

Polk Economy Recovers Part Of Lost Ground In Quarter 1

The Polk Progress Index (PPI) rose an unexpected 2.1% in the first quarter of 2008, more than offsetting the revised 1.3% decline in the preceding quarter. The gain was based on a modest rise in retail sales, and a sharp turnaround in seasonally adjusted motel and hotel sales. Following the Quarter 1 upturn, the PPI has still fallen by about 7.5% over the past 18 months.

The Florida Agency for Workforce Innovation has conducted its annual benchmarking of employment data for the years 2004-2007. The benchmarked data are reported in this issue of the Polk Progress Report, and have been incorporated into revised estimates of the Polk Progress Index (PPI) values for those same years.

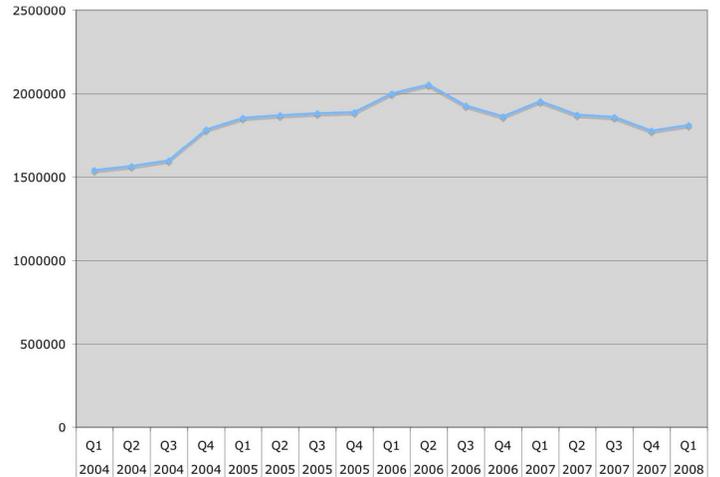
The revised PPI figures show a local economy that began to slow in the third quarter of 2006. The data also provide the first signs that the Polk economy may have begun to stabilize at a lower level of activity toward the end of 2007.

SALES - Sales data for any given month are not available from the Florida Department of Revenue until approximately three months later. Therefore, the retail sales and hotel/motel sales data for the most recent quarter in each Polk Progress Report is ordinarily estimated on the basis of data reported for the first two months of the quarter.

The sales data in December turned out to be lower than what we estimated in the last issue of this report. Taxable sales dropped a seasonally adjusted 4.3% in the fourth quarter, while sales at area hotels and motels fell a seasonally adjusted 10.8% from the preceding quarter. The revised sales data are reflected in the PPI figure for Quarter 4.

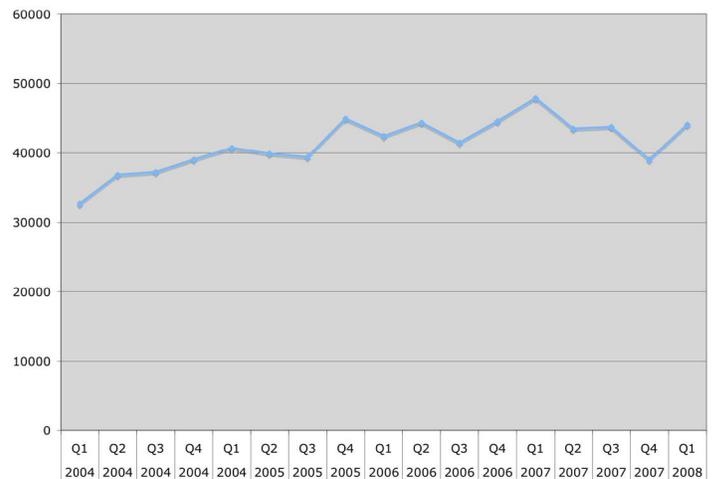
Polk retail sales yielded their first possible signs of stabilizing in the first quarter of 2008. Seasonally adjusted taxable sales rose 1.9% from the preceding Quarter 4 based on preliminary data. Actual (un-adjusted) sales in Quarter 1 are down an estimated 6.9% from the first quarter of 2007.

Taxable Sales (Seasonally Adjusted)



Sales at area hotels and motels fell sharply in the fourth quarter of 2007 as evidenced by data reported for the month of December. Hotel/motel sales in Quarter 1 2008 appeared to recover the ground lost in the preceding quarter, based on preliminary data. Estimated sales in the first quarter of 2008 are still down 7.1% from the same quarter a year ago.

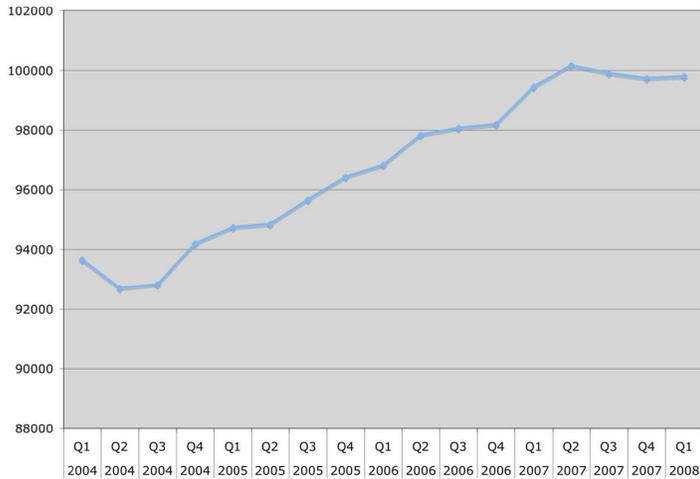
Hotel/Motel Sales (Seasonally Adjusted)



POPULATION - The population of Polk County stood at 574,746 on July 1st 2007 according to the latest figures released by the U.S. Census Bureau in March. That represents a gain of 90,822 residents since 2000. The 18.7% increase in Polk's population over the 2000-2007 period exceeds the 14.2% average increase for the state of Florida over that same time period.

Data on the number of residential electric accounts maintained by the City of Lakeland suggest that the size of the local population has leveled off in 2007. The number of residential electric accounts in the first quarter of 2008 is virtually unchanged (up 0.2%) from the same quarter a year ago.

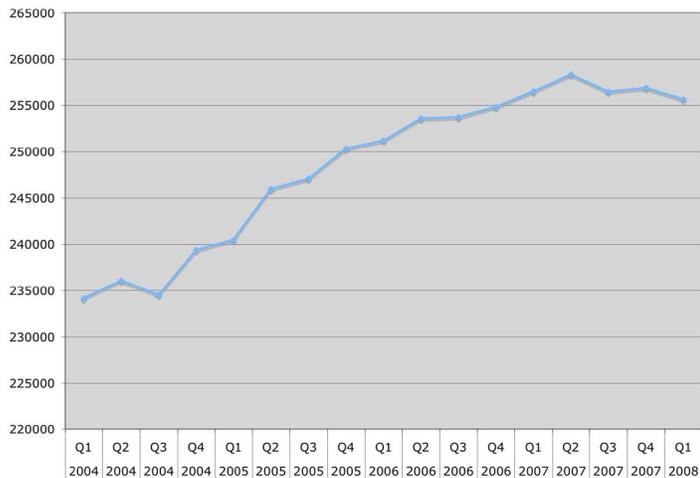
Residential Electric Accounts (Seasonally Adjusted)



EMPLOYMENT - Revised employment figures from the Florida Agency for Workforce Innovation confirm the sharp growth in local employment that occurred during 2005, and a smoother, less rapid growth rate beginning in early 2006 and lasting until the middle of 2007. Employment began contracting in the third quarter of 2007, reflecting the generalized slowdown in the Polk economy. Job losses have been heaviest in construction and manufacturing.

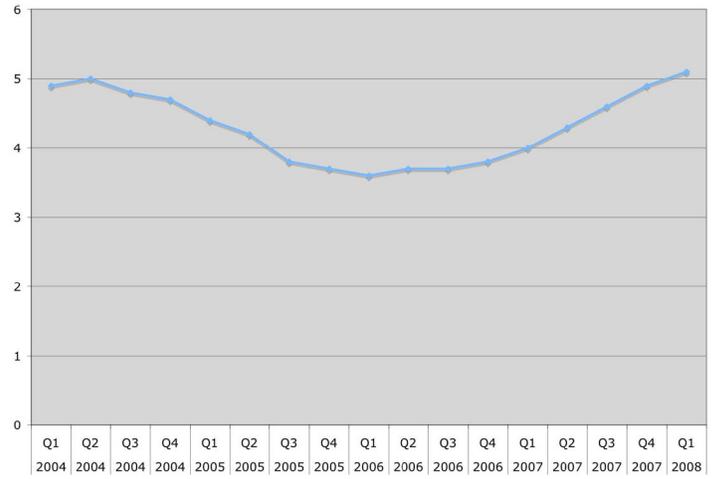
Polk employment fell 0.7% in the first quarter of 2008 from the preceding quarter after adjusting for recurring seasonal variations. The actual (unadjusted) level of employment in Quarter 1 2008 is down 0.3% from the same quarter a year ago.

Total Employment



The latest data also confirm that the Polk unemployment rate bottomed out at about 3.6% in the first quarter of 2006. The local unemployment rate has risen slowly, but steadily, since early 2006, and now stands at a bit over 5% on a seasonally adjusted basis.

Unemployment Rate (Seasonally Adjusted)

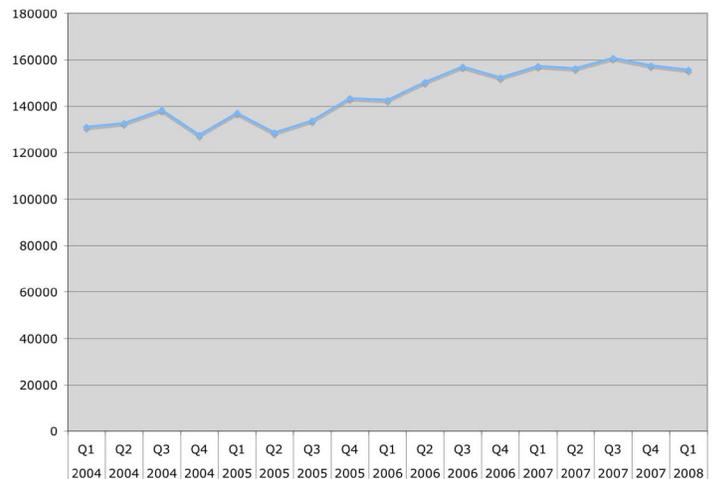


Accent Marketing has announced that it will lay off 180 employees at its Winter Haven call center by mid-July. The center has been used to handle service calls for a wireless communications firm. Accent handles customer service and direct marketing for a number of large firms, and the contract with the firm represented by the Winter Haven call center was discontinued.

MANUFACTURING - Manufacturing output in Polk County has been stronger over the past two years than employment figures suggest. Though manufacturing employment has fallen modestly, much of that decline is a reflection of rising worker productivity.

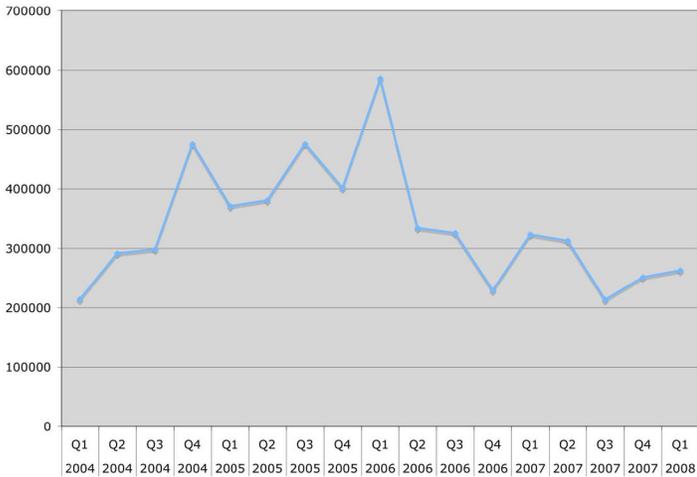
Data on industrial electricity consumption provided by the City of Lakeland reflect stable usage over the past 18 months. It should also be noted that a number of new manufacturers who have moved into the county are located outside the service area for the City of Lakeland, thus are not reflected in their usage numbers.

Industrial Kilowatt Hours (Seasonally Adjusted)



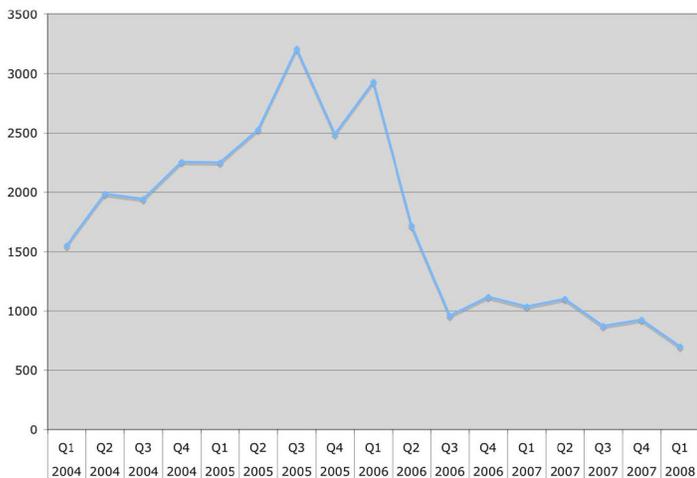
CONSTRUCTION - The value of local construction activity continues to languish in line with the collapse in residential housing nationwide. The dollar value of building permits for all new construction in Polk County was \$262.9 million in the first quarter of 2008. That is a decline of 18.6% (\$60 million) from the same quarter a year earlier.

Dollar Value of Building Permits



There were only 151 permits issued for construction of new single-family homes in Polk County during the month of January, 293 in February, and 157 permits in March. March permits were down 60% from March of 2007, while the January figure was the lowest monthly total since February 1997.

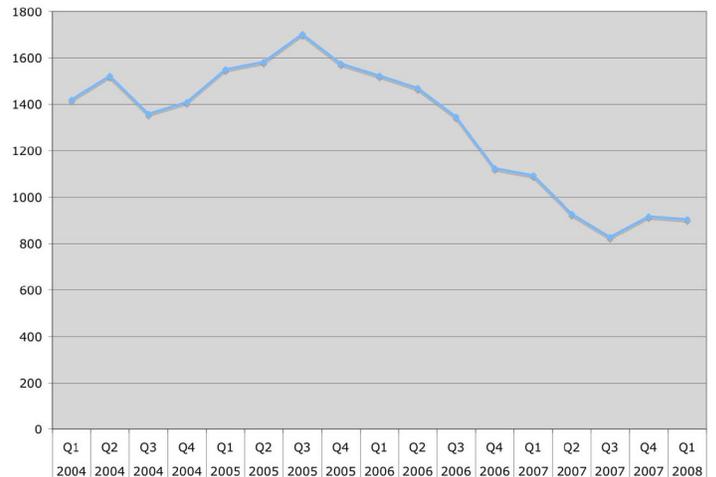
Number of Single Family Building Permits (Seasonally Adjusted)



There were 194 homes sold in Polk County during the month of January, 246 in February, and 312 homes sold in March. The median price of a home sold during the month of March was \$150,000, a decline of 11% from March 2007. Nationwide, the Standard & Poor's/Case Schiller index showed that the median price of existing homes sold in the first quarter of 2008 was down 14.1% from a year earlier.

Data on home sales for the last two quarters bring hope that the local housing market is bottoming out. It will, however, take some time for the current inventory of unsold homes to clear out, leading to a recovery in housing construction. The Polk County Builders Association estimates that there are between 4,500 and 5,000 homes currently for sale in the county.

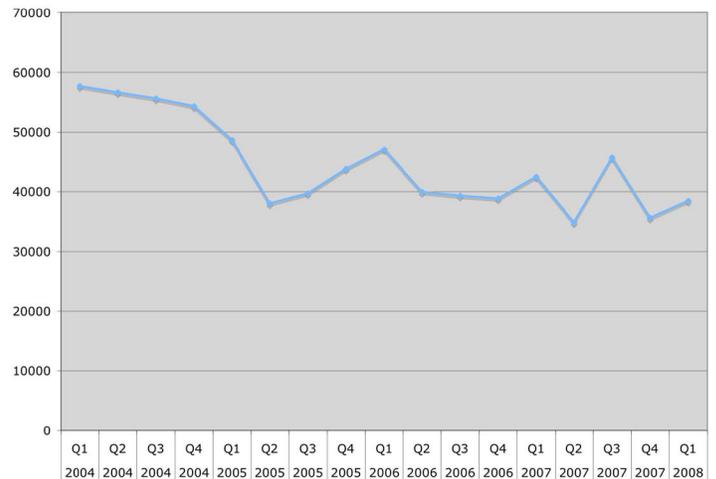
Home Sales (Seasonally Adjusted)



CITRUS - The U.S. Department of Agriculture raised its estimate of the Florida 2007-08 orange crop by 1.5 million boxes in April. The new estimate projects a harvest of 168.5 million boxes of oranges. Florida growers harvested 129 million boxes of oranges in the 2006-07 crop-year.

The volume of citrus concentrate movement recorded by Florida processors has stabilized over the last two years. The volume may rise modestly in the months ahead, given forecasts of the current crop.

Citrus Concentrate Movement (Thousands of Gallons)



DEVELOPMENT - Florida Southern College has broken ground for the construction of a new technology center to be located on the Lakeland campus along the eastern side of Ingraham Avenue. The 4,000 square-foot Marshall and Vera Lea Rinker Technology Center will serve as the college's main computer laboratory, and will contain classrooms, small group areas, and a reception and technical assistance area. The center is made possible by a \$1.5 million grant from the Marshall and Vera Lea Foundation of West Palm Beach, Florida.

Pepsi Bottling Group recently completed construction of an 110,000 square-foot repair facility at the Interstate Commerce Park in North Lakeland. The new facility will be used to refurbish

about 20,000 vending machines and soda fountains each year. It is expected to employ between 65 and 100 people.

Outback Essentials has also moved its Polk operations to the Interstate Commerce Park. The Canadian-based firm makes exterior cabinets and structural support systems for hot tub manufacturers. The local facility will employ about 30 workers by yearend.

Williams-Sonoma is preparing a new 34,000 square-foot distribution center in the Interstate Business Park. Williams-Sonoma is a retailer of upscale cookware and home furnishings. No date for completion has been announced.

Site work has begun for construction of the Ruthven Parkway Center on Drane Field Road in West Lakeland. Lakeland's newest business park will have three warehouses, the first of which will contain 129,300 square feet of space, and be available for lease by the second quarter of 2009.

Millennium Power Services and MAS Energy have both recently leased spaces at existing Ruthven facilities on Drane Field Road. Millennium is an industrial service company with current locations in Maine and Massachusetts that provides preventative and emergency maintenance to the power, paper, and process industries. MAS Energy provides energy saving products for industrial applications, and is based in St. Augustine, Florida.

The Ruthvens has also begun building two new warehouses at their North Lakeland facility located along Reynolds Road. Each of the warehouses will have 26,400 square feet of space, with completion slated for the first quarter of 2009.

Firmanich has announced that it will expand its Lakeland production facility with an additional 12,000 square-foot building. The Swiss-based flavor and fragrance company currently employs 54 workers at its West Lakeland plant located at the intersection of Kidron and Drane Field Roads. The expansion will create 80 new jobs when completed in the fall of 2009.

A recently finished 98,600 square-foot warehouse facility located in the Parkway Commerce Center in Lakeland has been leased to Packaging Corporation of America. Packaging Corporation of America lost its Auburndale plant in a fire in February.

Carpenter Company has also expanded its facility in the Parkway Commerce Center by 74,000 square feet. Carpenter manufactures foam and cushioning.

Norseman Plastics has moved into a 68,000 square-foot plant located on Robert McLane Boulevard in North Lakeland. The Toronto-based firm makes packaging and other items from recycled materials, and plans to hire 40 to 50 workers over the next 18 months.

The appliance and electronics chain hhgregg is preparing a new 30,000 square-foot store in the Lakeland Square Mall for an opening slated in June. The new store will be located in the former Sears Homelife building, and employ 50 workers. The Indianapolis-based hhgregg has opened three other stores in Florida in the past two months.

A new terminal is under construction at the Winter Haven Airport. The 13,300 square-foot structure will cost \$8.4 million to build. The new terminal will contain offices, a pilots' lounge, a flight planning and weather room, conference rooms, a restaurant, and retail shops. Completion is expected by the end of June.

Greenway Automotive Group of Orlando has announced that it will build a Honda automobile dealership in Winter Haven. The new 40,000 square-foot facility will be located on Cypress Gardens Boulevard, and is scheduled to open in January 2009.

The Gator's Dockside restaurant chain has signed a lease to operate an outlet in the new Highland City Town Center, currently under construction at the intersection of U.S. 98 North and Clubhouse Road. The casual dining Gator's chain is based in Orlando, and has 18 locations throughout the state.

Warner Southern College will begin construction of a 49,000 square-foot academic building at its Lake Wales campus in June. The new structure will contain classrooms, computer and science laboratories, and faculty offices. The two-story building is scheduled for completion by the end of the year.

Kuehne+Nagel has announced plans for a new 140,000 square-foot distribution center to be located in the Florida Central Park at the intersection of Interstate 4 and U.S. 27. The Swiss-based company has scheduled an opening in July.

AMB Property Corporation will soon begin construction of its Four Corners Business Park, also located near the intersection of Interstate 4 and U.S. 27. AMB will build three facilities appropriate for warehousing or light manufacturing totaling 820,000 square feet.

Colonial Bank rose to the number one position among banks operating in Polk County based on deposits in the fourth quarter of 2007, momentarily passing Wachovia Corporation. Colonial's number one ranking followed its acquisition of the former locally owned C&C Bank in the third quarter of 2007, and a temporary \$600 million influx of government deposits. Colonial's \$1.3 billion in total deposits was followed by Wachovia with \$1.17 billion, and SunTrust Bank of Mid-Florida with \$1.07 billion in deposits.

NEW OPENINGS AND CLOSINGS - Florida Southern College holds a dedication ceremony for the new Wesley Hall student residence facility on May 22, 2008. The new structure is the first phase of a residential complex facing Lake Hollingsworth that is being underwritten by Carol and Barney Barnett, and Publix Super Markets Charities Incorporated.

German discount supermarket chain ALDI is slated to open its first store in Polk County this October. ALDI plans to open 100 new stores this year, including 25 in Florida. The new Lakeland outlet is located at 4745 U.S. 98 North. ALDI will open a new distribution facility in Haines City in September, creating a total of 400 new jobs in Polk County.

The new \$18.5 million Lowe's store in Poinciana is scheduled to open in late March. The 117,000 square-foot outlet is located on Pleasant Hill Road, and creates 175 new jobs for the Four Corners area.

The Sam Seltzer's Steakhouse in South Lakeland closed in late May. The local outlet of the Tampa-based chain was located in the Lake Miriam Plaza along South Florida Avenue, and had 41 employees. The restaurant opened in January 2006 and faced stiff competition from the large number of steakhouses that have opened locally in recent years.

Linksters Taproom opened in downtown Lakeland in April. The East Main Street location is the fifth for the Sarasota-based chain. The new tavern has seating for 92 patrons.

Fifth Third Bank will close its downtown Lakeland location on Kentucky Avenue in June. The Kentucky office likely became redundant following Fifth's acquisition of a former R-G Bank location on South Florida Avenue last year.

The Sign-A-Rama Company in Lakeland is relocating to a larger facility on Creative Drive by the first of July. The new South Lakeland location replaces the old office located on South Florida Avenue. The local Sign-A-Rama is a design and sign manufacturing franchise.

Good Works LLC opened for business on South Pipkin Road in West Lakeland in March. The marketing firm will cater to small businesses with less than \$1 million in annual revenues, offering brand management and other services.

TAKEOVERS - A four-building medical complex on Lakeland Hills Boulevard in North Lakeland has been sold to GE Healthcare REIT LLC for \$5.25 million. The 32,532 square-foot complex houses the Center for Retina and Macular Disease and Pediatric Health Choice among other tenants.

MidFlorida Federal Credit Union continues its expansive ways, most recently purchasing two former Wachovia Corporation branch offices in Lakeland. The West Lakeland office located on New Tampa Highway will reopen May 19 as MidFlorida's ninth branch. MidFlorida also purchased the former Wachovia Crystal Lake branch on U.S. 98 North, which is scheduled to reopen in early 2009.

The Lakeland Ledger has acquired the editorial and advertising assets of the News Chief newspaper in Winter Haven from Gatehouse Media for an undisclosed sum. The News Chief began publication in 1911 as the Florida Chief. The News Chief will continue to operate as a daily publication with its own independent news staff and editorial board.

The Bartow Chevrolet dealership has been sold to Mike Sparkman, the former mayor of Plant City and the owner of the former Sparky's convenience store chain. Bartow Chevrolet has 60 employees, and annual sales of between \$50 million and \$60 million.

Keller Williams Realty of Lakeland is now the largest realtor in the county following its acquisition of Imperial Lakes Realty of Mulberry in March. The Lakeland office of Keller Williams now has 185 agents.

Keller Williams Realty of Winter Haven has agreed to a merger with Garden Grove Realty and 1st Heritage Realty, both based in Winter Haven. The combination will add 10 agents to Keller Williams' Winter Haven office, ranking it as Polk County's third largest real estate firm with 85 agents.

Two Lakeland-based advertising agencies agreed to merge in March. The Tinsley/McQueen ad agency will combine with Blue Marlin Group to form Tinsley, McQueen, and Ross. The combined firm will employ 15 people, and operate out of Tinsley/McQueen's current office on South Florida Avenue.

THE NATIONAL ECONOMY

The U.S. economy appears to be in the throes of a recession as employment fell, retail sales were stagnant, and the primary measure of production registered another paltry advance in the first

Quarter of 2008. Preliminary estimates show the price adjusted Gross Domestic Product (real GDP) squeaked out a 0.6% increase for the second consecutive quarter. Excluding inventories, GDP would have contracted 0.2% in the first quarter.

Factors contributing to GDP growth in the first quarter were increases in personal consumption expenditures, business inventories, exports, and spending by the federal government. Negative factors included declines in residential fixed investment and spending for durable goods, and a rise in imports.

An April survey of 51 economists by the Wall Street Journal found that by a 3-to-1 ratio respondents believe the U.S. is now in a recession. While some maintain there must be two consecutive quarters of declining GDP for it to be characterized as a recession, there is no doubt that the American economy is very weak as we head toward summer.

CONSUMER SPENDING - Incomes rose modestly in the first quarter, and Americans showed a real hesitation to step up their spending. Retail sales (goods only) were up 0.4% in January, down 0.4% in February, and up 0.2% during March. Personal Consumption Expenditures (PCE's include goods and services) climbed 0.4% in January, 0.1% in February, and by 0.4% again in March. Spending on durable goods plunged 6.1% during the quarter.

Disposable personal income grew 0.4% in January, 0.5% in February, and 0.3% in March. Personal savings as a percentage of disposable income were zero in January, 0.4% in February, and 0.2% of disposable income in March.

The Index of Consumer Sentiment maintained by the University of Michigan fell in April to its lowest level in 25 years. The April reading was 62.6, versus a level of 96.9 in January of 2007. The Index of Consumer Expectations was 53.3 in April, down from a reading of 87.6 in January 2007.

The tax rebate will probably lead to a temporary increase in spending this summer. However, the global rise in food and energy prices, the declines in home values, higher credit standards, and weaker job growth will likely lead to a relapse in consumer spending in the latter part of 2008 and into early 2009.

EMPLOYMENT - U.S. employment fell throughout the first quarter as the weakness that began in housing spread to the nation's labor market. Nonfarm employment fell by 72,000 workers in January, 83,000 in February, and another 81,000 during March. Job losses subsided in April as the number of Americans employed fell by just 20,000.

The national unemployment rate continues to hover around 5%. The unemployment rate was 4.9% in January, 4.8% in February, 5.1% in March, and 5% in April. The unemployment rate does not reflect the so-called "discouraged workers" who have stopped actively looking for jobs; thus are considered to have dropped out of the labor force and are no longer counted as unemployed. The estimated number of discouraged workers rose to 401,000 in March.

INDUSTRIAL PRODUCTION - Output at U.S. factories, mines, and utilities was up a scant 0.1% in January before falling 0.5% during February, rising 0.2% in March, and dropping a sharp 0.7% in April. Capacity utilization fell in the first quarter, with industry operating at 81.5% of designed capacity in January, 80.9% in February, 80.4% in March, and 79.7% in April.

The outlook for manufacturing in the coming months remains weak. Factory orders fell 2.3% in January and 0.9% in February. About half of those losses were regained with a 1.4% increase in March. New orders for durable goods dropped 4.4% in January, 0.6% in February, and 0.3% in March.

Manufacturing and trade inventories rose 0.9% in January, 0.5% in February, and 0.1% during March.

CONSTRUCTION - Expenditures for new construction fell 0.4% in January, then offset that with a 0.4% advance in February before falling again in March by 1.1%. Construction spending during the first quarter was down 2.4% from the same quarter a year earlier.

There are still no firm signs of any impending recovery in housing. Housing starts did climb unexpectedly in January by 8.3%, but then offset that with declines of 0.7% in February and 11.9% in March. Housing starts in March were down 36.5% from March of 2007, and at the lowest level since the 1990-91 recession.

The number of building permits issued for new housing, an important gauge of future activity, fell throughout the first quarter. Building permits dropped 1.8% in January, 7.3% in February, and 5.8% in March. The March level for permits was the lowest in sixteen years.

New home sales were down 0.5% during January, 5.3% in February, and another 8.5% in March. March sales were 36.6% lower than the same month in 2007, and are now at the lowest level since 1995.

Sales of existing homes declined 0.4% in January, then managed a 2.9% increase in February. The February increase was the first monthly gain since July. Sales subsequently dropped an additional 2% during March. The median price of existing homes sold in March was down 7.7% from March of 2007, suggesting that price declines are slowing. The April survey of economists by the Wall Street Journal found that 67% of respondents believe that housing prices won't hit bottom until 2009.

FOREIGN TRADE - The nation's foreign trade deficit rose in the first two months of Quarter 1. The U.S. trade deficit in goods and services climbed to \$59 billion in January and \$62.3 billion in February, then receded to \$58.2 billion during March. The early-quarter increase in the trade deficit was unexpected, given the recent declines in the exchange value of the U.S. dollar. However, trade figures are notoriously volatile, and one must be careful not to infer that one or two months worth of data indicate any kind of trend. Plus, movements in the exchange rate only impact trade flows after a considerable time lag. The trade deficit is expected to continue to decline in the months ahead.

The exchange value of the U.S. dollar fell below 100 Japanese yen in March. The last time the dollar traded for less than 100 yen was in 1995. The dollar has also fallen 40% in value against the Euro over the past six years. The Euro now stands at a record-high \$1.55.

COST OF LIVING - Prices continued to creep upward in the first quarter, though there are still no signs of any sharp acceleration in the nation's inflation rate. The Consumer Price Index (CPI) climbed 0.4% in January; then was unchanged in February before closing the quarter with a 0.3% advance in March. The CPI in March was up 4% from a year ago.

Consumer Price Index (A)

Year	Q1	Q2	Q3	Q4
2004	186.3	188.6	189.5	190.8
2005	192.2	194.1	196.6	197.5
2006	199.3	201.7	203.2	202.1
2007	204.1	207.1	208.0	210.2
2008	212.8			

(A) Figures are revised by the Department of Commerce as of May, 2008. The data reflect the average CPI reading during each quarter. The base period of the CPI is 1982.

The worldwide surge in food and energy prices is due to fundamental supply and demand conditions rather than any investment bubble according to a survey of 51 economists. The survey was conducted by the Wall Street Journal in early May, and the consensus projects that oil prices and the overall U.S. inflation rate will decline this summer.

MONETARY POLICY - The Federal Reserve moved to lower interest rates in March and again in late April. The April cut in the Fed's target for the federal funds rate was the seventh in eight months, but was accompanied by a signal that the Fed would now follow a wait-and-see approach before considering any further rate cuts. The federal funds rate that commercial banks charge one another on overnight loans now stands at 2%, bringing the cumulative reduction in the target rate to 3.25 percentage points since September.

The Fed announced in March that it would extend loans for up to six months to securities dealers under terms normally reserved for regulated commercial banks. The Fed concurrently announced a cut in the discount rate (interest rate) charged those borrowers from 3.5% to 3.25%.

The Federal Reserve has asked Congress for authority to pay interest on commercial bank reserves in an effort to gain better control over interest rates. Banks are required by law to hold a certain fraction of their deposits in reserve accounts at the Fed, but currently receive no interest on those deposits. This would enable the Fed to establish a floor under the benchmark federal funds rate that commercial banks charge one another on overnight loans.

The Bush Administration has unveiled a plan to remodel the nation's system of financial regulation, merging or eliminating several existing institutions including the Securities and Exchange Commission, and giving the Federal Reserve new responsibilities to oversee the entire financial system. At the same time, there would be some diminution of the Fed's authority as the proposal would also create a new agency, separate from the Fed, to consolidate bank regulation. Bank regulation is now spread over four agencies, including the Fed.

LEADING INDICATORS - The Conference Board reported that the U.S. Index of Leading Economic Indicators fell 0.4% in January and 0.3% in February. The leading index rose a weak 0.1% during March. The March increase followed five consecutive declines in the monthly index. In the past six months, the index has fallen 1.6%, with weakness widespread among its individual component measures.

New orders for nondefense capital goods excluding aircraft, a widely followed indicator of business investment plans, fell 1% in January, 2% in February, and another 1% in March.

SUMMARY - The operative questions as we enter the second quarter appear to be how steep will the economic downturn be, and how long will it last? The answers will be, in part, determined by the impact of the expansive monetary and fiscal policies already enacted.

Discretionary monetary policies are more effective in slowing the economy down than in speeding it up. All the Fed can do is make additional reserves available with which commercial banks can extend loans, thereby expanding the money supply. The Fed cannot force the banks to extend more loans with the available reserves, nor can they force the public to increase its borrowing.

Regarding fiscal policy, we must wait to gauge what effect, if any, the tax rebates that begin in May will have on the economy. Much will depend on the extent to which the rebates lead to increases in consumer spending.

The outlook is for GDP to contract in the second quarter. We will then likely see very weak or negative growth in GDP through the end of the year, and an inflation rate between 3 and 4%. The unemployment rate is expected to increase steadily through the remainder of 2008, rising to 6% by the start of 2009.

THE POLK OUTLOOK

The degree to which the Polk economy has become more closely tied to the national economy is reflected by the fact that the Polk unemployment rate at slightly more than 5% so closely mirrors the nationwide unemployment rate.

We expect consumer spending in Polk County to remain weak through the summer. We anticipate little, if any, employment growth, and a rise in the seasonally adjusted unemployment rate approaching 6% by the fall. There will likely be modest increases in home sales, but it will be some time before that translates into any increase in building permits or housing starts. Overall, we project a small decline in the Polk Progress Index in the second quarter.

METHODOLOGY

The Polk Progress Index is developed on the basis of quarterly observations of six variables. The base period for the index is the first quarter of 1992. Data are adjusted for seasonal fluctuations where appropriate. The statistical technique of factor analysis was employed to assign weights to the observed variables and derive estimates of the underlying factor. The weights used are Taxable Sales (.17); Total Employment (.19); Home Sales (.17); Residential Electric Accounts (.17); Industrial Kilowatt Hours (.12); and Hotel/Motel Sales (.17). The index explains 83% of the variation in the combined variables. The weights and variables are subject to future verification and modification in light of changing relationships.

POLK PROGRESS INDEX													
	2005			2006				2007				2008	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2*
Taxable Sales (<i>1,000 of \$</i>)	1,902,462	1,882,583	2,043,415	2,054,087	2,095,853	1,886,081	2,002,136	2,027,485	1,903,232	1,779,393	1,865,177	1,886,653*	1,771,909
Total Employment	245,952	247,050	250,336	251,226	253,587	253,747	254,870	256,533	258,338	256,501	256,908	255,665	259,552
Residential Telephone Access	202,464	197,162	197,208	195,700	185,292	180,587	179,333	176,436	169,517	161,221	154,704	149,461	147,434
Business Telephone Access	69,585	68,783	69,147	69,565	69,488	69,246	69,232	69,462	69,104	68,878	68,371	67,772	67,344
Industrial Electric KWH (<i>1,000's</i>)	128,771	142,947	149,870	133,499	152,001	166,754	159,507	148,252	157,108	172,932	162,282	147,070	158,069
Number of Single Family Building Permits	2,836	3,604	2,500	2,956	1,776	1,077	931	989	1,109	877	669	601	523
Hotel/Motel Sales (<i>1,000's of \$</i>)	40,766	39,126	44,926	47,564	45,623	40,720	45,054	54,980	44,495	41,285	38,096	51,067*	41,380
Number of Homes Sold	1,799	1,781	1,522	1,442	1,653	1,386	1,124	961	1,048	855	759	752	771
Citrus Concentrate Movement (<i>1,000's of gallons</i>)	38,034	39,708	43,751	47,065	39,923	39,307	38,822	42,462	34,872	45,678	35,608	38,432	36,651
Building Permits (<i>1,000's of \$</i>)	380,505	475,379	401,096	585,205	334,336	325,443	229,284	323,101	312,761	213,343	251,441	262,959	
Number of Residential Electric Accounts	95,204	95,218	96,796	99,071	98,225	97,784	99,641	101,841	100,556	99,455	100,242	102,023	103,270
POLK PROGRESS	211.1	218.1	214.9	212.6	214.9	209.5	207.3	206.7	199.5	197.2	194.6	198.8	197

*Estimated values for taxable sales and motel/hotel sales in Q1 2008, and forecast values for Q2 2008

Individual variables in the table represent raw data, unadjusted for seasonal factors. Industrial electric consumption reflects sales by the City of Lakeland. Citrus concentrate movement is for the state of Florida. All other data are county specific.

The composition of the Polk Progress is explained in the methodology section at the end of this report. Data are seasonally adjusted when appropriate to the computation of the overall index.

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