D.C. Economic Indicators

December 2016

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

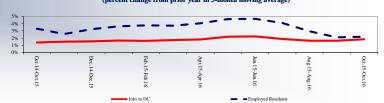
ge in Total Wage and Salary Employment and Employed Residents (percent change from prior year in 3-month moving average)





★ Jobs in D.C. for October 2016, up 13,600 (1.8%) from October 2015

★ District resident employment for October 2016, up 10,100 (2.8%) from October 2015



Labor Market ('000s): October 2016 ^a <u>District of Columbia</u>			Metropolitan area			Detailed Employment ('000s): October 2016					
									1 yr. ch.	1 yr. ch.	
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr ch. (amt.)	1 yr. ch. (%)		Level	(amt.)	(%)	% of total
Employed residents	374.5	10.1	2.8	3,201.8	49.5	1.6	Manufacturing	1.2	0.1	9.1	0.2
Labor force	399.1	8.7	2.2	3,333.3	42.0	1.3	Construction	14.4	-0.1	-0.7	1.8
Total wage and salary							Wholesale trade				
employment	785.6	13.6	1.8	3,276.8	70.2	2.2	wholesale trade	4.8	-0.1	-2.0	0.6
Federal government	202.3	4.3	2.2	371.6	6.3	1.7	Retail trade	23.9	0.7	3.0	3.0
Local government	40.7	0.8	2.0	340.4	4.6	1.4	Utilities & transport.	4.7	-0.2	-4.1	0.6
Leisure & hospitality	75.9	2.1	2.8	320.9	5.6	1.8	Publishing & other info.	16.8	-0.2	-1.2	2.1
Trade	28.7	0.6	2.1	351.6	9.8	2.9	Finance & insurance	17.9	0.2	1.1	2.3
Education and health	132.3	1.9	1.5	432.4	14.9	3.6	Real estate	12.8	0.2	1.6	1.6
Prof., bus., and other							Legal services				
services	237.9	3.9	1.7	953.8	25.0	2.7		30.6	2.0	7.0	3.9
Other private	67.8	0.0	0.0	506.1	4.0	0.8	Other profess. serv.	85.6	1.9	2.3	10.9
Unemployed	24.6	-1.4	-5.3	131.5	-7.5	-5.4	Empl. serv. (incl. temp)	15.0	-0.1	-0.7	1.9
New Unempl. Claims	1.7	-0.1	-3.3				Mgmt. & oth. bus serv.	35.1	-0.4	-1.1	4.5
Sources: U.S. Bureau of Labor Statist	tics (BLS) & D.C	. Dept. of Employmen	t Services (DOES)				Education	64.6	1.0	1.6	8.2
a Preliminary, not seasonally adjusted	I						Health care	67.7	0.9	1.3	8.6
							Organizations	63.4	0.4	0.6	8.1
D.C. Hotel Industry ^b				Airport Pas	ssengers ^{c,d}		Accommodations	15.5	0.3	2.0	2.0
Oct. 2016	Amt.	1 yr. ch.		Oct. 2016	Amt.('000)	1 yr. ch. (%)	Food service	52.6	1.5	2.9	6.7
Occupancy Rate	84.6%	-2.4%		DCA	2,107.7	-0.8	Amuse. & recreation	7.8	0.3	4.0	1.0
Avg. Daily Room Rate	\$268.18	\$19.78		IAD	1,948.1	2.8	Other services	8.2	0.1	1.2	1.0
# Available Rooms	30,250	1,207		BWI	2,159.6	1.9	Subtotal, private	542.6	8.5	1.6	69.1
Room Sales (\$M)	\$212.6	\$18.1		Total	6,215.4	1.2 ^e	Federal government	202.3	4.3	2.2	25.8

 $^{^{\}rm b}$ Source: Smith Travel Research $^{\rm c}$ Source: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority $^{\rm d}$ Includes arrivals and departures $^{\rm c}$ Weighted average

e: BLS. Details may not add to total due

Total

Revenue

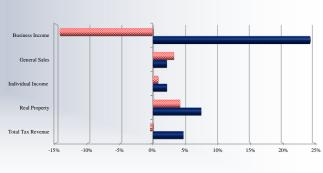
- ★ Total gross tax revenue for FY2017 is expected to decline by 0.4%
- Individual income tax revenue is expected to increase by 0.8% in FY2017; less than half of the growth that was experienced in FY2016
- FY 2017 real property tax revenue is estimated to grow at a rate of
- Business income tax revenue is expected to decline by 14.3%, following double digit growth of 24.3% in FY2016
- General sales tax revenue for FY 2017 is expected to growth 3.2% in FY2017 compared to the 2.1% growth that occured in FY2016

Percent Change in Revenue for Selected Taxes for FY's 15 - 17 (Est.)

785.6

13.6

100.0



■% Chg. FY16 (Pre.) - FY17 (Est.)

■% Chg. FY15 - FY16 (Pre.)

Tax Revenue for Fiscal Year 2015, Preliminary Tax Revenue for Fiscal Year 2016 and Estimated Revenue for FY 2017 (\$000) a

			NOTE: REPOR	TING OF CASE	I COLLECTION	S WILL RESUME IN THE MARCH 2017 RELEASE
					% Chg. FY16	% Chg. FY16
				% Chg. FY15	- (Pre.) - FY17	% Chg. FY15 - (Pre.) - FY17
	FY'15	FY'16 (Pre.)d	FY'17 (Est.)d	FY16 (Pre.)	(Est.)	Addenda: FY16 (Pre.) (Est.)
Real Property	2,194,500	2,357,459	2,456,003	7.4%	4.2%	Convention Ctr. Transfer ^b 6.1% 3.2%
General Sales	1,315,295	1,343,074	1,386,407	2.1%	3.2%	Ind. Inc. Tax Withholding for D.C. residents 4.8% 3.4%
Individual Income	1,868,037	1,907,862	1,922,877	2.1%	0.8%	
Business Income	447,805	556,468	476,878	24.3%	-14.3%	Revenue amounts shown are before dedicated revenue (TIF, Convention Ctr, Ballpark Fund, DDOT, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund, WMATA, Hospital Fund, Stevie Sellows
Total Tax Revenue (Gross) ^c	6,916,842	7,241,038	7,209,249	4.7%		Quality Improvement Fund, Healthy Schools, ABRA). Variations in processing activities may affect year-to-date comparisons.
Dedicated Tax Revenue	484,752	503,471	499,497	3.9%	-0.8%	^b Portion of sales tax on hotels and restaurants
Total Tax Revenue						^c Total Tax Revenue (Gross) includes all other taxes not reported above
(Net)	6,432,090	6,737,567	6,709,753	4.7%	-0.4%	^{ld} As of the December 2016 Revenue Estimates

People & Economy

- D.C. unemployment rate for October: 6.1%, no change from the previous month & 0.5% lower than 1 year ago
- The conventional home mortgage rate was 3.47% in October, 0.01% higher than the previous month
- The share of individual income tax filers with income less than \$30,000 declined by 2.2%; while the share of filers with income greater than \$100,000 grew by 2.6% from 2013 to 2014





U.S. GDP	% change for	r yr. ending	CPI	% change fo	or yr. ending	D.C. Population		
Source: BEA	3^{rd} Q 2016	2 nd Q 2016	Source: BLS	Sept. 2016	Jul. 2016	Source: Census		
Nominal	2.9 [†]	2.5	U.S.	1.5	0.8	*Estimate for:	Level	% chg.
Real	1.7 [†]	1.3	D.C./Balt. metro area	0.8	1.4	2000	572,059	
						2005	567,136	-0.1
						2006	570,681	0.6
Personal Income ^a			Unemployment Rate ^c			2007	574,404	0.7
Source: BEA	% change fo	r yr. ending	Source: BLS	Oct. 2016	Sept. 2016	2008	580,236	1.0
Total Personal Income	2 nd Q 2016	1 st Q 2016	U.S.	4.9	5.0	2009	592,228	2.1
U.S.	3.2	3.6	D.C.	6.1	6.1	2010 [†]	605,183	2.2
D.C.	4.0	4.0				2011	620,477	2.5
Wage & Salary Portion of Personal Income						2012 [†]	635,327	2.4
U.S.	3.8	4.2	Interest Rates	National	Average	2013 [†]	649,165	2.2
Earned in D.C.	3.8	3.9	Source: Federal Reserve	Oct. 2016	Sept. 2016	2014 [†]	659,005	1.5
Earned by D.C. residents ^b	3.5	3.7	1-yr. Treasury	0.66	0.59	2015 [†]	670,377	1.7
			Conv. Home Mortgage	3.47	3.46	2016	681,170	1.6

^aNominal ^b Estimated ^c Seasonally adjusted

* July 1, except for 2000							
Distribution of Individual Income Tax Filers							
by Inco	me Catego	ory					
Source: D.C. Office of	Tax and Reve	nue					
	2012	2013	2014				
Less than \$30,000	41.4%	40.9%	38.7%				
\$30,000-\$50,000	18.6%	19.0%	18.4%				
\$50,000-\$75,000	14.3%	14.6%	14.9%				
\$75,000-\$100,000	8.3%	8.6%	8.6%				
\$100,000-\$200,000	11.5%	11.5%	12.4%				
\$200,000-\$500,000	4.7%	4.6%	5.6%				

Housing & Office Space

- ★ There were 348 condos sold in October 2016, a 3.1% decline from 1 year ago
- ★ The year to date median price increased 1.5% from 1 year ago for single family homes, and condos experienced an increase of 3.2% in the year to date median price
- \star In the 3rd quarter of 2016 the office direct vacancy was 0.1% lower than the 2nd quarter of 2016

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



					1		
		D.C. Housing Permits Issued			D.C. Commercial Office Space		
		Source: U.S. Census Bureau			Source: Delta Associates		
			4 Qs ending				
Oct. 2016	1 yr. % ch.		3 rd Q 2016	1 yr. ch.			
474	0.9	Total housing units	5,129	995	Inventory Status (in million sq. ft.)		
348	-3.1	Single family	283	-10		3 rd Q 2016	1 qtr. ch.
		Multifamily (units)	4,846	1,005	Total inventory	141.9	0.0
					Leased space ^e	132.4	0.1
		Class A Apt. d and Condominium Unit	s		Vacant	9.5	-0.1
Oct. 2016	1 yr. % ch.	Source: Delta Associates			New Construction	5.5	1.2
\$757.2	-6.0						
\$675.0	1.5	Units under construction and/or marketing	3 rd Q 2016	1 yr. ch.	Direct Vacancy Rate	6.7	-0.1
		Rental apartments	12,426	-556			
		Condominiums ^f	1,293	101			
\$484.9	0.8	Other units likely to deliver over the next 36 mg	onths ^g				
\$449.0	3.2	Rental apartments	7,320	2,202			
	474 348 Oct. 2016 \$757.2 \$675.0	474 0.9 348 -3.1 Oct. 2016 1 yr. % ch. \$757.2 -6.0 \$675.0 1.5 \$484.9 0.8	Source: U.S. Census Bureau	Source: U.S. Census Bureau 4 Qs. ending 3rd Q. 2016 474 0.9 Total housing units 5.129 348 -3.1 Single family 283 Multifamily (units) 4.846	Source: U.S. Census Bureau 4 Qs ending 3rd Q 2016 1 yr. ch. 474 0.9 Total housing units 5,129 995 348 -3.1 Single family 283 -10 Multifamily (units) 4,846 1,005	Source: U.S. Census Bureau 4 Qs ending	Source: U.S. Census Bureau 4 Qs ending Source: Delta Associates 4 Qs ending

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

1,190

21

Condominiums

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

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