



# District of Columbia Economic and Revenue Trends: September 2021

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## Highlights

% ch, 3 month avg  
 Green = Improving\*

DC Jobs (p.2)	3.7%
DC Wages (p. 6)	7.6%
Unemployment rate (p.3)	6.7%
Home prices (p.12)	18.6%
Office vacancy (p.10)	14.0%
S&P 500 (p.15)**	42.8%

\* 3-month moving avg growth better than 12 month

\*\* % change annual

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## Who Claims the DC Earned Income Tax Credit?

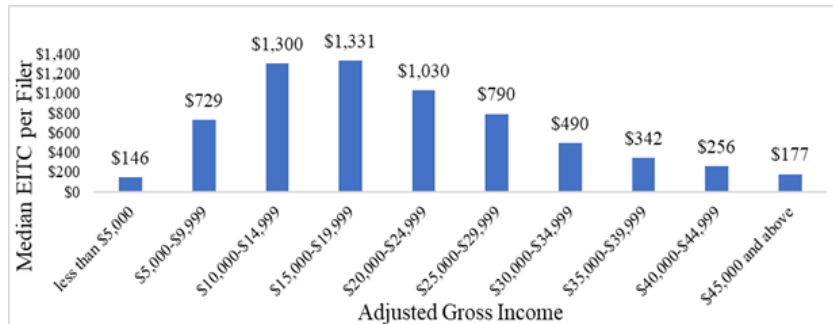
*This analysis expands on our review of the DC Earned income tax credit (DC EITC) by looking at the distribution of DC EITC recipients by income, qualifying children and childless workers, and the geographic location. The benefit is concentrated among working families with dependents earning between \$10,000 to \$25,000 between 2006 and 2017. Additionally, more than a third of DC EITC recipients live in Wards 7 and 8.*

### Distribution of Credits by Income

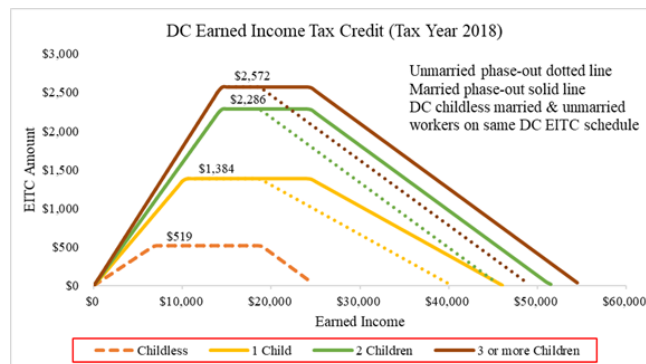
From 2006 to 2017, most (78 percent) DC EITC recipients reported a DC adjusted gross income (DC AGI) of less than \$25,000. Recipients with incomes between \$10,000 and \$25,000 benefitted the most, receiving on average over \$1,000 per year in refundable credits between 2006 and 2017. This corresponds to the phase-in range of the program and decreasing at higher income levels with the phase-out range of the program (shown in Chart 2 below using the 2018 DC EITC schedule).

**Chart 1: Median EITC by DC AGI 2006-2017**

Source: ORA



**Chart 2: DC EITC Schedules, 2018**



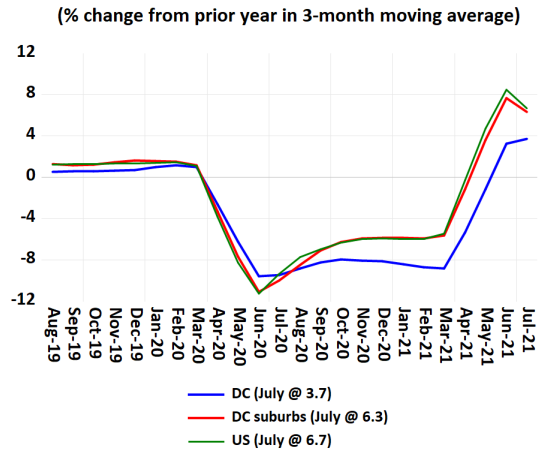
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## Wage and salary employment

### Private and public sectors experience growth in July

- In July, DC gained 27,000 jobs compared to a year ago, a 3.7% increase. The increase in the 3-month average was 3.7%, likewise there was suburban growth of 6.3% and growth in the U.S. of 6.7%.
- Federal sector employment grew 1.5 percent as well as the private sector which grew 4.8% in the 3-months ending July. In the 12 months ending July 2021, federal employment increased by 3,808 jobs (1.9%) while the private sector lost 40,667 (-7.6%).
- Seasonally adjusted employment was 5,000 higher in July than June and 19,000 higher than February 2021.

Wage and salary employment located in DC, DC suburbs and US:  
August 2019 to July 2021



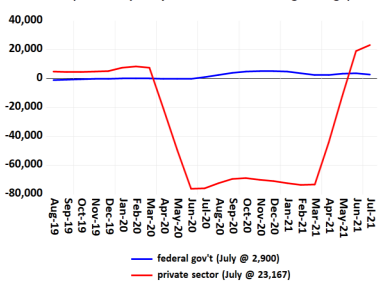
**Table1. Wage and Salary Employment in DC, Washington Metro area, and the US: July 2021**

Jurisdiction	FY 2018	FY 2019	FY 2020	12-mo avg	3-mo avg	This month
District of Columbia	791,092	795,867	763,550	737,650	749,767	762,400
1 year change	8,508	4,775	-32,317	-36,492	26,800	27,000
% change	1.1	0.6	-4.1	-4.7	3.7	3.7
Washington metro area	3,297,742	3,336,442	3,205,025	3,158,517	3,205,333	3,213,300
1 year change	39,108	38,700	-131,417	-84,342	173,333	135,500
% change	1.2	1.2	-3.9	-2.6	5.7	4.4
Washington suburbs (%ch)	1.2	1.4	-3.9	-1.9	6.3	4.6
US (%ch)	1.6	1.4	-4.0	-1.7	6.7	5.3

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

Source: BLS. July 2021 is preliminary

Federal gov. and private sector wage and salary employment in DC:  
August 2019 to July 2021  
(Ch. from prior year in 3-month moving average)



**Table 2. Federal government and private sector wage and salary employment in DC: July 2021**

Sector	FY 2018	FY 2019	FY 2020	12-mo avg	3-mo avg	This month
Federal government	196,983	195,233	196,225	199,258	199,433	200,000
1 year ch.	-3,225	-1,750	992	3,808	2,900	1,000
% change	-1.6	-0.9	0.5	1.9	1.5	0.5
Private sector	552,375	558,050	524,775	495,492	505,433	511,200
1 year ch.	11,125	5,675	-33,275	-40,667	23,167	24,400
% change	2.1	1.0	-6.0	-7.6	4.8	5.0

Source: BLS. Not seasonally adjusted. July is preliminary

**Table 3. Seasonally Adjusted DC Employment: February 2021 to July 2021**

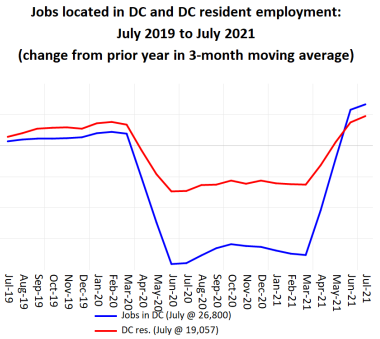
Indicator	February	March	April	May	June	July
D.C. Wage and Salary Employment	731,400	732,000	737,600	741,300	745,400	750,400
change from prior month	-1,100	600	5,600	3,700	4,100	5,000
%change from prior month	-0.2	0.1	0.8	0.5	0.6	0.7

Source: BLS seasonally adjusted. July is preliminary.

## Resident employment and unemployment

### Resident employment increased and unemployment claims saw a drop

- In July DC resident employment was up 19,057 (5.2%) from a year earlier (*3-mo. moving average*). The labor force increased by 9,596 (2.4%)—and the number of unemployed fell 9,461 (25.5%). The unemployment rate in July was 6.7%.
- Initial claims for unemployment insurance continued to decline. The 3-mo. moving average ending July 2021 was 7,094 lower than July 2020.
- Seasonally adjusted resident employment grew in July, adding 2,530 jobs from June.



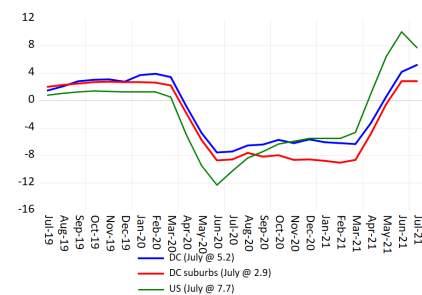
**Table 4. Unemployment rates for DC, metro area, and US: July 2021**

(percent of labor force)

Jurisdiction	Not seasonally adj.		Seasonally adj.	
	Jul-20	Jul-21	Jul-20	Jul-21
US	10.5	5.7	10.2	5.4
DC	9.5	6.6	8.9	6.7
DC metro area	8.4	5.1	na	na
DC suburbs	8.3	4.9	na	na

Source: BLS; na=data not available.

**Resident employment in DC, the DC suburbs, and the US:  
July 2019 to July 2021**  
(% change from prior year in 3-month moving average)



**Table 5. Resident employment and unemployment: July 2021**

Indicator	FY 2018	FY 2019	FY 2020	12-mo avg	3-mo avg	This month
<b>DC Labor force summary</b>						
Resident Employment	383,596	390,000	382,462	376,298	383,475	391,801
1 year ch.	6,596	6,404	-7,538	-10,041	19,057	23,445
% change	1.7	1.7	-1.9	-2.6	5.2	6.4
Labor Force	407,036	412,824	411,558	407,662	411,099	419,413
1 year ch.	5,084	5,788	-1,266	-5,417	9,596	12,245
% change	1.3	1.4	-0.3	-1.3	2.4	3.0
Unemployed residents	23,440	22,824	29,096	31,365	27,624	27,612
1 year ch.	-1,511	-616	6,272	4,624	-9,461	-11,200
% change	-6.1	-2.6	27.5	17.3	-25.5	-28.9
Unemployment rate	5.8	5.5	7.1	7.7	6.7	6.6
<b>DC Unemployment insurance (state program)</b>						
Initial Claims (mo. avg)	1,611	2,299	12,886	8,068	8,882	10,540
1 year ch.	106	687	10,588	-3,917	-7,094	-2,017
% change	7.1	42.7	460.6	-32.7	-44.4	-16.1
Weeks compensated (mo. avg)	30,429	27,473	139,780	106,687	52,838	47,875
1 year ch.	-926	-2,956	112,307	6,763	-212,130	-211,938
% change	-3.0	-9.7	408.8	6.8	-80.1	-81.6

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

**Table 6. Seasonally Adjusted DC resident employment and unemployment: February 2021 to July 2021**

Indicator	February	March	April	May	June	July
DC resident employment	375,159	375,385	375,667	376,136	377,272	379,802
change from prior month	359	226	282	469	1,136	2,530
% change from prior month	0.1	0.1	0.1	0.1	0.3	0.7
DC unemployment rate	8.1	7.7	7.5	7.2	7.0	6.7

Source: BLS seasonally adjusted. July is preliminary.

## Jobs by sectors of the economy

**Most industries experienced growth in July with the largest growth in food services, accommodations and amusement and recreation.**

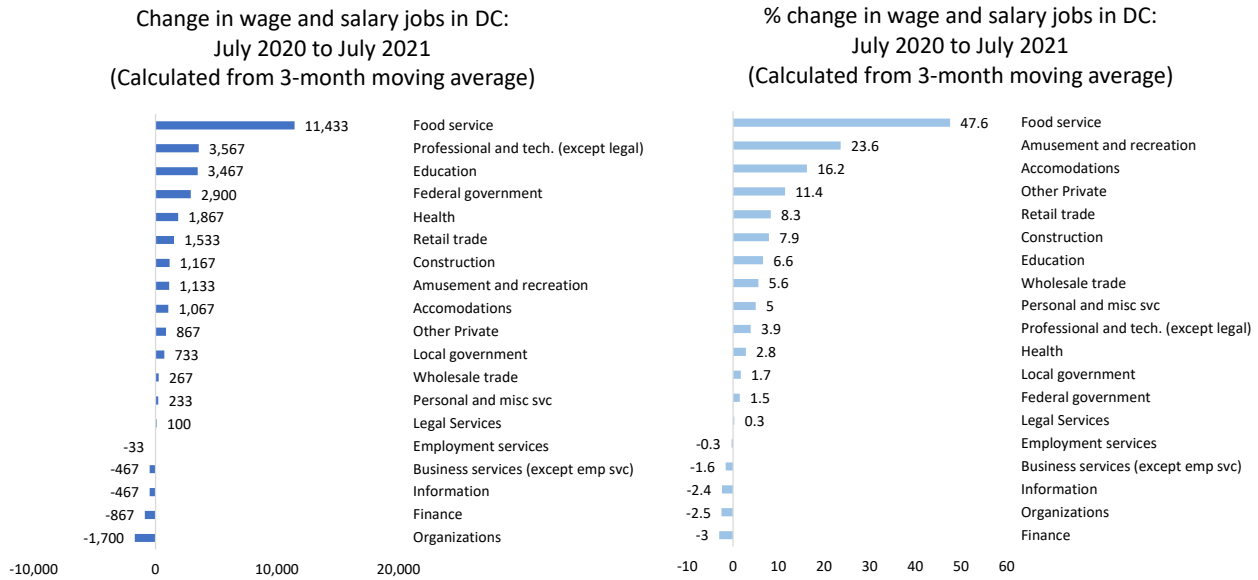
- Government added 3,633 jobs in July over July 2020, mostly in federal government, and the private sector gained 23,167 jobs. (3-month moving avg.)
- In July, professional and technical services (not including legal) gained 3,567 jobs over last year and legal jobs went up 100 or 0.3%. (3-month moving avg.)
- Hospitality (food service, accommodation, and amusement) gained a combined 13,633 jobs or 38.5%. The education sector, mostly private colleges and universities, gained 3,467 (6.6%). Business services (excluding employment services) lost 467 (1.6%).
- The federal government accounted for 26.2% of all DC jobs in July. Federal jobs located in DC accounted for 53.3% of metro area federal jobs and 6.9% of US federal jobs.
- Hospitality jobs account for 6.5% of all DC jobs in July. Pre-pandemic, the share of hospitality employment in 2019 was 10.4%.

**Table 7. Wage and salary employment located in DC: July 2021**

Industry sector	3-month moving average		1 year change		12 mo. moving avg: %change	Sector % of all DC jobs, July 2021	DC share (%) in July 2021 of all sector jobs in:	
	Jul 2020	Jul 2021	Amount	%			metro area	US
Federal government	196,533	199,433	2,900	1.5	1.9	26.2	53.3	6.9
Local government	44,167	44,900	733	1.7	0.9	6.7	16.4	0.3
Legal Services	28,667	28,767	100	0.3	-2.5	3.8		2.5
Professional and tech. (except legal)	92,467	96,033	3,567	3.9	1.2	12.6	22.8	1.1
Employment services	10,967	10,933	-33	-0.3	-16.7	1.4	22.4	0.3
Business services (except emp svc)	29,100	28,633	-467	-1.6	-9.7	3.9	20.0	0.5
Information	19,500	19,033	-467	-2.4	-4.4	2.5	25.9	0.7
Finance	29,000	28,133	-867	-3.0	-4.5	3.7	18.2	0.3
Organizations	67,500	65,800	-1,700	-2.5	-4.2	8.7	37.0	2.2
Education	52,767	56,233	3,467	6.6	-3.4	7.5	54.2	1.7
Health	66,733	68,600	1,867	2.8	-2.3	9.0	21.3	0.3
Food service	24,033	35,467	11,433	47.6	-32.5	4.9	18.3	0.3
Accommodations	6,567	7,633	1,067	16.2	-47.7	1.0	28.0	0.4
Amusement and recreation	4,800	5,933	1,133	23.6	-36.5	0.8	15.0	0.3
Retail trade	18,367	19,900	1,533	8.3	-7.2	2.6	7.7	0.1
Wholesale trade	4,800	5,067	267	5.6	-1.6	0.7	7.9	0.1
Construction	14,700	15,867	1,167	7.9	5.4	2.1	9.9	0.2
Personal and misc svc	4,700	4,933	233	5.0	-28.8	0.7		0.2
Other Private	7,600	8,467	867	11.4	-7.0	1.1	4.9	0.0
<b>Total</b>	<b>722,967</b>	<b>749,767</b>	<b>26,800</b>	<b>3.7</b>	<b>-4.7</b>	<b>100.0</b>	<b>23.7</b>	<b>0.5</b>
<i>Public Sector</i>	<i>240,700</i>	<i>244,333</i>	<i>3,633</i>	<i>1.5</i>	<i>1.8</i>	<i>32.9</i>	<i>36.6</i>	<i>1.2</i>
<i>Private Sector</i>	<i>482,267</i>	<i>505,433</i>	<i>23,167</i>	<i>4.8</i>	<i>-7.6</i>	<i>67.1</i>	<i>20.2</i>	<i>0.4</i>

Source: BLS. Not seasonally adjusted. na=not available. For metro area, legal is included in other professional and technical and personal and miscellaneous service is included in organizations.

## Jobs and wages by sector



**Over the year ending June, there was negative growth in private sector jobs. The highest growth in wages occurred in the information and financial services sector.**

- For the year ending June the federal government accounted for 26.8% of all jobs and 30.3% of all wages and salaries in DC. Over the 4 quarters, federal jobs increased 2.0% while wages grew 4.8%. Note data for employment shown as quarterly to compare to wages.
- Professional and management services jobs increased 158 in the 4-quarter average ending June 2021 and wages in the sector grew 6.4 percent. This sector account for 24.6% of DC wages and 17.2% of DC jobs.
- Trade and hospitality lost 30,592 jobs (31.8%) and almost \$0.9 billion in wages (22.4%). Pre-pandemic, this sector had an average of about 108,000 jobs and \$5.2 billion in wages. This sector's share was 13.6% and 6.6% of DC jobs and wages respectively prior to the pandemic.

**Table 8. Employment and income by sector of the DC economy: Quarter ending June 2021**

Sector	4 qtr avg. wage and salary employment in DC ending June 2021			4 qtr avg. wages and salaries earned in DC ending June 2021			Percentage Distribution	
	Level	Annual change (jobs)	Annual Change (%)	Level (\$b)	Annual change (\$b)	Annual Change (%)	June 2021	
							Employment	Wages
Total	735,400	-44,658	-5.7	81.85	2.77	3.5	100.0	100.0
Federal government	199,175	3,933	2.0	24.59	1.13	4.8	26.8	30.3
Local government	42,767	67	0.2	3.77	0.03	0.8	5.6	4.5
Professional and Management	125,150	158	0.1	20.00	1.21	6.4	17.2	24.6
Business services	40,017	-5,833	-12.7	2.70	0.10	3.8	5.3	3.3
Information and financial services	47,600	-2,242	-4.5	7.95	0.60	8.2	6.4	9.4
Education and health services	123,692	-4,758	-3.7	8.24	0.23	2.8	16.9	10.0
Trade and hospitality	65,525	-30,592	-31.8	3.02	-0.87	-22.4	9.6	3.9
Organizations and personal services	71,033	-5,308	-7.0	7.75	0.09	1.1	9.4	9.3
Other private	20,442	-83	-0.4	3.83	0.26	7.2	2.8	4.8
<i>Private sector</i>	<i>493,458</i>	<i>-48,658</i>	<i>-9.0</i>	<i>53.49</i>	<i>1.60</i>	<i>3.1</i>	<i>67.6</i>	<i>65.2</i>
<i>Government</i>	<i>241,942</i>	<i>4,000</i>	<i>1.7</i>	<i>28.36</i>	<i>1.16</i>	<i>4.3</i>	<i>32.4</i>	<i>34.8</i>

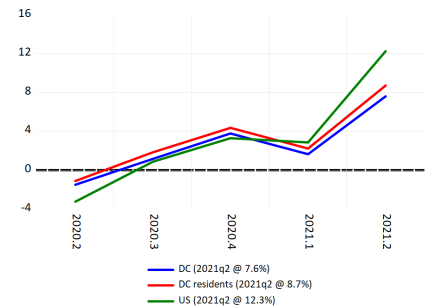
Source: BLS and BEA. Federal government wages and salaries includes military.

## Wages and income

### DC's personal income and wages grew in the June 2021 quarter.

- Wages and salaries earned in the District of Columbia grew 7.6% in the June quarter compared to the same quarter of 2020.
- In the June quarter, DC Personal Income grew 1.9%, compared to 1.1% for the US average.
- Proprietors' income increased 13.0% and property income increased by 0.6% in the June quarter over the same quarter in 2020.
- Pensions and other transfers, where federal pandemic relief for individuals is reported, declined 17.6% over last year in the June quarter.

Wages earned in DC, by DC residents, and in the US:  
2020q2 to 2021q2  
(% ch from prior year)



**Table 9. DC Wages and Personal Income: 2021q2**

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

Indicator	FY 2018	FY 2019	FY 2020	4-qtr. moving avg	Latest qtr. 2021q2
Wages and salaries earned in DC	75.8	78.1	79.3	81.8	82.9
1 yr change	3.7	2.3	1.2	2.8	5.9
% change	5.1	3.0	1.6	3.5	7.6
Supplements to wages and salaries	19.7	20.5	20.7	21.2	21.4
1 yr change	1.1	0.9	0.2	0.5	1.0
% change	6.0	4.5	0.9	2.6	4.6
Income earned in DC*	91.5	93.4	94.8	98.1	99.4
% change	4.0	2.0	1.5	3.9	7.6
Net resident adjustment**	-52.3	-53.6	-54.2	-55.7	-56.2
% change	4.1	2.6	1.0	3.0	6.5
Income earned by DC residents*	39.3	39.8	40.6	42.4	43.2
% change	3.9	1.3	2.2	5.2	9.0
Wages and salaries of DC residents***	29.0	30.3	30.9	32.1	32.7
1 yr change	1.9	1.2	0.7	1.3	2.6
% change	7.2	4.3	2.3	4.2	8.7
Proprietors income earned by DC residents****	6.9	5.9	6.0	6.4	6.7
% change	-10.1	-14.6	1.7	11.5	13.0
Property income of DC residents	10.1	10.2	10.0	9.9	10.0
% change	6.1	1.3	-2.4	-1.5	0.6
Pensions and other transfers	6.8	7.1	10.1	11.6	11.2
% change	1.7	4.7	42.1	30.0	-17.6
DC personal income	56.1	57.1	60.7	63.9	64.4
1 yr change	2.2	1.0	3.6	4.6	1.2
% change	4.0	1.7	6.3	7.8	1.9
US Personal income (% change from prior year)	5.2	4.3	6.3	7.1	1.1
US Wages and Salaries (% change from prior year)	5.4	4.6	1.6	4.7	12.3
<b>Addendum:</b>					
DC res. wages as % of wages earned in DC	38.3	38.7	39.0	39.2	39.4
DC Personal income as % of US	0.32	0.31	0.31	0.31	0.31

\*Excludes social insurance paid by individuals. Wage and salary amounts do include social insurance paid by individuals.

\*\*Algebraic sum of (1) income earned in DC by non residents (negative) and (2) income earned by DC residents outside of DC (positive). Since this is a negative number, the larger the increase (or faster the rate of growth), the less growth for income earned by DC residents.)

\*\*\* Proprietors' income is derived from federal tax data and therefore all proprietor's income is earned by DC residents

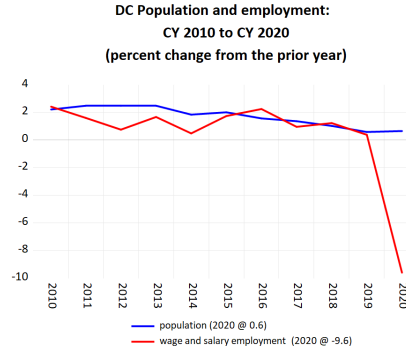
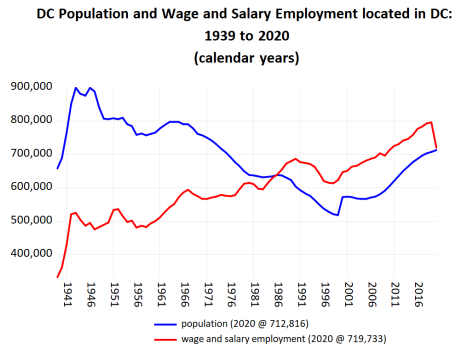
\*\*\*\*Est. by ORA; assumes wage and salary suppl. are the same % for DC resident wages as for wages earned in DC; excludes social insurance paid by individuals.

Source: BEA; data released September 23, 2021

## Population, jobs, and per capita income

### DC's population growth rate slows and wages grow in the March quarter.

- At mid-year 2020, population was estimated to be 4,563 (0.6%) higher than the prior year and wage and salary employment decreased by 76,467 (9.6%).
- In 2020 population grew at a much slower rate than the average growth rate over the 5 years 2015 to 2020 while wage employment fell significantly in the 2nd quarter of 2020 due to the pandemic.
- In the June quarter, DC's per capita income grew at 1.5%, higher than the US rate of 0.7%.
- In the June quarter, wages per job in DC grew faster than in the US (4.2% v 3.5%).



**Table 10. DC Population and wage and salary employment located in DC: 2012 to 2020**

Calendar Year	Population			Wage and salary employment		
	Number	Change from prior year Number	%	Number	Change from prior year Number	%
2012	635,737	15,447	2.5	730,533	5,367	0.7
2013	651,559	15,822	2.5	742,633	12,100	1.7
2014	663,603	12,044	1.8	746,133	3,500	0.5
2015	677,014	13,411	2.0	759,133	13,000	1.7
2016	687,576	10,562	1.6	776,167	17,033	2.2
2017	697,079	9,503	1.4	783,567	7,400	1.0
2018	704,147	7,068	1.0	793,133	9,567	1.2
2019	708,253	4,106	0.6	796,200	3,067	0.4
2020	712,816	4,563	0.6	719,733	-76,467	-9.6
<i>Ch. from 2015 to 2020</i>		35,802	5.3	-39,400	-5.2	
<i>Avg. annual ch.(2015 to 2020)</i>		7,160		(7,880)		

Source: US Bureau of the Census (Population); BLS seasonally adjusted for year ending June quarter.

Population data does not reflect 2020 decennial census released in August and will be updated when annual intercensal data is updated.

**Table 11. Per capita income and wages per job in DC and the US: FY 2018 to June 2021**

	DC					US				
	FY 2018	FY 2019	FY 2020	4-qtr moving avg (June 2021)		FY 2018	FY 2019	FY 2020	4-qtr moving avg (June 2021)	
				2021)	2021q2				2021)	2021q2
<b>Per capita Income</b>	<b>79,884</b>	<b>80,695</b>	<b>85,222</b>	<b>89,461</b>	<b>90,043</b>	<b>53,593</b>	<b>55,654</b>	<b>58,844</b>	<b>61,772</b>	<b>62,090</b>
% ch in per capita income	2.9	1.0	5.6	7.3	1.5	4.6	3.8	5.7	6.7	0.7
% ch in population	1.1	0.7	0.6	0.5	0.4	0.6	0.5	0.5	NA	NA
% ch in personal income	4.0	1.7	6.3	7.8	1.9	5.2	4.3	6.3	7.1	1.1
<b>Wages per job</b>	<b>95,809</b>	<b>98,118</b>	<b>104,050</b>	<b>111,294</b>	<b>111,700</b>	<b>59,469</b>	<b>61,339</b>	<b>64,997</b>	<b>68,502</b>	<b>69,353</b>
% ch in wages per job	3.9	2.4	6.0	9.6	4.2	3.7	3.1	6.0	7.5	3.5
% ch in wage and salary jobs	1.1	0.6	-4.1	-5.7	3.2	1.6	1.4	-4.0	-2.8	8.5
% ch in total wages	5.1	3.0	1.6	3.5	7.6	5.4	4.6	1.6	4.7	12.3
	<i>Washington Metro</i>					<i>U.S.</i>				
<i>Consumer price index</i>	2.1	1.3	0.9	2.1	3.8	2.4	1.9	1.5	2.3	4.8

Source: BEA for per capita income, population, and personal income; BLS for CPI. Note: % changes are from the same period of the prior year.

## Multifamily-unit housing and housing permits

### New housing permit issuance down in July 2021 relative to July 2020.

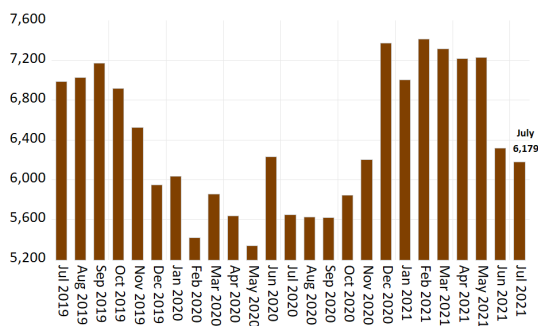
- For the 12-month period ending July, 6,179 housing permits were issued, up 9.5% from the same period last year. The 3-month total (792) was 56.8% lower than the same period last year. Multifamily project permits were issued for 2 projects in June.
- According to CoStar, in the quarter ending June 2021, the inventory of apartments and condominiums increased by 7,460 (3.7%) from a year earlier, an uptick from last quarter.
- Of the increase in inventory of multifamily units in the second quarter, 97.5% were in apartments. Of the housing permits issued over the past 12-months, 94.3% were included in 56 buildings with 5 or more units.
- In the quarter ending June 2021, there were 14,891 multi-family units were under construction in 98 buildings. Of the construction, apartments accounted for 80.6% of the buildings and 95.3% of the units.

**Table 12. Housing unit building permits issued in DC: July 2021**

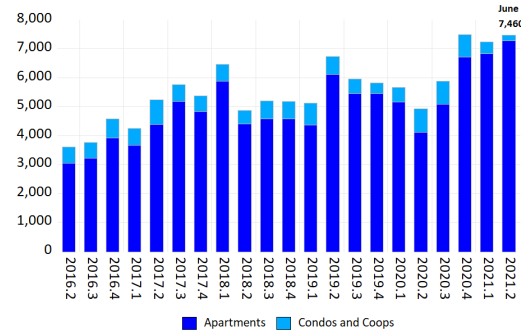
	FY 2018	FY 2019	FY 2020	12-mo avg	3-mo avg	This month
Total units	4,640	7,168	5,618	6,179	792	279
1 year ch.	592	2,528	-1,550	534	-1,040	-135
% change	14.6	54.5	-21.6	9.5	-56.8	-32.6
Multifamily projects with						
5 or more units						
number	46	63	43	54	9	2
average size	85	122	124	118	86	134
Units in small projects						
with up to 4 units						
	179	218	254	398	125	11
% of all units	3.9	3.0	4.5	6.4	15.8	3.9

Source: Census Bureau (permits for privately owned units during period)

**Housing permits issued in DC: July 2019 to July 2021  
(12-mo moving total)**



**Inventory of multifamily housing units in DC:  
net change from prior year, June 2016 to June 2021**



**Table 13. Inventory and construction for private sector apartments and condominiums in DC: 2015 to 2021q2**

CY	Inventory									Under Construction					
	All units			Apartments			Condominiums			Apartments			Condominiums		
	Number	1 yr Change	%	buildings	units	1 yr ch.	buildings	units	1 yr ch.	buildings	units	units per bldg	buildings	units	units per bldg
2015	175,871	2,907	1.7%	2,954	132,852	2,230	648	34,198	677	59	10,029	169	41	1,054	26
2016	180,442	4,571	2.6%	2,978	136,772	3,920	679	34,845	647	62	10,813	173	35	1,322	38
2017	185,808	5,366	3.0%	3,001	141,594	4,822	695	35,389	544	59	11,181	189	28	1,297	46
2018	190,985	5,177	2.8%	3,027	146,169	4,575	711	35,991	602	69	13,284	192	22	1,144	52
2019	196,804	5,819	3.0%	3,060	151,619	5,450	722	36,360	369	67	13,599	202	22	1,198	54
2020	204,293	7,489	3.8%	3,092	158,335	6,716	731	37,133	773	79	13,011	164	24	805	34
2021q2	207,147	7,460	3.7%	3,113	161,057	7,274	738	37,265	186	79	14,192	180	19	699	37
1 Q Ch.	1,863			13	1,731		-5	-106		-3	232		-5	-106	

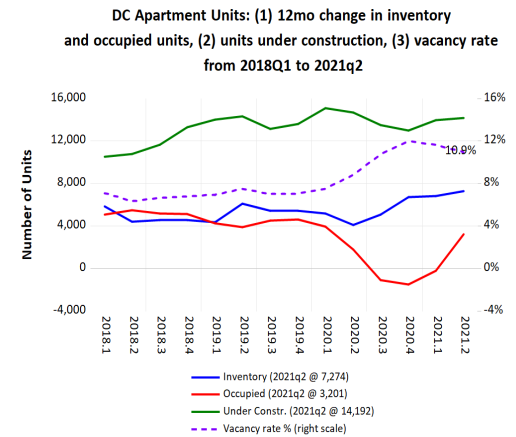
Source: CoStar. Includes units in privately-owned buildings with 5 or more units. CY amounts are last quarter of the year. Includes affordable units. Data is as of July 8, 2021. All units include cooperative apartments, not shown separately. In 2021 there are 123 co-op buildings with 8,825 units with an average building size of 72 units.



## Apartments

**Vacancy rate for premium apartments (Class A) exceed average by a little over 5 percentage points.**

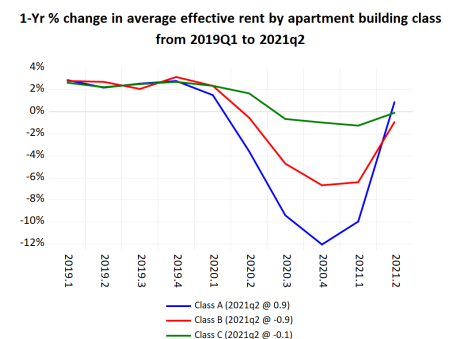
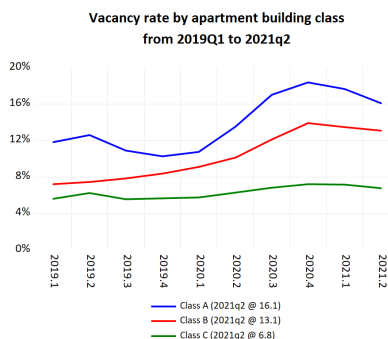
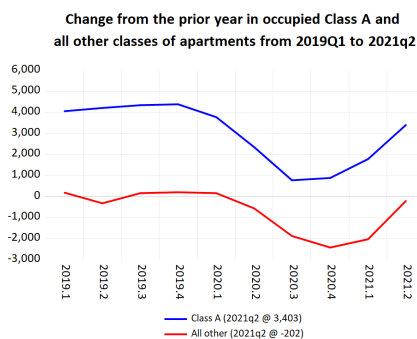
- According to CoStar, for the quarter ending June, 2021, occupied apartments increased by 3,201 (2.3%) from the prior year. The overall vacancy rate rose to 10.9% and average rents increased 0.1%.
- In the second quarter 2021, Class A units accounted for 28.8% of all units in the city and 27.3% of occupied units.
- Over the past year effective rent in Class A apartments increased while Class B and Class C declined.
- Vacancy rates at the end of June 2021: Class A 16.1%, Class B 13.1%, and Class C 6.8%. The rate for all classes decreased from last quarter.
- There are 79 buildings under construction, adding 14,192 units to inventory; 82.0% of which is Class A properties that have the highest vacancy rate.



**Table 14. Apartment Units in DC: 2015 to 2021q2**

FY	Level				Change from prior year						Average Rent		1 yr ch in units under constr.
	Inventory	Occupied	Vacant	% vacant	inventory units	%ch	Occupied units	%ch	Vacant units	%ch	Effective rent per unit	1yr %ch	
2015	132,295	122,608	8,593	6.5	3,401	2.6	3,565	3.0	-164	-1.9	\$1,850	1.9	2,641
2016	135,505	125,771	8,640	6.4	3,210	2.4	3,163	2.6	47	0.5	\$1,900	2.7	1,246
2017	140,672	129,348	10,230	7.3	5,167	3.8	3,577	2.8	1,590	18.4	\$1,909	0.5	178
2018	145,236	134,513	9,629	6.6	4,564	3.2	5,165	4.0	-601	-5.9	\$1,954	2.4	272
2019	150,675	139,023	10,507	7.0	5,439	3.7	4,510	3.4	878	9.1	\$2,000	2.4	1,490
2020	155,754	137,930	16,679	10.7	5,079	3.4	-1,093	-0.8	6,172	58.7	\$1,881	-6.0	355
2021q2	161,057	142,298	17,614	10.9	7,274	4.7	3,201	2.3	4,073	30.1	\$1,960	0.1	-481
1 Q ch	1,731	2,604	-873								\$97		

Source: CoStar, as of July 8, 2021



**Table 15. Market rate apartment units in DC, Classes A, B, and C: 2021q2**

Class	inventory					Occupied			Effective monthly rent		Under construction		
	Buildings	Number	1 yr ch	% ch	% vacant	Number	1 yr ch	% ch	\$ per month	1 yr % ch	Buildings	Units	Avg. size
Class A	208	46,315	5,318	13.0	16.1	38,862	3,403	9.6	2,570	0.9	45	11,645	259
Class B	909	55,716	1,956	3.6	13.1	48,416	108	0.2	1,863	-0.9	34	2,547	75
Class C	1,969	58,865	0	0.0	6.8	54,866	-310	-0.6	1,389	-0.1	0	0	0

Source: CoStar; includes units in privately-owned buildings with 5 or more units, including affordable units. Vacancy rate is occupied units divided by inventor. Sum of class A, B, and C may not equal total. Data is as of July 8, 2021.

# Commercial office space

## Office vacancy rate rose to 14.0%, led by premium space (Class A)

- According to CoStar, for the quarter ending June occupied office space declined by 3.85 million sq. ft.(msf) from last year and inventory decreased by 0.60 msf. The vacancy rate has risen to 14.0% (including sublet) and average base rent declined 0.5%.
- The vacancy rate for class A space was 14.5% in June, up from 13.1% a year ago . The vacancy rate for Class B office was slightly higher than Class A.
- Space under construction in June 2021 (2.7 million square feet in 16 buildings).
- Occupancy declined over the past year for all classes and rents only grew in Class A properties.

DC Office Space (millions sq ft): (1) 12mo change in inventory and occupied units, (2) units under construction, (3) vacancy rate from 2018Q1 to 2021q2

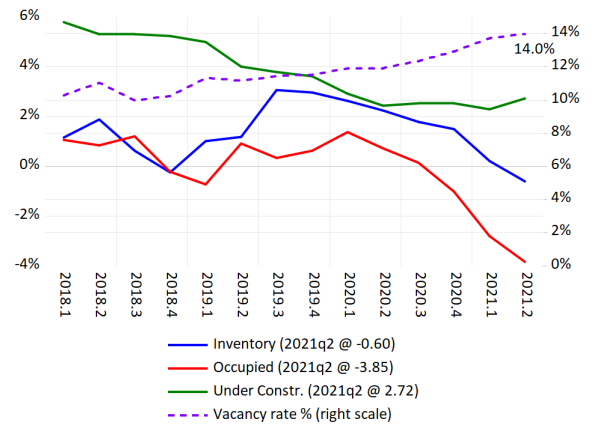
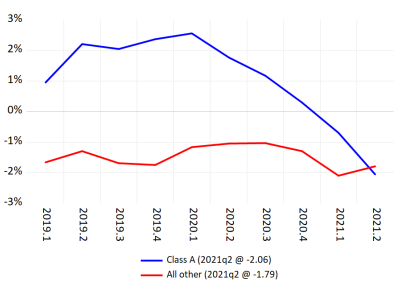


Table 16. DC Commercial office space: 2016 to 2021q2

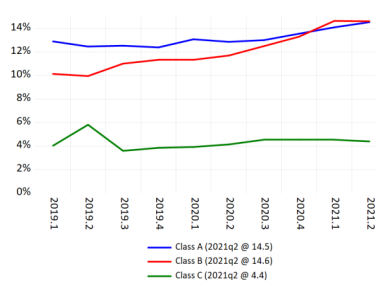
CY (year end)	Inventory				Occupied space			Vacant space			Base rent (direct)		Under constr.		
	Buildings	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	1 yr ch (msf)	% ch	Level (msf)	Direct only %	Total %	\$ per sq ft	1 yr % ch	Buildings	msf	Avg, sf / bldg
2016	2,399	158.48	0.88	0.6	141.50	-0.42	-0.3	17.0	10.2	10.8	\$50.13	3.7	20	5.24	261,827
2017	2,391	159.08	0.60	0.4	142.83	1.32	0.9	16.3	9.6	10.3	\$51.22	2.2	22	5.90	268,045
2018	2,388	158.84	-0.24	-0.2	142.60	-0.22	-0.2	16.2	9.5	10.2	\$52.19	1.9	21	5.24	249,471
2019	2,398	161.81	2.97	1.9	143.23	0.62	0.4	18.6	10.8	11.7	\$53.35	2.2	22	3.62	164,324
2020	2,402	163.32	1.50	0.9	142.22	-1.01	-0.7	21.1	12.0	13.0	\$53.51	0.3	17	2.53	148,752
2021q2	2,401	162.73	-0.60	-0.4	140.03	-3.85	-2.7	22.7	12.8	14.0	\$53.30	-0.5	16	2.72	169,845
1 Q ch	0	-0.32			-0.64	0.00			0.1	0.2	-\$0.24		1	0.42	

Source: CoStar, as of July 8, 2021; msf = million square feet; base rent excludes concessions.

Change from the prior year in occupied Class A and all other classes from 2019Q1 to 2021q2 (millions of sq ft)



Vacancy rate by office building class from 2019Q1 to 2021q2



1-Yr % change in average effective rent by office building class from 2019Q1 to 2021q2

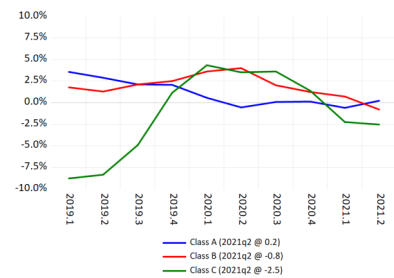


Table 17. DC Class A, B, and C commercial office space: 2021q2

Class	Inventory				Occupied space			Vacant space			Base rent (direct)		Under const.	
	Buildings	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	Direct %	Total %	\$	1 yr %ch	buildings	msf
Class A	338	93.57	-0.57	-0.6	79.97	-2.06	-2.5	13.60	13.1	14.5	\$57.02	0.2	13	2.64
Class B	943	59.23	0.03	0.0	50.56	-1.71	-3.3	8.67	13.6	14.6	\$49.67	-0.8	3	0.08
Class C	1,116	9.93	-0.06	-0.6	9.49	-0.08	-0.8	0.44	4.4	4.4	\$34.17	-2.5	0	0.00

Source: CoStar, as of July 8, 2021

## Property transfers and deed taxes

### Property sales for July up over last year.

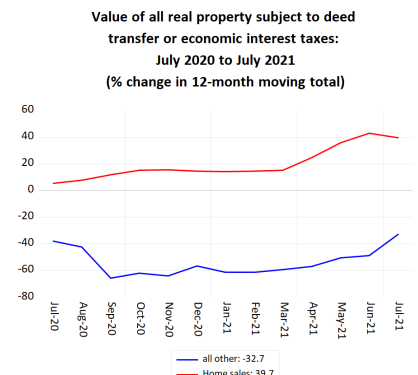
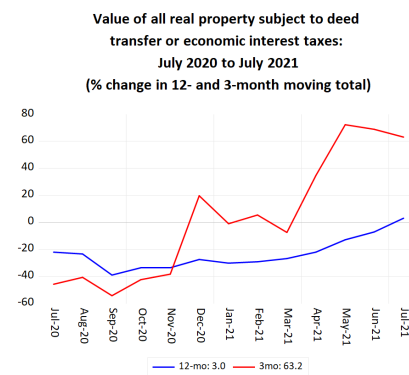
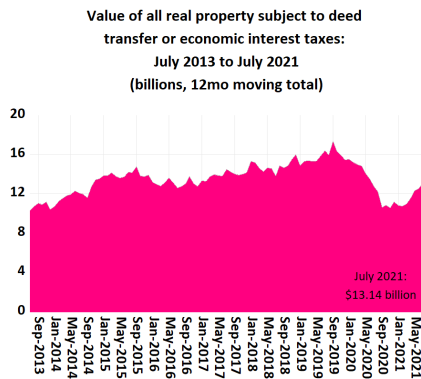
- The value of property transfers in July, \$13.1 billion, was 3.0% above a year ago as measured by the 12-month moving total. The 3-month moving total, \$4.0 billion, was 63.2% higher than last year.
- Over the 12-month period ending July the estimated value of brokered home sales was 39.7% above last year while the value of all other real property transfers was 32.7% below last year. For the last 3 months, the value of brokered home transfers was 48.4% higher than last year and non-home transfers grew 102.4%.

**Table 18. Market value of real property transfers subject to the deed transfer or economic interest tax: FY 2018 to July 2021**

	FY 2018	FY 2019	FY 2020	12mo moving total	3mo moving total	This month
All property transfers (\$M)	14,646.3	17,355.2	10,587.9	13,143.7	4,033.0	1,410.4
change from one year ago (\$M)	647.8	2,708.8	-6,767.3	381.8	1,561.4	601.6
% change from one year ago	4.6	18.5	-39.0	3	63.2	74.4

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).



**Table 19. Value of (1) brokered home sales and (2) all other real property subject to the deed transfer and economic interest taxes: FY 2018 to July 2021**

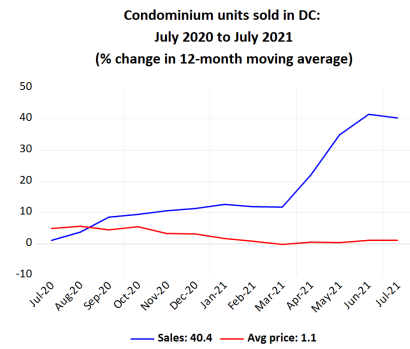
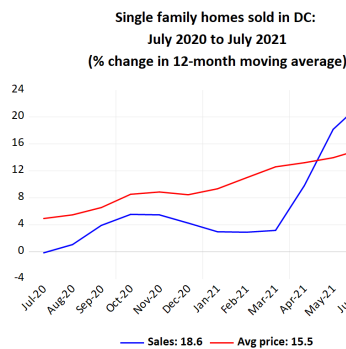
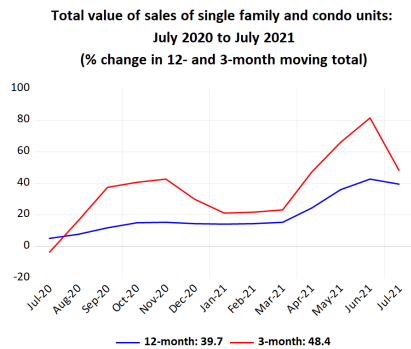
	FY 2018	FY 2019	FY 2020	12mo moving total	3mo moving total
Brokered home sales (\$m)	6,184	5,986	6,692	8,790	2,662
All other property (\$m)	8,462	11,370	3,896	4,354	1,371
% Change from 1 year ago					
Brokered home sales	6.2	-3.2	11.8	39.7	48.4
All other property	3.5	34.4	-65.7	-32.7	102.4

Source: Brokered sales of single family homes and condominium units are from MarketStats by ShowingTime; Other property transfers equals the difference between the value of all real property transfers calculated from deed tax collections reported by the OCFO and the value of brokered sales.

## Single family and condominium housing

### Sales volume and average sale prices were higher in July

- Single family home sales for July were up 18.6% from a year earlier (12-month average), while the average selling price was 15.5% higher. For the past three months, sales volume was up 20.2% and the average selling price was 18.6% higher.
- Condominium sales were up 40.4% from last year (12-month average ending July) and the average selling price was 1.1% higher. For the past three months, sales volume was up 52.5% but prices were up 4.8%.
- All home sales for the 12-month period ending July rose 29.0% from last year. The 3-month moving total was 35.3% higher.



**Table 20. Residential real estate indicators: July 2021**

	FY 2018	FY 2019	FY 2020	12mo moving total	3mo moving total	This month
<b>Number of single family sales (settled contracts)</b>						
Single family homes	4,717	4,439	4,614	5,279	1,471	446
1 year change	165	-278	175	828	247	-51
% change	3.6	-5.9	3.9	18.6	20.2	-10.3
Condominium	4,240	3,995	4,338	5,700	1,645	520
1 year change	194	-245	343	1,639	566	61
% change	4.8	-5.8	8.6	40.4	52.5	13.3
Total	8,957	8,434	8,952	10,979	3,116	966
1 year change	359	-523	518	2,467	813	10
% change	4.2	-5.8	6.1	29.0	35.3	1.0
<b>Average prices of units sold</b>						
Single family homes	\$828,741	\$861,921	\$918,292	\$1,040,978	\$1,158,289	\$1,144,130
1 year change	8,816	33,180	56,371	140,046	181,714	140,218
% change	1.1	4.0	6.5	15.5	18.6	14.0
Condominium	\$528,229	\$537,663	\$561,991	\$564,595	\$580,034	\$583,181
1 year change	17,620	9,433	24,328	6,286	26,632	31,521
% change	3.5	1.8	4.5	1.1	4.8	5.7
<b>Total Value of All Sales (\$M)</b>	<b>\$6,184</b>	<b>\$5,986</b>	<b>\$6,692</b>	<b>\$8,790</b>	<b>\$2,662</b>	<b>\$814</b>
1 year change	361	-199	706	2,496	868	61
% change	6.2	-3.2	11.8	39.7	48.4	8.2

Note: Closed (settled) contracts. Average prices calculated by ORA based on number of sales and total value of sales.

Source: MarketStats by ShowingTime, accessed by BrightMLS. Sales are ones closed during period shown.

## Single family and condominium housing

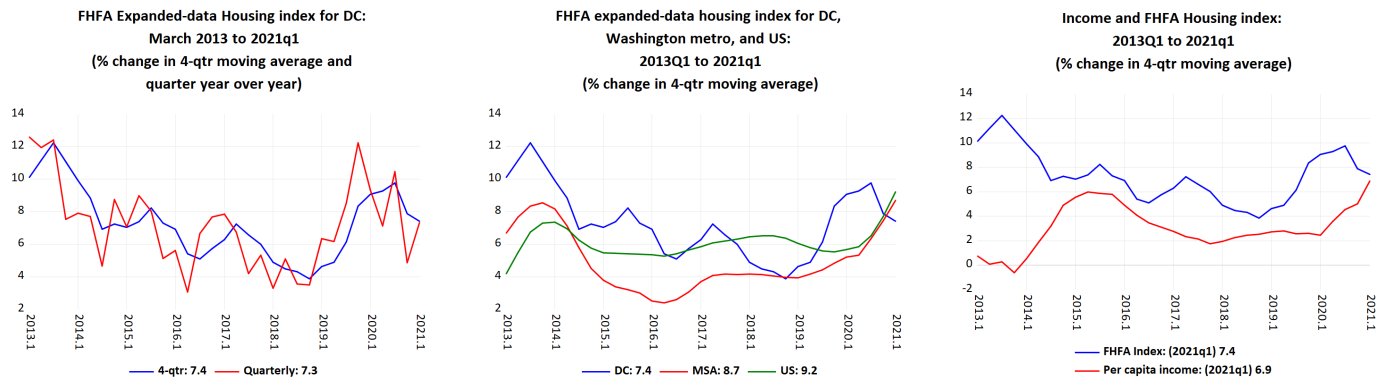
### The FHFA house price index for DC slowed relative to the national average in the 1st Quarter

- The percentage change from the prior year in DC home prices was 7.3% higher in the March quarter, according to the Federal Housing Finance Agency (FHFA) Index of single-family same-property transactions. The US index was 12.3% higher and the Washington metropolitan area was up 10.8%.
- 40.2% of all single family sales in July were for properties greater than \$1 million and sales of these properties grew 59.7% for the 12-month period ending July 2021. Sales of condominiums greater than \$1 million accounted for 6.8% of condominium sales in July and sales of these condominiums were 39.2% higher in the 12-month period ending July relative to the same period last year.

**Table 21. Federal Housing Finance Agency Price Index for single family property in DC, DC metro area, and US**

Indicator	Fiscal year average			Last 2 Q's	
	FY 2018	FY 2019	FY 2020	2020q4	2021q1
%change from prior year in value of index					
DC	4.3	6.1	9.8	4.9	7.3
DC metro area	4.0	4.4	6.3	9.9	10.8
US	6.5	5.6	6.5	10.5	12.3

Source: Federal Housing Finance Agency



**Table 22. D.C. Single family and condominium home sales at prices of \$1 million or more: July 2021**

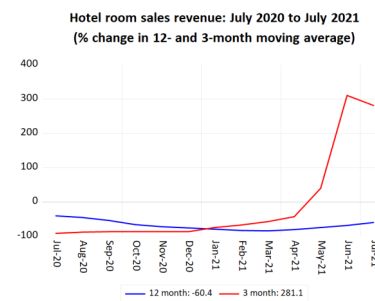
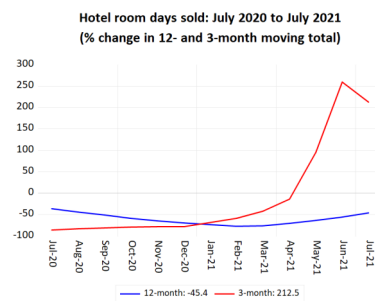
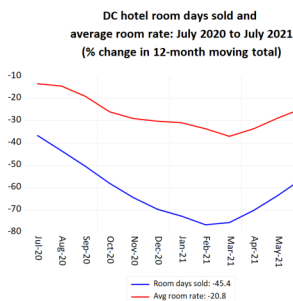
	FY 2018	FY 2019	FY 2020	12mo moving	3mo moving	This month
				total	total	
Single family homes	1,192	1,232	1,403	2,059	706	200
1 year change	135	40	171	770	309	12
% change	12.8	3.4	13.9	59.7	77.8	6.4
% all single family sales	26.2	26.1	31.6	46.3	57.7	40.2
Condominium	222	213	252	330	110	31
1 year change	33	-9	39	93	60	6
% change	17.5	-4.1	18.3	39.2	120.0	24.0
% all condominium sales	5.5	5.0	6.3	8.1	10.2	6.8

Source: MarketStats by ShowingTime, accessed by BrightMLS. Sales are ones closed during period shown.

## Hospitality

**Hotel stays in July were significantly higher than last year, but still well below pre-pandemic levels.**

- In July, there were 205.4% more hotel-room-days sold than a year ago. The average room rate was up 28.6% and hotel room sales revenue was 292.7% higher.
- Occupancy, which is historically around 85%, was 45.3% in July, improving from June.
- Air passengers through the regional airports were up 222.6% in June from last year. Passengers through Washington National (DCA) were up 259.4% from June 2020. Despite recent increase in traffic, levels remain significantly below historic levels.
- Hotel employment was 16.2% higher in the three-month average ending July than a year earlier and food service employment was up 47.6%.



**Table 23. Hospitality Industry: July 2021**

Indicator	Units	FY 2018	FY 2019	FY 2020	12-mo moving average/sum*	3-mo moving average/sum*	This Month
<b>Hotel Stays (updated July)</b>							
Hotel room-days sold	(M)	9.019	9.128	4.525	3.144	1.124	0.447
	1 yr ch	0.272	0.109	-4.603	-2.618	0.764	0.301
	1 yr % ch	3.1	1.2	-50.4	-45.4	212.5	205.4
Average room rate	\$	\$219.91	\$216.37	\$175.46	\$147.41	\$163.67	\$169.16
	1 yr ch	-\$11.63	-\$3.54	-\$40.91	-\$38.63	\$29.10	\$37.62
	1 yr % ch	-5.0	-1.6	-18.9	-20.8	21.6	28.6
Room revenue	(\$M)	\$2,020.2	\$2,038.7	\$920.5	\$473.3	\$184.5	\$75.6
	1 yr ch	-\$18.3	\$18.5	-\$1,118.2	-\$720.6	\$136.1	\$56.3
	1 yr % ch	-0.9	0.9	-54.9	-60.4	281.1	292.7
Occupancy rate	%	78.0	76.3	42.0	31.8	38.6	45.3
Number of hotels in survey		136	140	125	127	135	136
<b>Airline passengers (updated June)</b>							
DCA	1 yr %ch	-1.2	0.7	-47.9	-58.0	490.3	259.4
IAD	1 yr %ch	4.1	4.3	-45.1	-53.8	463.6	359.5
BWI	1 yr %ch	4.5	-1.4	-42.1	-33.8	366.6	150.2
Total	1 yr %ch	2.5	1.1	-44.9	-48.0	423.2	222.6
<b>Employment (updated July)</b>							
Accommodations	level (000s)	15.6	16.2	11.5	6.9	7.6	7.9
	1 yr ch	0.5	0.6	-4.7	-6.3	1.1	1.9
	1 yr % ch	3.1	3.7	-29.1	-47.7	16.2	31.7
Food and beverage	level (000s)	54.6	55.2	39.2	29.6	35.5	37.6
	1 yr ch	2.5	0.6	-16.0	-14.3	11.4	11.3
	1 yr % ch	4.7	1.0	-29.0	-32.5	47.6	43.0

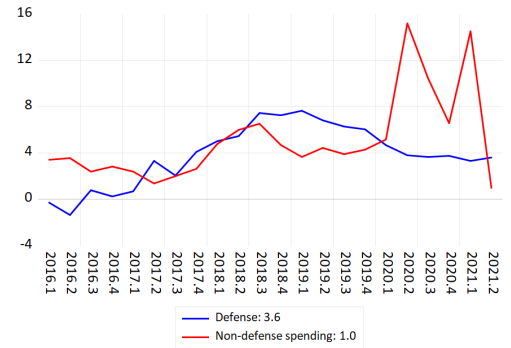
\* Total for hotel rooms and room revenue.

Source: STR (hotel data); BLS (employment); BWI Airport (passenger data)

**Federal non-defense spending increased faster than nominal GDP over the past 4 quarters**

- Federal government non-defense spending for consumption and investment which included spending on COVID relief, increased 1.0% in the June 2021 quarter from a year earlier. Defense spending grew 3.6%.
- Compared to the same quarter a year ago, in the June quarter nominal GDP grew 16.7% and real (inflation adjusted) GDP grew 12.2%.
- The US employment rate (seas. adj.) was 5.4% in July, 0.5% lower than June.
- In July the average S&P 500 index was 36.0% above a year earlier.

Defense and non-defense spending: 2016Q1 to 2021q2 (1 yr % change)



**Table 24. Federal government consumption and investment, US GDP accounts: FY2018 to 2021q2**

(percent change from prior year)

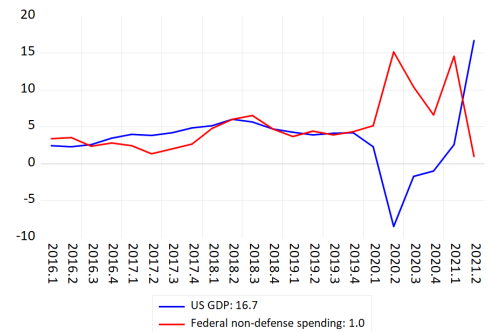
Indicator	FY 2018	FY 2019	FY 2020	4q mov	
				avg*	2021q2
<b>Non-defense</b>	<b>5.0</b>	<b>4.2</b>	<b>8.8</b>	<b>7.9</b>	<b>1.0</b>
Compensation of employees	3.7	3.0	4.8	5.9	4.5
Purchases of goods and services	5.7	2.9	9.6	9.0	0.4
Gross investment	2.9	8.0	6.7	4.9	3.0
<b>Defense</b>	<b>5.5</b>	<b>7.0</b>	<b>4.6</b>	<b>3.6</b>	<b>3.6</b>
Compensation of employees	4.0	4.3	4.3	4.6	4.2
Purchases of goods and services	4.8	6.9	3.7	2.6	2.7
Gross investment	8.6	7.3	7.9	7.5	7.3
<b>All federal consumption and investment</b>	<b>5.3</b>	<b>5.8</b>	<b>6.3</b>	<b>5.4</b>	<b>2.5</b>

Note: federal spending does not include social security, medicare, or grants.

\*FY 2020 ended 2020q3.

Source: BEA (August 26, 2021); nominal values.

Federal non-defense spending and US GDP: 2016Q1 to 2021q2 (1 yr % change)



**Table 25. US GDP, Income, and Inflation: FY2018 to 2021q2**

(percent change from prior year)

Indicator	FY 2018	FY 2019	FY 2020	4q mov	
				avg	2021q2
GDP real	3.0	2.2	-2.2	1.6	12.2
GDP nominal	5.4	4.2	-1.0	3.8	16.7
Personal Income	5.2	4.3	6.3	7.1	1.1
Consumption	5.1	3.9	-1.4	5.0	20.7
Investment	7.3	6.4	-5.2	6.2	23.9
Corporate profits*	-0.6	2.5	-5.6	28.6	66.9
S and P stock index	16.2	3.3	10.2	23.9	42.8
US CPI	2.4	1.9	1.5	2.3	4.8

\* Before tax, without IVA and CCadj.

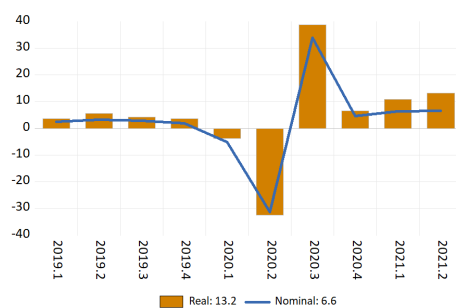
Source: BEA August 26, 2021; BLS (cpi); Dow Jones Indices (SP500)

**Table 26. Monthly selected indicators: March to July 2021**

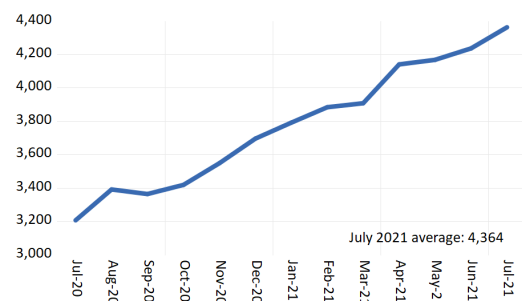
Indicator	March	April	May	June	July
S & P stock market index (level)	3,908	4,141	4,168	4,238	4,364
% change from prior year	47.33	49.94	42.75	36.52	36.04
10 yr Treasury Interest rate (level)	2.0	2.0	2.0	2.0	1.0
CPI % change from prior month (seas. adj.)	0.6	0.8	0.6	0.9	0.5
CPI % change from prior year (seas. adj.)	2.6	4.2	4.9	5.3	5.3
Jobs (seas. adj.) millions	144.06	144.33	144.94	145.9	146.96
change from prior month (thousands)	785	269	614	962	1,053
% change from prior month	0.55	0.19	0.43	0.66	0.72
Resident employment (seas. adj.) millions	150.85	151.18	151.62	151.6	152.65
change from prior month (thousands)	609	328	444	-18	1,043
% change from prior month	0.41	0.22	0.29	-0.01	0.69
Unemployment rate (seas. adj.)	6	6.1	5.8	5.9	5.4

Source: BLS; Dow Jones Indices; Federal Reserve

Quarterly change in US real and nominal GDP: 2019Q1 to 2021q2 (% change from previous quarter at annual rate)

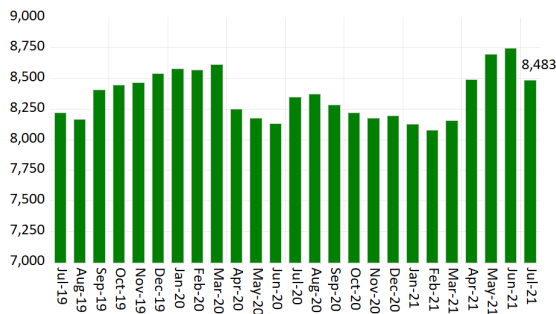


Standard & Poors Stock Market Index (SP500): 2020m7 to 2021m7 (Monthly average)

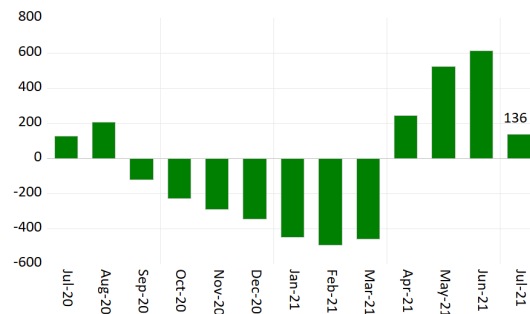


## DC tax collections

DC tax collections (before earmarking): July 2019 to July 2021  
(\$ million, 12-mo moving total)



DC tax collections (before earmarking): July 2020 to July 2021  
(1 yr \$ change 12-mo moving total (\$M))



**Table 27. Tax Collections (before earmarks): July 2021**

Tax	Annual Revenue (From CAFR)			Tax Collections			
	FY 2018	FY 2019	FY 2020	12-mo mov total	FY 2021 to date	3-mo mov total	This month
Total taxes	7,771.3	8,455.3	8,236.7	8,483.5	6,236.2	1,625.5	450.3
1 yr change	298.7	684.0	-218.6	136.4	199.1	-8.3	-261.5
% change	4.0	8.8	-2.6	1.6	3.3	-0.5	-36.7
Real Property	2,554.2	2,710.1	2,836.7	2,779.9	1,450.2	8.5	-19.3
1 yr change	80.9	155.9	126.7	10.7	5.4	-150.9	-42.7
% change	3.3	6.1	4.7	0.4	0.4	-94.6	-182.6
General sales	1,492.6	1,597.7	1,222.4	1,090.7	942.8	324.2	127.1
1 yr change	73.4	105.2	-375.3	-352.9	-215.3	70.9	11.1
% change	5.2	7.0	-23.5	-24.4	-18.6	28.0	0.1
Individual income	2,066.8	2,299.3	2,377.2	2,606.2	2,188.6	711.5	183.6
1 yr change	108.6	232.5	77.9	262.2	238.4	19.9	-166.9
% change	5.5	11.2	3.4	11.2	12.2	2.9	-47.6
withholding	1,818.2	1,942.9	2,060.6	2,159.5	1,846.2	524.5	191.6
1 yr change	51.6	124.7	117.7	127.3	109.4	51.4	23.8
% change	2.9	6.9	6.1	6.3	6.3	10.9	14.2
non-withholding	248.7	356.4	316.6	446.7	342.5	187.0	-8.0
1 yr change	56.9	107.8	-39.8	134.9	129.0	-31.5	-190.7
% change	29.7	43.3	-11.2	43.3	60.4	-14.4	-104.4
Corporate franchise	436.5	507.9	575.6	656.5	540.3	146.2	17.7
1 yr change	47.3	71.4	67.7	92.1	85.9	-15.7	-69.4
% change	12.2	16.4	13.3	16.3	18.9	-9.7	-79.7
Unincorporated bus.	138.2	134.7	152.1	188.7	158.9	50.8	1.6
1 yr change	-26.8	-3.5	17.3	23.2	33.1	-0.2	-22.3
% change	-16.2	-2.5	12.8	14.0	26.3	-0.4	-93.5
Deed Taxes <sup>^</sup>	472.3	561.1	452.7	505.6	448.1	165.1	58.1
1 yr change	11.4	88.8	-108.4	-24.0	39.2	63.3	27.5
% change	2.5	18.8	-19.3	-4.5	9.6	0.6	90.1
Other taxes	610.7	644.4	619.9	655.9	507.2	219.2	81.7
1 yr change	3.9	33.7	-24.5	125.0	12.3	4.4	1.3
% change	0.6	5.5	-3.8	23.5	2.5	2.0	1.7

<sup>^</sup> Deed taxes include deed recordation, deed transfer, and tax on transfers of economic interest in real property.

Note: (1) Revenues for fiscal years 2018 through 2020 are based on the CAFR; (2) tax collections subject to accounting adjustments at year end; (3) The table and charts on this page may include adjustments to the timing and consistency of collection reporting intended to make comparisons with the prior year more meaningful. The data may differ from other published OCFO reports

Source: OCFO/ORR



**Total Tax collections year to date (Oct.—July.) up**

● For the 12 month period ending July total tax collections (before earmarking) were \$136 million (1.6%) higher than in the prior year. For the last 3 months they were down 0.5% from last year.

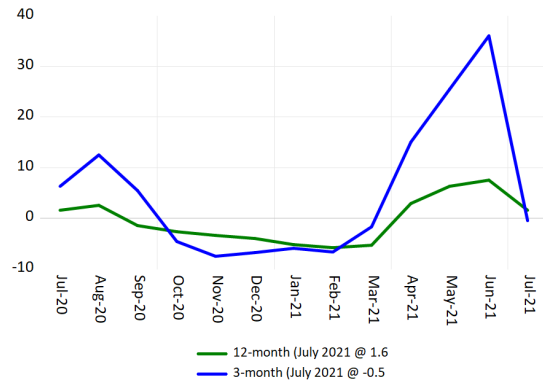
● Individual income tax collections were 11.2% above last year for the 12-months ending July because of 6.3% growth in withholding and strong estimated payments. For the past 3 months, total individual income tax collections were up \$19.9 million while withholding was up \$51.4 million (10.9%).

● General sales tax collections were 24.4% below last year for the 12-months ending July. For the past 3 months, they were up 28.0% from last year.

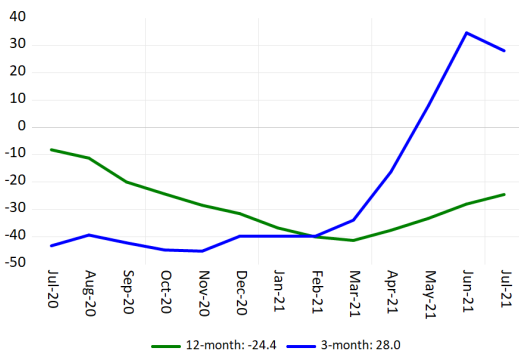
● Deed tax collections for the 12-months ending July were down 4.5% from last year; for the past 3 months they were up 0.6% .

● Corporate income taxes for the 12 months ending July were up 16.3% while unincorporated business income taxes were up 14.0% over last year.

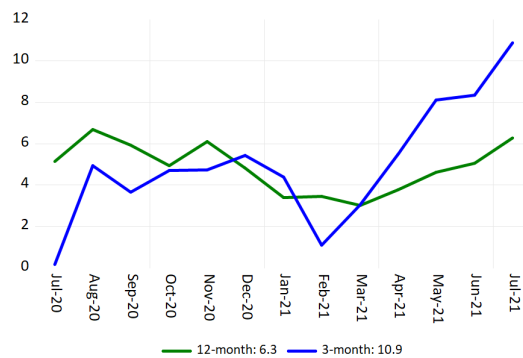
**Tax collections (before earmarking):  
July 2020 to July 2021  
(% change 12- and 3-month totals)**



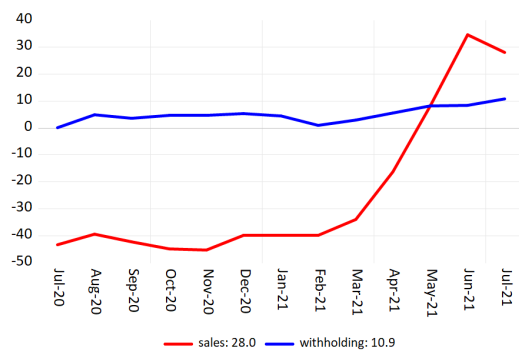
**General sales tax collections (before earmarking):  
July 2020 to July 2021  
(% change 12- and 3-month totals)**



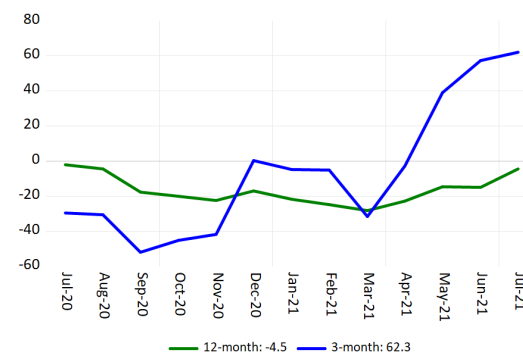
**Withholding for individual income tax collections:  
July 2020 to July 2021  
(% change 12- and 3-month totals)**



**General sales tax collections and withholding:  
July 2020 to July 2021  
(% change 3-month totals)**



**Deed tax collections (before earmarking):  
July 2020 to July 2021  
(% change 12- and 3-month totals)**



## US economic forecasts

**Table 28. Forecasts for US Nominal and real GDP, Personal income, unemployment, CPI, Interest rate, and S&P500**

Indicator	IHS Markit (August 2021)				Moody's Analytics (August 2021)			
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2020	FY 2021	FY 2022	FY 2023
Real GDP (% ch from prior yr)	-2.2	3.9	5.2	2.4	-2.2	4.0	5.6	2.5
Nominal GDP (% ch from prior year)	-1.0	6.9	8.5	4.3	-1.0	6.9	8.9	4.8
Personal income (%ch from prior yr)	6.3	6.2	0.8	4.2	6.3	6.1	-0.6	4.6
Unemployment (%)	7.3	6.0	4.2	3.6	7.3	6.0	4.0	3.5
CPI (% ch from prior year)	1.5	3.3	3.3	1.6	1.5	3.1	3.6	2.3
10 Year Treasury (%)	1.1	1.3	1.7	2.0	1.1	1.3	2.1	2.6
S&P 500 (level)*	3,322	4,411	4,484	4,563	3,322	4,257	3,899	3,835

\* SP500 shown is average for last quarter of fiscal year

## DC economic forecasts

**Table 29. Forecasts for Select DC indicators**

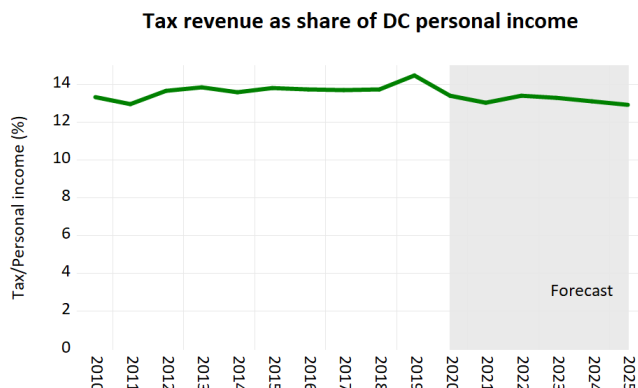
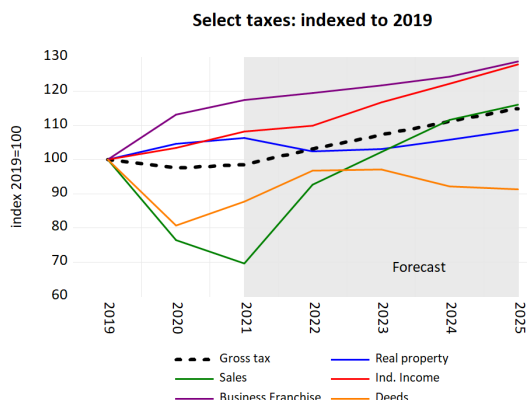
Indicator	IHS Markit (August 2021)				Moody's Analytics (August 2021)				ORA (May 2021)			
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2020	FY 2021	FY 2022	FY 2023	FY 2020	FY 2021	FY 2022	FY 2023
Real GDP-DC (% ch from year ago)	-0.7	2.1	4.6	2.7	-0.7	2.4	4.9	2.7	-0.8	2.4	3.5	1.7
Personal income (% ch from year ago)	5.2	4.6	1.1	5.4	5.2	4.6	0.0	4.2	5.2	4.1	1.9	4.7
Wages in DC (% ch from year ago)	1.7	5.0	7.3	6.3	1.7	4.8	3.6	4.4	1.6	4.9	6.2	4.9
Jobs in DC (% ch from year ago)	-4.1	-3.1	4.8	3.1	-4.1	-3.2	2.8	1.3	-4.1	-3.0	4.2	2.2
Unemployment rate (%)	7.1	7.6	5.7	4.8	7.1	7.7	5.5	4.8	7.1	7.7	5.4	4.7
Population (% ch from year ago)	0.2	0.0	0.1	0.3	0.5	0.6	0.8	0.9	0.7	0.4	0.7	0.7
Households (% ch from year ago)	0.0	0.8	0.7	0.8	0.5	1.1	1.3	1.4	0.3	0.9	1.1	1.2

## DC revenue estimate

**Table 30. DC Tax Revenue (before earmarks) for May 2021 estimate**

Tax	FY Level (\$m)				Change from prior FY (\$m)				%change from prior FY			
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2020	FY 2021	FY 2022	FY 2023	FY 2020	FY 2021	FY 2022	FY 2023
Real Property	2,836.7	2,884.0	2,774.3	2,793.7	126.7	47.2	-109.7	19.4	4.7%	1.7%	-3.8%	0.7%
Deed taxes	452.7	492.1	542.9	544.6	-108.2	39.4	50.8	1.6	-19.3%	8.7%	10.3%	0.3%
General Sales	1,222.4	1,113.1	1,481.8	1,633.0	-375.3	-109.3	368.7	151.1	-23.5%	-8.9%	33.1%	10.2%
Individual Income	2,377.2	2,487.0	2,527.6	2,684.3	77.9	109.7	40.7	156.7	3.4%	4.6%	1.6%	6.2%
withholding	2,060.6	2,134.2	2,230.7	2,332.2	117.7	73.6	96.5	101.5	6.1%	3.6%	4.5%	4.5%
non-withholding	316.6	352.8	296.9	352.1	-39.8	36.2	-55.9	55.2	-11.2%	11.4%	-15.8%	18.6%
Business Income	727.7	755.3	768.3	781.8	85.0	27.6	12.9	13.6	13.2%	3.8%	1.7%	1.8%
Other	1,347.6	1,354.9	1,398.6	1,407.4	60.3	7.4	43.7	8.8	4.7%	0.5%	3.2%	0.6%
Total	8,236.7	8,331.1	8,725.3	9,063.0	-218.6	94.4	394.2	337.7	-2.6%	1.1%	4.7%	3.9%

Source: ORA, May 2021 revenue estimate. Table includes tax revenue before earmarked dedications and excludes nontax revenue, lottery, and special purpose revenue.



Continued from front page

### Distribution of Credits Between DC EITC Filers with Qualifying Children and Childless Workers

Of all recipients from 2007 to 2017, those with one or two qualifying children accounted for 76 percent of the credit amount claimed (Table 1). Almost 70,000 children per year lived in households that benefitted from the DC EITC and 52 percent of those children lived in poverty during the same period. Overall, ORA found that about eleven percent of the children of EITC claimants living in poverty were lifted out of poverty because of the local earned income tax credit in the same 11-year period (further analysis of DC EITC benefit and its impact on children can be found in the “Income Security Tax Expenditure Review” Review of Income Security and Social Policy Tax Expenditures 2021 | ora-cfo (dc.gov).

**Table 1: Total EITC Filers and Credits Claimed, by Number of Qualifying Children from 2007-2017**

<i>Number of Qualified EITC Children</i>	<i>Total Amount of Claims \$ over the period</i>	<i>Distribution of Claims %</i>	<i>Average Claims \$</i>
<i>None</i>	\$35,927,722	6.22%	\$217
<i>One</i>	\$191,725,915	33.19%	\$858
<i>Two</i>	\$247,910,032	42.91%	\$1,371
<i>Three</i>	\$100,293,072	17.36%	\$1,697
<i>More than three</i>	\$1,872,860	0.32%	\$1,412
<b><i>Total</i></b>	<b>\$577,729,600</b>	<b>100.00%</b>	<b>\$916</b>

Note: ORA analysis of individual income tax data by number of qualifying children from 2007-2017. The total amount of claims by qualifying children do not equal the total claims because it excludes DC EITC recipients with missing information.

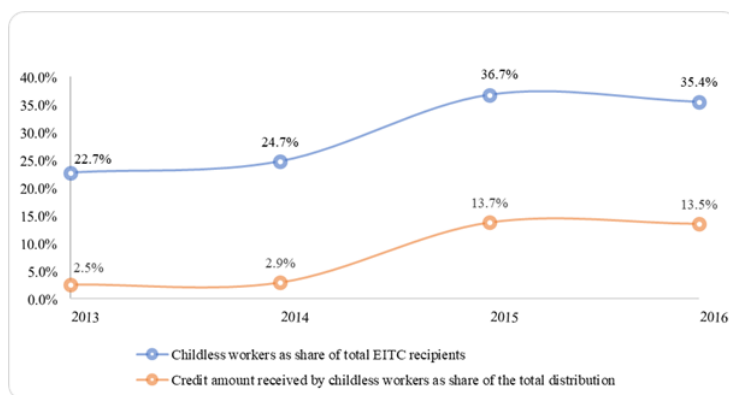
### Benefit for childless adults expanded in 2014

In 2014, the maximum benefit and income threshold for DC EITC childless workers was expanded, driving an increase in the number of childless workers that claimed the credit by about 33 percent—especially those with incomes between \$14,850 (the federal income threshold for childless workers to claim the credit) and \$24,254 (DC’s expanded income threshold), allowing childless workers with higher income who were not eligible for the federal credit to become eligible for the DC credit. The maximum benefit was also increased to 100% of federal rather than 40% for other filers with dependents.

Prior to the expansion of the credit, the share of childless workers on EITC averaged about 24 percent in 2013 and 2014, but they only received about 2.7 percent of the total distribution of the credit (Chart 3). As a result of the EITC expansion for childless workers, the share of childless workers as a portion of the total number of households on EITC increased to an average of 36 percent in 2015 and 2016. Additionally, the share of the credit amount received by childless workers significantly increased by over 400 percent to about 14 percent in 2015 and 2016 due to the increase in the share of federal credit from 40% to 100%.

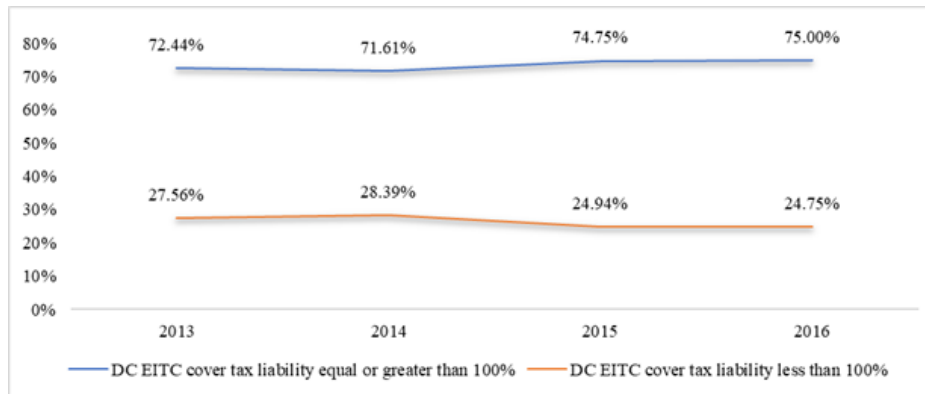
**Chart 3: Percent of Childless Population and Claim Distribution Before and After the Expansion (2013-2016)**

Source: ORA



The expansion eliminated all tax liability for a higher percentage of EITC recipients without children shown by the upward bump in Chart 4 after the law became effective in 2015. Specifically, the law increased the number of childless workers whose tax liability would be completely removed by the credit by about an average of 3 percent while also decreasing the number of childless workers whose tax burden was partially eliminated by an average of 11 percent.

**Chart 4: Percent of DC Tax Liability Covered by DC EITC Before and After the 2014 Expansion**



Source: ORA.

*Distribution of Credits by Ward and Neighborhood*

DC EITC recipients living in Wards 7 and 8 between 2001 and 2017 received the largest share of the credit—\$278 million in credits or 45.3 percent of the total credit claimed over that period and accounted for the most claims processed. Among recipients in most wards, the most common filing status during the same time was ‘head of household’. In Wards 2, and 3, however, the most common recipient was a single filer (Chart 5 below).

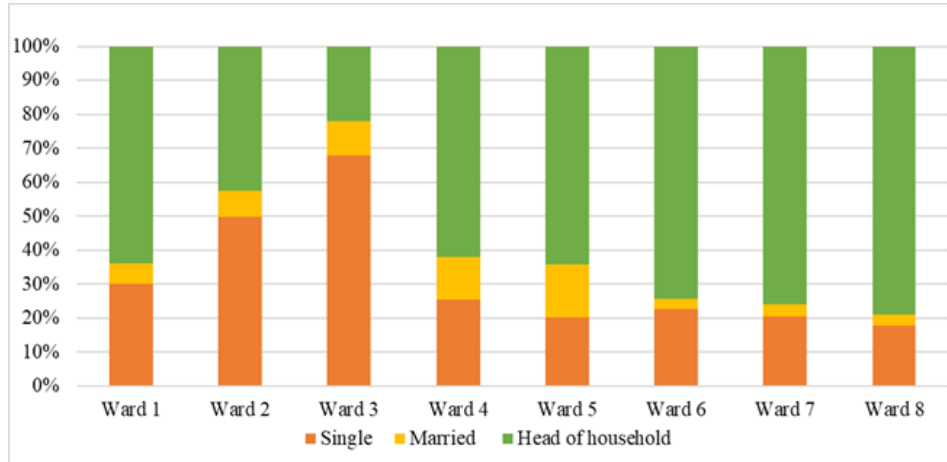
**Table 2: Total Number of EITC Households and Credits Claimed, by Ward from 2001- 2017**

Wards	Number of Households	Distribution of households	Amount of Claims	Distribution of Claims	Average credit	Median credit
Ward 1	33,164	13.42%	\$83,525,277	13.60%	\$896	\$716
Ward 2	12,268	4.97%	\$19,676,754	3.20%	\$770	\$506
Ward 3	8,433	3.41%	\$6,118,383	1.00%	\$417	\$188
Ward 4	35,645	14.43%	\$90,463,120	14.73%	\$854	\$670
Ward 5	36,784	14.89%	\$82,330,286	13.40%	\$774	\$627
Ward 6	26,261	10.63%	\$54,219,759	8.83%	\$747	\$600
Ward 7	44,019	17.82%	\$122,114,336	19.88%	\$836	\$728
Ward 8	50,490	20.44%	\$155,857,245	25.37%	\$877	\$794
<b>Total**</b>	<b>247,064</b>	<b>100.00%</b>	<b>\$614,305,160</b>	<b>100.00%</b>	<b>\$828</b>	<b>\$677</b>

\*\*Number of households does not equal total because it includes repeat claimants that moved to another Ward between 2001 and 2017. The claimant is therefore captured in both Wards at different time periods.

Note: ORA analysis of individual income tax data. The total credit claimed by Ward does not equal the total credit claimed by all DC EITC recipients because the addresses of some recipients were out of state, missing, or could not be geocoded.

**Chart 5: Percent of DC EITC Filers by Filing Status and Ward**

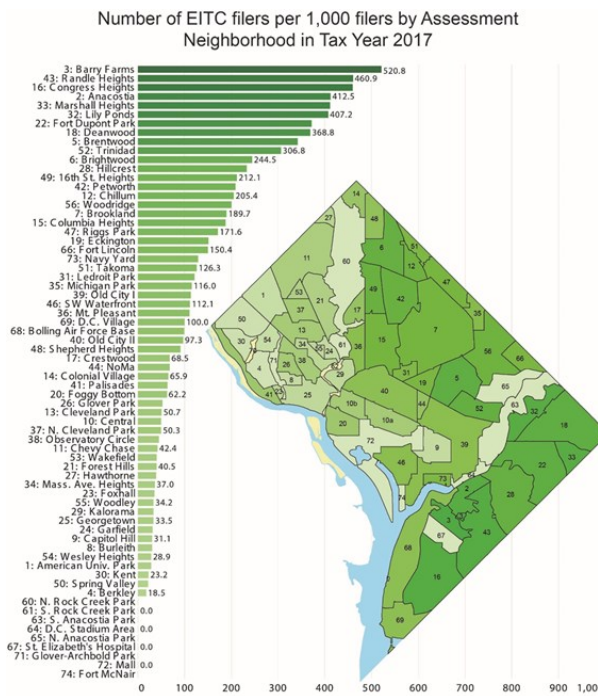


Source: ORA.

Most of DC EITC recipients lived in only 20 of DC’s 74 assessment neighborhoods and claimed 92 percent of the total credit in 2017, as shown in Table 3 below. Nine of the top 20 neighborhoods, all located in Wards 7 and 8, made up 43 percent of DC EITC recipients and accounted for an estimated \$275.7 million in credits between 2001 and 2017, or about 45 percent of the total DC EITC during that time with an average claim of about \$855 per household per year.

Map 1 below shows the density per square-mile of DC EITC recipients per 1,000 tax filers in 2017. We control for the number of tax filers by neighborhood because some neighborhoods have a higher (or lower) proportion of DC EITC recipients in relation to the total number of tax filers in the same neighborhood. For example, while the Columbia Heights neighborhood is ranked third among neighborhoods with the highest number of DC EITC recipients in 2017 (see Table 3 below), the neighborhood is 18<sup>th</sup> for recipients as a share of all tax filers. Proportionally, a tax filer in Barry Farms in Ward 8 was almost three times more likely to claim the EITC than a tax filer in the Columbia Heights neighborhood.

**Map 1: Neighborhoods by Share of EITC Claimed, 2017**



Source: ORA calculations

Table 3: Total DC EITC Claimed by Top 20 Neighborhoods, 2017

<i>Neighborhoods</i>	<i>Number of households</i>	<i>Distribution of households</i>	<i>Amount of Claims \$</i>	<i>Distribution of Claims</i>	<i>Average credit \$</i>	<i>Median credit \$</i>
<i>Congress Heights (Ward 8)</i>	5,824	10.79%	\$6,042,628	11.89%	\$1,038	\$976
<i>Randle Heights (Ward 7)</i>	4,754	8.80%	\$5,130,752	10.10%	\$1,079	\$1,060
<i>Columbia Heights (Ward 1)</i>	4,432	8.21%	\$4,334,482	8.53%	\$978	\$675
<i>Deanwood (Ward 7)</i>	4,119	7.63%	\$4,020,008	7.91%	\$976	\$828
<i>Fort Dupont Park (Ward 7)</i>	2,703	5.01%	\$2,733,497	5.38%	\$1,011	\$923
<i>Old City 2 (Ward 6)</i>	3,063	5.67%	\$2,572,335	5.06%	\$840	\$510
<i>Old City 1 (Ward 6)</i>	2,875	5.32%	\$2,494,499	4.91%	\$868	\$510
<i>Petworth (Ward 4)</i>	2,381	4.41%	\$2,186,611	4.30%	\$918	\$622
<i>Brightwood (Ward 4)</i>	2,370	4.39%	\$2,154,115	4.24%	\$909	\$510
<i>Brookland (Ward 5)</i>	2,381	4.41%	\$2,113,535	4.16%	\$888	\$520
<i>Trinidad (Ward 5)</i>	1,850	3.43%	\$1,713,602	3.37%	\$926	\$690
<i>Barry Farms (Ward 8)</i>	1,422	2.63%	\$1,572,691	3.09%	\$1,106	\$1,092
<i>Lily Ponds (Ward 7)</i>	1,510	2.80%	\$1,572,531	3.09%	\$1,041	\$974
<i>Anacostia (Ward 8)</i>	1,429	2.65%	\$1,518,881	2.99%	\$1,063	\$1,029
<i>Marshall Heights (Ward 7)</i>	1,415	2.62%	\$1,440,239	2.83%	\$1,018	\$936
<i>Hillcrest (Ward 7)</i>	1,401	2.59%	\$1,264,897	2.49%	\$903	\$677
<i>Mt. Pleasant (Ward 1)</i>	1,215	2.25%	\$1,073,519	2.11%	\$884	\$510
<i>16th Street Heights (Ward 4)</i>	1,010	1.87%	\$1,030,943	2.03%	\$1,021	\$693
<i>Brentwood (Ward 5)</i>	869	1.61%	\$860,715	1.69%	\$990	\$757
<i>Woodridge (Ward 5)</i>	813	1.51%	\$727,030	1.43%	\$894	\$588
<b>Top 20 Total</b>	<b>47,836</b>	<b>88.60%</b>	<b>\$46,557,510</b>	<b>91.62%</b>	<b>\$968</b>	<b>\$692</b>
<b>All Neighborhoods Total</b>	<b>53,994</b>	<b>100.00%</b>	<b>\$50,815,635</b>	<b>100.00%</b>	<b>\$941</b>	<b>\$704</b>

Note: ORA analysis of individual income tax data, 2017. The total credit claimed by neighborhood does not equal the total credit claimed by all DC EITC recipients and DC EITC recipients by Ward because the addresses of some recipients were out of state, missing, or could not be geocoded.

### What is this data?

This study used DC individual income and federal individual income administrative tax data from 2001 to 2017. This data is geocoded and provides information on DC EITC claimants including amount claimed, and number of qualified dependents.

-Charlotte Otabor, Fiscal Analyst

**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](http://www.cfo.dc.gov)) under subcategories of "Reports and Publications" and "Budget and Revenue."

**District, Measured.** Information on the economic and demographic trends taking shape in the city can be found on the ORA Blog, District, Measured ([districtmeasured.com](http://districtmeasured.com)). You can sign up at the blog page to receive updates as new articles are posted.

**Recent ORA reports:**

**Review of Income Security and Social Policy Tax Expenditures, August 2021**

**May 2021 revenue estimate. May 14, 2021.**

**DC Corporate Tax Burden Study, May 2021**

**DC Tax Facts, 2019.** Details on all DC taxes. *(Released September 2020)*

**DC Tax Facts Visual Guide Report.** A visual guide to DC's tax system. *(Released December 2019)*

**Tax Rates and Tax Burdens 2019 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. *(Released April 2021)*

**Tax Rates and Tax Burdens 2019 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. *(Released April 2021)*

**Tax Expenditure Report.** A compendium of tax expenditures for 2020. *(Released December 2020)*

**About this report.** *District of Columbia Economic and Revenue Trends* is generally issued toward the end of every month. Employment and most other DC information reported on a monthly basis is from one to two months prior to the *Trends* date. 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](http://www.cfo.dc.gov) (click on *Budget and Revenue/Economy/ Economic and Revenue Trends*).

Information sources			
Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	July	September 24, 2021
D.C. Personal Income	BEA	2021.2	December 17, 2021
D.C. Tax Collections	OTR/ORA	July	September 15, 2021
D.C. Housing Sales	MarketStats by ShowingTime*	July	c September 2021
D.C. Commercial Office Building data	CoStar and Delta	2021.2	c. September 2021
DC Apartment data	CoStar and Delta	2021.2	c. September 2021
D.C. Hotel stay information	STR	July	c. September 2021
U.S. Jobs and Labor Force	BLS	July	September 2021
U.S. GDP and Personal Income	BEA	2021.2	October 28, 2021
S and P 500 Stock Index	FRED (St. Louis Fed Reserve)	July	September 29, 2021
Interest rate on 10-Year Treasury Securities	FRED (St. Louis Fed Reserve)	July	September 29, 2021
IHS Markit D.C. forecast	IHS Markit	July	c. September 2021
Moody's Analytics D.C. forecast	Moody's Analytics	July	c. September 2021

\*Accessed through GCAAR.

*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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