

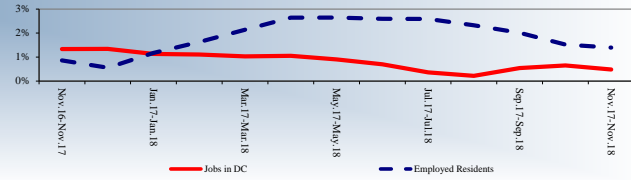


# Labor & Industry

★ Jobs in D.C. for November 2018, down 1,000 (0.1%) from November 2017

★ District resident employment for November 2018, up 4,200 (1.1%) from November 2017

Change in Total Wage and Salary Employment and Employed Residents



| Labor Market ('000s): Nov. 2018* |                      |                  |               | Metropolitan area |                  |               | Detailed Employment ('000s): Nov. 2018 |                  |               |             |                  |               |            |
|----------------------------------|----------------------|------------------|---------------|-------------------|------------------|---------------|--|------------------|---------------|-------------|------------------|---------------|------------|
|                                  | District of Columbia |                  |               | 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 |
|                                  | Level                | 1 yr. ch. (amt.) | 1 yr. ch. (%) |                   |                  |               |  |                  |               |             |                  |               |            |
| Employed residents               | 383.0                | 4.2              | 1.1           | 3,301.9           | 32.8             | 1.0           | Manufacturing                          | 1.4              | 0.1           | 7.7         | 0.2              |               |            |
| Labor force                      | 404.2                | 2.8              | 0.7           | 3,405.0           | 17.1             | 0.5           | Construction                           | 16.0             | 0.4           | 2.6         | 2.0              |               |            |
| Total wage and salary employment | 797.4                | -1.0             | -0.1          | 3,360.4           | 54.2             | 1.6           | Wholesale trade                        | 4.7              | -0.4          | -7.8        | 0.6              |               |            |
| Federal government               | 193.9                | -3.9             | -2.0          | 359.9             | -6.0             | -1.6          | Retail trade                           | 23.4             | -0.3          | -1.3        | 2.9              |               |            |
| Local government                 | 41.9                 | 0.9              | 2.2           | 352.4             | 10.1             | 3.0           | Utilities & transport.                 | 5.6              | 0.3           | 5.7         | 0.7              |               |            |
| Leisure & hospitality            | 78.0                 | 1.3              | 1.7           | 335.7             | 9.8              | 3.0           | Publishing & other info.               | 19.4             | 0.9           | 4.9         | 2.4              |               |            |
| Trade                            | 28.1                 | -0.7             | -2.4          | 350.7             | 3.9              | 1.1           | Finance & insurance                    | 17.9             | 1.0           | 5.9         | 2.2              |               |            |
| Education and health             | 138.7                | -2.4             | -1.7          | 454.9             | 3.2              | 0.7           | Real estate                            | 14.0             | 1.0           | 7.7         | 1.8              |               |            |
| Prof., bus., and other services  | 242.5                | 0.1              | 0.0           | 975.8             | 15.4             | 1.6           | Legal services                         | 28.9             | 0.4           | 1.4         | 3.6              |               |            |
| Other private                    | 74.3                 | 3.7              | 5.2           | 531.0             | 17.8             | 3.5           | Other profess. serv.                   | 89.9             | 0.3           | 0.3         | 11.3             |               |            |
| Unemployed                       | 21.2                 | -1.4             | -6.3          | 103.1             | -15.7            | -13.2         | Empl. serv. (incl. temp)               | 13.9             | -0.3          | -2.1        | 1.7              |               |            |
| New Unempl. Claims               | 2.0                  | 0.4              | 28.5          |                   |                  |               | Mgmt. & oth. bus serv.                 | 35.1             | -0.1          | -0.3        | 4.4              |               |            |
|                                  |                      |                  |               |                   |                  |               | Education                              | 68.9             | -1.0          | -1.4        | 8.6              |               |            |
|                                  |                      |                  |               |                   |                  |               | Health care                            | 69.8             | -1.4          | -2.0        | 8.8              |               |            |
|                                  |                      |                  |               |                   |                  |               | Organizations                          | 66.1             | 0.2           | 0.3         | 8.3              |               |            |
|                                  |                      |                  |               |                   |                  |               | Accommodations                         | 15.7             | 1.1           | 7.5         | 2.0              |               |            |
|                                  |                      |                  |               |                   |                  |               | Food service                           | 53.2             | -0.3          | -0.6        | 6.7              |               |            |
|                                  |                      |                  |               |                   |                  |               | Amuse. & recreation                    | 9.1              | 0.5           | 5.8         | 1.1              |               |            |
|                                  |                      |                  |               |                   |                  |               | Other services                         | 8.6              | -0.4          | -4.4        | 1.1              |               |            |
|                                  |                      |                  |               |                   |                  |               | Subtotal, private                      | 561.6            | 2.0           | 0.4         | 70.4             |               |            |
|                                  |                      |                  |               |                   |                  |               | Federal government                     | 193.9            | -3.9          | -2.0        | 24.3             |               |            |
|                                  |                      |                  |               |                   |                  |               | Local government                       | 41.9             | 0.9           | 2.2         | 5.3              |               |            |
|                                  |                      |                  |               |                   |                  |               | <b>Total</b>                           | <b>797.4</b>     | <b>-1.0</b>   | <b>-0.1</b> | <b>100.0</b>     |               |            |

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

\* Preliminary, not seasonally adjusted

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

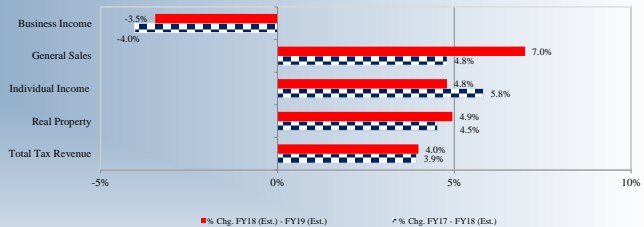
|                      | Amt.     | 1 yr. ch. |
|----------------------|----------|-----------|
| Nov. 2018            |          |           |
| Occupancy Rate       | 70.6%    | -4.6%     |
| Avg. Daily Room Rate | \$205.61 | -\$8.86   |
| # Available Rooms    | 32,438   | 981       |
| Room Sales (\$M)     | \$141.2  | -\$11.0   |

### Airport Passengers<sup>c,d</sup>

|           | Nov. 2018 | Amt. ('000)      | 1 yr. ch. (%) |
|-----------|-----------|------------------|---------------|
| Nov. 2018 |           |                  |               |
| DCA       | 1,995.3   | -0.5             |               |
| IAD       | 1,965.0   | 8.7              |               |
| BWI       | 2,284.8   | -0.4             |               |
| Total     | 6,245.1   | 2.3 <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

Percent Change in Revenue for Selected Taxes for FY's 17 - 19 (Est.)



# Revenue

★ Total gross tax revenue for FY 2019 is expected to increase 4.0% following growth of 3.9% in FY2018

★ Individual income tax revenue is expected to grow by 4.8% in FY2019, less than the 5.8% growth that was experienced in FY2018

★ Real property tax revenue for FY 2019 is estimated to grow at a rate of 4.9%

★ Business income tax revenue for is expected to decline by 3.5% in FY 2019

★ General sales tax revenue for FY 2019 is estimated to increase by 7.0%, higher growth than that of FY 2018

Tax Revenue for FY 2017 and Estimated Tax Revenue for FY 2018 and FY 2019 (\$000)<sup>a</sup>

|  | FY17      | FY18 (Est.) <sup>d</sup> | FY19 (Est.) <sup>d</sup> | % Chg. FY17 - FY18 (Est.) | % Chg. FY18 (Est.) - FY19 (Est.) |
|--|-----------|--------------------------|--------------------------|---------------------------|----------------------------------|
| Real Property                          | 2,473,328 | 2,585,129                | 2,713,005                | 4.5%                      | 4.9%                             |
| General Sales                          | 1,419,197 | 1,487,318                | 1,591,371                | 4.8%                      | 7.0%                             |
| Individual Income                      | 1,958,277 | 2,072,309                | 2,171,604                | 5.8%                      | 4.8%                             |
| Business Income                        | 554,245   | 531,861                  | 513,463                  | -4.0%                     | -3.5%                            |
| Total Tax Revenue (Gross) <sup>c</sup> | 7,472,852 | 7,766,754                | 8,076,110                | 3.9%                      | 4.0%                             |
| Dedicated Tax Revenue                  | 527,829   | 550,123                  | 783,228                  | 4.2%                      | 42.4%                            |
| Total Tax Revenue (Net)                | 6,945,023 | 7,216,630                | 7,292,882                | 3.9%                      | 1.1%                             |

<sup>a</sup>Revenue amounts shown are before dedicated revenue (TIF, 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).

<sup>b</sup>Variations in processing activities may affect year-to-date comparisons.

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

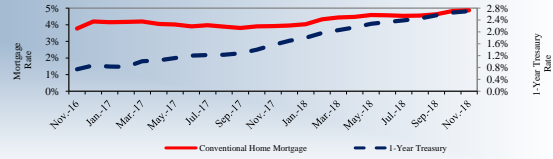
<sup>d</sup>Total Tax Collections (Gross) includes all other taxes not reported above

<sup>e</sup>As of the December 2018 Revenue Estimate

# People & Economy

- ★ D.C. unemployment rate for November: 5.6%, same as the previous month & 0.3% lower than 1 year ago
- ★ The conventional home mortgage rate was 4.87% in November, 0.04% higher than the previous month

One-Year Treasury and Conventional Home Mortgage Interest Rates  
November 2016 to November 2018



| U.S. GDP <sup>c</sup> |     | % change for yr. ending |                        | CPI                      | % change for yr. ending |           | D.C. Population |         |     |
|-----------------------|-----|-------------------------|------------------------|--------------------------|-------------------------|-----------|-----------------|---------|-----|
| Source: BEA           |     | 3 <sup>rd</sup> Q 2018  | 2 <sup>nd</sup> Q 2018 | Source: BLS              | Nov. 2018               | Sep. 2018 | Source: Census  |         |     |
| Nominal               | 5.5 | 5.4                     |                        | U.S.                     | 2.2                     | 2.3       | *Estimate for:  |         |     |
| Real                  | 3.0 | 2.9                     |                        | DC-VA-MD-WV <sup>d</sup> | 1.3                     | 2.0       | 2005            | 567,136 |     |
|                       |     |                         |                        |                          |                         |           | 2006            | 570,681 | 0.6 |
|                       |     |                         |                        |                          |                         |           | 2007            | 574,404 | 0.7 |
|                       |     |                         |                        |                          |                         |           | 2008            | 580,236 | 1.0 |
|                       |     |                         |                        |                          |                         |           | 2009            | 592,228 | 2.1 |
|                       |     |                         |                        |                          |                         |           | 2010            | 605,040 | 2.2 |
|                       |     |                         |                        |                          |                         |           | 2011            | 620,336 | 2.5 |
|                       |     |                         |                        |                          |                         |           | 2012            | 635,630 | 2.5 |
|                       |     |                         |                        |                          |                         |           | 2013            | 650,114 | 2.3 |
|                       |     |                         |                        |                          |                         |           | 2014            | 660,797 | 1.6 |
|                       |     |                         |                        |                          |                         |           | 2015            | 672,736 | 1.8 |
|                       |     |                         |                        |                          |                         |           | 2016            | 684,336 | 1.7 |
|                       |     |                         |                        |                          |                         |           | 2017            | 693,972 | 1.4 |

<sup>a</sup>Nominal <sup>b</sup>Estimated <sup>c</sup>Seasonally adjusted <sup>d</sup>As of Jan. 2018 Washington DC and Baltimore now have separate series IDs

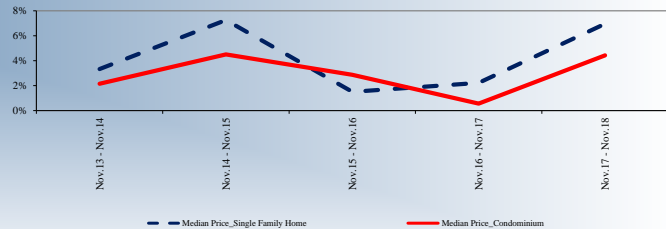
† Indicates data revised by stated source since previous D.C. Economic Indicators.

\* July 1

# Housing & Office Space

- ★ There were 340 condos sold in November 2018, 8.3% more than one year ago
- ★ The year to date median price increased 7.0% from 1 year ago for single family homes, and condos experienced an increase of 4.4% in the year to date median price
- ★ In the 3<sup>rd</sup> quarter of 2018 the office direct vacancy rate was 0.5% higher than the 2<sup>nd</sup> quarter of 2018

Year Over Year Percent Change in the Median Price for a Single Family Home and Condominium in Washington, D.C.



| Housing Sales             |           |             | D.C. Housing Permits Issued <sup>d</sup>                           |                        |           | DC Commercial Office Space            |                        |            |
|---------------------------|-----------|-------------|--|------------------------|-----------|---------------------------------------|------------------------|------------|
| Source: MRIS <sup>a</sup> |           |             | Source: U.S. Census Bureau   |                        |           | Source: Delta Associates              |                        |            |
|                           | Nov. 2018 | 1 yr. % ch. |  | 3 <sup>rd</sup> Q 2018 | 1 yr. ch. |                                       | 3 <sup>rd</sup> Q 2018 | 1 qtr. ch. |
| Completed contracts       |           |             | Total housing units  | 4,640                  | 592       | Inventory Status (in million sq. ft.) |                        |            |
| Single family             | 356       | -16.8       | Single family  | 133                    | -237      | Total inventory                       | 144.2                  | 1.1        |
| Condo/Co-op               | 340       | 8.3         | Multifamily (units)  | 4507                   | 829       | Leased space <sup>f</sup>             | 132.4                  | 0.3        |
|                           |           |             |  |                        |           | Vacant                                | 11.8                   | 0.8        |
|                           |           |             |  |                        |           | New Construction                      | 4.2                    | -0.6       |
|                           |           |             |  |                        |           | Direct Vacancy Rate                   | 8.2                    | 0.5        |
| Prices (\$000)            | Nov. 2018 | 1 yr. % ch. | Class A Apt. <sup>e</sup> and Condominium Units                    |                        |           |                                       |                        |            |
| Source: Delta Associates  |           |             | Source: Delta Associates   |                        |           |                                       |                        |            |
| Single family             |           |             | 3 <sup>rd</sup> Q 2018   |                        |           | 1 yr. ch.                             |                        |            |
| Average <sup>b</sup>      | \$1,143.4 | 49.5        | Units under construction and/or marketing                          |                        |           |                                       |                        |            |
| Median <sup>c</sup>       | \$738.0   | 7.0         | Rental apartments  | 17,340                 | 2,170     |                                       |                        |            |
|                           |           |             | Condominiums <sup>g</sup>  | 1,558                  | -260      |                                       |                        |            |
| Condo/Co-op               |           |             | Other units likely to deliver over the next 36 months <sup>h</sup> |                        |           |                                       |                        |            |
| Average <sup>b</sup>      | \$541.1   | 1.1         | Rental apartments  | 5,917                  | -1,754    |                                       |                        |            |
| Median <sup>c</sup>       | \$469.9   | 4.4         | Condominiums   | 1,832                  | 775       |                                       |                        |            |

<sup>a</sup> Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors

<sup>b</sup> Average prices are calculated for the month from year-to-date information <sup>c</sup> Median prices are year-to-date <sup>d</sup> Permits issued during the previous 4 quarters <sup>e</sup> Investment grade units, as defined by Delta

<sup>f</sup> Calculated from direct vac. rate <sup>g</sup> Includes sold units <sup>h</sup> Only a portion will materialize