

D.C. Economic Indicators

February 2009 (Data as of December 2008)

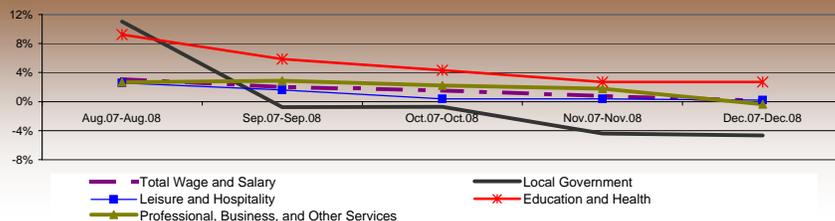
Government of the District of Columbia ★ ★ ★
 Adrian M. Fenty, Mayor
 Dr. Natwar M. Gandhi, Chief Financial Officer
 Robert Ebel, Deputy CFO for Revenue Analysis

Labor & Industry

➔ Jobs in D.C. for December 2008, up 800 (0.1%) from December 2007

➔ District resident employment for December 2008, down 8,600 (-2.8%) from Dec. 2007

Year Over Year Percent Change in Wage and Salary Employment for Selected Sectors



Labor Market ('000s): December 2008^d

	District of Columbia			Metropolitan area		
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr. ch. (amt.)	1 yr. ch. (%)
Employed residents	298.3	-8.6	-2.8	2,862.7	-26.6	-0.9
Labor force	327.4	1.5	0.5	3,005.3	25.4	0.9
Total wage and salary employment	705.4	0.8	0.1	3,050.5	31.1	1.0
Federal government	193.9	1.4	0.7	346.4	4.8	1.4
Local government	38.9	-1.9	-4.7	326.8	10.7	3.4
Leisure & hospitality	54.8	0.1	0.2	254.6	1.4	0.6
Trade	23.2	-0.2	-0.9	347.7	-2.2	-0.6
Education and health	106.0	2.8	2.7	346.2	9.4	2.8
Prof., bus., and other services	219.8	-0.8	-0.4	881.5	18.9	2.2
Other private	68.8	-0.6	-0.9	547.3	-11.9	-2.1
Unemployed	29.1	10.2	53.9	142.6	52.0	57.5
New unempl. claims ^b	2.0	0.6	42.7			

Detailed Employment ('000s): December 2008

	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	% of total
Manufacturing	1.6	0.0	0.0	0.2
Construction	12.9	0.3	2.4	1.8
Wholesale trade	4.7	0.0	0.0	0.7
Retail trade	18.5	-0.2	-1.1	2.6
Utilities & transport.	5.1	0.3	6.3	0.7
Publishing & other info.	20.9	-0.5	-2.3	3.0
Finance & insurance	16.8	-0.7	-4.0	2.4
Real estate	11.5	0.0	0.0	1.6
Legal services	36.3	0.0	0.0	5.1
Other profess. serv.	69.0	-0.2	-0.3	9.8
Empl. serv. (incl. temp)	14.0	-0.1	-0.7	2.0
Mgmt. & oth. bus serv.	35.4	-1.2	-3.3	5.0
Education	49.2	1.5	3.1	7.0
Health care	56.8	1.3	2.3	8.1
Organizations	58.7	1.0	1.7	8.3
Accommodations	13.7	-0.7	-4.9	1.9
Food service	34.8	0.6	1.8	4.9
Amuse. & recreation	6.3	0.2	3.3	0.9
Other services	6.4	-0.3	-4.5	0.9
Subtotal, private	472.6	1.3	0.3	67.0
Federal government	193.9	1.4	0.7	27.5
Local government	38.9	-1.9	-4.7	5.5
Total	705.4	0.8	0.1	100.0

Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)

^a Preliminary, not seasonally adjusted ^b November 2008

D.C. Hotel Industry^d

	Amt.	1 yr. ch.
Nov. 2008		
Occupancy Rate	65.0%	-1.6
Avg. Daily Room Rate	\$203.72	-\$0.77
# Available Rooms	26,242	-126
Room Sales (\$M)	\$104.3	-\$3.5

Airport Passengers^{e,f}

	Amt. ('000)	1 yr. ch. (%)
Nov. 2008		
DCA	1,370.3	-9.7
IAD	1,732.3	-11.1
BWI	1,532.6	-13.2
Total	4,635.2	-11.4 ^g

^d Source: Smith Travel Research ^e Source: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority ^f Includes arrivals and departures ^g Weighted average

Source: BLS. Details may not add to total due to rounding.

Revenue

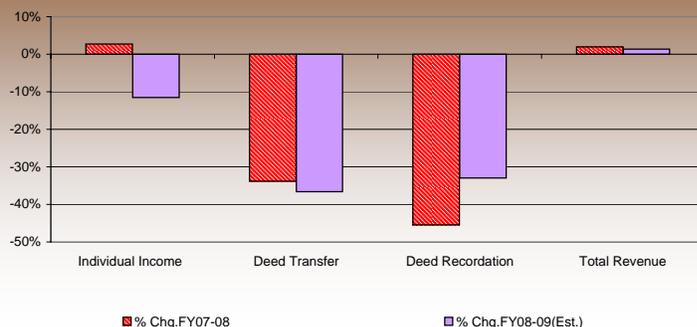
➔ Total tax revenue before earmarks grew 2.0% in FY2008 and is expected to grow by 1.4% in FY2009

➔ All deed tax revenue declined 37.2% in FY2008

➔ Individual Income tax revenue grew 2.7% in FY2008 and is expected to decline by 11.5% in FY2009

➔ General sales tax revenue grew 4.4% in FY2008 and is expected to grow at a slower rate of 0.8% in FY2009

Percent Change in Revenue for Selected Taxes for FYs 2007-2009(Est.)



Revenue for Fiscal Years 2007-2008 and Estimated Revenue for Fiscal Year 2009 (\$000)

(NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN THE MARCH 2009 D.C. ECONOMIC INDICATORS RELEASE)

	FY'07	FY'08 ^a	FY'09 (Est.) ^a	% Chg. FY07-08	% Chg. FY08-09(Est.)	Addenda:	% Chg. FY07-08	% Chg. FY08-09(Est.)
Real Property	1,448,697	1,666,524	2,010,362	15.0%	20.6%	Convention Ctr. Transfer ^b	8.2%	0.1%
General Sales	959,968	1,001,782	1,009,637	4.4%	0.8%	Ind. Inc. Tax Withholding for D.C. residents	2.5%	4.2%
Individual Income	1,313,826	1,349,116	1,193,663	2.7%	-11.5%			
Business Income	422,535	413,130	345,086	-2.2%	-16.5%			
All Deed Taxes ^c	443,948	278,711	179,965	-37.2%	-35.4%			
Total Other Tax Revenue	565,856	547,632	591,096	-3.2%	7.9%			
Total Revenue (before earmarking)	5,154,830	5,256,895	5,329,809	2.0%	1.4%			
Earmarked Revenue	455,937	422,226	412,868	-7.4%	-2.2%			
Total Revenue (after earmarking)	4,698,893	4,834,669	4,916,941	2.9%	1.7%			

^aRevenue amounts shown are before earmarks (TIF, Convention Ctr, Ballpark Fund, DDOT (parking tax and public space rental), School Modernization, Comprehensive Housing Strategy Fund, Neighborhood Investment Fund and the Housing Production Trust Fund.)

^bPortion of sales tax on hotels and restaurants

^cIncludes deed recordation, deed transfer and economic interest taxes

^dFY2008 Revenue numbers are preliminary as of the December 2008 revenue estimates

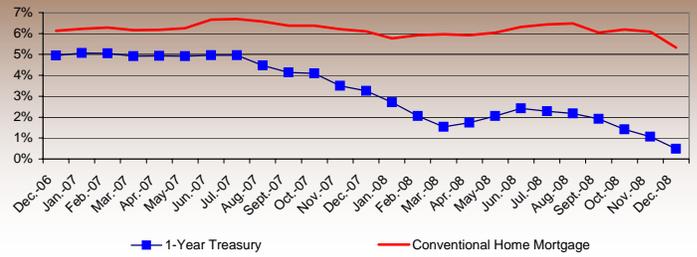
^eEstimated revenue for FY2009 as of the December 2008 revenue estimates

All data subject to revision. † Indicates data revised by stated source since previous D.C. Economic Indicators. See past editions at cfo.dc.gov

D.C. Economic Indicators

People & Economy

One-Year Treasury and Conventional Home Mortgage Interest Rates
December 2006 to December 2008



➔ D.C. unemployment rate for Dec.: 8.8%, up 0.8% from last month & 3.1% higher than 1 year ago

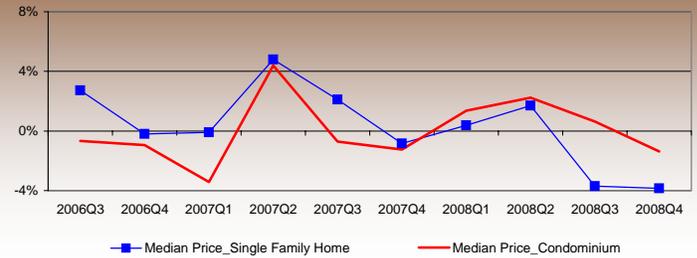
➔ The share of filers with income less than \$30,000 declined by 14.7% between 2001 and 2006, while the share of filers with income \$500,000 and over increased by 86.4%

U.S. GDP			CPI			D.C. Population		
% change for yr. ending			% change for yr. ending			Source: Census		
Source: BEA			Source: BLS			Estimate for:		
4 th Q 2008			Nov. 2008			Level		
3 rd Q 2008			Sep. 2008			% chg.		
Nominal	1.7	3.3 [†]	U.S.	1.1	4.9	2001	577,678	1.04
Real	-0.2	0.7	D.C./Balt. metro area	2.5	5.5	2002	579,112	0.25
						2003	577,371	-0.30
						2004	579,521	0.37
						2005	582,049	0.44
						2006	585,419	0.58
						2007	587,868	0.42
						2008	591,833	0.67
Personal Income ^a			Unemployment Rate ^c			Distribution of Individual Income Tax Returns		
% change for yr. ending			Source: BLS			by Income Category		
Source: BEA			Dec. 2008			Source: D.C. Office of Tax and Revenue		
3 rd Q 2008			Nov. 2008			2001		
Total Personal Income	3.7	5.0	U.S.	7.2	6.8 [†]	Less than \$30,000	54.2%	48.6%
U.S.	3.7	5.0	D.C.	8.8	8.0	\$30,000-\$50,000	20.7%	21.1%
D.C.	4.0	5.7				\$50,000-\$75,000	11.0%	12.4%
Wage & Salary Portion of Personal Income			Interest Rates			\$75,000-\$100,000		
Source: BEA			National Average			5.1%		
3 rd Q 2008			Source: Federal Reserve			6.3%		
U.S.	3.0	3.5	Dec. 2008			6.6%		
Earned in D.C.	3.2	5.0	Nov. 2008			8.0%		
Earned by D.C. residents ^b	3.1	4.7	1-yr. Treasury			8.9%		
			Conv. Home Mortgage			2.2%		
						2.9%		
						0.7%		
						0.8%		
						1.2%		

^a Nominal ^b Estimated ^c Seasonally adjusted
† Indicates data revised by stated source since previous D.C. Economic Indicators.

Housing & Office Space

Quarterly Percent Change in the Median Price for a Single Family Home and Condominium in Washington, D.C. (2006Q3 - 2008Q4)



➔ 3,705 new condos likely within next 36 months, down 54.1% from 1 year ago

➔ 10,332 new class A apts. likely within next 36 months, up 14.1% from 1 year ago

Housing Sales			D.C. Housing Permits Issued			D.C. Commercial Office Space		
Source: MRIS ^a			Source: U.S. Census Bureau			Source: Delta Associates		
4 Qs ending			4 Qs ending			4 th Q 2008		
4 th Q 2008			4 th Q 2008			1 yr. ch.		
Completed contracts	3,193	-13.3	Total housing units	536	-1,492	Vacancy Rate (%)	6.6	0.7
Single family	2,748	-30.6	Single family	248	-316	Excl. sublet space	7.3	0.7
Condo/Co-op			Multifamily (units)	288	-1,176	Incl. sublet space		
						Inventory Status ^e		
						4 th Q 2008		
						1 qtr. ch.		
Prices (\$000)			Class A Apt. ^d and Condominium Units					
Source: Delta Associates			Source: Delta Associates					
4 th Q 2008			4 th Q 2008			4 th Q 2008		
1 yr. % ch.			1 yr. ch.			1 qtr. ch.		
Single family	\$500.0	-5.5	Units under construction and/or marketing	4,946	847	Total inventory	124.4	0.8
Median ^b	\$674.0	-1.9	Rental apartments	1,810	-3,080	Leased space ^f	116.1	-0.2
Average ^c			Condominiums ^g			Occupied space ^h	115.3	-0.1
Condo/Co-op	\$360.0	2.9	Other units likely to deliver over the next 36 months	5,386	431	Vacant	9.1	0.9
Median ^b	\$415.0	2.4	Rental apartments	1,895	-1,291	Under construction or renovation	9.6	-1.0
Average ^c			Condominiums					

^a Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors ^b Median for Dec. ^c 4th quarter average
^d Investment grade units, as defined by Delta ^e In million square feet ^f Calculated from vac. rate excl. sublet
^g Calculated from vac. rate incl. sublet ^h Includes sold units