



District of Columbia Economic and Revenue Trends: March 2013

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DC 5 years after the start of the Great Recession: more people, jobs, income—and unemployment

Except for unemployment, DC fared much better than the US as a whole

December 2007 marked the beginning of the Great Recession that brought the greatest downturn in output, employment, and income since the Depression of the 1930's. Hitting bottom in June 2009, the US economy subsequently experienced continuous, slow-to-moderate growth, with inflation-adjusted US GDP finally rising above its prior peak in December 2011.

Looking back over those 5 years, how did DC fare? By many measures, quite well. DC's population grew 10.6%, employment 5.1%, and resident employment 8.5%. Inflation-adjusted wages and salaries earned by DC residents grew 14.0%. By contrast, the US economy has not returned to pre-recession levels of either employment or inflation-adjusted wages. Still, unemployment increases were proportionately greater in DC than the US: 75% versus 65%.

Details on these and other measures are summarized in the table on p. 17. The table shows data for people, employment, labor force, income, commercial office buildings, and residential apartments. *(continued on p. 17)*

Effects of the Great Recession in DC and the US: changes in selected indicators from 2007.4 to 2012.4

Indicator	District of Columbia		US
	Change from 2007.4 to 2012.4	% change	% change for comparable measure
Population	61,100	10.6	4.2
Labor force	39,799	12.1	1.2
Wage and salary employment	35,566	5.1	-2.5
Resident employment	26,531	8.5	-2.1
Unemployment	13,268	75.1	64.9
Wages and salaries earned in DC (\$B)	8.77	16.5	6.6
<i>Adjusted for inflation</i>		6.1	-2.9
Wages and salaries earned by DC residents (\$B)	5.02	25.2	6.6
<i>Adjusted for inflation</i>		14.0	-2.9

Source: See table on p. 17.

Wage and salary employment

Revised data shows less DC jobs during most of 2012, but higher growth rate at end of year

- In its annual revisions done every March, BLS reduced FY 2012 employment by almost 5,000 (-0.7%). (See graph at right)
- January wage and salary employment in DC was up by 5,367 (0.7%) from a year earlier as measured by the 3-month moving average.
- Federal government employment for January was down by 2,767 (-1.3%); the Private sector gained 8,767 (1.8%).
- Total year-over-year DC metropolitan area employment increased by 36,967 (1.2%) in January as measured by the 3-month moving average.
- There was an increase of 1.4% in suburban Washington employment in January from a year earlier.
- Seasonally adjusted wage and salary employment in DC rose by 1,800 (0.2%) in January from the prior month.

DC wage and salary employment from December 2010 to December 2012: old and revised series (3-month moving averages, in '000)

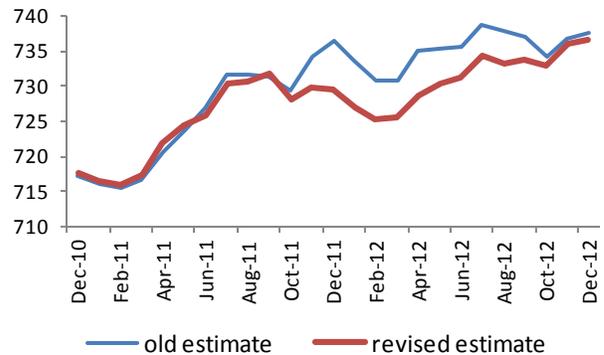


Table 1. Wage and salary employment in DC, Washington Metro area, and the US: January 2013

Jurisdiction	FY 2010	FY 2011	FY 2012	12-mo avg	3-mo average	This month
District of Columbia	709,075	723,233	730,033	732,100	732,267	725,700
1 year change	7,442	14,158	6,800	5,225	5,367	3,800
% change	1.1	2.0	0.9	0.7	0.7	0.5
Washington metro area	2,956,233	2,998,442	3,030,808	3,043,292	3,057,467	3,021,900
1 year change	-8,083	42,208	32,367	33,042	36,967	41,900
% change	-0.3	1.4	1.1	1.1	1.2	1.4
Washington suburbs (% ch)	-0.7	1.2	1.1	1.2	1.4	1.7
US (% ch)	-1.9	1.2	1.7	1.7	1.6	1.5

Not seasonally adjusted. Suburban employment is the difference between the metro area total and the DC portion.

Source: BLS. January data is preliminary.

Table 2. Federal government and private sector wage and salary employment in DC: January 2013

Sector	FY 2010	FY 2011	FY 2012	12-mo avg	3-month average	This month
Federal government	208,233	213,258	208,600	207,692	206,167	205,500
1 year change	10,183	5,025	-4,658	-4,167	-2,767	-3,100
% change	5.1	2.4	-2.2	-2.0	-1.3	-1.5
Private sector	464,100	474,833	486,708	489,900	492,800	487,100
1 year change	1,158	10,733	11,875	9,742	8,767	7,600
% change	0.3	2.3	2.5	2.0	1.8	1.6

Source: BLS. Not seasonally adjusted. January is preliminary.

Table 3. Seasonally adjusted DC Employment: July 2012 to January 2013

Indicator	Jul	Aug	Sep	Oct	Nov	Dec	Jan
D.C. Wage and Salary employment	727,500	728,500	734,100	736,400	733,400	733,000	734,800
change from prior month	-3,200	1,000	5,600	2,300	-3,000	-400	1,800
% change from prior month	-0.4	0.1	0.8	0.3	-0.4	-0.1	0.2

Source: BLS seasonally adjusted. January is preliminary

Data revision restored professional services (other than legal) as a leading growth sector

- In January professional services (other than legal) gained 3,033 jobs over last year, more than half the entire net increase in DC employment as measured by 3-month moving averages.
- Other private industries showing gains of at least 1,000 over the year were education (2,833), other business services (1,400), and organizations (1,067).
- Private sector industries losing jobs included information, legal, employment, and retail.
- Local government fell by 633.
- Over the past year, DC's share of federal employment in the DC metro area fell slightly.

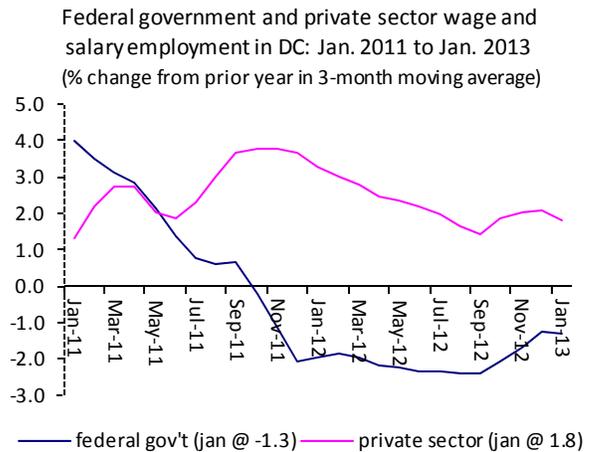


Table 4. Wage and salary employment located in DC: January 2013

Industry sector	3-month moving average				12-mo. moving avg: % change	Sector % of all DC jobs, Jan 2013	DC share (%) in Jan 2013 of all sector jobs in:		Change from Jan 2012 to Jan 2013 in DC share of sector jobs in:	
	Jan 2012	Jan 2013	Amount	%			metro area	US	metro area	US
Federal government	208,933	206,167	-2,767	-1.3	-1.5	28.2	54.9	7.40	-0.4	0.01
Local government	33,933	33,300	-633	-1.9	0.2	4.5	10.4	0.17	-0.6	0.00
Legal services	30,000	29,767	-233	-0.8	0.3	4.1		2.64		-0.04
Other Professional and technical	74,800	77,833	3,033	4.1	-1.1	10.6	22.5	1.13	0.6	0.01
Employment services	14,033	13,300	-733	-5.2	9.0	1.8	34.6	0.47	-1.1	-0.07
Other Business services	32,233	33,633	1,400	4.3	0.4	4.6	18.0	0.46	-0.1	0.01
Information	17,900	16,833	-1,067	-6.0	-1.8	2.3	22.0	0.63	-1.1	-0.04
Finance	28,067	28,433	367	1.3	-0.1	3.9	18.9	0.36	-0.2	0.00
Organizations	59,700	60,767	1,067	1.8	2.2	8.3	36.8	2.08	0.5	0.02
Education	51,800	54,633	2,833	5.5	5.6	7.5	52.0	1.60	0.2	0.06
Health	63,700	64,233	533	0.8	5.8	8.8	22.8	0.37	-0.3	0.00
Food service	41,233	42,100	867	2.1	2.8	5.7	21.1	0.42	-0.3	0.00
Accommodations	15,167	15,367	200	1.3	3.7	2.1	37.0	0.88	0.6	0.01
Amusement and recreation	6,300	6,667	367	5.8	4.3	0.9	18.9	0.37	-0.5	0.01
Retail trade	19,100	18,400	-700	-3.7	0.8	2.5	6.9	0.12	-0.2	-0.01
Wholesale trade	4,800	5,033	233	4.9	-0.2	0.7	7.9	0.09	0.2	0.00
Construction	12,533	13,433	900	7.2	11.2	1.8	9.6	0.24	0.7	0.01
Personal and miscellaneous ser.	7,633	7,433	-200	-2.6	9.7	1.0		0.30		-0.01
Other private	5,033	4,933	-100	-2.0	-1.8	0.7	4.4	0.03	0.0	0.00
Total	726,900	732,267	5,367	0.7	1.2	100.0	24.0	0.54	-0.1	0.00
Public sector	242,867	239,467	-3,400	-1.4	-1.3	32.7	34.4	1.08	-0.9	-0.01
Private sector	484,033	492,800	8,767	1.8	2.5	67.3	20.9	0.44	0.1	0.00
Professional and all business	197,033	199,800	2,767	1.4	0.1	27.3	21.5	0.85	0.1	-0.01
Education, health, and orgs.	175,200	179,633	4,433	2.5	4.5	24.5	31.4	0.58	0.2	0.01
Hospitality and trade	86,600	87,567	967	1.1	2.5	12.0	14.4	0.25	-0.1	0.00
Other private sector	25,200	25,800	600	2.4	8.0	3.5	10.3	0.10	0.3	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

Revised data shows more resident employment

- In its annual revisions done every March, BLS increased DC FY 2012 resident employment by 5,930 (1.9%). (See graph at right.)
- In January DC resident employment rose 22,220 (7.1%) from a year earlier (3-mo. moving average).
- In January the unemployment rate (seasonally adjusted) rose to 8.6%.
- January initial unemployment insurance claims were up 10.4%.

DC resident employment from December 2010 to December 2012: old and revised series (3-month moving averages, in '000)

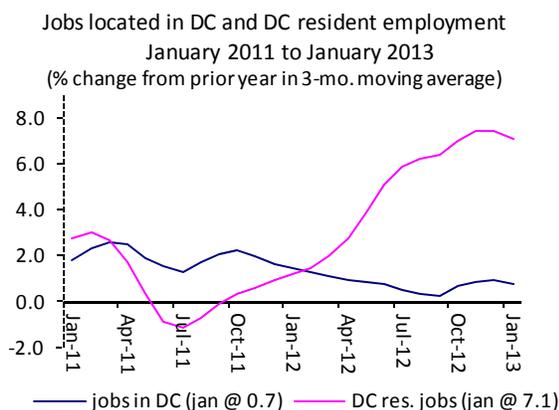
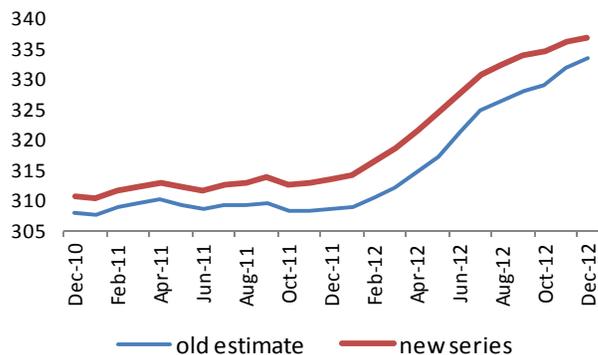


Table 5. Unemployment rates for DC, metro area, and US:
January 2013
(percent of labor force)

Jurisdiction	Not seasonally adj.		Seasonally adj.	
	Jan. 2012	Jan. 2013	Jan. 2012	Jan. 2013
US	8.8	8.5	8.3	7.9
DC metro area	5.6	5.8	na	na
DC	9.8	9.4	9.4	8.6
DC suburbs	5.1	5.3	na	na

Source: U.S. BLS. na= data not available

Table 6. Resident employment and unemployment: January 2013

Indicator	FY 2010	FY 2011	FY 2012	12-mo avg	3-month average	This month
DC Labor force summary						
Resident employment	308,513	312,148	323,412	330,970	336,554	335,681
1 year change	4,332	3,635	11,264	17,763	22,220	20,399
% change	1.4	1.2	3.6	5.7	7.1	6.5
Labor Force	343,475	347,470	356,439	363,332	368,730	370,334
1 year change	9,339	3,995	8,969	15,090	20,693	20,663
% change	2.8	1.2	2.6	4.3	5.9	5.9
Unemployed	34,962	35,322	33,027	32,362	32,176	34,653
1 year change	5,007	360	-2,295	-2,673	-1,528	264
% change	16.7	1.0	-6.5	-7.6	-4.5	0.8
Unemployment rate	10.2	10.2	9.3	8.9	8.7	9.4
DC Unemployment insurance (state program)						
Initial claims (monthly avg.)	1,799	2,101	1,784	1,803	2,012	2,384
1 year change	-404	302	-317	-98	190	238
% change	-18.3	16.8	-15.1	-5.1	10.4	11.1
Weeks compensated (m o. avg.)	53,592	46,423	45,170	43,942	45,650	53,266
1 year change	-881	-7,169	-1,253	-3,375	-6,363	-2,446
% change	-1.6	-13.4	-2.7	-7.1	-12.2	-4.4

Source: Labor force: BLS. Unemployment Insurance: US Dept of Labor. Not seasonally adj.

Table 7. Seasonally adjusted DC Resident employment and unemployment: July 2012 to January 2013

Indicator	Jul	Aug	Sep	Oct	Nov	Dec	Jan
DC Resident employment	329,503	331,461	333,841	336,010	337,835	339,422	340,235
change from prior month	1,584	1,958	2,380	2,169	1,825	1,587	813
% change from prior month	0.5	0.6	0.7	0.6	0.5	0.5	0.2
DC Unemployment rate (%)	9.0	8.9	8.8	8.6	8.5	8.4	8.6

Source: BLS seasonally adjusted. January is preliminary

Wage gains slowed in the December quarter

● Wages earned in the District of Columbia were 1.3% higher in the December quarter compared to the same quarter of 2012. The last 2 quarters have been the slowest year-over-year increases in over 3 years.

● Wages earned in DC have now grown at a slower rate than the US average for 8 quarters.

● In the December quarter, estimated wages of DC residents grew 2.3%, and DC Personal Income grew 4.2%.

● In the December quarter, the private sector accounted for over 100% of the \$0.81 billion increase in wages earned in DC.

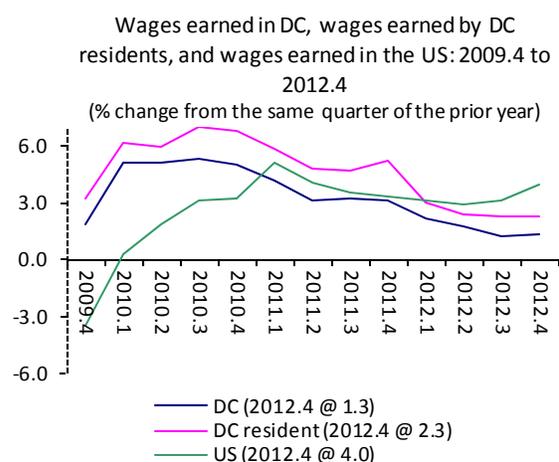


Table 8. DC Wages and Personal Income: December 2012

(\$ billion at seasonally adjusted annual rates unless otherwise noted)

Indicator	FY 2009	FY 2010	FY 2011	FY 2012	4-quarter moving average	Latest quarter (Dec.)
Wages and salaries earned in DC	55.41	57.81	60.05	61.29	61.49	61.85
1 year change	1.14	2.40	2.24	1.24	0.98	0.81
% change	2.1	4.3	3.9	2.1	1.6	1.3
Supplements to wages & salaries	16.31	17.17	17.90	18.20	18.22	18.30
% change	6.3	5.3	4.2	1.7	0.9	0.5
Proprietors' income earned by DC residents*	5.38	5.63	5.96	6.24	6.35	6.47
% change	-6.0	4.6	6.0	4.6	6.8	7.8
Wages and salaries of DC residents***	21.40	22.59	23.84	24.60	24.74	24.96
change from one year ago	0.76	1.19	1.25	0.76	0.60	0.55
% change	3.7	5.6	5.5	3.2	2.5	2.3
Income earned by DC residents	30.1	31.8	33.9	35.1	35.4	35.8
% change	2.4	5.5	6.6	3.8	3.2	3.1
Property income of DC residents	5.78	5.18	5.47	5.70	5.87	6.23
% change	-14.1	-10.4	5.6	4.3	5.9	11.8
Pensions and other transfer of DC residents	4.62	5.22	5.70	5.91	5.97	6.02
% change	9.1	13.0	9.1	3.8	3.9	3.8
DC Personal Income**	40.52	42.18	45.03	46.75	47.24	48.03
1 year change	0.16	1.66	2.85	1.73	1.64	1.94
% change	0.4	4.1	6.8	3.8	3.6	4.2
US Personal income (% change from prior year)	-3.5	1.4	5.6	3.3	3.5	4.9
US Wages and salaries (% change from prior year)	-3.6	0.4	4.0	3.1	3.3	4.0
<i>Addendum: Change from prior year in wages earned in DC by sector</i>						
Private sector (1 yr ch, \$B)	-0.15	0.57	1.62	1.35	1.11	0.89
Federal government (1 yr ch, \$B)	1.08	1.79	0.75	-0.15	-0.08	0.13
DC res. wages as % of wages earned in DC	38.6	39.1	39.7	40.1	40.2	40.4

* 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 December were released March 27, 2013

Single family and condominium home sales

Sales and prices were strong in February

- The February 3-month moving total of single family home sales was up 4.3% from a year earlier, and the average selling price was 11.5% higher.
- February condominium sales were 26.8% above a year earlier as measured by the 3-month moving total; the average selling price was 7.8% higher.
- The total value of all home sales in February was 22.9% more than a year earlier as measured by the 3-month moving total.
- February year-to-date median prices were up 12.1% for single family units, and up 9.2% for condominiums.
- The February ratios of inventory to sales were 1.8 for both single family units and condominiums (3-mo. moving average).

Number and average selling price of condominium units sold in DC: Feb. 2011 to Feb. 2013 (% change in 3-month moving averages)

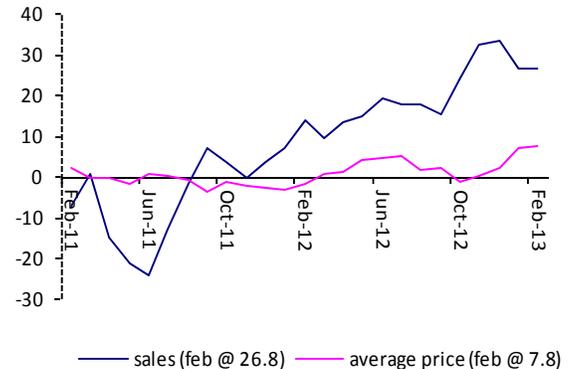


Table 9. D.C. Residential Real Estate Indicators: February 2013

Indicator	FY 2009	FY 2010	FY 2011	FY 2012	12-mo moving		This month
					total or average	3-mo moving total or average	
Number of sales (settled contracts)							
Single family	3,259	4,084	3,800	3,563	3,694	797	250
1 year change	237	825	-284	-237	19	33	-4
% change	7.8	25.3	-7.0	-6.2	0.5	4.3	-1.6
Condo	2,590	2,884	2,469	2,784	3,081	672	231
1 year change	-206	294	-415	315	562	142	71
% change	-7.4	11.4	-14.4	12.8	22.3	26.8	44.4
Total	5,849	6,968	6,269	6,347	6,775	1,469	481
1 year change	31	1,119	-699	78	581	175	67
% change	0.5	19.1	-10.0	1.2	9.4	13.5	16.2
Average prices of units that sold							
Single family (\$)	597,269	538,395	601,026	630,109	661,103	667,806	646,241
1 year change	-70,098	-58,874	62,631	29,083	59,760	68,915	94,695
% change	-10.5	-9.9	11.6	4.8	9.9	11.5	17.2
Condo (\$)	359,952	414,030	423,365	429,611	434,769	445,201	431,095
1 year change	-52,283	54,078	9,336	6,245	13,695	32,259	8,123
% change	-12.7	15.0	2.3	1.5	3.3	7.8	1.9
Total value of all sales (\$ million)							
	2,878.8	3,392.9	3,329.2	3,441.1	3,781.6	831.4	261.1
1 year change	-290.6	514.1	-63.7	111.9	511.0	155.0	53.4
% change	-9.2	17.9	-1.9	3.4	15.6	22.9	25.7
Ratio: active inventory to sales							
Single family	5.2	3.4	3.3	2.3	1.9	1.8	1.7
Condo	5.7	4.6	4.9	2.9	2.3	1.8	1.7

Median contract prices, CY to date in February 2013: single family \$485,000 (12.1% 1 yr ch); condo \$396,500 (9.2% 1 yr ch)

Note: Data are closed contracts settled during each month or other period shown. Because average price depends on the mix of units sold, this measure can be volatile on a month-to-month basis, and it is not intended to measure changes in the value of all residential property.

Monthly average price for all single family units is calculated by ORA based on reported average prices and number of sales for different types of units.

Source: Metropolitan Regional Information Systems (MRIS); median contract price and inventory ratio data accessed through the Greater Capital Area Assn. of Realtors (GCAAR).

Apartments and single family home transactions

Sales of homes over \$1 million were strong in February

• Sales of single family units at prices above \$1 million were up 42.5% in February from a year ago as measured by the 3-month moving total; they accounted for 15.6% of sales.

• In December the quarterly Federal Housing Finance Agency house price index for DC was 11.9% higher over a year ago. For the US, there was a 5.5% rise.

• In the December quarter, occupied apartment units rose 1,996 (2.4%) and rents rose 3.4% from a year earlier.

FHFA expanded-data housing price index for DC and the US: 2003.4 to 2012.4
(% change from prior yr. in the 12-mo. moving avg.)

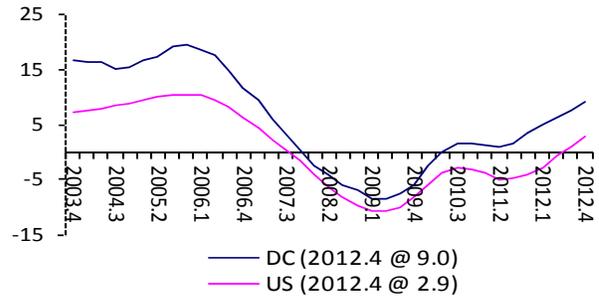


Table 10. D.C. Single family and condominium home sales at prices of \$1 million or more: February 2013

Category	FY 2009	FY 2010	FY 2011	FY 2012	12-mo	3-mo	This month
					moving total	moving total	
Single family homes	333	418	489	458	536	124	36
1 year change	-102	85	71	-31	93	37	11
% change	-23.4	25.5	17.0	-6.3	21.0	42.5	44.0
percent of all single family sales	10.2	10.2	12.9	12.9	14.5	15.6	14.4
Condominiums	62	89	87	72	88	26	6
1 year change	-15	27	-2	-15	13	10	2
% change	-19.5	43.5	-2.2	-17.2	17.3	62.5	50.0
percent of all condominium sales	2.4	3.1	3.5	2.6	2.9	3.9	2.6

Source: Metropolitan Regional Information Systems (MRIS). Sales are ones close d (settled) during period shown.

Table 11. Federal Housing Finance Agency Price Index for single family property in DC and US: December 2012

Indicator	Fiscal year average				Quarter				
	FY 2009	FY 2010	FY 2011	FY 2012	2011.4	2012.1	2012.2	2012.3	2012.4
% change from prior year in value of index									
DC	-7.5	1.5	1.5	7.7	6.5	7.8	6.8	9.5	11.9
US	-10.1	-2.8	-4.7	0.9	-2.5	-0.2	2.9	3.4	5.5

Addendum: % change from prior year in the average price of settled sales contracts for single family homes

Average DC sales price	-10.5	-9.9	11.6	4.8	-6.3	14.3	5.4	7.1	18.5
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Source: (1) Federal Housing Finance Agency "Expanded-data HPI Index" (sales plus refinancings). This index is a broad measure of the movement of single-family house prices. It measures average price changes in repeat sales or refinancings on the same properties. This information is obtained from transactions whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac since January 1975. It is augmented by data on mortgages endorsed by FHA and country recorder data licensed from DataQuick Information Systems. (2) Average DC sales price is the average price of houses that sold during the period (settled contracts): see Table 9. Not seas. adj.

Table 12. Market-rate units in larger DC apartment buildings: December 31, 2012

Indicator	Sep. 30 2009	Sep. 30 2010	Sep. 30 2011	Sep. 30 2012	Latest Q (December 31, 2012)		
					amount	1 Q ch	% ch
Inventory	87,090	87,970	88,710	89,464	90,447	983	1.1
1 year change	1,663	880	740	754	1,630		
% change	1.9	1.0	0.8	0.8	1.8		
Occupied units	81,964	82,965	84,125	85,551	86,628	1,008	1.2
1 year change	443	1,001	1,160	1,426	1,996		
% change	0.5	1.2	1.4	1.7	2.4		
Vacant units	5,126	5,005	4,585	3,913	3,819	-25	-0.7
1 year change	1,220	-121	-420	-672	-366		
% change	31.2	-2.4	-8.4	-14.7	-8.7		
% of inventory	5.9	5.7	5.2	4.4	4.2		
Average effective monthly rent	\$1,342	\$1,380	\$1,422	\$1,484	\$1,489	\$8	0.7
% change from 1 year	0.1	2.8	3.0	4.4	3.4		

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

Commercial office space

Office vacancy rate steady in December

●For the quarter ending December, the vacancy rate for DC commercial office space held steady at 9.3% from the previous quarter.

●DC's vacancy rate in December was below the 13.4% rate for the metropolitan area.

●Occupied space in the December quarter rose by 0.34 million square feet (0.3%) from the prior quarter, but was down 0.4% from a year earlier.

●Space under construction in December (2.63 million square feet) was down slightly from the last quarter and last year.

●In the December quarter, average effective rents for class A office space leases were down 1.5% from a year earlier.

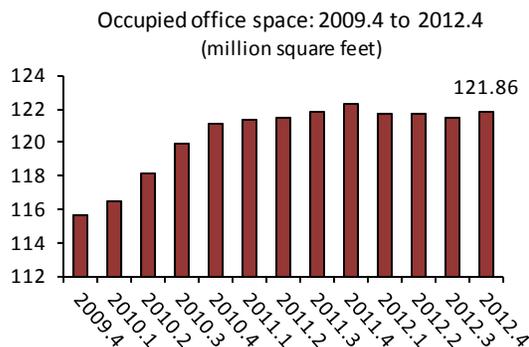


Table 13. Commercial office space in DC: December 31, 2012

(In millions of square feet, unless noted otherwise)

Indicator	Sep. 30	Sep. 30	Sep. 30	Sep. 30	last quarter (December 2012)		
	2009	2010	2011	2012	Level	1 Q ch	% ch
Inventory	127.45	131.95	133.50	133.99	134.36	0.37	0.3
1 year change	3.86	4.49	1.56	0.48	0.83		
% change	3.1	3.5	1.2	0.4	0.6		
Occupied space	114.45	119.94	121.89	121.52	121.86	0.34	0.3
1 year change	-0.99	5.49	1.95	-0.36	-0.45		
% change	-0.9	4.8	1.6	-0.3	-0.4		
Leased space	116.25	121.35	123.06	122.82	122.68	-0.14	-0.1
Under construction	5.75	2.14	2.42	2.74	2.63	-0.11	-4.0
1 year change	-4.85	-3.60	0.27	0.33	-0.20		
% change	-45.8	-62.7	12.7	13.5	-7.2		
% of inventory	4.5	1.6	1.8	2.0	1.96		
Vacant (no sublet)	11.20	10.60	10.44	11.17	11.68	0.51	4.6
% of inventory	8.8	8.0	7.8	8.3	8.7		
Vacant (w sublet)	13.00	12.01	11.61	12.46	12.50	0.03	0.3
1 year change	4.84	-0.99	-0.39	0.85	1.28		
% ch from one year	59.4	-7.6	-3.3	7.3	11.4		
DC area vacancy rates (with sublet)							
District of Columbia	10.2	9.1	8.7	9.3	9.3	0.0	
Northern Virginia	13.5	13.4	13.5	15.2	15.7	0.5	
Suburban Maryland	14.6	14.5	14.2	14.5	14.7	0.2	
DC Metropolitan area	12.6	12.2	12.1	13.1	13.4	0.3	

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 in Down to wn DC by year: 2009 to 2012

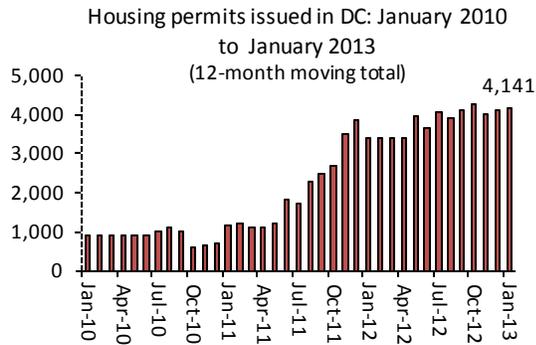
Indicator	\$ per square foot of gross floor space ending on date shown:			
	2009	2010	2011	2012
Average effective rent	50.80	48.65	48.54	47.80
% ch from prior year		-4.2	-0.2	-1.5
Average value of improvements for tenants				80.00

Source: Delta Associates. Rent is for full service (including operating expenses and taxes), less concessions (free rent, etc.). Class A is defined as buildings greater than 50,000 square feet and built after 1997.

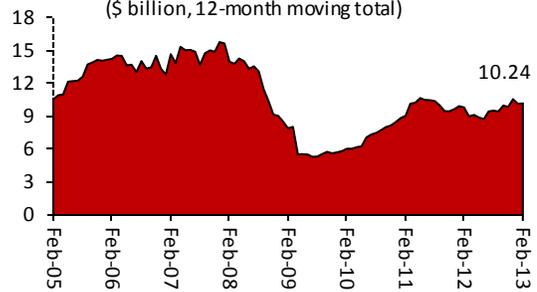
Housing permits, office and apartment outlook, and value of property transfers

Housing permits continue above the 4,000 per year rate

- For the 12-month period ending January, 4,141 housing unit building permits were issued, a 21.3% increase over the prior 12-month period.
- Delta Associates expects DC's office vacancy rate (including sublet) to fall slightly (to 9.1%) over the next two years.



Value of all real property subject to deed transfer or economic interest taxes: February 2005 to February 2013 (\$ billion, 12-month moving total)



- Reis expects 8,181 new apartment units to be added to inventory in CY 2013 and CY 2014, and occupancy to grow by 7,680.
- The value of February property transfers was up by 12.1% from last year as measured by the 3-month moving total. The 12-month moving total (\$10.24 billion) was 3.8% higher than last year.

Table 15. Housing unit building permits issued in DC: January 2013

	FY 2009	FY 2010	FY 2011	FY 2012	12-month moving total	3-month moving total	This month
Total units	499	986	2,459	4,091	4,141	1,213	55
change from 1 year ago	-191	487	1,473	1,632	726	-114	21
% change from 1 year ago	-27.7	97.6	149.4	66.4	21.3	-8.6	61.8

Source: Census Bureau (permits issued during period).

Table 16. Delta Associates outlook for commercial office space in DC and the surrounding metro area: Dec. 2012 to Dec. 2014

Indicator	DC	No VA	SubMD	Total	DC% of total
Inventory December 2012					
Inventory (msf)	134.4	179.7	89.4	403.5	33.3
vacancy rate (%)	9.3	15.7	14.7	13.4	
Estimated net activity to December 2014					
new supply (msf)	3.0	3.9	2.0	9.0	33.3
new demand (msf)	3.0	4.8	2.2	10.0	30.0
Estimated Inventory December 2014					
vacancy rate (%)	9.1	14.9	14.2	12.8	

Source: Delta Associates msf = million square feet

Table 17. DC market rate apartment units: 2008 to 2017

CY	Inventory	1 yr ch	% vacant	Occupied	1 yr ch
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	88,817	457	4.7	84,632	1,155
2012	90,447	1,630	4.2	86,628	1,996
2013 est	93,750	3,303	3.9	90,109	3,481
2014 est	98,628	4,878	4.4	94,308	4,199
2015 est	100,257	1,629	4.2	96,001	1,693
2016 est	101,556	1,299	4.1	97,349	1,348
2017 est	102,966	1,410	4.3	98,556	1,207

Source: Reis, December 2012. (see note in table 12)

Table 18. Market Value of Real Property transfers subject to the Deed Transfer or Economic Interest tax: February 2013

	FY 2009	FY 2010	FY 2011	FY 2012	12-month moving total	3-month moving total	This month
All property transfers (\$ million)	5,591.2	7,789.1	10,059.5	9,494.3	10,241.7	2,966.9	554.3
change from one year ago (\$M)	-5,936.1	2,197.9	2,270.4	-565.3	377.6	321.0	44.2
% change from 1 year ago	-51.5	39.3	29.1	-5.6	3.8	12.1	8.7

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

Hotel revenues picked up due to the Inauguration

● In January the 3-month moving total for hotel room-days sold was 0.7% more than a year earlier. The average room rate rose 8.1%, leading to an 8.8% gain in room revenue.

● Employment in food services was 2.1% more in January than a year earlier as measured by the 3-month moving average. Hotel employment rose 1.3%, and retail lost 3.7%.

● December airline traffic into the DC area was down 0.7% from a year earlier as measured by the 3-month moving total. However, Reagan National Airport gained 6.3%.

DC hotel room days sold and average room rate:
January 2011 to January 2013
(% change from prior year in 3-mo. moving total)

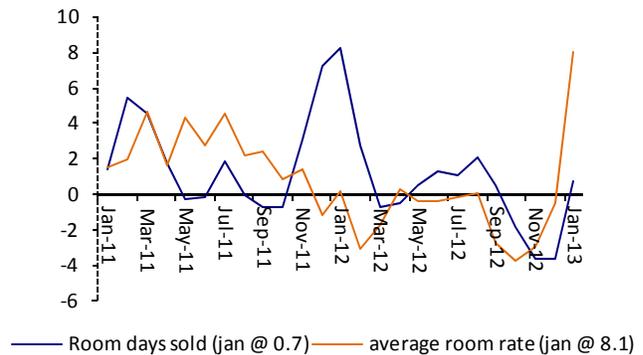


Table 19. Hospitality Industry: January 2013

Indicator	Units	date	FY 2010	FY 2011	FY 2012	12-mo total or average*	3-month moving total or average*	This month
Hotel stays								
Hotel room -days sold	('M)	jan	7.370	7.465	7.612	7.579	1.536	0.489
	1 yr ch		0.248	0.095	0.147	-0.013	0.011	0.032
	1 yr % ch		3.5	1.3	2.0	-0.2	0.7	7.0
Average room rate	\$	jan	199.12	206.60	203.76	206.66	196.41	223.12
	1 yr ch		-4.05	7.49	-2.84	0.99	14.64	50.30
	1 yr % ch		-2.0	3.8	-1.4	0.5	8.1	29.1
Occupancy rate (average)	%	jan	73.8	74.2	75.4	75.3	60.6	57.2
	1 yr ch		0.7	0.5	1.2	0.0	0.8	4.1
	1 yr % ch		0.9	0.6	1.6	0.1	1.3	7.7
Room revenue	(\$M)	jan	1,467.5	1,542.3	1,551.0	1566.2	301.7	109.0
	1 yr ch		20.5	74.8	8.7	4.8	24.4	30.1
	1 yr % ch		1.4	5.1	0.6	0.3	8.8	38.1
Airline passengers								
DCA	1 yr % ch	dec	0.5	6.2	2.8	4.4	6.3	9.4
IAD	1 yr % ch	dec	1.2	0.6	-2.9	-3.3	-6.2	-4.1
BWI	1 yr % ch	dec	4.6	4.2	1.0	1.3	-1.0	-0.5
Total	1 yr % ch	dec	2.1	3.4	0.1	0.5	-0.7	1.0
Convention Center Transfer								
	\$ M	feb	94.4	98.0	93.5	91.3	22.6	4.9
	1 yr ch		2.8	3.6	-4.5	-10.8	0.1	-5.4
	1 yr % ch		3.1	3.9	-4.6	-10.6	0.6	-52.5
Employment								
Accommodations	level ('000)	jan	15.3	15.3	15.5	15.5	15.4	15.0
	1 yr ch		0.3	0.0	0.2	0.2	0.2	0.5
	1 yr % ch		2.0	0.1	1.1	1.0	1.3	3.4
Food and bev	level ('000)	jan	37.0	39.3	42.7	43.0	42.1	41.0
	1 yr ch		1.2	2.3	3.3	2.4	0.9	0.8
	1 yr % ch		3.3	6.2	8.5	6.0	2.1	2.0
Arts and entertain.	level ('000)	jan	7.0	6.8	6.9	7.1	6.7	6.2
	1 yr ch		-0.1	-0.2	0.1	0.4	0.4	0.2
	1 yr % ch		-1.5	-2.5	1.5	5.2	5.8	3.3
Retail	level ('000)	jan	18.3	18.6	18.8	18.6	18.4	18.0
	1 yr ch		0.5	0.2	0.3	0.0	-0.7	-0.6
	1 yr % ch		3.0	1.3	1.4	0.0	-3.7	-3.2

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

Source: Smith Travel Research (hotel data); BLS (employment); Airport authorities (airline passengers); OCFD/OTR (Convention Center Transfer; January collections based on January sales).

Economic growth slowed sharply in the December quarter

- December was the 14th consecutive quarter of real GDP growth. However, the minimal 0.1% gain in the quarter was tied with 2011.1 for the slowest rate of growth during the period.
- US employment (seas. adj.) increased by 236,000 in February.
- The US unemployment rate (seasonally adj.) fell to 7.7% in Feb.
- In February the S & P 500 index rose 2.2% from January, and was 11.8% above last year.
- Inflation rose in February. The February CPI was 2.0% above a year earlier (sa).

Quarterly change in US Real and Nominal GDP: 2009.4 to 2012.4 (% change from the previous quarter at annual rates)

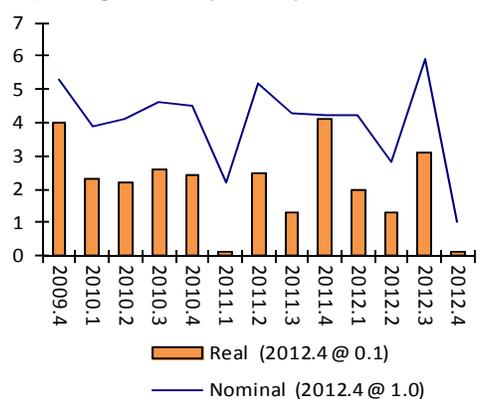


Table 20. US GDP, income, corporate profits, and inflation: 2012.4 and February 2013

(percent change from same period of prior year unless noted)

Indicator	Date of latest indicator		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	12-mo avg	2012.4	feb 2013
US GDP real	2012.4	1 yr % ch	1.1	-3.9	1.8	1.9	2.3	2.2	1.6	
US GDP nominal	2012.4	1 yr % ch	3.4	-2.6	2.8	4.0	4.2	4.0	3.5	
US Personal income	2012.4	1 yr % ch	5.6	-3.4	1.5	5.4	3.3	3.5	5.0	
US wages	2012.4	1 yr % ch	3.4	-3.5	0.4	4.0	3.1	3.3	4.0	
Corporate profits	2012.4	1 yr % ch	-11.2	-12.2	35.9	9.1	8.4	na	na	
S and P stock index	feb	1 yr % ch	-5.7	-34.3	23.7	13.8	5.4	10.6	15.7	11.8
US CPI	feb	1 yr % ch	4.4	-0.3	1.7	2.7	2.4	1.9	1.9	1.6
Balt//Wash. area CPI	jan	1 yr % ch	5.0	0.3	1.7	3.0		2.1	na	1.8

Source: BEA (data revised as of February 28, 2013), 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: 2011.2 to 2012.4

(percent change from previous quarter at seasonally adjusted annual rates)

Indicator	units	calendar year quarter							
		2011.2	2011.3	2011.4	2012.1	2012.2	2012.3	2012.4	
US GDP real	% ch from prior Q at saar	2.5	1.3	4.1	2.0	1.3	3.1	0.1	
US GDP nominal	% ch from prior Q at saar	5.2	4.3	4.2	4.2	2.8	5.9	1.0	
Wages and salaries	% ch from prior Q at saar	2.3	1.3	0.9	8.0	1.4	2.3	4.1	
Personal income	% ch from prior Q at saar	2.6	1.2	1.3	6.4	3.0	2.4	7.7	

Note: GDP=Gross Domestic Product saar=seasonally adjusted at annual rate Source: BEA, updated on February 28, 2013

Table 22. Monthly selected US Indicators: August 2012 to February 2013

Indicator	Aug	Sep	Oct	Nov	Dec	Jan	Feb
S and P stock index (level)	1403	1443	1438	1395	1422	1480	1512
% change from prior month	3.2	2.9	-0.4	-3.0	2.0	4.1	2.2
% change from 1 year ago	18.4	23.0	19.1	13.7	14.4	13.8	11.8
10 yr. Treasury Interest rate (level)	1.67	1.71	1.72	1.64	1.71	1.89	1.97
CPI % ch from prior month (seasonally adjusted)	0.52	0.52	0.17	-0.24	0.03	0.03	0.68
CPI % ch from prior year (seasonally adjusted)	1.70	1.97	2.16	1.77	1.76	1.58	1.98
Jobs (seasonally adjusted level, in millions)	133.93	134.07	134.23	134.47	134.69	134.81	135.046
change from prior month (thousands)	165	138	160	247	219	119	236
% change from prior month	0.12	0.10	0.12	0.18	0.16	0.09	0.18
Resident employment (season. adj. level, in mil.)	142.16	142.97	143.33	143.28	143.31	143.32	143.492
change from prior month (thousands)	-86	810	354	-51	28	17	170
% change from prior month	-0.06	0.57	0.25	-0.04	0.02	0.01	0.12
Unemployment rate (seasonally adj.)	8.1	7.8	7.9	7.8	7.8	7.9	7.7

Source: BLS and Yahoo! Finance.

DC tax collections

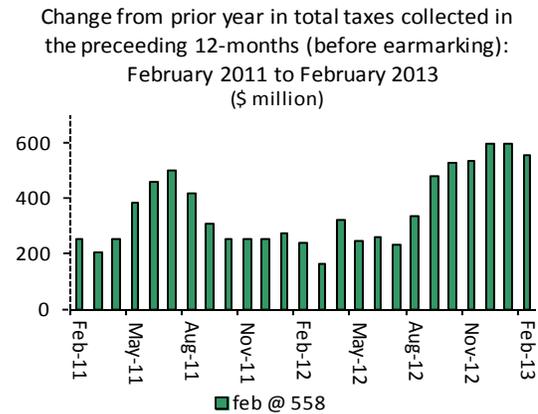
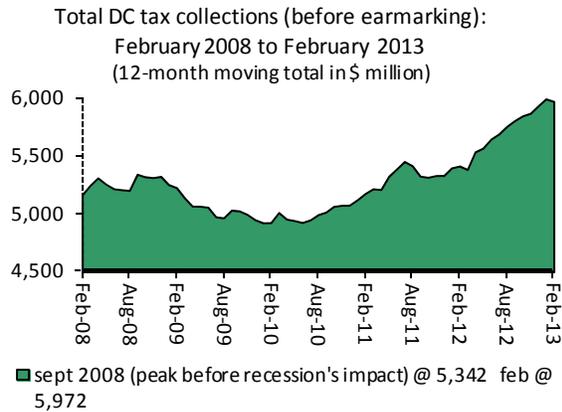


Table 23. Tax Collections (before earmarking): February 2013 (Preliminary)

(\$ million)

Tax	FY 2009	FY 2010	FY 2011	FY 2012	12-month moving total	3-month moving total	This month
Total taxes	5,032.8	5,015.4	5,326.3	5,806.1	5,972.0	1,028.5	217.5
1 year change	-309.5	-17.4	311.0	479.8	558.2	103.3	-22.2
% change	-5.8	-0.3	6.2	9.0	10.3	11.2	-9.3
Real property	1,818.8	1,834.8	1,707.0	1,816.4	1,825.7	9.3	1.7
1 year change	134.0	15.9	-127.8	109.5	170.6	7.1	1.3
% change	8.0	0.9	-7.0	6.4	10.3	nm	nm
General sales	963.5	965.3	1,017.0	1,084.6	1,115.8	270.3	88.0
1 year change	-48.1	1.8	51.7	67.6	73.1	5.2	-17.6
% change	-4.8	0.2	5.4	6.6	7.0	1.9	-16.7
Individual income	1,127.2	1,107.1	1,297.0	1,479.0	1,579.4	430.2	56.2
1 year change	-226.0	-20.1	189.9	182.0	236.8	70.7	-9.1
% change	-16.7	-1.8	17.2	14.0	17.6	19.7	-13.9
withholding	1,021.2	1,070.6	1,189.9	1,311.9	1,350.3	372.2	112.0
1 year change	17.0	49.4	119.3	122.0	116.1	21.9	-19.3
% change	1.7	4.8	11.1	10.3	9.4	6.3	-14.7
no-withholding	106.0	36.5	107.1	167.1	229.1	58.0	-55.7
1 year change	-243.0	-69.5	70.6	60.0	120.6	48.8	10.2
% change	-69.6	-65.6	193.3	56.0	111.2	528.4	-15.5
Corporate income	220.7	207.9	225.8	311.2	321.3	74.0	-5.7
1 year change	-69.2	-12.8	17.9	85.4	81.0	10.8	-14.0
% change	-23.9	-5.8	8.6	37.8	33.7	17.0	nm
Unincorporated Bus.	122.4	120.7	141.5	159.3	157.6	31.7	2.3
1 year change	-6.5	-1.7	20.9	17.7	8.8	-3.6	1.6
% change	-5.0	-1.4	17.3	12.5	5.9	-10.1	234.3
Deed taxes*	187.4	225.6	314.1	312.5	326.8	93.2	22.7
1 year change	-135.8	38.2	88.5	-1.6	-14.8	4.8	7.1
% change	-42.0	20.4	39.2	-0.5	-4.3	5.5	45.5
Other taxes	592.8	554.0	623.9	643.2	645.5	119.8	52.3
1 year change	42.1	-38.8	70.0	19.2	2.7	8.4	8.5
% change	7.6	-6.5	12.6	3.1	0.4	7.5	19.4

*Deed taxes include deed recordation, deed transfer, and economic interest taxes on real property transactions.

Note: (1) Includes public space rental (in other taxes). (2) Deed tax collections will vary from payments to Recorder of Deeds (graphed on the next page) due to processing and timing effects.

(3) Data subject to accounting adjustments.

(4) This table and the graphs on the next page include adjustments to the timing and consistency of collection reporting which make comparisons with prior year periods more accurate; accordingly, the data may vary from other OCFO reports.

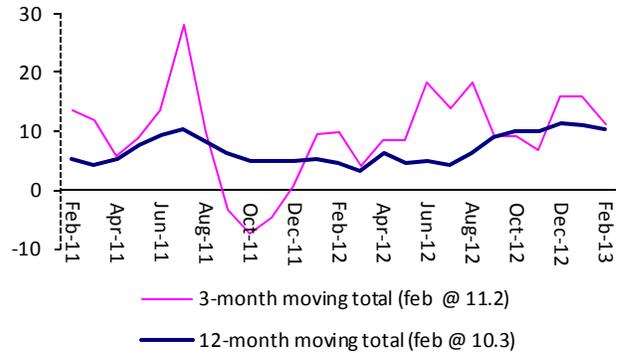
Source: OCFO/ORR

nm = not meaningful due to small amount of activity or negative numbers

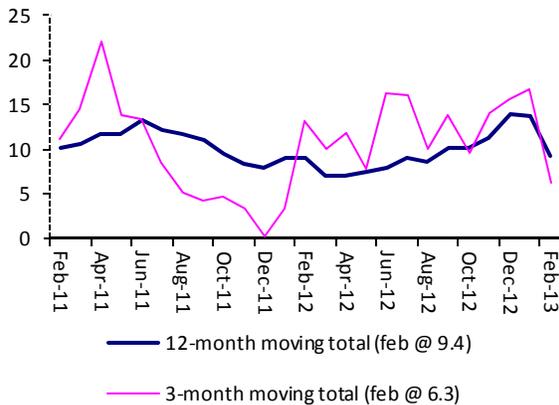
February tax collections were a mixed picture

- For the 12-month period ending February tax collections (before earmarking) were \$558 million (10.3%) more than a year earlier. Collections grew at a 9.0% rate in FY 2012 which ended in September.
- Sales and withholding gains slowed from prior months. In February the 3-month moving total for sales taxes was up 1.9% from last year, and withholding was up 6.3%.
- The biggest gain was in the non-withholding part of the individual income tax (\$48.8 million—528%).
- Deed tax payments to the DC Recorder of Deeds for transfers, recordation, and economic interest were up 1.9% from the prior year for the 3 months ending February. For the last 12-month period, the payments were up 7.0%.

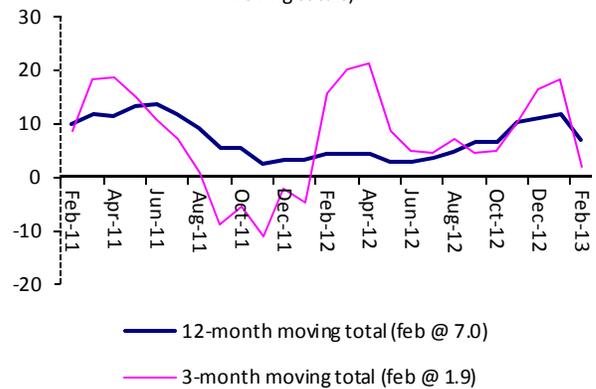
DC Tax Collections (before earmarking):
February 2011 to February 2013
(% change in 3-month and 12-month moving totals)



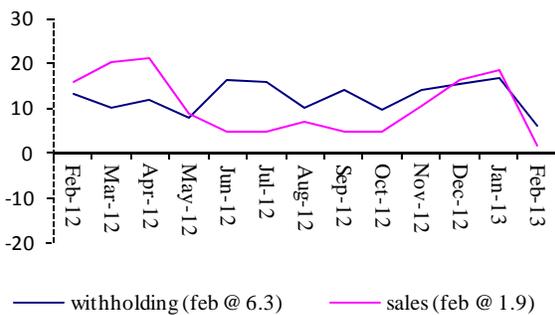
Withholding collections: Jan. 2011 to Jan. 2013
(% change from prior year in 3-month and 12-month moving totals)



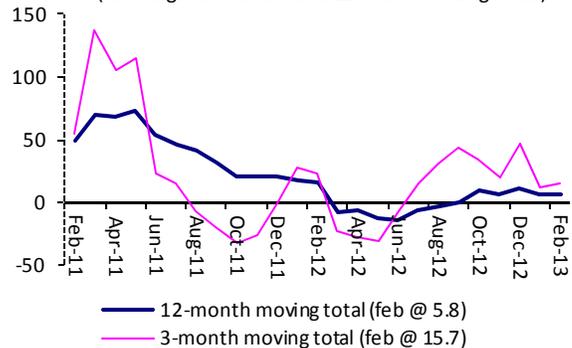
Sales tax collections: Feb. 2011 to Feb. 2013
(% change from prior year in 3-month and 12-month moving totals)



Collections for the General Sales tax and Individual Income tax withholding: Jan. 2012 to Jan. 2013
(% change in 3-month moving totals)



Payments to DC Recorder of Deeds for recordation, transfer, and economic interest taxes:
February 2011 to February 2013
(% change in 3-month and 12-month moving totals)



Note: source is Recorder of Deeds, not Table 23.

US economic forecasts

The March Blue Chip Indicators was slightly more optimistic for FY 2013, slightly less for FY 2014

•The March Blue Chip Indicators raised its FY 2013 forecast for real GDP to 1.7%, slower than FY 2012's actual (2.3%). FY 2014 is forecast to grow at a 2.5% rate. Since FY 2000, GDP growth has exceeded 2.5% in only 3 years: FY 2004, 2005, and 2006.

•The March Blue Chip Indicators inflation forecast for FY 2013 was unchanged.

•S and P 500: The February forecasts for the last quarter of 2013 are higher than they were in January. The range of estimates: -8.3 to 10.8% for the last quarter of 2013.

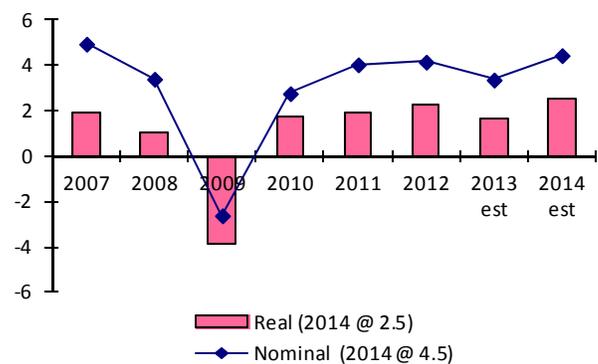
Table 24. Forecasts for US nominal and real GDP:

FY 2012 through FY 2014 (% change from prior fiscal year)

Forecast and date	real			nominal		
	2012	2013	2014	2012	2013	2014
Congressional Budget Office						
January 2012	2.1	1.2		3.7	2.6	
August	2.0	0.4		3.9	2.0	
February 2013	2.3	1.5	2.1	4.2	3.1	3.8
Blue Chip						
December	2.3	1.8		4.1	3.8	
January	2.3	1.9	2.5	4.2	3.9	4.5
February	2.3	1.6	2.6	4.2	3.3	4.6
March	2.3	1.7	2.5	4.2	3.4	4.5

Sources: Blue Chip Indicators and the Congressional Budget Office.

Blue Chip Indicators estimate of US Nominal and Real GDP: 2007 to 2014
(% change from the prior year; Mar. 2013 estimate)



S and P 500 stock index actual and alternative forecasts: 2006.1 to 2014.4
(February forecasts; value of index)

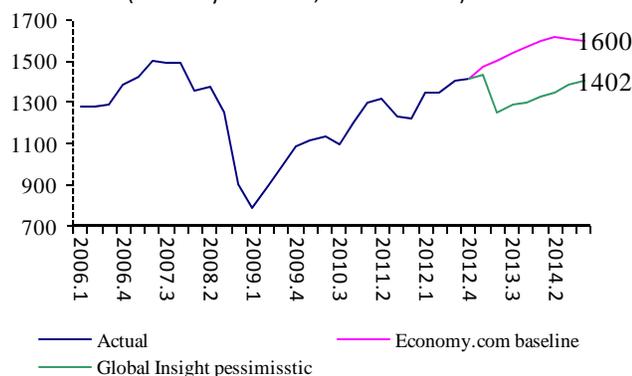


Table 25. Forecasts for S and P 500: 2012.4 to 2014.4

(% change from prior fiscal year)

Forecast date	% change from prior year			% change from prior year		
	2012.4	2013.4	2014.4	2012.4	2013.4	2014.4
Global Insight: baseline						
November	13.4	3.9	4.5	11.9	-12.1	5.1
December	15.1	3.8	4.3	14.6	-13.5	5.1
January	15.7	3.4	4.6	15.7	-14.2	5.3
February	15.7	5.8	4.0	15.7	-8.3	7.8
Economy.com baseline						
November	12.9	10.0	4.2	12.7	-4.3	9.9
December	13.0	9.9	4.1	12.9	-4.3	9.8
January	15.7	7.2	4.2	15.7	-6.8	9.9
February	15.7	10.8	1.8	15.7	0.0	2.2

Source: IHS Global Insight and Moody's Economy.com.

Table 26. Blue Chip forecasts for CPI and 10 year Treasury interest rate: FY 2012 to FY 2014

(% change from prior fiscal year)

Forecast date	CPI			10 yr Treasury rate		
	2012	2013	2014	2012	2013	2014
Nov	2.5	1.5		1.9	1.9	
Dec	2.5	1.5		1.9	1.9	
Jan	2.5	1.9	2.1	1.9	1.9	2.4
Feb	2.5	1.8	2.1	1.9	1.9	2.5
Mar	2.5	1.8	2.0	1.9	1.9	2.5

Source: Blue Chip Indicators

February forecasts for DC income tend to be slightly more optimistic

●**Employment:** Job forecasts increased, although job growth in FY 2013 remains quite modest. The range of job changes for FY 2013 are -76 to 3,204; and for FY 2014 are -380 to 9,399.

●**Unemployment:** Unemployment expected to stay at 8% or higher through FY 2014. The unemployment rate forecast range for FY 2013 is from 8.4% to 8.7%.

●**Wages earned in DC:** Somewhat higher wage growth is forecast. Growth of less than about 2% is still expected in FY 2013, higher in FY 2014. The range: 1.4% to 2.2% in FY 2013.

●**Wages earned by DC residents:** Small changes in each forecast. The range: 0.3% to 1.2% in FY 2013 and -0.2% to 4.3% in FY 2014. It is notable that all forecasts for the growth in resident wages are below those for growth in wages earned in DC, a sharp reversal of recent trends.

Table 27. Jobs in DC: forecasts for FY 2012 to FY 2014

(amount of change from prior year)

Date of estimate	Global Insight: baseline			Global Insight: pessimistic			Economy.com: baseline			Economy.com: pessimistic		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Nov	12,642	3,785	8,027	12,642	-52	2,241	12,642	488	6,676	12,642	-7,446	-6,212
Dec	12,467	3,201	8,394	12,467	284	2,509	12,467	5,248	6,949	12,467	-2,478	-5,772
Jan	12,467	1,888	7,989	12,467	386	4,074	12,467	256	6,421	12,467	-7,355	-6,440
Feb	12,467	3,204	9,399	12,467	1,805	5,058	12,467	919	5,272	12,467	-76	-380

Source: IHS Global Insight and Moody's Economy.com.

Table 28. Unemployment rate in DC FY 2012 to FY 2014

Date of estimate	Global Insight: baseline			Global Insight: pessimistic			Economy.com: baseline			Economy.com: pessimistic		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Nov	9.5	8.7	8.4	9.5	8.9	9.3	9.5	8.6	8.6	9.5	10.0	12.2
Dec	9.5	8.7	8.4	9.5	8.9	9.3	9.5	8.5	8.3	9.5	9.4	10.9
Jan	9.5	8.4	8.4	9.5	8.6	9.0	9.5	8.4	8.2	9.5	9.2	10.8
Feb	9.5	8.5	8.4	9.5	8.6	9.1	9.5	8.4	8.0	9.5	8.7	9.5

Source: IHS Global Insight and Moody's Economy.com.

Table 29. Wages earned in DC FY 2012 to FY 2014

(percent change from prior year)

Date of estimate	Global Insight: baseline			Global Insight: pessimistic			Economy.com: baseline			Economy.com: pessimistic		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Nov	2.0	2.4	3.8	2.0	1.5	2.2	1.9	1.6	5.6	1.9	-0.2	2.7
Dec	1.9	2.0	3.9	1.9	1.2	2.2	1.8	1.4	5.5	1.8	0.0	2.7
Jan	1.8	2.2	3.8	1.8	1.5	2.4	1.8	1.2	5.5	1.8	0.0	2.8
Feb	1.8	2.2	4.2	1.8	1.8	2.7	1.8	1.7	5.6	1.8	1.4	3.9

Source: IHS Global Insight and Moody's Economy.com.

Table 30. DC resident wages FY 2012 to FY 2014

(percent change from prior year)

Date of estimate	Global Insight: baseline			Global Insight: pessimistic			Economy.com: baseline			Economy.com: pessimistic		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Nov	3.2	3.0	5.5	3.2	-0.1	-0.1	2.8	0.8	4.5	2.8	-0.5	2.3
Dec	3.0	2.0	5.2	3.0	-0.8	-0.5	2.9	1.2	4.4	2.9	0.2	2.3
Jan	2.9	1.7	3.5	2.9	0.4	-0.2	2.9	0.6	4.3	2.9	-0.3	2.3
Feb	2.9	1.2	3.5	2.9	0.3	-0.2	2.9	1.1	4.3	2.9	0.9	3.2

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

Source: IHS Global Insight and Moody's Economy.com.

DC revenue estimate

The February revenue estimate anticipates continued revenue growth in FY 2013 and FY 2014

- Tax revenue growth of \$109 million in FY 2013 and \$139 million in FY 2014 (gains of 1.9% and 2.3%, respectively) are significantly lower than that which occurred in FY 2012 (\$537 and 10.1%). This reflects one-time increases in FY 2012, slowing employment growth in DC, and allowances for the impact of a sequester or other cutbacks in federal spending.
- Sales and income taxes are major sources of growth in FY 2013; real property accounts for more than half of the growth in FY 2014.
- In FY 2013 and FY 2014 taxes represent a slightly lower share of Personal Income than in FY 2012 which was the highest percentage in 4 years.

Table 31. DC Tax Revenue (before earmarks) for FY 2012 through FY 2014: February 2013 revenue estimate

Tax	FY level (\$ million)			Change from prior year (\$ M)			% change from prior year		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Real property	1,822.0	1,840.2	1,910.0	106.9	18.1	69.8	6.2	1.0	3.8
Deed taxes	312.5	295.8	305.9	1.3	-16.8	10.1	0.4	-5.4	3.4
General sales	1,111.0	1,172.9	1,200.3	96.1	61.8	27.4	9.5	5.6	2.3
Individual income	1,490.7	1,579.9	1,599.3	194.1	89.2	19.5	15.0	6.0	1.2
Withholding	1,321.6	1,409.9	1,412.5	129.5	88.2	2.7	10.9	6.7	0.2
non-withholding	169.1	170.0	186.8	64.6	0.9	16.8	61.9	0.5	9.9
Business income	465.9	469.7	476.6	106.2	3.8	6.8	29.5	0.8	1.5
Other	659.6	612.3	617.4	31.8	-47.3	5.0	5.1	-7.2	0.8
Total	5,861.8	5,970.7	6,109.4	536.5	108.9	138.7	10.1	1.9	2.3

Source: ORA. February 22, 2013 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. FY 2012 is from the FY 2012 CAFR

Table 32. DC labor market assumptions: FY 2012 to FY 2014

item	2012	2013	2014
Wage and salary employment	735,783	731,107	724,598
1 year change	12,467	-4,677	-6,508
% change	1.7	-0.6	-0.9
DC resident employment	316,473	324,799	324,539
1 year change	7,429	8,326	-260
% change	2.4	2.6	-0.1
Unemployment rate	9.5	9.2	10.3

Source: ORA February 2013 revenue estimate

Table 33. DC Income and stock market assumptions: FY 2012 to FY 2014 (change from prior year)

item	2012	2013	2014
Wages and salaries earned in DC	1.8	0.8	0.7
Wages and salaries earned by DC residents	2.9	4.1	1.5
DC Personal income	3.7	3.7	2.2
S and P 500 stock index	15.7	1.2	1.2

Source: ORA February 2013 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 2006 to FY 2015

item	2006	2007	2008	2009	2010	2011	2012	2013 est	2014 est	2015 est
Tax revenue (\$ million)										
Level	4,516	5,155	5,325	5,052	5,005	5,325	5,862	5,971	6,109	6,252
Change from prior year	267	638	170	-273	-47	320	537	109	139	142
Percent change from prior year										
Tax revenue	6.3	14.1	3.3	-5.1	-0.9	6.4	10.1	1.9	2.3	2.3
Personal Income	8.2	8.1	9.6	0.4	4.1	6.8	3.7	3.7	2.2	3.7
Tax revenue as percent of Personal Income	13.3	14.0	13.2	12.5	11.9	11.8	12.6	12.3	12.4	12.2

Source: ORA. February 2013 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 5 years after the recession, continued from p.1

The following table shows amounts in 2007.4 and 2012.4 and changes over the 5 year period for selected DC indicators, grouped into 6 categories: people, wage and salary employment, labor market, income, commercial real estate, and residential apartments. Except for the real estate items, the percent changes over the period for comparable US indicators are also shown. In most measures of employment and income DC's experience was substantially better than that for the US as a whole. This story may change in the years ahead, however, if measures to curtail federal spending adversely affect the District's economy while the national economy continues to improve.

Over the past 5 years, while DC's percentage change for population was twice that of the US, the percentage change in the labor force was more than 10 times higher. Of the net increase in the labor force of 39,799, two-thirds (26,531) were employed, but 13,268 were not, hence the 75.1% rise in unemployment. —Stephen Swaim, DC Office of Revenue Analysis

Effects of the Great Recession in DC and the US: changes in selected indicators from 2007.4 to 2012.4

Indicator	District of Columbia				US % change for comparable measure
	2007.4	2012.4	Ch. from 2007.4 to 2012.4	% change	
People					
Population	576,700	637,800	61,100	10.6	4.2
Households	256,000	278,700	22,700	8.9	5.0
Wage and salary employment					
All wage and salary employment	700,967	736,533	35,566	5.1	-2.5
Private sector	468,600	496,467	27,867	5.9	-2.6
Federal government	191,467	206,667	15,200	7.9	1.9
State or local government	40,900	33,400	-7,500	-18.3	-2.5
Labor market					
Labor force	328,046	367,845	39,799	12.1	1.2
Resident employment	310,372	336,903	26,531	8.5	-2.1
Unemployment	17,674	30,942	13,268	75.1	64.9
Income					
Wages and salaries earned in DC (\$B)	53.08	61.85	8.77	16.5	6.6
<i>Adjusted for inflation</i>				6.1	-2.9
Wages and salaries earned by DC residents (\$B)	19.94	24.96	5.02	25.2	6.6
<i>Adjusted for inflation</i>				14.0	-2.9
Personal income (\$B)	38.34	48.03	9.69	25.3	12.6
Per capita income (\$)	66,484	75,442	8,958	13.5	8.1
Average household income (\$)	145,665	165,424	19,759	13.6	7.3
Median household income (\$)	54,982	63,985	9,003	16.4	4.1
Commercial real estate (DC only)					
Inventory ('000 square feet)	123,496	134,359	10,863	8.8	
Occupied ('000 square feet)	115,592	121,864	6,271	5.4	
Vacant ('000 square feet)	7,904	12,495	4,592	58.1	
Residential apartments (DC only)					
Inventory	84,618	90,447	5,829	6.9	
Occupied	81,284	86,628	5,344	6.6	
Vacant	3,334	3,819	485	14.5	

Sources: (1) People: Economy.com. (2) Wage and salary employment: BLS (quarterly average, not seasonally adjusted). (3) Labor market: BLS (quarterly average, not seasonally adjusted). (4) Income: Wages and Personal Income are from BEA; other measures are from Economy.com. (5) Commercial real estate: Delta Associates. (6) Apartments: Reis, inc. Inflation adjustment calculated from BLS estimate of US CPI; the price increase from 2007.4 to 2012.4 was 9.95%.

ORA Reports and Documents

From time to time the Office of Revenue Analysis prepares revenue estimates, fiscal impact statements 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) under subcategories of "Reports and Publications" and "Budget and Revenue."

Recent ORA reports:

Revised Revenue estimates for FY 2013 to FY 2017, February 22, 2013. Quarterly revenue estimate shows differences from the prior estimate, describes economic assumptions and changes in each tax, and contains details of each tax and of key economic variables.

DC Tax Facts, 2012. Details on all DC taxes.

Tax Rates and Tax Burdens 2011 Nationwide. This annual publication compares DC tax rates and 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 2011 Washington Metropolitan Area. This annual publication compares DC tax rates and estimated DC tax burdens for households of different income levels with the rates and burdens of the surrounding jurisdictions in the DC metropolitan area.

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 March report has mostly January and February 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 (click on *Budget and Revenue/Economy/ Economic and Revenue Trends*).

Table 35. Information sources

Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	January	March 29
D.C. Personal Income	BEA	2012.4	June 28
D.C. Tax Collections	OTR/ORAs	February	March 15
D.C. Housing Sales	MRIS*	February	c April 10
D.C. Commercial Office Building data	Delta Associates	2012.4	c April 10
DC Apartment data	Reis, inc	2012.4	c April 31
D.C. Hotel stay information	Smith Travel Research	January	c. March 31
Consumer Price Index	BLS	February	April 15
U.S. Jobs and Labor Force	BLS	January and February	April 5
U.S. GDP and Personal Income	BEA	2012.4	March 28
S and P 500 Stock Index	Financial press	February	April 1
Interest rate on 10-Year Treasury Securities	Financial press	February	April 1
IHS Global Insight D.C. forecast	Global Insight	February	c. March 24
Moody's Economy.com D.C. forecast	Economy.com	February	c. March 24
Blue Chip Economic Indicators for the U.S.	Aspen Publishers	March	April 10

*Metropolitan Regional Information Systems; listings and contract data accessed through the Greater Capital Area Association of Realtors.

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

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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