



36<sup>th</sup> Annual Meeting of the  
Virginia Association of Economists

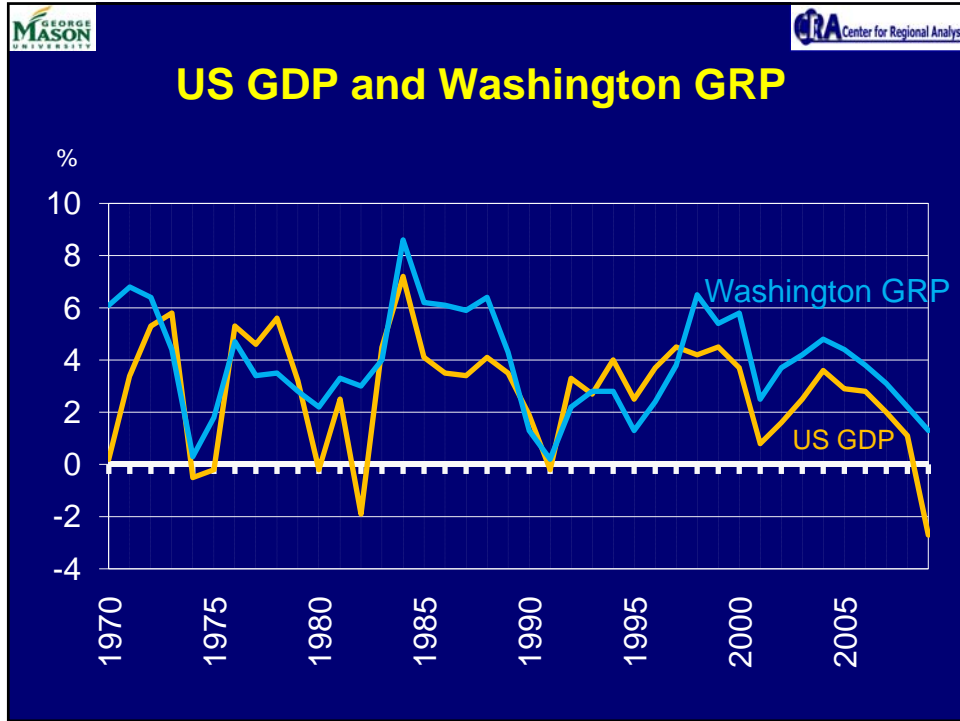
***The Washington Area and Northern  
Virginia Economic Performance Outlook***

Stephen S. Fuller, PhD  
Dwight Schar Faculty Chair and University Professor  
Director, Center for Regional Analysis  
School of Public Policy, George Mason University

March 12, 2009

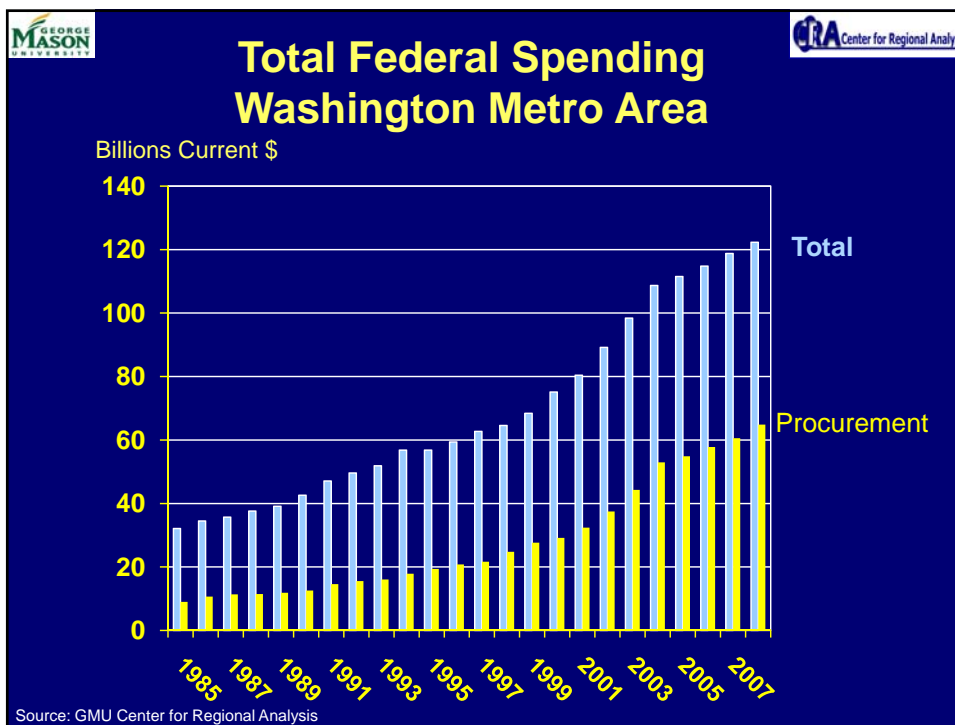
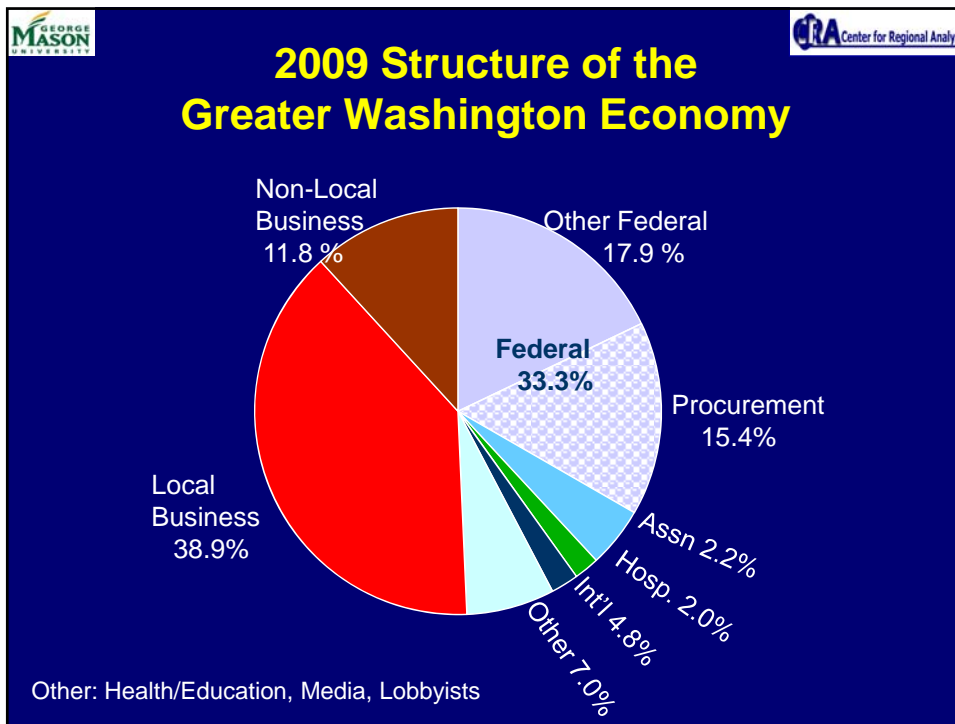


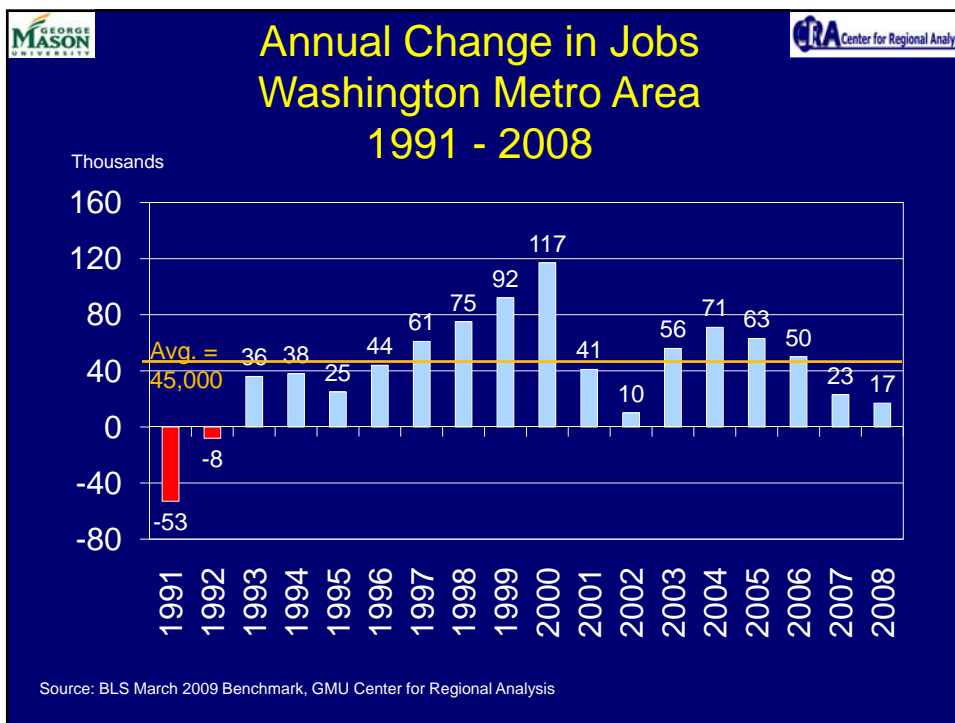
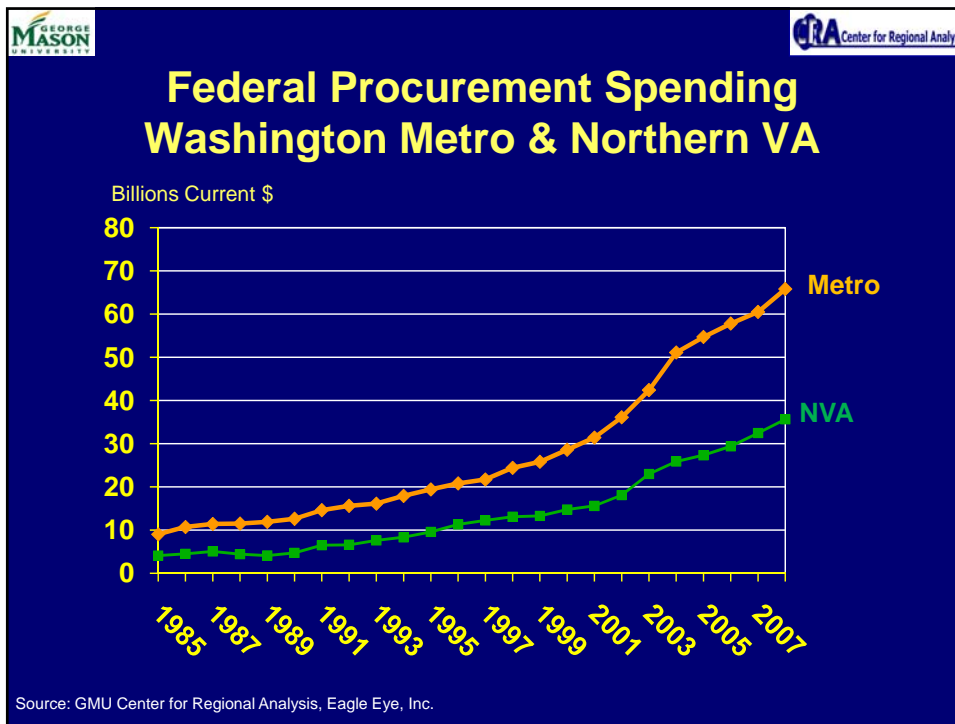
**The Washington Area and Northern  
Virginia Economies**

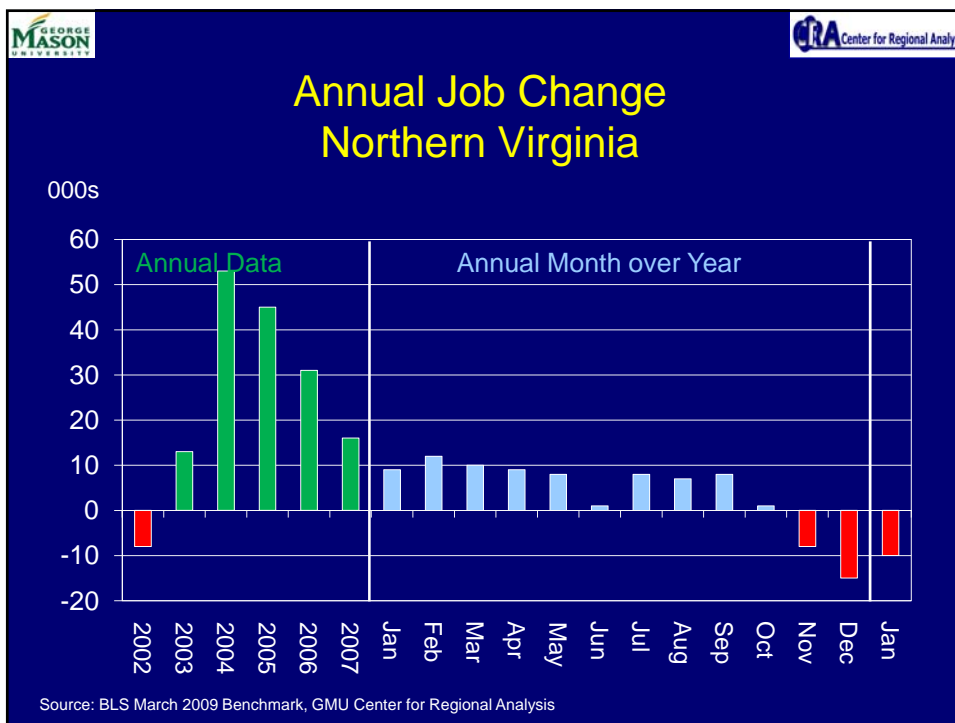
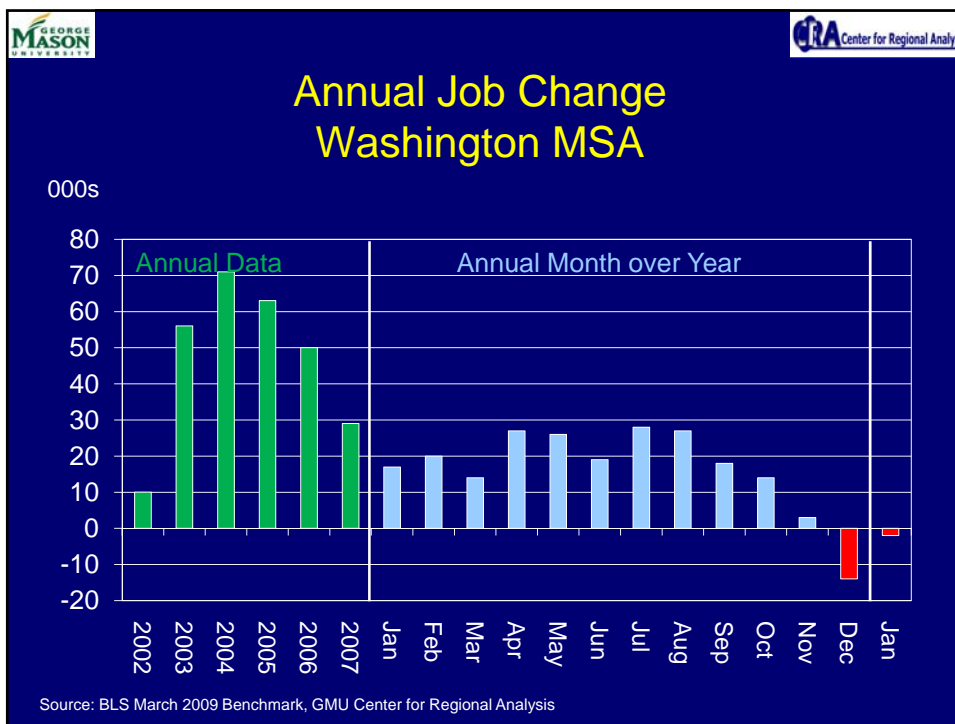


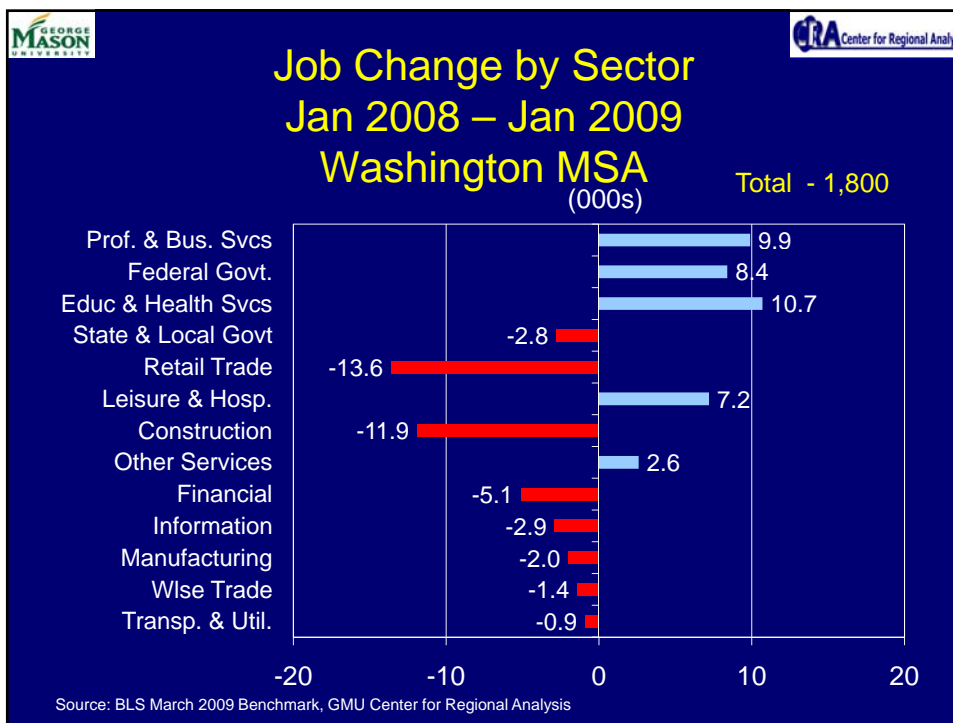
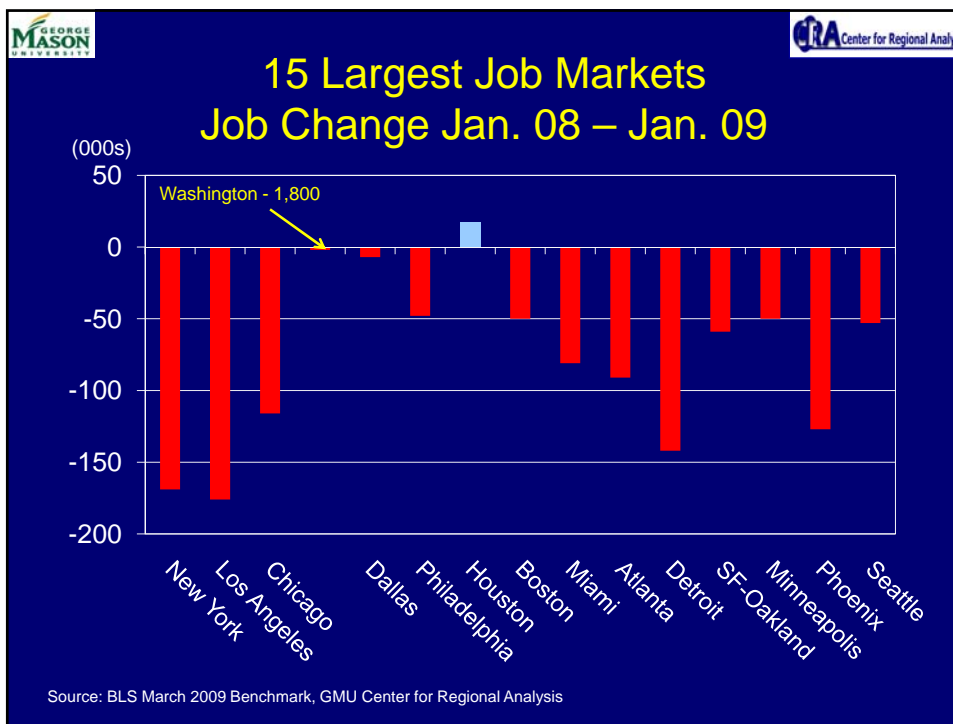
**U.S. and Washington Area Recent Recessions**

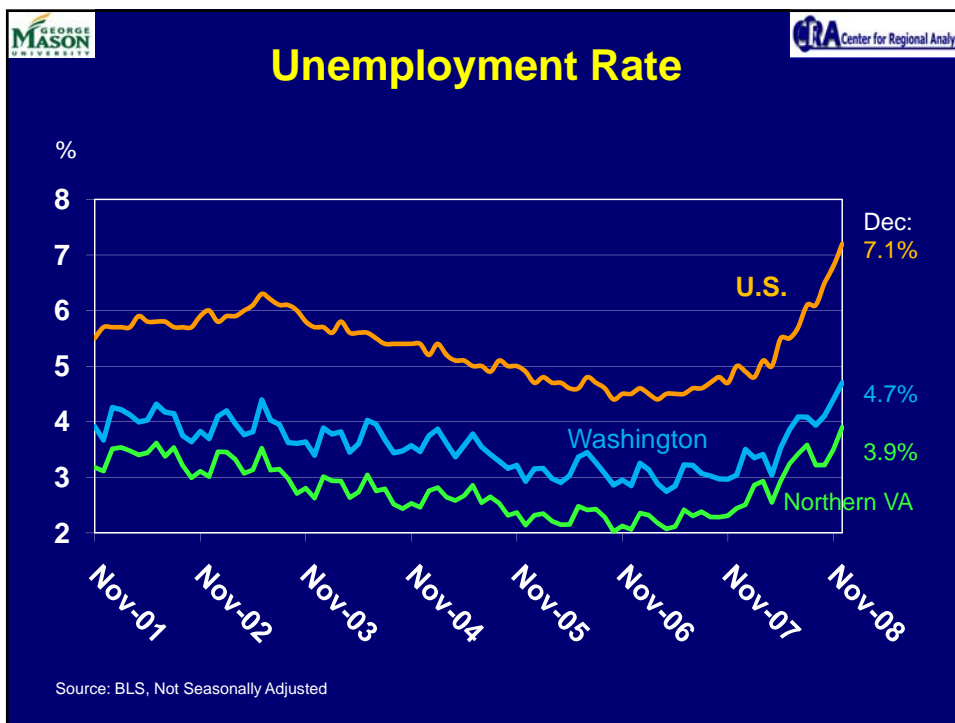
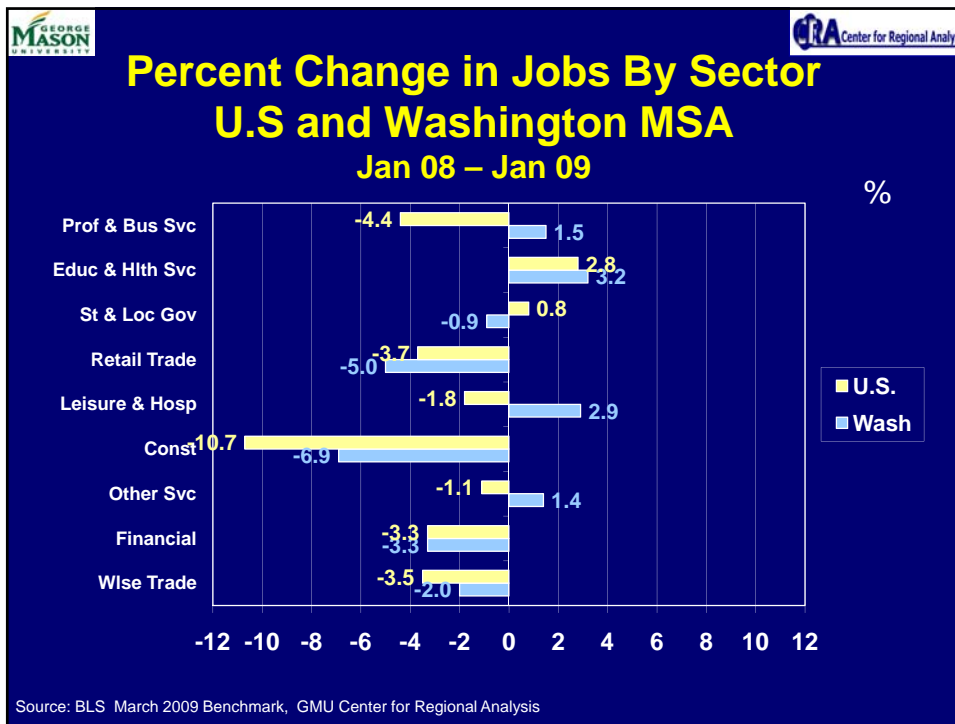
U.S.	Washington Area GRP Change
3/01 - 11/01 (8)	2.5 %
7/90 - 3/91 (8)	0.2 %
7/81 - 11/82 (16)	3.1 %
1/80 - 7/80 (6)	2.3 %





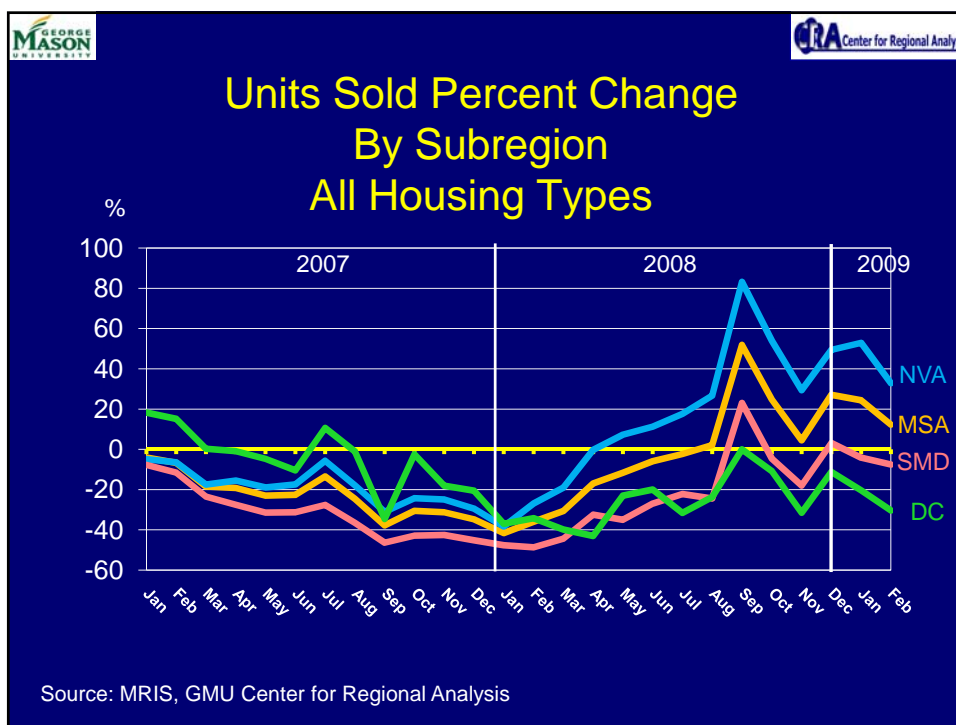
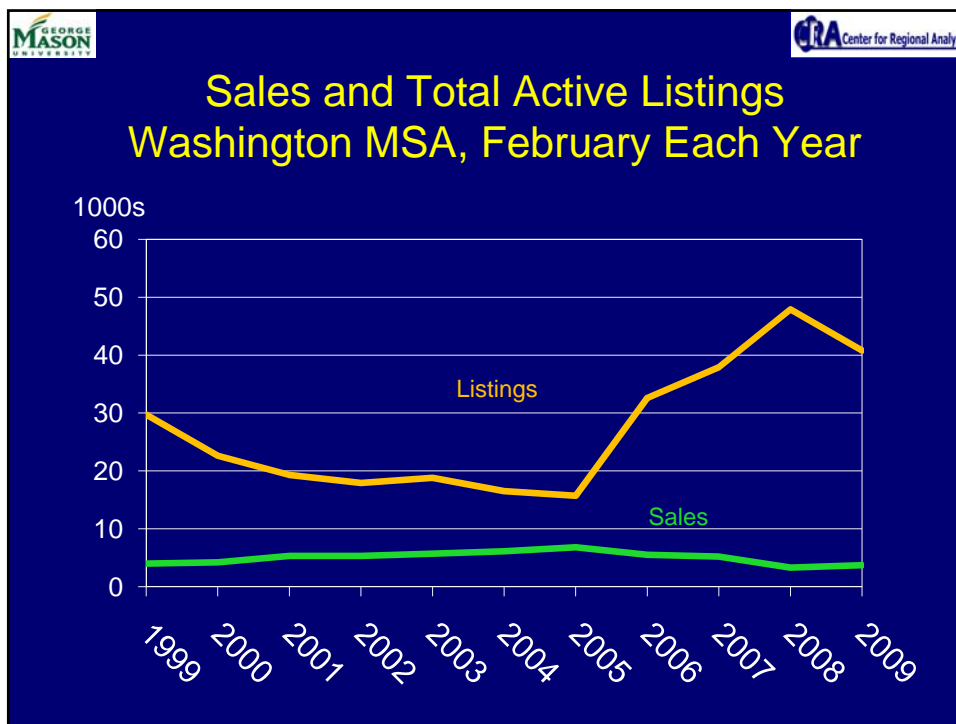


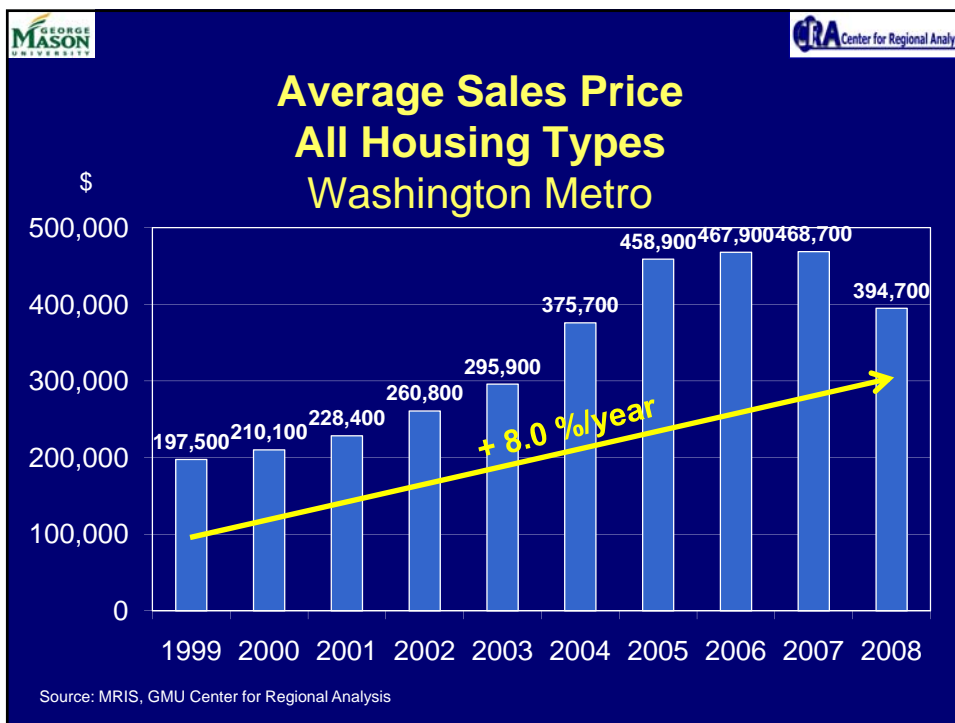
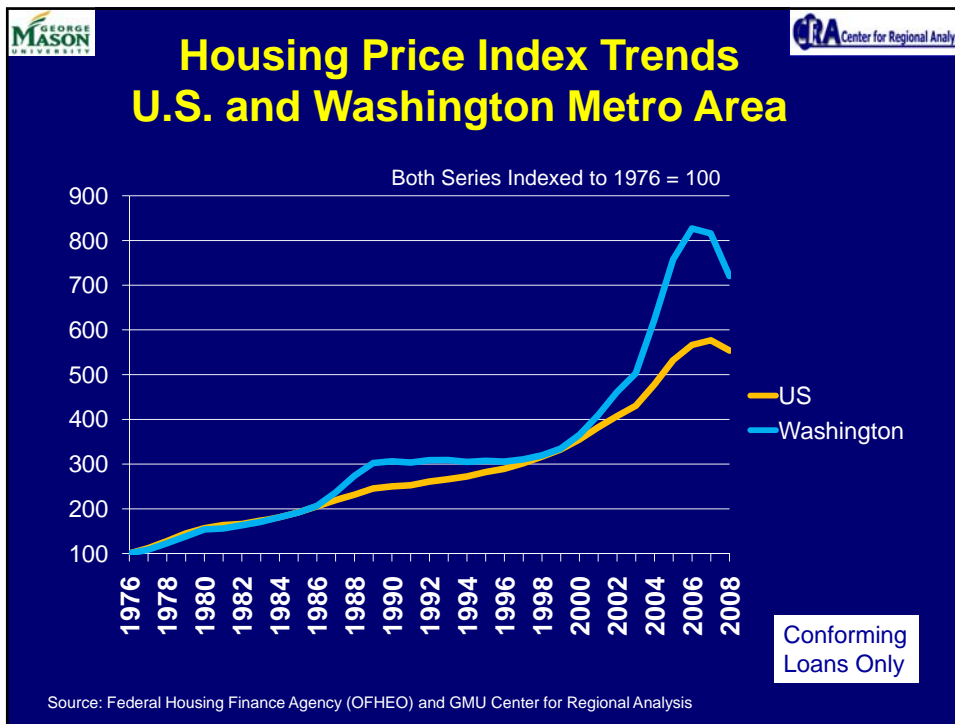






# Housing Market Trends



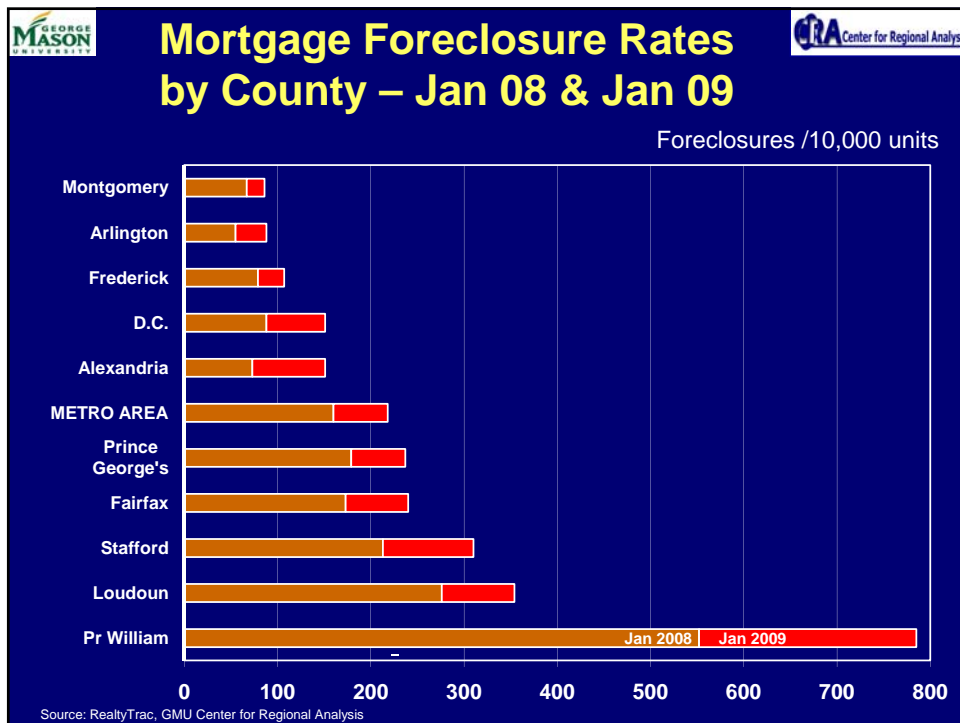


**GEORGE MASON UNIVERSITY** **CRA Center for Regional Analysis**

### Annual Price Changes by Jurisdiction

Area	2007 Price	2008 Price	Change	% Change
<b>Dist. Of Columbia</b>	<b>\$537,400</b>	<b>\$543,500</b>	<b>+ \$6,100</b>	<b>+ 1.1 %</b>
Arlington	\$559,000	\$539,300	- \$19,700	- 3.5 %
Alexandria	\$502,900	\$471,200	- \$31,700	- 6.3 %
Montgomery	\$550,200	\$503,900	- \$46,300	- 8.4 %
Prince George's	\$331,100	\$290,200	- \$40,900	- 12.4 %
Fairfax	\$542,000	\$445,900	- \$96,100	- 17.7 %
Loudoun	\$516,800	\$389,000	- \$127,800	- 24.7 %
Prince William	\$395,000	\$257,900	- \$137,100	- 34.7 %
<b>MD SUBURBS</b>	<b>\$435,800</b>	<b>\$400,400</b>	<b>- \$35,400</b>	<b>- 8.1 %</b>
<b>VA SUBURBS</b>	<b>\$488,300</b>	<b>\$373,200</b>	<b>- \$115,100</b>	<b>- 23.6 %</b>
<b>METRO AREA</b>	<b>\$468,700</b>	<b>\$394,700</b>	<b>- \$74,000</b>	<b>- 15.8 %</b>

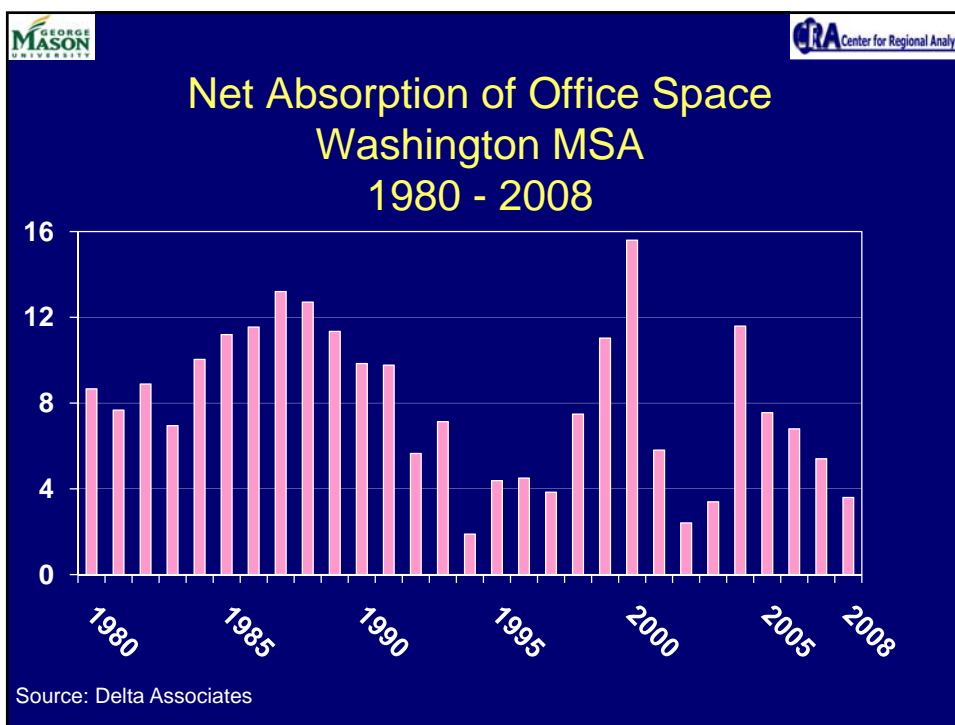
Source: MRIS, GMU Center for Regional Analysis

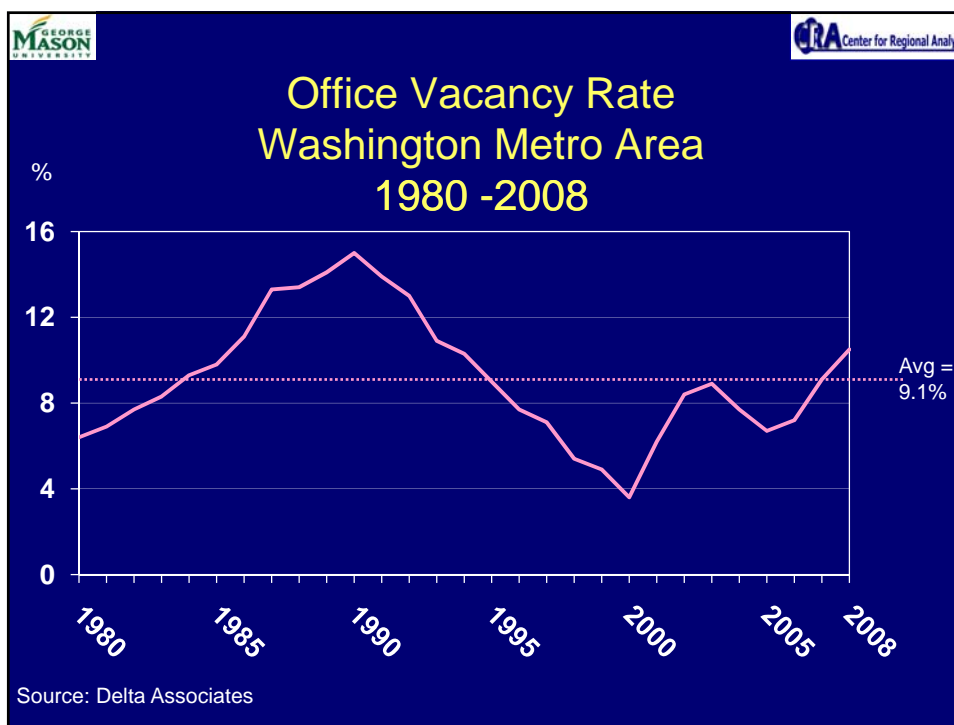
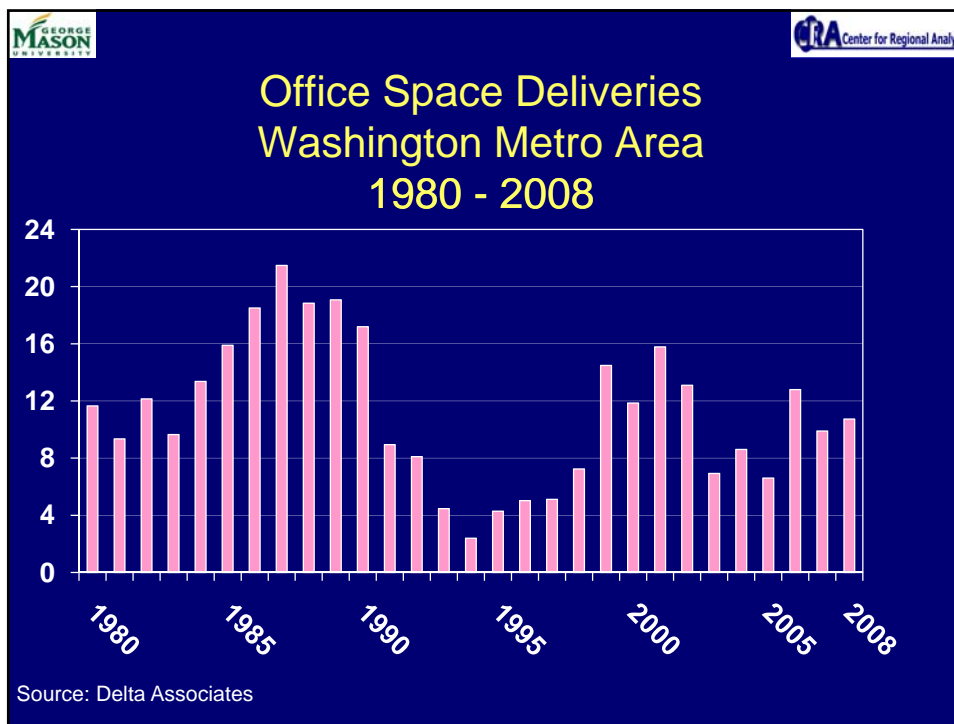




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# Office Market Trends





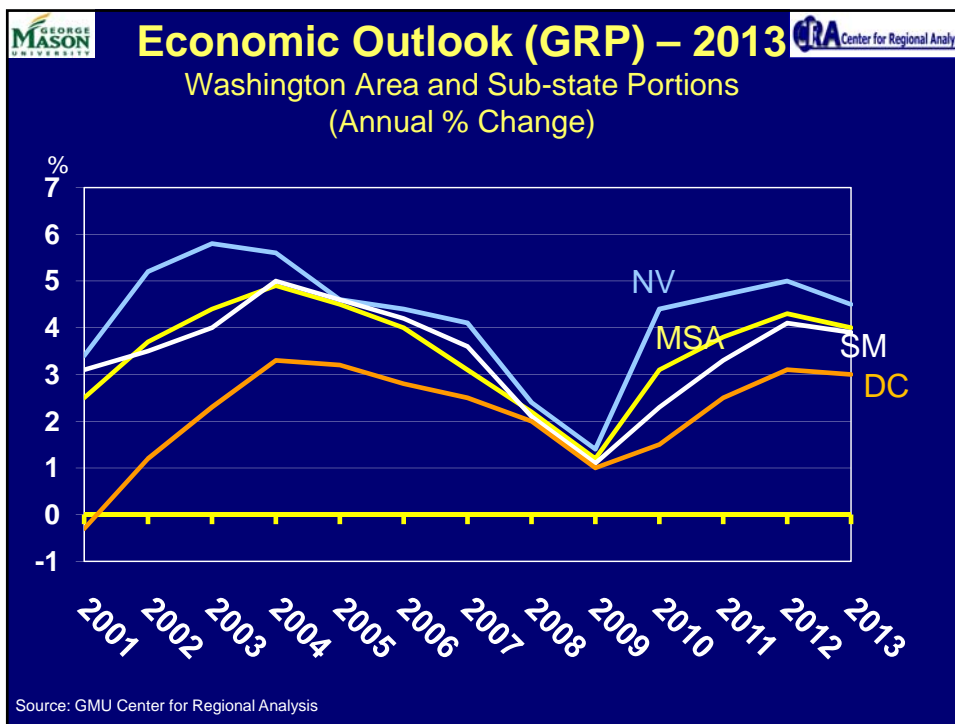
### Office Market Outlook: 2010 (millions of square feet)

	2008	Pipeline	Demand	Vacancy Dec 2008	Vacancy Dec 2010
D.C.	124.4	9.8	2.7	7.3%	12.1%
Sub. MD	86.5	2.5	1.9	11.5%	11.9%
N. VA.	173.8	3.6	4.6	12.4%	11.6%
<b>Metro</b>	<b>384.7</b>	<b>15.9</b>	<b>9.2</b>	<b>10.5%</b>	<b>11.8%</b>

Source: Delta Associates




## Economic Forecast



### Employment Change by Sub-state Region (000s)

	2007	2008	2009	2010	2011	2012	2013
<b>D.C.</b>	5.9	4.2	5.5	6.0	6.4	7.0	6.5
<b>Sub. MD</b>	4.8	3.4	6.0	10.7	12.5	14.3	16.4
<b>No. VA</b>	12.6	9.0	12.2	19.8	23.5	26.8	31.1
<b>REGION</b>	23.3	16.6	23.7	36.5	42.4	48.1	54.0

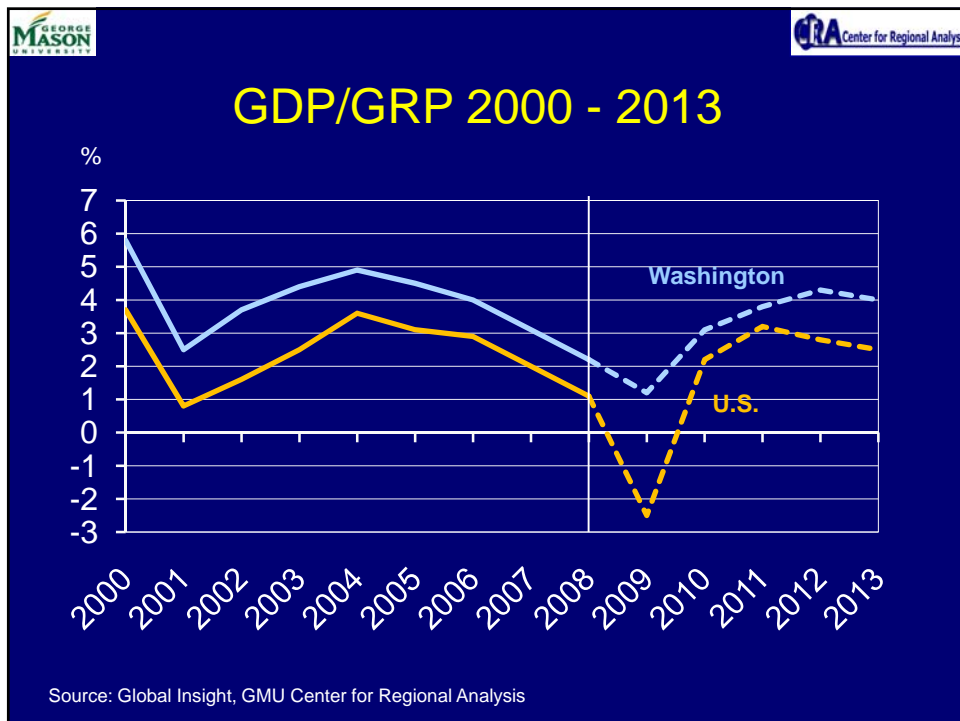
Average Annual Change 1990-2007 = 45,000

Source: BLS March 2009 Benchmark, GMU Center for Regional Analysis

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### Job Change by Sector, 2008-2013 (000s)

SECTOR	Washington Metro Area	D.C.	Suburban MD	Northern Virginia
Professional, Business Services	109.0	18.9	30.4	59.7
Government	41.2	3.8	14.7	22.7
Health, Educ. Svcs.	29.7	5.5	10.4	13.8
Other Services	25.2	5.6	5.8	13.8
Hospitality	18.4	3.7	5.6	9.1
All Other	6.8	.5	-.5	6.8
<b>TOTAL</b>	<b>230.3</b>	<b>38.0</b>	<b>66.4</b>	<b>125.9</b>





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