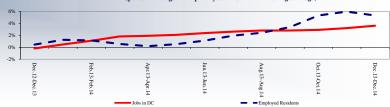
D.C. Economic Indicators February 2015

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

Labor & Industry

- ★ Jobs in D.C. for December 2014, up 14,600 (2.0%) from December 2013
- ★ District resident employment for December 2014, up 8,200 (2.4%) from December 2013

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



Labor Market ('000s): December 2014 ^a							Detailed Employment ('000s): December 2014				
		District of Columb	i <u>a</u>		Metropolitan are	<u>ea</u>					
									1 yr. ch.	1 yr. ch.	
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr ch. (amt.)	1 yr. ch. (%)		Level	(amt.)	(%)	% of total
Employed residents	348.6	8.2	2.4	3,048.7	12.4	0.4	Manufacturing	0.7	-0.1	-12.5	0.1
Labor force	375.7	10.1	2.8	3,190.9	6.6	0.2	Construction	14.1	0.8	6.0	1.8
Total wage and salary							Wholesale trade				
employment	763.2	14.6	2.0	3,127.4	20.8	0.7	wholesale trade	4.8	-0.1	-2.0	0.6
Federal government	201.8	-0.5	-0.2	366.8	-2.2	-0.6	Retail trade	24.4	2.4	10.9	3.2
Local government	36.9	2.1	6.0	329.9	6.2	1.9	Utilities & transport.	4.1	0.1	2.5	0.5
Leisure & hospitality	69.7	2.4	3.6	298.6	7.7	2.6	Publishing & other info.	17.1	0.1	0.6	2.2
Trade	29.2	2.3	8.6	350.5	5.4	1.6	Finance & insurance	17.8	0.2	1.1	2.3
Education and health	130.5	2.5	2.0	402.8	0.4	0.1	Real estate 11.2		-0.1	-0.9	1.5
Prof., bus., and other							I and assista				
services	230.1	4.8	2.1	895.3	3.1	0.3	Legal services	29.9	-0.1	-0.3	3.9
Other private	65.0	1.0	1.6	483.5	0.2	0.0	Other profess. serv.	80.4	2.4	3.1	10.5
Unemployed	27.0	2.0	7.9	142.2	-5.8	-3.9	Empl. serv. (incl. temp)	Empl. serv. (incl. temp) 15.8		7.5	2.1
New Unempl. Claims	1.8	-0.1	-6.1				Mgmt. & oth. bus serv.	35.4	1.7	5.0	4.6
Sources: U.S. Bureau of Labor Statistic	Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)						Education	63.7	2.2	3.6	8.3
^a Preliminary, not seasonally adjusted							Health care	66.8	0.3	0.5	8.8
							Organizations	60.8	-0.2	-0.3	8.0
D.C. Hotel Industry ^b				Airport Passengers ^{c,d}		Accommodations	14.9	-0.7	-4.5	2.0	
Dec. 2014	Amt.	1 yr. ch.		Dec. 2014	Amt.('000)	1 yr. ch. (%)	Food service	47.8	2.9	6.5	6.3
Occupancy Rate	58.3%	0.6%		DCA	1,756.1	7.8	Amuse. & recreation	7.0	0.2	2.9	0.9
Avg. Daily Room Rate	\$169.23	\$1.93		IAD	1,729.7	-1.6	Other services	7.8	-0.1	-1.3	1.0
# Available Rooms	28,963	1,643		BWI	1,831.8	-0.4	Subtotal, private 524.5		13.0	2.5	68.7
Room Sales (\$M)	\$88.6	\$6.8		Total	5,317.6	1.8 ^e	Federal government	201.8	-0.5	-0.2	26.4
						-	Local government	36.9	2.1	6.0	4.8
Source: Smith Travel Research CSource: Metropolitan Washington Airports Authority & Maryland						Total	763.2	14.6	2.0	100.0	

b Source: Smith Travel Research Cource: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority del Includes arrivals and departures de Weighted average

Percent Change in Revenue for Selected Taxes for FYs 14 - 16 (Est.)

Revenue

- ★ Total gross tax revenue is expected to increase by 5.2% in FY2015
- \bigstar Individual income tax revenue is expected to grow by 4.0% in FY2015; followed by an estimated higher rate of growth in FY2016
- ★ For FY 2015 real property tax revenue is expected to grow by 9.3%
- ★ Business tax revenue is expected to increase by 2.5% in FY2015 followed by an expected growth rate of 3.1% in FY2016
- ★ Revenue from general sales tax is anticipated to grow by 7.0% in



FY14-FY15(Est.) FY15(Est.) -FY16(Est.) ■ % Chg. ■ % Chg.

Tax Revenue for Fiscal Year 2014 and Estimated Tax Revenue for Fiscal Years 2015 and 2016 (\$000)^a NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN THE MARCH 2015 RELEASE

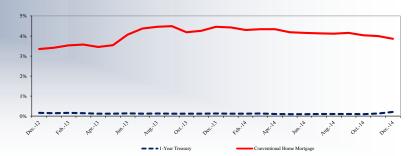
				% Chg.	% Chg.	% Chg.					
				FY14-	FY15(Est.) -	% Chg. FY15(Est.) -					
	FY'14 ^d	FY'15 (Est.) ^d	FY'16 (Est.) ^d	FY15(Est.)	FY16(Est.)	Addenda: FY14-FY15(Est.) FY16(Est.)					
Real Property	2,015,561	2,202,404	2,319,638	9.3%	5.3%	Convention Ctr. Transfer ^b 6.6% 4.0%					
General Sales	1,172,059	1,254,206	1,304,705	7.0%	4.0%	Ind. Inc. Tax Withholding for D.C. residents 2.6% 4.5%					
Individual Income	1,679,173	1,746,368	1,828,491	4.0%	4.7%						
Business Income	415,581	425,900	438,893	2.5%	3.1%	Revenue amounts shown are before dedicated revenue (TIF, Convention Ctr, Ballpark Fund, DDOT, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund, WMATA, Hospital Fund, Stevie					
Total Tax Revenue (Gross) ^c	6,289,981	6,616,847	6,882,843	5.2%	4.0%	Sellows Quality Improvement Fund, Healthy Schools, ABRA). Variations in processing activities may affect year-to-date comparisons.					
Dedicated Tax Revenue	456,757	460,269	462,234	0.8%	0.4%	^b Portion of sales tax on hotels and restaurants					
Total Tax Revenue						c Total Tax Revenue (Gross) includes all other taxes not reported above					
(Net)	5,833,224	6,156,578	6,420,609	5.5%	4.3%	d As of the February 2015 Revenue Estimates					

D.C. Economic Indicators

People & Economy

- D.C. unemployment rate for December: 7.3%, 0.1% lower than the previous month & 0.3% lower than 1 year
- The conventional home mortgage rate was 3.86% in December, 0.14% lower than the previous month
- The share of filers with income less than \$30,000 declined in TY2012 compared to TY2011; while the shares of those filers in the \$200,000 to \$500,000 and \$500,000 and over income categories increased relative to the previous tax year

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



U.S. GDP	% change for yr. ending		CPI	% change for	or yr. ending	D.C. Population		
Source: BEA	4 th Q 2014	3 rd Q 2014	Source: BLS	Nov. 2014	Sep. 2014	Source: Census		
Nominal	3.7	4.3	U.S.	1.3	1.7	*Estimate for:	Level	% chg.
Real	2.5	2.7	D.C./Balt. metro area	1.2	1.3	2000	572,059	
						2003	577,844	1.0
						2004	579,890	0.4
Personal Income ^a			Unemployment Rate ^c			2005	582,049	0.4
Source: BEA	% change fo	or yr. ending	Source: BLS	Dec. 2014	Nov. 2014	2006	583,841	0.3
Total Personal Income	3 rd Q 2014	2 nd Q 2014	U.S.	5.6	5.8	2007	585,916	0.4
U.S.	3.9	3.8	D.C.	7.3	7.4	2008	589,929	0.7
D.C.	4.2	3.3				2009	599,975	1.7
Wage & Salary Portion of Personal Income			1			2010	605,125	0.9
U.S.	4.4	3.9	Interest Rates	National	Average	2011	619,624	2.4
Earned in D.C.	4.1	2.4	Source: Federal Reserve	Dec. 2014	Nov. 2014	2012	633,427	2.2
Earned by D.C. residents ^b	4.1	2.8	1-yr. Treasury	0.21	0.13	2013	646,449	2.1
·	·	·	Conv. Home Mortgage	3.86	4.00	* July 1, except for 2000	·	

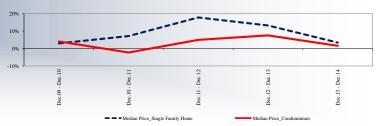
^aNominal ^b Estimated ^c Seasonally adjusted

Distribution of Individual Income Tax Filers by Income Category Source: D.C. Office of Tax and Rev 2010 2011 2012 Less than \$30,000 42.0% 41.4% \$30,000-\$50,000 \$50,000-\$75,000 19.3% 19.0% 18.6% 14.3% \$75,000-\$100,000 7.8% 8.0% 8.3% \$100,000-\$200,000 11.0% \$200,000-\$500,000 \$500,000 and 4.3% 4.5% 4.7% 1.2% 1.3% 1.1%

Housing & Office Space

- ★ There were 212 condos sold in December 2014, a 1.9% decline
- ★ The year to date median price increased 3.4% from 1 year ago for single family homes, and condos experienced an increase of 1.6% in the year to date median price
- ★ In the 4th quarter of 2014 the office direct vacancy rate decreased by 0.1% from the 3rd quarter of 2014





Housing Sales			D.C. Housing Permits Issued			D.C. Commercial Office Space		
Source: MRIS ^a			Source: U.S. Census Bureau			Source: Delta Associates		
				4 Qs ending				
Completed contracts	Dec. 2014	1 yr. % ch.		4 th Q 2014	1 yr. ch.		4 th Q 2014	1 qtr. ch.
Single family	295	14.8	Total housing units	4,189	934	Inventory Status (in million sq. ft.)		
Condo/Co-op	212	-1.9	Single family	288	-45	Total inventory	140.7	0.2
			Multifamily (units)	3,901	979	Leased space ^e	131.0	0.3
						Vacant	9.7	-0.1
Prices (\$000)			Class A Apt.d and Condominium Unit	S		New Construction	1.4	0.1
Single family	Dec. 2014	1 yr. % ch.	Source: Delta Associates					
Average ^b	\$688.5	8.0				Direct Vacancy Rate	6.9	-0.1
Median ^c	\$620.3	3.4	Units under construction and/or marketing	4 th Q 2014	1 yr. ch.			
			Rental apartments	12,266	989			
Condo/Co-op			Condominiums	1,282	279	1		
Average ^b	\$571.1	10.2	Other units likely to deliver over the next 36 more	nths ^g				
Median ^c	\$415.0	1.6	Rental apartments	6,680	-160	1		
			Condominiums	1.737	876	7		

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

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