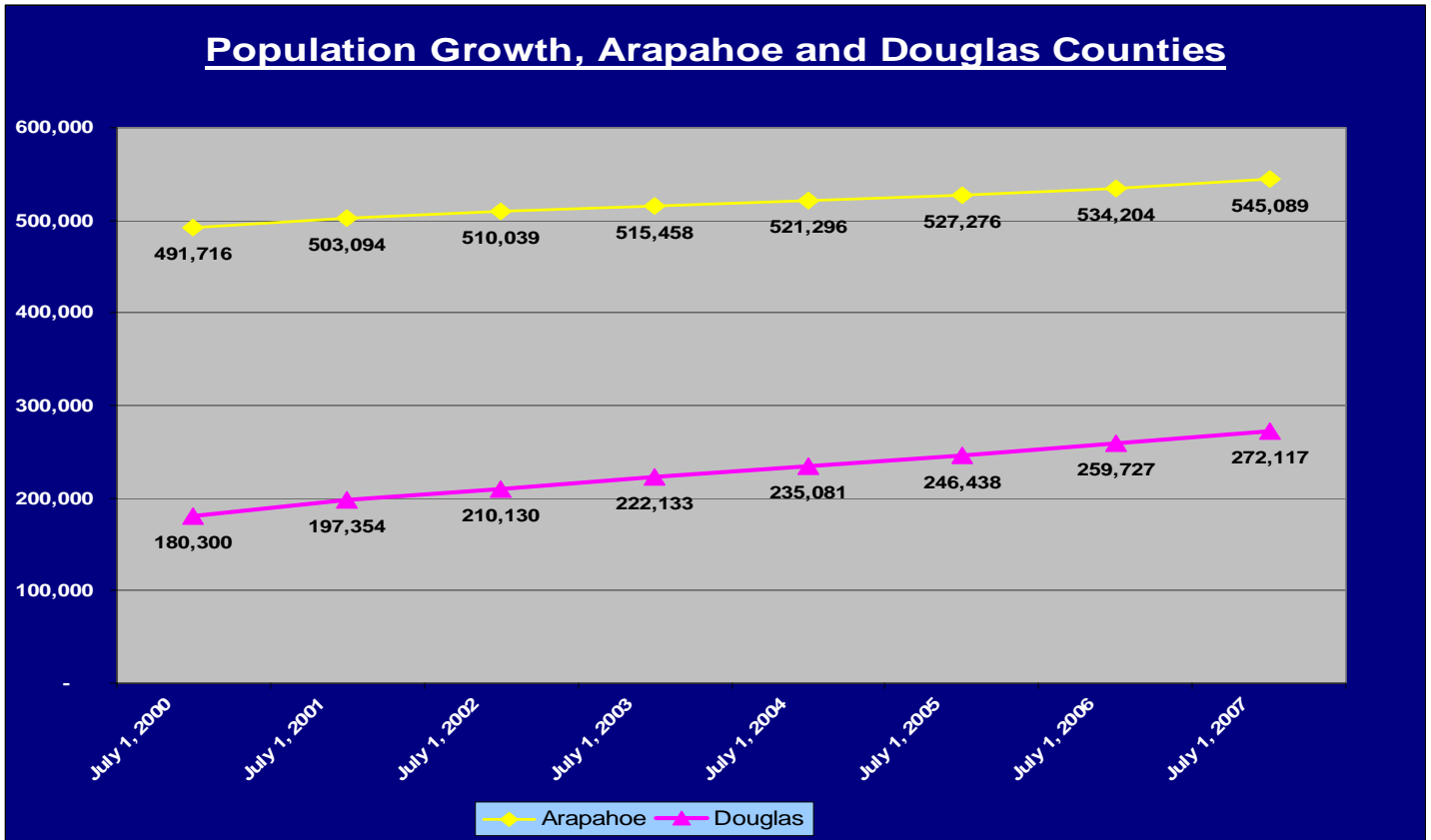
The chart below shows the age distribution in both counties. Lower numbers of available workers in the Millennial (now 20-24 years of age) and Gen X (now aged 25 to 44) groups do justify some concern at the pending retirements, semi-retirements and encore careers of the Baby Boom age group (now 45 to 64 years of age). This may leave a skill/experience vacuum in some industries, particularly those requiring high skill levels from workers. As the population grows older, several industries, including Health Care, Personal Services and Arts/Recreation will experience growth.

All demographic charts below are courtesy of U.S. Census Bureau.



Population growth occurs in two ways – new births that exceed the number of deaths, and immigration. With over 230 sunny days per year and a temperate, pleasant climate, nearby mountains offering many recreational opportunities and hub facilities for air and truck transportation, the Denver Metro Area is quite a desirable place to live. In terms of labor force availability for businesses, this means that the Denver Metro job market is highly competitive. The area boasts higher than average levels of educational attainment and higher concentrations of workers with critical skills. Persons who migrate to the region tend to be workers with high level skills who can support the global competitiveness of the region's critical industries.

The chart below shows year over year population growth in Arapahoe and Douglas counties between 2000 and 2007.



The chart to the left shows the growth rates for the two counties. Note that while Douglas County's growth rate has declined year over year, Arapahoe County's growth rate has increased in both 2006 and 2007.

This phenomenon may be reflective of the increasing number of job opportunities in a variety of critical industries, including Information, Finance, Real Estate, Construction, Professional and Technical (includes Aerospace, Aviation, Bioscience), Health Care, Education, and Arts, Entertainment and Recreation.

2009 Arapahoe & Douglas County Regional Profile

Other factors relevant to workforce development in light of anticipated major changes in the

Disability Employment Rates	Arapahoe	Percent	Douglas	Percent
Population 16 to 64 years	358,552	100.0%	176,117	100.0%
With any disability	31,130	8.7%	9,810	5.6%
Employed	14,289	45.9%	5,700	58.1%

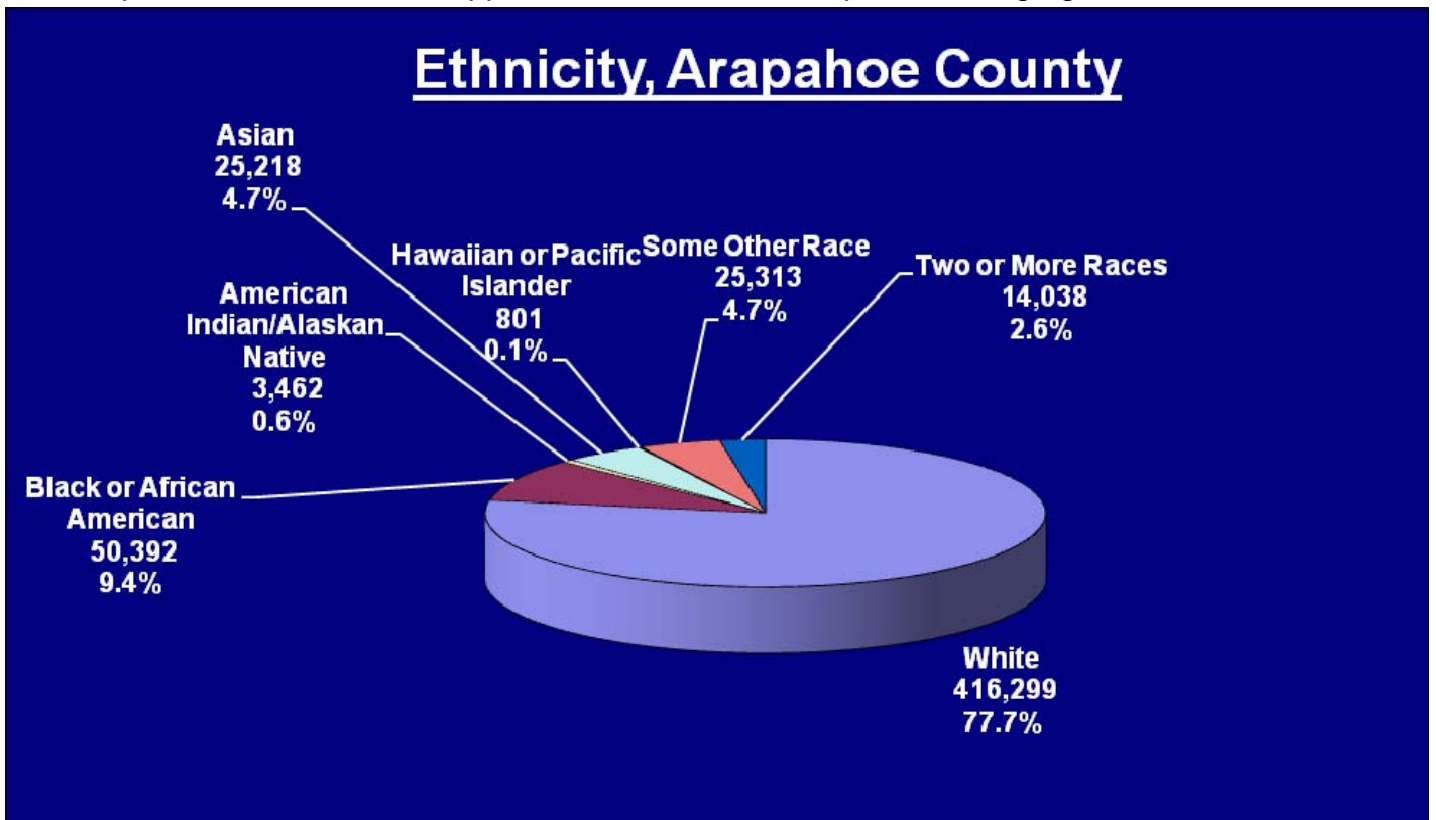
workforce, are the number of disabled individuals of working age. The table to the left shows that while a substantial percentage of disabled persons work in

the two county region, there is a significant untapped group of workers among this demographic.

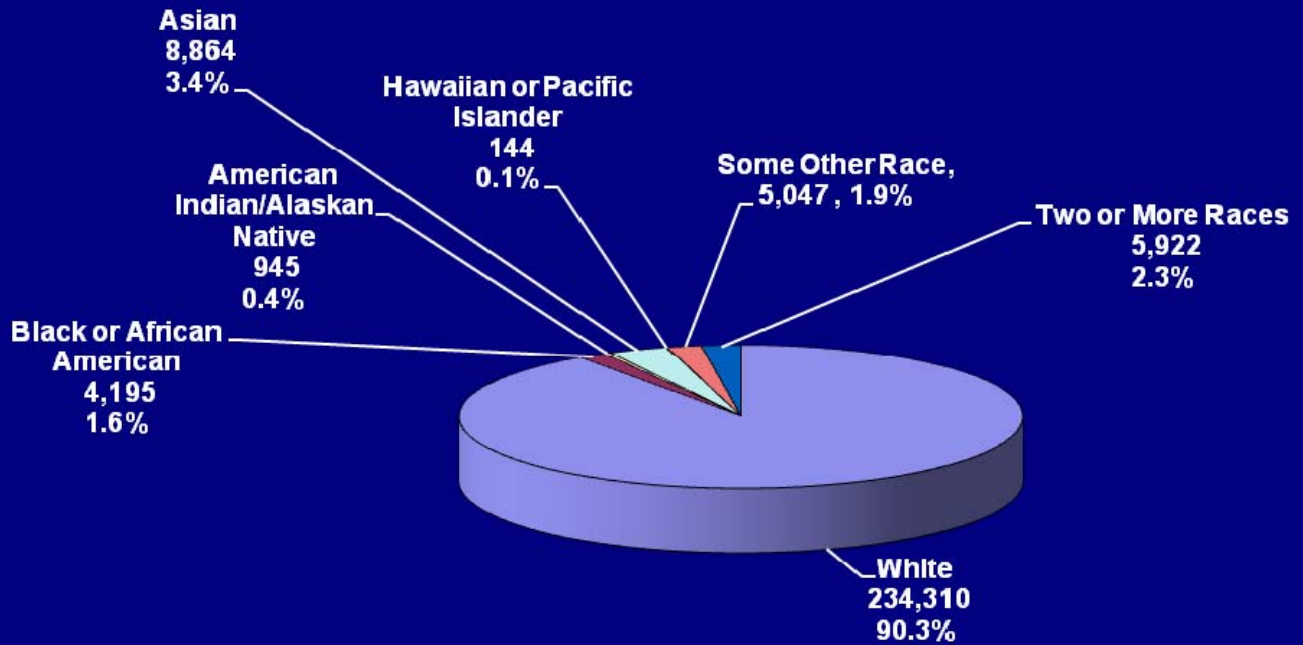
Poverty rates are often a function of low basic and occupational skills. The table to the right shows the percentage of families in poverty in Arapahoe and Douglas counties, and more significantly, shows the percent of families among this group who work full time. This group is called the 'Working Poor,' and as a group is unlikely to have dependable transportation, stable housing, or health care.

Poverty Rates	Arapahoe	Percent	Douglas	Percent
Number of Families	136,318	100.0%	72,002	100.0%
Families in Poverty	11,041	8.1%	1,224	1.7%
Families Working Poor	6,616	59.9%	889	72.6%

The two charts below show ethnicity in Arapahoe and Douglas counties. By 2050, it is predicted that white persons will be a minority in the United States. It is vital to the continued global competitiveness of industries throughout the United States to ensure all persons are exposed to career options and educational opportunities in critical occupations in high growth industries.

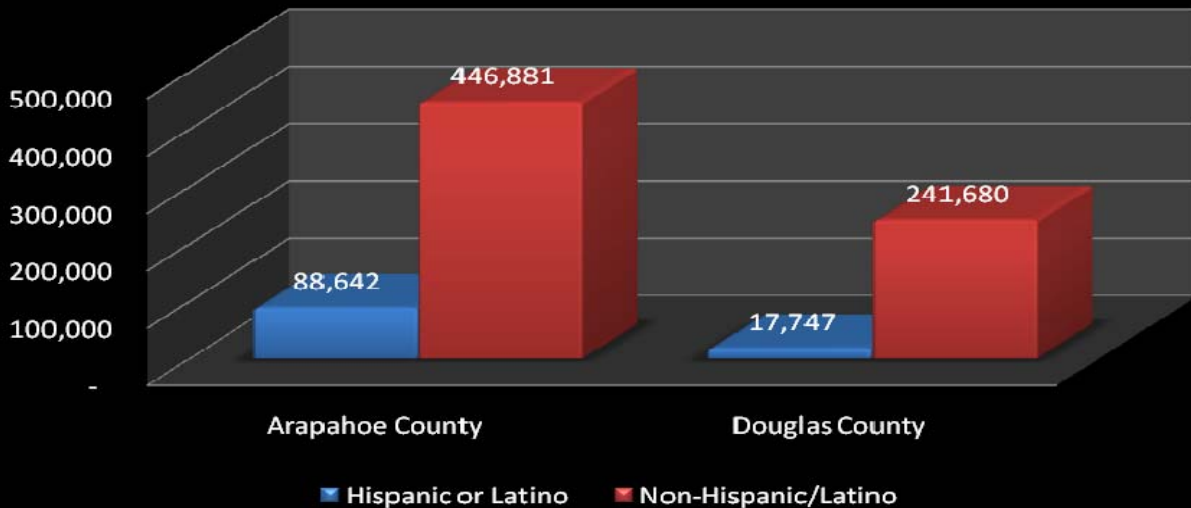


Ethnicity, Douglas County



The chart below shows Hispanic origin in Arapahoe and Douglas counties. This is one of the fastest growing segments of the population in the United States. By 2050, Hispanics are expected to make up 23% of the U.S. population.

Hispanic Makeup Arapahoe and Douglas Counties

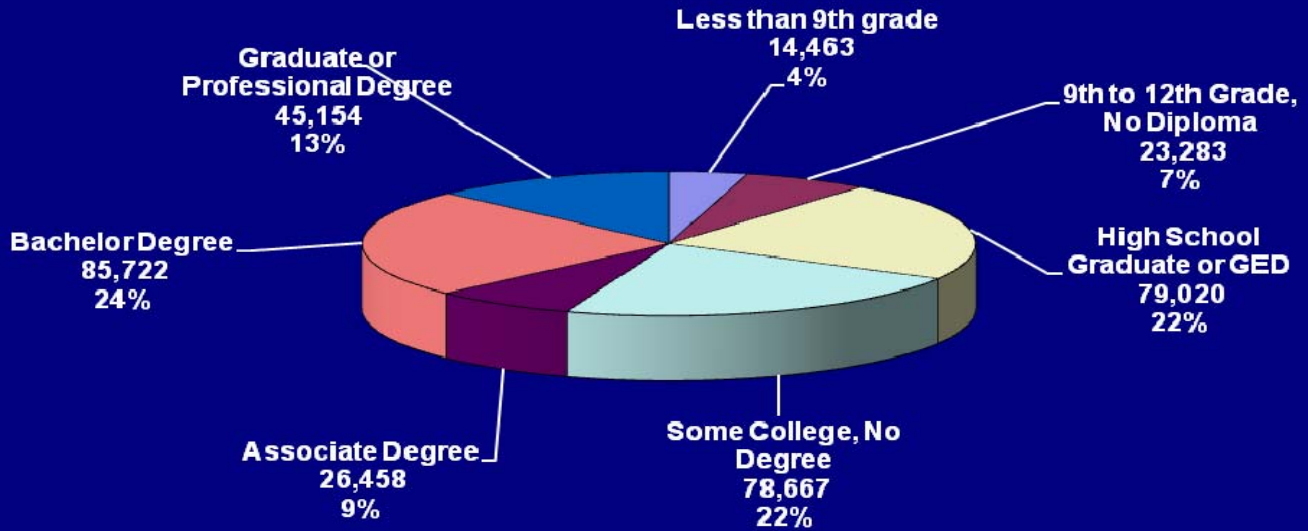


2009 Arapahoe & Douglas County Regional Profile

The charts below show educational attainment in Arapahoe and Douglas counties is well above the national average.

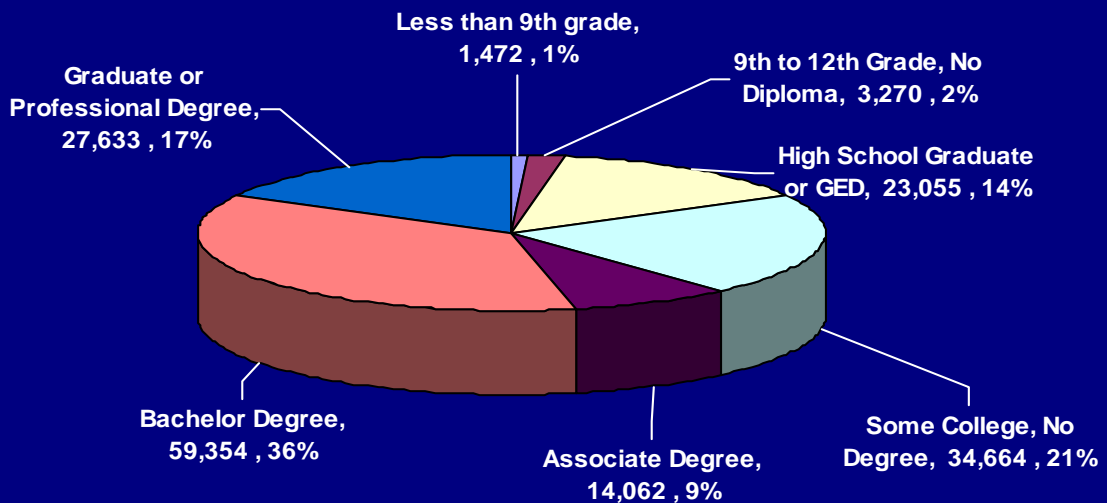
Educational Attainment Arapahoe County

Population Over 25 Years Old: N = 352,767



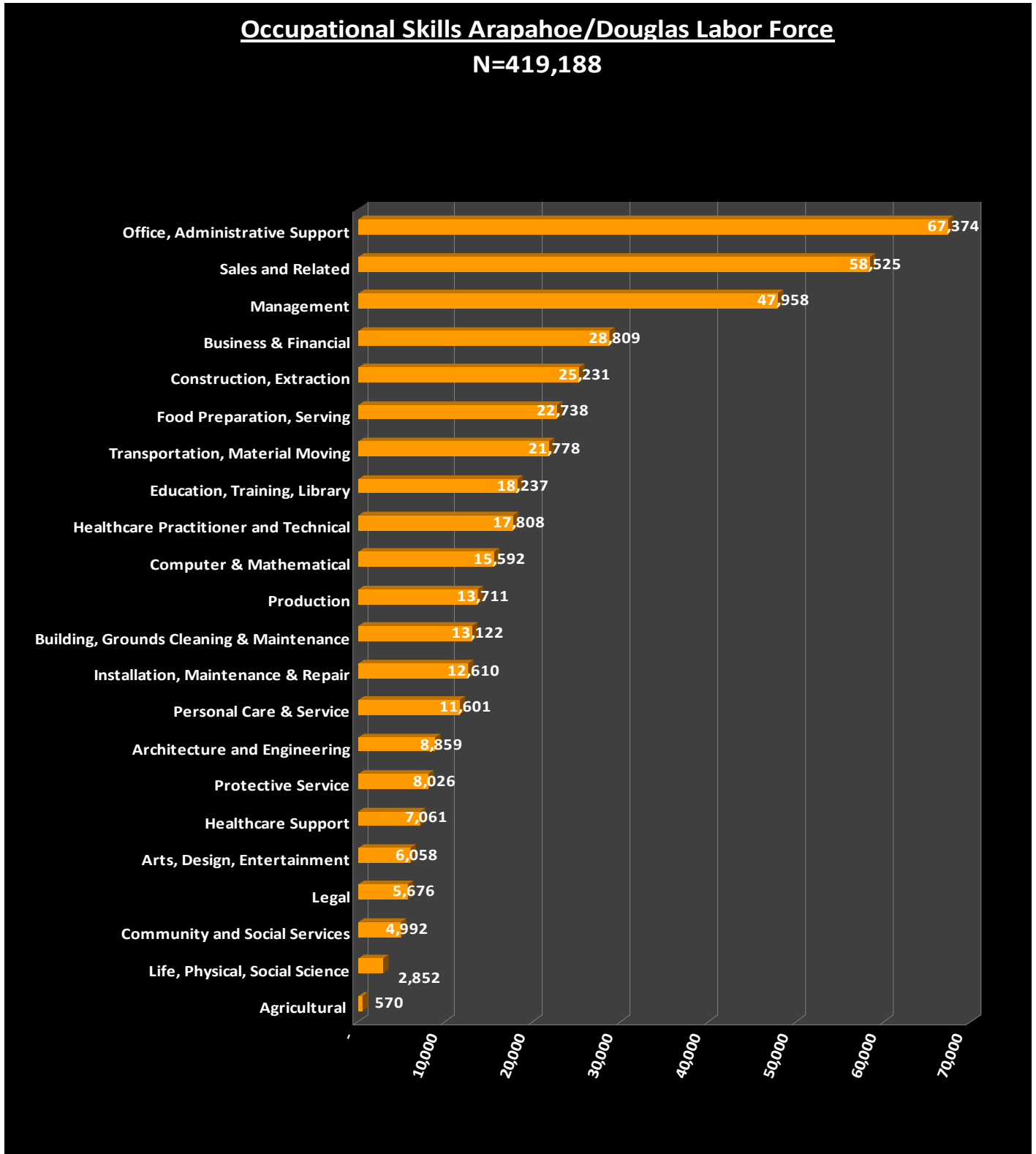
Educational Attainment Douglas County

Population Over 25 Years Old: N = 163,509



2009 Arapahoe & Douglas County Regional Profile

The charts below show the occupational skills makeup of Arapahoe and Douglas County labor forces. Note these data came from the U.S. Census 2000, thus some minor shifts may have occurred.



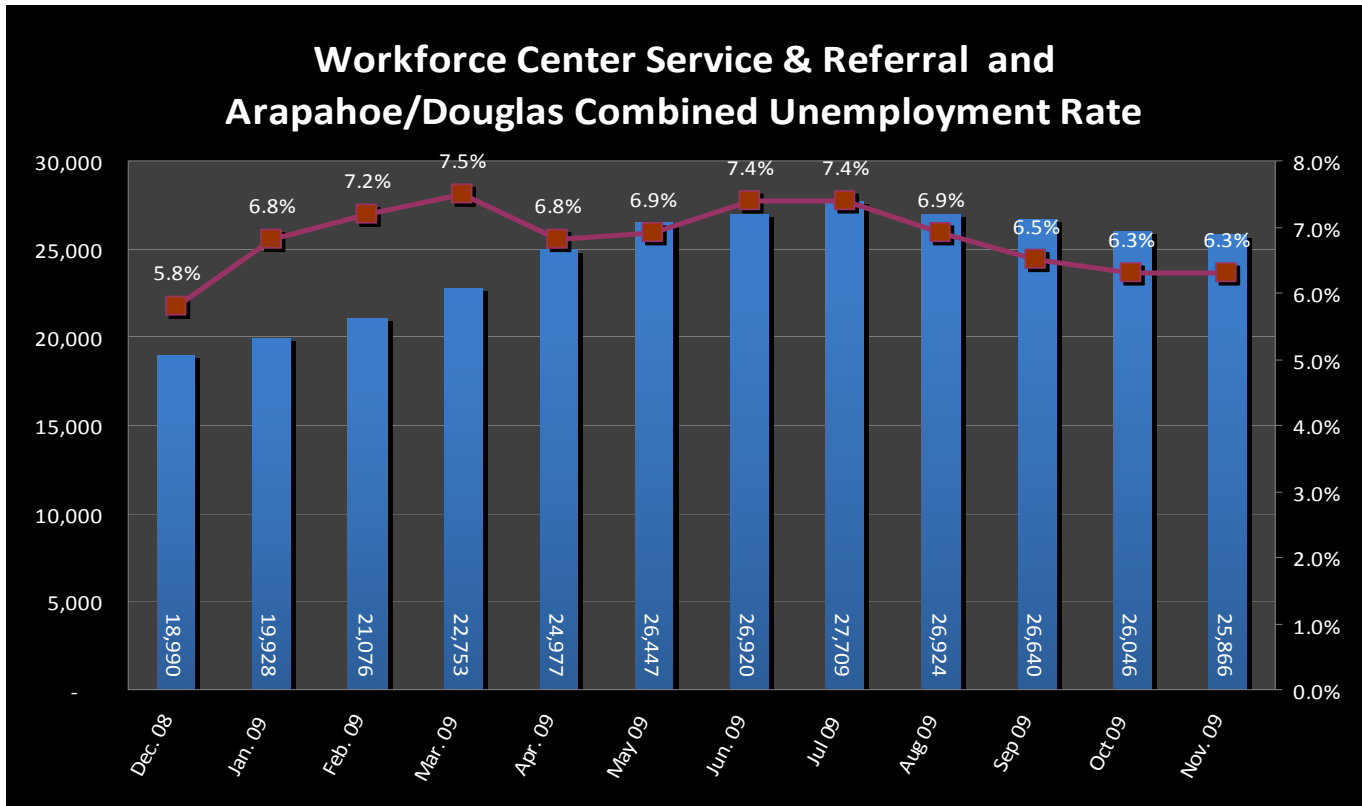
2009 Arapahoe & Douglas County Regional Profile

The chart below is courtesy of the U.S. Bureau of Labor Statistics, and the Colorado Dept. of Labor and Employment Labor Market Information Division.

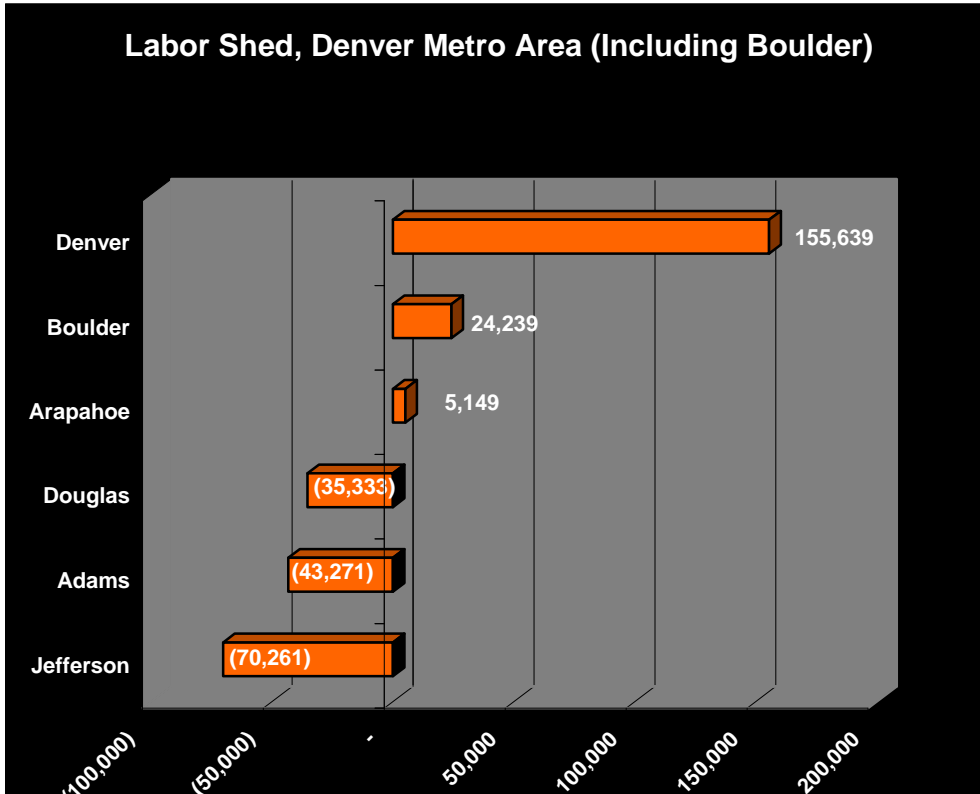
Arapahoe/Douglas Works! Employment November 2009				
Area	Civilian Labor Force	Number Employed	Number Unemployed	Unemployment Rate
Arapahoe County	305,988	285,655	20,333	6.6%
Douglas County	154,760	146,115	8,645	5.6%
Arapahoe/Douglas Combined	460,748	431,770	28,978	6.3%

Regional Employment November 2009				
Region	Civilian Labor Force	Number Employed	Number Unemployed	Unemployment Rate
Denver Metropolitan Area	1,365,749	1,272,288	93,461	6.8%
Boulder Metropolitan Area	173,583	164,259	9,324	5.4%
Colorado	2,664,937	2,485,850	179,087	6.7%
United States	153,720,000	138,381,000	15,339,000	10.0%

The chart below shows workforce center volume experienced by Arapahoe/Douglas Works!



2009 Arapahoe & Douglas County Regional Profile



Employers must also be concerned with the labor shed, which is defined as that larger area where potential skilled employees reside. The table to the left, courtesy of the Colorado Dept. of Labor and Employment Labor Market Division, shows the labor shed for the Denver Metro Area. It represents migratory commuter patterns of workers between residence and employment. As can be seen, Denver, Boulder and Arapahoe counties are the only net importers of

workers, and Denver is clearly the major regional employer (155,639 more people travel to Denver from other counties, including Arapahoe and Douglas, to work than travel from Denver to work elsewhere).

In short, Arapahoe and Douglas counties, and the Denver Metro Area at large, offer businesses a large, diverse, highly educated, highly skilled labor force, located in a national transportation hub. It is an attractive area with excellent amenities, education system, infrastructure and business friendly government.

Data Sources:

Colorado County Treasurer & Public Trustee Associations
Colorado Department of Labor and Employment Labor Market Information Division (LMI Gateway)
Denver Regional Council of Governments
Douglas County Colorado
Source: EMSI Complete Employment - 2nd Quarter 2009 v. 2
U.S. Bureau of Labor Statistics
U.S. Census Bureau