D.C. Economic Indicators

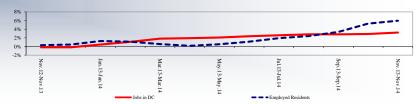
Government of the District of Columbia Muriel Bowser, Mayor Jeffrey S. DeWitt, Chief Financial Officer Dr. Fitzroy Lee, Deputy CFO & Chief Economist

Labor & Industry

★ Jobs in D.C. for November 2014, up 12,600 (1.7%) from November 2013

★ District resident employment for November 2014, up 14,300 (4.2%) from November 2013

ange in Total Wage and Salary Employment and Employed Residents (percent change from prior year in 3-month moving average)



Labor Market ('000s):					Detailed Employment ('000s): November 2014						
	District of Columbia				Metropolitan are	<u>ea</u>					
									1 yr. ch.	1 yr. ch.	
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr ch. (amt.)	1 yr. ch. (%)		Level	(amt.)	(%)	% of total
Employed residents	354.2	14.3	4.2	3,069.0	27.8	0.9	Manufacturing	0.7	-0.2	-22.2	0.1
Labor force	381.0	15.1	4.1	3,213.8	16.4	0.5	Construction	14.4	0.8	5.9	1.9
Total wage and salary							Wholesale trade				
employment	763.4	12.6	1.7	3,126.8	18.9	0.6	wholesale trade	4.8	-0.2	-4.0	0.6
Federal government	201.4	-1.0	-0.5	365.7	-3.6	-1.0	Retail trade	23.6	2.8	13.5	3.1
Local government	36.6	1.9	5.5	331.1	8.3	2.6	Utilities & transport.	4.1	0.1	2.5	0.5
Leisure & hospitality	69.7	1.2	1.8	297.2	3.1	1.1	Publishing & other info.	17.1	0.0	0.0	2.2
Trade	28.4	2.6	10.1	344.9	4.8	1.4	Finance & insurance	17.9	0.3	1.7	2.3
Education and health	130.7	1.1	0.8	401.9	-1.8	-0.4	Real estate 11.2		-0.2	-1.8	1.5
Prof., bus., and other							Legal services				
services	231.2	6.0	2.7	899.4	5.5	0.6	0	29.7	-0.4	-1.3	3.9
Other private	65.4	0.8	1.2	486.6	2.6	0.5	Other profess. serv.	80.7	3.2	4.1	10.6
Unemployed	26.7	0.8	3.1	144.8	-11.4	-7.3	Empl. serv. (incl. temp) 15.5		0.8	5.4	2.0
New Unempl. Claims	1.5	-0.2	-9.4				Mgmt. & oth. bus serv.	36.0	2.1	6.2	4.7
Sources: U.S. Bureau of Labor Statistic	ources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)						Education	64.0	0.7	1.1	8.4
a Preliminary, not seasonally adjusted	Preliminary, not seasonally adjusted						Health care	66.7	0.4	0.6	8.7
							Organizations	60.8	-0.2	-0.3	8.0
D.C. Hotel Industry ^b			Airport Passengers ^{c,d}			Accommodations	14.8	-0.9	-5.7	1.9	
Nov. 2014	Amt.	1 yr. ch.		Nov. 2014	Amt.('000)	1 yr. ch. (%)	Food service	47.9	2.0	4.4	6.3
Occupancy Rate	72.0%	-0.1%	·	DCA	1,696.0	6.0	Amuse. & recreation	7.0	0.1	1.4	0.9
Avg. Daily Room Rate	\$210.48	\$13.19		IAD	1,636.7	-1.6	Other services	8.5	0.5	6.3	1.1
# Available Rooms	29,128	1,429		BWI	1,767.5	1.2	Subtotal, private	525.4	11.7	2.3	68.8
Room Sales (\$M)	\$132.3	\$14.1		Total	5,100.2	1.8 ^e	Federal government	201.4	-1.0	-0.5	26.4

Source: Smith Travel Research Cource: Metropolitan Washington Airports Authority & Maryland

Local governmen

Total

Revenue

- ★ Total gross tax revenue is expected to increase by 4.6% in FY2015
- ★ Individual income tax revenue is expected to grow by 2.7% in FY2015; slightly higher than the growth that took place in FY2014
- ★ For FY 2015 real property tax revenue is expected to grow by 9.1%
- ★ Business tax revenue is expected to increase by 1.5% in FY2015 following the 8.3% decline experienced in FY2014
- Revenue from general sales tax is anticipated to grow by 6.1% in

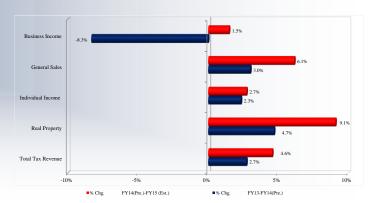
Percent Change in Revenue for Selected Taxes for FYs 13 - 15 (Est.)

763.4

12.6

1.7

100.0



Tax Revenue for Fiscal Year 2013 and Estimated Tax Revenue for Fiscal Years 2014 and 2015 (\$000)^a NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN THE MARCH 2015 RELEASE

-				% Chg.	% Chg.	% Chg.
				FY13-	FY14(Pre.) -	% Chg. FY14(Pre.) -
	FY'13	FY'14 (Pre.)d	FY'15 (Est.) ^d	FY14(Pre.)	FY15(Est.)	Addenda: FY13-FY14(Pre.) FY15(Est.)
Real Property	1,914,840	2,004,663	2,186,609	4.7%	9.1%	Convention Ctr. Transfer ^b 1.3% 6.3%
General Sales	1,137,892	1,172,059	1,243,932	3.0%	6.1%	Ind. Inc. Tax Withholding for D.C. residents 6.6% 1.3%
Individual Income	1,640,899	1,679,173	1,725,016	2.3%	2.7%	
Business Income	453,280	415,581	421,752	-8.3%	1.5%	*Revenue amounts shown are before dedicated revenue (TIF, Convention Ctr, Ballpark Fund, DDOT, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund,WMATA, Hospital Fund, Stevie
Total Tax Revenue (Gross) ^c	6,100,486	6,266,628	6,552,311	2.7%		Sellow Quality Improvement Fund, Healthy Schools, ABRA). Variations in processing activities may affect year-to-date comparisons.
Dedicated Tax Revenue	431,492	442,878	442,036	2.6%	-0.2%	^b Portion of sales tax on hotels and restaurants
Total Tax Revenue	-	-	-	-	-	^c Total Tax Revenue (Gross) includes all other taxes not reported above
(Net)	5,668,994	5,823,750	6,110,275	2.7%	4.9%	d As of the December 2014 Revenue Estimates

D.C. Economic Indicators

People & Economy

- ★ D.C. unemployment rate for November: 7.4%, 0.2% lower than the previous month & 0.4% lower than 1 year ago
- ★ The conventional home mortgage rate was 4.00% in November, 0.04% lower than the previous month
- ★ The share of filers with income less than \$30,000 declined in TY2012 compared to TY2011; while the shares of those filers in the \$200,000 to \$500,000 and \$500,000 and over income categories increased relative to the previous tax year

One-Year Treasury and Conventional Home Mortgage Interest Rates November 2012 to November 2014



U.S. GDP	% change for yr. ending		CPI	% change fo	or yr. ending	D.C. Population		
Source: BEA	3 rd Q 2014	2 nd Q 2014	Source: BLS	Nov. 2014	Sep. 2014	Source: Census		
Nominal	4.3 [†]	4.3	U.S.	1.3	1.7	*Estimate for:	Level	% chg.
Real	2.7 [†]	2.6	D.C./Balt. metro area	1.2	1.3	2000	572,059	
						2003	577,844	1.0
						2004	579,890	0.4
Personal Income ^a			Unemployment Rate ^c			2005	582,049	0.4
Source: BEA	% change fo	or yr. ending	Source: BLS	Nov. 2014	Oct. 2014	2006	583,841	0.3
Total Personal Income	3 rd Q 2014	2 nd Q 2014	U.S.	5.8	5.7 [†]	2007	585,916	0.4
U.S.	3.9	3.8 [†]	D.C.	7.4	7.6	2008	589,929	0.7
D.C.	4.2	3.3 [†]				2009	599,975	1.7
Wage & Salary Portion of Personal Income						2010	605,125	0.9
U.S.	4.4	3.9 [†]	Interest Rates	National	Average	2011	619,624	2.4
Earned in D.C.	4.1	2.4	Source: Federal Reserve	Nov. 2014	Oct. 2014	2012	633,427	2.2
Earned by D.C. residents ^b	4.1	2.8*	1-yr. Treasury	0.13	0.10	2013	646,449	2.1
·			Conv. Home Mortgage	4.00	4.04	* July 1, except for 2000		

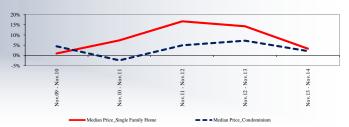
^aNominal ^b Estimated ^c Seasonally adjusted

Distribution of Individual Income Tax Filers by Income Category 2012 Less than \$30,000 42.0% 41.4% \$30,000-\$50,000 \$50,000-\$75,000 19.3% 19.0% 18.6% 13.9% 14.0% 14.3% \$75,000-\$100,000 7.8% 8.0% 8.3% \$100,000-\$200,000 \$200,000-\$500,000 \$500,000 and 4.3% 4.5% 4.7% 1.1% 1.2% 1.3%

Housing & Office Space

- ★ There were 274 condos sold in November 2014, a 0.4% decline from 1 year ago
- ★ The year to date median price increased 3.3% from 1 year ago for single family homes, and condos experienced an increase of 2.1% in the year to date median price
- ★ In the 3rd quarter of 2014 the office direct vacancy rate decreased by 0.1% from the 2nd quarter of 2014





Housing Sales			D.C. Housing Permits Issued			D.C. Commercial Office Space		
Source: MRIS ^a			Source: U.S. Census Bureau			Source: Delta Associates		
				4 Qs ending				
Completed contracts	Nov. 2014	1 yr. % ch.		3 rd Q 2014	1 yr. ch.		3 rd Q 2014	1 qtr. ch.
Single family	365	4.6	Total housing units	4,466	612	Inventory Status (in million sq. ft.)		
Condo/Co-op 274	274	-0.4	Single family	267	-101	Total inventory	140.5	0.0
			Multifamily (units)	4,199	713	Leased space ^e	130.7	0.2
					Vacant	9.8	-0.2	
Prices (\$000)			Class A Apt. d and Condominium Unit	ts		New Construction	1.3	0.4
Single family	Nov. 2014	1 yr. % ch.	Source: Delta Associates					
Average ^b	\$715.7	0.3				Direct Vacancy Rate	7.0	-0.1
Median ^c	\$620.0	3.3	Units under construction and/or marketing	3 rd Q 2014	1 yr. ch.			
			Rental apartments	11,542	1,189			
Condo/Co-op			Condominiums ^f	983	245	1		
Average ^b	\$493.6	5.3	Other units likely to deliver over the next 36 mo	nths ^g				
Median ^c	\$416.3	2.1	Rental apartments	8,279	2,248			
			Condominiums	1,975	912			

^aMetropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors

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

b Average prices are calculated for the month from year-to-date information "Median prices are year-to-date" Investment grade units, as defined by Delta