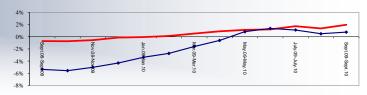
# Labor & Industry

- → Jobs in D.C. for September 2010, up 22,500 (3.2%) from September 2009
- → District resident employment for September 2010, up 6,100 (2.1%) from September 2009

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



Labor Market ('000s): Sep. 2010 <sup>a</sup>							Detailed Employment ('000s): Sep. 2010				
District of Columbia				Metropolitan area							
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr ch. (amt.)	1 yr. ch. (%)		Level	1 yr. ch. (amt.)	1 yr. ch.	% of tota
Employed residents	299.7	6.1	2.1	2,870.7	28.0	1.0	Manufacturing	1.3	-0.1	-7.1	0.2
Labor force	331.4	0.6	0.2	3,051.9	20.4	0.7	Construction	11.7	0.6	5.4	1.6
Total wage and salary											
employment	718.2	22.5	3.2	2,984.7	56.1	1.9	Wholesale trade	4.6	0.2	4.5	0.6
Federal government	212.2	10.6	5.3	379.0	15.7	4.3	Retail trade	17.6	0.0	0.0	2.5
Local government	37.4	-1.8	-4.6	308.7	6.0	2.0	Utilities & transport.	4.9	0.1	2.1	0.7
Leisure & hospitality	59.3	1.4	2.4	272.6	12.7	4.9	Publishing & other info.	18.6	-0.1	-0.5	2.6
Trade	22.2	0.2	0.9	322.7	9.4	3.0	Finance & insurance	15.1	-0.4	-2.6	2.1
Education and health	104.9	2.1	2.0	355.0	9.0	2.6	Real estate 11.0		0.1	0.9	1.5
Prof., bus., and other services	219.6	9.8	4.7	866.1	14.6	1.7	Legal services 31.8		-1.0	-3.0	4.4
Other private	62.6	0.2	0.3	480.6	-11.3	-2.3	Other profess. serv.	66.7	-0.4	-0.6	9.3
Unemployed	31.6	-5.5	-14.8	181.2	-7.5	-4.0	Empl. serv. (incl. temp) 10.6		-0.2	-1.9	1.5
New unempl. Claims	1.6	-0.2	-12.3				Mgmt. & oth. bus serv.	47.7	12.8	36.7	6.6
Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)							Education	48.5	4.0	9.0	6.8
a Preliminary, not seasonally adjusted							Health care	56.4	-1.9	-3.3	7.9
							Organizations	57.5	0.2	0.3	8.0
D.C. Hotel Industry <sup>d</sup>				Airport Passengers <sup>e,f</sup>		Accommodations	15.4	0.4	2.7	2.1	
Sept. 2010	Amt.	1 yr. ch.		Sept. 2010	Amt.('000)	1 yr. ch. (%)	Food service	37.0	1.1	3.1	5.2
Occupancy Rate	77.9%	5.6%		DCA	1,488.2	6.3	Amuse. & recreation	6.9	-0.1	-1.4	1.0
Avg. Daily Room Rate	\$214.49	\$16.30		IAD	1,958.5	4.5	Other services	5.3	-1.6	-23.2	0.7
# Available Rooms	27,286	-82		BWI	1,744.5	3.3	Subtotal, private	468.6	13.7	3.0	65.2
Room Sales (\$M)	\$136.7	\$19.0		Total	5,191.2	4.6 <sup>g</sup>	Federal government	212.2	10.6	5.3	29.5
				•			Local government	37.4	-1.8	-4.6	5.2

### ource: Smith Travel Research C Source: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority functudes arrivals and departures g Weighted a

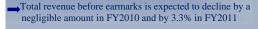
Revenue

#### Percent Change in Revenue for Selected Taxes for FYs 2009 - 2011 (Est.)

718.2

100.0

Total



- Individual income tax revenue is expected to increase by 0.4% in FY2010 and by 5.0% in FY2011
- General sales tax revenue is expected to increase by 0.4% and 3.1% in FY2010 and FY2011 respectively
- → All deed tax revenue is expected to grow by 17.1% in FY2010; however it is expected to decline by 8.4% in FY2011
- Real property tax revenue is expected to increase by 0.6% in FY2010; however in FY2011 it is estimated to decline by 12.9%



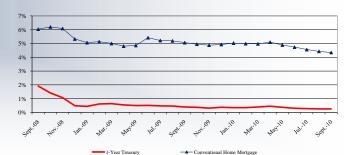
### Revenue for Fiscal Years 2009-2010 and Estimated Revenue for Fiscal Year 2011 (\$000)<sup>a</sup>

NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN JAN. 2011												
					% Chg.	% Chg.						
				% Chg.	FY10-	% Chg. FY10-						
	FY'09	FY'10 <sup>d</sup>	FY'11 <sup>e</sup>	FY09-FY10	FY11(Est.)	Addenda: FY09-FY10 FY11(Est.)						
Real Property	1,822,693	1,833,818	1,597,454	0.6%	-12.9%	Convention Ctr. Transfer <sup>b</sup> 3.1% 3.0%						
General Sales	973,410	977,500	1,008,119	0.4%	3.1%	Ind. Inc. Tax Withholding for D.C. residents 2.8% 5.9%						
Individual Income	1,135,938	1,140,000	1,197,038	0.4%	5.0%	*Revenue amounts shown are before earmarks (TIF, Convention Ctr, Ballpark Fund, DDOT (parking tax and public space rental),						
Business Income	342,129	348,500	364,391	1.9%	4.6%	School Modernization, Neighborhood Investment Fund, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund.). Variations in processing activities may affect year-to-date comparison						
All Deed Taxes <sup>c</sup>	187,401	219,443	201,009	17.1%	-8.4%	Healthy DC Fund, the Housing Production Trust Fund.). Variations in processing activities may affect year-to-date compa						
Total Other Tax Revenue	554,725	492,080	477,540	-11.3%	-3.0%	bPortion of sales tax on hotels and restaurants						
Total Tax Revenue						cIncludes deed recordation, deed transfer and economic interest taxes						
(before earmarking)	5,016,296	5,011,341	4,845,552	-0.1%	-3.3%	dFY2010 revenue numbers are preliminary as of the September 2010 revenue estimates						
Earmarked Tax Revenue	387,608	282,425	307,327	-27.1%	8.8%	*Estimated revenue for FY2011 is as of the September 2010 revenue estimates						
Total Tax Revenue												
(after earmarking)	4,628,688	4,728,915	4,538,225	2.2%	-4.0%							

## People & Economy

- → D.C. unemployment rate for September: 9.8%, down 0.1% from last month & 1.3% lower than 1 year ago
- → The share of filers with incomes less than \$50,000 declined 1.8% between 2007 and 2008, while the share of filers with income \$100,000 and over increased by 3% over the same period

#### One-Year Treasury and Conventional Home Mortgage Interest Rates September 2008 to September 2010



U.S. GDP	% change for yr. ending		CPI	% change for	r yr. ending	D.C. Population		
Source: BEA	3 <sup>rd</sup> Q 2010	2 <sup>nd</sup> Q 2010	Source: BLS	Sept. 2010	July 2010	Source: Census		
Nominal	4.4	3.9	U.S.	1.1	1.2	Estimate for:	Level	% chg.
Real	3.1	3.0	D.C./Balt. metro area	1.3	0.8	2000	571,744	
						2001	578,042	1.1
						2002	579,585	0.3
Personal Income <sup>a</sup>			Unemployment Rate <sup>c</sup>			2003	577,777	-0.3
Source: BEA	% change for yr. ending		Source: BLS	Sept. 2010	Aug. 2010	2004	579,796	0.3
Total Personal Income	2 <sup>nd</sup> Q 2010	1st Q 2010	U.S.	9.6	9.6	2005	582,049	0.4
U.S.	2.2	2.1	D.C.	9.8	9.9	2006	583,978	0.3
D.C.	2.2	3.3				2007	586,409	0.4
Wage & Salary Portion of Personal Income						2008	590,074	0.6
U.S.	0.8	0.5	Interest Rates	National	Average	2009	599,657	1.6
Earned in D.C.	2.4	4.7	Source: Federal Reserve	Sept. 2010	Aug. 2010			
Earned by D.C. residents <sup>b</sup>	1.4	3.9	1-yr. Treasury	0.26	0.26	Distribution of Individual Income T		ĸ
·		·	Conv. Home Mortgage	4.35	4.43	by Income Category		

<sup>&</sup>lt;sup>a</sup> Nominal <sup>b</sup> Estimated <sup>c</sup> Seasonally adjusted

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

Less than \$30,000

\$50,000-\$75,000

\$75,000-\$100,000 \$100,000-\$200,000

\$200,000-\$500,000

\$500,000 and Over

Source: D.C. Office of Tax and Revenue

2006

12.8%

3.6%

2008

43.5% 20.4%

13.6%

10.0%

4.1%

1.1%

44.6%

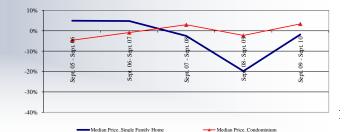
13.1%

9.3%

4.0%

# Housing & Office Space

- There were 252 condos sold in September 2010, down 14.6% from 1 year ago
- → The year to date median price decreased 1.8% from 1 year ago for single family homes, while condos experienced an increase of 3.4% in the year to date median price
- $\Longrightarrow$  In the  $3^{rd}$  quarter of 2010 vacant commercial office space decreased by 1.1 million square feet from that of the  $2^{nd}$  quarter of 2010



Housing Sales			D.C. Housing Permits Issued			D.C. Commercial Office Space		
Source: MRIS <sup>a</sup>			Source: U.S. Census Bureau			Source: Delta Associates		
				4 Qs ending				
Completed contracts	Sept. 2010	1 yr. % ch.		3 <sup>rd</sup> Q 2010	1 yr. ch.	Vacancy Rate (%)		
Single family	379	-12.3	Total housing units	986	727		3 <sup>rd</sup> Q 2010	1 qtr. ch.
Condo/Co-op	252	-14.6	Single family	104	-1	Excl. sublet space	8.0	-0.8
			Multifamily (units)	882	728	Incl. sublet space	9.1	-0.9
Prices (\$000)			Class A Apt. d and Condominium Un	its				
Single family	Sept. 2010	1 yr. % ch.	Source: Delta Associates			Inventory Status (in million square feet)		
Average <sup>b</sup>	\$543.3	5.4					3 <sup>rd</sup> Q 2010	1 qtr. ch.
Median <sup>c</sup> \$409.5	\$409.5	-1.8	Units under construction and/or marketing	3 <sup>rd</sup> Q 2010	1 yr. ch.	Total inventory	131.9	0.7
			Rental apartments	3,871	258	Leased space <sup>e</sup>	121.4	1.7
Condo/Co-op			Condominiums <sup>g</sup>	569	-251	Occupied space <sup>f</sup>	119.9	1.8
Average <sup>b</sup>	\$399.1	-2.0	Other units likely to deliver over the next 36 months <sup>h</sup>			Vacant	12.0	-1.1
Median <sup>c</sup> \$368.5		3.4	Rental apartments	5,921	-357	Under construction or renovation	2.1	-1.1
			Condominiums	1,150	421			

<sup>&</sup>lt;sup>a</sup> Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors

<sup>†</sup> 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 "Median prices are year-to-date <sup>d</sup> Investment grade units, as defined by Delta "Calculated from vac. rate excl. sublet <sup>f</sup> Calculated from vac. rate incl. sublet <sup>f</sup> Includes sold units <sup>b</sup> Only a portion will materialize