

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF REVENUE ANALYSIS



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## District of Columbia Economic and Revenue Trends: *July 2011*

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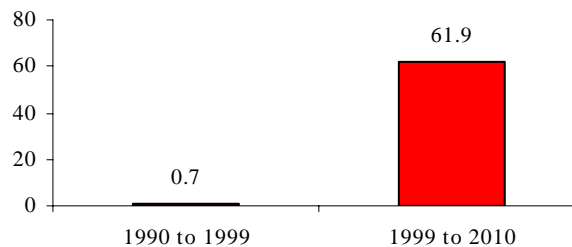
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### *Over the past decade, total wages earned by DC residents increased substantially*

#### *The percentage growth was greater than for the US as a whole—and for wages earned in DC*

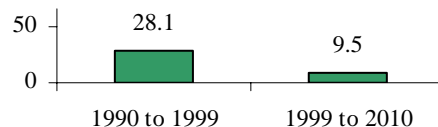
Wages earned by DC residents over the past two decades fall into two distinct periods. From 1990 to 1999, a time that included loss of jobs and population, total inflation-adjusted wages earned by DC residents rose less than one percent. From 1999 until 2010, however, wages earned by DC residents increased 61.9% as the economy rebounded. In nominal terms, the increase in wages was 112%.

**Wages earned by DC residents: % change in inflation-adjusted wages from 1990 to 2010**

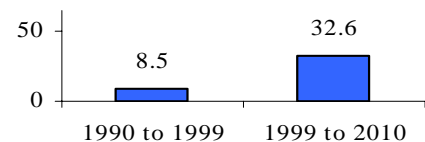


The growth in the wages of DC residents since 1990 differs from both the US as a whole and from wages earned in DC (including by commuters). From 1990 to 1999, inflation-adjusted wages earned in the US rose 28.1%—much faster than wages earned in DC (8.5%). Then US growth fell to just 9.5% gain over the years 1999 to 2010, in large measure reflecting the severe toll from the recession that began in 2008. The recession's impact was less severe in DC, and inflation-adjusted wages earned in DC grew 32.6% from 1999 to 2010. (*Continued on p. 17*)

**Wages earned in the US: % change in inflation-adjusted wages from 1990 to 2010**



**Wages earned in DC: % change in inflation-adjusted wages from 1990 to 2010**



## Wage and salary employment

### DC overall job growth slowed in May, and private sector employment declined from a year ago

● May wage and salary employment in DC was up 1,067 (0.2%) from a year earlier as measured by the 3-month moving average. This is the smallest percent change in the 3-month moving average in 14 months.

● Federal government employment for May was up 2,400 (1.2%), the smallest year-over-year increase in almost 3 years. Private sector jobs were down by 1,333 (-0.2%), the first year-over-year decline in almost a year.

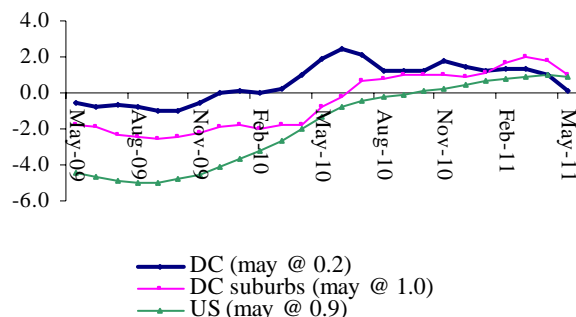
● DC's job increase for May accounted for 4.5% of the 23,600 gain for the whole Washington metropolitan area.

● Suburban Washington employment was up 1.0% in May from a year earlier.

● Seasonally adjusted wage and salary employment in DC decreased in May by 3,400 (0.5%) from April.

**Change in wage and salary employment located in DC, the DC suburbs, and the US: May 2009 to May 2011**

(% change from prior year in 3-month moving average)



**Table 1. Wage and salary employment in DC, Washington Metro area, and the US: May 2011**

Jurisdiction	FY 2008	FY 2009	FY 2010	12-mo avg	3-mo moving average	This month
District of Columbia	702,775	701,742	708,408	712,858	711,300	709,400
1 year change	11,067	-1,033	6,667	7,975	1,067	-5,300
% change	1.6	-0.1	1.0	1.1	0.2	-0.7
Washington metro area	3,005,692	2,966,558	2,956,700	2,979,583	2,979,700	2,987,600
1 year change	21,575	-39,133	-9,858	33,200	23,600	2,100
% change	0.7	-1.3	-0.3	1.1	0.8	0.1
Washington suburbs (% ch)	0.5	-1.7	-0.7	1.1	1.0	0.3
US (% ch)	0.1	-3.8	-1.9	0.4	0.9	0.7

*Not seasonally adjusted. Suburban employment is the difference between the metro area total and the DC portion.*  
*Source: BLS. May data is preliminary*

**Table 2. Federal government and private sector wage and salary employment in DC: May 2011**

Sector	FY 2008	FY 2009	FY 2010	12-mo avg	3-month moving average	This month
Federal government	192,767	198,050	207,758	210,650	210,200	209,700
1 year change	1,825	5,283	9,708	5,950	2,400	-300
% change	1.0	2.7	4.9	2.9	1.2	-0.1
Private sector	468,458	463,050	463,858	465,867	466,467	465,100
1 year change	7,475	-5,408	808	4,417	-1,133	-4,700
% change	1.6	-1.2	0.2	1.0	-0.2	-1.0

*Source: BLS. Not seasonally adjusted. May is preliminary.*

**Table 3. Seasonally adjusted DC Employment: November 2010 to May 2011**

Indicator	Nov	Dec	Jan	Feb	Mar	Apr	May
D.C. Wage and Salary employment	714,900	714,100	715,400	714,700	713,600	715,300	711,900
change from prior month	400	-800	1,300	-700	-1,100	1,700	-3,400
% change from prior month	0.1	-0.1	0.2	-0.1	-0.2	0.2	-0.5

*Source: BLS seasonally adjusted. May is preliminary*

## Sectors of the economy

**Federal job growth still positive in May, but private sector declined. Temporary employment led private sector gains.**

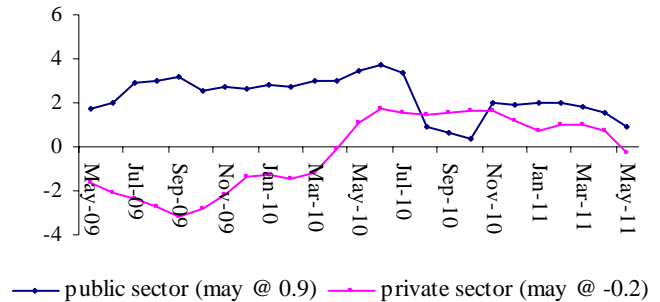
• In May temporary employment led private sector growth with a 1,367 (11.5%) gain over the previous year as measured by 3-month moving averages.

• Other private industries showing gains over the year include non-legal professional and technical services (1,167), health (1,100), construction (200), and legal services (200).

• Industry sectors losing jobs include food service (-1,267), retail trade (-1,000), finance (-933), other business services (-800), and organizations (-767).

• Local government declined by 200.

**Public and private sector wage and salary employment in DC: May 2009 to May 2011**  
(% change from prior year in 3-month moving average)



**Table 4. Wage and salary employment located in DC: May 2011**

Industry sector	3-month moving average				12-mo. moving avg: % change	Sector % of all DC jobs, May 2011	DC share (%) in May 2011 of all sector jobs in:		Change from May 2010 to May 2011 in DC share of sector jobs in:	
	May 2010	May 2011	1 year change				metro area	US	metro area	US
			Amount	%						
Federal government	207,800	210,200	2,400	1.2	2.9	29.6	55.5	7.40	0.00	0.69
Local government	34,833	34,633	-200	-0.6	-6.2	4.9	11.0	0.18	-0.12	0.00
Legal services	32,433	32,633	200	0.6	-1.8	4.6	na	2.95	na	0.02
Other Professional and technical	68,500	69,667	1,167	1.7	2.2	9.8	21.8	1.07	-0.22	-0.01
Employment services	11,833	13,200	1,367	11.5	14.4	1.9	35.0	0.46	2.10	0.01
Other Business services	34,967	34,167	-800	-2.3	-1.0	4.8	18.4	0.52	-1.11	-0.02
Information	18,467	18,633	167	0.9	0.2	2.6	24.1	0.69	0.72	0.02
Finance	26,933	26,000	-933	-3.5	-2.8	3.7	17.7	0.34	-0.63	-0.01
Organizations	57,767	57,000	-767	-1.3	-0.8	8.0	35.8	1.90	0.17	-0.07
Education	50,000	50,033	33	0.1	3.9	7.0	50.2	1.50	-0.10	-0.04
Health	59,900	61,000	1,100	1.8	2.3	8.6	23.1	0.37	0.26	0.00
Food service	37,900	36,633	-1,267	-3.3	1.3	5.2	19.9	0.39	-0.98	-0.02
Accomodations	15,467	15,000	-467	-3.0	-1.3	2.1	38.8	0.86	-1.09	-0.05
Amusement and recreation	7,267	7,233	-33	-0.5	2.4	1.0	19.0	0.39	-0.85	0.00
Retail trade	18,333	17,333	-1,000	-5.5	-0.6	2.4	6.8	0.12	-0.52	-0.01
Wholesale trade	4,667	4,633	-33	-0.7	1.6	0.7	7.3	0.08	-0.08	0.00
Construction	10,533	10,733	200	1.9	-0.7	1.5	8.0	0.20	0.47	0.00
Personal and miscellaneous ser.	7,100	7,067	-33	-0.5	-0.1	1.0	na	0.29	na	-0.01
Other private	5,533	5,500	-33	-0.6	-3.1	0.8	5.0	0.03	0.02	0.00
<b>Total</b>	<b>710,233</b>	<b>711,300</b>	<b>1,067</b>	<b>0.2</b>	<b>1.1</b>	<b>100.0</b>	<b>23.9</b>	<b>0.54</b>	<b>-0.14</b>	<b>0.00</b>
<i>Public sector</i>	242,633	244,833	2,200	0.9	1.5	34.4	35.3	1.08	0.15	0.03
<i>Private sector</i>	467,600	466,467	-1,133	-0.2	1.0	65.6	20.4	0.43	-0.23	-0.01
<i>Professional and all business</i>	193,133	194,300	1,167	0.6	0.8	27.3	21.2	0.88	-0.24	-0.02
<i>Education, health, and orgs.</i>	167,667	168,033	367	0.2	1.7	23.6	31.0	0.55	0.06	-0.01
<i>Hospitality and trade</i>	83,633	80,833	-2,800	-3.3	0.5	11.4	13.9	0.24	-0.73	-0.01
<i>Other private sector</i>	23,167	23,300	133	0.6	-1.1	3.3	9.5	0.09	0.26	0.00

Source: BLS. not seasonally adjusted. na=not available. For the metro area, legal is included in other professional and technical, and personal and miscellaneous services is included in organizations (a category BLS calls "other services")

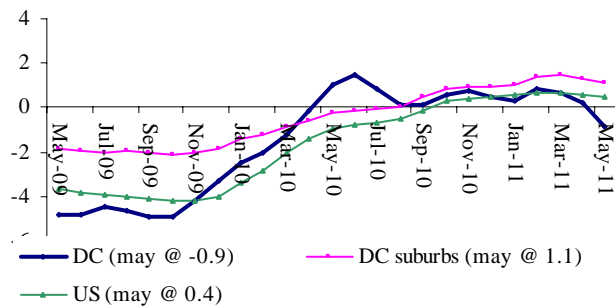
## Resident employment

### Resident employment declined in May and unemployment rose

- In May DC resident employment declined 2,711 (0.9%) from a year earlier as measured by the 3-month moving average.
- DC's labor force declined 2,126 (-0.6%) in May compared to a year earlier.
- In May the unemployment rate (seasonally adjusted) increased to 9.8% from April's 9.6%.
- Initial unemployment insurance claims were up 6.5% over last year.

### Resident employment in DC, the DC suburbs, and the US: May 2009 to May 2011

(% change from prior year in 3-month moving average)



### Jobs located in DC and DC resident employment:

May 2009 to May 2011

(% change from prior yr. in 3-mo. moving avg.)

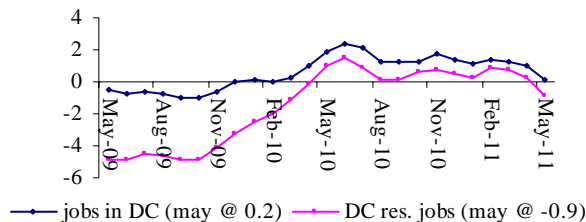


Table 5. Unemployment rates for DC, metro area, and US: May 2011

(percent of labor force)

Jurisdiction	Not seasonally adj.		Seasonally adj.	
	May 2010	May 2011	May 2010	May 2011
US	9.3	8.7	9.8	9.1
DC metro area (apr)	6.1	5.7	na	na
DC	9.4	10.2	9.9	9.8
DC suburbs (apr)	5.7	5.2	na	na

Source: U.S. Bureau of Labor Statistics na= data not available

Table 6. Resident employment and unemployment: May 2011

Indicator	FY 2008	FY 2009	FY 2010	12-month moving avg	3-month moving average	This month
<b>DC Labor force</b>						
Resident employment	314,290	302,525	300,332	300,523	299,861	298,890
1 year change	5,054	-11,766	-2,193	586	-2,711	-4,750
% change	1.6	-3.7	-0.7	0.2	-0.9	-1.6
Labor Force	334,303	332,138	334,068	333,165	332,632	332,944
1 year change	7,283	-2,165	1,929	-591	-2,126	-2,069
% change	2.2	-0.6	0.6	-0.2	-0.6	-0.6
Unemployed	20,013	29,614	33,736	32,641	32,772	34,054
1 year change	2,229	9,600	4,122	-1,177	585	2,681
% change	12.5	48.0	13.9	-3.5	1.8	8.5
Unemployment rate	6.0	8.9	10.1	9.8	9.9	10.2
<b>DC Unemployment insurance (state program) [April data]</b>						
Initial claims (monthly avg.)	1,515	2,203	1,799	2,028	1,731	1,845
1 year change	213	688	-404	103	105	274
% change	16.4	45.4	-18.3	5.4	6.5	17.4
Weeks compensated (mo. avg.)	34,738	54,474	53,592	47,738	44,939	40,087
1 year change	8,170	19,736	-881	-11,178	-4,956	-3,048
% change	30.8	56.8	-1.6	-19.0	-9.9	-7.1

Source: Labor force (BLS, preliminary for May.). Unemployment Insurance (US Dept of Labor). Not seasonally adj.

Table 7. Seasonally adjusted DC Resident employment and unemployment: November 2010 to May 2011

Indicator	Nov	Dec	Jan	Feb	Mar	Apr	May
DC Resident employment	299,052	299,272	300,571	302,678	302,566	302,547	301,747
change from prior month	-19	220	1,299	2,107	-112	-19	-800
% change from prior month	0.0	0.1	0.4	0.7	0.0	0.0	-0.3
DC Unemployment rate (%)	9.7	9.6	9.6	9.5	9.5	9.6	9.8

Source: BLS seasonally adjusted. May is preliminary.

## Wages and income

### Revised data shows wage growth in DC continuing in the 3% to 4% range

●Wages earned in the District of Columbia were 3.1% higher in the March quarter compared to the same quarter of 2010.

●In the March quarter, DC Personal Income was 4.3% above a year earlier, and estimated wages of DC residents were 3.6% higher.

●In the March quarter, the private sector accounted for \$1.01 billion (56%) of the increase in wages earned in DC. This was the 5th quarter in a row in which private sector wages were greater than in the same quarter a year earlier.

Wages earned in DC, wages earned by DC residents, and wages earned in the US: 2008.1 to 2011.1  
(% change from the same quarter of the prior year)

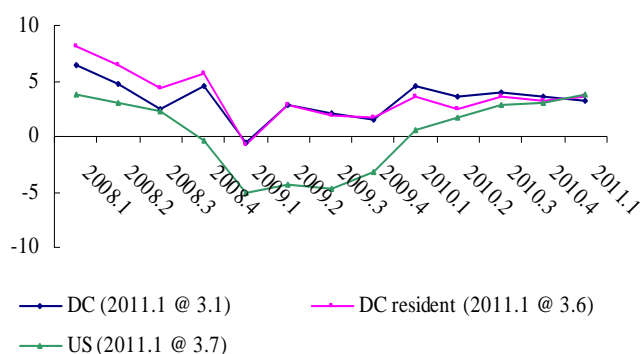


Table 8. DC Wages and Personal Income: March 2011  
(\$ billion at seasonally adjusted annual rates unless otherwise noted)

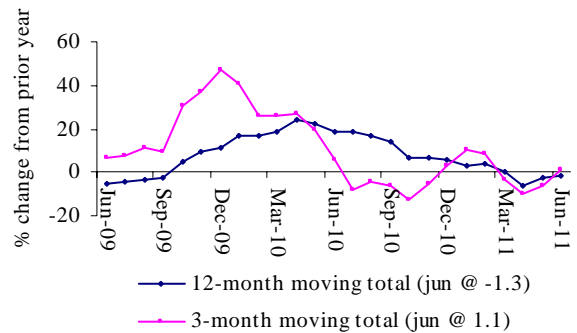
Indicator	FY 2008	FY 2009	FY 2010	4-quarter moving average	Latest quarter (Mar)
Wages and salaries earned in DC	54.28	55.46	57.36	58.31	58.91
1 year change	2.48	1.18	1.90	2.01	1.79
% change	4.8	2.2	3.4	3.6	3.1
Supplements to wages & salaries	15.26	16.17	16.95	17.28	17.56
% change	4.6	6.0	4.9	4.3	3.2
Proprietors' income earned by DC residents*	5.58	5.71	5.70	5.80	5.88
% change	12.8	2.2	-0.2	3.0	3.5
Wages and salaries of DC residents***	20.63	21.11	21.72	22.08	22.34
change from one year ago	1.29	0.48	0.61	0.69	0.78
% change	6.6	2.3	2.9	3.2	3.6
Income earned by DC residents	29.2	30.0	30.8	31.4	32.0
% change	7.6	2.7	2.4	3.5	4.5
Property income of DC residents	6.47	6.46	6.39	6.47	6.62
% change	12.9	-0.2	-1.0	1.8	3.1
Pensions and other transfer payments of DC res.	4.24	4.67	5.11	5.25	5.32
% change	8.6	10.1	9.5	6.1	4.7
DC Personal Income**	39.95	41.15	42.26	43.09	43.93
1 year change	3.13	1.21	1.11	1.47	1.83
% change	8.5	3.0	2.7	3.5	4.3
US Personal income	5.0	-1.1	1.8	3.6	4.7
US Wages and salaries	3.5	-3.6	0.4	2.8	3.7
Addendum: Change from prior year in wages earned in DC by sector					
Private sector (1 yr ch, \$B)	1.54	-0.21	0.70	1.02	1.01
Federal government (1 yr ch, \$B)	0.85	1.16	1.16	0.96	0.71
DC res. wages as % of wages earned in DC	38.0	38.1	37.9	37.9	37.9
* Proprietors' income is derived from federal tax data and therefore all proprietors' income is earned by DC residents.					
**Reflects deduction of social insurance paid by individuals. Wage and salary amounts shown are before this deduction.					
***Est. by ORA; assumes wage and salary suppl. are the same % for DC resident wages as for wages earned in DC.					
Source: BEA; data for March were released June 22, 2011					

## Single family and condominium home sales

### Average prices of units that sold are higher for single family units and lower for condominiums

- The June 3-month moving total of single family home sales was up 0.4% from a year earlier, and the average selling price was 5.5% higher.
- June condominium sales were 6.6% below a year earlier as measured by the 3-month moving total; average selling prices were 2.4% lower.
- June median prices (CY to date) were up 14.1% for single family units, but down 0.5% for condominiums.
- For June the total value of all home sales was 1.1% more than a year earlier as measured by the 3-month moving total.
- The June ratio of single family inventory to sales (2.6) was the lowest in over 5 years (3-month moving average).

**Total value of sales of single family and condo units: June 2009 to June 2011**  
(% change from prior year in 3-mo. and 12-mo. moving totals)



**Table 9. D.C. Residential Real Estate Indicators: June 2011**

Indicator	FY 2007	FY 2008	FY 2009	FY 2010	12-mo moving total or average	3-mo moving total or average	This month
<b>Number of sales (contracts)</b>							
Single family	3,873	3,267	3,821	4,543	4,443	1,342	452
1 year change	-402	-606	554	722	-199	5	52
% change	-9.4	-15.6	17.0	18.9	-4.3	0.4	13.0
Condo	4,147	2,979	2,935	3,222	2,880	857	283
1 year change	195	-1,168	-44	287	-501	-61	0
% change	4.9	-28.2	-1.5	9.8	-14.8	-6.6	0.0
Total	8,020	6,246	6,756	7,765	7,323	2,199	735
1 year change	-207	-1,774	510	1,009	-700	-56	52
% change	-2.5	-22.1	8.2	14.9	-8.7	-2.5	7.6
<b>Average prices of units that sold*</b>							
Single family (\$)	668,630	672,101	563,553	544,322	585,789	617,486	672,061
1 year change	10,015	3,471	-108,548	-19,231	45,286	32,433	10,152
% change	1.5	0.5	-16.2	-3.4	8.4	5.5	1.5
Condo (\$)	406,926	411,270	407,613	415,229	422,399	409,885	410,472
1 year change	-9,127	4,344	-3,657	7,617	20,118	-9,994	5,036
% change	-2.2	1.1	-0.9	1.9	5.0	-2.4	1.2
<b>Total value of all sales</b>	<b>4,277.1</b>	<b>3,420.9</b>	<b>3,349.7</b>	<b>3,810.7</b>	<b>3,819.2</b>	<b>1,179.9</b>	<b>419.9</b>
1 year change	-182.7	-856.2	-71.2	461.0	-50.0	12.3	40.4
% change	-2.5	-22.1	-2.1	13.8	-1.3	1.1	10.7
<b>Ratio: active inventory to sales</b>							
Single family	4.1	6.0	5.2	3.4	3.4	2.6	2.4
Condo	3.9	5.7	5.7	4.6	5.0	4.3	4.3
<b>Foreclosure actions**</b>							
1 year change	392	3,282	2,883	2,722	1,288	85	19
% change	273	2,890	-399	-161	-1,600	-701	-240
	229.4	737.2	-12.2	-5.6	-55.4	-89.2	-92.7

Median prices, CY to date in June 2011: single family \$445,000 (14.1% 1 yr ch); condo \$362,500 (-0.5% 1 yr ch)

\*Monthly average prices are calculated by ORA based on reported CY-to-date average prices. This measure, which depends on the mix of properties sold, can be volatile on a month to month basis and does not necessarily reflect changes in the value of all property.

\*\*Scheduled for auction plus real estate owned by financial institutions.

Source: (1) Metropolitan Regional Information Systems (MRIS), accessed through the Greater Capital Area Assn. of Realtors (GCAAR). (2) Foreclosures: Realty.trac. Foreclosure data does not include notices of delinquency.

## Apartments and single family home transactions

### *In June, sales of higher priced homes increased faster than those of lower priced ones*

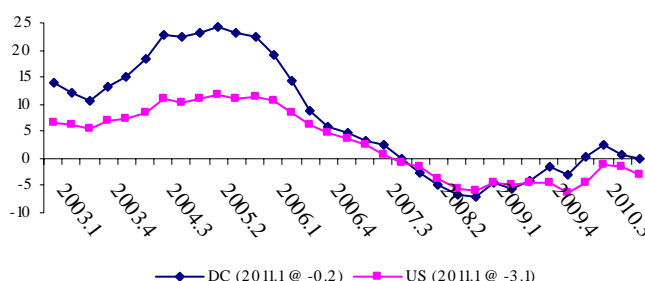
• Sales of houses below \$300,000 rose 2.1% for the 3-month period ending June, and those more than \$1 million increased 5.8%, compared to a year ago.

• In March the quarterly FHFA house price index for DC declined 0.2% over a year ago. For the US, there was a 3.1% decline.

• In the March quarter, occupied apartment units rose 1,226 (1.5%) and rents rose 3.8% from a year earlier.

**FHFA housing transaction index for DC and the US:  
2003.1 to 2011.1**

(% change in index from same quarter of prior year)



**Table 10. D.C. Single family home sales contracts, \$300,000 or less and \$1 million or more: June 2011**

Category of contract price	FY 2007	FY 2008	FY 2009	FY 2010	12-mo moving total	3-mo moving total	This month
\$300,000 or less	738	748	1,433	1,731	1,653	438	158
1 year change	-34	10	685	298	-108	9	73
% change	-4.4	1.4	91.6	20.8	-6.1	2.1	85.9
percent of all sales	19.1	22.9	37.5	38.1	37.2	32.6	35.0
\$1 million or more	423	436	341	475	489	163	42
1 year change	-69	13	-95	134	42	9	0
% change	-14.0	3.1	-21.8	39.3	9.4	5.8	0.0
percent of all sales	10.9	13.3	8.9	10.5	11.0	12.1	9.3

Source: Metropolitan Regional Information Systems (MRIS), accessed through the Greater Capital Area Assn. of Realtors (GCAAR). Sales are ratified contracts, not all of which may go to settlement.

**Table 11. Federal Housing Finance Agency Price Index for single family property in DC and US: March 2011**

Indicator	Fiscal year average				Quarter				
	FY 2007	FY 2008	FY 2009	FY 2010	2010.1	2010.2	2010.3	2010.4	2011.1
<b>% change from prior year in value of index</b>									
DC	4.2	-3.7	-5.3	-0.4	-2.8	0.3	2.6	0.7	-0.2
US	2.8	-2.8	-4.9	-4.2	-6.4	-4.6	-1.3	-1.6	-3.1
<b>Addendum: % change from prior year in average single family sales contract</b>									
Average DC sales price	1.5	0.5	-16.2	-3.4	-8.5	0.0	3.1	16.2	10.0

Source: (1) Federal Housing Finance Agency all transaction index (sales plus appraisals). This index is a broad measure of the movement of single-family house prices. The index is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties. This information is obtained by reviewing repeat mortgage transactions on single-family properties whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac since January 1975. (2) Average sales price: Table 9.

**Table 12. Market-rate units in larger DC apartment buildings: March 31, 2011**

Indicator	Sep. 30 2007	Sep. 30 2008	Sep. 30 2009	Sep. 30 2010	Latest Q (March 2011)		
					amount	1 Q ch	% ch
Inventory	84,186	85,427	87,090	87,970	88,360	-11	0.0
1 year change	262	1,241	1,663	880	572		
% change	0.3	1.5	1.9	1.0	0.7		
Occupied units	80,819	81,521	81,964	82,965	83,685	208	0.2
1 year change	175	702	443	1,001	1,226		
% change	0.2	0.9	0.5	1.2	1.5		
Vacant units	3,367	3,906	5,126	5,005	4,686	-197	-4.0
1 year change	87	539	1,220	-121	-643		
% change	2.7	16.0	31.2	-2.4	-12.1		
% of inventory	4.0	4.6	5.9	5.7	5.3		
Average effective monthly rent	\$1,288	\$1,340	\$1,342	\$1,380	\$1,407	\$4	0.3
% change from 1 year	8.1	4.0	0.1	2.8	3.8		

Source: Reis. Includes units in competitive, private sector buildings with 40 or more units. Excludes condo conversions.



## Commercial office space

### Vacancy rate rose slightly in June

●For the quarter ending June, the vacancy rate for DC commercial office space rose: to 7.5% (without sublet space), and to 8.6% (with sublet space). (In March the rates were 7.4% and 8.4%, respectively.)

●DC's vacancy rate with sublet space in June was below the 12.1% rate for the metropolitan area.

●Occupied space increased in the June quarter by 3.34 million square feet (2.8%) from a year earlier, but has changed little for the past 3 quarters.

●Space under construction increased slightly in the last quarter, but is down 17.5% from a year ago.

●In the June quarter, average effective rents for leases of class A commercial office space were down 2.2% from a year earlier.

### Occupied office space: 2008.2 to 2011.2

(million square feet)

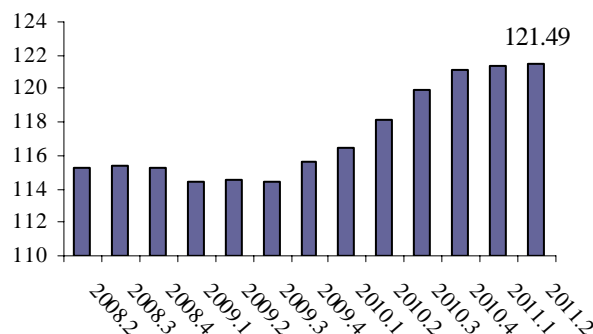


Table 13. Commercial office space in DC: June 30, 2011

(In millions of square feet, unless noted otherwise)

Indicator	Sep. 30 2007	Sep. 30 2008	Sep. 30 2009	Sep. 30 2010	last quarter (June 2011)		
					Level	1 Q ch	% ch
Inventory	122.41	123.60	127.45	131.95	132.92	0.43	0.1
1 year change	4.75	1.19	3.86	4.49	1.64		
% change	4.0	1.0	3.1	3.5	1.2		
Occupied space	115.31	115.44	114.45	119.94	121.49	0.13	0.2
1 year change	4.95	0.13	-0.99	5.49	3.34		
% change	4.5	0.1	-0.9	4.8	2.8		
Leased space	115.31	116.29	116.25	121.35	122.93	0.24	0.3
Under construction	7.92	10.60	5.75	2.14	2.64	0.03	17.4
1 year change	1.98	2.68	-4.85	-3.60	-0.56		
% change	33.3	33.9	-45.8	-62.7	-17.5		
% of inventory	6.5	8.6	4.5	1.6	2.0		
Vacant (no sublet)	6.37	7.31	11.20	10.60	9.99	0.19	-2.1
% of inventory	5.2	5.9	8.8	8.0	7.5		
Vacant (w sublet)	7.10	8.16	13.00	12.01	11.43	0.30	-1.1
1 year change	-0.20	1.06	4.84	-0.99	-1.70		
% ch from one year	-2.7	14.9	59.4	-7.6	-12.9		
DC area vacancy rates (with sublet)							
District of Columbia	5.8	6.6	10.2	9.1	8.6	0.2	
Northern Virginia	9.9	11.9	13.5	13.4	13.6	0	
Suburban Maryland	9.9	11.5	14.6	14.5	14.3	0.2	
DC Metropolitan area	8.6	10.1	12.6	12.2	12.1	0.1	

Source: Delta Associates. Includes single tenant and privately owned space as well as multi-tenant buildings.

Table 14. Average effective office rent for Class A commercial office leases signed by 6-month periods: 2008.2 to 2011.2 (\$ per square foot of gross floor space)

Indicator	Amount during 6-month period ending on date shown:						
	2008.2	2008.4	2009.2	2009.4	2010.2	2010.4	2011.2
Average effective rent	46.25	46.25	45.75	43.30	40.70	40.10	39.80
% ch from prior year	4.0	1.1	-1.1	-6.4	-11.0	-7.4	-2.2
Average value of improvements for tenants	56.00	57.00	60.00	65.00	80.00	80.00	80.00

Source: Delta Associates. Rent is for full service (including operating expenses and taxes), less concessions (free rent, etc.)

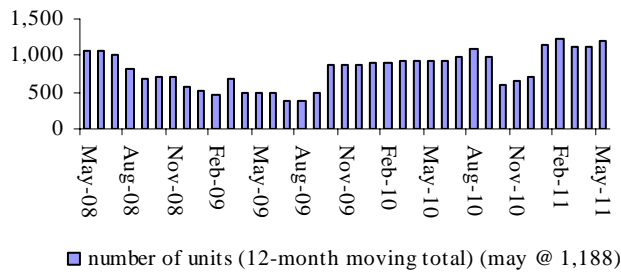


## Housing permits, office and apartment outlook, and value of property transfers

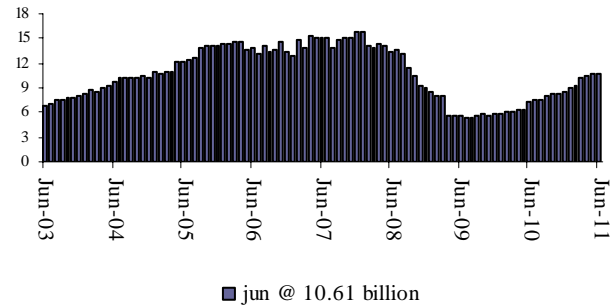
### The rate of increase in the value of property sales has slowed

- In May, 261 building permits were issued in DC as measured by the 3-month moving total, a 14.4% decline from last year.
- Delta Associates expects DC's vacancy rate (including sublet) to fall (to 8.4%) over the next two years as new demand balances additional supply.

**Housing permits issued in DC: May 2008 to May 2011**  
(12-month moving total)



**Value of all real property subject to deed transfer or economic interest taxes: June 2003 to June 2011**  
(\$ billion, 12-month moving total)



- Reis expects 3,270 new apartment units to be added to inventory in CY 2011 and CY 2012, and occupancy to grow by 4,567.
- The value of June property transfers was up 14.8% from last year as measured by the 3-month moving total, the smallest increase in the measure in a year. The 12-month moving total was 47.5% greater.

**Table 15. Housing unit building permits issued in DC: May 2011**

	FY 2007	FY 2008	FY 2009	FY 2010	12-month moving total	3-month moving total	This month
Total units	2,196	690	499	986	1,188	261	70
change from 1 year ago	-211	-1,506	-191	487	269	-44	62
% change from 1 year ago	-8.8	-68.6	-27.7	97.6	29.3	-14.4	775.0

Source: Census Bureau (permits issued during period)

**Table 16. Delta Associates outlook for commercial office space in DC and the surrounding metro area: June 2011 to June 2013**

Indicator	DC	No VA	Sub MD	Total	DC % of total
<b>Inventory June 2011</b>					
Inventory (msf)	132.9	178.1	88.6	399.6	33.3
vacancy rate (%)	8.6	13.6	14.3	12.1	
<b>Estimated net activity to June 2013</b>					
new supply (msf)	3.0	2.7	1.5	7.3	41.1
new demand (msf)	3.0	5.2	2.3	10.5	28.6
<b>Estimated Inventory June 2013</b>					
vacancy rate (%)	8.4	12.0	13.2	11.1	

Source: Delta Associates msf = million square feet

**Table 17. DC market rate apartment units: 2006 to 2015**

CY	Inventory	1 yr ch	% vacant	Occupied	1 yr ch
2006	84,150	427	4.0	80,751	221
2007	84,618	468	3.9	81,284	533
2008	86,583	1,965	4.8	82,465	1,181
2009	87,788	1,205	6.1	82,415	-50
2010	88,360	572	5.5	83,477	1,062
2011 est	89,113	753	4.6	85,023	1,546
2012 est	91,630	2,517	3.9	88,044	3,021
2013 est	93,059	1,429	3.3	89,960	1,916
2014 est	94,198	1,139	2.8	91,542	1,582
2015 est	95,710	1,512	3.3	92,554	1,012

Source: Reis (see note in table 12)

**Table 18. Market Value of Real Property transfers subject to the Deed Transfer or Economic Interest tax: June 2011**

	FY 2007	FY 2008	FY 2009	FY 2010	12-month moving total	3-month moving total	This month
All property transfers (\$ million)	14,834.9	11,527.3	5,591.2	7,914.3	10,609.2	2,560.2	1,103.3
change from one year ago (\$M)	1,403.7	-3,307.6	-5,936.1	2,323.1	3,417.4	329.6	-167.8
% change from 1 year ago	10.5	-22.3	-51.5	41.5	47.5	14.8	-13.2

Note: represents value of property or economic interest transferred as of date deed noted by the Recorder of Deeds.

Source: OCFO/Recorder of Deeds and OCFO/ORR (calculated from tax collections and deposits adjusted for tax rate changes).

## Hospitality

### Higher room rates spur gains in hotel revenues in May

• In May the 3-month moving total for hotel room-days sold was 0.4% lower than a year earlier, and the average room rate was also 4.3% higher, leading to a 3.9% gain in room revenue.

• Employment in food services was 3.3% less in May than a year earlier as measured by the 3-month moving average; hotel and retail employment declined 3.0% and 5.5%, respectively.

• In May, airline traffic into the DC area was up 2.5% from a year earlier. Reagan National Airport's gain was 4.8%.

### DC hotel room days sold and average room rate:

May 2009 to May 2011

(% change from prior year in 3-mo. moving total)

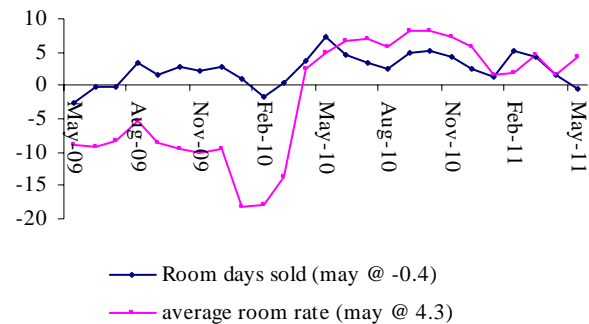


Table 19. Hospitality Industry: May 2011

Indicator	Units	date	FY 2008	FY 2009	FY 2010	12-mo total or average*	3-month moving total or average*	This month
<b>Hotel stays</b>								
Hotel room-days sold	('M)	may	7.125	7.123	7.365	7.464	2.126	0.720
1 yr ch			0.044	-0.003	0.243	0.190	-0.008	0.022
1 yr % ch			0.6	0.0	3.4	2.6	-0.4	3.2
Average room rate	\$	may	208.99	203.16	199.25	204.69	229.61	237.74
1 yr ch			10.55	-5.83	-3.92	9.54	9.36	17.99
1 yr % ch			5.3	-2.8	-1.9	4.9	4.3	8.2
Occupancy rate (average)	%	may	74.2	73.1	73.7	74.6	83.8	84.0
1 yr ch			0.6	-1.1	0.6	1.7	-0.7	2.0
1 yr % ch			0.9	-1.5	0.9	2.3	-0.9	2.4
Room revenue	(\$M)	may	1,489.1	1,447.0	1,467.5	1527.9	488.1	171.2
1 yr ch			83.8	-42.0	20.5	108.3	18.2	17.9
1 yr % ch			6.0	-2.8	1.4	7.6	3.9	11.7
<b>Airline passengers</b>								
DCA	1 yr % ch	may	-3.2	-2.9	0.5	6.1	4.8	8.1
IAD	1 yr % ch	may	-2.3	-4.4	1.2	2.8	-1.2	-0.4
BWI	1 yr % ch	may	0.0	-3.3	4.6	6.1	4.3	6.6
Total	1 yr % ch	may	-1.8	-3.6	2.1	4.9	2.5	4.5
<b>Convention Center Transfer</b>								
	\$ M	jun	91.5	90.4	94.1	97.4	29.9	10.2
1 yr ch			8.2	-1.0	3.7	6.7	1.1	0.8
1 yr % ch			9.8	-1.1	4.0	7.3	3.7	8.9
<b>Employment</b>								
Accommodations	level ('000)	may	15.2	15.0	15.3	15.0	15.0	15.1
1 yr ch			-0.3	-0.2	0.3	-0.2	-0.5	-0.5
1 yr % ch			-2.2	-1.2	1.9	-1.3	-3.0	-3.2
Food and bev	level ('000)	may	35.4	35.9	37.1	37.1	36.6	37.3
1 yr ch			2.0	0.5	1.2	0.5	-1.3	-1.0
1 yr % ch			5.8	1.4	3.3	1.3	-3.3	-2.6
Arts and entertain.	level ('000)	may	6.9	7.1	6.9	7.1	7.2	7.3
1 yr ch			0.9	0.2	-0.1	0.2	0.0	-0.2
1 yr % ch			14.8	2.7	-2.0	2.4	-0.5	-2.7
Retail	level ('000)	may	18.4	17.8	18.3	17.9	17.3	17.2
1 yr ch			0.3	-0.6	0.5	-0.1	-1.0	-1.2
1 yr % ch			1.6	-3.5	3.0	-0.6	-5.5	-6.5

\* Total for hotel rooms sold, room revenue, and Convention Center transfer

Source: Smith Travel Research (hotel data); BLS (employment); Airport authorities (airline passengers);

OCFO/OTR (Convention Center transfer; June collections are based on May sales data)

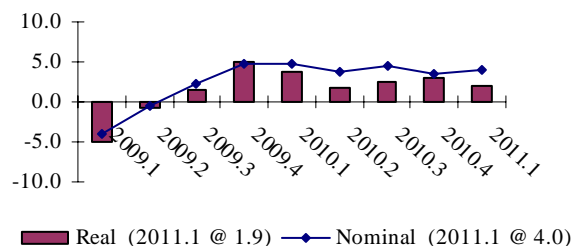
**In June, job growth slowed and the unemployment rate rose**

- March was the 7th consecutive quarter of real GDP growth, but the rate was a relatively weak 1.9% (annual rate).
- US employment (seasonally adjusted) increased by 18,000 in June, the 9th month in a row of positive growth, but the smallest increase of those 9 months.
- The US unemployment rate (seasonally adjusted) rose to 9.2% in June.
- In June the S and P 500 index lost 3.8% from May.
- In June the CPI was 3.4% greater than a year earlier (seasonally adjusted).

**Quarterly change in US Real and Nominal GDP:**

**2009.1 to 2011.1**

(% change from the previous quarter at annual rates)



**Table 20. US GDP, Income, corporate profits, and inflation: 2011.1 and June 2011**  
(percent change from same period of prior year unless noted)

Indicator	Date of latest indicator	FY 2007	FY 2008	FY 2009	FY 2010	12-mo avg	2011.1	May 2011
US GDP real	2011.1 1 yr % ch	2.0	1.3	-3.4	2.2	2.8	2.3	
US GDP nominal	2011.1 1 yr % ch	5.0	3.6	-2.1	2.9	4.1	4.0	
US Personal income	2011.1 1 yr % ch	6.1	5.0	-1.1	1.8	3.7	4.7	
US wages	2011.1 1 yr % ch	6.2	3.5	-3.6	0.4	2.8	3.7	
Corporate profits	2011.1 1 yr % ch	-3.2	-10.6	-16.5	35.4	22.0	10.2	
S and P stock index	jun 1 yr % ch	14.1	-5.7	-34.3	23.7	13.4	16.2	18.8
US CPI	jun 1 yr % ch	2.3	4.4	-0.3	1.7	2.0	3.6	3.6
Balt/Wash. area CPI	may 1 yr % ch	3.3	5.0	0.3	1.7	2.1	na	3.9

Source: BEA (data revised as of June 24, 2011), BLS, and Yahoo finance na = not available  
Personal income and wage data may differ from amounts shown in table 8 due to differences in BEA source tables.

**Table 21. Quarter to quarter change in US GDP and income: 2009.3 to 2011.1**  
(percent change from previous quarter at seasonally adjusted annual rates)

Indicator	units	Calendar year Quarter							
		2009.3	2009.4	2010.1	2010.2	2010.3	2010.4	2011.1	
US GDP real	% ch from prior Q at saar	1.6	5.0	3.7	1.7	2.6	3.1	1.9	
US GDP nominal	% ch from prior Q at saar	2.3	4.7	4.8	3.7	4.6	3.5	4.0	
Wages and salaries	% ch from prior Q at saar	-1.5	1.3	0.4	6.2	3.4	1.7	3.2	
Personal income	% ch from prior Q at saar	-1.3	2.5	3.6	5.4	2.5	3.3	7.4	

Note: GDP=Gross Domestic Product saar=seasonally adjusted at annual rate Source: BEA, updated on June 24, 2011

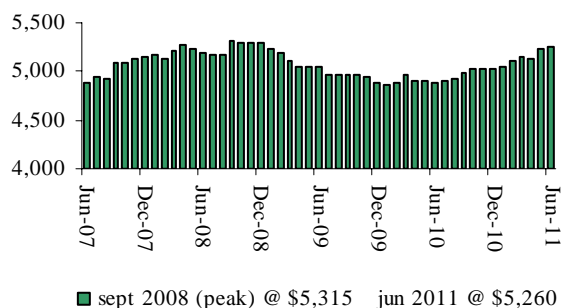
**Table 22. Monthly change in selected US Indicators: December 2010 to June 2011**

Indicator	Dec	Jan	Feb	Mar	Apr	May	June
S and P stock index (level)	1242	1283	1321	1304	1332	1338	1287
% change from prior month	3.6	3.3	3.0	-1.3	2.1	0.5	-3.8
% change from 1 year ago	11.8	14.2	21.3	13.2	11.2	19.0	18.8
10 yr. Treasury Interest rate (level)	3.28	3.37	3.55	3.40	3.43	3.07	2.99
CPI % ch from prior month (seasonally adjusted)	0.43	0.40	0.55	0.55	0.42	0.17	-0.22
CPI % ch from prior year (seasonally adjusted)	1.4	1.7	2.2	2.7	3.1	3.4	3.4
Jobs (seasonally adjusted level, in millions)	130.26	130.33	130.56	130.76	130.94	131.00	131.02
change from prior month (thousands)	152	68	235	194	183	59	18
% change from prior month	0.12	0.05	0.18	0.15	0.14	0.05	0.01
Resident employment (season. adj. level, in millions)	139.21	139.32	139.57	139.86	139.67	139.78	139.33
change from prior month (thousands)	297	117	250	291	-190	105	-445
% change from prior month	0.21	0.08	0.18	0.21	-0.14	0.08	-0.31
Unemployment rate (seasonally adj.)	9.4	9.0	8.9	8.8	9.0	9.1	9.2

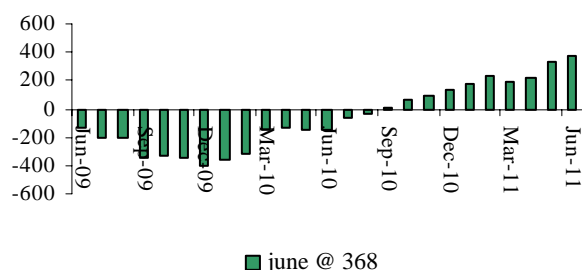
Source: BLS and Yahoo! Finance.

## DC tax collections

**Total DC tax collections (before earmarking):  
June 2007 to June 2011**  
(12-month moving total in \$ million)



**Change from prior year in total taxes collected in  
the preceding 12-months (before earmarking):  
June 2009 to June 2011**  
(\$ million)



**Table 23. Tax Collections (before earmarking): June 2011 (Preliminary)**  
(\$ million)

Tax	FY 2007	FY 2008	FY 2009	FY 2010	12-month moving total	FY 2011 to date	3-month moving total	This month
Total taxes	5,085.2	5,315.0	4,970.5	4,977.6	5,260.1	3,481.6	1,380.9	351.3
1 year change	615.1	229.7	-344.5	7.0	368.4	282.5	107.1	27.0
% change	13.8	4.5	-6.5	0.1	7.5	8.8	8.4	8.3
Real property	1,443.7	1,684.8	1,798.7	1,835.0	1,784.0	881.6	308.2	2.9
1 year change	296.1	241.2	113.9	36.3	-37.6	-51.0	-73.6	-1.3
% change	25.8	16.7	6.8	2.0	-2.1	-5.5	-19.3	-31.5
General sales	958.8	1,011.6	963.5	965.3	983.1	725.4	234.2	68.9
1 year change	62.0	52.8	-48.1	1.8	46.6	17.8	-28.5	-21.8
% change	6.9	5.5	-4.8	0.2	5.0	2.5	-10.9	-24.1
Individual income	1,313.1	1,353.2	1,127.2	1,107.1	1,245.5	958.3	412.2	120.8
1 year change	80.7	40.1	-226.0	-20.1	148.8	138.4	89.2	27.7
% change	6.5	3.1	-16.7	-1.8	13.6	16.9	27.6	29.7
withholding	974.8	1,004.2	1,021.2	1,070.6	1,163.2	891.0	297.2	90.2
1 year change	4.2	29.5	17.0	49.4	123.7	92.6	33.5	8.7
% change	0.4	3.0	1.7	4.8	11.9	11.6	12.7	10.7
non-withholding	338.3	349.0	106.0	36.5	82.3	67.4	115.0	30.6
1 year change	76.5	10.7	-243.0	-69.5	25.0	45.8	55.6	18.9
% change	29.2	3.2	-69.6	-65.6	43.8	212.0	93.8	162.9
Corporate income	250.7	289.8	220.7	207.9	207.6	174.0	66.7	38.4
1 year change	30.9	39.1	-69.2	-12.8	-13.9	-0.3	8.6	3.0
% change	14.1	15.6	-23.9	-5.8	-6.3	-0.2	14.7	8.6
Unincorporated Bus.	166.4	128.9	121.3	120.7	126.8	109.5	74.3	23.5
1 year change	25.5	-37.5	-7.6	-0.6	0.1	6.1	18.0	2.2
% change	18.1	-22.5	-5.9	-0.5	0.1	5.9	32.0	10.4
Deed taxes*	442.0	323.2	187.4	224.2	342.1	237.9	115.1	25.5
1 year change	81.7	-118.8	-135.8	36.8	156.8	117.9	82.2	12.7
% change	22.7	-26.9	-42.0	19.6	84.6	98.3	249.5	100.1
Other taxes	510.5	523.3	551.7	517.4	570.9	394.9	170.3	71.4
1 year change	38.0	12.8	28.4	-34.3	67.6	53.5	11.3	4.5
% change	8.0	2.5	5.4	-6.2	13.4	15.7	7.1	6.8

\*Deed taxes include deed recordation, deed transfer, and economic interest taxes on real property transactions. Tax collections in this table may vary from payments to Recorder of Deeds (graphed on next page) due to processing and timing effects.

Includes public space rental, and several adjustments that affect timing of when payments are accounted for.

Source: OCFO/OTR and OCFO/ORA

## DC tax collections

**Tax collections continue to rise, but sales tax collections for the past three months are below the comparable period of last year**

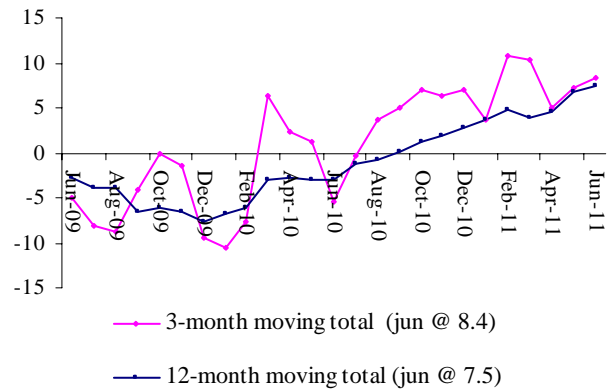
● For the 12-month period ending June, tax collections (before earmarking) were \$368 million (7.5%) more than a year earlier.

● FY 2011 to date, sales taxes were up 2.5% and withholding 11.6%. The general sales tax has slowed in the past few months, and the change from the prior year in the 3-month moving total was a decline of 10.8%.

● Deed tax payments to the DC Recorder of Deeds for transfers, recordation, and economic interest were up 23.9% for the 3 months ending June.

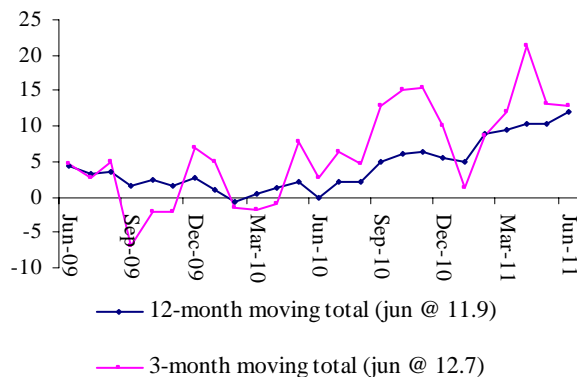
**DC Tax Collections (before earmarking):  
June 2009 to June 2011**

(% change in 3-month and 12-month moving totals)



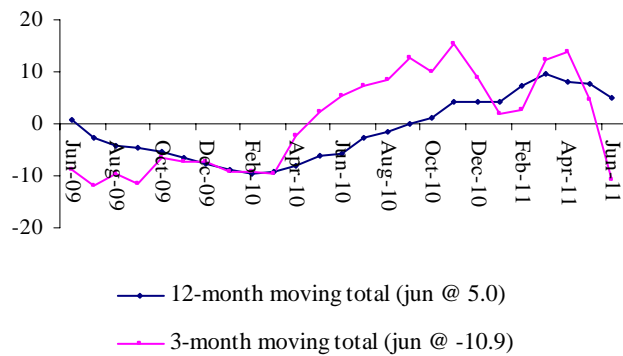
**Withholding collections: June 2009 to June 2011**

(% change from prior year in 3-month and 12-month moving totals)



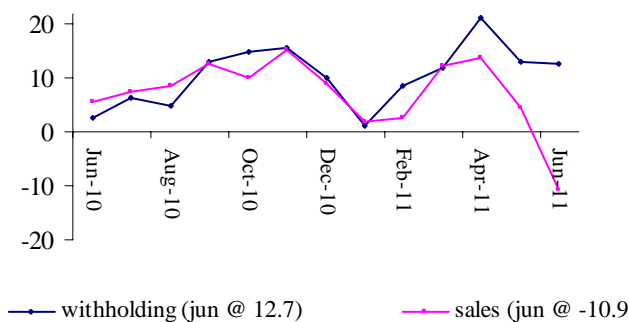
**Sales tax collections: June 2009 to June 2011**

(% change from prior year in 3-month and 12-month moving totals)



**Collections for the General Sales tax and  
Individual Income tax withholding: June 2010 to  
June 2011**

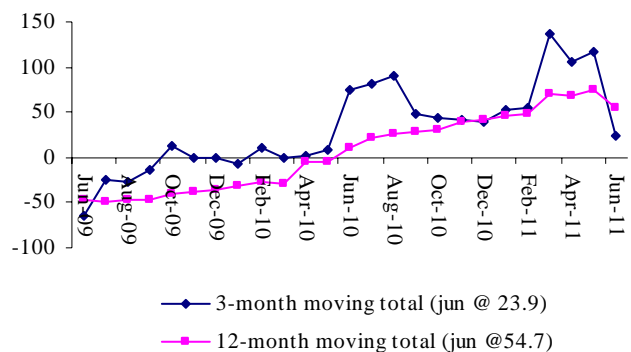
(% change in 3-month moving total)



**Deed payments to DC Recorder of Deeds (for  
transfer, economic interest, and recordation taxes):**

**June 2009 to June 2011**

(% change from prior year in 3-month and 12-month moving totals)





**Global Insight and Economy.com June forecasts did not change very much**

•**Employment:** Global Insight raised its baseline forecasts for FY 2011. Economy.com made small reductions to FY 2011 and FY 2012 estimates. The range of job changes are from 7,729 to 8,829 in FY 2011, and another 2,506 to 9,999 in FY 2012.

•**Unemployment:** the unemployment rate forecasts were unchanged, except for a slight increase in the Economy.com baseline and pessimistic forecasts for FY 2012.

•**Wages earned in DC:** Global Insight's FY 2011 forecasts were unchanged. Economy.com lowered its forecasts for both FY 2011 and FY 2012. Growth rate ranges: 4.1% to 4.7% in FY 2011; 3.9% to 5.6% in FY 2012.

•**Wages earned by DC residents:** Global Insight made no change to its 2011 baseline forecast, and Economy.com lowered its forecast. Growth rates range from 6.9% to 7.6% in FY 2011; 5.6% to 8.2% in FY 2012.

**Table 27. Jobs in DC: forecasts for FY 2010 to FY 2012**

(amount of change from prior year)

Date of estimate	2010	2011	2012		2010	2011	2012		2010	2011	2012		2010	2011	2012
	Global Insight: baseline				Global Insight: pessimistic				Economy.com: baseline				Economy.com: pessimistic		
mar	6,808	10,354	11,521		6,808	9,467	7,204		6,808	9,376	8,268		6,808	8,016	5,140
apr	6,808	10,531	11,449		6,808	9,281	6,580		6,808	9,034	9,016		6,808	7,714	5,222
may	6,808	8,674	10,175		6,808	8,122	6,118		6,808	8,989	7,937		6,808	7,862	2,892
june	6,808	8,806	9,999		6,808	8,311	6,522		6,808	8,829	7,457		6,808	7,729	2,506

Source: Global Insight and Moody's Economy.com. Global Insight's pessimistic probability is 20%, Economy.com's is 25%.

**Table 28. Unemployment rate in DC FY 2010 to FY 2012**

Date of estimate	2010	2011	2012		2010	2011	2012		2010	2011	2012		2010	2011	2012
	Global Insight: baseline				Global Insight: pessimistic				Economy.com: baseline				Economy.com: pessimistic		
mar	10.1	9.2	8.3		10.1	9.3	8.4		10.1	9.1	9.0		10.1	9.8	11.8
apr	10.1	9.3	8.4		10.1	9.3	8.4		10.1	9.2	8.7		10.1	9.6	11.0
may	10.1	9.4	8.4		10.1	9.4	8.5		10.1	9.3	8.8		10.1	9.6	11.0
june	10.1	9.4	8.4		10.1	9.4	8.5		10.1	9.3	8.9		10.1	9.6	11.1

Source: Global Insight and Moody's Economy.com. Global Insight's pessimistic probability is 20%, Economy.com's is 25%.

**Table 29. Wages earned in DC FY 2010 to FY 2012**

(percent change from prior year)

Date of estimate	2010	2011	2012		2010	2011	2012		2010	2011	2012		2010	2011	2012
	Global Insight: baseline				Global Insight: pessimistic				Economy.com: baseline				Economy.com: pessimistic		
mar	4.1	5.7	6.2		4.1	5.5	4.8		4.1	5.0	5.7		4.1	4.4	4.2
apr	3.8	4.9	6.2		3.8	4.6	4.7		3.8	4.8	5.8		3.8	4.4	4.3
may	3.8	4.7	5.7		3.8	4.5	4.3		3.8	4.9	5.9		3.8	4.5	4.3
jun	3.8	4.7	5.6		3.8	4.5	4.4		3.8	4.5	5.5		3.8	4.1	3.9

Source: Global Insight and Moody's Economy.com. Global Insight's pessimistic probability is 20%, Economy.com's is 25%.

**Table 30. DC resident wages FY 2010 to FY 2012**

(percent change from prior year)

Date of estimate	2010	2011	2012		2010	2011	2012		2010	2011	2012		2010	2011	2012
	Global Insight: baseline				Global Insight: pessimistic				Economy.com: baseline				Economy.com: pessimistic		
mar	3.1	10.7	8.5		2.6	9.1	9.1		3.1	9.6	8.4		3.1	9.2	7.3
apr	3.0	7.7	8.3		3.0	7.1	6.4		3.0	7.8	8.5		3.0	7.5	7.4
may	3.0	7.2	7.4		3.0	6.8	5.4		3.0	7.8	8.4		3.0	7.5	7.2
jun	3.0	7.2	7.2		3.0	6.9	5.6		3.0	7.6	8.2		3.0	7.3	7.1

Note: Estimated by ORA; assumes wage and salary supplements are the same % for DC resident wages as for wages earned in DC.

Source: Global Insight and Moody's Economy.com. Global Insight's pessimistic probability is 20%, Economy.com's is 25%.



## DC revenue estimate

**The June 2011 forecast is for tax revenue (before earmarks) to increase \$103.9 million (2.1%) in FY 2011, then another \$266 million (5.2%) in FY 2012**

- The 2011 increase in revenue is expected despite a \$140.5 million (7.7%) decline in real property taxes that results from the impact of lower assessments based on property values prevailing at the end of 2009.
- The largest increases in FY 2011 are in withholding for the Individual Income tax and deed taxes.
- In FY 2012, a rebound in real property is the largest source of growth. General sales, withholding, the non-withholding part of the individual income tax, and business taxes all contribute to the increase.
- In FY 2011 through FY 2013 taxes as a share of Personal Income are lower than in the preceeding years.

**Table 31. DC Tax Revenue (before earmarks) for FY 2010 through FY 2012: June 2011 revenue estimate**

Tax	FY level (\$ million)			Change from prior year (\$ M)			% change from prior year		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
Real property	1,821.5	1,681.0	1,805.0	-1.2	-140.5	124.0	-0.1	-7.7	7.4
Deed taxes	225.6	287.3	288.7	38.2	61.7	1.4	20.4	27.3	0.5
General sales	976.7	1,013.8	1,070.3	3.3	37.1	56.5	0.3	3.8	5.6
Individual income	1,110.4	1,215.3	1,298.6	-25.5	104.8	83.4	-2.2	9.4	6.9
Withholding	1,073.8	1,157.2	1,201.1	52.6	83.4	43.8	5.2	7.8	3.8
non-withholding	36.6	58.0	97.6	-78.1	21.4	39.5	-68.1	58.5	68.1
Business income	323.7	343.9	358.1	-18.4	20.2	14.2	-5.4	6.3	4.1
Other	547.3	567.8	554.3	-10.7	20.5	-13.4	-1.9	3.7	-2.4
Total	5,005.2	5,109.1	5,375.1	-14.4	103.9	266.0	-0.3	2.1	5.2

Source: ORA. June 22, 2011 revenue estimate under existing legislation. The table includes tax revenue only, before all earmarks, and excludes all non-tax revenues, lottery, and "O-type" earmarked revenues.

**Table 32. DC labor market assumptions: FY 2010 to FY 2012**

item	2010	2011	2012
Wage and salary employment	708,183	716,306	722,052
1 year change	6,808	8,122	5,746
% change	1.0	1.1	0.8
DC resident employment	300,395	301,826	306,954
1 year change	-2,280	1,431	5,128
% change	-0.8	0.5	1.7
Unemployment rate	10.1	9.5	9.1

**Table 33. DC Income and stock market assumptions: FY 2010 to FY 2012 ( change from prior year)**

item	2010	2011	2012
Wages and salaries earned in DC	3.8	4.5	4.2
Wages and salaries earned by DC residents	3.0	4.8	5.3
DC Personal income	2.8	4.8	5.5
S and P 500 stock index	10.6	2.5	7.2

Source: ORA June 2011 revenue estimate. Stock index, on a calendar year basis, represents the % change from the December quarter of the prior year.

**Table 34. DC tax revenue (before earmarks) and DC Personal Income: FY 2004 to FY 2013**

item	2004	2005	2006	2007	2008	2009	2010	2011 est	2012 est	2013 est
<b>Tax revenue (\$ million)</b>										
Level	3,805	4,249	4,516	5,155	5,325	5,052	5,005	5,109	5,375	5,620
Change from prior year	420	444	267	638	170	-273	-47	104	266	245
<b>Percent change from prior year</b>										
Tax revenue	12.4	11.7	6.3	14.1	3.3	-5.1	-0.9	2.1	5.2	4.6
Personal Income	6.9	8.3	8.2	8.1	8.5	3.0	2.8	4.8	5.5	5.7
<b>Tax revenue as percent of Personal Income</b>										
	13.1	13.5	13.3	14.0	13.3	12.3	11.8	11.5	11.5	11.4

Source: ORA. June 22, 2011 revenue estimate under existing legislation. The table includes tax revenue only, before all earmarks, and excludes all non-tax revenues, lottery, and "O-type" earmarked revenues.

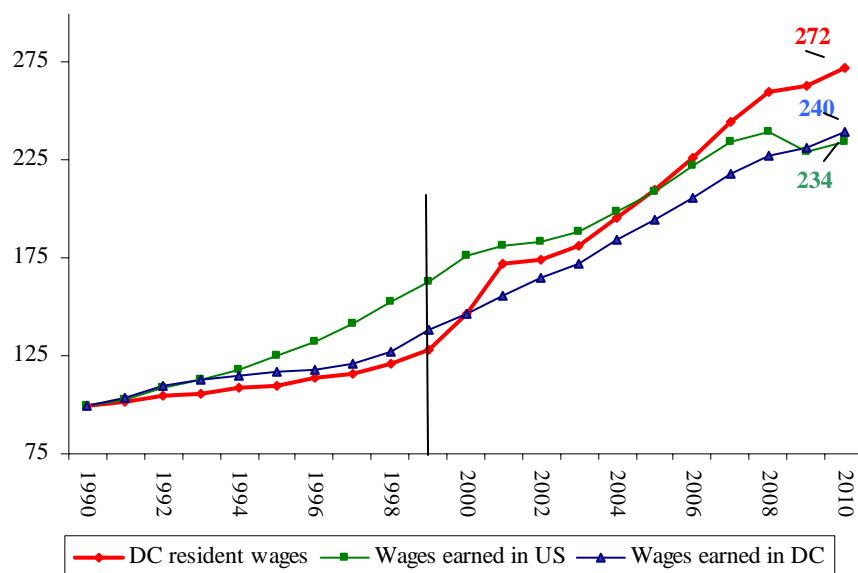
**DC wages, continued from p. 1**

The fact that the percentage gain in wages for DC residents (61.9%) was almost twice that of wages earned in DC (32.6%) for the 1999 to 2010 period is notable, especially since the increase in resident employment was a modest 4.4% and the District's unemployment rate rose from 6.5% in 1999 to 9.9% in 2010. Changes in the composition of the DC labor force appear to have occurred that have resulted in higher wages for a larger portion of employed DC residents, a development which has added considerably to DC's tax base.

*Stephen Swaim, Office of Revenue Analysis*

**Wages earned from 1990 to 2010 by (1) DC residents, (2) all persons working in DC, and (3) all persons working in the US: 1990 to 2010**

(index numbers for nominal wages: 1990 = 100)



**DC residents: employment and real wages: 1990 to 2010** (percent change for periods shown)

item	1990 to 1999	1999 to 2010
Res. emp.	-7.5	4.4
Wages	0.7	61.9

Source BLS, BEA, and ORA

**DC economy: jobs and real wages: 1990 to 2010** (percent change for periods shown)

item	1990 to 1999	1999 to 2010
Jobs	-8.6	13.4
Wages	8.5	32.6

Source BLS, BEA, and ORA

**US economy: jobs and real wages: 1990 to 2010** (percent change for periods shown)

item	1990 to 1999	1999 to 2010
Jobs	17.8	0.6
Wages	28.1	9.5

Source BLS, BEA, and ORA

**Employment and wages and salaries for DC residents, for persons working in DC, and for the US economy: 1990 to 2010, selected years**

item	1990	1999	2010	Amt. of change from		% change from	
				1990 to	1999 to	1990 to	1999 to
				1999	2000	1999	2000
<b>DC residents (earned by and employed)</b>							
wages (\$B nominal)	8.04	10.32	21.89	2.28	11.56	28.3	112.0
wages adjusted for inflation (\$B 2005)	12.02	12.10	19.60	0.08	7.50	0.7	61.9
DC resident employment	311,425	287,925	300,600	-23,500	12,675	-7.5	4.4
<b>Earned or working in DC (by residents and non-residents)</b>							
wages (\$B nominal)	24.10	33.32	57.86	9.23	24.54	38.3	73.6
wages adjusted for inflation (\$B 2005)	36.02	39.07	51.81	3.05	12.75	8.5	32.6
wage and salary jobs in DC	686,050	627,225	711,000	-58,825	83,775	-8.6	13.4
<b>US economy</b>							
wages (\$B nominal)	2,729.81	4,456.83	6,391.57	1,727.03	1,934.73	63.3	43.4
wages adjusted for inflation (\$B 2005)	4,080.08	5,224.72	5,723.32	1,144.64	498.60	28.1	9.5
wage and salary jobs in US	109,489,750	128,991,675	129,822,175	19,501,925	830,500	17.8	0.6

Source: BEA and ORA. DC resident wages and salaries estimated by ORA, assuming wage and salary supplements are the same % for DC resident wages as for wages earned in DC. Wages are earned in DC by both residents and non-residents; some resident earnings are earned outside of DC.

## ORA Reports and Documents

From time to time the Office of Revenue Analysis prepares fiscal impact studies on pending legislation, reports, and other documents on subjects related to DC's economy and taxes. These documents are posted on the OCFO web site ([www.cfo.dc.gov](http://www.cfo.dc.gov)) under "Tax Rates and Revenues," "Economic Reports," and "Fiscal Impact Statements."

### Recent ORA reports:

**Tax Rates and Tax Burdens—A Nationwide Comparison 2009.** This annual publication compares DC tax rates and the estimated DC tax burdens for households of different income levels with the rates and burdens of state and local taxes in the principal cities in all 50 states.

**Tax Rates and Tax Burdens—Washington Metropolitan Area 2009.** This annual publication compares DC tax rates and the estimated DC tax burdens for households of different income levels with the rates and burdens of surrounding jurisdictions in the DC metropolitan area.

**Special-Purpose Revenue Report.** Describes more than 200 special-purpose revenue funds ("O-type" funds) that set aside fees, fines, and other assessments collected by an agency in order to support its programs. The report provides the statutory basis, year of enactment, purpose, and revenue source for each fund.

**Taxicab medallions—A review of experience in other cities. May 2011.** Includes a review of the experience with taxicab medallions in 5 US cities: New York, Boston, Chicago, San Francisco, and Miami-Dade (Florida). Reviews economic literature on taxicab medallions. Additional information is included in a Q and A format.

### About this report.

*District of Columbia Economic and Revenue Trends* is generally issued about the third week every month. Employment and most other DC information reported on a monthly basis is from one or two months prior to the *Trends* date (the July report has mostly May and June data). Lags can be greater with quarterly data such as Personal Income and commercial real estate. Data in the tables are believed to be reliable, but original sources are definitive. All data are subject to revision by the information source. The *Trends* report is available at the DC Chief Financial Officer web-site: [www.cfo.dc.gov](http://www.cfo.dc.gov) (click on *Economic Trends, Monthly Review*).

Table 35. Information sources

Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	May	July 22
D.C. Personal Income	BEA	2011.1	September 22
D.C. Tax Collections	OTR/ORA	May	August 15
D.C. Housing Sales	GCAAR*	June	cAugust 10
D.C. Commercial Office Building data	Delta Associates	2011.2	c October 10
DC Apartment data	Reis, inc	2011.1	c August 1
D.C. Hotel stay information	Smith Travel Research	May	c. August 1
Consumer Price Index	BLS	May and June	August 18
U.S. Jobs and Labor Force	BLS	May and June	August 5
U.S. GDP and Personal Income	BEA	2011.1	July 29
S and P 500 Stock Index	Financial press	June	August 1
Interest rate on 10-Year Treasury Securities	Financial press	June	August 1
HIS Global Insight D.C. forecast	Global Insight	June	c. July 20
Moody's Economy.com D.C. forecast	Economy.com	June	c. July 20
Blue Chip Economic Indicators for the U.S.	Aspen Publishers	July	August 10

\*Greater Capital Area Association of Realtors (data from the Metropolitan Regional Information Systems)

For further information or to comment on this report, contact: Stephen Swaim (202-727-7775) or [stephen.swaim@dc.gov](mailto:stephen.swaim@dc.gov) See also the *Economic Indicators* issued monthly by the D.C. Office of the Chief Financial Officer ([www.cfo.dc.gov](http://www.cfo.dc.gov)).

*District of Columbia Economic and Revenue Trends* is prepared by the Office of Revenue Analysis, which is part of the Office of the Chief Financial Officer of the District of Columbia government.

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