DBIA – Mid-Atlantic Region

The 2010 Economic Outlook

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April 27, 2010
GDP Percent Change, 1930-2009
(Real Dollars)
U.S. Coincident and Leading Indices
Nov. 2006 – Mar. 2010

RECESSION > > > >

L.I.

C.I.
ISM Manufacturing and Non-Manufacturing Indices

ISMI Manufacturing

Non-Manufacturing

Mfg

Non-Mfg

50

May 09

43.2

Feb-06

Feb-07

Feb-08

Feb-09

Feb-10
Initial Unemployment Claims

(4-week moving average)

Apr = 458
U.S. Unemployment Rate

Source: BLS, Seasonally Adjusted

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>9.6</td>
</tr>
<tr>
<td>11</td>
<td>9.0</td>
</tr>
<tr>
<td>12</td>
<td>8.1</td>
</tr>
<tr>
<td>13</td>
<td>7.4</td>
</tr>
<tr>
<td>14</td>
<td>6.9</td>
</tr>
<tr>
<td>15</td>
<td>6.5</td>
</tr>
</tbody>
</table>

GI Fcst

Source: BLS, Seasonally Adjusted
Annual Change in Payroll Jobs - US

Mar 10 = -2.2 Mil

Source: BLS Establishment Survey
US Job Change
Month-to-Month, Seasonally Adjusted

Source: BLS

Source: Global Insight
U.S. Economic Performance

Source: Global Insight
The Washington Economy
US GDP and Washington GRP

Washington GRP
US GDP

%
Washington MSA Leading Economic Index
Month-Over-Year Percent Change
Annual Change in Jobs
Washington Metro Area
1991 - 2009

Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis
15 Largest Job Markets
Job Change Mar 2009 – Mar 2010

Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis
Annual Job Change
Washington MSA

Annual Data

000s

Annual Month over Year

Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis
Job Change by Sector
Mar 2009 – Mar 2010
Washington MSA
(000s)

Prof. & Bus. Svcs -4
Federal Govt. -9
Educ & Health Svcs 16
State & Local Govt 11
Retail Trade 4
Leisure & Hosp. 2
Construction 1
Other Services 4
Financial -6
Information -4
Manufacturing -4
Wholesale Trade -2
Transport. & Util. -1

Total - 8,800

Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis
Unemployment Rate

% Unemployment

U.S.:
- Feb-03: 6.0%
- Feb-04: 6.0%
- Feb-05: 5.8%
- Feb-06: 5.7%
- Feb-07: 5.8%
- Feb-08: 6.9%
- Feb-09: 10.4%
- Feb-10: 10.4%

Washington:
- Feb-03: 6.0%
- Feb-04: 5.9%
- Feb-05: 5.8%
- Feb-06: 5.7%
- Feb-07: 5.8%
- Feb-08: 6.9%
- Feb-09: 10.4%
- Feb-10: 10.4%

Source: BLS, Not Seasonally Adjusted
15 Largest Job Markets
Ranked by Unemployment Rate
February 2010

Source: BLS, NOT Seasonally Adjusted
Housing Market Trends
Percent Change in Inventories of Existing Homes
Month-Over-the-Year-Change
2000 – 2010, MSA

Source: MRIS, GMU Center for Regional Analysis
Total Active Listings Per Sale
March Each Year

Source: MRIS, GMU Center for Regional Analysis
Average Sales Price Percent Change
Washington MSA
All Housing Types

Annual Change

Annual Change by Month

Source: MRIS, GMU Center for Regional Analysis
Average Sales Price Percent Change
Metro Area – Single Family Detached

Source: MRIS, GMU Center for Regional Analysis

Mar %: DC = +4, SM = -12, NV = +16
Average Sales Price Percent Change
Metro Area – Single Family Attached

Source: MRIS, GMU Center for Regional Analysis

Mar %: DC = -9, SM = -11, NV = +22
Average Sales Price Percent Change
Metro Area – Condos

Source: MRIS, GMU Center for Regional Analysis

Mar %: DC = -12, SM = -16, NV = +10
New Housing Contract Kick-Out Rate
Washington Metro, All Housing Types

Source: Hanley Wood
Housing Sales, Actual and Forecast to June 2011
Metro Area
Office Market Trends
Office Vacancy Rate
Washington Metro Area
1980 - 2012

Source: Delta Associates
Office Market Outlook: 2009-2012
(millions of square feet)

<table>
<thead>
<tr>
<th>Region</th>
<th>3/2010</th>
<th>Pipeline (1)</th>
<th>Totals</th>
<th>Space Available (1)</th>
<th>Demand (1)</th>
<th>Vacancy 3/10</th>
<th>Vacancy 3/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>130.2</td>
<td>4.1</td>
<td>134.3</td>
<td>17.7</td>
<td>2.4</td>
<td>10.5%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>88.4</td>
<td>1.2</td>
<td>89.6</td>
<td>14.3</td>
<td>1.3</td>
<td>14.8%</td>
<td>14.5%</td>
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<tr>
<td>N. VA.</td>
<td>177.1</td>
<td>1.7</td>
<td>178.8</td>
<td>17.7</td>
<td>4.6</td>
<td>14.3%</td>
<td>12.5%</td>
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<tr>
<td>Metro</td>
<td>395.7</td>
<td>6.9</td>
<td>402.7</td>
<td>50.0</td>
<td>8.3</td>
<td>13.2%</td>
<td>12.6%</td>
</tr>
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</table>

Source: Delta Associates  (1) Projected for 3/12
Economic Forecast
Economic Outlook (GRP) – 2014
Washington Area and Sub-state Portions
(Annual % Change)

Source: GMU Center for Regional Analysis
## Employment Change by Sub-state Region (000s)

<table>
<thead>
<tr>
<th>Region</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>5.3</td>
<td>10.1</td>
<td>-1.7</td>
<td>6.2</td>
<td>7.2</td>
<td>6.7</td>
<td>7.2</td>
<td>7.3</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>4.8</td>
<td>-1.4</td>
<td>-26.7</td>
<td>9.3</td>
<td>9.7</td>
<td>11.1</td>
<td>13.3</td>
<td>14.7</td>
</tr>
<tr>
<td>No. VA</td>
<td>13.2</td>
<td>4.4</td>
<td>-24.5</td>
<td>16.7</td>
<td>20.4</td>
<td>26.5</td>
<td>28.3</td>
<td>29.9</td>
</tr>
<tr>
<td>REGION</td>
<td>23.3</td>
<td>12.9</td>
<td>-52.9</td>
<td>32.2</td>
<td>37.3</td>
<td>44.3</td>
<td>48.8</td>
<td>51.9</td>
</tr>
</tbody>
</table>

Average Annual Change 1990-2008 = 37,000

Source: BLS, GMU Center for Regional Analysis, 2009-2014 based on 2008 Benchmark data from BLS
GDP/GRP 2000 - 2015

Source: Global Insight, GMU Center for Regional Analysis