

## *in Metropolitan Washington: 2003-2007*

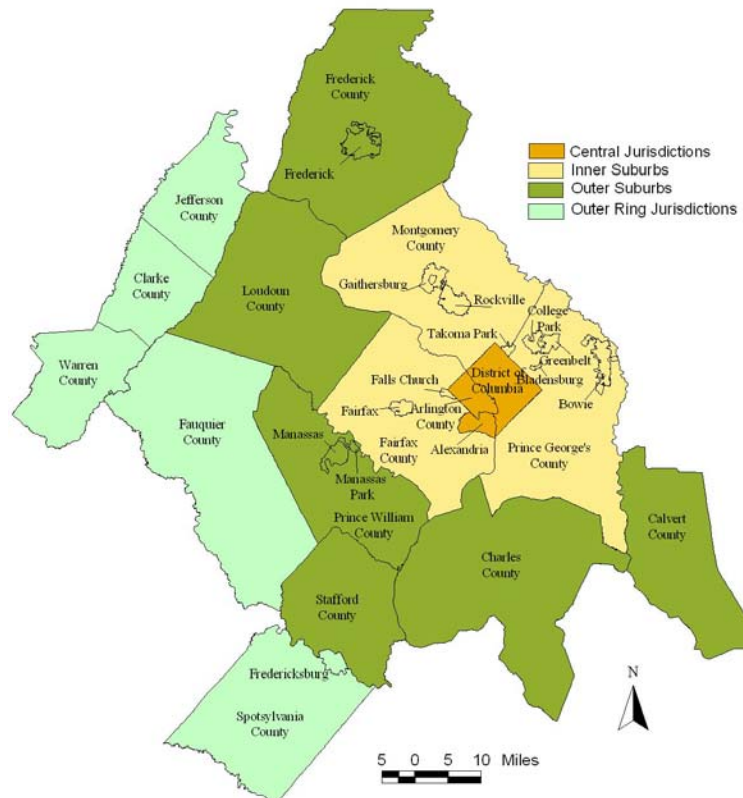
### Welcome to Economic Trends in Metropolitan Washington!

This is an annual publication of the Metropolitan Washington Council of Governments. This year's report focuses on economic trends between the years 2003 and 2007, and is divided into sections covering population, employment, federal expenditures and obligations, labor force, construction, retail sales, mortgage rates and new home sales, personal income, inflation, and transportation.

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Washington-Arlington-Alexandria DC-MD-VA-WV  
Metropolitan Statistical Area (MSA)



Throughout the report, information is presented at different levels of geographic specificity. These levels and their components are outlined below:

#### The Metropolitan Washington Council of Governments (COG) Region:

The 21 members of COG include the District of Columbia, Frederick County, Montgomery County, Prince George's County, and the Cities of Bowie, College Park, Frederick, Gaithersburg, Greenbelt, Rockville, and Takoma Park and the Town of Bladensburg in Maryland; and Arlington County, Fairfax County, Loudoun County, Prince William County, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park in Virginia.

#### The Washington-Arlington-Alexandria DC-MD-VA-WV Metropolitan Statistical Area (MSA)

(see map): As defined by the Office of Management and Budget (OMB) in 2003, extends beyond the membership of COG to include Calvert and Charles counties in Maryland; Clarke, Warren, Fauquier, Stafford, and Spotsylvania Counties and the City of Fredericksburg in Virginia; and Jefferson County in West Virginia.

(see back page for additional geographic definitions)

# Executive Summary

## ECONOMIC TRENDS *AT A GLANCE*

### ■ POPULATION

The population of the Washington region (2003 MSA) in 2007 was 5.3 million people. The region grew by more than 275,700 people between 2003 and 2007. The majority of this growth occurred in the region's outer suburbs, which increased by 15.8 percent or 164,000 people. The inner suburbs, with the addition of 60,100 people, grew by 2.1 percent. The region's central jurisdictions gained 22,700 people, or 2.5 percent.

### ■ EMPLOYMENT

Between 2003 and 2007, the region added 182,714 jobs. As a result, the total number of jobs rose to 2.90 million in 2007. Between 2003 and 2007, more than 35.6 percent of total job growth occurred within the outer suburbs and inner suburbs, followed by the central jurisdictions with 22.7 percent and the outer ring jurisdictions with 6.1 percent.

### ■ FEDERAL SPENDING

Federal spending in the Washington region increased to \$119.0 billion in FY 2006, up from \$112.2 billion in 2005. More than 48.2 percent, or \$57.4 billion, came in procurement contract awards which, for the seventh time, exceeded expenditures in the region for salaries and wages.

### ■ LABOR FORCE

Between 2003 and 2007, the civilian labor force in the Washington region increased by 199,800 people, to a total of 2.98 million. Of that number, 2.89 million were employed and 90,400 were unemployed, putting the unemployment rate for the civilian labor force in the Washington region at 3.0 percent in 2007.

### ■ CONSTRUCTION

Commercial construction in the metropolitan Washington region decreased during 2007, with developers breaking ground on more than 32.8 million square feet of space. In 2007, commercial construction in the region decreased from the 2006 total of 33.9 million square feet, and was far below the 2000 total of 48.6 million. The number of new, privately owned housing units authorized in the region decreased from 27,958 in

### ■ MORTGAGE RATES, HOME SALES, AND HOUSING-RELATED INFLATION

Mortgage rates continued to fall between 2002 and 2006 to a low of 6.4 percent in 2006 (fourth quarter). Average rates rose from 6.1 percent in 2005 to 6.6 percent in 2006. The number of homes sold in the region dropped dramatically between 2003 and 2007, from 106,714 units in 2003 to 66,332 units in 2007. The rate of change in the Consumer Price Index for housing in the Washington-Baltimore DC-MD-VA-WV CMSA increased from 4.4 percent between 2005 and 2006 to 4.8 percent between 2006 and 2007.

### ■ INFLATION

The rate of change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore DC-MD-VA-WV CMSA increased 3.6 percent between 2005 and 2006 and remained at 3.6 percent between 2006 and 2007.

### ■ INCOME

Total personal income in the Washington region grew by an average annual rate of 6.8 percent between 2002 and 2006, leading to a 2006 total of \$272.9 billion. On a per capita basis, income varied greatly by jurisdiction, with a regional average of \$51,868.

### ■ RETAIL SALES

Retail sales in the region increased both in current and real terms between 2003 and 2007. The region's 2007 total of \$74.6 billion, when adjusted for inflation, was more than the total annual retail sales in 2006, \$73.7 billion, and more than the 2005 total of \$71.8 billion.

### ■ AIRLINE PASSENGERS

More than 64 million passengers flew into or out of the Washington region's three major airports in 2007, a 26.8 percent increase from 2003.

# Population

## Population of the Washington DC-MD-VA MSA, by Jurisdiction, 2003–2007

(Thousands of People)

The region grew by more than 275,700 people between 2003 and 2007. The majority of this growth occurred in the region's outer suburbs, which increased by 15.8 percent or 164,000 people. The inner suburbs, with the addition of 60,100 people, grew by 2.1 percent. The region's central jurisdictions gained 22,700 people, or 2.5 percent.

Despite the dramatic growth rate in the outer suburbs, the population remains anchored in the inner suburbs, where 53.9 percent of the region's population lives.

According to COG's Round 7.1 Cooperative Forecasts, the inner suburbs will remain the most populous "ring" of the region. COG forecasts that in the year 2030, the region (MSA 2003) will hold nearly 7.0 million people (34.1 percent more than the 2005 population). About 50 percent of the 2030 population is expected to live in the inner suburbs.

JURISDICTIONS	Year					Change 2003 - 2007	
	2003	2004	2005	2006	2007	Number	Percentage
District of Columbia	577.5	579.6	582.0	585.5	588.3	10.8	1.9%
Arlington County	195.9	197.4	199.3	201.0	202.8	6.9	3.5%
City of Alexandria	135.0	134.0	137.0	138.3	140.0	5.0	3.7%
<b>Central Jurisdictions</b>	<b>908.4</b>	<b>911.0</b>	<b>918.3</b>	<b>924.8</b>	<b>931.1</b>	<b>22.7</b>	<b>2.5%</b>
Montgomery County	912.9	924.7	934.4	944.0	951.6	38.7	4.2%
City of Gaithersburg*	55.3	56.4	57.8	58.6	60.4	5.1	9.3%
City of Rockville*	54.6	57.2	59.6	60.1	61.0	6.5	11.9%
City of Takoma Park*	17.3	17.3	17.3	17.3	17.3	0.0	0.0%
Prince George's County	830.5	835.0	838.2	834.7	828.8	-1.7	-0.2%
City of Bowie*	52.7	54.6	54.6	54.6	55.8	3.1	5.9%
City of College Park*	26.6	27.2	27.2	28.3	28.3	1.7	6.4%
City of Greenbelt*	20.8	20.8	20.9	20.9	20.9	1.0	0.3%
Town of Bladensburg*	7.7	7.7	7.7	7.7	7.7	0.0	0.0%
Fairfax County	1,012.1	1,022.3	1,033.6	1,037.3	1,041.5	29.4	2.9%
City of Fairfax	22.3	22.1	22.0	22.9	23.3	1.1	4.9%
City of Falls Church	10.5	10.5	10.5	11.1	11.3	0.8	7.6%
<b>Inner Suburbs</b>	<b>2,796.5</b>	<b>2,822.6</b>	<b>2,853.4</b>	<b>2,875.6</b>	<b>2,856.5</b>	<b>60.1</b>	<b>2.1%</b>
Loudoun County	211.1	229.4	247.3	262.6	271.1	59.9	28.4%
Prince William County	321.6	336.8	354.4	371.2	381.2	59.6	18.5%
City of Manassas	36.3	36.5	37.0	38.1	37.6	1.3	3.5%
City of Manassas Park	11.6	12.5	13.3	13.9	14.0	2.4	20.3%
Stafford County	109.0	113.2	116.5	118.4	120.7	11.7	10.8%
Frederick County	214.3	218.8	223.0	228.4	231.5	17.2	8.0%
City of Frederick*	56.8	58.5	59.1	60.7	61.5	4.7	8.3%
Charles County	133.1	135.8	137.4	140.6	145.1	12.0	9.0%
Calvert County	84.1	86.5	86.8	88.0	89.5	5.4	6.4%
<b>Outer Suburbs</b>	<b>1,037.0</b>	<b>1,083.0</b>	<b>1,129.0</b>	<b>1,173.1</b>	<b>1,201.1</b>	<b>164.0</b>	<b>15.8%</b>
<b>MSA (1983) Total</b>	<b>4,741.9</b>	<b>4,816.6</b>	<b>4,900.8</b>	<b>4,973.4</b>	<b>4,988.7</b>	<b>246.8</b>	<b>5.2%</b>
City of Fredericksburg	20.4	21.3	21.3	22.1	22.4	2.0	9.8%
Spotsylvania County	106.6	110.6	115.0	117.8	119.2	12.6	11.8%
Fauquier County	60.8	62.6	64.3	65.6	66.3	5.5	9.0%
Warren County	33.5	34.1	35.0	35.8	36.3	2.8	8.3%
Clarke County	13.3	13.7	14.0	14.2	14.4	1.1	8.1%
Jefferson County	46.0	47.1	48.5	49.7	50.8	4.9	10.6%
<b>Outer Ring Jurisdictions</b>	<b>280.6</b>	<b>289.3</b>	<b>298.1</b>	<b>305.2</b>	<b>309.4</b>	<b>28.8</b>	<b>10.3%</b>
<b>MSA (2003) Total</b>	<b>5,022.5</b>	<b>5,105.9</b>	<b>5,198.9</b>	<b>5,278.7</b>	<b>5,298.1</b>	<b>275.7</b>	<b>5.5%</b>

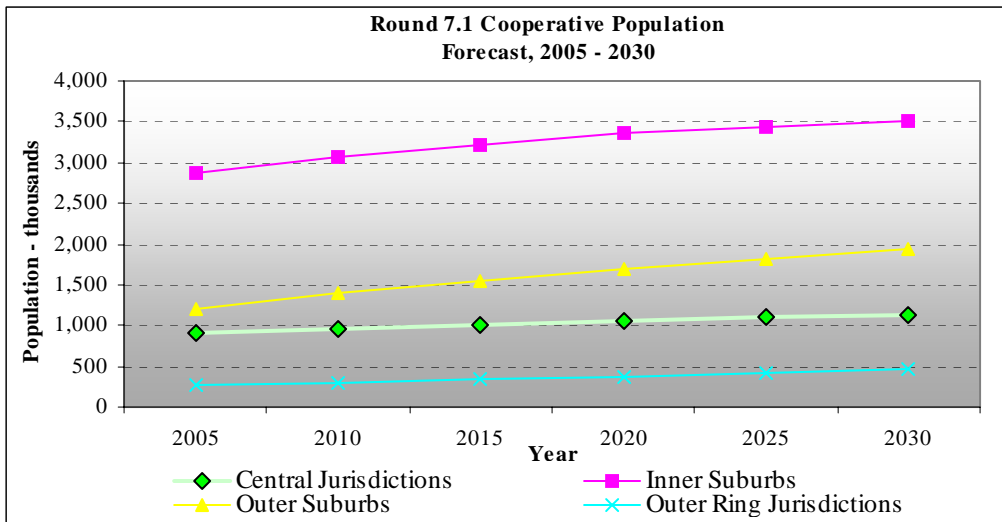
Sources: Census Bureau annual population estimates for the District of Columbia, Stafford County, Prince George's County, the City of Fairfax, and the Outer Ring Jurisdictions; Census 2000 population count for Takoma Park and Bladensburg; local government estimates for all other jurisdictions.

\* Persons in Maryland cities are included in appropriate county totals.

# Population

Summary of Forecast of Population, by Jurisdiction,  
 Round 7.1 Cooperative Forecasts for the Washington-Arlington-Alexandria DC-MD-VA-WV MSA  
 (Thousands of People)

JURISDICTIONS	Year						Change 2005 - 2030	
	2005	2010	2015	2020	2025	2030	Number	Percentage
District of Columbia	577.8	601.1	626.6	665.2	703.7	714.1	136.2	23.6%
Arlington County	199.3	217.2	226.9	235.8	239.7	242.5	43.2	21.7%
City of Alexandria	135.9	142.6	149.8	156.2	163.7	171.1	35.2	25.9%
<b>Central Jurisdictions</b>	<b>912.9</b>	<b>960.9</b>	<b>1,003.2</b>	<b>1,057.2</b>	<b>1,107.0</b>	<b>1,127.6</b>	<b>214.7</b>	<b>23.5%</b>
Montgomery County	938.0	990.0	1,035.0	1,075.0	1,112.0	1,145.8	207.0	22.1%
City of Rockville a/	59.6	67.5.3	73.7	74.0	74.6	74.7	15.1	25.4%
Prince George's County	852.9	900.8	936.9	961.6	979.8	992.9	140.0	16.4%
Fairfax County b/	1,043.7	1,135.5	1,214.4	1,278.8	1,306.6	1,334.0	290.3	27.8%
City of Fairfax	22.1	23.5	25.0	25.6	25.7	26.5	4.4	19.8%
City of Falls Church	10.6	12.3	13.9	14.7	14.9	15.4	4.8	45.4%
<b>Inner Suburbs</b>	<b>2,867.3</b>	<b>3,062.1</b>	<b>3,225.2</b>	<b>3,355.7</b>	<b>3,439.1</b>	<b>3,513.8</b>	<b>646.5</b>	<b>22.5%</b>
Loudoun County	247.3	301.1	354.1	409.9	449.0	468.5	221.2	89.4%
Prince William County	349.4	415.8	463.4	491.5	523.7	555.0	205.6	58.9%
City of Manassas	37.6	38.6	40.3	40.8	41.2	41.9	4.2	11.3%
City of Manassas Park	12.9	15.0	15.8	16.5	16.7	16.8	4.0	30.7%
Stafford County c/	117.8	135.3	155.1	175.0	193.6	210.9	93.1	79.0%
Charles County	138.0	147.4	162.3	177.2	193.1	204.2	66.2	48.0%
Calvert County	82.8	91.0	93.5	96.0	98.3	101.4	18.6	22.5%
<b>Outer Suburbs</b>	<b>1,206.7</b>	<b>1,387.4</b>	<b>1,550.0</b>	<b>1,694.7</b>	<b>1,826.0</b>	<b>1,938.4</b>	<b>731.7</b>	<b>60.6%</b>
<b>MSA (1983) Total</b>	<b>4,986.9</b>	<b>5,410.4</b>	<b>5,778.4</b>	<b>6,107.7</b>	<b>6,372.0</b>	<b>6,579.8</b>	<b>1,592.9</b>	<b>31.9%</b>
City of Fredericksburg c/	20.7	22.1	23.5	24.8	25.5	26.0	5.3	25.4%
Spotsylvania County c/	116.5	133.7	153.7	173.7	193.0	210.2	93.7	80.4%
Fauquier County	64.7	74.5	85.8	98.8	113.9	131.2	66.5	102.8%
Warren County d/	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Clarke County	14.1	15.4	16.2	16.9	17.9	18.8	4.7	33.8%
Jefferson County	46.8	51.4	57.1	62.7	69.6	76.4	29.6	63.3%
<b>Outer Ring Jurisdictions</b>	<b>262.9</b>	<b>297.1</b>	<b>336.2</b>	<b>376.9</b>	<b>419.8</b>	<b>462.6</b>	<b>199.8</b>	<b>76.0%</b>
<b>MSA (2003) Total</b>	<b>5,249.8</b>	<b>5,707.5</b>	<b>6,114.6</b>	<b>6,484.6</b>	<b>6,791.8</b>	<b>7,042.5</b>	<b>1,792.7</b>	<b>34.1%</b>



Source: Round 7.1 Cooperative Forecasts. Round 7.1 was approved by the COG Board of Directors, January 9, 2008.

a/ Included in Montgomery County total.

b/ Includes Fairfax County group quarters population at the Fairfax County Public Safety Center.

c/ Source: GWRC/FAMPO Regional Demographic Control Forecasts for 2035 CLRP, January 2007.

d/ Warren County does not participate in COG/TPB Transportation Modeling.

# Employment

## At-Place Employment in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, by Jurisdiction, 2003–2007

JURISDICTIONS	Year					Change 2003 - 2007
	2003	2004	2005	2006	2007*	
District of Columbia	665,500	674,200	682,300	687,700	694,900	29,400
Arlington County	150,156	154,820	154,077	158,232	153,373	3,217
City of Alexandria	91,239	92,694	93,238	94,128	100,079	8,840
<b>Central Jurisdictions</b>	<b>906,895</b>	<b>921,714</b>	<b>929,615</b>	<b>940,060</b>	<b>948,352</b>	<b>41,457</b>
Montgomery County	449,909	448,782	458,668	464,833	457,611	7,702
Prince George's County	311,428	312,994	312,639	312,943	315,025	3,597
Fairfax County	532,963	544,111	564,968	574,400	584,922	51,959
City of Fairfax	18,323	23,881	23,689	23,118	21,779	3,456
City of Falls Church	14,168	14,459	14,609	14,666	12,574	-1,594
<b>Inner Suburbs</b>	<b>1,326,791</b>	<b>1,344,227</b>	<b>1,374,573</b>	<b>1,389,960</b>	<b>1,391,911</b>	<b>65,120</b>
Loudoun County	104,291	98,037	120,420	125,599	129,090	24,799
Prince William County	88,837	95,924	100,751	104,037	103,624	14,787
City of Manassas	21,428	23,079	24,399	24,662	24,772	3,344
City of Manassas Park	3,800	3,683	3,831	3,937	3,715	-85
Stafford County	25,588	28,444	30,000	31,856	34,113	8,525
Frederick County	86,168	89,521	91,079	92,024	94,360	8,192
Charles County	38,523	39,766	40,769	41,970	42,100	3,577
Calvert County	19,915	20,705	20,810	21,434	21,831	1,916
<b>Outer Suburbs</b>	<b>388,550</b>	<b>399,159</b>	<b>432,059</b>	<b>445,519</b>	<b>453,605</b>	<b>65,055</b>
<b>MSA (1983) Total</b>	<b>2,622,236</b>	<b>2,665,100</b>	<b>2,736,247</b>	<b>2,775,539</b>	<b>2,793,868</b>	<b>171,632</b>
City of Fredericksburg	23,698	24,917	26,453	26,909	26,689	2,991
Spotsylvania County	27,140	27,513	28,506	29,768	29,816	2,676
Fauquier County	19,371	20,713	21,579	22,023	21,710	2,339
Warren County	10,071	10,548	11,006	11,507	11,657	1,586
Clarke County	4,201	4,320	4,405	4,365	4,374	173
Jefferson County	13,430	13,775	14,354	14,541	14,747	1,317
<b>Outer Ring Jurisdictions</b>	<b>97,911</b>	<b>101,786</b>	<b>106,303</b>	<b>109,113</b>	<b>108,993</b>	<b>11,082</b>
<b>MSA (2003) Total</b>	<b>2,720,147</b>	<b>2,767,886</b>	<b>2,842,550</b>	<b>2,884,652</b>	<b>2,902,861</b>	<b>182,714</b>

Source: Compiled by COG from the District of Columbia Department of Employment Services, Labor Market Information Staff; Maryland Department of Labor, Licensing and Regulation, Employment and Payrolls Reports; Virginia Employment Commission, Economic Information Services Division; and WORKFORCE West Virginia, Research, Information, and Analysis.

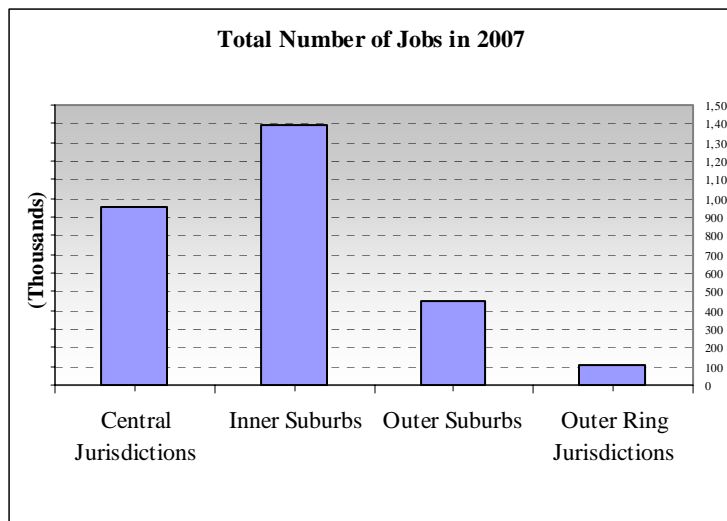
Figures do not include estimates of military personnel, self-employed, and other workers. Figures may not sum to total due to rounding.

Persons in Maryland cities are included in appropriate county totals.

\*2007 Figures for Maryland and West Virginia jurisdictions are estimates based on the first three quarters.

Between 2003 and 2007, the region added 182,714 jobs. As a result, the total number of jobs rose to 2.90 million in 2007.

Between 2003 and 2007, more than 36 percent of the total job growth occurred both within the outer suburbs and the inner suburbs, the central jurisdictions with 22.7 percent, and the outer ring jurisdictions with 6.1 percent. More than 47.9 percent of the region's jobs, 1.39 million, remain in the inner suburbs. During the same time period, 58.1 percent of the region's job growth occurred in three jurisdictions: Fairfax County (51,959), the District of Columbia (29,400), and Loudoun County (24,799 jobs).



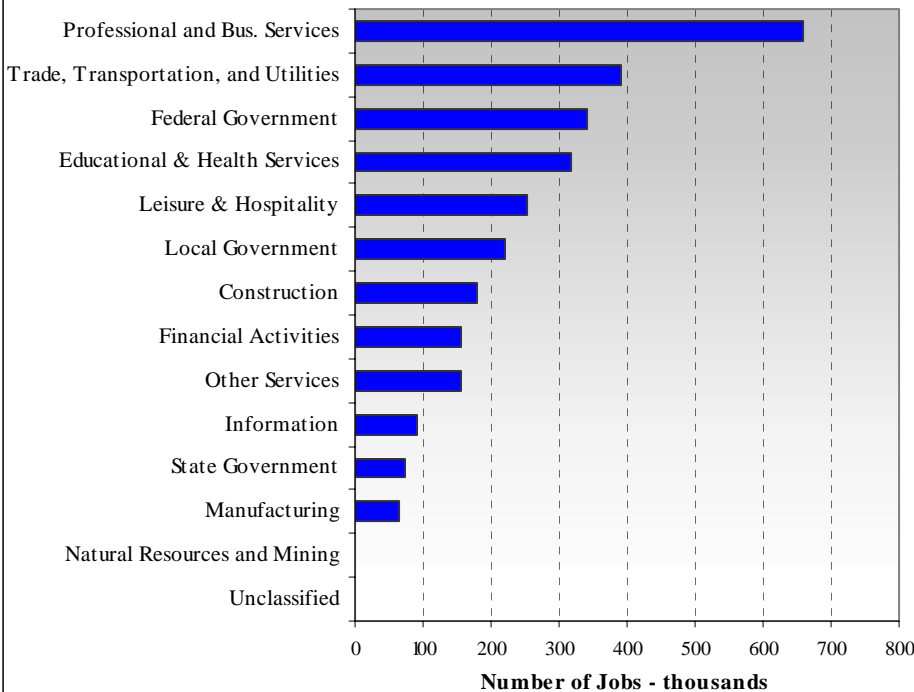


# Employment

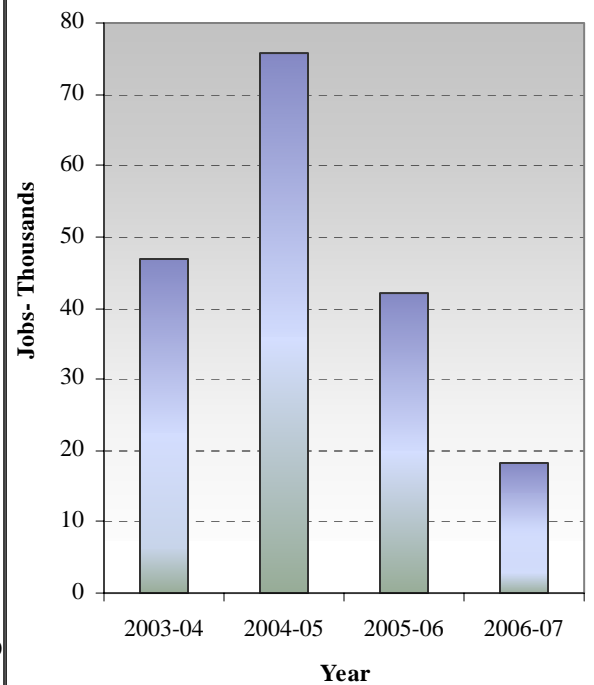
At-Place Employment in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, by Industrial Group, 2003 - 2007

NAICS - INDUSTRIAL GROUP	Year					Change 2003 - 2007	
	2003	2004	2005	2006	2007*	Number	Percentage
Natural Resources & Mining	3,330	3,413	3,495	3,565	3,830	500	15.0%
Manufacturing	67,984	66,828	66,120	64,663	63,620	-4,364	-6.4%
Construction	164,788	173,083	181,139	185,938	179,085	14,297	8.7%
Trade, Transportation & Utilities	383,650	389,047	394,892	392,332	390,909	7,259	1.9%
Information	106,937	104,795	98,016	95,854	92,047	-14,890	-13.9%
Financial Activities	153,733	153,710	157,838	157,054	154,668	935	0.6%
Professional and Business Services	571,788	581,856	623,029	646,738	657,474	85,686	15.0%
Educational & Health Services	283,397	290,821	298,076	306,194	317,121	33,724	11.9%
Leisure & Hospitality	232,840	240,796	247,995	248,586	252,948	20,108	8.6%
Other Services	146,295	149,403	150,232	152,484	155,797	9,502	6.5%
Federal Government	335,111	338,065	339,445	341,459	341,717	6,606	2.0%
Local Government	201,751	204,988	210,162	216,179	219,119	17,368	8.6%
State Government	67,713	69,097	71,294	72,995	73,829	6,116	9.0%
Unclassified	830	984	817	611	697	-133	-16.0
<b>Total</b>	<b>2,720,147</b>	<b>2,766,886</b>	<b>2,842,550</b>	<b>2,884,652</b>	<b>2,902,861</b>	<b>182,714</b>	<b>6.7%</b>

Number of Jobs by Industrial Group, 2007



Annual Change in Number of Jobs, 2003 - 2007



Source: Compiled by COG from the District of Columbia Department of Employment Services, Labor Market Information Staff; Maryland Department of Labor, Licensing and Regulation, Employment and Payrolls Reports; Virginia Employment Commission, Economic Information Services Division; and WORKFORCE West Virginia, Research, Information, and Analysis.

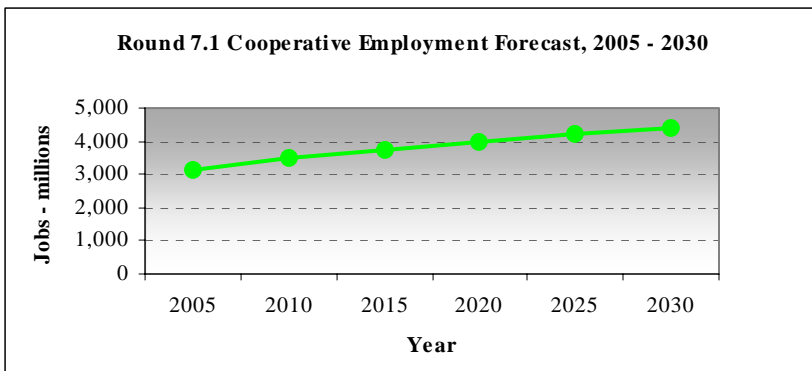
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\*2007 Figures for Maryland and West Virginia jurisdictions are estimates based on the first three quarters.

# Employment

## Summary of Forecast of Employment, by Jurisdiction Round 7.1 Cooperative Forecast for the Washington-Arlington-Alexandria DC-MD-VA-WV MSA (Thousands of Jobs)

JURISDICTIONS	Year						Change 2005 - 2030	
	2005	2010	2015	2020	2025	2030	Number	Percentage
District of Columbia	745.3	783.7	818.8	844.3	869.0	881.4	136.1	18.3%
Arlington County	194.9	215.4	217.6	241.8	251.8	258.4	63.5	32.6%
City of Alexandria	105.7	107.9	119.3	124.5	134.7	141.5	35.8	33.8%
<b>Central Jurisdictions</b>	<b>1,045.9</b>	<b>1,107.0</b>	<b>1,155.7</b>	<b>1,210.7</b>	<b>1,255.6</b>	<b>1,281.4</b>	<b>235.4</b>	<b>22.5%</b>
Montgomery County a/	500.0	545.0	580.0	615.0	645.0	670.0	170.0	34.0%
City of Rockville b/	78.7	94.1	103.3	104.9	108.2	108.8	30.1	38.3%
Prince George's County	347.9	365.4	389.1	420.4	461.9	518.4	170.5	49.0%
Fairfax County	604.0	683.6	741.5	782.2	819.3	847.6	243.6	40.3%
City of Fairfax c/	29.2	31.3	33.3	35.3	37.3	39.3	10.1	34.6%
City of Falls Church	9.5	11.8	15.1	17.8	19.9	20.3	10.8	113.7%
<b>Inner Suburbs</b>	<b>1,490.6</b>	<b>1,637.0</b>	<b>1,759.1</b>	<b>1,870.6</b>	<b>1,983.4</b>	<b>2,095.6</b>	<b>605.0</b>	<b>40.6%</b>
Loudoun County	130.3	166.9	203.8	241.3	270.4	290.7	160.4	123.1%
Prince William County	111.6	128.6	143.7	159.1	173.5	186.0	74.4	66.7%
City of Manassas	23.3	24.6	26.2	26.3	26.6	26.8	3.5	15.0%
City of Manassas Park	3.0	4.5	4.6	4.7	4.8	4.9	2.0	66.3%
Stafford County d/	38.3	44.1	52.4	57.1	62.3	67.9	29.6	77.3%
Frederick County	122.2	142.4	151.5	158.3	163.5	167.3	45.1	36.9%
Charles County e/	56.5	62.9	64.8	66.8	67.9	69.1	12.6	22.4%
Calvert County e/	29.4	32.9	33.7	34.5	35.1	35.6	6.2	21.1%
<b>Outer Suburbs</b>	<b>514.5</b>	<b>606.9</b>	<b>680.6</b>	<b>748.2</b>	<b>804.0</b>	<b>848.3</b>	<b>333.9</b>	<b>64.9%</b>
<b>MSA (1983) Total</b>	<b>3,051.0</b>	<b>3,350.9</b>	<b>3,595.4</b>	<b>3,829.5</b>	<b>4,043.0</b>	<b>4,225.3</b>	<b>1,174.3</b>	<b>38.5%</b>
City of Fredericksburg d/	25.3	28.1	31.1	34.0	37.0	39.9	14.6	57.9%
Spotsylvania County d/	36.1	41.5	45.9	50.3	54.7	59.1	23.0	63.6%
Fauquier County	19.7	22.3	24.9	29.2	32.2	35.4	15.7	79.6%
Warren County f/	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Clarke County	4.7	5.1	5.4	5.7	6.0	6.4	1.6	34.8%
Jefferson County	14.8	16.8	18.8	20.8	22.6	24.5	9.7	65.6%
<b>Outer Ring Jurisdictions</b>	<b>100.6</b>	<b>113.8</b>	<b>126.1</b>	<b>140.1</b>	<b>152.5</b>	<b>165.2</b>	<b>64.6</b>	<b>64.2%</b>
<b>MSA (2003) Total</b>	<b>3,151.6</b>	<b>3,464.7</b>	<b>3,721.5</b>	<b>3,969.6</b>	<b>4,195.5</b>	<b>4,390.5</b>	<b>1,238.9</b>	<b>39.3%</b>



According to COG's Round 7.1 Cooperative Forecasts, the inner suburbs and central jurisdictions will remain the region's employment center. In the year 2030, 29.2 percent of all jobs will be in the central jurisdictions, around 47.7 percent in the inner suburbs, 19.3 percent in the outer suburbs, and 5.2 percent in the outer ring jurisdictions.

Source: Round 7.1 Cooperative Forecasts. Round 7.1 was approved by the COG Board of Directors on January 9, 2008.

Includes forecasts of military, self-employed, mining, and other jobs.

a/ Forecasts for years 2005 to 2030 include all of Takoma Park.

b/ Included in Montgomery County total.

c/ Forecasts for all years do not include Fairfax County Government employees (+/- 2,000 jobs) working at the Fairfax County Public Safety Center.

d/ Source: GWRC/FAMPO regional Demographic Control Forecasts for 2035 CLRP, January 2007.

e/ Tri-County Council for Southern Maryland develops ten-year incremental population, housing unit, and employment forecasts for Calvert County, Charles County, and St. Mary's County.

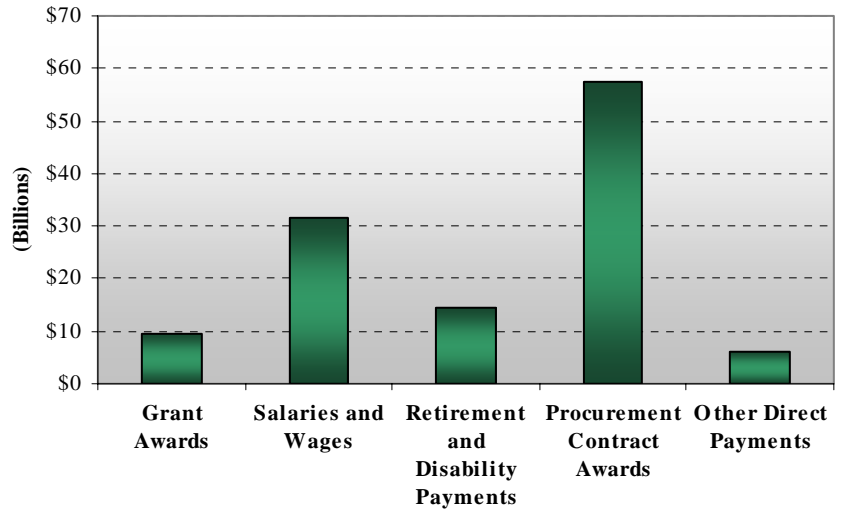
f/ Warren County does not participate in COG/TPB Transportation Modeling.

# Federal Spending

Federal spending in the Washington region increased to \$119.0 billion in FY 2006, from \$112.2 billion in 2005. More than 48.2 percent, or \$57.4 billion, came in procurement contract awards which, for the seventh time, exceeded expenditures in the region for salaries and wages. More than 30.9 percent of the region's federal spending was from the Department of Defense.

The central jurisdictions were home to more federal spending (\$55.5 billion) than either the inner suburbs or the outer suburbs. A majority of the federal spending occurred in the District of Columbia with more than \$40.4 billion. The inner suburbs received \$51.7 billion in federal spending with Fairfax County receiving \$19.0 billion. The outer suburbs received \$10.1 billion in federal spending with Frederick County receiving \$2.9 billion. The outer ring jurisdictions received \$1.8 billion in federal spending with Jefferson County receiving \$439 million.

Federal Spending for Selected Categories, FY 2006



Direct Federal Expenditures and Obligations in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, by Jurisdiction, FY 2006 (Thousands of Dollars)

JURISDICTIONS	Grant Awards	Salaries and Wages	Retirement and Disability Payments	Procurement Contract Awards	Other Direct Payments	Total	2006 Total	
							Department of Defense	Non-Defense
District of Columbia	\$4,175,208	\$17,160,707	\$2,037,205	\$14,225,192	\$2,760,045	\$40,358,357	\$6,040,394	\$34,317,962
Arlington County	265,096	3,239,264	529,008	5,538,167	216,501	9,788,036	4,972,083	4,815,954
City of Alexandria	216,020	1,275,695	533,616	3,136,671	216,662	5,378,664	2,511,831	2,866,833
<b>Central Jurisdictions</b>	<b>\$4,656,324</b>	<b>\$21,675,666</b>	<b>\$3,099,829</b>	<b>\$22,900,030</b>	<b>\$3,193,208</b>	<b>\$55,525,057</b>	<b>\$13,524,308</b>	<b>\$42,000,749</b>
Montgomery County	1,681,992	3,706,290	2,428,476	7,771,637	921,116	16,509,511	2,831,877	13,677,634
Prince George's County	1,463,418	2,466,675	2,433,084	4,369,888	783,045	11,516,110	2,090,462	9,425,649
Fairfax County	396,527	1,473,757	2,681,487	14,033,688	438,802	19,024,261	11,255,315	7,768,946
City of Fairfax	111,470	95,426	270,931	2,293,975	73,319	2,845,121	1,440,232	1,404,890
City of Falls Church	25,761	364,806	67,480	1,261,247	56,994	1,776,288	1,010,136	766,152
<b>Inner Suburbs</b>	<b>\$3,679,168</b>	<b>\$8,106,954</b>	<b>\$7,881,458</b>	<b>\$29,730,435</b>	<b>\$2,273,276</b>	<b>\$51,671,291</b>	<b>\$18,628,022</b>	<b>\$33,043,271</b>
Loudoun County	25,761	364,806	67,480	1,261,247	56,994	1,776,288	1,010,136	766,152
Prince William County	218,219	637,123	768,980	728,478	91,226	2,444,026	1,461,282	982,745
City of Manassas	29,343	51,168	163,324	574,521	38,429	856,785	556,539	300,246
City of Manassas Park	10,550	1,189	4,175	10,794	1,863	28,571	10,652	17,918
Stafford County	29,423	65,369	292,218	71,301	36,668	494,979	152,869	342,110
Frederick County	434,947	242,582	516,138	1,584,820	158,529	2,937,016	741,720	2,195,297
Charles County	185,828	167,425	429,323	187,142	108,284	1,078,002	361,063	716,939
Calvert County	102,499	17,352	248,586	21,133	62,986	452,556	47,316	405,240
<b>Outer Suburbs</b>	<b>\$1,036,570</b>	<b>\$1,547,014</b>	<b>\$2,490,224</b>	<b>\$4,439,436</b>	<b>\$554,979</b>	<b>\$10,068,223</b>	<b>\$4,341,577</b>	<b>\$5,726,647</b>
<b>MSA (1983) Total</b>	<b>\$9,372,062</b>	<b>\$31,329,634</b>	<b>\$13,471,511</b>	<b>\$57,069,901</b>	<b>\$6,021,463</b>	<b>\$117,264,571</b>	<b>\$36,493,907</b>	<b>\$80,770,667</b>
City of Fredericksburg	20,164	21,267	194,334	45,060	\$64,526	345,351	97,057	248,295
Spotsylvania County	24,528	19,874	222,480	23,934	30,445	321,261	51,849	269,411
Fauquier County	29,553	56,019	181,791	112,937	45,111	425,411	118,865	306,547
Warren County	25,883	11,719	90,256	5,040	28,749	161,647	9,309	152,338
Clarke County	6,718	4,308	39,363	1,320	13,152	64,861	3,193	61,668
Jefferson County	84,865	48,302	133,620	129,847	42,848	439,482	9,488	429,994
<b>Outer Ring Jurisdictions</b>	<b>\$191,711</b>	<b>\$161,489</b>	<b>\$861,844</b>	<b>\$318,138</b>	<b>\$224,831</b>	<b>\$1,758,013</b>	<b>\$289,761</b>	<b>\$1,468,253</b>
<b>MSA (2003) Total</b>	<b>\$9,563,773</b>	<b>\$31,491,123</b>	<b>\$14,333,355</b>	<b>\$57,388,039</b>	<b>\$6,246,294</b>	<b>\$119,022,584</b>	<b>\$36,783,668</b>	<b>\$82,238,920</b>

Source: U.S. Dept. of Commerce, Economics and Statistics Administration, Bureau of the Census, Consolidated Federal Funds Report, FY 2006.

NOTE: Grant locations represent location of initial recipient. Salary and wage locations represent place of employment. Procurement location is the place of performance, and other data are assigned to the recipient location. Figures may not sum to total due to rounding.



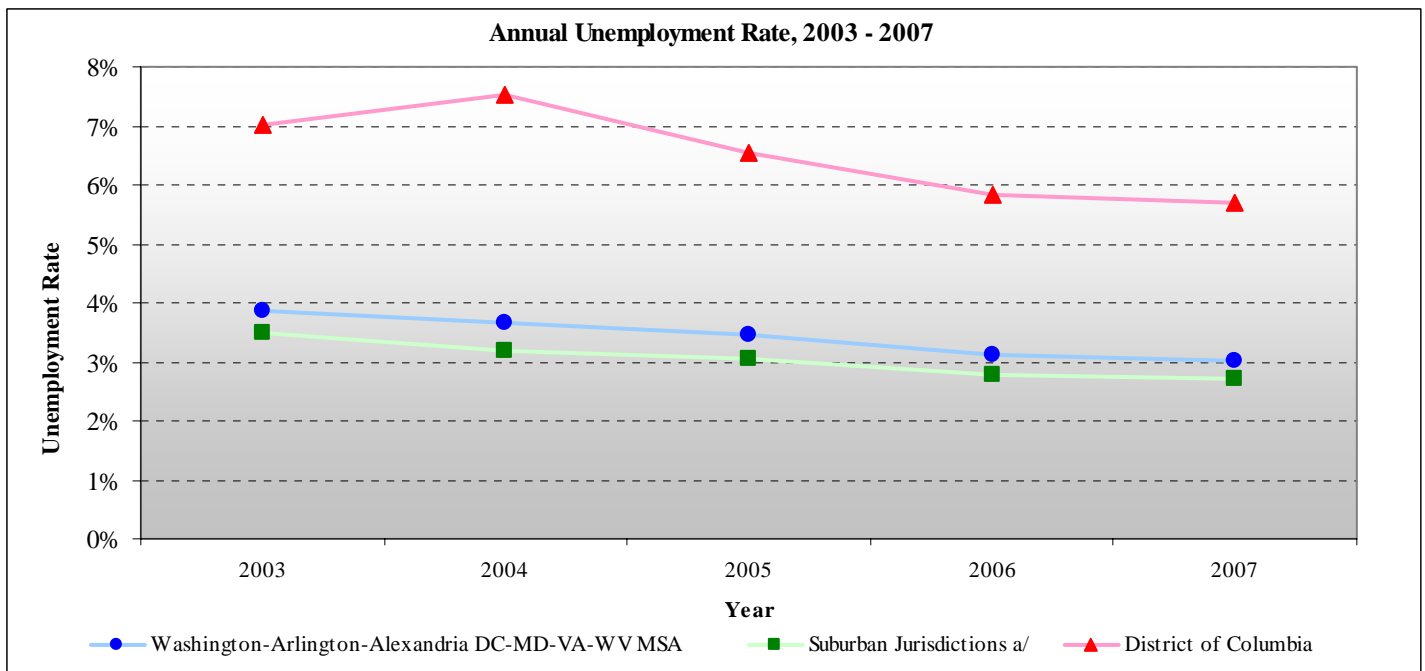
# Labor Force

Between 2003 and 2007 the civilian labor force in the Washington region increased by 199,800 people, to a total of 2.98 million. Of that number, 2.89 million were employed and 90,400 were unemployed, putting the unemployment rate for the civilian labor force in the Washington region at 3.0 percent in 2007. The unemployment rate in the region has remained steady between 2003 and 2007, averaging 3.4 percent.

Unemployment in the District of Columbia, 5.7 percent in 2007, remained higher than in suburban jurisdictions, which averaged 2.7 percent.

**Labor Force by Place of Residence in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, 2003 - 2007**  
(Thousands)

Jurisdictional Group	Structure Type	Year					Change 2003 - 2007	
		2003	2004	2005	2006	2007	Number	Percentage
Washington-Arlington-Alexandria DC-MD-VA-WV MSA	Civilian Labor Force	2,781.9	2,829.4	2,896.6	2,963.9	2,981.7	199.8	7.2%
	Employment	2,674.2	2,725.4	2,796.9	2,871.5	2,891.3	217.1	8.1%
	Unemployment	107.8	104.0	99.8	92.4	90.4	-17.4	-16.1%
	Unemployment Rate b/	3.9%	3.7%	3.4%	3.1%	3.0%		
Suburban Jurisdictions a/	Civilian Labor Force	2,475.0	2,518.4	2,579.4	2,644.0	2,656.1	181.1	7.3%
	Employment	2,388.8	2,437.8	2,500.5	2,570.4	2,584.3	195.5	8.2%
	Unemployment	86.3	80.6	79.0	73.7	71.9	-14.4	-16.7%
	Unemployment Rate b/	3.5%	3.2%	3.1%	2.8%	2.7%		
District of Columbia	Civilian Labor Force	306.6	311.0	317.2	319.9	325.6	19.0	6.2%
	Employment	285.4	287.6	296.4	301.1	307.0	21.6	7.6%
	Unemployment	21.5	23.4	20.8	18.7	18.5	-3.0	-14.0%
	Unemployment Rate b/	7.0%	7.5%	6.6%	5.8%	5.7%		



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Figures may not sum to total due to rounding.

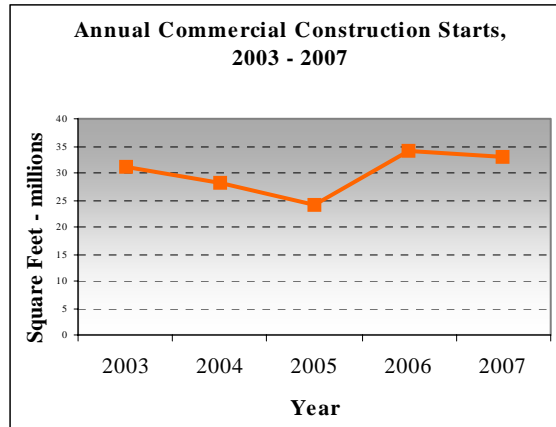
a/ Includes all jurisdictions within the Washington-Arlington-Alexandria DC-MD-VA-WV MSA except the District of Columbia.

b/ Seasonally unadjusted

# Construction

Commercial construction in the metropolitan Washington region decreased during 2007, with developers breaking ground on more than 32.8 million square feet of space. In 2007, commercial construction in the region decreased from the 2006 total of 33.9 million, and was far below the 2000 total of 48.6 million. Fairfax County saw the most new commercial construction with more than 6.6 million square feet, followed by the District of Columbia (4.9 million square feet) and Montgomery and Prince William Counties each with 4.7 million square feet.

The number of new, privately-owned housing units authorized in the region decreased from 27,958 in 2006 to 22,459 in 2007. Of the permits that were issued in 2007, more than 39 percent were in the outer suburbs.



**Total Square Feet of Commercial Construction Started by Jurisdiction, 2003-2007**

JURISDICTIONS	Year					Total 2003-2007
	2003	2004	2005	2006	2007	
District of Columbia	6,113,563	5,993,801	3,978,259	6,508,477	4,861,953	27,456,053
Arlington County	2,698,760	555,744	586,032	1,625,386	652,561	6,118,483
City of Alexandria	168,355	662,536	367,606	384,258	977,102	2,559,857
<b>Central Jurisdictions</b>	<b>8,980,678</b>	<b>7,212,081</b>	<b>4,931,897</b>	<b>8,518,121</b>	<b>6,491,616</b>	<b>36,134,393</b>
Montgomery County	4,292,261	2,970,082	4,017,020	3,719,278	4,743,518	19,742,159
City of Gaithersburg*	363,859	213,785	550,814	398,029	176,978	1,703,465
City of Rockville*	924,230	179,290	1,066,919	1,054,320	623,671	3,848,430
City of Takoma Park*	19,700	249,096	4,996	0	0	273,792
Prince George's County	4,034,609	4,818,770	3,872,345	2,571,980	4,003,676	19,301,380
City of Bowie*	406,801	141,937	215,500	380,966	189,351	1,334,555
City of College Park*	725,303	480,000	0	358,526	126,500	1,690,329
City of Greenbelt*	88,000	197,839	0	0	106,340	392,179
Town of Bladensburg*	0	0	0	30,100	0	30,100
Fairfax County	3,983,504	4,803,064	2,993,703	7,410,803	6,621,567	25,812,641
City of Fairfax	4,000	32,100	262,487	0	139,000	437,587
City of Falls Church	3,000	152,000	169,000	11,850	0	335,850
<b>Inner Suburbs</b>	<b>12,317,374</b>	<b>12,776,016</b>	<b>11,314,555</b>	<b>13,713,911</b>	<b>15,507,761</b>	<b>65,629,617</b>
Loudoun County	4,224,583	2,647,249	2,792,474	3,674,313	3,682,756	17,021,375
Prince William County	2,741,414	3,044,044	2,476,152	3,859,302	4,698,227	16,819,139
City of Manassas	360,315	171,345	192,000	0	662,248	1,385,908
City of Manassas Park	0	0	0	0	0	0
Stafford County	a/	a/	a/	a/	a/	a/
Frederick County	1,656,847	1,278,112	2,099,670	3,801,012	962,153	9,797,794
City of Frederick*	259,847	279,504	550,160	2,025,257	519,513	3,634,281
Charles County	849,033	613,958	613,934	348,324	753,790	3,179,039
Calvert County	a/	a/	a/	a/	a/	a/
<b>Outer Suburbs</b>	<b>9,832,192</b>	<b>7,754,708</b>	<b>8,174,230</b>	<b>11,682,951</b>	<b>10,759,174</b>	<b>48,203,255</b>
<b>MSA (1983) Total</b>	<b>31,130,244</b>	<b>27,742,805</b>	<b>24,420,682</b>	<b>33,914,983</b>	<b>32,758,551</b>	<b>149,967,265</b>
City of Fredericksburg	a/	a/	a/	a/	a/	a/
Spotsylvania County	a/	a/	a/	a/	a/	a/
Fauquier County	a/	a/	a/	a/	a/	a/
Warren County	a/	a/	a/	a/	a/	a/
Clarke County	a/	a/	a/	a/	a/	a/
Jefferson County	a/	a/	a/	a/	a/	a/
<b>Outer Ring Jurisdictions</b>	<b>a/</b>	<b>a/</b>	<b>a/</b>	<b>a/</b>	<b>a/</b>	<b>a/</b>
<b>MSA (2003) Total</b>	<b>31,130,244</b>	<b>27,742,805</b>	<b>24,420,682</b>	<b>33,914,983</b>	<b>32,758,551</b>	<b>149,967,265</b>

\*Starts in Maryland cities are included in appropriate county totals.

a/ The Commercial Construction Inventory does not include data for Calvert County, Stafford County, and the Outer Ring Jurisdictions.

Source: COG Commercial Construction Indicators 2007 Annual Summary, July 2008.

# Construction

## New Privately-Owned Housing Units Authorized in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, by Jurisdiction 2003 - 2007

JURISDICTIONS	2003		2004		2005		2006		2007	
	Total	Single Family	Total	Single Family	Total	Single Family	Total	Single Family	Total	Single Family
District of Columbia	1,427	152	1,936	226	2,860	125	2,105	126	1,910	576
Arlington County	7	7	1,274	184	1,275	166	2,960	203	2,121	151
City of Alexandria	72	20	843	171	1,017	195	1,050	137	354	93
<b>Central Jurisdictions</b>	<b>1,506</b>	<b>179</b>	<b>4,053</b>	<b>581</b>	<b>5,152</b>	<b>486</b>	<b>6,115</b>	<b>466</b>	<b>4,385</b>	<b>820</b>
Montgomery County	4,428	2,339	3,821	2,376	3,591	1,700	3,031	1,237	3,459	1,408
City of Gaithersburg*	479	172	0	0	196	124	94	74	137	73
City of Rockville*	967	420	238	188	802	20	43	43	529	57
City of Takoma Park*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
Prince George's County	2,938	2,808	1,948	1,875	3,425	3,255	3,033	2,918	2,183	1,462
City of Bowie*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
City of College Park*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
City of Greenbelt*	0	n/a	0	n.a	0	n/a	0	n/a	0	n/a
Town of Bladensburg*	0	n/a	0	n/a	0	n.a	0	n/a	0	n/a
Fairfax County	4,020	3,138	6,780	2,964	4,353	2,276	2,089	1,423	1,518	1,268
City of Fairfax	16	16	47	47	28	28	27	27	30	30
City of Falls Church	3	3	13	13	24	24	19	19	14	14
<b>Inner Suburbs</b>	<b>11,405</b>	<b>8,304</b>	<b>12,609</b>	<b>7,275</b>	<b>11,421</b>	<b>7,283</b>	<b>8,199</b>	<b>5,624</b>	<b>7,204</b>	<b>4,182</b>
Loudoun County	6,770	5,678	6,664	5,667	5,199	4,716	3,284	2,937	2,878	2,479
Prince William County	6,572	5,006	5,822	5,307	5,427	5,140	3,191	3,007	2,491	2,478
City of Manassas	132	132	147	147	154	154	137	137	95	95
City of Manassas Park	162	69	189	76	188	81	0	0	0	0
Stafford County	1,509	1,385	1,864	1,395	1,639	1,452	874	818	792	732
Frederick County	1,837	1,605	1,773	1,718	1,872	1,414	1,300	1,098	1,288	1,003
City of Frederick*	489	296	556	518	728	344	357	231	234	167
Charles County	1,244	1,152	1,000	1,000	1,309	931	1,327	1,1146	908	671
Calvert County	791	791	525	525	488	488	305	305	333	333
<b>Outer Suburbs</b>	<b>19,017</b>	<b>15,818</b>	<b>17,984</b>	<b>15,835</b>	<b>16,276</b>	<b>14,376</b>	<b>10,418</b>	<b>9,448</b>	<b>8,785</b>	<b>7,791</b>
<b>MSA (1983) Total</b>	<b>31,928</b>	<b>24,301</b>	<b>34,646</b>	<b>23,691</b>	<b>32,849</b>	<b>22,145</b>	<b>24,732</b>	<b>15,538</b>	<b>20,374</b>	<b>12,793</b>
City of Fredericksburg	46	46	170	170	410	410	278	278	101	101
Spotsylvania County	1,816	1,596	1,419	1,290	1,665	1,511	1,266	1,174	588	580
Fauquier County	800	798	703	703	706	706	700	506	304	289
Warren County	318	318	416	416	398	398	348	348	245	245
Clarke County	129	127	130	130	221	221	80	80	58	56
Jefferson County	810	800	540	540	527	527	554	547	789	487
<b>Outer Ring Jurisdictions</b>	<b>3,919</b>	<b>3,685</b>	<b>3,378</b>	<b>3,249</b>	<b>3,927</b>	<b>3,773</b>	<b>3,226</b>	<b>2,933</b>	<b>2,085</b>	<b>1,758</b>
<b>MSA (2003) Total</b>	<b>35,847</b>	<b>27,986</b>	<b>38,024</b>	<b>26,940</b>	<b>36,776</b>	<b>25,918</b>	<b>27,958</b>	<b>18,471</b>	<b>22,459</b>	<b>14,551</b>

Source: U.S. Department of Commerce, Bureau of the Census, 2007 Annual Report, "Permit Authorized Construction in Permit-issuing Places by Metropolitan Area."

\* Included in county total.

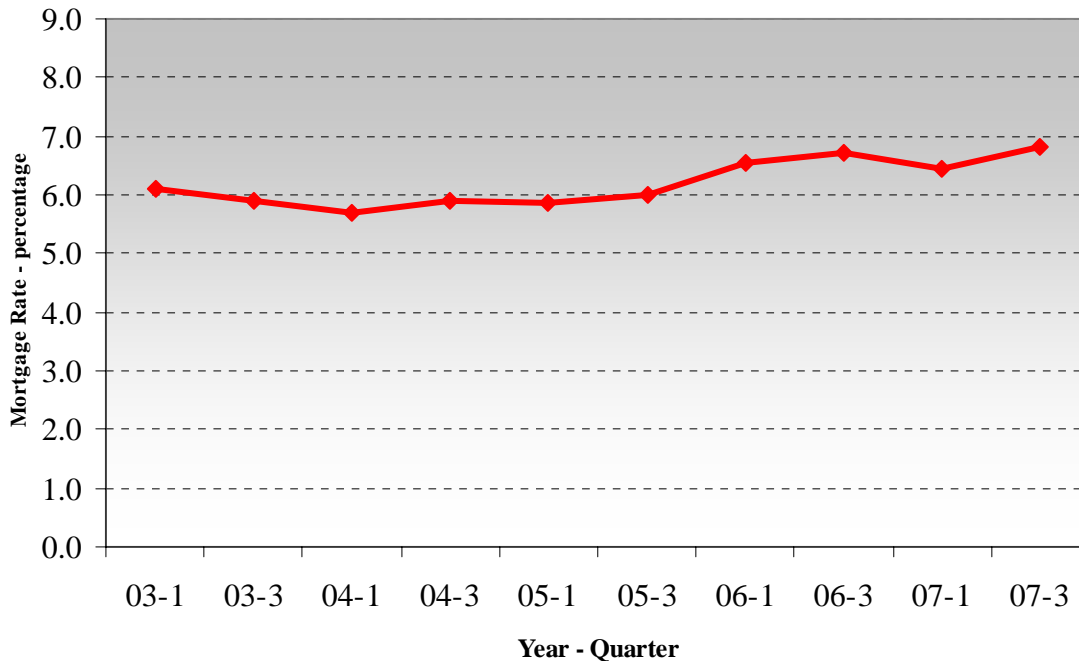
# Mortgage Rates

Mortgage rates continued to edge up between 2003 and 2007 to a high of 6.8 percent in 2007 (third quarter). Average rates rose from 6.0 percent in 2003 to 6.6 percent in 2007.

Terms on Conventional Home Mortgages, Average for Closed Loans  
in the Washington-Baltimore DC-MD-VA-WV CMSA, 2003 - 2007

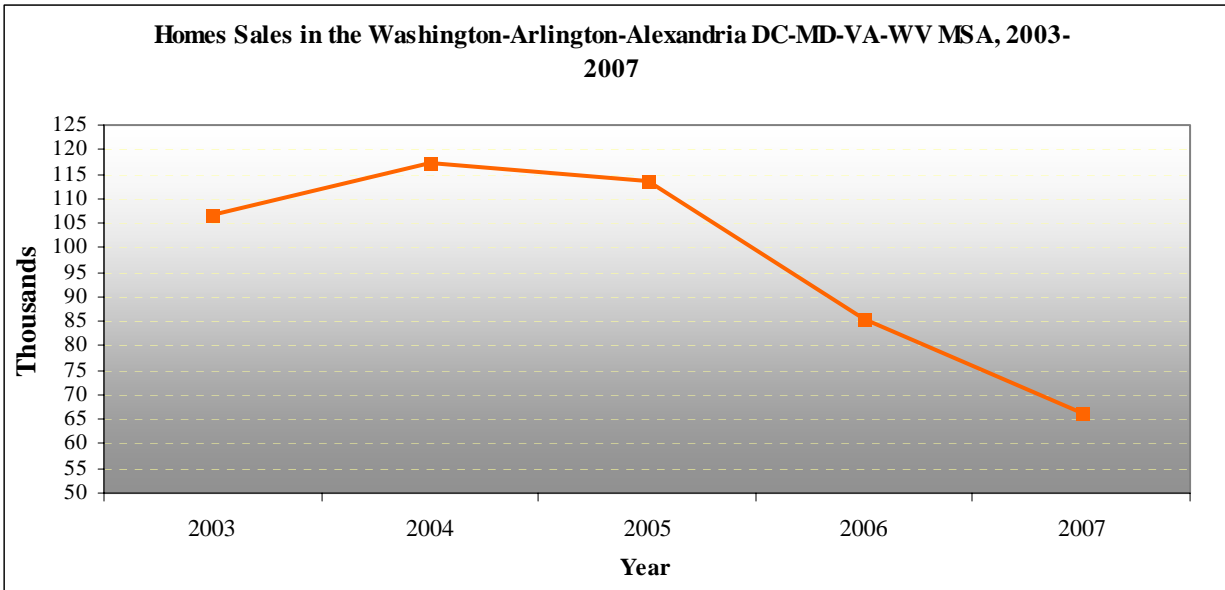
Quarter	Year				
	2003	2004	2005	2006	2007
First	6.1	5.7	5.9	6.6	6.5
Second	5.9	5.8	5.9	6.7	6.5
Third	5.9	5.9	6.0	6.7	6.8
Fourth	6.1	6.9	6.5	6.4	6.5

Effective Mortgage Rate, 2003 - 2007



Source: Federal Housing Finance Board News Report. Terms on Conventional Home Mortgages, Table V -Averages for Major Metropolitan Areas: Loans Closed.

The number of homes sold in the region dropped dramatically between 2003 and 2007, from 106,714 units in 2003 to 66,332 units in 2007. Fairfax County had the most homes sold in the region in 2007, with 13,557.



Net Home Sales in the Washington-Arlington-Alexandria DC-MD-VA-WV MSA, by Jurisdiction, 2003 - 2007

JURISDICTIONS	Year					Change 2003 - 2007	
	2003	2004	2005	2006	2007	Number	Percentage
District of Columbia	8,708	9,139	9,179	7,751	7,422	-1,286	-14.8%
Arlington County	3,675	3,924	3,490	3,082	3,090	-585	-15.9%
City of Alexandria	3,200	3,531	3,256	2,544	2,286	-974	-29.9%
<b>Central Jurisdictions</b>	<b>15,643</b>	<b>16,594</b>	<b>15,925</b>	<b>13,377</b>	<b>12,798</b>	<b>-2,845</b>	<b>-18.2%</b>
Montgomery County	16,534	17,753	17,011	13,523	10,360	-6,174	-37.3%
Prince George's County	13,480	15,237	15,067	13,116	7,568	-5,912	-43.9%
Fairfax County	24,221	25,717	23,114	16,314	13,557	-10,664	-44.0%
City of Fairfax	402	480	424	292	283	-119	-29.6%
City of Falls Church	181	261	196	145	147	-34	-18.8%
<b>Inner Suburbs</b>	<b>54,818</b>	<b>59,448</b>	<b>55,812</b>	<b>43,390</b>	<b>31,915</b>	<b>-22,903</b>	<b>-41.8%</b>
Loudoun County	8,255	9,381	9,123	5,919	5,224	-3,031	-36.7%
Prince William County	9,684	11,557	11,920	7,302	5,127	-4,557	-47.1%
City of Manassas	1,005	1,154	1,194	708	435	-570	-56.7%
City of Manassas Park	341	437	480	267	148	-193	-56.6%
Stafford County	2,520	2,861	2,962	2,032	1,473	-1,047	-41.5%
Frederick County	4,466	4,807	4,672	3,712	2,680	-1,786	-40.0%
Charles County	2,631	2,916	3,157	2,727	1,895	-736	-28.0%
Calvert County	1,671	1,628	1,675	1,257	1,039	-632	-37.8%
<b>Outer Suburbs</b>	<b>30,573</b>	<b>34,741</b>	<b>35,183</b>	<b>23,924</b>	<b>18,021</b>	<b>-12,552</b>	<b>-41.1%</b>
<b>MSA (1983) Total</b>	<b>101,034</b>	<b>110,783</b>	<b>106,920</b>	<b>80,691</b>	<b>62,734</b>	<b>-38,300</b>	<b>-37.9%</b>
City of Fredericksburg	220	344	313	233	250	30	13.6%
Spotsylvania County	2,630	2,968	3,023	2,073	1,523	-1,107	-42.1%
Fauquier County	1,052	1,263	1,223	857	688	-364	-34.6%
Warren County	763	879	895	639	463	-300	-39.3%
Clarke County	217	274	234	160	125	-92	-42.4%
Jefferson County	798	929	936	734	549	-249	-31.2%
<b>Outer Ring Jurisdictions</b>	<b>5,680</b>	<b>6,657</b>	<b>6,624</b>	<b>4,696</b>	<b>3,598</b>	<b>-2,082</b>	<b>-36.7%</b>
<b>MSA (2003) Total</b>	<b>106,714</b>	<b>117,440</b>	<b>113,544</b>	<b>85,387</b>	<b>66,332</b>	<b>-40,382</b>	<b>-37.8%</b>

Source: Metropolitan Regional Information Systems, Inc., May 2008.

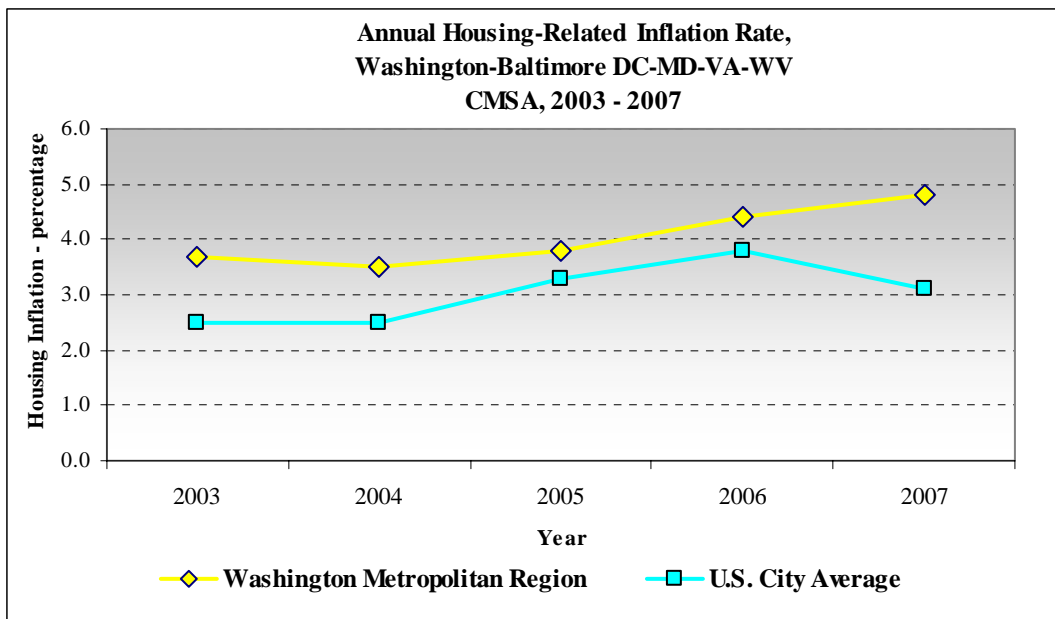


# Housing-Related Inflation

The rate of change in the Consumer Price Index for housing in the Washington-Baltimore DC-MD-VA-WV CMSA increased from 4.4 percent between 2005 and 2006 to 4.8 percent between 2006 and 2007. Nationally, housing inflation decreased during the same time frame. This measure accounts for price changes in rents and mortgage payments, owner costs, fuels, furnishings, and household supplies.

**Housing Component of the Consumer Price Index\***  
**All Urban Consumers, Washington Baltimore DC-MD-VA-WV CMSA, 2003 - 2007**

	Year				
	2003	2004	2005	2006	2007
<b>Washington-Baltimore DC-MD-VA-WV CMSA</b>					
CPI-U, Housing (Annual Average)	121.6	125.9	130.7	136.4	143.0
Housing Inflation Rate (%) - % Change	3.7	3.5	3.8	4.4	4.8
<b>U.S. City Average</b>					
CPI-U, Housing (Annual Average)	184.8	189.5	195.7	203.2	209.6
Housing Inflation Rate (%) - % Change	2.5	2.5	3.3	3.8	3.1



Source: U.S. Department of Labor, Bureau of Labor Statistics, "CPI Detailed Reports" for selected years.

For U.S. City Average, index is on a 1982-84=100 base.

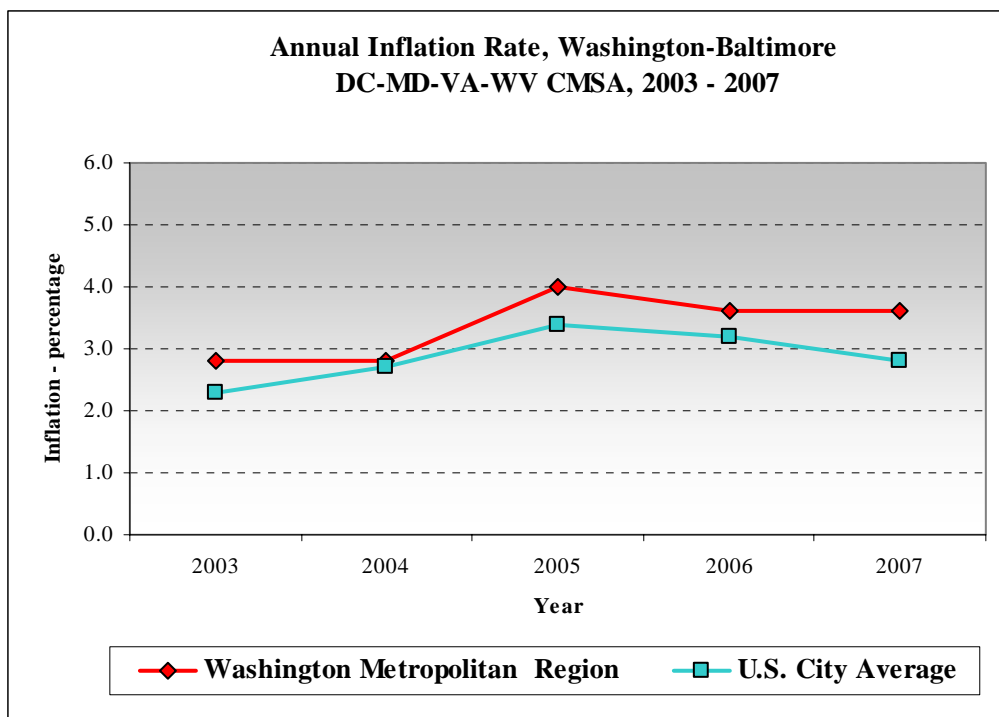
\* CPI data for the Washington DC-MD-VA MSA was no longer published separately after December 1997. Beginning in 1998, the Washington metropolitan region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

For Washington-Baltimore, index is on a November 1997 = 100 base.

The rate of change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore DC-MD-VA-WV CMSA remained at 3.6 percent between 2005 and 2006 to 3.6 percent between 2006 and 2007. Nationally, the rate of change decreased from 3.2 percent between 2005 and 2006 to 2.8 percent between 2006 and 2007.

**Consumer Price Index\* and Inflation - All Urban Consumers  
in the Washington DC-MD-VA-WV CMSA, 2003 - 2007**

	Year				
	2003	2004	2005	2006	2007
<b>Washington-Baltimore DC-MD-VA-WV CMSA</b>					
CPI-U (Annual Average)	116.2	119.5	124.3	128.8	133.5
Inflation Rate (%) - % Change	2.8	2.8	4.0	3.6	3.6
<b>U.S. City Average</b>					
CPI-U (Annual Average)	184.0	188.9	195.3	201.6	207.3
Inflation Rate (%) - % Change	2.3	2.7	3.4	3.2	2.8



Source: U.S. Department of Labor, Bureau of Labor Statistics, "CPI Detailed Reports" for selected years.

For U.S. City Average, index is on a 1982-84=100 base.

\* CPI data for the Washington DC-MD-VA MSA was no longer published separately after December 1997. Beginning in 1998, the Washington metropolitan region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

For Washington-Baltimore, index is on a November 1996=100 base.

# Income

Total personal income in the Washington region grew by an average annual rate of 6.8 percent between 2002 and 2006, leading to a 2006 total of \$272.9 billion. Total income growth was fastest in the outer suburbs, where income increased by an average of 8.9 percent per year.

On a per capita basis, income varied greatly by jurisdiction. The City of Alexandria topped the region in per capita income at \$65,141. Warren County had the lowest per capita income at \$33,048. The per capita income for the region was \$51,868 in 2006.

## Total Personal Income in the Washington–Arlington–Alexandria, DC-MD-VA-WV MSA, by Jurisdiction, 2002 - 2006

(Thousands of Dollars)

JURISDICTIONS	Year					Avg. Annual Percentage Change 2002 - 2006
	2002	2003	2004	2005	2006	
District of Columbia	\$25,786,286	\$26,913,785	\$29,203,213	\$31,646,846	\$33,807,822	7.8%
Arlington County	10,323,312	10,690,799	11,348,298	12,271,681	12,833,328	7.7%
City of Alexandria	7,039,735	7,280,299	7,979,004	8,587,266	9,004,910	7.0%
<b>Central Jurisdictions</b>	<b>\$43,149,333</b>	<b>\$44,884,883</b>	<b>\$48,530,515</b>	<b>\$52,505,793</b>	<b>\$55,646,060</b>	<b>7.2%</b>
Montgomery County	47,041,902	48,533,753	51,907,936	55,619,405	58,992,132	6.4%
Prince George's County	25,445,330	26,246,868	27,706,235	28,902,225	30,137,985	4.6%
Fairfax County a/	53,790,886	55,636,102	59,429,981	64,214,621	67,128,015	6.2%
<b>Inner Suburbs</b>	<b>\$126,278,118</b>	<b>\$130,416,723</b>	<b>\$139,044,152</b>	<b>\$148,736,251</b>	<b>\$156,258,132</b>	<b>5.9%</b>
Loudoun County	7,799,414	8,363,373	9,263,172	10,806,387	11,860,650	13.0%
Prince William County b/	11,492,607	12,176,485	13,355,974	14,589,990	15,494,963	8.7%
Stafford County	3,105,579	3,310,754	3,644,444	3,967,318	4,207,878	8.9%
Frederick County	7,176,991	7,526,137	8,100,582	8,541,699	9,127,900	6.8%
Charles County	4,175,811	4,411,010	4,682,905	5,006,062	5,290,968	6.7%
Calvert County	2,674,927	2,834,014	3,023,257	3,217,846	3,427,469	7.0%
<b>Outer Suburbs</b>	<b>\$36,425,329</b>	<b>\$38,621,773</b>	<b>\$42,070,334</b>	<b>\$46,129,302</b>	<b>\$49,409,828</b>	<b>8.9%</b>
<b>MSA (1983) Total</b>	<b>\$205,852,780</b>	<b>\$213,923,379</b>	<b>\$229,645,001</b>	<b>\$247,371,346</b>	<b>\$261,314,020</b>	<b>6.7%</b>
Spotsylvania County c/	3,645,463	3,841,180	4,198,277	4,624,581	4,928,337	8.8%
Fauquier County	2,406,592	2,500,858	2,739,851	3,046,952	3,211,975	8.4%
Warren County	878,076	918,031	1,007,171	1,107,211	1,182,062	8.7%
Clarke County	409,232	429,878	469,111	506,795	534,642	7.7%
Jefferson County	1,286,941	1,312,767	1,446,242	1,564,974	1,689,690	7.8%
<b>Outer Ring Jurisdictions</b>	<b>\$8,626,304</b>	<b>\$9,002,714</b>	<b>\$9,860,652</b>	<b>\$10,850,513</b>	<b>\$11,546,706</b>	<b>8.5%</b>
<b>MSA (2003) Total</b>	<b>\$214,479,084</b>	<b>\$222,926,093</b>	<b>\$239,505,653</b>	<b>\$258,221,859</b>	<b>\$272,860,726</b>	<b>6.8%</b>

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.  
Data released April 24, 2008.

a/ Data for the Cities of Fairfax and Falls Church are included in Fairfax County.

b/ Data for the Cities of Manassas and Manassas Park are included in Prince William County.

## Per Capita Income in the Washington–Arlington–Alexandria, DC-MD-VA-WV MSA, by Jurisdiction, 2002 - 2006

(Dollars)

JURISDICTIONS	Year					Avg. Annual Percentage Change 2002 - 2006	Ratio to MSA 2006
	2002	2003	2004	2005	2006		
District of Columbia	\$44,521	\$46,607	\$50,383	\$54,371	\$57,746	7.4%	111.3%
Arlington County	52,733	54,286	57,383	61,432	63,827	5.3%	123.1%
City of Alexandria	52,281	53,789	58,396	62,407	65,141	6.1%	125.6%
<b>Central Jurisdictions</b>	<b>\$47,437</b>	<b>\$49,337</b>	<b>\$53,085</b>	<b>\$57,085</b>	<b>\$60,173</b>	<b>6.7%</b>	<b>116.0%</b>
Montgomery County	51,991	53,219	56,670	60,389	63,753	5.7%	122.9%
Prince George's County	30,867	31,603	33,180	34,483	36,108	4.2%	69.6%
Fairfax County a/	52,512	54,117	57,547	61,837	64,698	5.8%	124.7%
<b>Inner Suburbs</b>	<b>\$45,860</b>	<b>\$47,072</b>	<b>\$49,949</b>	<b>\$53,165</b>	<b>\$55,855</b>	<b>5.4%</b>	<b>107.7%</b>
Loudoun County	38,377	38,057	39,014	42,607	44,617	4.1%	86.0%
Prince William County b/	32,207	33,023	34,989	37,045	38,728	5.1%	74.7%
Stafford County	29,975	30,376	32,202	34,041	35,544	4.6%	68.5%
Frederick County	34,403	35,350	37,423	38,924	41,125	4.9%	79.3%
Charles County	32,666	33,537	34,782	36,468	37,982	4.1%	73.2%
Calvert County	33,264	33,987	35,414	37,066	39,134	4.4%	75.4%
<b>Outer Suburbs</b>	<b>\$33,710</b>	<b>\$34,322</b>	<b>\$35,995</b>	<b>\$38,201</b>	<b>\$40,068</b>	<b>4.7%</b>	<b>77.2%</b>
<b>MSA (1983) Total</b>	<b>\$43,395</b>	<b>\$44,516</b>	<b>\$47,187</b>	<b>\$50,232</b>	<b>\$52,733</b>	<b>5.4%</b>	<b>101.7%</b>
Spotsylvania County c/	\$29,833	30,244	31,836	33,941	35,231	4.5%	67.9%
Fauquier County	40,638	41,110	43,759	47,392	48,939	5.1%	94.4%
Warren County	26,760	27,392	29,532	31,621	33,048	5.9%	63.7%
Clarke County	31,258	32,358	34,360	36,171	37,527	5.0%	72.4%
Jefferson County	28,792	28,556	30,734	32,240	33,990	4.5%	65.5%
<b>Outer Ring Jurisdictions</b>	<b>\$31,712</b>	<b>\$32,082</b>	<b>\$34,085</b>	<b>\$36,397</b>	<b>\$37,828</b>	<b>4.8%</b>	<b>72.9%</b>
<b>MSA (2003) Total</b>	<b>\$42,762</b>	<b>\$43,830</b>	<b>\$46,452</b>	<b>\$49,442</b>	<b>\$51,868</b>	<b>5.3%</b>	<b>100.0%</b>

Source: U.S. Department of Commerce, Bureau of Economic Analysis (BEA), Regional Economic Information System.

Data released April 24, 2008.

a/ Data for the Cities of Fairfax and Falls Church are included in Fairfax County.

b/ Data for the Cities of Manassas and Manassas Park are included in Prince William County.

c/ Data for the City of Fredericksburg is included in Spotsylvania County.

# Retail Sales

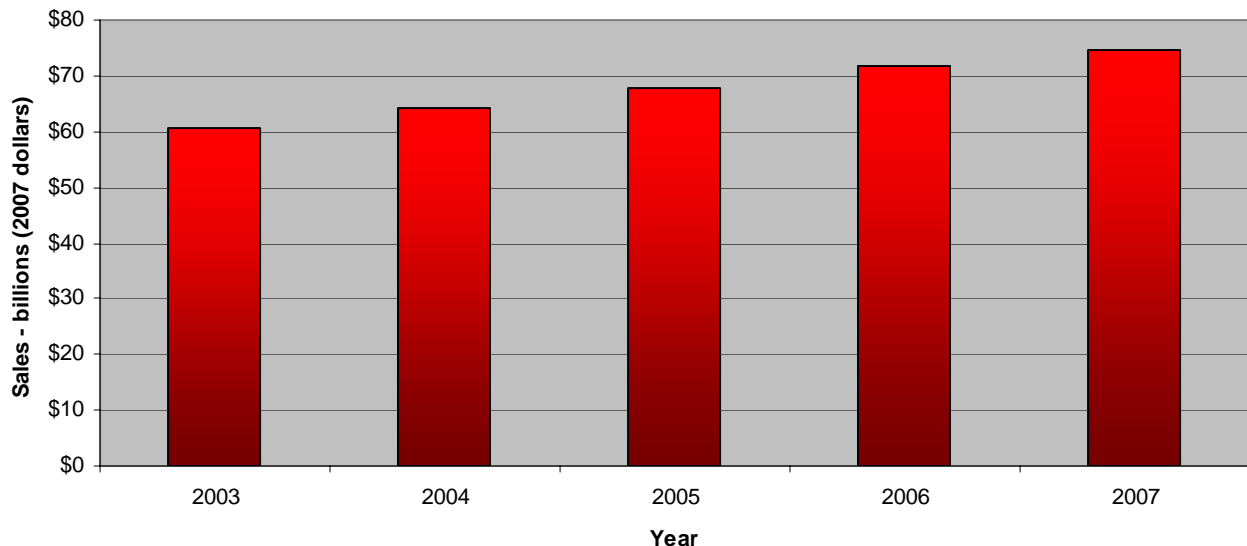
Retail sales in the region increased both in current and real terms between 2003 and 2007. The region's 2007 total of \$74.6 billion, when adjusted for inflation, was more than the total annual retail sales in 2006, \$73.7 billion, and more than the 2005 total of \$71.8 billion.

When adjusted for inflation, retail sales in the region increased by 8.9 percent between 2003 and 2007. Nationally, sales increased by 9.7 percent.

**Estimated Total Annual Sales in the Washington-Arlington-Alexandria, DC-MD-VA-WV MSA, 2003 - 2007**  
(Millions of Dollars)

	Year					Change 2003 - 2007	
	2003	2004	2005	2006	2007	Number	Percentage
<b>Washington DC-MD-VA PMSA</b>							
Sales estimated (Current Dollars)	\$60,731	\$64,099	\$67,675	\$71,642	\$74,574	\$13,843	22.8%
Sales estimated (2007 dollars)	\$68,468	\$70,361	\$71,842	\$73,706	\$74,574	\$6,106	8.9%
<b>United States</b>							
Sales reported (Current Dollars)	\$3,265,477	\$3,474,340	\$3,688,059	\$3,887,363	\$4,040,411	\$774,934	23.7%
Sales reported (2007 dollars)	\$3,681,485	\$3,813,765	\$3,915,137	\$3,999,345	\$4,040,411	\$358,926	9.7%

**Annual Retail Sales in the Washington-Arlington-Alexandria, DC-MD-VA-WV MSA, 2003 - 2007**  
(2007 dollars)



Source: U.S. Department of Commerce, Bureau of the Census, Annual Benchmark Report for Retail Trade and Food Services: Sales and Inventories - January 1992 Through March 2008..

\*Published data from the Census Bureau for retail sales for the Washington DC-MD-VA MSA is no longer available after 1996. Data for 2003 - 2007 are estimated by The Center for Regional Analysis, George Mason University.



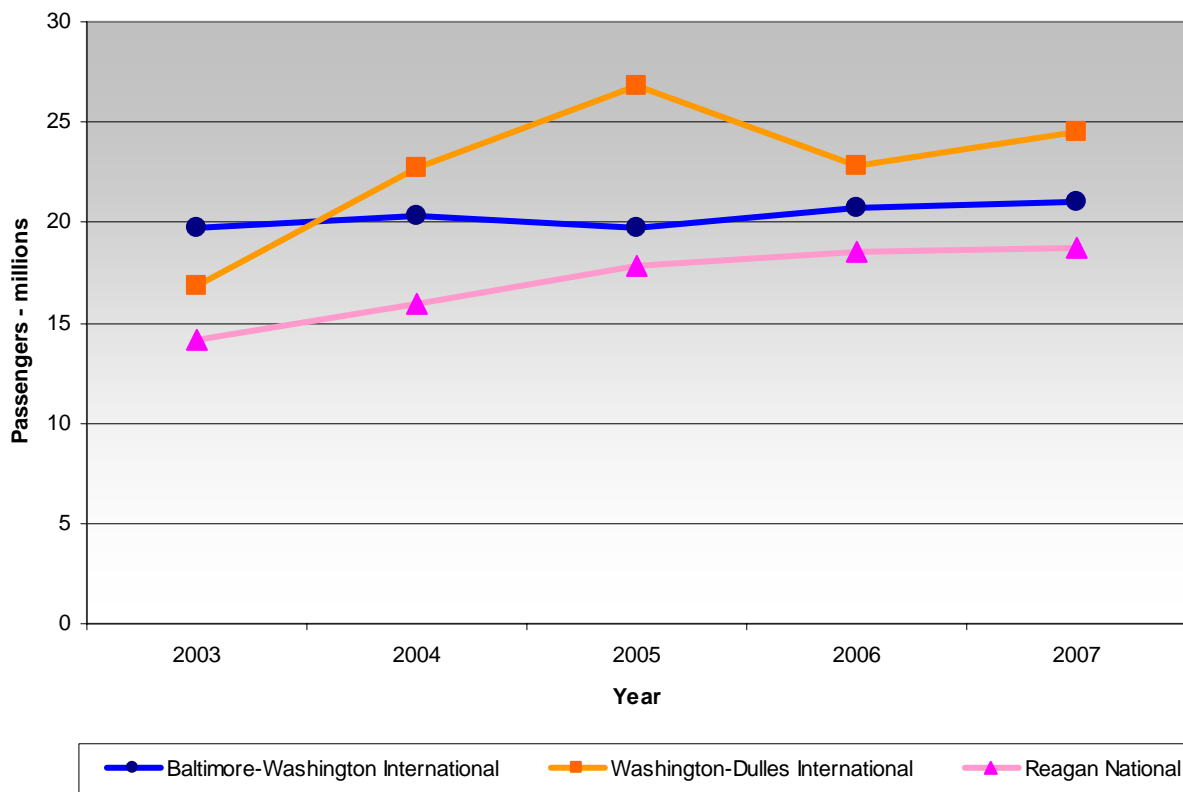
# Airline Passengers

More than 64 million passengers flew into or out of the Washington region's three major airports in 2007, a 26.8 percent increase from 2003. Washington-Dulles International led the three airports in total airline passengers served, with 24.5 million. 21 million passengers passed through Baltimore-Washington International, while Reagan Washington National Airport served 18.7 million.

Number of Air Passengers Traveling to or from BWI, Dulles, and Reagan National Airports, 2003 - 2007  
(Thousands of Passengers)

	Year					Change 2003 - 2007	
	2003	2004	2005	2006	2007	Passengers	Percentage
Baltimore-Washington International Thurgood Marshall Airport	19,696	20,342	19,742	20,699	21,044	1,348	6.8%
Washington-Dulles International Airport	16,768	22,660	26,843	22,813	24,527	7,759	46.3%
Ronald Reagan Washington National Airport	14,215	15,932	17,844	18,546	18,671	4,456	31.3%
<b>Total Air Passengers</b>	<b>50,679</b>	<b>58,934</b>	<b>64,429</b>	<b>64,429</b>	<b>64,242</b>	<b>13,563</b>	<b>26.8%</b>

Annual Airline Passengers Boardings and Alightings, 2003 - 2007



Source: Office for Financial Analysis and Planning, Division of Aviation Statistics and Analysis, Maryland Aviation Administration, Maryland Department of Transportation, Monthly Statistical Report Summary Passengers and Cargo For the Month of December 2007 and Calendar Year 2007.

# Economic Trends in Metropolitan Washington, 2003—2007

*(Continued from front page)*

## **Central Jurisdictions**

The central jurisdictions are defined as the District of Columbia, Arlington County, and the City of Alexandria.

## **Inner Suburbs**

The inner suburbs are Montgomery County, Prince George's County, Fairfax County, and the Cities of Fairfax and Falls Church.

## **Outer Suburbs**

The outer suburbs are defined as Calvert County, Charles County, Frederick County, Loudoun County, Prince William County, Stafford County, and the Cities of Manassas and Manassas Park.

## **Outer Ring Jurisdictions**

The outer ring jurisdictions are defined as Spotsylvania County, Fauquier County, Warren County, Clarke County, Jefferson County and the City of Fredericksburg.

## **Washington Primary Metropolitan Statistical Area (PMSA)**

As a result of the 1990 Census, Office of Management and Budget has modified the definition of metropolitan areas for federal statistical purposes. Under this definition the Washington PMSA, the Baltimore PMSA and the Hagerstown PMSA have been combined into a new Consolidated Metropolitan Statistical Area (CMSA). The individual PMSAs are expanded and separately recognized as PMSAs. Unless otherwise noted, this report uses the 2003 definition of the MSA.

## **Washington DC-MD-VA Metropolitan Statistical Area (MSA)**

As defined by the Office of Management and Budget (OMB) in 1983, extends beyond the membership of the COG to include Calvert and Charles counties in Maryland; and Stafford County in Virginia.



## **METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS**

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Washington, DC 20002-4239

**COG Publication Number 20088329**

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**July 9, 2008**

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