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Director of the George Mason University
Center for Regional Analysis

Washington Area Economy: Performance and Outlook

Presentation to

Northern Virginia Association of Realtors

Economic Summit

Terry L. Clower, Ph.D.

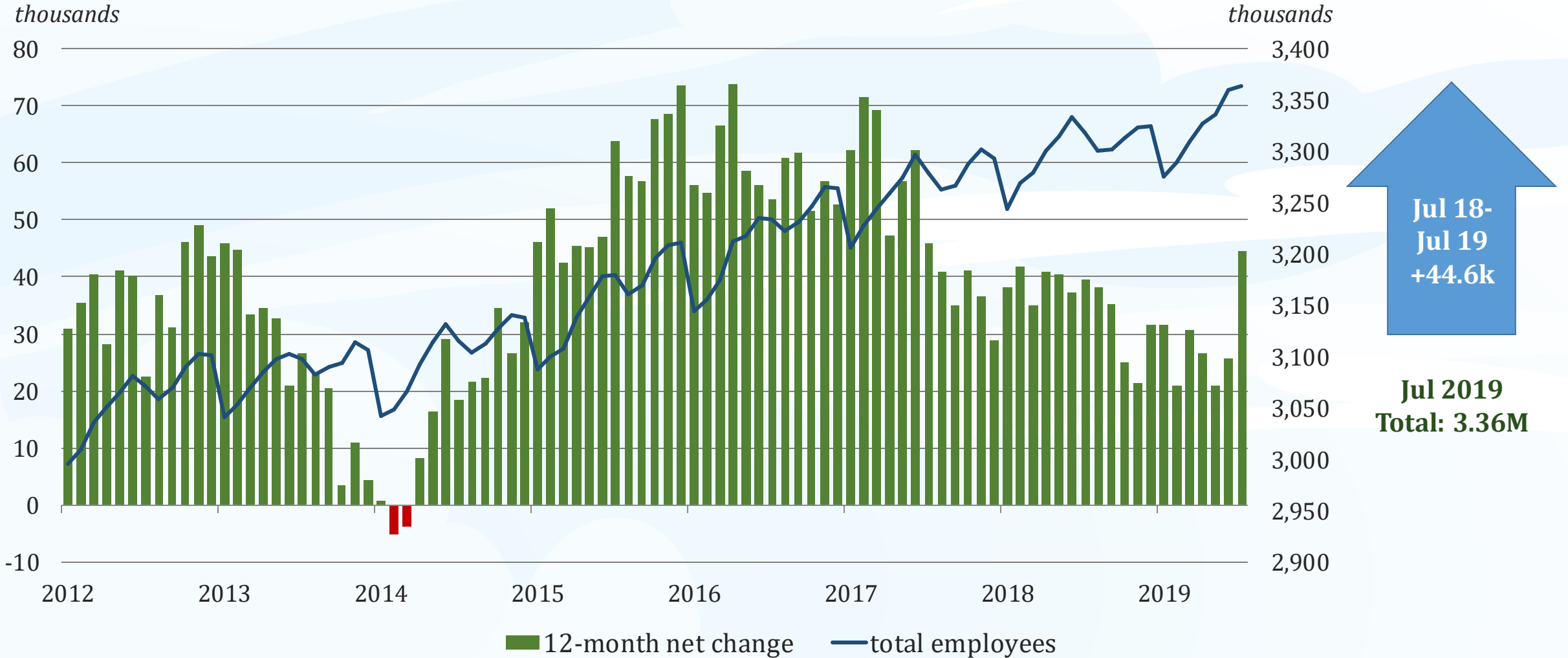
Center for Regional Analysis

Schar School of Policy and Government

George Mason University

September 5, 2019

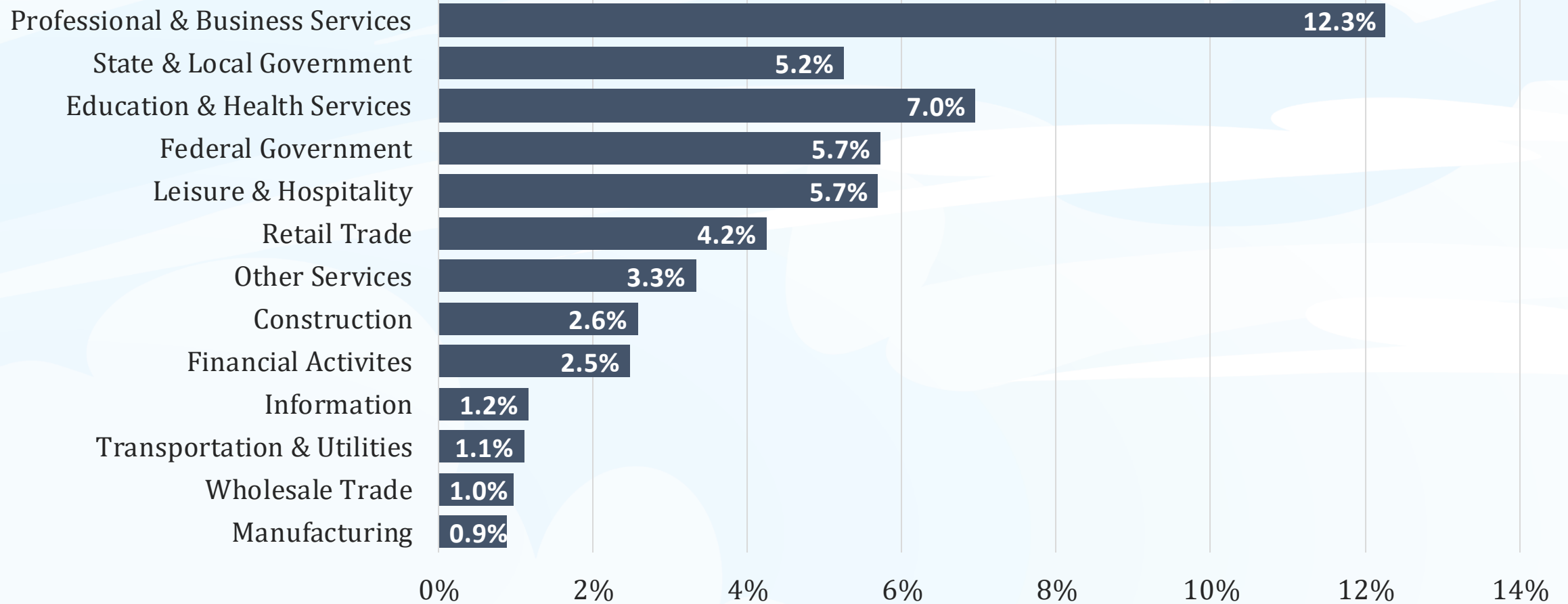
Annual Job Change Washington MSA (2012-2019)



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

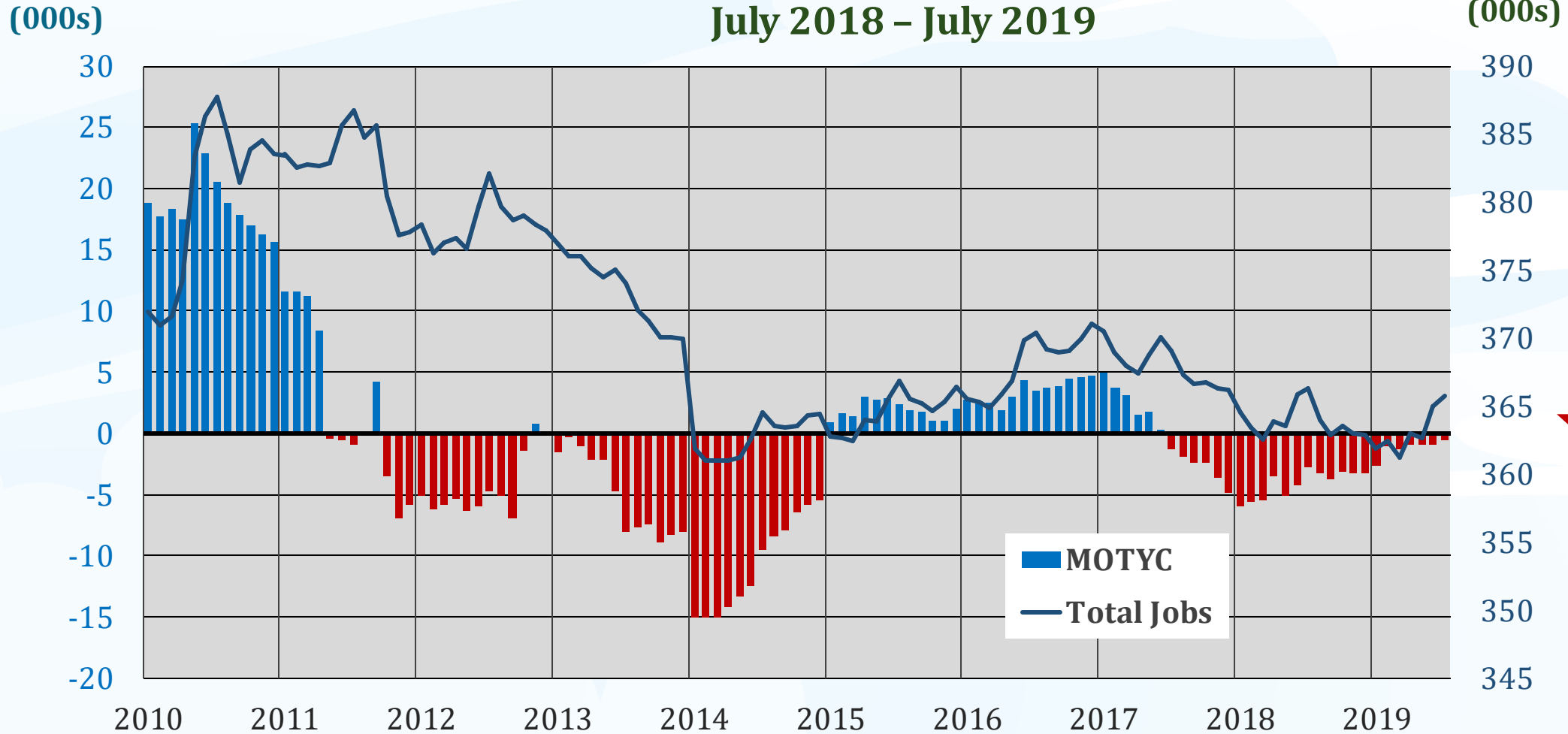
Employment Composition by Sector

Washington MSA July 2019



Federal Government Washington MSA

July 2018 - July 2019

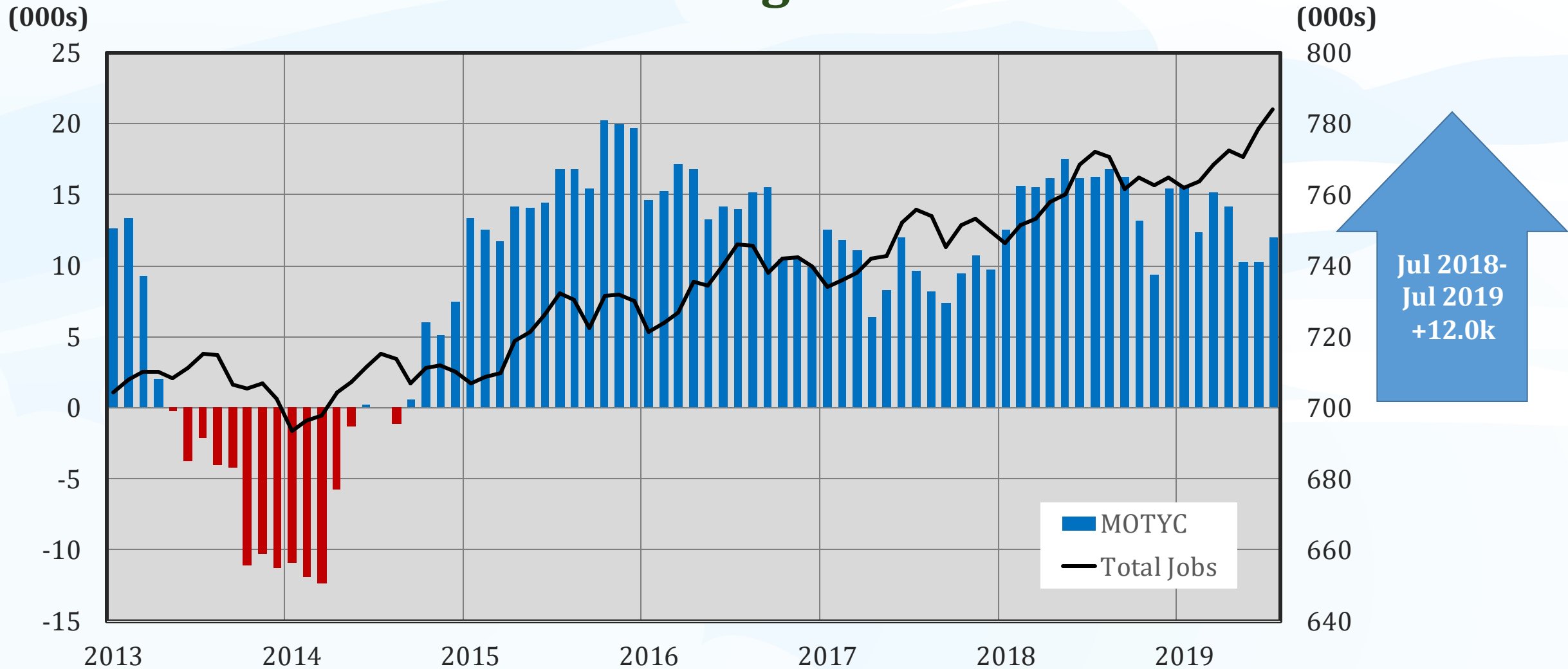


Jul 2018-
Jul 2019
-0.6k

Jul 2019 total: 365.7k

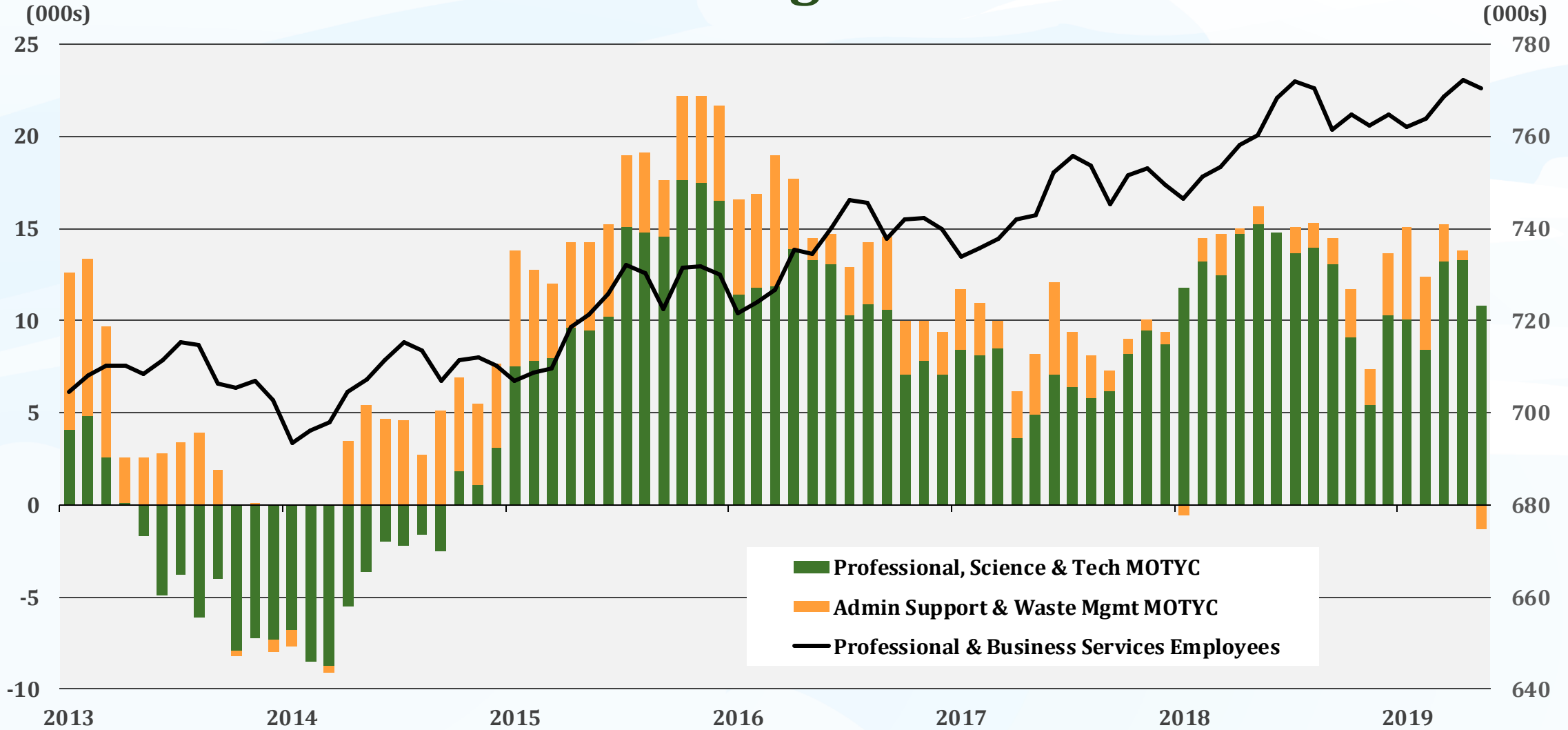
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Professional & Business Services Washington MSA



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Professional & Business Services Washington MSA



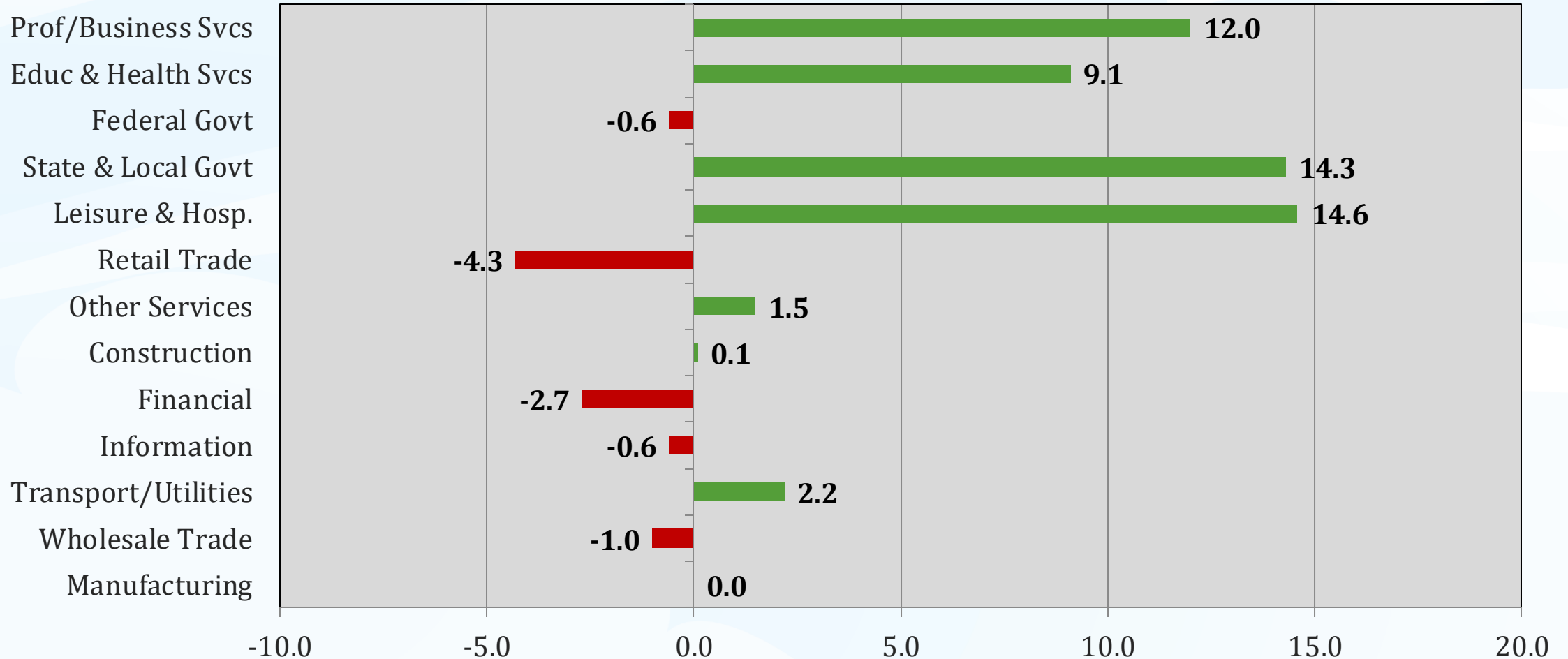
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector Washington MSA

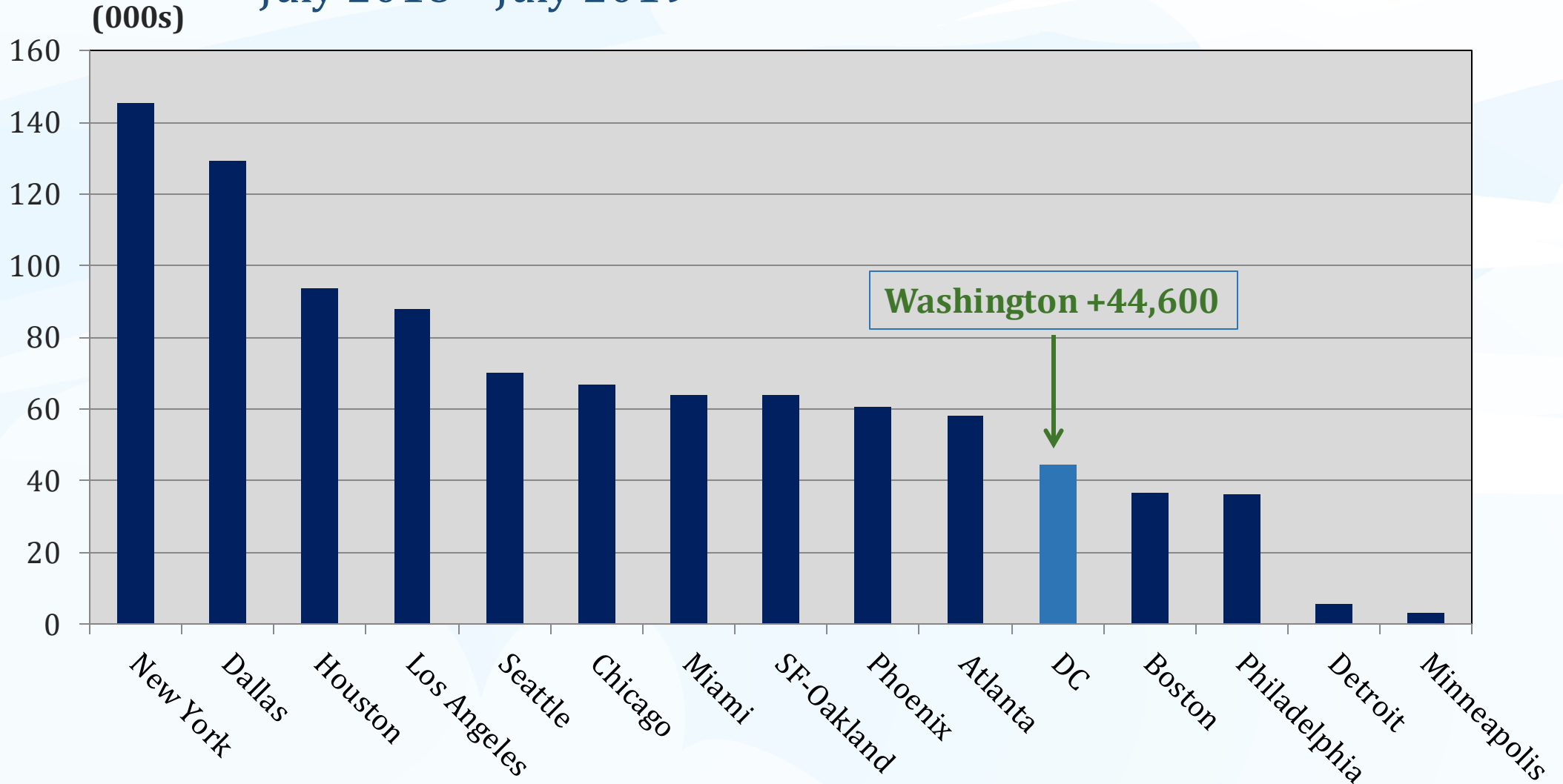
July 2018 – July 2019

(Ranked by Size in 2018) (000s)

Total = +44,600

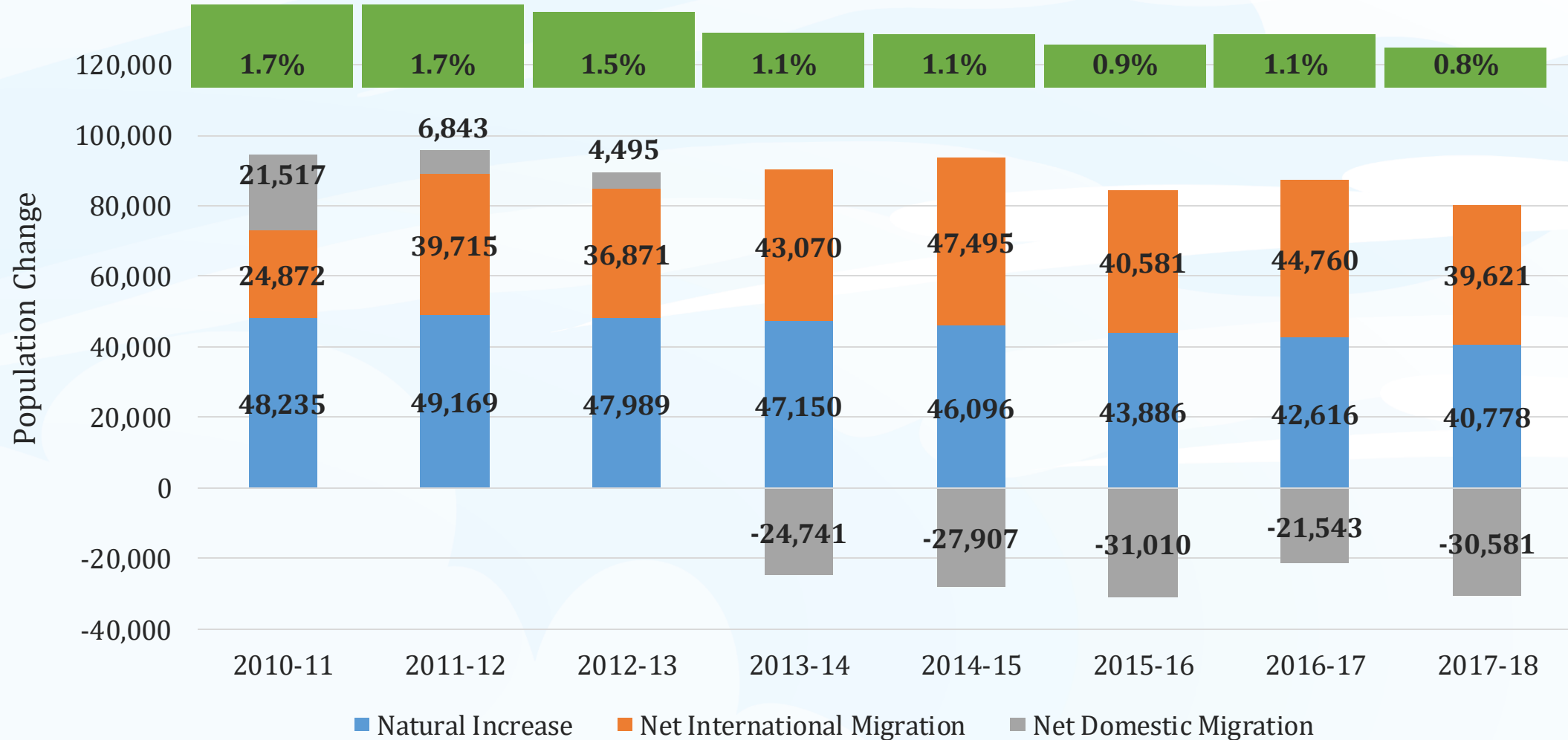


15 Largest Job Markets Job Change July 2018 – July 2019



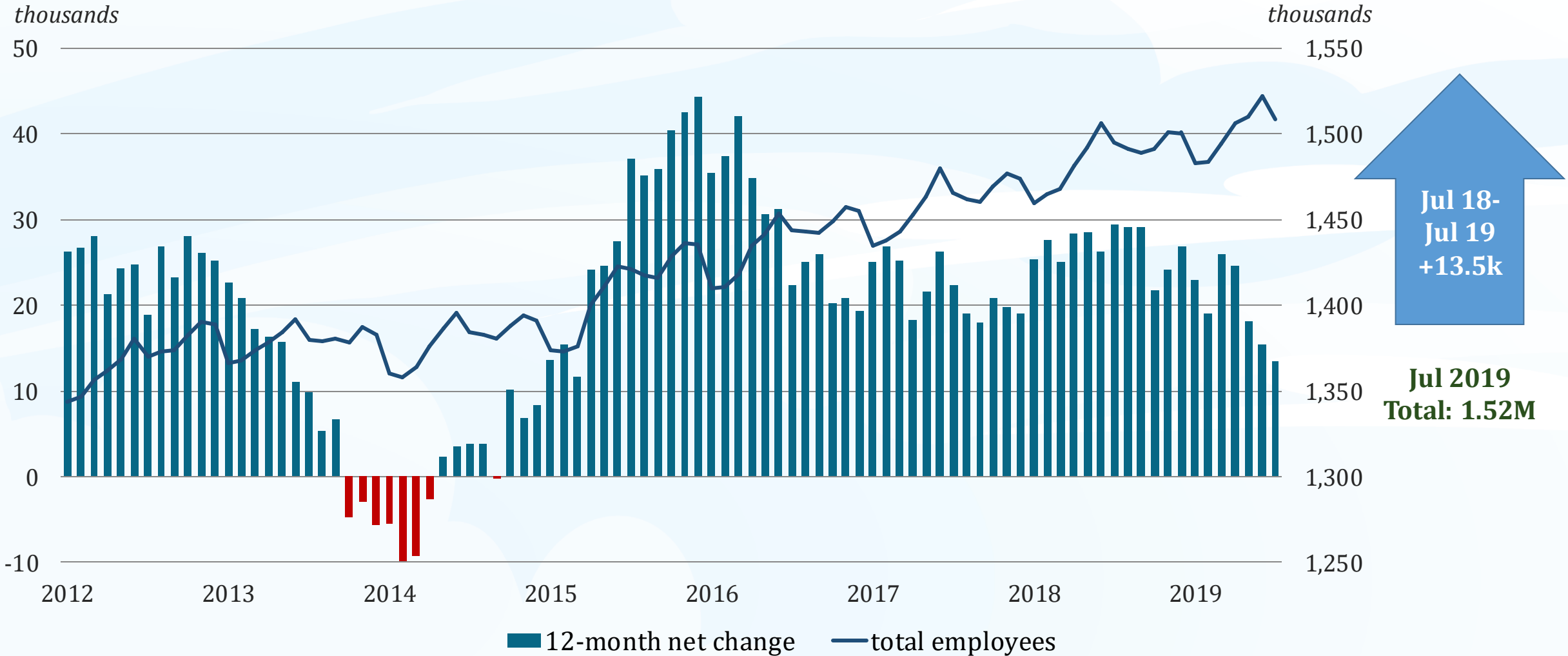
Elements of Population Change

Washington MSA



Source: U. S. Census Bureau, Population Estimates Program (2018 estimates)

Annual Job Change Northern Virginia (2012-2019)



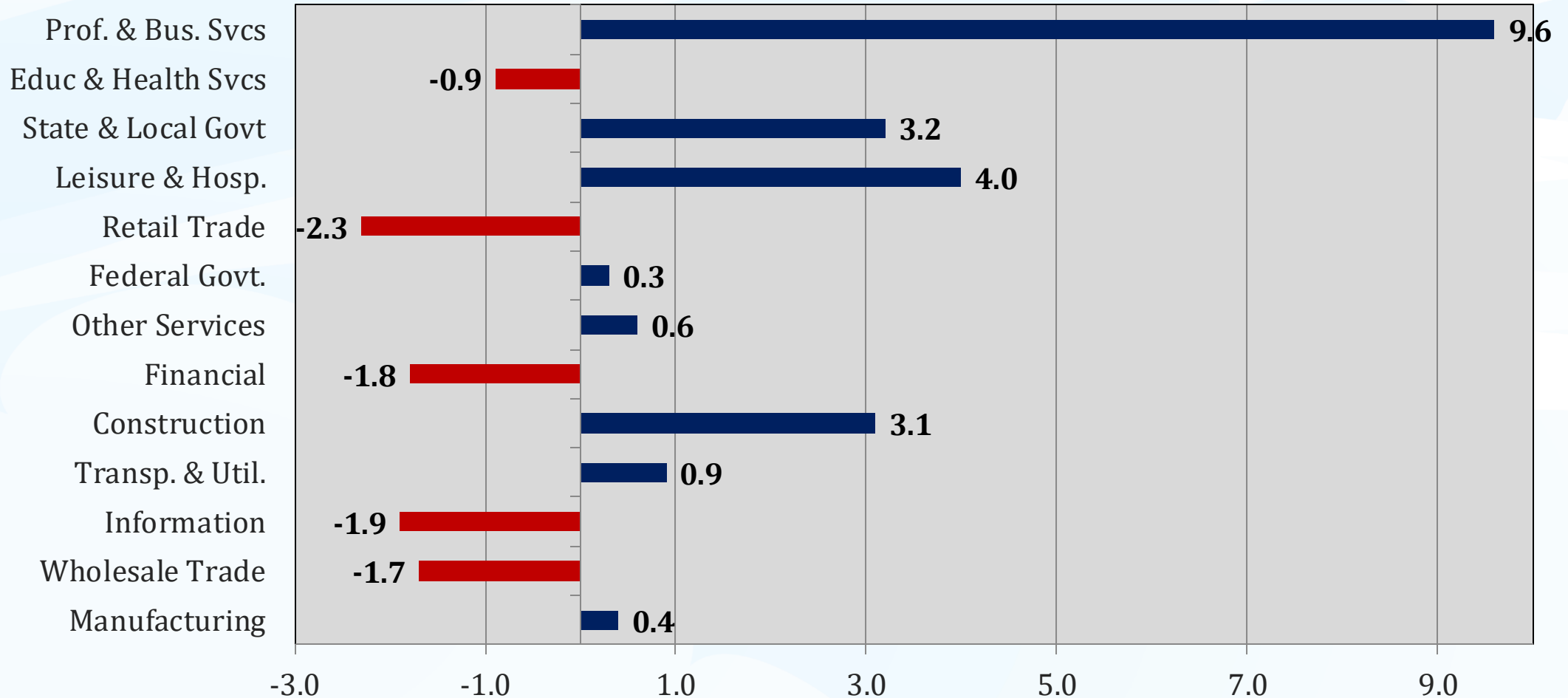
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector Northern Virginia

July 2018 – July 2019

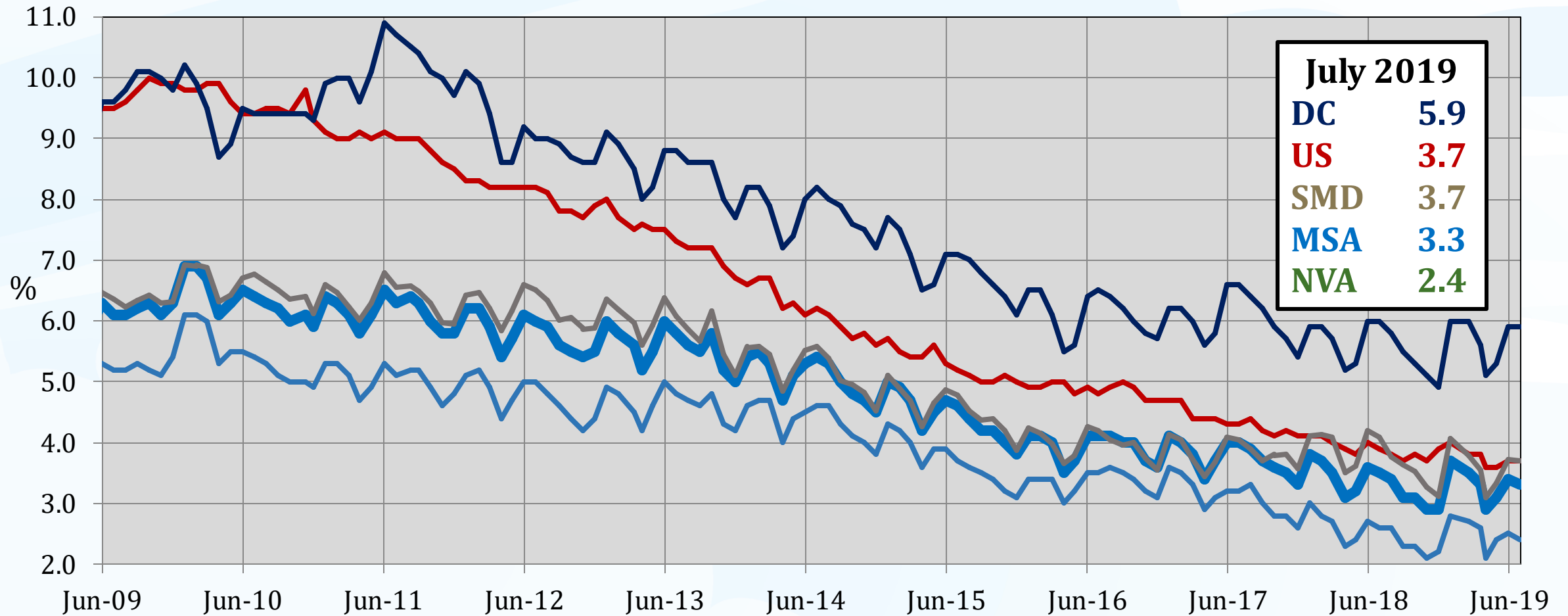
(Ranked by Size in 2018) (000s)

Total +13,500



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Unemployment Rates in the WMSA By Sub-State Area



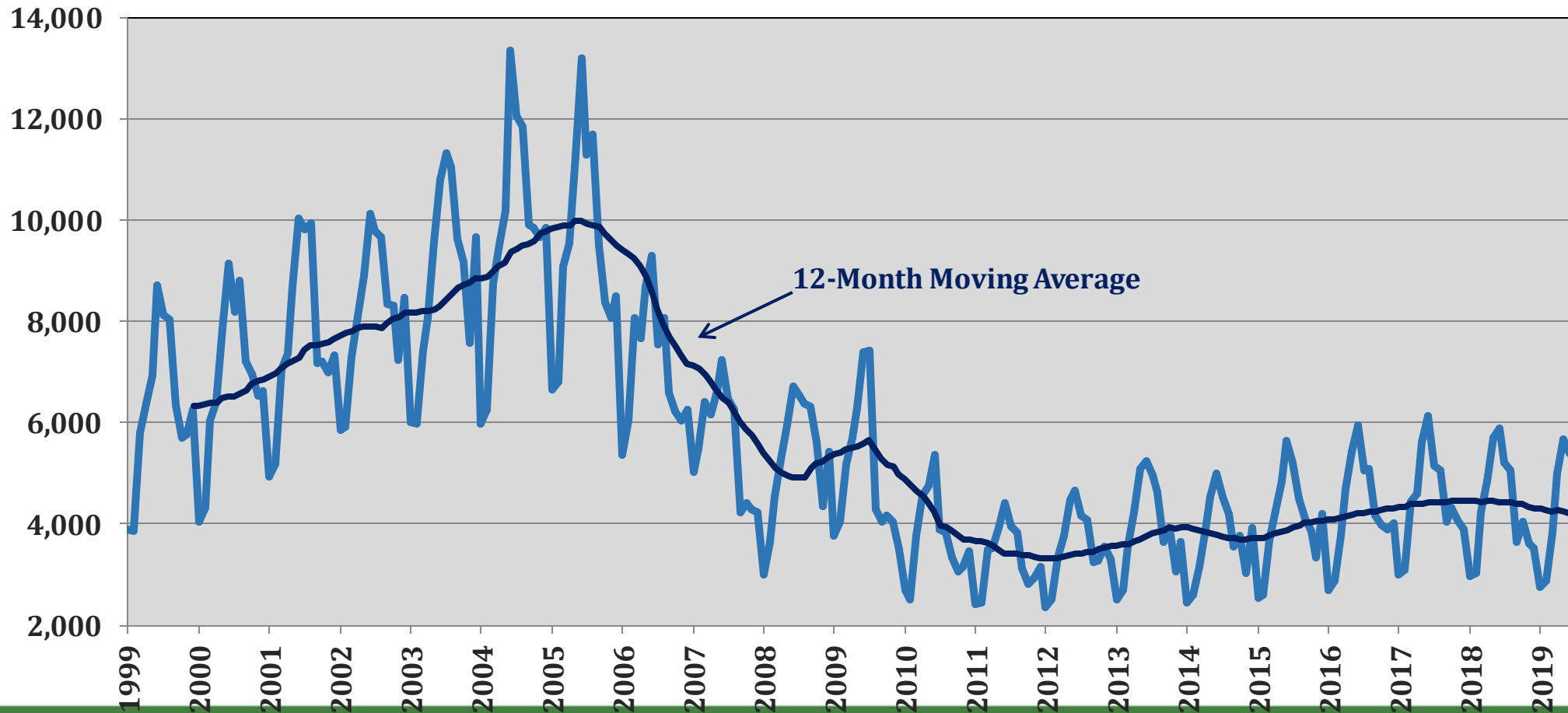
Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US - Seasonally Adjusted)

Housing Market Trends

Existing Home Sales

Washington MSA (DC Metro Region)

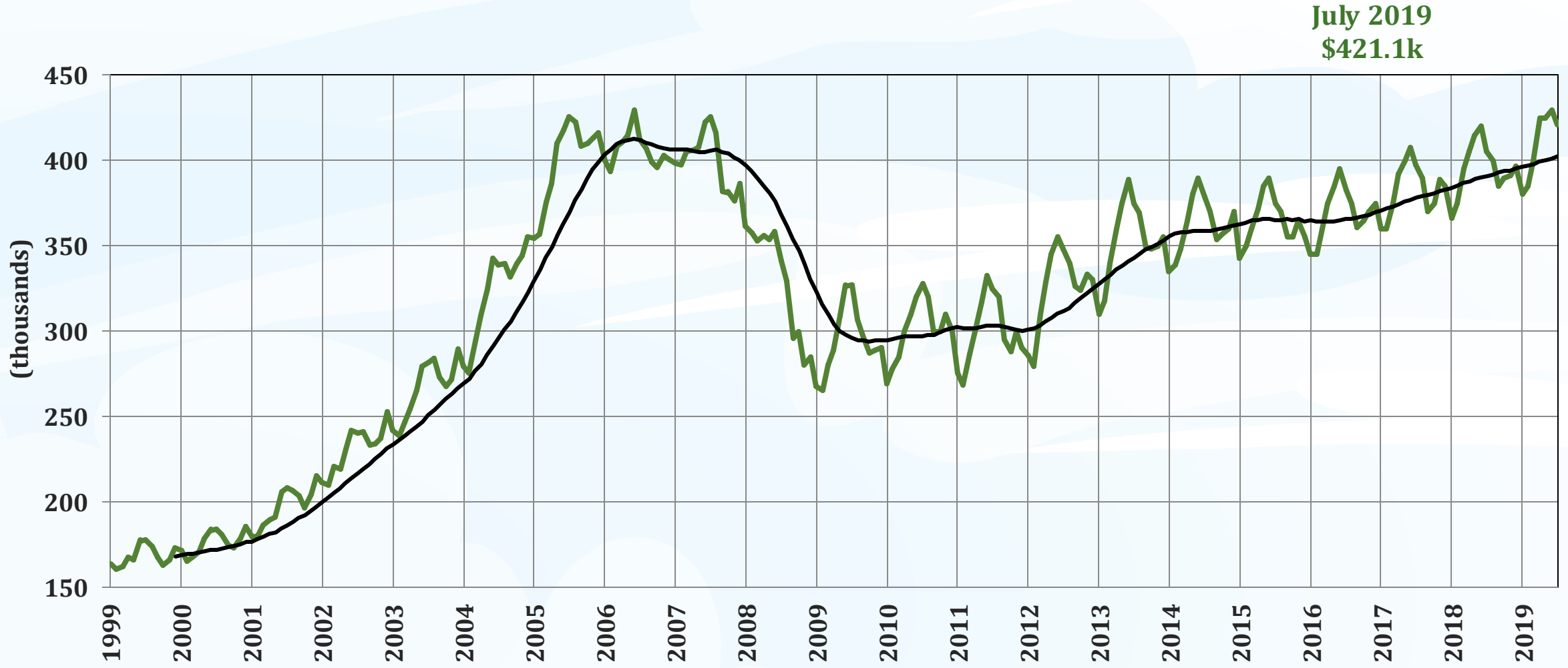
Jan 1999 - Jul 2019



July 2019
5,282

Median Home Sales Price

Washington MSA Monthly Sales & 12-mo moving average



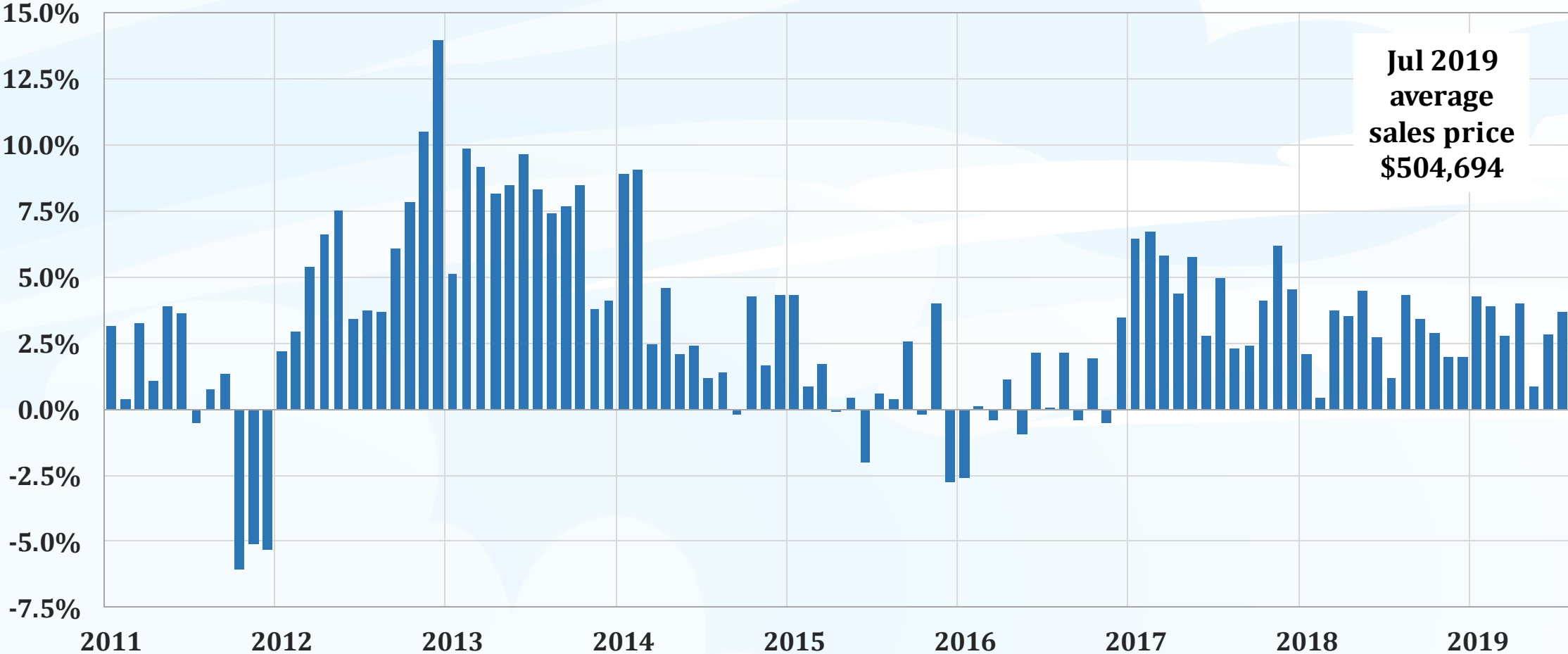
July 2019
\$421.1k

Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

Average Sales Price

Month-Over-Year % Change

Washington MSA

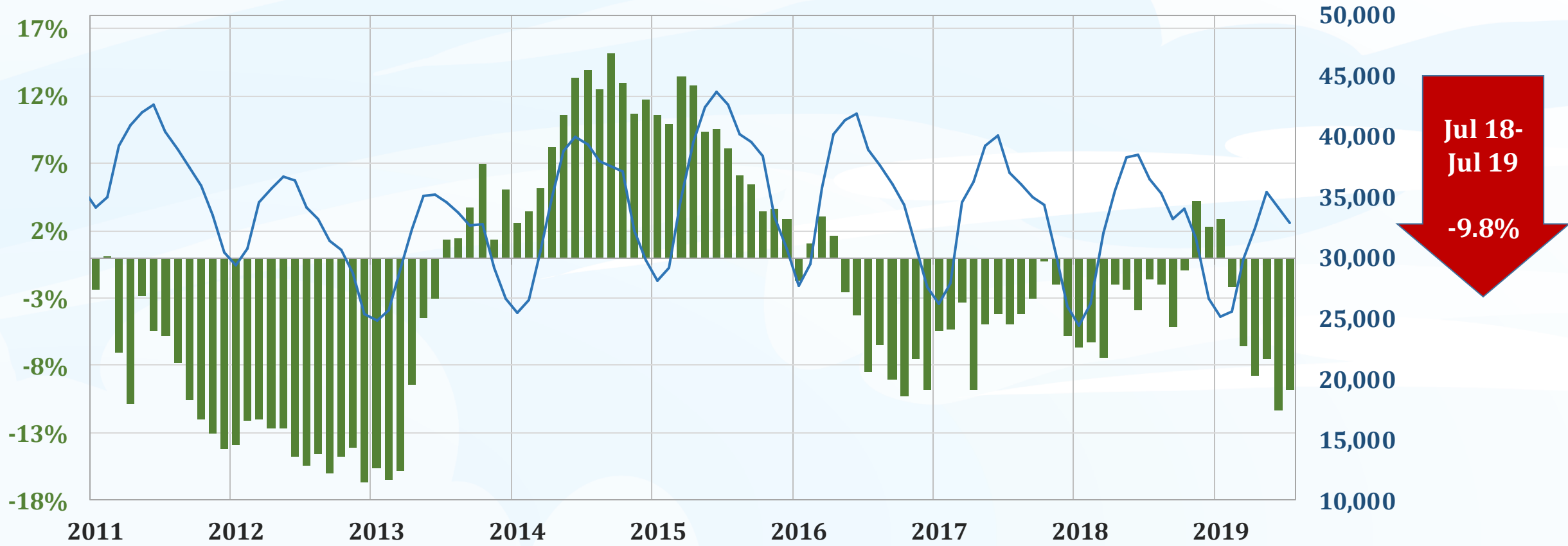


**Jul 2019
average
sales price
\$504,694**

Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

Inventories of Existing Homes

Washington MSA MOTYC (2010-2019)

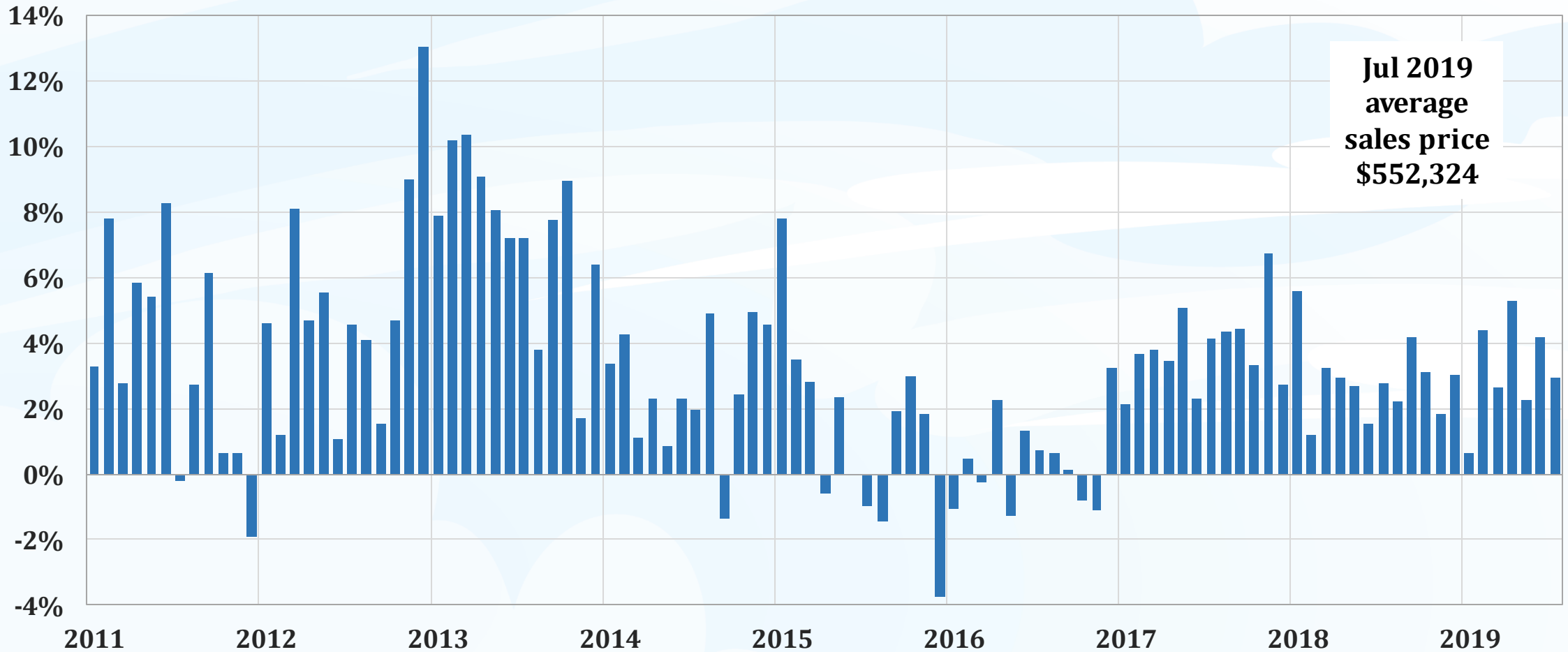


■ 12 month % change — inventory

Note: Monthly inventory includes:
 (1) Closed Sales, (2) New Pending Listings, and (3) Active Listings.

Source: GMU Center for Regional Analysis (CRA), RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

Average Sales Price Month-Over-Year % Change Northern Virginia

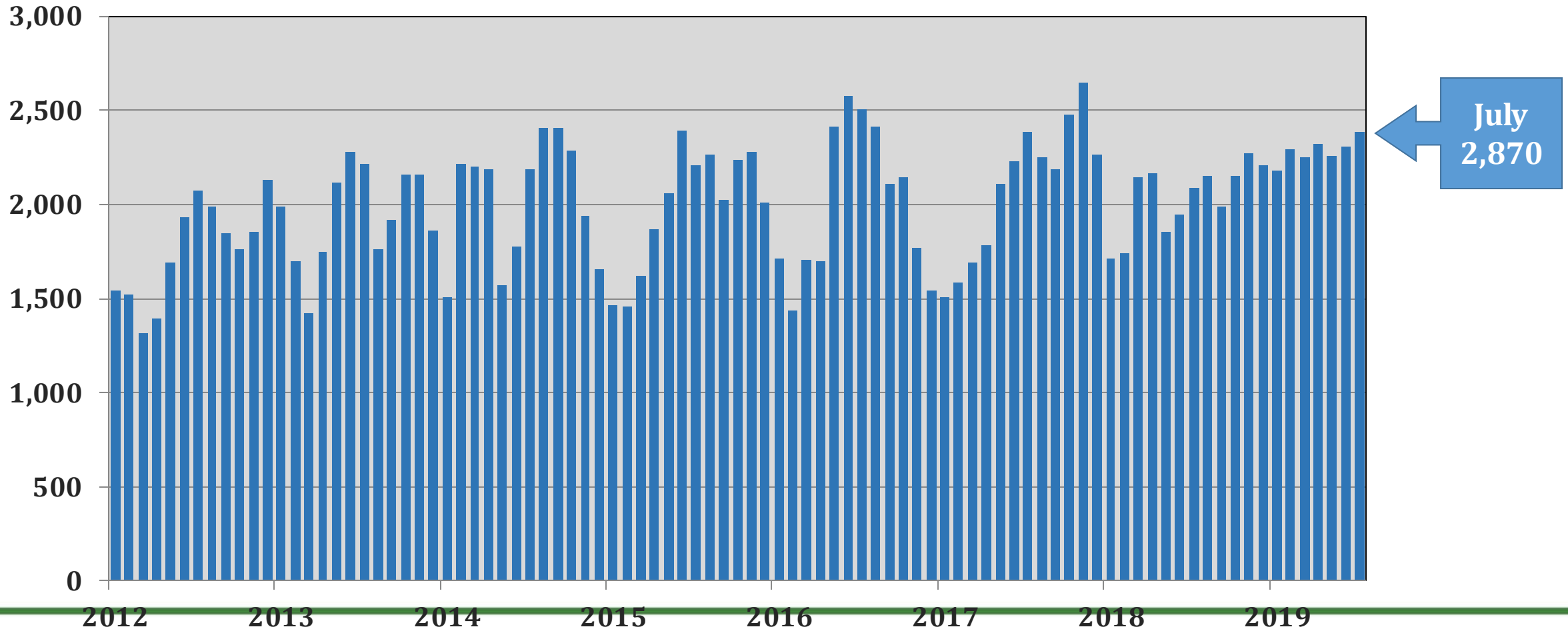


Jul 2019
average
sales price
\$552,324

Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

Washington MSA Building Permits

2012-2019, Three-Month Moving Average



Outlook

- National Economy

- Growth will slow
- Yield curves remain flat to inverted
- Mortgage rates basically flat
- Stock market volatile
- No recession before election, unless
- A tweet away from tipping point

- Regional Economy

- Growth, slower than recent
- 2019 +25k-30k jobs
- 2020 +20k-25k
- Labor available major difference
- No federal budget drama

- Local Housing Market

- No relief on inventory
- Sales constrained by availability
- Mortgage rates help, somewhat
- Prices up 3%-4% except hot areas.
- Hot markets up 10+%, some HQ2 hysteria will fade