



District of Columbia Economic and Revenue Trends: August 2017

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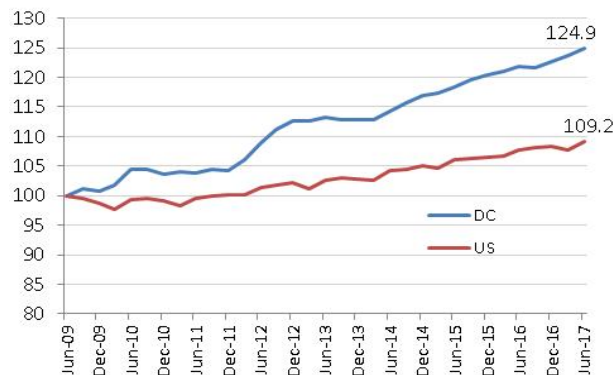
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Jobs for DC residents grew more than twice as fast as the US average after the recession ended in 2009

DC's more rapid increase mostly reflects a growing labor force rather than less unemployment

The Great Recession began in December 2007 and officially ended in June 2009. In the eight years since June 2009, 75,271 more DC residents got jobs—a 24.9% increase. The comparable increase for the US as a whole was 9.2%. DC's average annual rate of growth, 2.8%, was well over twice the 1.1% national rate.

Resident employment in DC and the US: June 2009 to June 2017 (index number: June 2009 quarter = 100)



Resident employment measures residents who are working. For DC, this can be at jobs in DC, jobs in the suburbs, or self-employed. Resident employment can be looked at as the difference between a jurisdiction's labor force (those working plus those looking for work) and its unemployment (those not working but looking for work). For resident employment to increase, the labor force must go up, unemployment must go down, or a combination of the two must occur.

DC and the US each saw labor force increases and unemployment declines as they recovered from the recession. However, labor force increase was much more important in DC, while reduced unemployment was much more important for the US economy as a whole. From June 2009 to June 2017:

- DC's labor force grew by 68,907 (20.7%), accounting for 91.5% of the gain in resident employment. Although unemployment declined by 6,364, the decrease was at a pace of less than one for every 10 new resident jobs.
- US unemployment declined by 7.3 million (51.8%), accounting for 56% of the 13.0 million increase in resident employment. US unemployment went down at a pace of more than 5 for every 10 new resident jobs. US labor force grew by 5.7 million (just 3.7%).

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Wage and salary employment

Fewer federal jobs and more private sector ones

- June wage and salary employment in DC was up by 8,133 (1.0%) from a year earlier as measured by the 3-month moving average.
- Federal government employment in DC for June was down by 2,067 (1.0%). The private sector gained 8,700 (1.6%).
- Total year-over-year DC metropolitan area employment increased by 46,700 (1.4%) in June as measured by the 3-month moving average. Of the increase, 17.4% was in DC.
- Suburban Washington employment in June increased by 1.6% from a year earlier, just above the 1.5% US rate.
- Seasonally adjusted DC jobs decreased slightly by 100 in June from the prior month and are 3,500 above the level of 5 months ago.

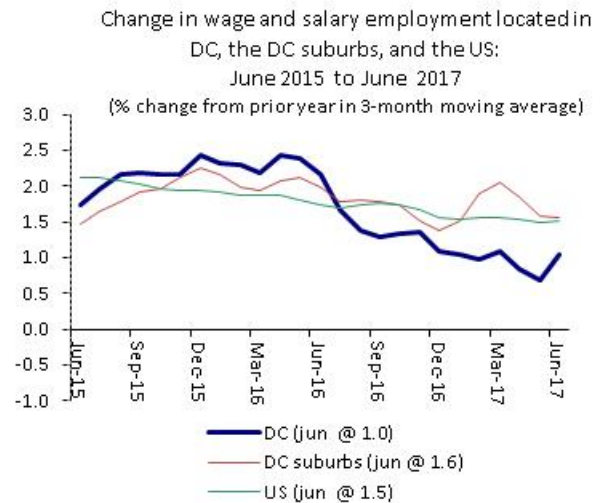


Table 1. Wage and salary employment in DC, Washington Metro area, and the US: June 2017

Jurisdiction	FY 2014	FY 2015	FY 2016	3-mo		
				12-mo avg	average	This month
District of Columbia	751,592	764,583	780,033	786,292	790,033	791,000
1 year change	6,375	12,992	15,450	8,750	8,133	15,500
% change	0.9	1.7	2.0	1.1	1.0	2.0
Washington metro area	3,107,792	3,143,100	3,218,833	3,255,558	3,285,767	3,306,300
1 year change	12,558	36,800	63,167	50,000	46,700	59,400
% change	0.4	1.2	2.0	1.6	1.4	1.8
Washington suburbs (% ch)	0.3	1.5	2.0	1.7	1.6	1.8
US (% ch)	1.8	2.1	1.8	1.6	1.5	1.6

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

Source: BLS. June is preliminary.

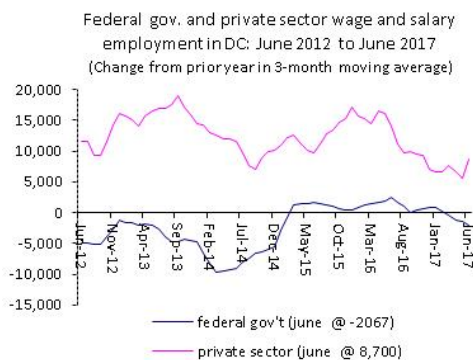


Table 2. Federal government and private sector wage and salary employment in DC: June 2017

Sector	FY 2014	FY 2015	FY 2016	3-month		
				12-mo avg	average	This month
Federal government	198,367	198,025	199,125	198,733	198,300	198,800
1 year ch.	-7,533	-342	1,100	-383	-2,067	-2,800
% change	-3.7	-0.2	0.6	-0.2	-1.0	-1.4
Private sector	515,558	527,033	540,992	546,867	551,600	551,900
1 year ch.	11,442	11,475	13,958	8,358	8,700	16,500
% change	2.3	2.2	2.6	1.6	1.6	3.1

Source: BLS. Not seasonally adjusted. June is preliminary.

Table 3. Seasonally adjusted DC Employment: January 2017 to June 2017

Indicator	January	February	March	April	May	June
D.C. Wage and Salary employment	787,500	788,300	788,700	786,700	791,100	791,000
change from prior month	-100	800	400	-2,000	4,400	-100
% change from prior month	0.0	0.1	0.1	-0.3	0.6	0.0

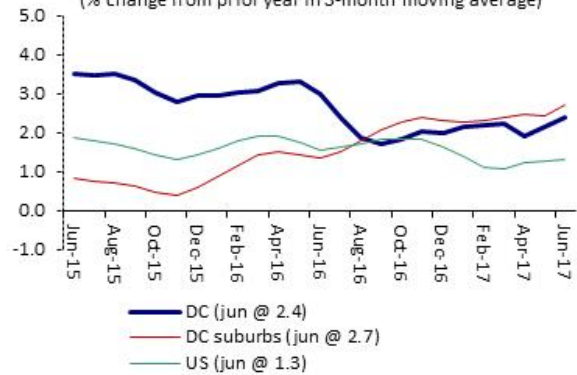
Source: BLS seasonally adjusted. June is preliminary

Resident employment and unemployment

Resident employment continues to grow, but the unemployment rate edged up

- In June DC resident employment was up 8,853 (2.4%) from a year earlier (3-mo. moving average). The labor force grew more than that—9,604 (2.5%).
- The seasonally adjusted unemployment rate rose slightly to 6.2% in June. The rate is half a percent above what it was when the Great Recession began in December 2007.
- June initial unemployment insurance claims were down 1.5% from last year (3-month moving average).

Resident employment in DC, the DC suburbs, and the US: June 2015 to June 2017
(% change from prior year in 3-month moving average)



Jobs located in DC and DC resident employment:
June 2015 to June 2017
(Change from prior year in 3-mo. moving average)

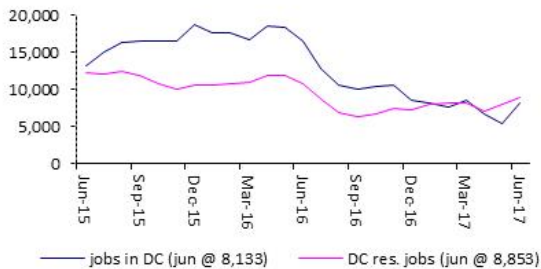


Table 4. Unemployment rates for DC, metro area, and US: June 2017

Jurisdiction	Not seasonally adj.		Seasonally adj.	
	June 2016	June 2017	June 2016	June 2017
US	5.1	4.5	4.9	4.4
DC	6.3	6.4	6.1	6.2
DC metro area	4.0	3.9	na	na
DC suburbs	3.7	3.5	na	na

Source: U.S. BLS. na= data not available

Table 5. Resident employment and unemployment June 2017

Indicator	FY 2014	FY 2015	FY 2016	12-mo avg	3-mo. avg.	This month
DC Labor force summary						
Resident employment	345,061	357,437	367,036	373,109	378,035	379,112
1 year change	3,562	12,376	9,599	7,635	8,853	9,399
% change	1.0	3.6	2.7	2.1	2.4	2.5
Labor Force	374,726	385,038	391,310	396,556	401,156	404,935
1 year change	904	10,311	6,272	6,240	9,604	10,284
% change	0.2	2.8	1.6	1.6	2.5	2.6
Unemployed	29,665	27,601	24,274	23,447	23,121	25,823
1 year change	-2,659	-2,065	-3,327	-1,395	751	885
% change	-8.2	-7.0	-12.1	-5.6	3.4	3.5
Unemployment rate	7.9	7.2	6.2	5.9	5.8	6.4
DC Unemployment insurance (state program)						
Initial claims (monthly avg.)	1,851	1,596	1,472	1,513	1,567	1,850
1 year change	-64	-255	-123	21	-24	-147
% change	-3.3	-13.8	-7.7	1.4	-1.5	-7.4
Weeks compensated (mo. avg.)	42,133	32,811	30,261	31,051	30,026	29,114
1 year change	-729	-9,322	-2,550	288	2,824	-2,658
% change	-1.7	-22.1	-7.8	0.9	10.4	-8.4

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

Table 6. Seasonally adjusted DC Resident employment and unemployment: Jan. 2017 to Jun. 2017

Indicator	January	February	March	April	May	June
DC Resident employment	373,223	374,369	375,103	375,734	377,542	378,429
change from prior month	1,894	1,146	734	631	1,808	887
% change from prior month	0.5	0.3	0.2	0.2	0.5	0.2
DC Unemployment rate (%)	5.7	5.7	5.8	5.9	6.0	6.2

Source: BLS seasonally adjusted. June is preliminary.

Jobs by sectors of the economy

Food service tops job growth in DC

- In June the increase of 4,033 in food service over the prior year was more than in any other sector. (3-month moving avg.)
- In the private sector, education (3,867) and other professional services (2,967) were other sectors that grew by 1,000 or more jobs in June.
- Private sector industries losing jobs included organizations, construction, health, wholesale and retail trade, finance, and information.
- Local government rose by 1,500 (3.9%).
- The federal government accounted for 25.1% of all DC jobs in June. Over the past year, DC's share of US federal employment fell in both the metro area and the US.

Change in private sector wage and salary jobs located in DC, the DC suburbs, and the US: June 2015 to June 2017

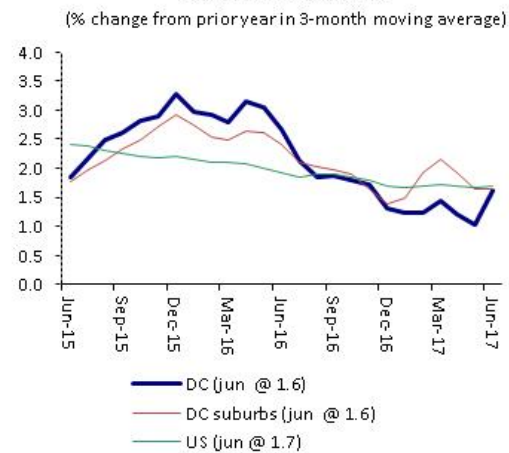


Table 7. Wage and salary employment located in DC: Jun 2017

Industry sector	3-month moving average				12-mo. moving avg: % change	Sector % of all DC jobs, Jun 2017	DC share (%) in Jun 2017 of all sector jobs in:		Change from Jun 2016 to Jun 2017 in DC share of sector jobs in:	
	Jun 2016	Jun 2017	Amount	%			metro area	US	metro area	US
Federal government	200,367	198,300	-2,067	-1.0	-0.2	25.1	53.9	7.06	-0.6	-0.11
Local government	38,633	40,133	1,500	3.9	1.9	5.1	11.9	0.20	0.3	0.01
Legal services	28,500	28,567	67	0.2	0.4	3.6	na	2.53		-0.01
Other Professional and technical	85,233	88,200	2,967	3.5	2.5	11.2	23.0	1.10	0.2	0.00
Employment services	15,333	15,167	-167	-1.1	-0.4	1.9	35.1	0.42	1.0	-0.02
Other Business services	36,133	37,100	967	2.7	4.2	4.7	18.5	0.47	-0.1	0.00
Information	16,900	16,767	-133	-0.8	-1.9	2.1	23.6	0.61	0.8	0.01
Finance	29,900	29,067	-833	-2.8	-0.1	3.7	18.5	0.34	-0.6	-0.02
Organizations	64,300	64,100	-200	-0.3	0.3	8.1	36.7	2.15	-0.4	-0.03
Education	63,900	67,767	3,867	6.1	4.7	8.6	52.2	1.87	-0.7	0.07
Health	69,067	67,233	-1,833	-2.7	-0.9	8.5	21.4	0.35	-0.7	-0.02
Food service	52,667	56,700	4,033	7.7	4.8	7.2	23.5	0.48	1.2	0.02
Accommodations	15,000	15,233	233	1.6	1.1	1.9	33.4	0.77	-1.8	0.01
Amusement and recreation	8,467	9,433	967	11.4	12.2	1.2	18.5	0.40	0.4	0.04
Retail trade	22,900	22,467	-433	-1.9	-1.6	2.8	8.0	0.14	-0.3	0.00
Wholesale trade	5,000	4,867	-133	-2.7	0.0	0.6	7.9	0.08	-0.2	0.00
Construction	15,800	14,800	-1,000	-6.3	-6.3	1.9	9.4	0.21	-0.6	-0.02
Personal and miscellaneous ser.	7,800	7,667	-133	-1.7	0.5	1.0	na	0.27		-0.01
Other private	6,000	6,467	467	7.8	4.1	0.8	5.4	0.04	0.3	0.00
Total	781,900	790,033	8,133	1.0	1.1	100.0	24.0	0.54	-0.1	0.00
Public sector	239,000	238,433	-567	-0.2	0.2	30.2	33.8	1.06	-0.3	-0.01
Private sector	542,900	551,600	8,700	1.6	1.6	69.8	21.4	0.44	0.0	0.00

Source: BLS. not seasonally adjusted. na=not available. For the metro area, legal is included in other professional and technical, and personal and miscellaneous services is included in organizations (a category BLS calls "other services")

Jobs and wages by sector

In the March quarter, the federal sector accounted for more than half of all wage and salary growth in DC

- In the March quarter, the federal government accounted for 25.4% of all jobs and a 32.7% of the wages and salaries paid in DC. Although federal employment was 0.2% less than a year ago, the federal share of last year's wage growth in DC was 53.1%.
- Professional and business services accounted for about 25.9% of wages paid in DC in March, but only 8.8% of the increase in wages paid in DC over the past year.
- Education and health services accounted for 30.8% of last year's job increases, and 23.7% of the increase in wages.
- Trade and hospitality accounted for 44.3% of the increase in jobs over the past year and 7.4% of the increase in wages.

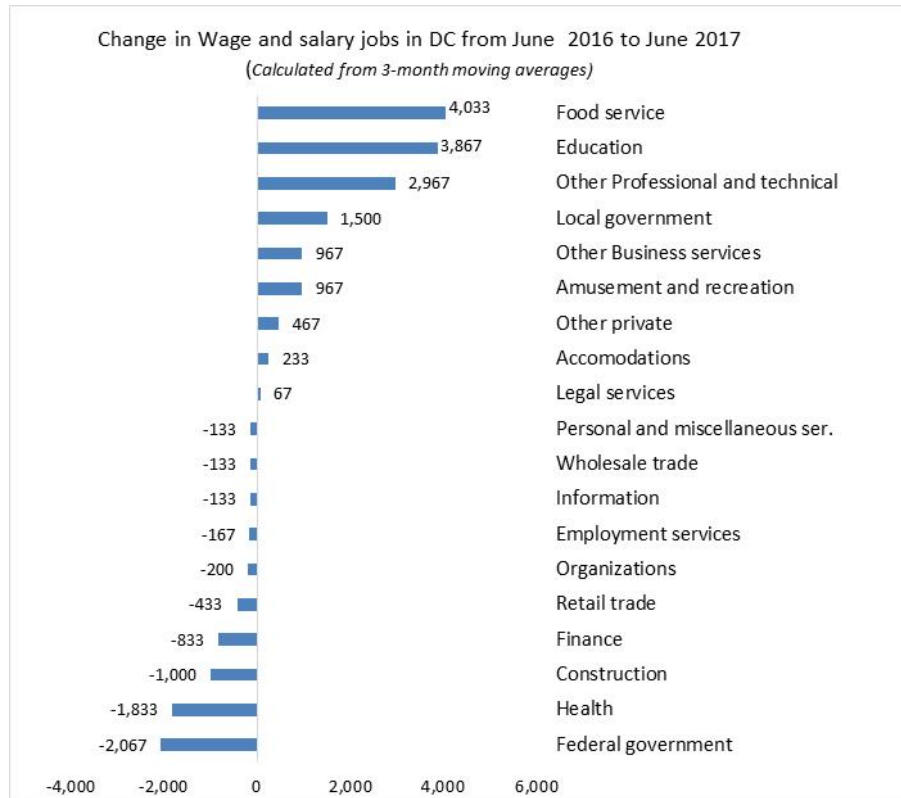


Table 8. Employment and income by sector of the DC economy: March 2017 (2017.1)

Sector	Wage and salary employment in DC in the Mar. 2017 quarter			Wages and salaries earned in DC in the Mar. 2017 quarter			Percentage Distributions			
	Level	Change from Mar. 2016		Level (\$B)	Ch. from Mar. 2016		Employment		Wages	
		2016	% change		(\$B)	% change	Mar. 2017	Change from Mar. 2016	Mar. 2017	Change from Mar. 2016
Total	783,967	8,433	1.1	71.62	1.86	2.67	100.0	100.0	100.0	100.0
Federal government	198,800	-300	-0.2	23.40	0.99	4.41	25.4	-3.6	32.7	53.1
Local government	39,933	1,067	2.7	3.09	-0.02	-0.76	5.1	12.6	4.3	-1.3
Business and professional services	166,900	3,900	2.4	18.53	0.16	0.90	21.3	46.2	25.9	8.8
Information and financial services	45,967	-600	-1.3	4.81	0.07	1.45	5.9	-7.1	6.7	3.7
Education and health services	138,033	2,600	1.9	7.81	0.44	5.99	17.6	30.8	10.9	23.7
Trade and hospitality services	103,400	3,733	3.7	6.71	0.14	2.09	13.2	44.3	9.4	7.4
Organizations and personal services	70,467	-933	-1.3	4.45	0.14	3.25	9.0	-11.1	6.2	7.5
Other private	20,467	-1,033	-4.8	2.83	-0.06	-1.97	2.6	-12.3	3.9	-3.1
<i>Private sector</i>	<i>545,233</i>	<i>7,667</i>	<i>1.4</i>	<i>45.13</i>	<i>0.90</i>	<i>2.02</i>	<i>69.5</i>	<i>90.9</i>	<i>63.0</i>	<i>48.1</i>
<i>Government</i>	<i>238,733</i>	<i>767</i>	<i>0.3</i>	<i>26.49</i>	<i>0.96</i>	<i>3.78</i>	<i>30.5</i>	<i>9.1</i>	<i>37.0</i>	<i>51.9</i>

Source: BLS and BEA. Wage data, but not wage and salary employment, is seasonally adjusted.

Wages and income

DC income growth has slowed in the last two quarters

- Wages and salaries earned in the District of Columbia were 2.7% higher in the March quarter compared to the same quarter of 2016.
- Wages earned by DC residents grew an estimated 3.3% in the March quarter compared to last year.
- In the March quarter, DC Personal Income grew 4.4%, above the US increase (3.7%).
- The growth rate of proprietors' income was 6.0% in the March quarter.
- Pensions and other transfers grew 5.2% over last year in the March quarter.

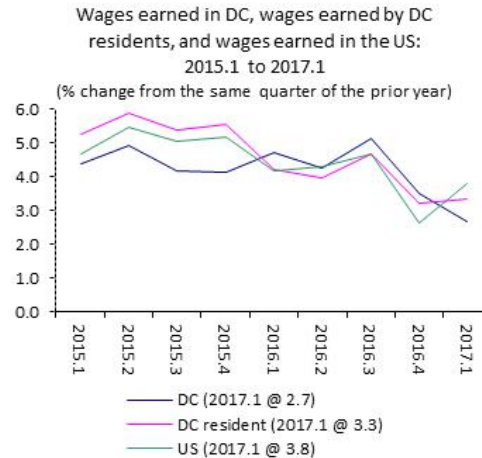


Table 9. DC Wages and Personal Income: March 2017 (2017.1)

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

Indicator	FY 2013	FY 2014	FY 2015	FY 2016	4-qr. moving avg.	Latest qtr. (Mar)
Wages and salaries earned in DC	62.08	63.97	66.88	69.93	70.99	71.62
1 year change	1.43	1.89	2.91	3.05	2.65	1.86
% change	2.4	3.0	4.5	4.6	3.9	2.7
Supplements to wages & salaries	16.44	17.22	17.91	18.75	19.12	19.41
% change	-0.1	4.7	4.0	4.7	4.5	3.3
Income earned in DC**	74.25	77.01	81.21	85.12	86.57	87.03
% change	0.5	3.7	5.5	4.8	4.1	3.5
Net resident adjustment***	-45.54	-46.28	-47.93	-50.12	-50.90	-51.08
% change	-0.4	1.6	3.6	4.6	4.1	3.2
Income earned by DC residents**	28.71	30.74	33.29	35.01	35.67	36.17
% change	2.1	7.0	8.3	5.2	4.2	3.9
Wages and salaries of DC residents****	21.66	22.85	24.21	25.32	25.73	26.01
change from one year ago	0.85	1.18	1.36	1.11	0.94	0.84
% change	4.1	5.5	6.0	4.6	3.8	3.3
Proprietors' income earned by DC residents*	4.31	5.03	6.10	6.56	6.73	6.90
% change	1.3	16.6	21.3	7.5	5.1	6.0
Property income of DC residents	8.44	8.77	9.12	9.26	9.50	9.72
% change	5.3	3.9	4.1	1.5	3.1	5.7
Pensions and other transfers for DC residents	5.92	6.03	6.18	6.58	6.78	6.82
% change	3.3	1.8	2.5	6.4	7.1	5.2
DC Personal Income	43.08	45.53	48.59	50.85	51.96	52.70
1 year change	1.19	2.46	3.06	2.26	2.16	2.22
% change	2.8	5.7	6.7	4.6	4.3	4.4
US Personal income (% change from prior year)	3.0	3.5	5.0	3.7	3.4	3.7
US Wages and salaries (% change from prior year)	4.0	4.1	5.2	4.6	3.8	3.8
Addendum:						
DC res. wages as % of wages earned in DC	34.9	35.7	36.2	36.2	36.2	36.3

* Proprietors' income is derived from federal tax data and therefore all proprietors' income is earned by DC residents.

**does not include social insurance paid by individuals. Wage and salary amounts shown 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.

****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; date released June 27, 2017

Population, jobs, and per capita income

In March, DC's per capita income growth rate dipped below the US average

- For 2016, population increased 10,793 (1.6%) and wage and salary employment grew 13,258 (1.7%).
- In the past year population grew below the 5 year average from 2011 to 2016, and jobs were above the average.
- In the March quarter, DC's per capita income grew at a slower rate than the US average, but total Personal Income grew at a faster rate because population was growing more rapidly.
- In the March quarter, wages per job in DC grew more slowly than wages per job in the US (1.6% v 2.2%).

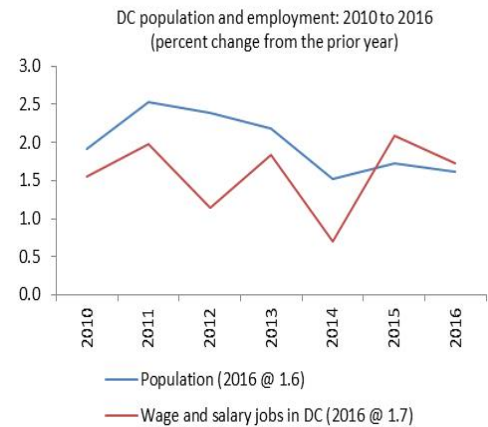


Table 10. DC Population and wage and salary employment located in DC: 2010 to 2016

Calendar year	Population			Wage and salary employment		
	Number	Change from prior yr. Number	%	Number	Change from prior yr. Number	%
2010	605,183	11,383	1.9	712,242	10,859	1.5
2011	620,477	15,294	2.5	726,292	14,050	2.0
2012	635,327	14,850	2.4	734,575	8,283	1.1
2013	649,165	13,838	2.2	748,025	13,450	1.8
2014	659,005	9,840	1.5	753,300	5,275	0.7
2015	670,377	11,372	1.7	769,092	15,791	2.1
2016	681,170	10,793	1.6	782,350	13,258	1.7
Ch. from 2011 to 2016		60,693	9.8		56,058	7.7
Avg. annual ch.		12,139			11,212	

Source: U.S. Bureau of the Census and BLS

Table 11. Per capita income in DC and the US: FY 2014 to March 2017

	DC				US			
	FY 2014	FY 2015	FY 2016	2017.1	FY 2014	FY 2015	FY 2016	2017.1
Per capita income	69,253	72,602	74,956	76,606	45,816	47,732	49,204	49,857
% ch in per capita income	3.8	4.8	3.2	2.8	2.7	4.2	3.1	3.0
% ch in population	1.8	1.8	1.4	1.6	0.8	0.8	0.5	0.7
% ch in personal income	5.7	6.7	4.7	4.4	3.5	5.0	3.7	3.7
Consumer price index	1.9	-0.1	0.9	2.5	1.6	0.3	0.9	2.6

Source: BEA for per capita income, population and Personal Income. Global Insight for CPI. Note: % changes are from the same period of the prior year.

Table 11A. Wages and salaries per job in DC and the US: FY 2014 to March 2017

	DC				US			
	FY 2014	FY 2015	FY 2016	2017.1	FY 2014	FY 2015	FY 2016	2017.1
Wages per job	85,110	87,477	89,648	90,870	53,275	54,906	56,385	57,031
% ch in wages per job	2.2	2.8	2.5	1.6	2.2	3.1	2.7	2.2
% ch in jobs	0.8	1.7	2.0	1.0	1.8	2.1	1.8	1.6
% ch in total wages and salaries	3.0	4.5	4.6	2.7	4.1	5.2	4.6	3.8

Source: BEA for wages and salaries and BLS for wage and salary employment. Note: % changes are from the same period of the prior year.

Single family and condominium housing

Sales and prices continue to rise

- The 3-month moving total of single family home sales in July was up 8.9% from a year earlier, and the average selling price was 8.2% higher. The year-to-date median sales price (\$699,900) was 3.2% higher than the prior year.
- July condominium sales were up 2.0% from last year as measured by the 3-month moving total, and the average selling price was 2.8% higher. The year-to-date median sales price (\$456,000) was up 2.5% from last year.
- The total value of all home sales in July rose 13.1% from last year as measured by the 3-month moving total.

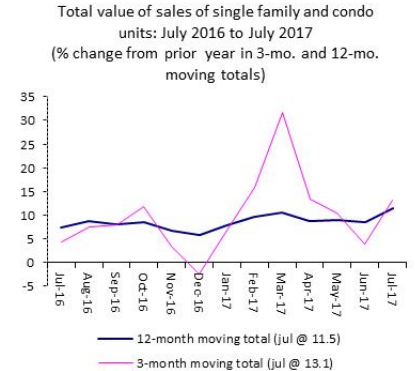
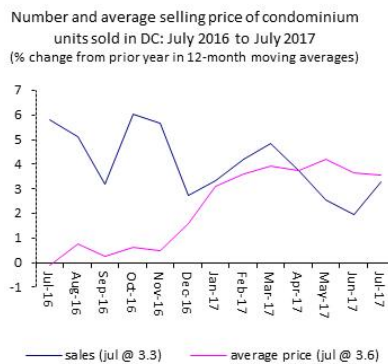
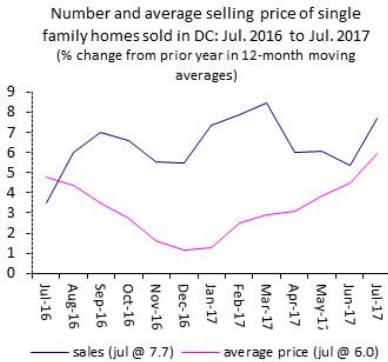


Table 12. D.C. Residential Real Estate Indicators: July 2017

Indicator	FY 2013	FY 2014	FY 2015	FY 2016	12-mo moving total or average	3-mo moving total or average	This month
Number of sales (settled contracts)							
Single family	3,979	4,024	4,097	4,385	4,571	1,429	443
1 year change	416	45	73	288	326	117	49
% change	11.7	1.1	1.8	7.0	7.7	8.9	12.4
Condo	3,487	3,592	3,832	3,955	4,071	1,236	396
1 year change	703	105	240	123	129	24	33
% change	25.3	3.0	6.7	3.2	3.3	2.0	9.1
Total	7,466	7,616	7,929	8,340	8,642	2,665	839
1 year change	1,119	150	313	411	455	141	82
% change	17.6	2.0	4.1	5.2	5.6	5.6	10.8
Average prices of units that sold							
Single family (\$)	712,799	736,362	767,870	794,668	834,094	895,657	890,384
1 year change	82,690	23,563	31,508	26,798	46,983	67,750	96,381
% change	13.1	3.3	4.3	3.5	6.0	8.2	12.1
Condo (\$)	447,827	472,419	499,650	500,824	515,279	532,371	526,147
1 year change	18,216	24,592	27,232	1,173	17,770	14,418	10,591
% change	4.2	5.5	5.8	0.2	3.6	2.8	2.1
Total value of all sales (\$ million)	4,397.8	4,660.0	5,060.6	5,465.4	5,910.3	1,937.9	602.8
1 year change	956.7	262.2	400.6	404.8	607.9	223.9	102.8
% change	27.8	6.0	8.6	8.0	11.5	13.1	20.6
Ratio: active inventory to sales							
Single family	1.6	1.6	1.5	1.6	1.4	1.5	1.7
Condo	1.7	1.9	1.7	1.8	1.6	1.6	1.7

Median contract prices, CY to date in July 2017: single family \$699,900 (3.2% 1 yr ch); condo \$456,000 (2.5% 1 yr ch)

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

Source: Metropolitan Regional Information Systems (MRIS); median price and inventory accessed through Greater Capital Area Assn. of Realtors.

Single family and condominium housing

DC home prices growing faster in DC than in the US or the metropolitan area

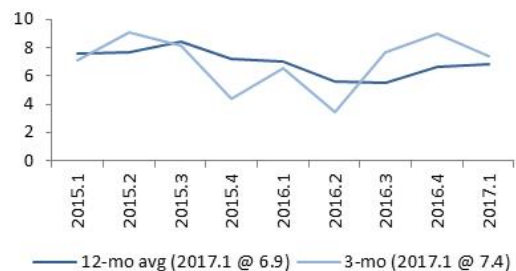
- The percentage change in DC home prices picked up in the March quarter, according to the Federal Housing Finance Agency Index of single-family same-property transactions. DC's gain over the prior year was 7.4%. The US index was up 6.8%, and the Washington metropolitan area gain was 5.9%.
- 27.8% of all single family sales for the 12-months ending July were for properties greater than \$1 million.
- In the March quarter, sales of new condominium over the past 12 months were 13.6% higher than a year earlier, and single family housing permits were up by 31.8%.

Table 13. Federal Housing Finance Agency Price Index for single family property in DC, DC metro area, and US: March 2017 (2017.1)

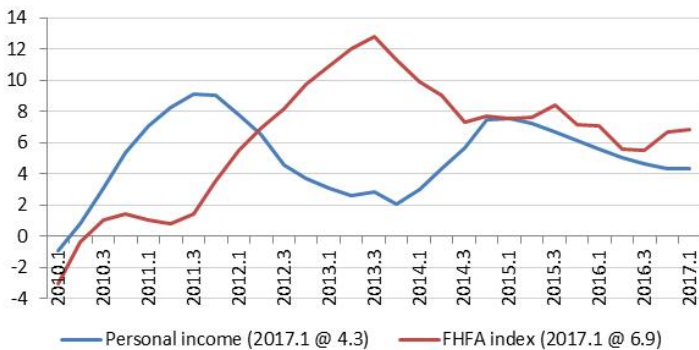
Indicator	Fiscal year average				Last 2 Q's	
	FY 2013	FY 2014	FY 2015	FY 2016	2016.4	2017.1
% change from prior year in value of index						
DC	12.8	7.3	8.4	5.5	9.0	7.4
DC metro area	8.5	5.8	3.6	2.9	4.9	5.9
US	6.8	6.4	5.7	5.9	6.7	6.8

Source: (1) Federal Housing Finance Agency "Expanded-data HPI Index" (sales plus refinancings) (nsa). This quarterly index is a broad measure of the movement of single-family house price, measuring the average price changes in repeat sales or refinancings of the same properties. This information is estimated using Enterprise, FHA, and Real Property County Recorder data licensed from DataQuick. Data is collected quarterly.

FHFA Expanded-data housing price index for DC: 2015.1 to 2017.1
(% change from prior year in 3-mo and 12-mo avg)



DC Personal Income and FHFA Housing index: 2010.1 to 2017.1
(% change from prior year in 12-month moving average)



FHFA expanded-data housing price index for DC, the Washington Metropolitan area, and the US: 2014.1 to 2017.1
(% change from prior yr. in the 12-mo. moving avg.)

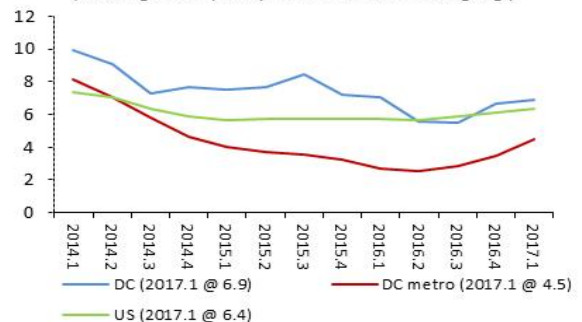


Table 14. D.C. Single family and condominium home sales at prices of \$1 million or more: July 2017

Category	FY			12-mo	3-mo	This month
	2014	2015	2016	moving total	moving total	
Single family homes	734	765	936	1,065	397	112
1 year change	45	31	171	184	67	22
% change	6.5	4.2	22.4	20.9	20.3	24.4
percent of all single family sales	18.2	18.7	21.3	23.3	27.8	25.3
Condominiums	128	160	167	199	65	21
1 year change	16	32	7	40	4	6
% change	14.3	25.0	4.4	25.2	6.6	40.0
percent of all condominium sales	3.6	4.2	4.2	4.9	5.3	5.3

Source: Metropolitan Regional Information Systems (MRIS). Sales are ones closed (settled) during period shown.

Table 15. Single family housing permits and sales of new condo. units in DC: FY 2012 to 2017.1

	Permits	Condo. Sales
FY 2012	236	479
FY 2013	368	442
FY 2014	267	516
FY 2015	293	483
FY 2016	283	680
12-mo. ending:		
2017.1	336	618
1 yr ch	81	74
% ch.	31.8	13.6

Source: Census Bureau (permits), and Delta Associates (condo sales)

Apartments

Increase in occupied units picked up in the June quarter

● According to CoStar, in June occupied apartment units increased 4,493 (2.6%) from a year earlier; inventory was up by 5,764 (3.2%).

● The vacancy rate was 5.2% in June, up from 4.7% a year earlier. Rents rose 2.5% over the prior year.

● 14,248 apartment units were under construction in June, up by 1,710 from the prior year.

● Class A units account for 6.8% of all apartment buildings, 19.9% of all units, 19.9% of the occupied units, and 85.1% of new construction.

● Class A vacancy rate was 9.2% in June, up from 8.6% a year earlier. Average rent was essentially unchanged from the prior year.

DC Apartment units: 12-month change in inventory and occupancy, and number under construction (all classes): 2015.2 to 2017.2

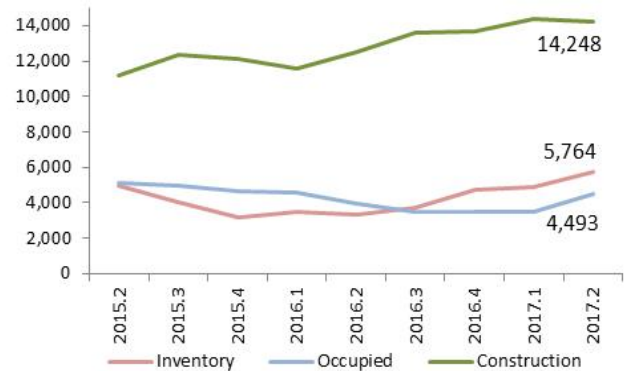


Table 17. Market rate apartment units in DC: 2011 to 2017.2

CY	Inventory					Occupied units			Effective monthly rent		Under Construction		
	Buildings	Number	1 yr ch	% ch.	% vacant	Number	1 yr ch	% ch	\$ per month per unit	1 yr % ch	Buildings	Units	Avg units per bldg.
2011	3,385	163,245	1,539	1.0	4.8	155,439	925	0.6	\$1,489	2.5	21	4,784	228
2012	3,394	165,318	2,073	1.3	4.7	157,478	2,039	1.3	\$1,534	3.0	35	8,037	230
2013	3,409	169,120	3,802	2.3	5.6	159,679	2,201	1.4	\$1,581	3.1	50	7,786	156
2014	3,437	174,552	5,432	3.2	5.7	164,671	4,992	3.1	\$1,639	3.7	82	8,172	100
2015	3,489	177,699	3,147	1.8	4.7	169,368	4,697	2.9	\$1,689	3.1	97	12,116	125
2016	3,543	182,433	4,734	2.7	5.3	172,830	3,462	2.0	\$1,732	2.5	91	13,714	151
2017.1	3,544	183,230	4,853	2.7	5.2	173,638	3,531	2.1	\$1,745	2.2	95	14,345	151
2017.2	3,556	185,094	5,764	3.2	5.2	175,430	4,493	2.6	\$1,780	2.5	91	14,248	157
1 Q ch.	12	1,864				1,792			35		-4	-97	

Source: CoStar. Includes units in private buildings with 5 or more units. CY amounts are last quarter of the year. Includes some affordable units in market rate buildings. Vacancy rate is unoccupied units as % of inventory

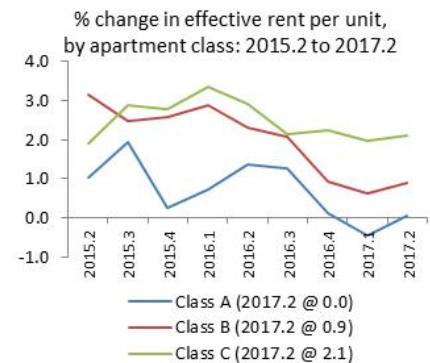
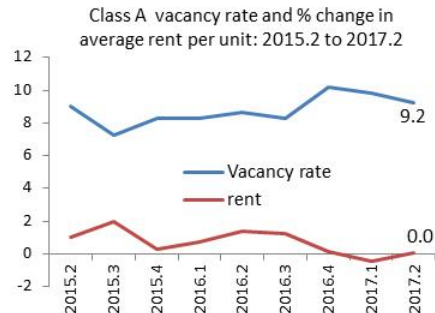
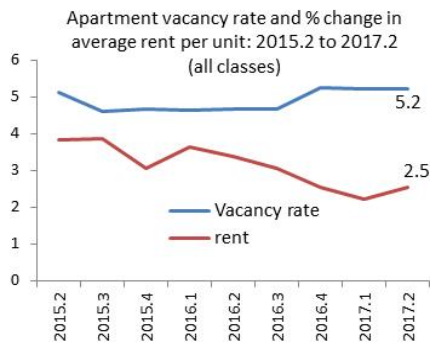


Table 18. Market rate apartment units in DC, Classes A, B, and C: 2017.2

Class	Inventory					Occupied units			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	243	36,767	5,191	16.4	9.2	33,372	4,519	15.7	\$2,512	0.0	67	12,129	181
Class B	1,165	78,677	812	1.0	3.9	75,597	223	0.3	\$1,789	0.9	24	2,119	88
Class C	2,135	69,446	-239	-0.3	4.6	66,271	-258	-0.4	\$1,299	2.1	0		

Source: CoStar. Includes units in private sector buildings with 5 or more units. CY amounts are last quarter of the year. Includes some affordable units in market rate buildings. Vacancy rate is unoccupied units as % of inventory. Note: Percentages are for 2017.1

Commercial office space

Occupied space, rents, and construction all increased in June from a year earlier

- According to CoStar, for the the 12-month period ending June occupied office space increased by 0.35 million sq. ft. from the prior year. Base rent rose 4.0%, and the vacancy rate fell to 11.3% (including sublet).
- The vacancy rate for class A space was 13.2%, down from 13.5% a year ago. Class A rent rose 2.5% over the past year.
- Space under construction in June 2017 (6.24 million square feet in 22 buildings) was 1.56 msf (34%) more than a year earlier.
- For Class B and Class C properties, inventory and occupancy have declined over the past year while rents have increased.

DC commercial office space: 1 yr change in inventory and occupied space, and under construction: 2015.2 to 2017.2 (all classes, msf)

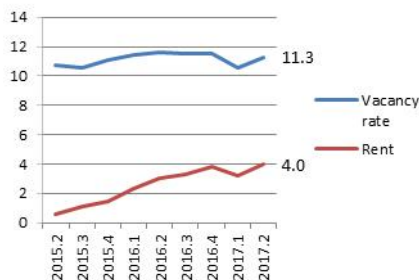


Table 19. DC commercial office space: 2011 to 2017.2

CY (year end)	Inventory				Occupied space			Vacancy %		Base rent (direct)		Under constr.		
	Buildings	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	1 yr ch (msf)	% ch	Direct	Total	\$ per sq ft.	1 yr % ch	Buildings	msf	Avg. sf per bldg
2011	2,380	153.15	0.90	0.6	136.98	0.90	0.7	9.9	10.6	\$46.13	1.2	9	2.04	226,833
2012	2,370	152.89	-0.26	-0.2	138.40	1.42	1.0	8.8	9.5	\$46.56	0.9	8	2.21	276,436
2013	2,367	153.67	0.78	0.5	138.89	0.49	0.4	9.1	9.6	\$46.63	0.2	12	2.13	177,131
2014	2,361	154.16	0.49	0.3	138.35	-0.54	-0.4	9.8	10.3	\$47.22	1.3	13	2.43	187,185
2015	2,354	154.60	0.44	0.3	137.43	-0.92	-0.7	10.6	11.1	\$47.92	1.5	17	3.40	200,255
2016	2,350	154.77	0.16	0.1	136.94	-0.49	-0.4	10.8	11.5	\$49.74	3.8	20	5.51	275,645
2017.1	2,348	154.67	-0.03	0.0	138.31	1.22	0.9	9.9	10.6	\$49.66	3.2	18	5.39	299,263
2017.2	2,348	154.67	-0.02	0.0	137.13	0.35	0.3	10.5	11.3	\$50.77	4.0	22	6.24	283,673
1 Q ch	0		0.00			-1.18				\$1.11		4	0.85	

Source: CoStar, all classes and sizes.

All DC commercial office space: vacancy rate (with sublet) and annual change in base rent (direct) from: 2015.2 to 2017.2



DC Class A office space: vacancy rate (with sublet) and annual increase in base rent (direct) from 2015.2 to 2017.2

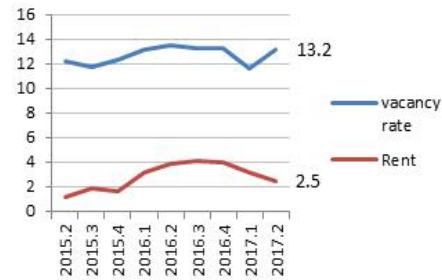


Table 20. DC Class A, B, and C commercial office space: 2017.2

CY (year end)	Inventory				Occupied space			Vacancy %		Base rent (direct)		Under constr.	
	Buildings	Level (msf)	1 yr ch (msf)	1 yr % ch	Level (msf)	1 yr ch (msf)	% ch	Direct	Total	\$ per sq ft.	1 yr % ch	buildings	msf
Class A	337	91.19	0.81	0.9	79.18	1.00	1.3	12.2	13.2	\$54.37	2.5	19	6.20
Class B	890	53.05	-0.69	-1.3	48.01	-0.46	-0.9	8.9	9.5	\$45.16	5.2	3	0.04
Class C	1,117	10.38	-0.14	-1.3	9.93	-0.20	-1.9	3.9	4.3	\$36.04	14.8	0	0.00

Source: CoStar.

Trends and outlook for housing and office space

Housing occupancy gains for the year ending in March appears to be similar to the pace for FY 2016

- An indicator of increased housing occupancy over the past 12 months rose by 4,500 units in the March quarter, about the same pace as the FY 2016 total.
- Class A office space occupancy has been gaining relative to job growth over the past 2 quarters.
- Delta Associates: (1) demand for apartments in the next 3 years to be less than in the prior 3 years and less than new supply, and (2) demand for office space in the next 2 years to be more than in the 2 prior yrs. and about equal to new supply.

Table 21. Estimated DC households, housing permits, and indicators of newly occupied housing units: 2011 to 2017.1

date CY	Estimated DC households				Housing permits (year total)	Measures of newly occupied housing units			
	Population	pop/hh ratio	Estimated households	1 yr ch		1 yr. ch. In occupied apt. units	1 yr. new condo sales	1 yr. single family permits	Total 1 yr. new occupancy
2011	620,477	2.258	274,846	6,625	3,853	909	371	135	1,415
2012	635,327	2.259	281,267	6,421	4,120	2,094	468	104	2,666
2013	649,165	2.260	287,233	5,966	3,256	2,186	514	267	2,967
2014	659,005	2.261	291,424	4,191	4,187	4,989	476	236	5,701
2015	670,377	2.263	296,286	4,862	4,956	4,904	497	368	5,769
2016	681,170	2.267	300,470	4,184	4,668	3,485	667	288	4,440
2017.1					4,648	3,649	618	232	4,499

Source: 1) Population: US Census Bureau 2) population/household ratio based on Office of Planning estimates for 2010, 2015, and 2020 3) households: calculated from population using the pop/hh ratio; 4) Housing permits: US Census Bureau; 5) occupied apt. units: CoStar (see table 17 of this report); 6) new condo sales: Delta (see table 15 of this report); and 7) single family housing permits: Census Bureau, with 2 year lag (see table 15 of this report).

Note: Housing units can be rented or purchased by entities not considered resident households for Census purposes--for example a unit can be leased or purchased by a company. Also units in the existing housing stock can be subdivided, combined, or destroyed.

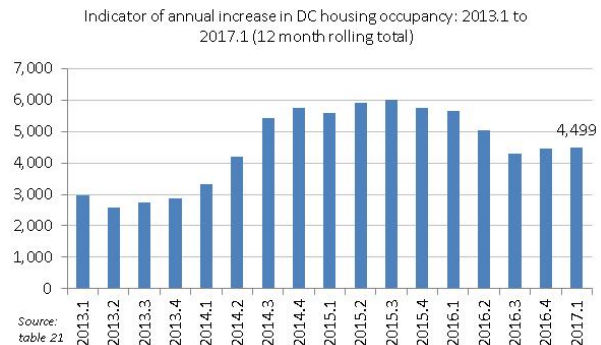
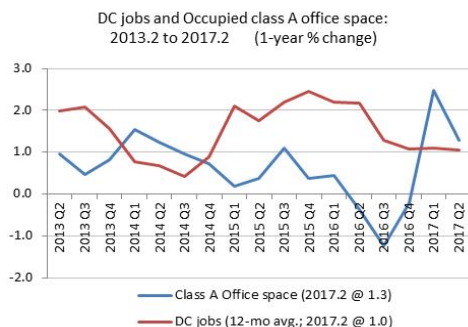


Table 22. Delta Associates outlook for Class A apartments in DC and the surrounding metro area: Mar. 2017 to Mar. 2020

Indicator	DC	No VA	Sub MD	Total	DC % of total
Inventory March 2017					
Inventory (msf)	22,703	66,690	35,281	124,674	18.2
Estimated net activity to March 2020					
new supply (msf)	14,205	11,882	9,876	35,963	39.5
new demand (msf)	8,130	11,111	7,859	27,100	30.0

Source: Delta Associates

Table 23. Delta Associates outlook for commercial office space in DC and the surrounding metro area: March 2017 to March 2019

Indicator	DC	No VA	Sub MD	Total	DC % of total
Inventory March 2017					
Inventory (msf)	142.3	179.9	85.9	408.1	34.9
Estimated net activity to March 2019					
new supply (msf)	4.2	3.7	0.1	8.0	52.5
new demand (msf)	4.0	2.7	0.8	7.5	53.3

Source: Delta Associates msf = million square feet

Table 22A Delta 3-year estimate of new supply and demand for apartment units in DC: 2017.1 to 2020.1

	Actual: 2014.1 to 2017.1 (CoStar)	Forecast: 2017.1 to 2020.1
New supply	11,668	14,205
New demand	10,996	8,130

Source: CoStar for actual, Delta Associates for forecast. The sources are not strictly comparable.

Table 23A. Delta 2-year estimate of new supply and demand for Class A office space in DC: 2017.1 to 2019.1 (msf)

	Actual: 2015.1 to 2017.1 (CoStar)	Forecast: 2017.1 to 2019.1
New supply	1.7	4.2
New demand	1.5	4.0

Source: CoStar for actual, Delta Associates for forecast. The sources are not strictly comparable.

Housing permits and value of all property transfers

Pace of new housing permits falls to about 4,400 per year

● For the 12-month period ending June 4,414 housing permits were issued, down 2.3% from a year ago. The 3-month total was 17.8% below last year.

● The value of June property transfers rose by 5.2% from last year as measured by the 12-month moving total. The 12-month moving total was \$13.81 billion. The 3-month moving total was 0.9% higher than last year.

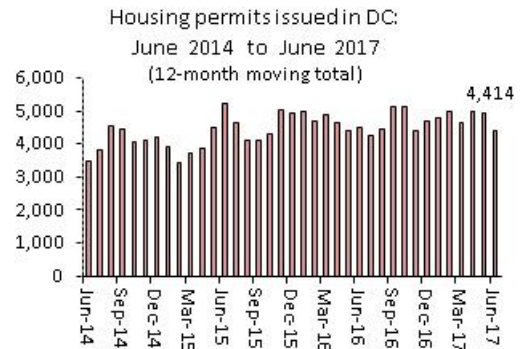


Table 25. Housing unit building permits issued in DC: June 2017

	FY 2014	FY 2015	FY 2016	12-mo. moving total	3-month moving total	This month
Total units	4,467	4,131	5,129	4,414	1,081	389
change from 1 yr ago	612	-336	998	-104	-234	-538
% change from 1 year	15.9	-7.5	24.2	-2.3	-17.8	-58.0
Multi-family projects with 5 or more units						
number	32	37	40	41	10	3
average size	140	112	128	108	108	128

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

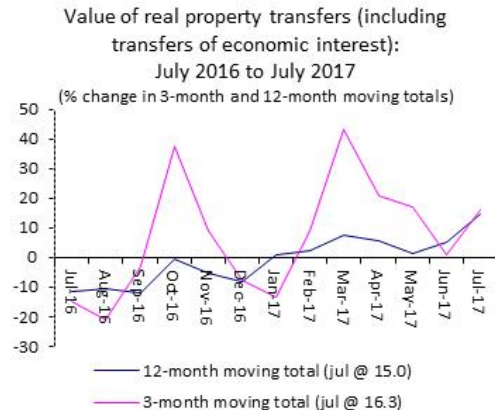
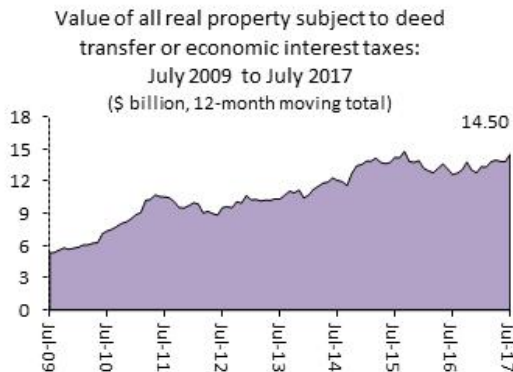


Table 26. Market Value of Real Property transfers subject to the Deed Transfer or Economic Interest tax: July 2017

	FY 2013	FY 2014	FY 2015	FY 2016	12-mo moving total	3-month moving total	This month
All property transfers (\$ million)	11,063.9	11,569.8	14,766.3	13,035.9	14,500.1	3,916.6	1,805.6
change from one year ago (\$M)	1,530.6	505.8	3,196.5	-1,730.3	1,887.9	548.9	687.4
% change from 1 year ago	16.1	4.6	27.6	-11.7	15.0	16.3	61.5

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).

Hospitality

Hotel employment rises along with hotel revenue

- In June the 3-month moving total for hotel room-days sold was 3.6% above a year earlier. The average room rate was 1.1 % higher. For the past 3 months, hotel revenue was up 4.7%.
- Employment in food services was 7.7% more in June than a year earlier as measured by the 3-month moving average. Hotel employment was up 1.6%.
- April airline traffic into the DC area was up 2.9% compared to a year earlier as measured by the 3-month moving total. Reagan National was up 1.1%. For the past 12-months, total traffic into the DC area was 3.5% higher.

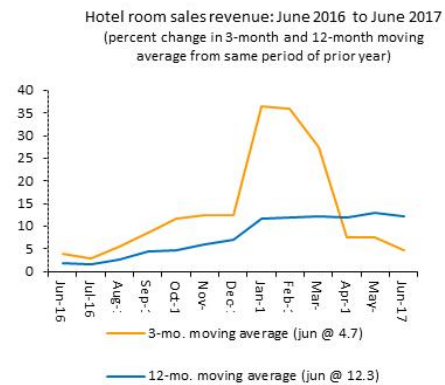
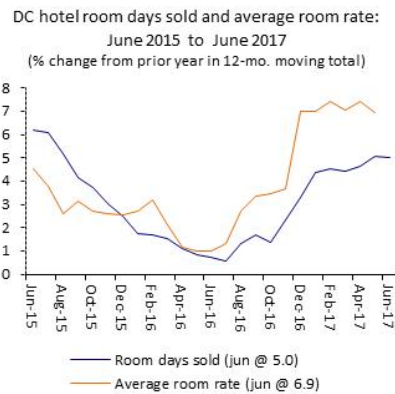


Table 27. Hospitality Industry: June 2017

Indicator	Units	date	FY 2014	FY 2015	FY 2016	12-month moving total or average*	3-month moving total or average*	This month
Hotel stays								
Hotel room-days sold	('M)	jun	7.869	8.197	8.335	8.680	2.422	0.797
1 yr ch			0.189	0.328	0.138	0.414	0.084	0.019
1 yr % ch			2.5	4.2	1.7	5.0	3.6	2.4
Average room rate	\$	jun	209.87	215.34	221.25	233.91	255.87	242.21
1 yr ch			2.56	5.46	5.91	15.16	2.77	1.66
1 yr % ch			1.2	2.6	2.7	6.9	1.1	0.7
Occupancy rate (average)	%	jun	76.6	77.5	78.0	78.4	86.4	86.3
1 yr ch			0.8	0.9	0.5	0.4	-1.3	-1.3
1 yr % ch			1.0	1.2	0.7	0.6	-1.5	-1.5
Room revenue	(\$M)	jun	1,651.4	1,765.1	1,844.1	2,030.4	619.8	192.9
1 yr ch			59.4	113.6	79.0	222.2	28.0	5.8
1 yr % ch			3.7	6.9	4.5	12.3	4.7	3.1
Airline passengers								
DCA	1 yr % ch	apr	0.0	10.3	2.8	2.0	1.1	0.9
IAD	1 yr % ch	apr	-1.9	0.3	-0.1	3.8	4.8	10.8
BWI	1 yr % ch	apr	-0.5	4.1	6.0	4.6	3.0	5.3
Total	1 yr % ch	apr	-0.8	4.8	3.0	3.5	2.9	5.4
Employment								
Accommodations	level ('000)	jun	15.2	15.2	14.9	15.1	15.2	15.3
1 yr ch			0.0	0.0	-0.3	0.2	0.2	0.2
1 yr % ch			-0.2	-0.2	-1.9	1.1	1.6	1.3
Food and bev	level ('000)	jun	47.1	49.7	51.4	53.6	56.7	57.3
1 yr ch			2.0	2.7	1.6	2.4	4.0	5.4
1 yr % ch			4.3	5.6	3.3	4.8	7.7	10.4

* Total for hotel rooms sold and room revenue.

Source: STR (hotel data); BLS (employment); Airport authorities (airline passengers).

US economy and the federal government sector

2nd quarter US nominal GDP was 3.7% above last year

- US real GDP growth in the June (2017.2) quarter was estimated at 2.1% above a year earlier; nominal growth was 3.7%.
- Federal government consumption and investment for all activities was 2.3% higher in the 2017.2 quarter than a year earlier, about two-thirds the growth rate for nominal GDP for the entire US economy.
- US employment (seas. adj.) increased by 209,000 in July from the month before.
- The US unemployment rate (seas. adj.) fell to 4.3% in July.
- In July the average S&P 500 index rose 0.8% from June; it was 14.2% above a year earlier.

Quarterly change in US Real and Nominal GDP:
2015.2 to 2017.2

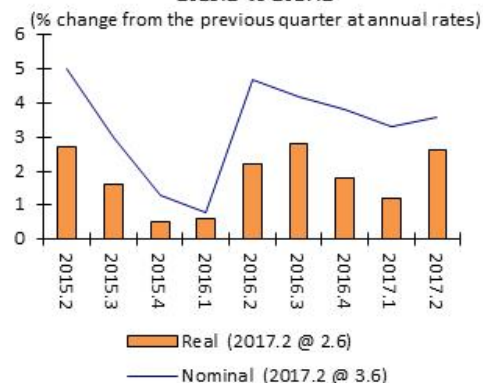


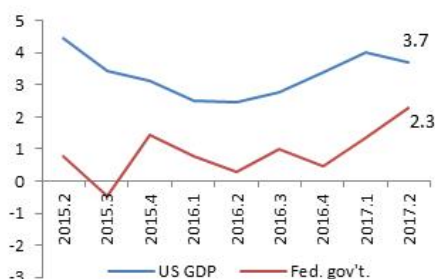
Table 29. Federal government sector, US GDP accounts: 2017.2

(percent change from same period of prior year)

Indicator	FY 2014	FY 2015	FY 2016	12-mo	
				avg	2017.2
Non-defense					
Compensation of employees	1.5	4.2	4.0	4.1	4.3
Purchases of goods and services	-2.1	7.6	1.8	-0.5	-0.1
Gross investment	0.2	3.2	1.3	3.6	3.5
Defense					
Compensation of employees	-0.7	-0.5	1.0	2.0	2.9
Purchases of goods and services	-7.1	-6.1	-1.2	-1.0	-1.0
Gross investment	-4.4	-2.9	0.6	2.8	9.0
All federal consumption and investment	-1.9	-0.1	0.9	1.3	2.3

Source: BEA (July 28, 2017). Nominal values.

Federal government consumption and investment and US GDP: 2015.2 to 2017.2 (1 yr % ch)



Federal government consumption and investment, by defense and non-defense: 2015.2 to 2017.2 (1 yr % ch)

(Nominal.; % change from same Q of the prior year)



Table 30. Qtr. to Qtr. ch. in US GDP: 2016.2 to 2017.2

(% ch. from previous quarter at seasonally adj. annual rates)

Indicator	2016.2	2016.3	2016.4	2017.1	2017.2
US GDP real	2.2	2.8	1.8	1.2	2.6
US GDP nominal	4.7	4.2	3.8	3.3	3.6
Wages and salaries	6.3	4.3	-3.4	6.0	4.3
Personal income	4.0	3.0	-0.1	5.4	2.9

Note: GDP=Gross Domestic Product Source: BEA, updated July 28, 2017.

Table 28. US GDP, income, and inflation: 2017.2

(percent change from same period of prior year)

Indicator	FY 2014	FY 2015	FY 2016	12-mo avg	2017.2
US GDP real	2.6	3.0	1.5	1.9	2.1
US GDP nominal	4.4	4.3	2.7	3.5	3.7
US Personal income	3.5	5.5	3.0	2.5	2.8
US wages	4.0	5.3	3.9	2.7	2.8
Corporate profits*	4.6	3.7	2.4	na	na
S and P stock index	20.3	9.7	0.4	11.9	15.4
US CPI	1.6	0.3	0.9	1.8	1.9

Source: BEA (July 28, 2017), BLS, Yahoo.

na= not available

*Before tax, with IVA and CCAAdj.

Table 31. Monthly selected US Indicators: April 2017 to July 2017

Indicator	April	May	June	July
S and P stock index (level)	2359	2395	2434	2454
% change from prior month	-0.3	1.5	1.6	0.8
% change from 1 year ago	13.7	16.0	16.7	14.2
10 yr. Treasury Interest rate (level)	2.29	2.30	2.19	2.31
CPI % ch from prior month (seasonally adjusted)	0.17	-0.13	-0.02	0.11
CPI % ch from prior year (seasonally adjusted)	2.20	1.87	1.65	1.73
Jobs (seasonally adjusted level, in millions)	146.030	146.175	146.406	146.615
change from prior month (thousands)	207	145	231	209
% change from prior month	0.1	0.1	0.2	0.1
Resident employment (season. adj. level, in mil.)	153.156	152.923	153.168	153.513
change from prior month (thousands)	156	-233	245	345
% change from prior month	0.1	-0.2	0.2	0.2
Unemployment rate (seasonally adj.)	4.4	4.3	4.4	4.3

Source: BLS and Yahoo! Finance.

DC tax collections

**Total DC tax collections (before earmarking):
July 2012 to July 2017**
(12-month moving total in July 2017 is \$7,399 million)

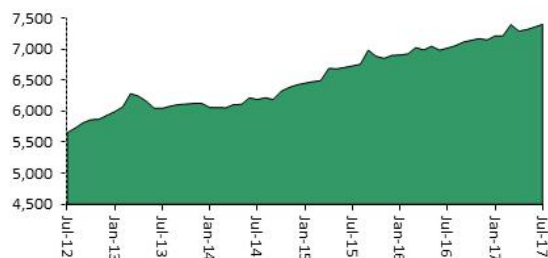


Table 32. Tax Collections (before earmarking): July 2017 (Preliminary)

Tax	Revenue (from CAFR)				Tax collections			
	FY 2013	FY 2014	FY 2015	FY 2016	12-month moving total	FY 2017 to date	3-month moving total	This month
Total taxes	6,100.5	6,290.0	6,916.8	7,241.0	7,399.2	5,415.6	1,371.7	444.2
1 year change	247.2	189.5	656.9	324.2	382.3	286.5	108.8	43.5
% change	4.2	3.1	10.0	4.7	5.4	5.6	8.6	10.8
Real property	1,914.8	2,015.6	2,194.5	2,357.5	2,434.1	1,290.6	44.0	13.1
1 year change	92.8	100.7	178.9	163.0	146.7	86.6	17.5	-3.0
% change	5.1	5.3	8.9	7.4	6.4	7.2	66.0	-18.5
General sales	1,137.9	1,172.1	1,315.3	1,343.1	1,411.1	1,222.5	392.3	140.9
1 year change	26.8	34.2	143.2	27.8	93.8	110.4	28.9	16.7
% change	2.4	3.0	12.2	2.1	7.1	9.9	8.0	13.4
Individual income	1,640.9	1,679.2	1,868.0	1,907.9	1,898.8	1,559.4	481.8	156.0
1 year change	150.2	38.3	188.9	39.8	31.3	24.8	44.7	26.7
% change	10.1	2.3	11.2	2.1	1.7	1.6	10.2	20.7
withholding	1,391.2	1,472.9	1,553.2	1,627.6	1,726.4	1,461.2	406.7	154.8
1 year change	69.6	81.7	80.3	74.4	109.7	102.8	22.7	24.5
% change	5.3	5.9	5.4	4.8	6.8	7.6	5.9	18.8
non-withholding	249.6	206.2	314.8	280.3	172.4	98.2	75.1	1.2
1 year change	80.6	-43.4	108.6	-34.5	-78.4	-78.0	22.0	2.2
% change	47.7	-17.4	52.6	-11.0	-31.3	-44.3	41.5	-224.9
Corporate income	299.0	280.2	308.0	387.1	398.3	325.8	68.8	3.3
1 year change	-3.9	-18.8	27.8	79.1	53.1	42.1	3.9	-4.0
% change	-1.3	-6.3	9.9	25.7	15.4	14.8	6.0	-54.8
Unincorporated Bus.	154.3	135.4	139.8	169.4	165.0	138.2	26.7	1.8
1 year change	-8.7	-18.9	4.4	29.6	9.1	6.8	-3.8	0.6
% change	-5.3	-12.3	3.2	21.2	5.8	5.2	-12.6	52.7
Deed taxes*	372.8	391.2	480.6	445.2	473.4	388.5	134.6	56.8
1 year change	60.3	18.4	89.4	-35.4	39.6	29.3	11.3	14.9
% change	19.3	4.9	22.8	-7.4	9.1	8.1	9.2	35.5
Other taxes	580.8	616.4	610.6	630.9	618.4	490.4	223.6	72.3
1 year change	-70.4	35.6	-5.8	20.3	8.6	-13.5	6.3	-8.5
% change	-10.8	6.1	-0.9	3.3	1.4	-2.7	2.9	-10.5

*Deed taxes include deed recordation, deed transfer, and economic interest taxes on real property transactions.

Note: (1) Revenues for the fiscal years shown are based on the CAFR for those years.

(2) Tax collections data subject to accounting adjustments.

(3) This table and the graphs on the next page may include adjustments to the timing and consistency of collection reporting intended to make comparisons with prior year periods more meaningful. The data may therefore vary from other OCFO reports.

Source: OCFO/ORA

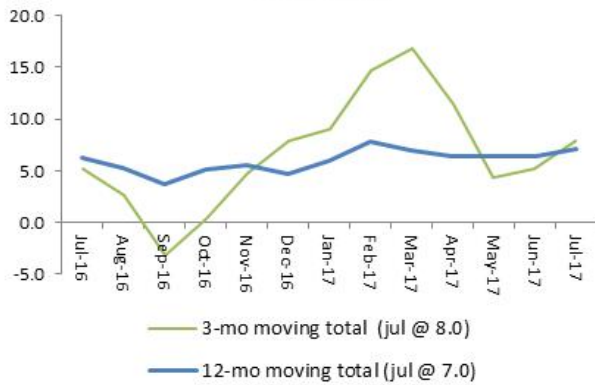
Strong growth in collections for sales, withholding, and deed taxes

- For the 12 month period ending July, total tax collections (before earmarking) were \$382.3 million (5.4%) more than in the prior year. For the last 3 months they were 8.6% above last year.
- Individual income tax collections were 1.7% above last year for the 12-months ending July and withholding was 6.8% higher. For the past 3 months, withholding was up 5.9% and all income tax collections were up 10.2%.
- General sales tax collections were 7.1% above last year for the 12-months ending July. For the past 3 months, they were 8.0% above last year.
- Deed tax collections for the 12-months ending July were up 9.1% from last year; for the past 3 months they were up 9.2%.
- Corporate income taxes in July were up 15.4% and unincorporated business income taxes rose 5.8% from last year (12-mo. total).

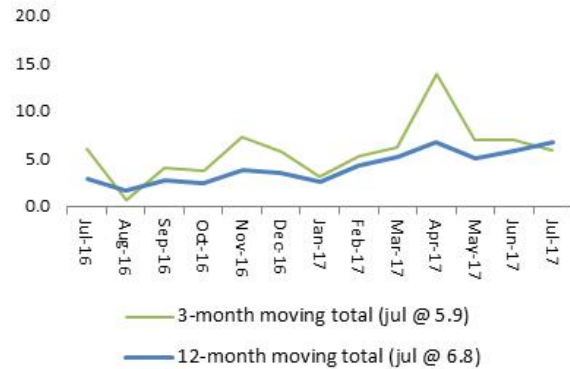
**Total tax collections (before earmarks):
July 2016 to July 2017**
(% change from prior year: 3-month and 12-month moving totals)



**General Sales tax collections (before earmarks):
July 2016 to July 2017**
(% change from prior year: 3-months and 12-month moving totals)



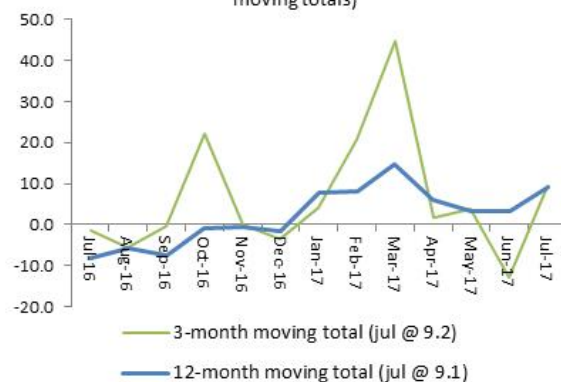
**Withholding for the Individual Income tax:
July 2016 to July 2017**
(% change from prior year: 3-month and 12-month moving totals)



**General Sales tax and Withholding for the Individual Income tax:
July 2016 to July 2017**
(% change from prior year in the 12-month moving total)



**Deed tax collections (before earmarks):
July 2016 to July 2017**
(% change from prior year: 3-month and 12-month moving totals)



US economic forecasts

Little change in the Blue Chip forecast for July

- The July Blue Chip Indicators increased GDP growth to 2.2% in FY 2017 and kept FY 2018 at 2.4%. Nominal growth was cut slightly to 3.9% for FY 2017 and 4.3% for FY 2018. Inflation stays at about 2%.
- CBO's June economic and budget outlook: real growth rates of 2.2% in CY 2017 and 2.1% in FY 2018.
- The Blue Chip Indicators June forecast for inflation (CPI): a slightly lower 2.2% for FY 2017 and 2.0% for CY 2018.
- Global Insight and Moody's Analytics July forecasts for US Personal Income: FY 2017 estimates are about 3.5% in FY 2017, rising to around 4.5% in FY 2018.
- S&P 500 July baseline forecasts: Global Insight and Moody's Analytics expect about 12% annual gain in the 4th quarter of 2017. For the last quarter of 2018, Global Insight looks for 3.6% growth, but Moody's says the index will drop 1.8%.

Table 33. Forecasts for US nominal and real GDP: FY 2014 through FY 2018
(% change from prior fiscal year)

Fiscal year and date of forecast	real			nominal		
	Blue Chip	IHS		Blue Chip	IHS	
		Moody's Analytics	Global Insight		Moody's Analytics	Global Insight
FY 2014 Actual	2.6	2.6	2.6	4.4	4.4	4.4
FY 2015 Actual	3.0	3.0	3.0	4.3	4.3	4.3
FY 2016 Actual	1.5	1.5	1.5	2.7	2.7	2.7
FY 2017						
April	2.2	2.1	2.3	4.1	4.1	4.4
May	2.1	2.1	2.1	4.0	4.1	4.1
June	2.1	2.2	2.1	4.0	4.1	4.1
July	2.2	2.2	2.2	3.9	4.0	4.0
FY 2018						
April	2.4	2.5	2.6	4.6	4.9	5.0
May	2.4	2.5	2.6	4.5	4.9	4.9
June	2.4	2.6	2.6	4.4	5.0	5.0
July	2.4	2.8	2.7	4.3	5.3	4.8

Sources: BEA, Blue Chip Indicators, Moody's Economy.com, and IHS Global Insight.

Blue Chip Indicators estimate of US Nominal and Real GDP: FY 2011 to FY 2018
(% change from the prior year; July 2017 estimate)

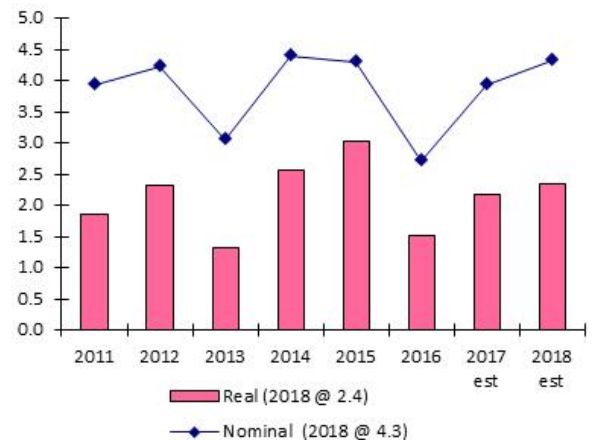


Table 34. CBO estimates of GDP and other indicators: CY 2016 to CY 2019

Indicator	CY 2016	CY 2017	CY 2018	CY 2019
Real GDP (% ch from prior yr.)	2.0	2.2	2.0	1.5
Nominal GDP (% ch from prior yr.)	3.5	4.0	4.0	3.5
CPI (% ch from prior yr.)	1.8	2.1	2.3	2.4
10 yr. Treasury bond rate	1.8	2.4	2.8	3.4
Unemployment rate	4.9	4.4	4.2	4.6

Source: Congressional Budget Office, An Update to *The Budget and Economic Outlook: 2017 to 2027*, June 29, 2017

Table 35. Forecasts for US Personal Income: FY 2016 to FY 2019

Forecast date	% change from prior fiscal year				% change from prior fiscal year			
	2016	2017	2018	2019	2016	2017	2018	2019
	Global Insight				Moody's Analytics			
Apr	3.6	4.2	5.0	5.4	3.6	4.4	5.3	5.2
May	3.6	4.2	5.0	5.4	3.6	4.4	5.3	5.2
Jun	3.6	3.4	4.7	5.2	3.6	3.6	5.1	5.2
Jul	3.6	3.4	4.5	5.1	3.6	3.5	4.8	5.0

Source: IHS Global Insight, Moody's Analytics. Baseline forecasts

Table 36. Forecasts for S and P 500: 2016.4 to 2018.4

Forecast date	% change from prior year			% change from prior year		
	2016.4	2017.4	2018.4	2016.4	2017.4	2018.4
	Global Insight			Moody's Analytics		
April	6.4	11.1	3.6	6.4	5.4	-2.4
May	6.4	12.4	3.6	6.4	5.4	-2.4
June	6.4	12.4	3.6	6.4	9.1	-2.0
July	6.4	12.4	3.6	6.4	12.0	-1.8

Source: IHS Global Insight, Moody's Analytics. Baseline forecasts

Table 37. Blue Chip forecasts for CPI and 10 year Treasury interest rate: FY 2016 to FY 2018

Forecast date	CPI			10 yr Treasury rate		
	2016	2017	2018	2016	2017	2018
	Apr	0.9	2.4	2.3	1.9	2.5
May	0.9	2.3	2.2	1.9	2.4	3.0
Jun	0.9	2.2	2.1	1.9	2.4	2.9
Jul	0.9	2.1	2.0	1.9	2.3	2.9

Source: Blue Chip Indicators

Global Insight and Moody's Analytics forecast slower population and job growth

• Both expect DC job growth by FY 2018 to be only about a third of what it was in FY 2016. Global Insight expects modest slowing of population growth through FY 2019 and Moody's is more pessimistic.

• **Global Insight:** Gradual slowdown in annual population growth. FY 2018 Personal Income estimate of 5.0% growth in FY 2018 is about at its estimate for the US.

• **Moody's Analytics:** Sharp drop in population growth by FY 2019 essentially cuts all net in-migration to DC. Personal Income growth falls to 1.8% in FY 2018, well below the estimate for the US.

Table 38. Forecasts of DC jobs and population to FY 2019

		FY 2015		FY 2016		Global Insight			Moody's Analytics		
		actual	actual	FY 2017	FY 2018	FY 2019	FY 2017	FY 2018	FY 2019		
Jobs in DC	Level	764,508	780,000	789,697	794,994	799,963	790,350	796,675	801,400		
	1 yr, ch	12,908	15,492	9,697	5,297	4,969	10,375	6,325	4,725		
	1 yr % ch.	1.7	2.0	1.2	0.7	0.6	1.3	0.8	0.6		
Population	Level	668,919	679,803	689,992	699,109	707,167	687,025	692,500	697,125		
	1 yr, ch	11,048	10,883	10,189	9,117	8,058	7,250	5,475	4,625		
	1 yr % ch.	1.7	1.6	1.5	1.3	1.2	1.1	0.8	0.7		

Source: July 2017 baseline forecasts from Global Insight and Moody's Analytics

Table 39. Forecasts of DC resident employment, households, and housing starts to FY 2019

		FY 2015		FY 2016		Global Insight			Moody's Analytics		
		actual	actual	FY 2017	FY 2018	FY 2019	FY 2017	FY 2018	FY 2019		
DC resident jobs	1 yr, ch	12,323	9,709	7,976	8,910	7,411	8,175	6,425	5,225		
Households	1 yr, ch	4,656	4,254	2,788	2,416	3,762	3,300	2,775	2,950		
Housing starts		3,980	4,413	4,715	3,335	2,929	3,579	2,722	3,188		

Source: July 2017 baseline forecasts from Global Insight and Moody's Analytics

Source: June and Sep. baseline forecasts for Global Insight and Moody's Analytics. 3-yr. average is FY 2013 through 2015.

Table 40. Forecasts of DC Personal Income to FY 2019

Date of estimate	FY 2015		FY 2016		Global Insight			Moody's Analytics		
	actual	actual	FY 2017	FY 2018	FY 2019	FY 2017	FY 2018	FY 2019		
April	6.7	4.7	4.7	4.5	5.8	3.1	1.5	3.4		
May	6.7	4.7	4.8	4.2	5.5	3.1	1.5	3.4		
June	6.7	4.7	4.9	4.4	5.4	3.0	1.4	3.4		
July	6.7	4.6	4.0	3.8	5.0	3.7	1.8	3.1		

Source: Baseline forecasts from Global Insight and Moody's Analytics

Table 41. July forecasts for employment and Personal Income for DC, the metro area, and the US: FY 2016 to FY 2019

(percent change from prior year)

Indicator	Global Insight				Moody's Analytics			
	2016	2017	2018	2019	2016	2017	2018	2019
Wage and salary jobs								
DC	2.0	1.2	0.7	0.6	2.0	1.3	0.8	0.6
Metro area					2.0	1.7	1.3	1.2
US	1.8	1.5	1.2	1.2	1.8	1.5	1.4	1.1
Personal Income								
DC	4.6	4.0	3.8	5.0	4.6	3.7	1.8	3.1
Metro area					4.2	4.1	4.9	4.6
US	3.6	3.4	4.5	5.1	3.6	3.5	4.8	5.0

Source: IHS Global Insight and Moody's Analytics. Baseline forecasts

Table 42. July DC forecasts for wages and unemployment: FY 2016 to FY 2019 (% change from prior year)

	Global Insight				Moody's Analytics			
	2016	2017	2018	2019	2016	2017	2018	2019
Wages and salaries earned in DC	4.6	2.8	3.9	4.4	4.6	2.7	3.2	4.1
DC resident wages and salaries	4.6	2.9	3.3	5.1	4.6	2.5	0.3	2.8
DC Unemployment rate (level)	6.2	5.8	5.5	5.2	6.2	5.9	6.3	6.2

Source: IHS Global Insight and Moody's Analytics. Baseline forecasts.

DC revenue estimate

The June estimate for tax revenue (before earmarks but after implementation of scheduled tax cuts): \$235 million more in FY 2017 than in FY 2016, followed by a \$58 million increase in FY 2018

- Anticipated tax revenue increase (before earmarks) is 3.2% in FY 2017, followed by a 0.8% increase in FY 2018. The estimates reflect growth in the DC economy and the effects of past scheduled tax cuts.
- Real property tax growth of \$162.6 million in FY 2017 accounts for 69.1% of the net increase in taxes for that year. Real property and individual income are the leading source of revenue gain in FY 2018. Individual income tax revenue is estimated to fall by 0.8% in FY 2017, but increase 4.5% in FY 2018.
- The General sales tax is estimated to grow 6.5% in FY 2017 and 1.6% in FY 2018.
- Deed taxes are estimated to increase 1.4% in FY 2017 and decrease 8.1% in FY 2018.
- As a share of DC Personal Income, tax revenue in FY 2018 is expected to fall to 13.5% from 14.0% in FY 2017.

Table 43. DC Tax Revenue (before earmarks and after triggered tax cuts) for FY 2016 through FY 2019: February 2017 revenue estimate

Tax	FY level (\$ million)				Change from prior year (\$ M)				% change from prior year			
	2016	2017	2018	2019	2016	2017	2018	2019	2016	2017	2018	2019
Real property	2,357.5	2,520.1	2,590.3	2,680.9	163.0	162.6	70.2	90.6	7.4	6.9	2.8	3.5
Deed taxes	444.1	450.1	413.6	424.1	-36.5	6.0	-36.6	10.6	-7.6	1.4	-8.1	2.6
General sales	1,343.1	1,430.2	1,452.4	1,515.1	27.8	87.2	22.2	62.6	2.1	6.5	1.6	4.3
Individual income	1,907.9	1,892.4	1,977.7	2,024.2	39.8	-15.5	85.3	46.5	2.1	-0.8	4.5	2.4
Withholding	1,627.6	1,731.3	1,747.3	1,803.4	74.4	103.7	16.0	56.1	4.8	6.4	0.9	3.2
non-withholding	280.3	161.0	230.4	220.8	-34.5	-119.2	69.4	-9.6	-11.0	-42.5	43.1	-4.1
Business income	556.5	569.7	512.2	528.8	108.7	13.2	-57.4	16.6	24.3	2.4	-10.1	3.2
Other	624.6	606.1	580.7	583.2	13.9	-18.5	-25.4	2.5	2.3	-3.0	-4.2	0.4
Total	7,233.5	7,468.5	7,526.9	7,756.3	316.7	235.0	58.4	229.4	4.6	3.2	0.8	3.0

Source: ORA. June 30, 2017 revenue estimate under existing legislation before triggered tax cuts. Deed taxes include economic interest. The table includes tax revenue only, before all earmarks, and excludes all non-tax revenues, lottery, and "O-type" earmarked revenues. FY 2016 is from the CAFR.

Table 44. DC population and employment: FY 2016 to FY 2019

item	2016	2017	2018	2019
Wage and salary employment	780,000	788,206	791,655	795,330
1 year change	15,492	8,206	3,449	3,675
% change	2.0	1.1	0.4	0.5
DC population	679,803	689,992	697,794	704,217
1 year change	10,883	10,189	7,803	6,423
% change	1.6	1.5	1.1	0.9
Unemployment rate	6.2	5.7	5.6	5.6

Source: ORA June 2017 revenue estimate.

Table 45. DC Income and stock market assumptions: FY 2016 to FY 2019 (% change from prior year)

item	2016	2017	2018	2019
Wages and salaries earned in DC	4.6	4.0	3.3	3.8
Wages and salaries earned by DC residents	4.6	5.1	4.1	4.2
DC Personal income	4.7	5.1	4.4	4.6
S and P 500 stock index	6.4	4.2	4.2	4.2

Source: ORA June 2017 revenue estimate. Stock index, on a CY basis, represents the % ch. from the December quarter of the prior yr.

Table 46. DC tax revenue (before earmarks) and DC Personal Income: FY 2010 to FY 2019

item	2010	2011	2012	2013	2014	2015	2016	2017 est	2018 est	2019 est
Tax revenue (\$ million)										
Level	5,005	5,325	5,853	6,100	6,290	6,917	7,234	7,469	7,527	7,756
Change from prior year	-47	320	528	247	189	627	317	235	58	229
Percent change from prior year										
Tax revenue	-0.9	6.4	9.9	4.2	3.1	10.0	4.6	3.2	0.8	3.0
Personal Income	3.0	9.1	4.5	2.8	5.7	6.7	4.7	5.1	4.4	4.6
Tax revenue as percent of Personal Income										
	13.6	13.3	14.0	14.2	13.8	14.2	14.2	14.0	13.5	13.3

Source: ORA. June 30, 2017 revenue estimate before tax cut triggers under existing legislation. The table includes tax revenue only, before all earmarks, and excludes all non-tax revenues, lottery, and "O-type" earmarked revenues.

Labor force and population in DC and the US: June 2009 to June 2017

	Level		Change over the 8 yrs	
	June 2009	June 2017	Amount	%
DC				
Labor force	332,249	401,156	68,907	20.7
Unemployment	29,485	23,121	-6,364	-21.6
Resident employment	302,765	378,035	75,271	24.9
Population	592,228	691,229	99,001	16.7
US (in millions)				
Labor force	154.70	160.38	5.68	3.7
Unemployment	14.11	6.79	-7.31	-51.8
Resident employment	140.59	153.59	12.99	9.2
Population	307.26	325.57	18.31	6.0

Addendum:

Labor force as a % of population:

DC	56.1	58.0	69.6
US	50.3	49.3	31.0

Source: BLS for quarterly data (not seasonally adjusted) on labor force, unemployment, and resident employment. Global Insight for quarterly data on population. The population for the June 2017 quarter is estimated by Global Insight.

Change in labor force, unemployment, and resident employment in DC and the US: June 2009 to June 2017

	DC	US (in millions)
Increase in labor force	68,907	5.68
Reduction in the unemployment	6,364	7.31
Increase in resident employment	75,271	12.99

% of increase in resident employment reflecting:

increase in the labor force	91.5	43.7
reduction in unemployment	8.5	56.3

Source BLS, calculated from seasonally unadjusted quarterly data

Labor force can change for a number of reasons, including retirement, death or disability, returning to school, and discouragement from looking for work due to lack of opportunity. When the economy does poorly people typically leave the labor force, and when it improves people enter or reenter it. Some of this has no doubt occurred in DC as in the economy as whole. However, the only reason DC's labor force was able to increase on the scale it did was because people looking for, or obtaining, work moved to the city to take advantage of the job opportunities that were available.

The percentage of DC's population in the labor force can be expected to be higher than the national average because it is an urban area with a growing economy. In 2009 when the recession ended, 56.1% of DC's population was in the labor force compared to 50.3% for the US. The recovery period reinforced this difference, as the share of DC's population in the labor force rose to 58.0% while the US share fell to 49.3%. Over those 8 years, the increase in DC's labor force was more than two thirds of the increase in population, while in the US the growth in labor force was less than one-third.

Recent trend: a slight rise in unemployment. Over the past year, from June 2016 to June 2017, the labor force grew at a pace slightly above the average for the entire June 2009 to June 2017 recovery period. Resident employment, however, grew at a slightly slower pace. Consequently, over the past year unemployment actually increased by 751 persons even though resident employment rose by 8,853.

Change over the past year in DC labor force, unemployment, and resident employment compared to the annual average for the June 2009 to June 2017 recovery period

	Average annual change: June 2009 to June 2017		Change: June 2016 to June 2017	
	number	percent growth	number	percent growth
Labor force	8,613	2.4	9,604	2.5
Unemployment	-795	-3.0	751	3.4
Resident employment	9,409	2.8	8,853	2.4

Source: BLS. Calculated from seasonally unadjusted quarterly data.

—Stephen Swaim, DC Office of Revenue Analysis

About the data. The data discussed here are labor force statistics prepared each month for the US and the states by the US Bureau of Labor Statistics. The data are derived from household surveys, and are subject to sampling and reporting errors as well as changes in underlying demographic information that is taken into account by BLS in making the estimates. In practice, labor force is constructed by adding together those who say they are working and those who say they are unemployed (this is, not working but looking for work). All calculations are from quarterly averages of seasonally unadjusted data. The data is subject to revision by BLS. The quarterly population estimates for DC and the US used here are from Global Insight. The last Census Bureau estimate of DC population was for 2016.

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) 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). You can sign up at the blog page to receive updates as new articles are posted.

Recent ORA reports:

Revised revenue estimate, June 30, 2017.

DC Tax Facts, 2017. Details on all DC taxes.

Tax Rates and Tax Burdens 2015 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.

Tax Rates and Tax Burdens 2015 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.

Briefing documents. A series with information related to DC’s economy and taxes.

Tax expenditure report, November 2016. Comprehensive description of all DC tax expenditures.

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 (click on *Budget and Revenue/Economy/ Economic and Revenue Trends*).

Indicator	Source	Period covered in this report	Next release
D.C. Jobs and Labor Force information	BLS	June	August 18
D.C. Personal Income	BEA	2017.1	September 26
D.C. Tax Collections	OTR/ORA	July	c. September 15
D.C. Housing Sales	MRIS*	July	c. September 10
D.C. Commercial Office Building data	CoStar and Delta	2017.2	c. September 10
DC Apartment data	CoStar and Delta	2017.2	c. September 10
D.C. Hotel stay information	Smith Travel Research	June	c. August 20
Consumer Price Index	BLS	July	September 14
U.S. Jobs and Labor Force	BLS	June/July	September 1
U.S. GDP and Personal Income	BEA	2017.2	August 30
S and P 500 Stock Index	Financial press	July	September 1
Interest rate on 10-Year Treasury Securities	Financial press	July	September 1
IHS Global Insight D.C. forecast	Global Insight	July	c. August 15
Moody's Analytics D.C. forecast	Moody's Analytics	July	c. August 25
Blue Chip Economic Indicators for the U.S.	Aspen Publishers	July	c. August 10

*Metropolitan Regional Information Systems; listings and contract data accessed through the Greater Capital Area Association of Realtors.

For further information or to comment on this report, contact: Stephen Swaim (202-727-7775) or stephen.swaim@dc.gov. See also the *Economic Indicators* issued monthly by the D.C. Office of the Chief Financial Officer (www.cfo.dc.gov).

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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