

## D.C. Economic Indicators March 2018

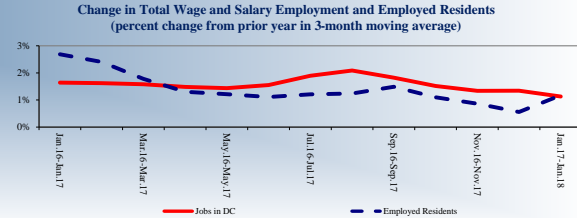
Government of the District of Columbia  
Muriel Bowser, Mayor  
Jeffrey S. DeWitt, Chief Financial Officer  
Fitzroy Lee, Deputy CFO & Chief Economist



## Labor & Industry

★ Jobs in D.C. for January 2018, up 7,400 (0.9%) from January 2017

★ District resident employment for January 2018, up 6,600 (1.8%) from January 2017



Labor Market ('000s): January 2018*				Metropolitan area				Detailed Employment ('000s): January 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
Employed residents	379.6	6.6	1.8	3,263.2	50.8	1.6		Manufacturing	1.3	0.1	0.2
Labor force	401.8	4.2	1.1	3,390.5	48.8	1.5		Construction	15.3	0.8	1.9
Total wage and salary employment	786.9	7.4	0.9	3,258.5	43.8	1.4		Wholesale trade	5.0	0.0	0.6
Federal government	197.0	-4.3	-2.1	363.9	-6.6	-1.8		Retail trade	23.2	0.4	2.9
Local government	40.8	1.5	3.8	328.6	3.7	1.1		Utilities & transport.	5.1	0.2	4.1
Leisure & hospitality	73.5	2.2	3.1	321.9	13.0	4.2		Publishing & other inf	18.6	1.5	8.8
Trade	28.2	0.4	1.4	338.0	-1.8	-0.5		Finance & insurance	17.4	0.3	1.8
Education and health	136.8	2.2	1.6	443.2	10.0	2.3		Real estate	13.2	0.5	3.9
Prof., bus., and other services	239.7	2.0	0.8	951.3	15.0	1.6		Legal services	27.9	-0.3	-1.1
Other private	70.9	3.4	5.0	511.6	10.5	2.1		Other profess. serv.	89.6	3.1	3.6
Unemployed	22.3	-2.4	-9.9	127.2	-2.0	-1.5		Empl. serv. (incl. temp)	13.8	-0.7	-4.8
New Unempl. Claims	1.8	0.03	1.9					Mgmt. & oth. bus serv	34.1	-1.4	-3.9
Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)								Education	67.2	0.9	1.4
* Preliminary, not seasonally adjusted								Health care	69.6	1.3	1.9
								Organizations	65.1	0.7	1.1
								Accommodations	14.3	-0.4	-2.7
								Food service	51.0	1.9	3.9
								Amuse. & recreation	8.2	0.7	9.3
								Other services	9.2	0.6	7.0
								Subtotal, private	549.1	10.2	69.8
								Federal government	197.0	-4.3	25.0
								Local government	40.8	1.5	3.8
								<b>Total</b>	<b>786.9</b>	<b>7.4</b>	<b>100.0</b>
								Source: BLS. Details may not add to total due to rounding.			

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

Jan. 2018	Amt.	1 yr. ch.
Occupancy Rate	56.3%	-4.1%
Avg. Daily Room Rate	\$173.40	-\$102.85
# Available Rooms	31,397	1,190
Room Sales (\$M)	\$95.1	-\$61.2

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

Dec. 2017	Amt. ('000)	1 yr. ch. (%)
DCA	1,841.9	-0.7
IAD	1,837.5	2.2
BWI	2,204.9	4.8
<b>Total</b>	<b>5,884.3</b>	<b>2.2*</b>

<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 <sup>f</sup> January data unavailable

## Revenue

★ Total gross tax revenue for FY 2018 and FY 2019 is expected to increase by 2.9% and 3.2% respectively

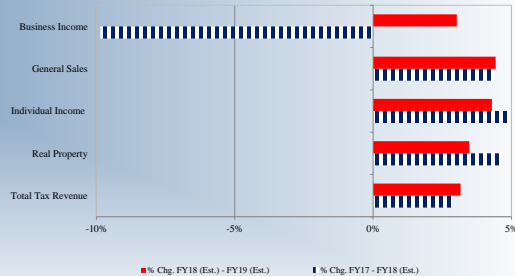
★ Individual income tax revenue is expected to grow by 4.9% in FY2018, followed by slightly lower growth of 4.3% in FY 2019

★ For FY2018 real property tax revenue is estimated to grow at a rate of 4.7%, followed by 3.5% growth in FY 2019

★ Business income tax revenue is expected to decline by 9.9% in FY2018, this is expected to be followed by a 3.0% increase in FY2019

★ General sales tax revenue is estimated to increase by 4.4% in both FY2018 and FY2019

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



### Tax Revenue for Fiscal Year 2017 and Estimated Tax Revenue for Fiscal Years 2018 and 2019 (\$000)<sup>a</sup>

NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN THE APRIL 2018 RELEASE

	FY'17	FY'18 (Est.) <sup>d</sup>	FY'19 (Est.) <sup>d</sup>	% Chg. FY17 - FY18 (Est.)	% Chg. FY18 (Est.) - FY19 (Est.)		% Chg. FY17 - FY18 (Est.)	% Chg. FY18 (Est.) - FY19 (Est.)
Real Property	2,473,328	2,588,414	2,678,396	4.7%	3.5%	Convention Ctr. Transfer <sup>b</sup>	8.0%	4.3%
General Sales	1,419,197	1,481,046	1,546,609	4.4%	4.4%	Ind. Inc. Tax Withholding for D.C. residents	3.1%	3.8%
Individual Income	1,958,277	2,054,640	2,142,789	4.9%	4.3%	*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).		
Business Income	554,245	499,624	514,734	-9.9%	3.0%	†Variations in processing activities may affect year-to-date comparisons.		
Total Tax Revenue (Gross) <sup>c</sup>	7,472,856	7,685,947	7,928,845	2.9%	3.2%	*Portion of sales tax on hotels and restaurants		
Dedicated Tax Revenue	528,004	582,173	593,253	10.3%	1.9%	† Total Tax Revenue (Gross) includes all other taxes not reported above		
Total Tax Revenue (Net)	6,944,852	7,103,774	7,335,593	2.3%	3.3%	‡ As of the February 2018 Revenue Estimates		

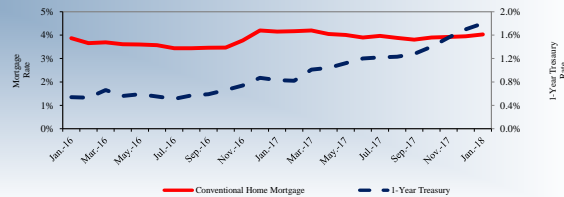
All data subject to revision. † Indicates data revised by stated source since previous D.C. Economic Indicators. See past editions at cfo.dc.gov

## People & Economy

★ D.C. unemployment rate for January: 5.8%, 0.1%, lower than the previous month & 0.2% lower than 1 year ago

★ The conventional home mortgage rate was 4.03% in January, 0.08% higher than the previous month

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



U.S. GDP <sup>c</sup>			CPI			D.C. Population		
Source: BEA			Source: BLS			Source: Census		
	% change for yr. ending			% change for yr. ending				
	4 <sup>th</sup> Q 2017	3 <sup>rd</sup> Q 2017		Nov. 2017	Sep. 2017			
Nominal	4.4	4.1	U.S.	2.2	2.2	*Estimate for:	Level	% chg.
Real	2.5	2.3	D.C./Balt. metro area	1.6	1.7	2005	567,136	
Personal Income <sup>a</sup>			Unemployment Rate <sup>a</sup>			2006	570,681	0.6
Source: BEA			Source: BLS			2007	574,404	0.7
	% change for yr. ending			Jan. 2018	Dec. 2017	2008	580,236	1.0
Total Personal Income	3 <sup>rd</sup> Q 2017	2 <sup>nd</sup> Q 2017	U.S.	4.1	4.1	2009	592,228	2.1
U.S.	2.6	2.7	D.C.	5.8	5.9	2010 <sup>†</sup>	605,040	2.2
D.C.	2.2	2.3				2011 <sup>†</sup>	620,336	2.5
Wage & Salary Portion of Personal Income			Interest Rates			2012 <sup>†</sup>	635,630	2.5
U.S.	2.4	2.5	Source: Federal Reserve			2013 <sup>†</sup>	650,114	2.3
Earned in D.C.	2.1	2.0	1-yr. Treasury	1.80	1.70	2014 <sup>†</sup>	660,797	1.6
Earned by D.C. residents <sup>b</sup>	1.9	1.8	Conv. Home Mortgage	4.03	3.95	2015 <sup>†</sup>	672,736	1.8
						2016 <sup>†</sup>	684,336	1.7
						2017 <sup>†</sup>	693,972	1.4

<sup>a</sup> Nominal <sup>b</sup> Estimated <sup>c</sup> Seasonally adjusted

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

<sup>†</sup> July 1

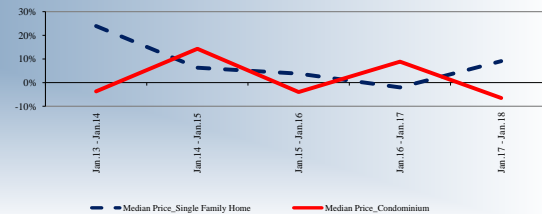
## Housing & Office Space

★ There were 338 condos sold in January 2018, 4.6% more than one year ago

★ The year to date median price increased 9.1% from 1 year ago for single family homes, and condos experienced a decrease of 6.5% in the year to date median price

★ In the 4<sup>th</sup> quarter of 2017 the office direct vacancy was the same as the 3<sup>rd</sup> quarter of 2017

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				DC Commercial Office Space			
Source: MRIS <sup>a</sup>				Source: U.S. Census Bureau				Source: Delta Associates			
Completed contracts	Jan. 2018	1 yr. % ch.			4 Qs. ending				4 <sup>th</sup> Q 2017	1 qtr. ch.	
Single family	375	17.2			4 <sup>th</sup> Q 2017	1 yr. ch.		Inventory Status (in million sq. ft.)			
Condo/Co-op	338	4.6		Total housing units	5,326	636		Total inventory	142.6	0.3	
				Single family	338	2		Leased space <sup>a</sup>	132.8	0.2	
				Multifamily (units)	4,988	634		Vacant	9.8	0.1	
Prices (\$000)				Class A Apt. <sup>d</sup> and Condominium Units				New Construction	5.9	0.1	
Single family	Jan. 2018	1 yr. % ch.		Source: Delta Associates				Direct Vacancy Rate	6.8	0.0	
Average <sup>b</sup>	\$761.5	-4.9			4 <sup>th</sup> Q 2017	1 yr. ch.					
Median <sup>c</sup>	\$660.0	9.1		Units under construction and/or marketing							
				Rental apartments	15,710	1,709					
Condo/Co-op				Condominiums <sup>d</sup>	1,217	15					
Average <sup>b</sup>	\$489.2	-7.3									
Median <sup>c</sup>	\$430.0	-6.5		Other units likely to deliver over the next 36 months <sup>e</sup>							
				Rental apartments	8,190	1,478					
				Condominiums	1,535	471					

<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> Investment grade units, as defined by Delta

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

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