

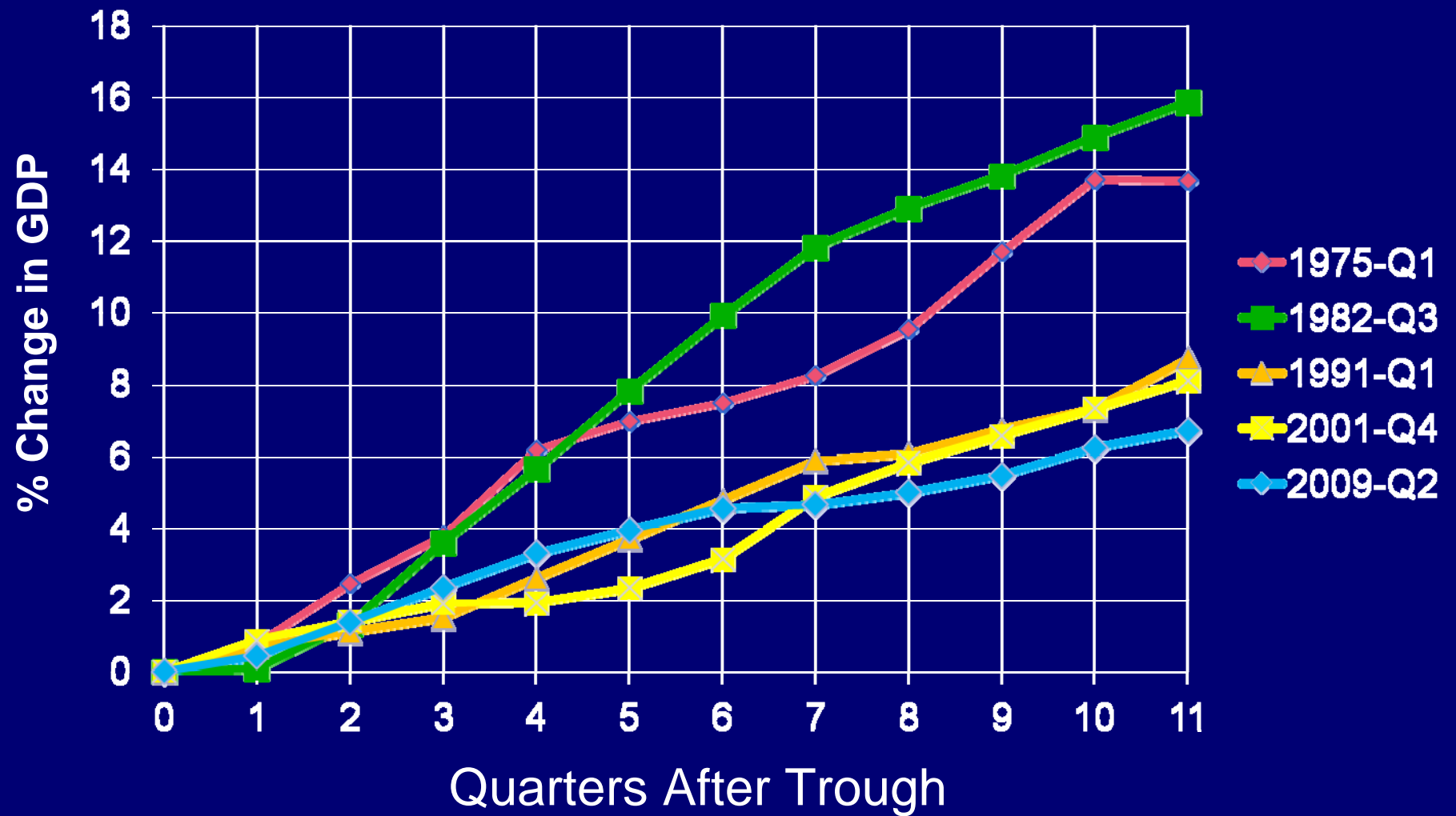
Falls Church Economic Development Authority and Planning Commission

The Near Term Outlook for the Washington Area Economy

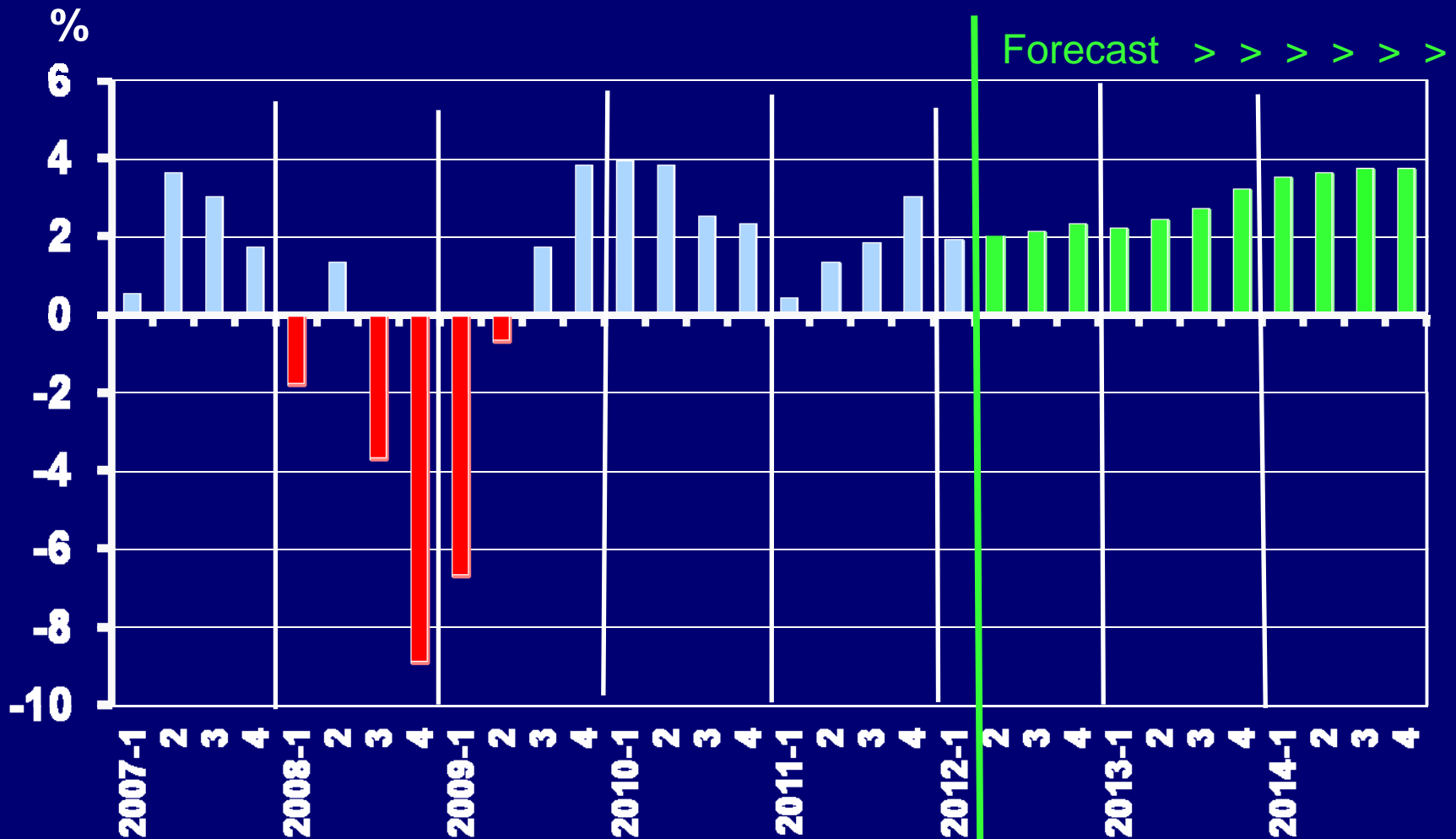
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Center for Regional Analysis
School of Public Policy
George Mason University

June 5, 2012

Recession Recovery Patterns of GDP Past Five Recessions

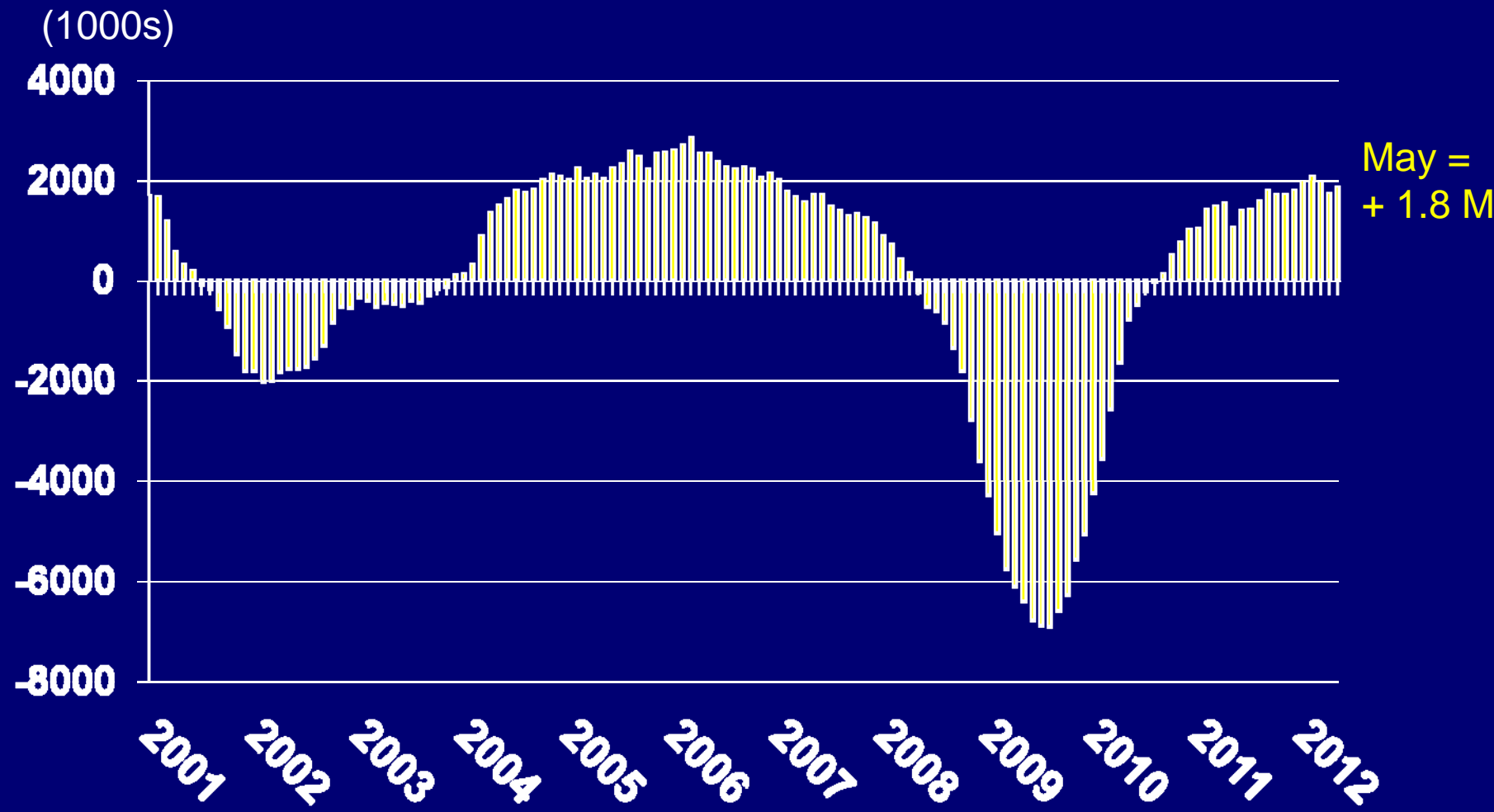


U.S. Gross Domestic Product Quarterly Change: 2007 – 2014

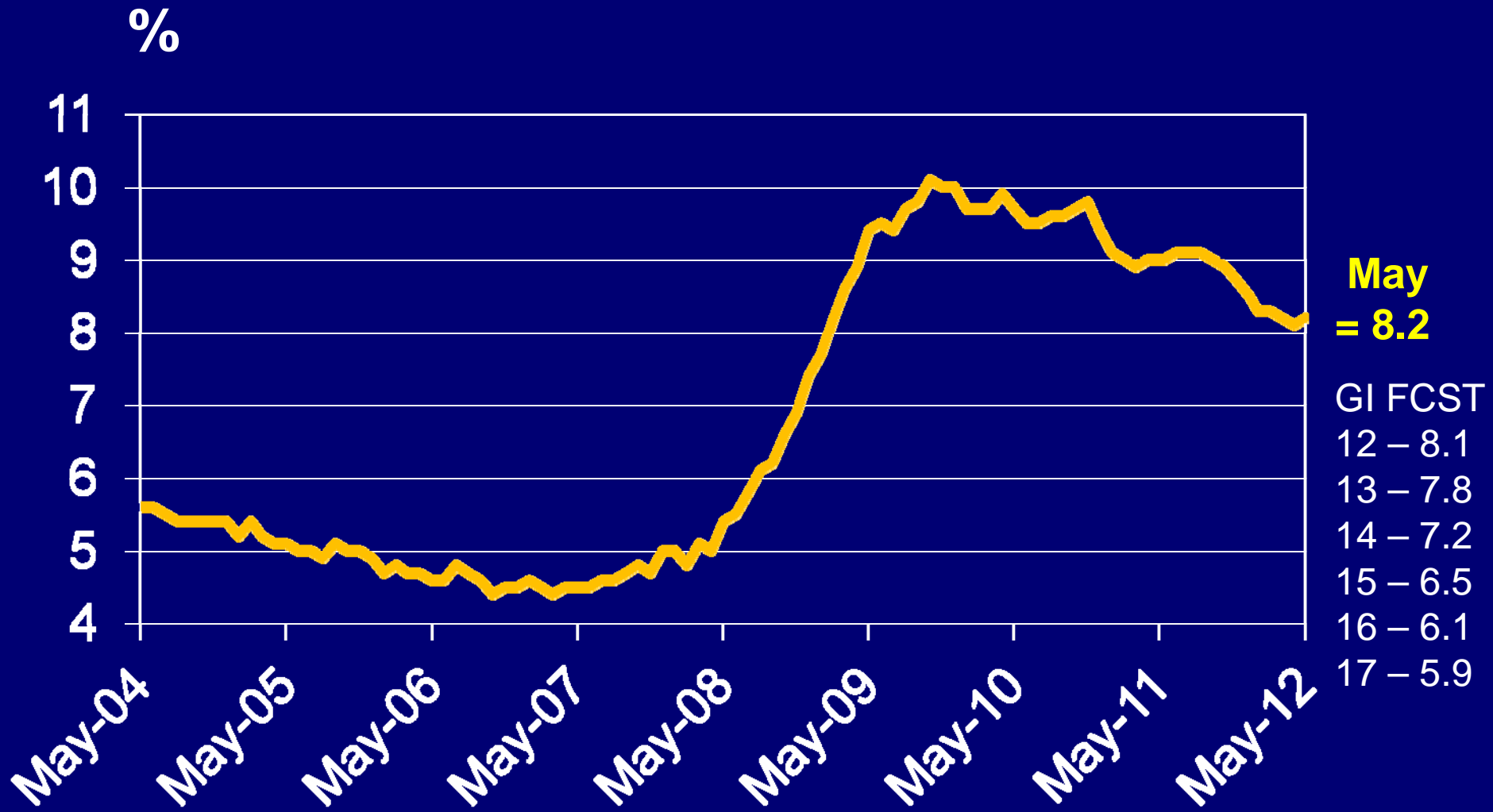


Annual Change in Payroll Jobs – US

Month over the Year, Not Seasonally Adjusted

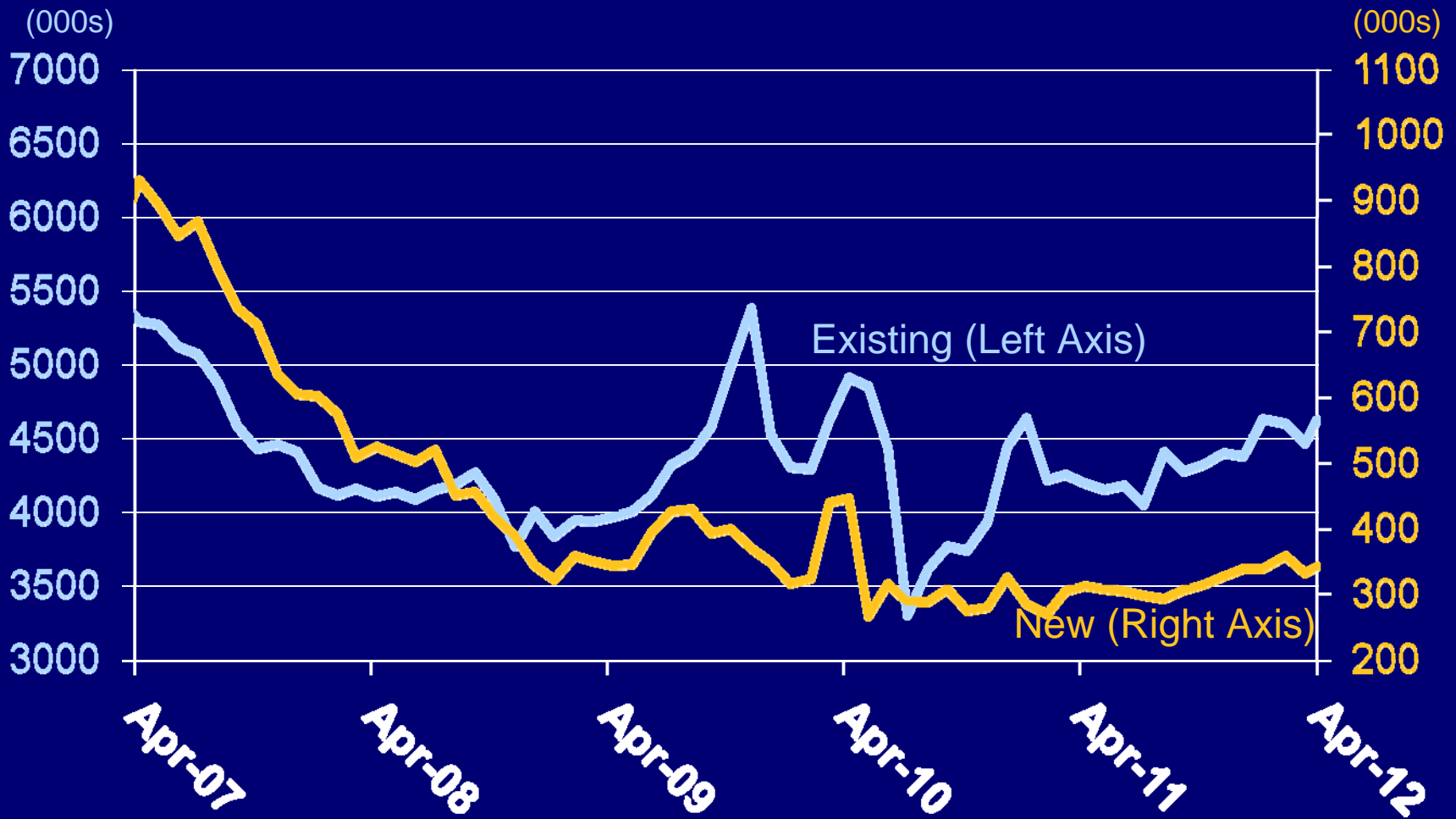


U.S. Unemployment Rate



Source: BLS (Seasonally Adjusted), Global Insight (forecasts)

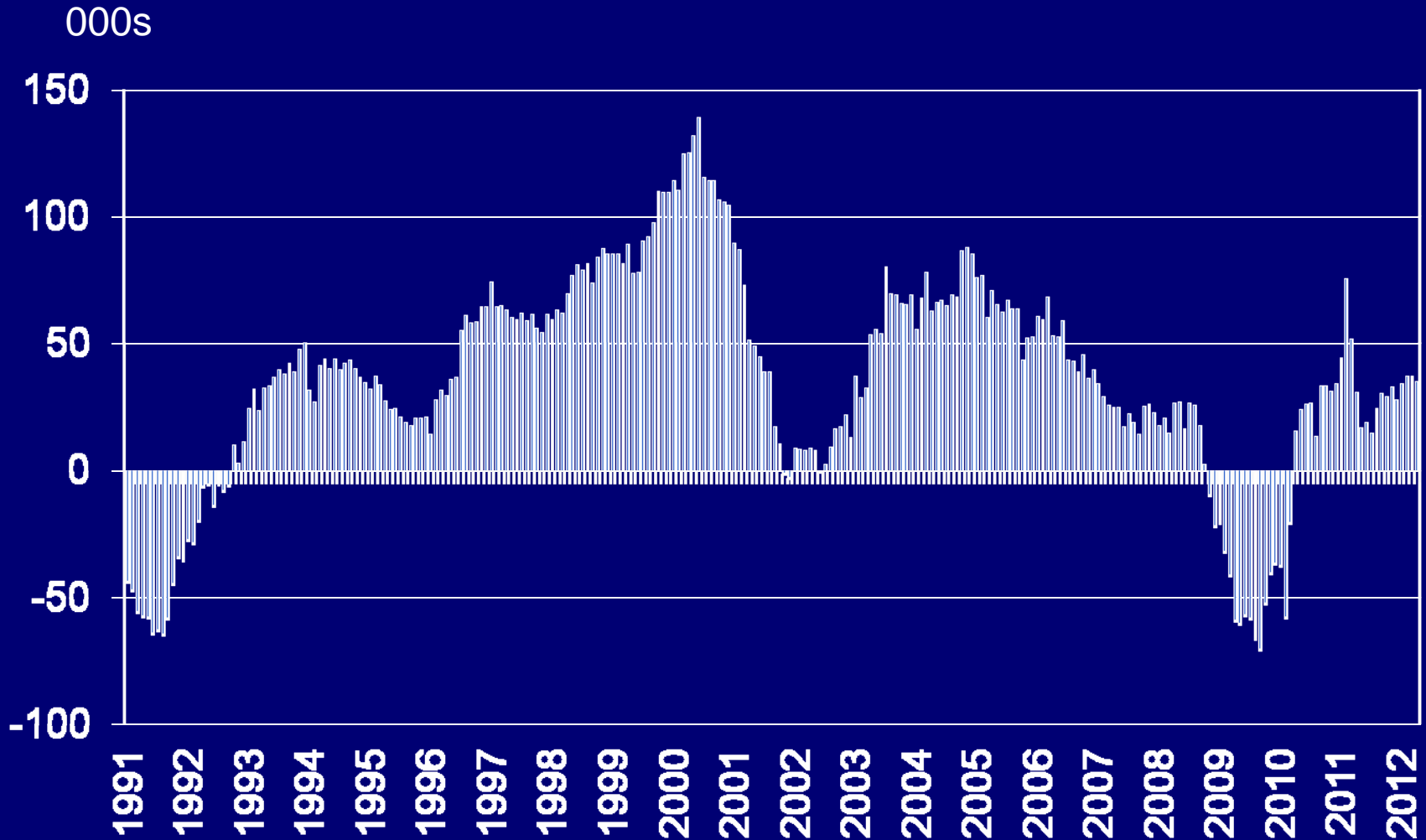
U.S. New and Existing Home Sales



Source: NAHB (New) and NAR (Existing)

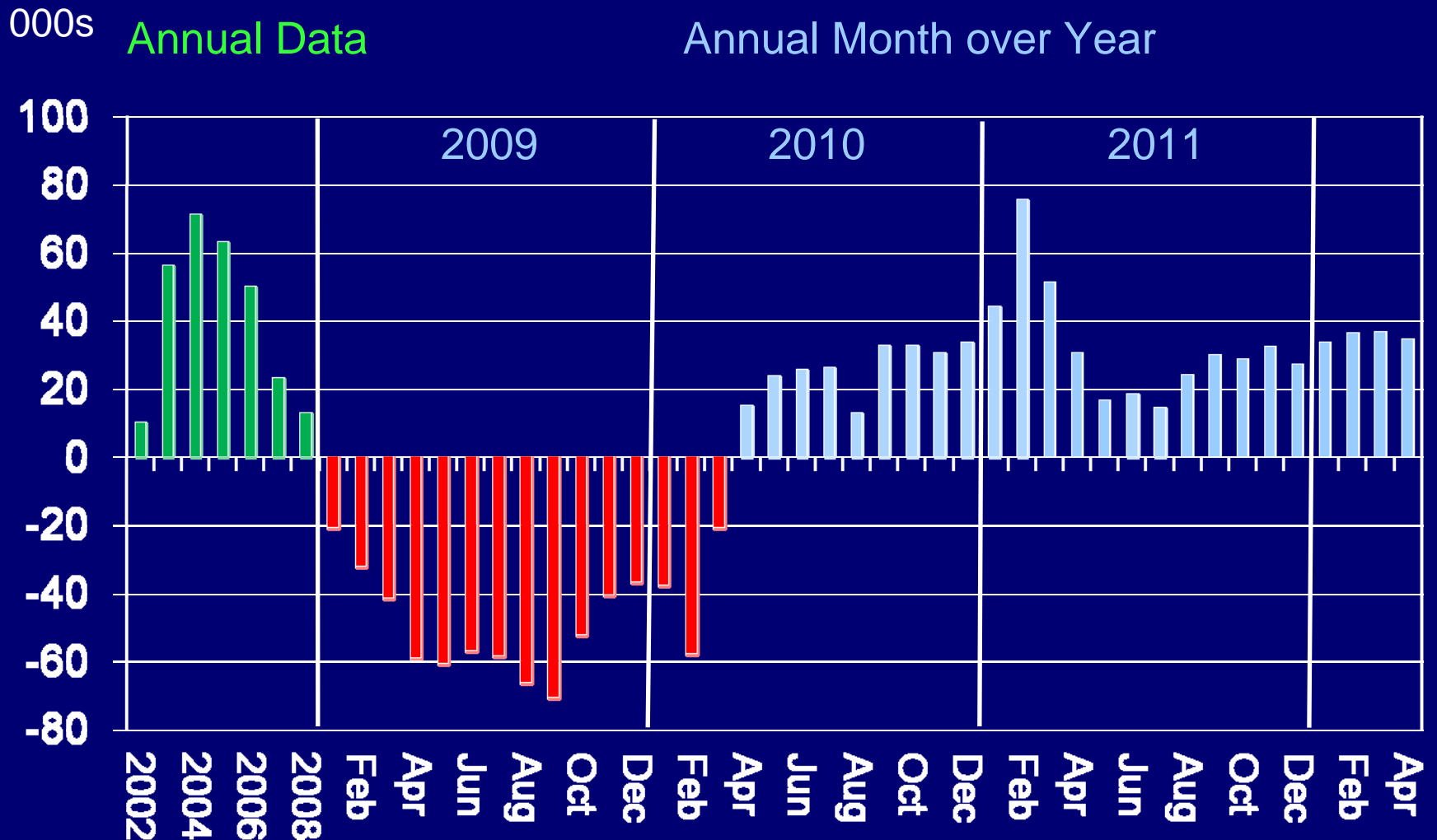
The Washington Area Economy

Annual Job Change – MOTYC Washington MSA



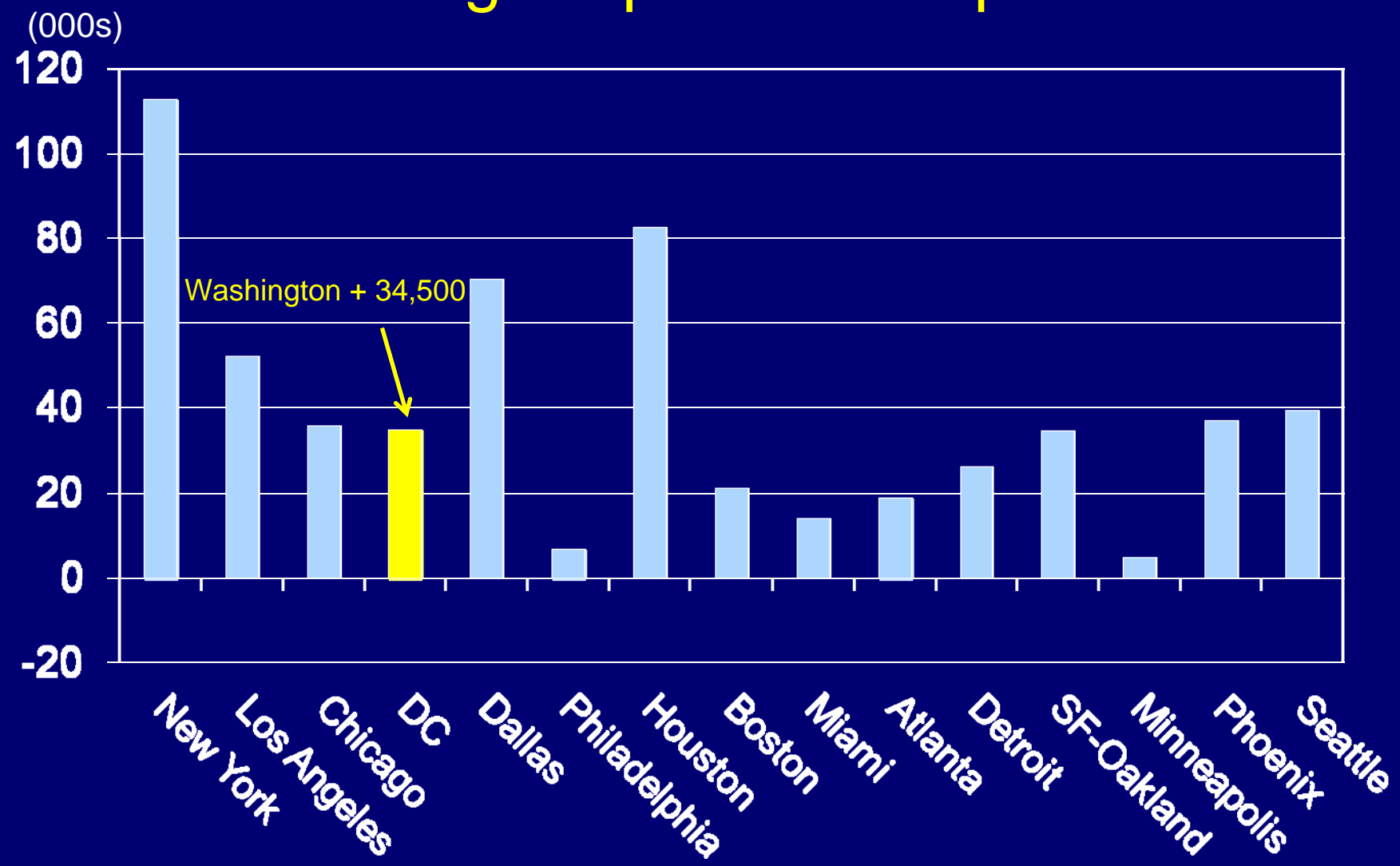
Source: BLS, GMU Center for Regional Analysis

Annual Job Change Washington MSA



15 Largest Job Markets

Job Change: Apr 2011 – Apr 2012

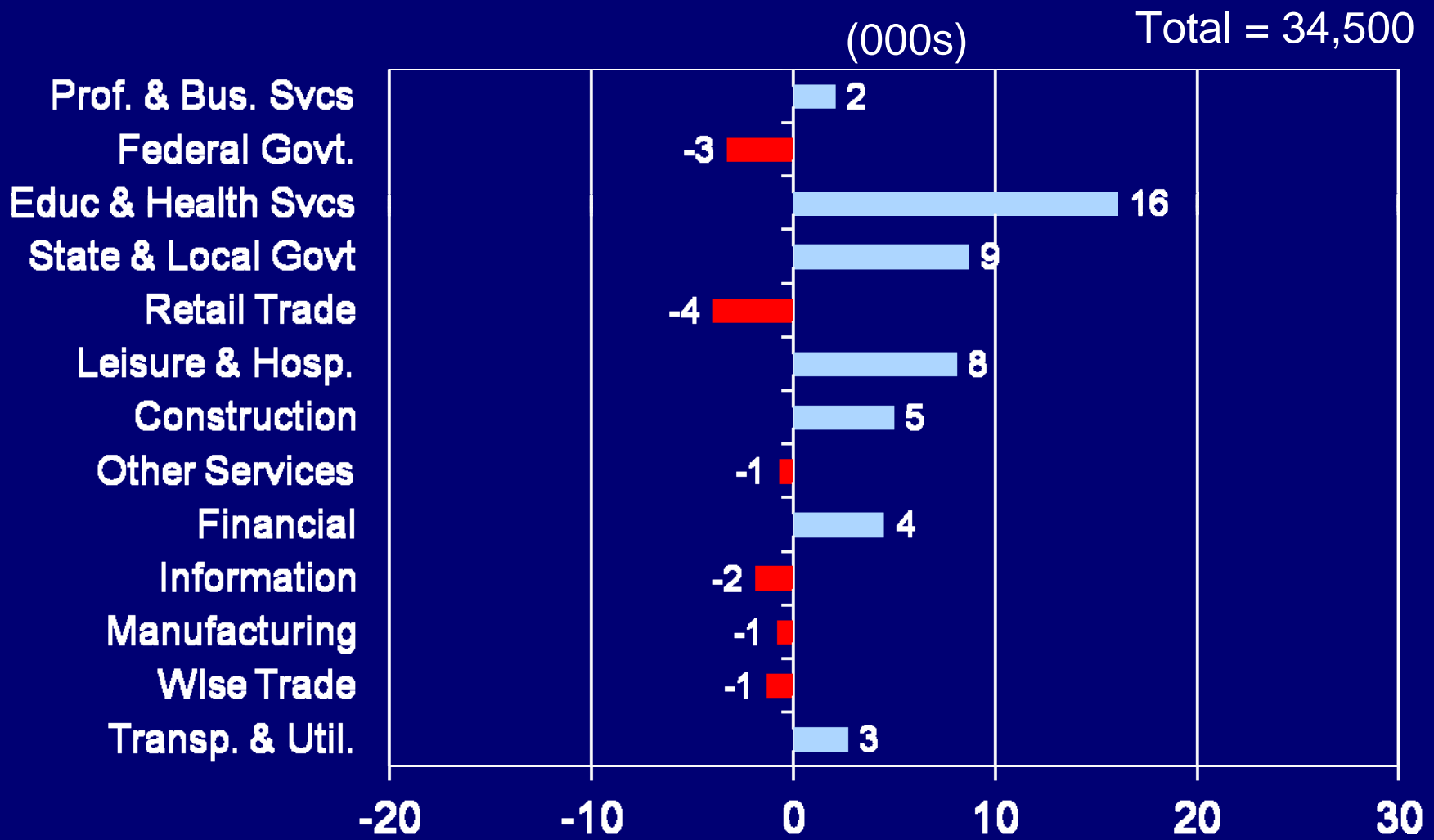


Source: BLS, GMU Center for Regional Analysis

Job Change by Sector

Apr 2011 – Apr 2012

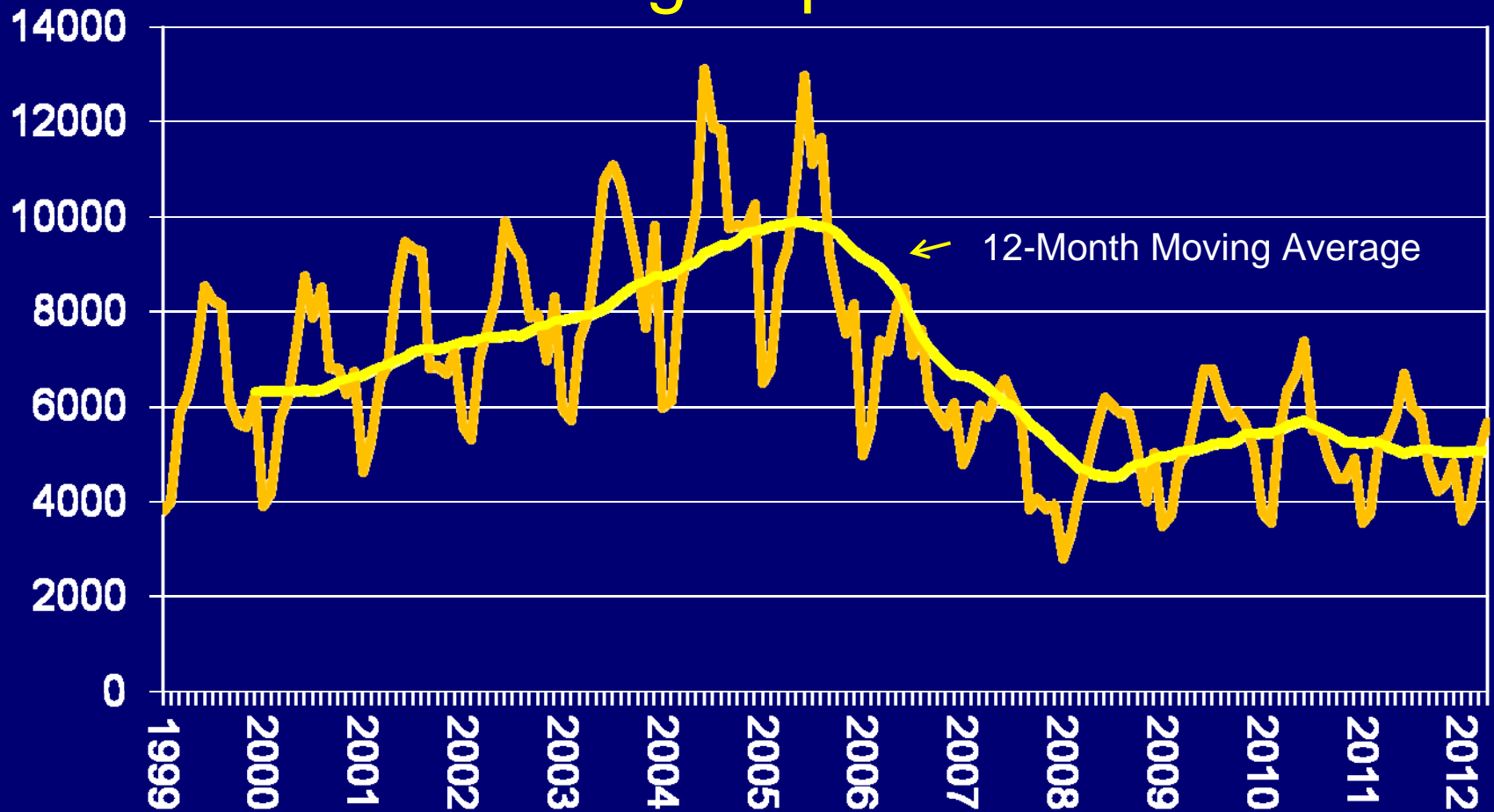
Washington MSA



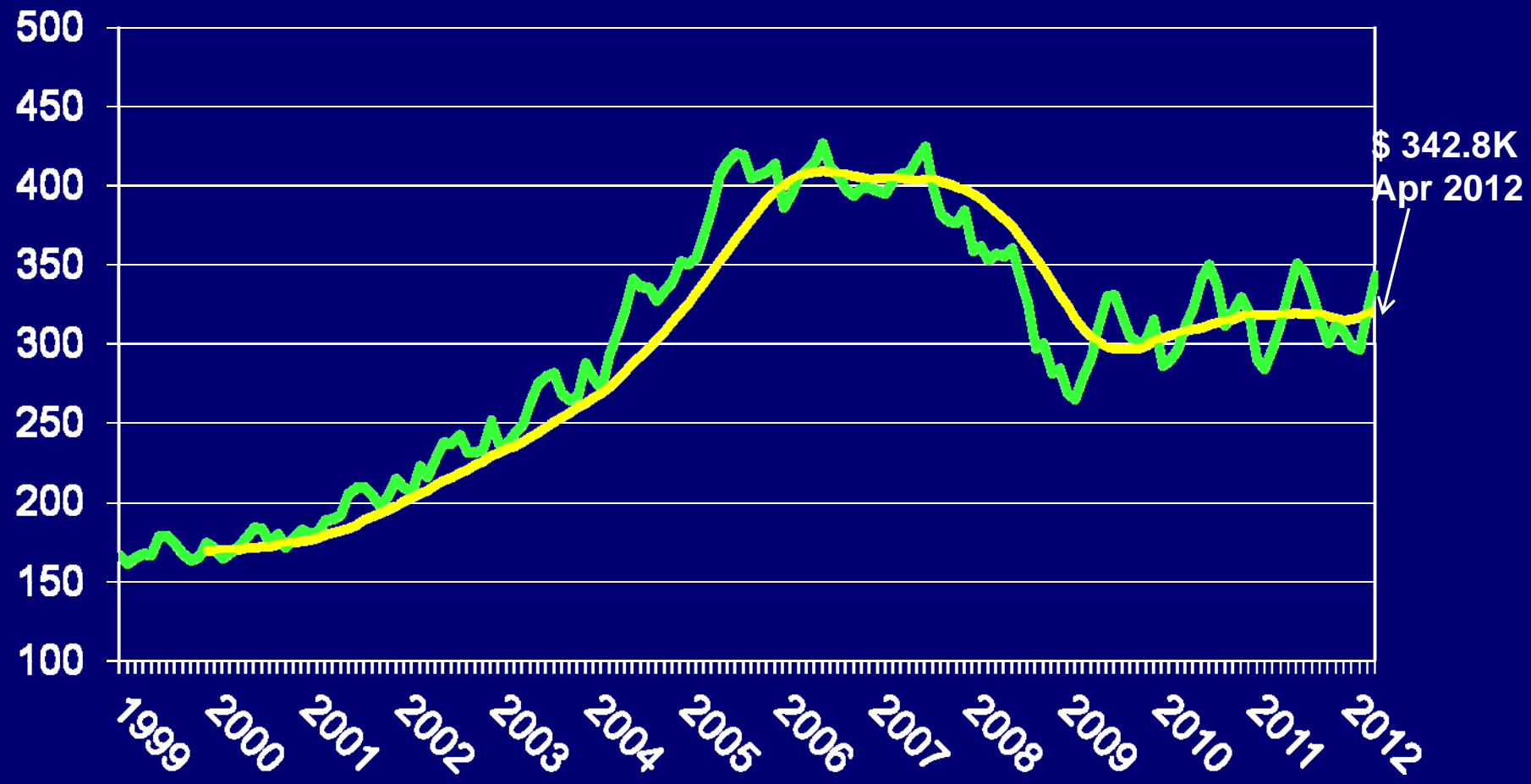
Source: BLS, GMU Center for Regional Analysis

Housing Market Trends

Existing Home Sales Washington MSA Through April 2012



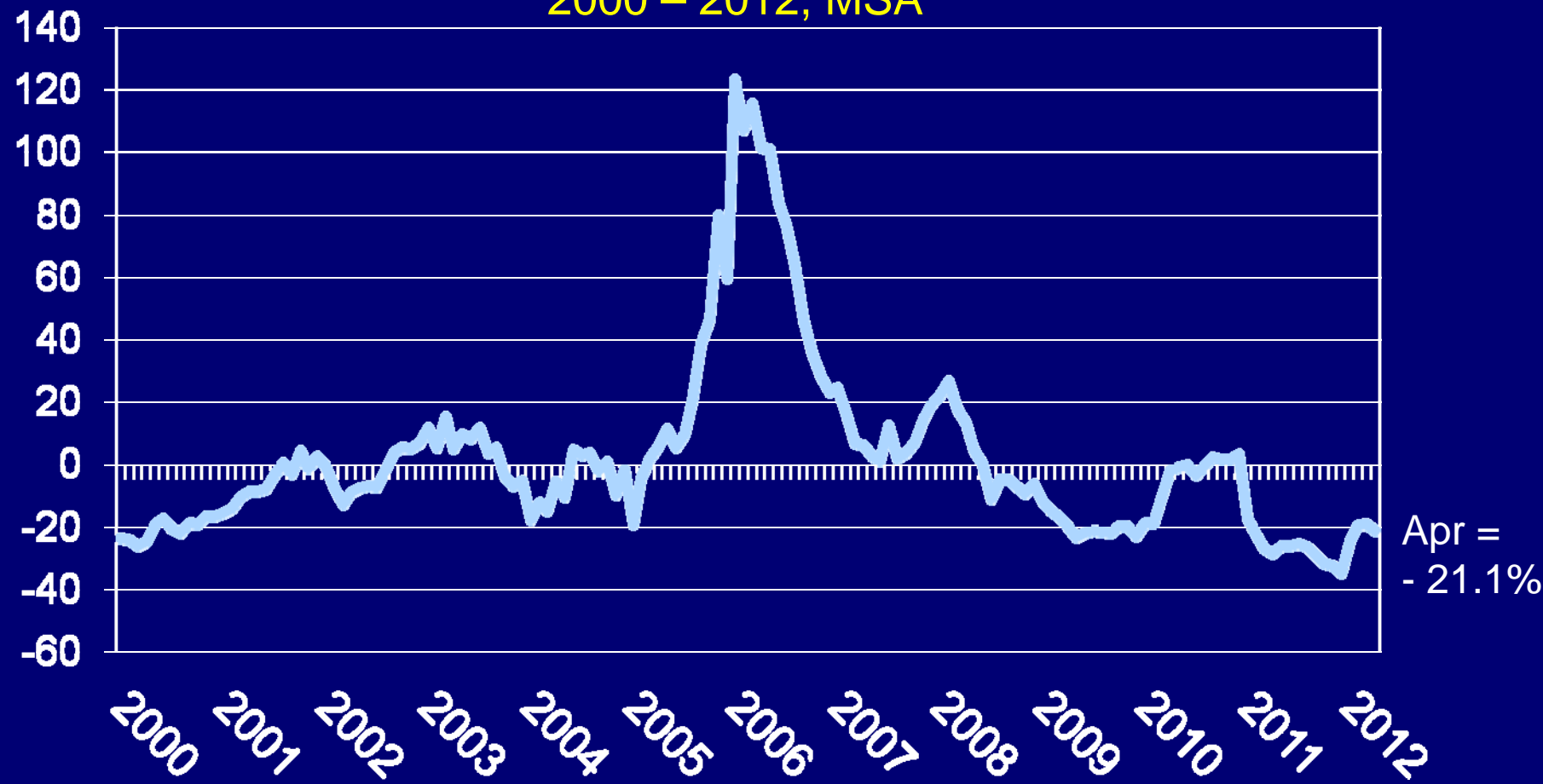
Median House Sales Price Washington MSA



Percent Change in Inventories of Existing Homes

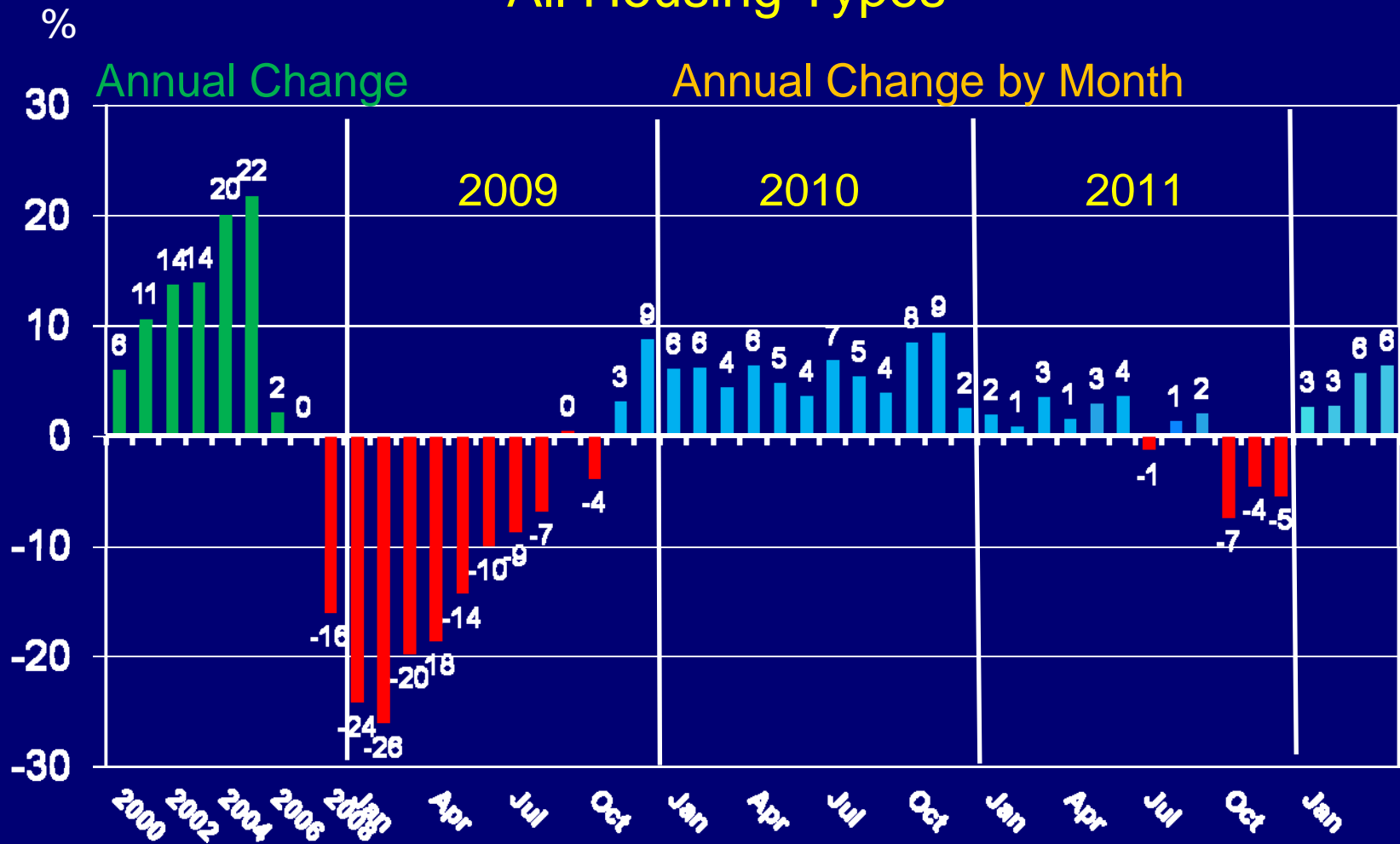
Month-Over-the-Year-Change

2000 – 2012, MSA



Source: RBIntel, GMU Center for Regional Analysis

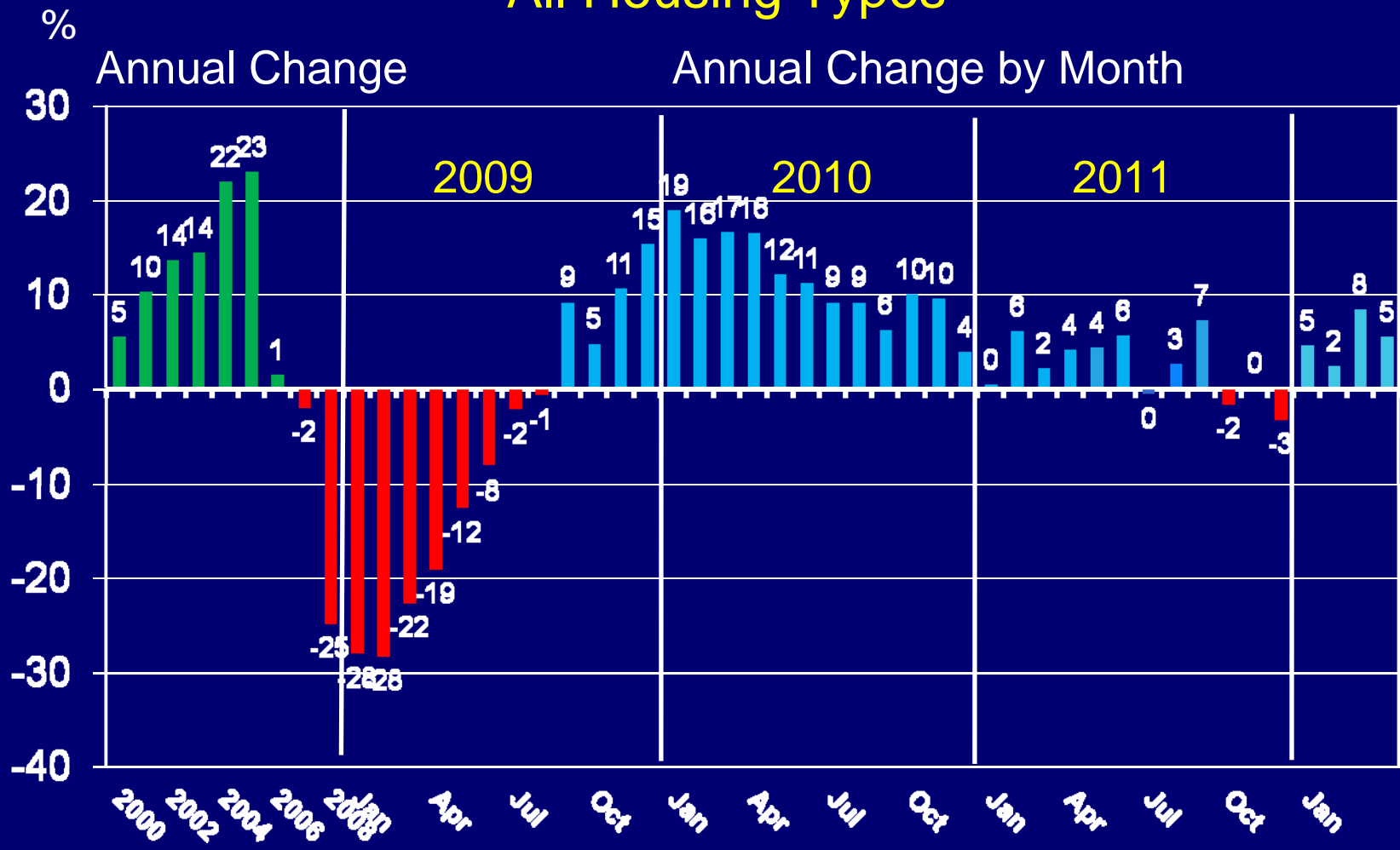
Average Sales Price Percent Change Washington MSA All Housing Types



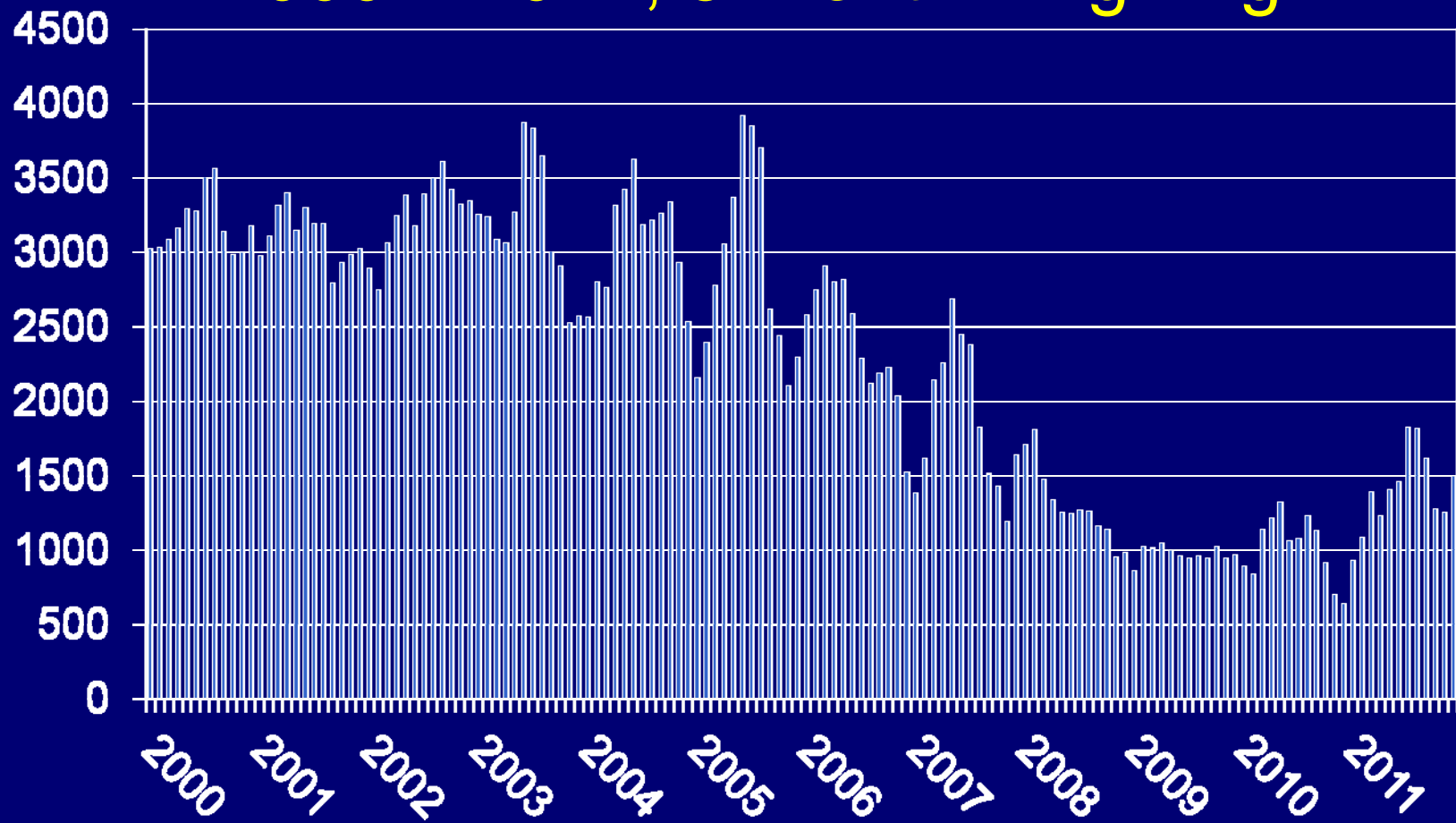
Average Sales Price Percent Change

Northern Virginia

All Housing Types



Washington MSA Building Permits 2000 – 2011, 3-Month Mvg Avg



Source: U.S. Census Bureau, Center for Regional Analysis

Outlook

Employment Change by Sub-state Region (000s)

	2008	2009	2010	2011	2012	2013	2014	2015
D.C.	10.1	-2.2	9.5	11.2	11.8	12.5	14	13
Sub. MD	-3.3	-25.1	-5.9	4.0	6.2	8.5	9.0	9.5
No. VA	6.1	-23.0	8.7	17.4	18.0	21.0	22.0	20.5
REGION	12.9	-50.3	11.3	32.6	36.0	42.0	45.0	43.0

Average Annual Change 1990-2010 = 36,000

Potential Challenges to Economic Growth

- Economic Restructuring: Impacts of Federal spending cuts will necessitate diversification
- Workforce: Lack of qualified workers has implications for education and training
- Housing: An insufficient supply of housing could slow economic growth, increase traffic problems

Net New Jobs by Sub-state Region 2010-2030

	Net New Jobs	Percent Change
District of Columbia	152,130	20.8
Suburban Maryland	316,525	32.9
Northern Virginia	578,480	54.9
<i>Fairfax*</i>	168,833	26.7
Washington Region	1,053,855	38.2

Source: IHS Global Insight, GMU Center for Regional Analysis

*Includes the independent cities of Fairfax and Falls Church

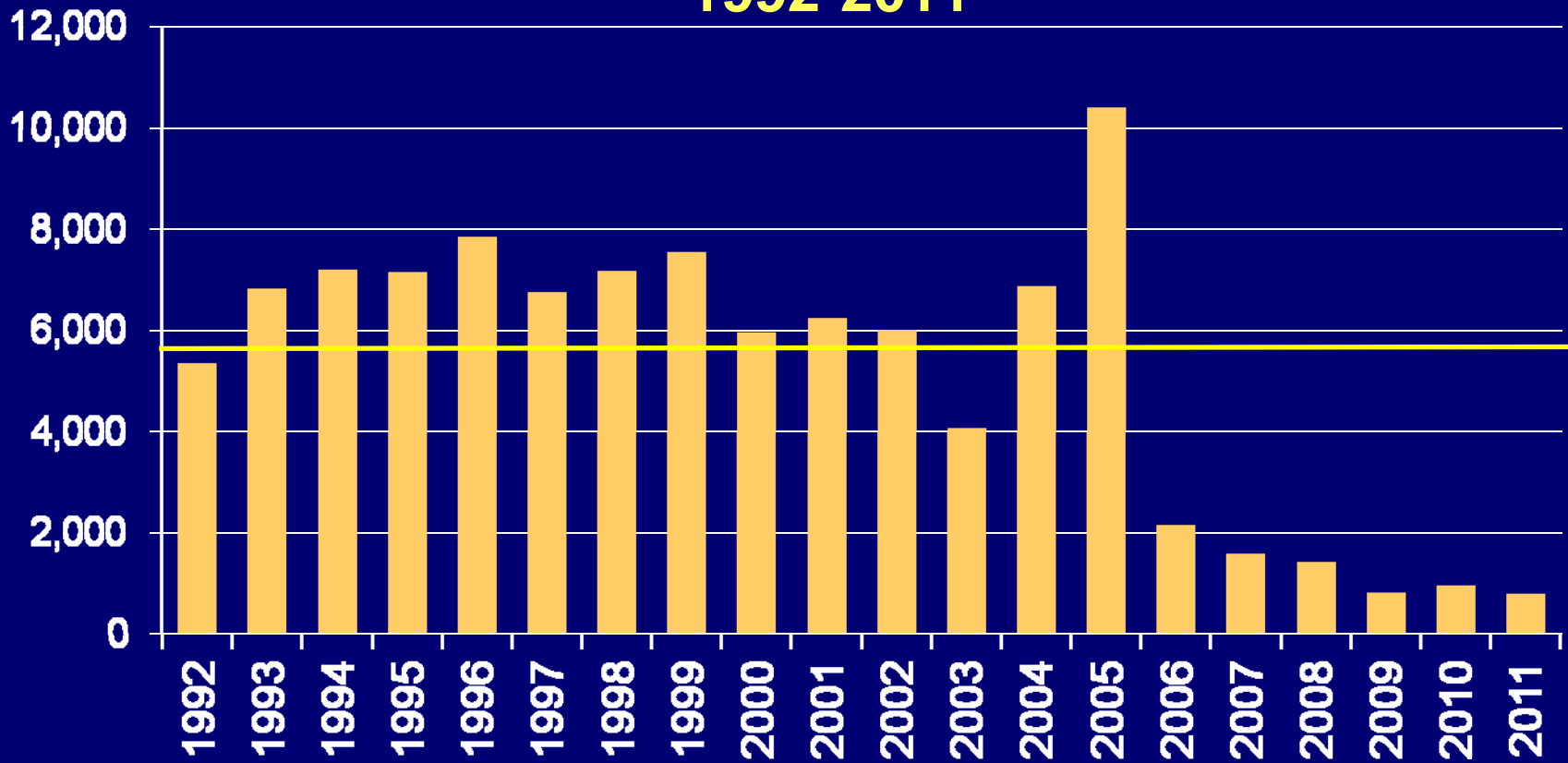
Housing Demand by Sub-state Region 2010-2030

	High Estimates	Low Estimates
District of Columbia	122,613	36,784
Suburban Maryland	211,612	133,731
Northern Virginia	392,817	174,191
<i>Fairfax*</i>	<i>110,947</i>	<i>52,145</i>
Washington Region	731,457	348,282

*Includes the independent cities of Fairfax and Falls Church

Note: The high estimates assume all workers are housed in the jurisdiction in which they work. The low estimates assume that new jobs have the same in-commuting rates as current jobs.

Building Permits Fairfax County, City of Fairfax, City of Falls Church 1992-2011



1992-2011 annual average = 5,135
2011-2030 needed = 5,600

Comparing Current and Forecasted Units

Single-Family vs. Multi-Family Units

	Current*		Needed for New Workers	
	SF	MF	SF	MF
District of Columbia	39%	61%	8%	92%
Suburban Maryland	70%	30%	40%	60%
Northern Virginia	72%	28%	47%	53%
<i>Fairfax**</i>	73%	27%	46%	54%
Washington Region	67%	33%	39%	61%

*Source: 2009 American Community Survey

**Includes the independent cities of Fairfax and Falls Church

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