

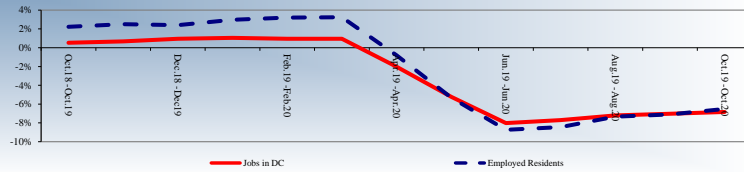


# Labor & Industry

★ Jobs in D.C. for October 2020, down 50,500 (6.3%) from October 2019

★ District resident employment for October 2020, down 24,500 (6.3%) from October 2019

Change in Total Wage and Salary Employment and Employed Residents



| Labor Market ('000s): Oct. 2020 <sup>a</sup> |       |                  |               | District of Columbia |                  |               | Metropolitan area        |                  |               | Detailed Employment ('000s): Oct. 2020 |              |  |  |  |
|--|-------|------------------|---------------|----------------------|------------------|---------------|--------------------------|------------------|---------------|--|--------------|--|--|--|
|  | Level | 1 yr. ch. (amt.) | 1 yr. ch. (%) | Level                | 1 yr. ch. (amt.) | 1 yr. ch. (%) | Level                    | 1 yr. ch. (amt.) | 1 yr. ch. (%) | % of total                             |              |  |  |  |
| Employed residents                           | 363.7 | -24.5            | -6.3          | 3,151.0              | -244.2           | -7.2          | Manufacturing            | 1.2              | -0.2          | -14.3                                  | 0.2          |  |  |  |
| Labor force                                  | 396.4 | -13.4            | -3.3          | 3,372.1              | -123.7           | -3.5          | Construction             | 15.3             | 0.4           | 2.7                                    | 2.0          |  |  |  |
| Total wage and salary employment             | 753.7 | -50.5            | -6.3          | 3,205.7              | -171.5           | -5.1          | Wholesale trade          | 5.8              | 0.6           | 11.5                                   | 0.8          |  |  |  |
| Federal government                           | 201.5 | 5.6              | 2.9           | 376.6                | 11.4             | 3.1           | Retail trade             | 22.5             | -0.9          | -3.8                                   | 3.0          |  |  |  |
| Local government                             | 42.7  | 0.9              | 2.2           | 329.0                | -23.9            | -6.8          | Utilities & transport.   | 4.0              | -0.9          | -18.4                                  | 0.5          |  |  |  |
| Leisure & hospitality                        | 52.8  | -29.6            | -35.9         | 256.9                | -78.6            | -23.4         | Publishing & other info. | 18.7             | -1.8          | -8.8                                   | 2.5          |  |  |  |
| Trade  | 28.3  | -0.3             | -1.0          | 326.8                | -6.6             | -2.0          | Finance & insurance      | 17.4             | 0.5           | 3.0                                    | 2.3          |  |  |  |
| Education and health                         | 120.9 | -10.6            | -8.1          | 417.8                | -34.2            | -7.6          | Real estate              | 11.3             | -1.7          | -13.1                                  | 1.5          |  |  |  |
| Prof., bus., and other services              | 239.6 | -12.8            | -5.1          | 978.0                | -20.9            | -2.1          | Legal services           | 28.8             | -0.2          | -0.7                                   | 3.8          |  |  |  |
| Other private                                | 67.9  | -3.7             | -5.2          | 520.6                | -18.7            | -3.5          | Other profess. serv.     | 94.1             | 0.4           | 0.4                                    | 12.5         |  |  |  |
| Unemployed                                   | 32.7  | 11.1             | 51.8          | 221.0                | 120.5            | 119.9         | Empl. serv. (incl. temp) | 11.2             | -3.0          | -21.1                                  | 1.5          |  |  |  |
| New Unempl. Claims                           | 7.0   | 5.0              | 241.0         |                      |                  |               | Mgmt. & oth. bus serv.   | 29.8             | -7.9          | -21.0                                  | 4.0          |  |  |  |
|  |       |                  |               |                      |                  |               | Education                | 54.0             | -6.4          | -10.6                                  | 7.2          |  |  |  |
|  |       |                  |               |                      |                  |               | Health care              | 66.9             | -4.2          | -5.9                                   | 8.9          |  |  |  |
|  |       |                  |               |                      |                  |               | Organizations            | 67.1             | -2.2          | -3.2                                   | 8.9          |  |  |  |
|  |       |                  |               |                      |                  |               | Accommodations           | 10.8             | -6.1          | -36.1                                  | 1.4          |  |  |  |
|  |       |                  |               |                      |                  |               | Food service             | 37.2             | -18.3         | -33.0                                  | 4.9          |  |  |  |
|  |       |                  |               |                      |                  |               | Amuse. & recreation      | 4.8              | -5.2          | -52.0                                  | 0.6          |  |  |  |
|  |       |                  |               |                      |                  |               | Other services           | 8.6              | 0.1           | 1.2                                    | 1.1          |  |  |  |
|  |       |                  |               |                      |                  |               | Subtotal, private        | 509.5            | -57.0         | -10.1                                  | 67.6         |  |  |  |
|  |       |                  |               |                      |                  |               | Federal government       | 201.5            | 5.6           | 2.9                                    | 26.7         |  |  |  |
|  |       |                  |               |                      |                  |               | Local government         | 42.7             | 0.9           | 2.2                                    | 5.7          |  |  |  |
|  |       |                  |               |                      |                  |               | <b>Total</b>             | <b>753.7</b>     | <b>-50.5</b>  | <b>-6.3</b>                            | <b>100.0</b> |  |  |  |

Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)  
<sup>a</sup> Preliminary, not seasonally adjusted

## D.C. Hotel Industry<sup>b</sup>

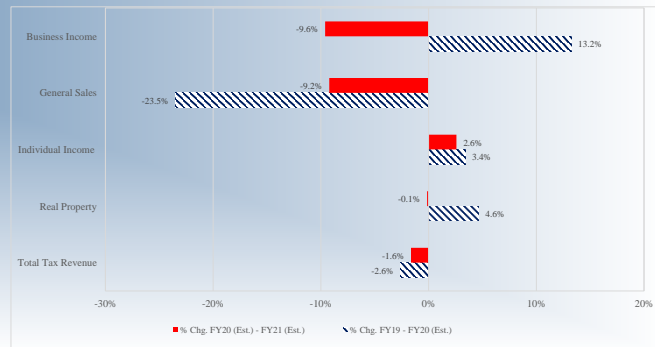
|                      | Amt.     | 1 yr. ch. | Airport Passengers <sup>c,d</sup> | Amt. ('000) | 1 yr. ch. (%)      |
|----------------------|----------|-----------|-----------------------------------|-------------|--------------------|
| Oct. 2020            |          |           | Oct. 2020                         |             |                    |
| Occupancy Rate       | 23.4%    | -61.4%    | DCA                               | 451.1       | -78.9              |
| Avg. Daily Room Rate | \$141.50 | -\$136.37 | IAD                               | 687.4       | -68.3              |
| # Available Rooms    | 26,104   | -7,082    | BWI                               | 944.6       | -60.2              |
| Room Sales (\$M)     | \$26.8   | -\$215.6  | Total                             | 2,083.1     | -68.8 <sup>e</sup> |

<sup>b</sup> Source: STR <sup>c</sup> Source: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority <sup>d</sup> Includes arrivals and departures <sup>e</sup> Weighted average

# Revenue

- ★ Total gross tax revenue is expected to decline 1.6% in FY 2021 following a 2.6% decline in FY 2020
- ★ Individual income tax revenue is expected to grow 2.6% in FY 2021, less than the 3.4% growth experienced in FY 2020
- ★ Real property tax revenue is expected to decline by 0.1% in FY 2021
- ★ Business income tax revenue is expected to decline by 9.6% in FY 2021 after experiencing growth of 13.2% in FY 2020
- ★ General sales tax revenue declined 23.5% in FY 2020, FY 2021 is estimated to decline 9.2%

Percent Change in Revenue for Selected Taxes for FY's 2019 - 2021 (Est.)



## Tax Revenue for FY 2019 and Estimated Tax Revenue for FYs 2020 and 2021 (\$000)<sup>a</sup>

|  | FY'19     | FY'20 (Est.) <sup>d</sup> | FY'21 (Est.) <sup>d</sup> | FY19 - FY20 (Est.) | % Chg. FY20 (Est.) - FY21 (Est.) | Addenda:                                     | % Chg. FY19 - FY20 (Est.) | % Chg. FY20 (Est.) - FY21 (Est.) |
|--|-----------|---------------------------|---------------------------|--------------------|----------------------------------|--|---------------------------|----------------------------------|
| Real Property                          | 2,710,080 | 2,835,967                 | 2,832,074                 | 4.6%               | -0.1%                            | Convention Ctr. Transfer <sup>b</sup>        | -49.8%                    | -22.5%                           |
| General Sales                          | 1,597,727 | 1,222,446                 | 1,109,736                 | -23.5%             | -9.2%                            | Ind. Inc. Tax Withholding for D.C. residents | 6.1%                      | 2.9%                             |
| Individual Income                      | 2,299,326 | 2,377,236                 | 2,438,586                 | 3.4%               | 2.6%                             |  |                           |                                  |
| Business Income                        | 642,656   | 727,697                   | 657,838                   | 13.2%              | -9.6%                            |  |                           |                                  |
| Total Tax Revenue (Gross) <sup>c</sup> | 8,455,407 | 8,235,734                 | 8,101,570                 | -2.6%              | -1.6%                            |  |                           |                                  |
| Dedicated Tax Revenue                  | 804,848   | 644,962                   | 632,545                   | -19.9%             | -1.9%                            |  |                           |                                  |
| Total Tax Revenue (Net)                | 7,650,559 | 7,590,772                 | 7,469,025                 | -0.8%              | -1.6%                            |  |                           |                                  |

<sup>a</sup> Revenue amounts shown are before dedicated revenue (TIF-PILOT, Convention Ctr., Ballpark Fund, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund, WMATA, Hospital Fund, Hospital Provider Fee Fund, Stevie Sellows Quality Improvement Fund, Healthy Schools, ABRA, Repayment of Revenue Bonds, West End Library and Fire Maintenance Fund, Commission on Arts and Humanities, Private Sports Wagering). Variations in processing activities may affect year-to-date comparisons

<sup>b</sup> Portion of sales tax on hotels and restaurants

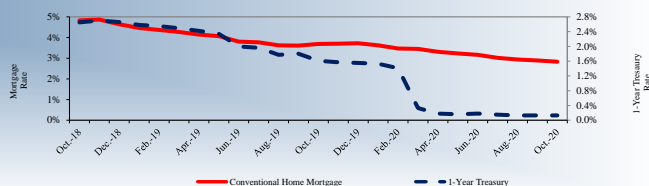
<sup>c</sup> Total Tax Revenue (Gross) includes all other taxes not reported above

<sup>d</sup> As of December 2020 Revenue Estimate

# People & Economy

- ★ D.C. unemployment rate for October: 8.3%, 0.7% lower than the previous month & 3.0% higher than one year ago
- ★ The conventional home mortgage rate was 2.83% in October, 0.06% lower than the previous month

One-Year Treasury and Conventional Home Mortgage Interest Rates  
October 2018 to October 2020



| U.S. GDP <sup>e</sup> |                         |                        | CPI         |                         |           | D.C. Population   |         |        |        |
|-----------------------|-------------------------|------------------------|-------------|-------------------------|-----------|-------------------|---------|--------|--------|
| Source: BEA           | % change for yr. ending |                        | Source: BLS | % change for yr. ending |           | Source: Census    |         |        |        |
|                       | 3 <sup>rd</sup> Q 2020  | 2 <sup>nd</sup> Q 2020 |             | Sept. 2020              | Jul. 2020 | Year              | Level   | Change | % Chg. |
| Nominal               | -1.7 <sup>f</sup>       | -8.5                   | U.S.        | 1.4                     | 1.0       | 2010 <sup>f</sup> | 605,282 | 13,054 | 2.2    |
| Real                  | -2.8 <sup>f</sup>       | -9.0                   | DC-VA-MD-WV | 1.2                     | 0.8       | 2011 <sup>f</sup> | 620,290 | 15,008 | 2.5    |
|                       |                         |                        |             |                         |           | 2012 <sup>f</sup> | 635,737 | 15,447 | 2.5    |
|                       |                         |                        |             |                         |           | 2013 <sup>f</sup> | 651,559 | 15,822 | 2.5    |
|                       |                         |                        |             |                         |           | 2014 <sup>f</sup> | 663,603 | 12,044 | 1.8    |
|                       |                         |                        |             |                         |           | 2015 <sup>f</sup> | 677,014 | 13,411 | 2.0    |
|                       |                         |                        |             |                         |           | 2016 <sup>f</sup> | 687,576 | 10,562 | 1.6    |
|                       |                         |                        |             |                         |           | 2017 <sup>f</sup> | 697,079 | 9,503  | 1.4    |
|                       |                         |                        |             |                         |           | 2018 <sup>f</sup> | 704,147 | 7,068  | 1.0    |
|                       |                         |                        |             |                         |           | 2019 <sup>f</sup> | 708,253 | 4,106  | 0.6    |
|                       |                         |                        |             |                         |           | 2020 <sup>f</sup> | 712,816 | 4,563  | 0.6    |

| Personal Income <sup>e</sup> |                         |                        | Unemployment Rate <sup>c</sup> |           |                  |
|------------------------------|-------------------------|------------------------|--------------------------------|-----------|------------------|
| Source: BEA                  | % change for yr. ending |                        | Source: BLS                    | Oct. 2020 | Sept. 2020       |
|                              | 3 <sup>rd</sup> Q 2020  | 2 <sup>nd</sup> Q 2020 | U.S.                           | 6.9       | 7.8 <sup>f</sup> |
| Total Personal Income        | 7.1                     | 10.7 <sup>f</sup>      | D.C.                           | 8.3       | 9.0              |
| U.S.                         |                         |                        |                                |           |                  |
| D.C.                         | 6.9                     | 8.0 <sup>f</sup>       |                                |           |                  |

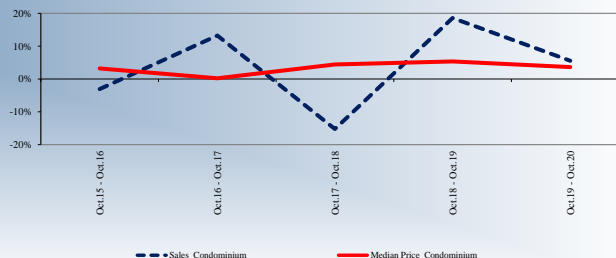
| Wage & Salary Portion of Personal Income |                         |                        | Interest Rates          |           |                   |
|--|-------------------------|------------------------|-------------------------|-----------|-------------------|
| Source: BEA                              | % change for yr. ending |                        | Source: Federal Reserve | Oct. 2020 | Sept. 2020        |
|  | 3 <sup>rd</sup> Q 2020  | 2 <sup>nd</sup> Q 2020 | U.S.                    | 1.0       | -4.0 <sup>f</sup> |
| Total Personal Income                    | 7.1                     | 10.7 <sup>f</sup>      | 1-yr. Treasury          | 0.13      | 0.13              |
| U.S.                                     |                         |                        | Conv. Home Mortgage     | 2.83      | 2.89              |
| D.C.                                     | 6.9                     | 8.0 <sup>f</sup>       |                         |           |                   |

<sup>f</sup> Indicates data revised by stated source since previous D.C. Economic Indicators.

# Housing & Office Space

- ★ There were 418 condos sold in October 2020, 5.6% more than one year ago
- ★ The median price for condos increased 3.6% from 1 year ago. The median price of an attached single family home increased by 9.5% from one year ago and that of a detached home increased by 10.4% relative to last October
- ★ In the 3<sup>rd</sup> quarter of 2020 the office direct vacancy rate was 0.8% higher than the 2<sup>nd</sup> quarter of 2020

Year Over Year Percent Change in Contracts and Median Price for a Condominium in Washington, D.C.



| Housing Sales                         |           |             | D.C. Housing Permits Issued <sup>b</sup>                           |                        |           | DC Commercial Office Space            |                        |            |
|---------------------------------------|-----------|-------------|--|------------------------|-----------|---------------------------------------|------------------------|------------|
| Source: GCAAR <sup>a</sup>            | Oct. 2020 | 1 yr. % ch. | Source: U.S. Census Bureau   | 3 <sup>rd</sup> Q 2020 | 1 yr. ch. | Source: Delta Associates              | 3 <sup>rd</sup> Q 2020 | 1 qtr. ch. |
| Completed contracts                   |           |             | Total housing units  | 5,618                  | -1,550    | Inventory Status (in million sq. ft.) |                        |            |
| Single family (Detached and Attached) | 499       | 0.6         | Single family  | 140                    | -8        | Total inventory                       | 149.6                  | 0.0        |
| Condo/Co-op                           | 418       | 5.6         | Multifamily (units)  | 5,478                  | -1,542    | Leased space <sup>d</sup>             | 134.8                  | -1.2       |
|                                       |           |             |  |                        |           | Vacant                                | 14.9                   | 1.2        |
|                                       |           |             |  |                        |           | New Construction                      | 3.0                    | -0.1       |
| Median Price (\$000)                  |           |             |  |                        |           | Direct Vacancy Rate (%)               | 9.9                    | 0.8        |
| Single family                         |           |             | <b>Class A Apt.<sup>c</sup> and Condominium Units</b>              |                        |           |                                       |                        |            |
| Detached                              | \$978.0   | 10.4        | Source: Delta Associates   | 3 <sup>rd</sup> Q 2020 | 1 yr. ch. |                                       |                        |            |
| Attached (Townhouse)                  | \$788.0   | 9.5         | Units under construction and/or marketing                          |                        |           |                                       |                        |            |
| Condo/Co-op                           | \$513.0   | 3.6         | Rental apartments  | 21,563                 | 2,846     |                                       |                        |            |
|                                       |           |             | Condominiums <sup>e</sup>  | 2,148                  | -350      |                                       |                        |            |
|                                       |           |             | Other units likely to deliver over the next 36 months <sup>f</sup> |                        |           |                                       |                        |            |
|                                       |           |             | Rental apartments  | 5,209                  | -720      |                                       |                        |            |
|                                       |           |             | Condominiums   | 780                    | -443      |                                       |                        |            |

<sup>a</sup> Greater Capital Area Association of Realtors  
<sup>b</sup> Permits issued during the previous 4 quarters <sup>c</sup> Investment grade units, as defined by Delta  
<sup>d</sup> Calculated from direct vac. rate <sup>e</sup> Includes sold units <sup>f</sup> Only a portion will materialize