

The Prince William Report

Prince William County Demographic and Economic Newsletter

October - December 2012

GEOGRAPHY

Prince William County is located in Northern Virginia, approximately 35 miles southwest of Washington, D.C. It is bounded on the north by Fairfax and Loudoun Counties, on the east by the Potomac River (Maryland), on the south by Stafford County and on the west by Fauquier County.

Prince William County encompasses a **total area of 348 square miles** (222,615 acres) and a **total land area of 338.9 square miles**. Prince William County includes within its boundaries the independent cities of Manassas and Manassas Park. The combined area of Prince William County and the independent cities is 360 square miles (230,594 acres). Federal land accounts for approximately 41,600 acres or 18.7% of the total area and includes Quantico Marine Corps Base, Manassas National Battlefield Park, Prince William Forest Park, Occoquan Bay National Wildlife Refuge and Featherstone National Wildlife Refuge. Prince William County includes four incorporated towns and nineteen census designated places (CDPs, that is, unincorporated population centers designated by the U.S. Census Bureau for data collection purposes).



POPULATION

The current estimated population of Prince William County is **415,912** (as of December 31, 2012) which is approximately 1,227 persons per square mile of land area, compared to 1,186 in 2010.

According to Census 2010, the population of Prince William County was **402,002 persons** as of April 1, 2010. Between 2000 and 2010, the population of the County increased by 121,189 persons (43.2%).

Prince William County Population 1950-2010

Year	Population	Growth Over Previous Decade (number)	Growth Over Previous Decade (percent)
1950	22,612	4,874	27.5%
1960	50,164	27,552	121.8%
1970	111,102	60,938	121.5%
1980	144,703	33,601	30.2%
1990	215,686	70,983	49.1%
2000	280,813	65,127	30.2%
2010	402,002	121,189	43.2%

Population of Prince William County, Cities and Incorporated Towns, April 1, 2010

Prince William County.....	402,002
Manassas City.....	37,821
Manassas Park City.....	14,273
Town of Dumfries.....	4,961
Town of Haymarket.....	1,782
Town of Quantico.....	480
Town of Occoquan.....	934

Source: U.S. Department of Commerce, Bureau of the Census, *Census 2010*.

Note: The population of Prince William County includes the towns of Dumfries, Haymarket, Quantico and Occoquan, but does not include the independent cities of Manassas and Manassas Park

The Census Bureau defines certain areas of Prince William County as Census Designated Places (CDPs)--unincorporated population centers -- for data collection purposes. There are nineteen CDPs in Prince William County, compared to fourteen in 2000. CDPs cover part but not all geographic areas of

the County and include roughly 80.2% of the County's population.

Population of Census Designated Places 2010

CDP	2010 Population
Buckhall*	16,293
Bull Run	14,983
Cherry Hill*	16,000
County Center*	3,270
Dale City	65,969
Gainesville	11,481
Lake Ridge	41,058
Linton Hall	35,725
Loch Lomond	3,701
Marumsco*	35,036
Montclair	19,570
Neabsco*	12,068
Nokesville	1,354
Potomac Mills*	5,614
Quantico Base**	4,452
Sudley	16,203
Triangle	8,188
Woodbridge	4,055
Yorkshire	7,541

Source: U.S. Department of Commerce, Bureau of the Census, *2010 Census*

*Buckhall, Cherry Hill, County Center, Marumsco, Neabsco and Potomac Mills did not exist as CDPs in 2000.

**Quantico Base CDP was named Quantico Station in 2000; most 2010 CDPs that existed in 2000 have had boundary changes in 2010, some significantly so. Comparing populations for these CDPs between 2000 and 2010 may result in misleading calculations of population loss or gain.

The 2010 Census reports that Prince William County is the third most populous jurisdiction in Virginia.

Largest Jurisdictions in Virginia: 2000 and 2010

2010 Rank	Place	2000 Pop.	2010 Pop.	Change (number)	Change (percent)
1	Fairfax Co.	969,749	1,081,726	111,977	11.55%
2	Virginia Beach	425,257	437,994	12,737	3.00%
3	PR. WM. CO.	280,813	402,002	121,189	43.16%
4	Chesterfield Co.	259,903	316,236	56,333	21.67%
5	Loudoun Co.	169,599	312,311	142,712	84.15%
6	Henrico Co.	262,300	306,935	44,635	17.02%
7	Norfolk	234,403	242,803	8,400	3.58%
8	Chesapeake	199,184	222,209	23,025	11.56%
9	Arlington Co.	189,453	207,627	18,174	9.59%
10	Richmond	197,790	204,214	6,424	3.25%

Source: U.S. Department of Commerce, Bureau of the Census, *Censuses 2000, 2010*

POPULATION (Estimates and Forecasts)

The current estimated population of Prince William County is **415,912** (as of December 31, 2012), which

represents a growth rate of 3.46% since April 1, 2010. Prince William County is projected to grow to **535,629** persons by 2030 according to the Metropolitan Washington Council of Governments.

1990 population (actual).....215,686
 2000 population (actual).....280,813
April 1, 2010 population (actual).....402,002
December 31 2012 population (estimate)...415,912
 2020 population (forecast).....479,437
 2030 population (forecast).....535,629

Sources: 1990, 2000, April 1, 2010 figures: U.S. Department of Commerce, Bureau of the Census; Dec. 31, 2012 estimate: Prince William County
 2020-30 forecasts: Metropolitan Washington Council of Governments (MWCOG) Round 8.1 Cooperative Forecasts.

RACE AND ETHNICITY

Results from the 2011 American Community Survey indicated that 95.4% of the County's population reported as being of one race; 4.6% was of two or more races. Of those reported as being of a single race, 61.7% were White, 20.1% African American, 7.9% were Asian or Pacific Islander, 0.6% were American Indian and/or Alaskan Native, 5.1% was of other races; approximately 20.5% of the population was Hispanic Origin (any race).

Race and Ethnicity in Prince William County

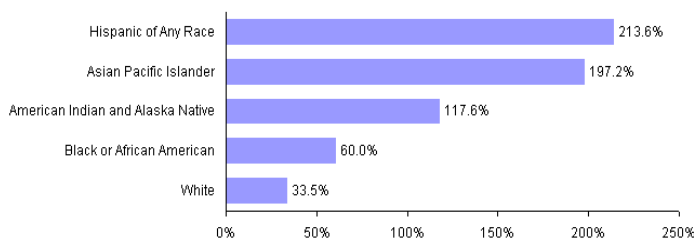
	1990	2000	2011
	% of Total	% of Total	% of Total
Reporting One Race	N/A	96.4%	95.4%
White	83.3%	68.9%	61.7%
Black/African American	11.6%	18.8%	20.1%
Am. Indian/Alaska Native	0.3%	0.4%	0.6%
Asian/Pacific Islander	3.0%	3.9%	7.9%
Other	1.8%	4.4%	5.1%
Reporting Two or More Races	N/A	3.6%	4.6%
Hispanic Origin (any race)	4.5%	9.7%	20.5%
Non-Hispanic (any race)	95.5%	90.3%	79.5%

Sources: U.S. Department of Commerce, Bureau of the Census, *Censuses 1990, 2000, 2011 American Community Survey 1-Year Estimates*

In recent decades, the population of Prince William County increasingly has become racially and ethnically diverse. The 2010 Census indicates that Prince William County is now a "minority-majority"

community, meaning that less than half of the population (48.7%) is reported as non-Hispanic and of one race -- White. Between 2000 and 2011, according to the Bureau of the Census, the population of Hispanics of any race in the County grew by 213.6%; Asian/Pacific Islanders grew by 197.2%. American Indian/Alaskan Natives, a relatively small segment of the total population, grew by 117.6%, while Black/African Americans increased by 60.0% and Whites increased by 33.5%.

Population by Race and Ethnicity Percent Change 2000 - 2011

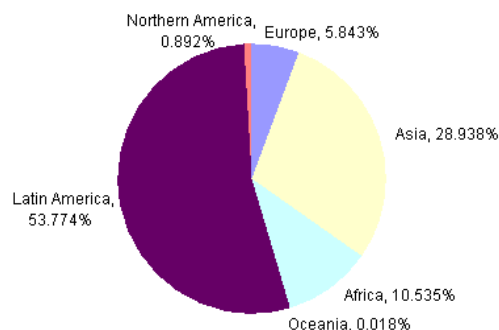


Sources: U.S. Dept. of Commerce, Bureau of the Census, 2000 Census, 2011 American Community Survey 1-Year Estimates

NATIVITY, PLACE OF BIRTH, LANGUAGE

The percentage of the County's population that was born outside of the United States rose significantly during the 1990's and that trend has continued during the 2000's. The 2011 American Community Survey indicated that **19.4%** of Prince William County's population was foreign-born, compared to 6.2% in 1990. The largest proportion of foreign-born residents is from Latin America.

Region of Birth of Pr. Wm. Co. Foreign-born Population 2011



Source: U.S. Dept. of Commerce, Bureau of Census, American Community Survey 2011 1-Year Estimates

Birth Place and Citizenship 2011 Prince William County

Native to the U.S.....	80.6%
Foreign-born.....	19.4%
Naturalized citizens.....	9.3%
Not a citizen.....	10.1%

Sources: U.S. Department of Commerce, Bureau of the Census, 2011 American Community Survey 1 Year Estimates.

The 2011 American Community Survey revealed that 28.9% of Prince William County's population speaks a language other than English at home. This figure has risen significantly from 9.0% in 1990 and 16.3% in 2000. Furthermore, in 2011, 11.2% of the population indicated that they speak English "less than very well." This figure is significantly higher than 1990's 3.1% and 2000's 6.7%.

Language Spoken at Home, 2011 Ages 5 Years and Older

English only.....	71.1%
Spanish.....	18.0%
Other Indo-European languages.....	4.1%
Asian/Pacific Island languages.....	3.9%
Other.....	2.9%

Sources: U.S. Department of Commerce, Bureau of the Census, 2011 American Community Survey 1 Year Estimates

AGE AND GENDER

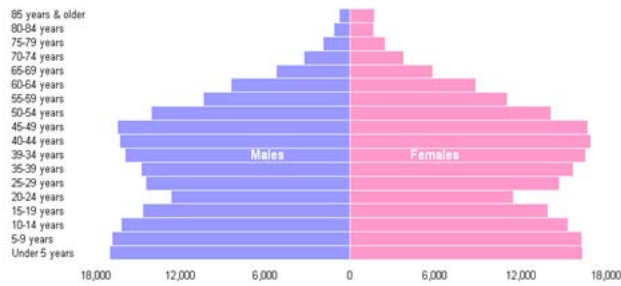
According to the 2011 American Community, **28.5%** of the total County population is under 18 years of age; approximately **7.1%** is aged 65 and over. The median age of the population is **33.6 years**. Prince William County's population, while younger than the national average, has aged slightly since 1990, when the median age was 29.1.

Age Groups, Prince William County

Age	1990 Percent of Total Pop.	2000 Percent of Total Pop.	2011 Percent of Total Pop.
-18	30.54%	30.4%	28.5%
18-64	66.43%	64.8%	64.4%
65 +	3.03%	4.8%	7.1%

Sources: U.S. Department of Commerce, Bureau of the Census, 1990, 2000, 2010 Censuses, 2011 American Community Survey 1-Year Estimates

The 2011 American Community Survey also indicated that **49.9%** of the County's population is male and **50.1%** is female.



Sources: U.S. Department of Commerce, Bureau of the Census, 2011 American Community Survey, 2010 Census.

HOUSING

The 2010 Census reported that Prince William County had **137,115 housing units** as of April 1, 2010. This represents an increase of over 39,000 units (39.8%) since 2000.

Housing Units, Pr. William Co. 1950-2010

Year	Housing Units	Decade Growth (numbers)	Decade Growth (%)
1950	5,755	2,325	67.80%
1960	13,207	7,452	129.49%
1970	29,885	16,678	126.28%
1980	46,490	16,605	55.56%
1990	74,759	28,269	60.81%
2000	98,052	23,293	31.16%
2010	137,115	39,063	39.84%

Source: U.S. Department of Commerce, Bureau of the Census

2010 Housing Occupancy

Total Housing units.....137,115.....100.0%
 Occupied Housing units.....130,785.....95.4%

Sources: U.S. Department of Commerce, Bureau of the Census 2010 Census

As of December 31, 2012, there were an estimated **141,893 housing units** in Prince William County. This represents an additional 4,778 units (3.48%) since April 1, 2010. The 2011 American Community Survey reports that nearly one out of every three houses in the County was built since 2000. In addition, the 2011 American Community Survey estimates that 55.9% of all houses are single family detached, 26.6% are townhouses, 16.9% are units in multi-family structures and 0.6% are mobile homes. The 2011 American Community Survey also reports that 54.4% of households have moved into their current residence since 2005.

HOUSEHOLD COMPOSITION

According to the 2010 Census, there were **130,785 households** in Prince William County as of April 1, 2010. According to the Census Bureau's 2011 American Community Survey, 78.0% of the County's households are occupied by families, (compared to 66.2% in the United States). This represents a decrease of 2.7 percentage points since 1990, when 80.7% of households in the County were families. Approximately 41.9% of Prince William County's households are family households occupied by parents with their own children under 18 years of age. In the United States, 29.4% of households were families with children under 18 years of age in 2011.

Pr. William Co. Households by Type 1990-2011

Household Type	1990 (%)	2000 (%)	2011 (%)
Family Households	80.7%	76.9%	78.0%
Family with own children	50.6%	44.2%	41.9%
Married Couple with own children	42.6%	34.2%	31.1%
Single female with own children	6.1%	7.5%	6.6%
Single male with own children	1.9%	2.5%	4.2%
Family, no children	30.1%	32.7%	36.1%
Non-Family Households	19.3%	23.1%	22.0%

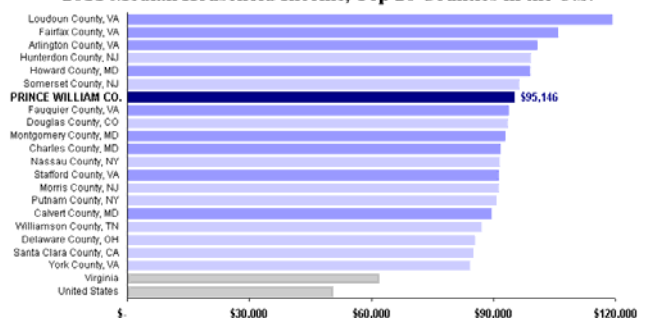
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 Census, Census 2000, 2011 American Community Survey 1 Year Estimates.

Prince William County's average household size, according to the 2011 American Community Survey was **3.15** persons in 2011, compared to 2.94 persons in 2000 and 3.04 persons in 1990. The average household size in the United States was 2.63 in 1990, 2.61 in 2000 and 2.64 in 2011.

INCOME AND POVERTY

According to the 2011 American Community Survey,

2011 Median Household Income, Top 20 Counties in the U.S.



Source: U. S. Bureau of Census, 2011 American Community Survey 1 Year Estimate

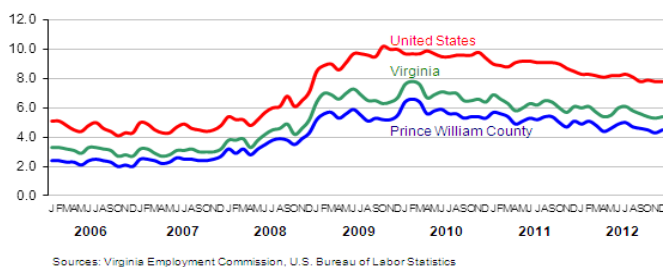
the 2011 median household income in Prince William County was **\$95,146**. This ranks seventh among the largest counties in the United States, fourth among counties in the Commonwealth, and is an indication of the relative wealth of Prince William County and the greater Washington metropolitan region, which included ten of the top twenty counties in the nation for median household income. The per capita income in Prince William County in 2011 was **\$36,798**.

The 2011 American Community Survey reported that Prince William County's poverty rate was 6.8% in 2010, compared to the statewide rate of 11.5% and the national rate of 15.9%.

UNEMPLOYMENT

In December 2012, Prince William County had a civilian unemployment rate of 4.5%, compared to December 2011, when the rate was 4.8%. The Prince William County unemployment rate has historically trended significantly lower than the national rate, largely the result of Prince William County's enviable position as part of the Northern Virginia economy and its proximity to Washington, D.C. and the federal government. In December 2012, the national unemployment rate was 7.8%; statewide the unemployment rate was 5.4%.

Unemployment Rates 2006 - Present

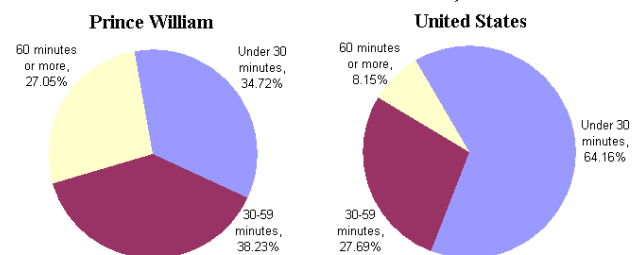


JOURNEY TO WORK

The 2011 American Community Survey indicates that on the average, Prince William County workers continue to face long commute times. Some 27.1% of all County workers travel an hour or more one way to work. This figure is more than three times the national number of 8.2% and is the sixth longest commute among the largest 818 counties in the

United States. Of the 20 longest average commutes to work, eight are communities in the greater Washington area. The average travel time to work among Prince William County workers is 40.5 minutes, an increase from 36.9 and 36 minutes in 2000 and 1990, respectively. The 2011 American Community Survey also indicated that 75.3% of Prince William County workers drive to work alone; 13.0% carpool to work; 5.3% use public transportation; 6.4% used other means, walked to work or worked at home.

Estimated Travel Time to Work, 2011



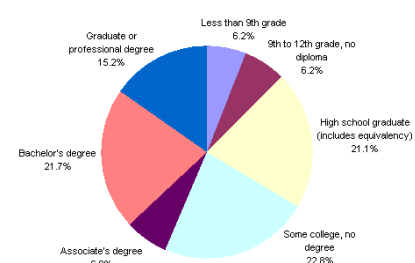
Source: U.S. Dept. of Commerce, Bureau of the Census, 2011 American Community Survey 1-Year Estimates

EDUCATION

The Prince William County Public School System reported that as of December 31, 2012, there were 83,270 students enrolled in public schools in the County: 39,573 in elementary schools; 18,852 in middle schools; 23,856 in high schools; and 989 in special schools.

According to the Census Bureau's 2011 American Community Survey, 36.9% of adults in Prince William County had bachelor's degrees or higher, compared to 28.2% in the nation as a whole.

Educational Attainment in Pr. Wm. Co. 2010



Source: U.S. Dept. of Commerce, Bureau of the Census, 2010 American Community Survey 1 Year Estimates

For more information, including maps showing detailed demographic information for the County, visit the demographic pages on the PWC web site at <http://www.pwcgov.org/demographics>

NATIONAL ECONOMY

Over the course of the 4th Quarter 2012, the national economy appeared to be strengthening in some notable areas, while still struggling in others. Some areas, like the housing market and retail and automobile sales, still well below pre-recession levels, appeared to stabilize, with some encouraging growth. Unemployment appears to be headed in the right direction, but still has a long way to go. Consumer confidence appears to be growing, even while business confidence remains challenged. Retail activity was healthy during the quarter, which included the holiday shopping season, even as corporate earnings were mixed. Job creation continued to expand, but still at a less than optimal pace. Real Gross Domestic Production (GDP) during the quarter was essentially flat at -0.1%, fueled in part by a slowdown in federal defense spending as the fiscal cliff approached. A presidential election was held; a fiscal cliff agreement of sorts was reached at the eleventh hour, averting the budget sequestration--though future challenges await regarding the federal debt ceiling and other budget matters.

Indicators at a Glance

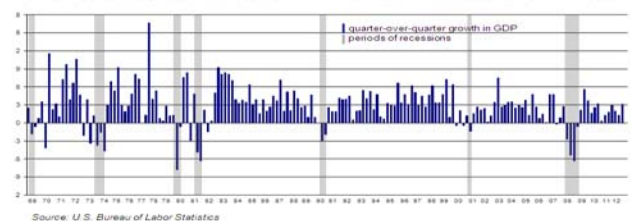
GDP	↔
Federal Deficit	↑
Corporate Profits	↑
Dow Jones	↑
Housing Starts	↑
Job Growth	↑
Unemployment	↔
Consumer Confidence	↑
Retail Sales	↑
Auto Sales	↑
Energy Prices	↓
Core Inflation	↔
Interest Rates	↔
U.S Dollar	↔
National Index	↑
PWC Index	↑

Real Gross Domestic Product (GDP) is the broadest measure of economic activity in the United States and is a reliable indication of the overall strength and performance of the national economy. Most economists agree that the latest recession/contraction began in the first quarter 2008, and, by accepted definitions, ended during the third quarter 2009, with a 2.2% expansion (quarter over quarter). Slow

growth has proceeded since, picking up the pace moderately in 2012. GDP for the four quarters of 2012 was as follows: 2.0%, 1.3%, 3.1% and -0.1% (4th Quarter Preliminary). Many economists expect real GDP growth over the next two years to be between 2 and 2.5 percent annually.

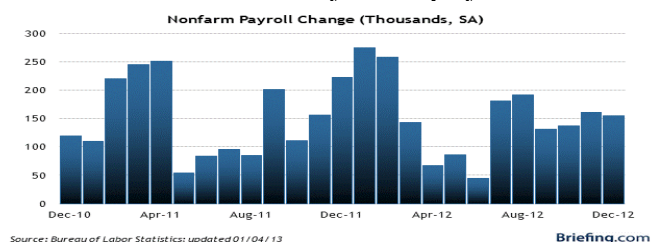
Job Market – First time unemployment claims, moved below 400,000 as 2011 waned and continued that trend during 2012, and remained between 350,000 and 375,000 as the year ended. For the week ending December 29, 2012, a total of 372,000 claims were reported. Unemployment rates, considered a lagging indicator of sorts, lingered around 8% through much of the year, though indications are that they may be moving in the right direction of late; in December 2012 unemployment stood at 7.8% unchanged from the previous month but an

U.S. Gross Domestic Product and Recessions 1969 - 2012



improvement over the previous December's 8.5%. In two years, from December 2007 until December 2009, a net of over 8.7 million jobs were lost as the contraction took hold -- a loss of 6.3%. Since that time, however, a net total of 4.7 million jobs have been added -- an increase of 3.5% in 36 months. Non-farm payrolls added 1.7 million net new jobs in 2012, 603,000 over the course of the 4th Quarter 2012. These jobs gains have mitigated, modestly, the unemployment rate in the nation. Nonetheless, elevated unemployment rates, by historic standards, continue to be a major national concern and probably will be for some time to come.

U.S. Non-Farm Payroll Employment



Housing Industry – Across the nation, some 954,000 housing starts were reported in December 2012, a 45.2% increase from one year earlier. December 2012 permits totaled 903,000 -- a 33.0% increase, year-over-year. A total of 4.94 million existing homes were sold in December 2012 (seasonally adjusted annualized rate), a 7.2% annual increase. New home sales came in at 369,000 in December 2012 (seasonally adjusted annualized rate), an annual increase of 20.2%. Construction spending declined by 0.3% in November 2012, led by public construction, which fell by 0.4% in November. Despite November's decline in construction spending, the number of homes under construction has increased at a steady pace since August 2011 and shows no signs of abating. There is now clear evidence that the homebuilding sector is finally on a stable, upward trend. Home affordability measures remain near all-time highs, and indications are that the national residential market is slowly, but steadily, improving.

Retail Sales – Retail sales increased 0.5% in December 2012, following November's 0.4% increase. Leading month-over-month gainers include auto/parts (1.6%), furniture (1.4%) and clothing (1.0%). Retail sales, excluding autos, increased by 0.3% in December, 2012. Consumer confidence, despite uncertainty over the federal budget, remained relatively strong during the quarter, and correlates with a strengthening job market, and perhaps some pent-up demand.

Automobiles – Motor vehicle sales continued a general strengthening trend during the quarter -- also indicative of pent-up demand and increasing confidence. Domestic auto sales in December 2012 were reported at an annualized rate of 5.5 million – a 1.8% decrease from the previous month, but a 31.0% increase from one year earlier. Sales of light domestic trucks were reported at an annualized rate of 6.5 million in December 2012 unchanged from the previous month, but an 8.3% increase year-over-year. Total sales of automobiles and light trucks, including foreign, were reported at 15.4 million in December

2012, a monthly increase of 6.2%, and an increase of 17.6% year-over-year. Domestic automobile sales, as a percentage of all sales in the United States, were reported at 77.9% in December, 2012.

The quarterly index of economic indicators for the United States economy includes 53 major indices, each nominally scored from 0 to 200. A score of 100 indicates expected or neutral impact to the economy; a score of 0 indicates the most severe negative impact or under performance; a score of 200 indicates the most positive impact or better than expected performance.

Our national index of economic indicators for the 4th Quarter 2012 was **102.30**-- an indication of slightly higher than expected performance. In the 3rd Quarter 2012, the national index was 89.00.

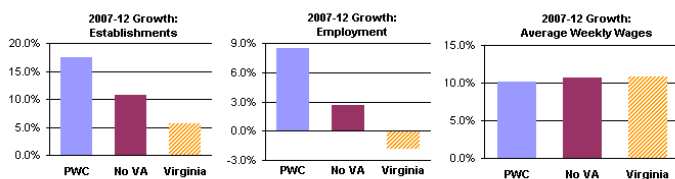
PRINCE WILLIAM ECONOMY

The Prince William County economy during the 4th Quarter 2012 continued a strengthening trend exhibited as the year progressed. The residential real estate market improved in terms of average sold price, number of sales and average days on the market. Unemployment in the County continued to decline slowly, but is still high by recent standards. Foreclosures recorded during the quarter, while continuing their downward pace, are still above monthly levels seen before the downturn. Latest at-place employment data from the Virginia Employment Commission (1st Quarter 2012) indicate continued growth in establishments, employment and wages in the County. Job growth in construction and other real estate-related industries, however, continues to be challenged. Local retail activity in the October and November continued at a robust pace—thirty-four consecutive months of year-over-year increases—as did net vehicles added in the County. The Prince William economy, with a few exceptions, appears to be strengthening.

Establishments, Employment and Wages – According to the Virginia Employment Commission,

at-place establishments in Prince William County (7,797 in the 2nd Quarter 2012) grew by 3.7% year-over-year and by 17.4% since 2007. In Northern Virginia, at-place establishments (70,818 in the 2nd Quarter 2012) grew by 2.8% year-over-year and by 10.7% since 2007. In Virginia, at-place establishments (234,160 in the 2nd Quarter 2012) grew by 2.5% year-over-year and by 5.6% since 2007. Establishments in Prince William County account for 11% of all establishments in Northern Virginia and 3.3% of all establishments in the Commonwealth.

At-Place Establishments, Jobs & Wages 2007-12
Pr. Wm. Co., No. Virginia and Virginia



Source: Virginia Employment Commission

At-place employment in Prince William County (113,513 in the 2nd Quarter 2012) increased by 4.6% year-over-year and by 8.5% since 2007. By comparison, Northern Virginia employment grew by 1.7% in the last year and 2.6% since 2007. Employment in the Commonwealth grew by 1.0% in the last year, but declined by 1.7% since 2007.

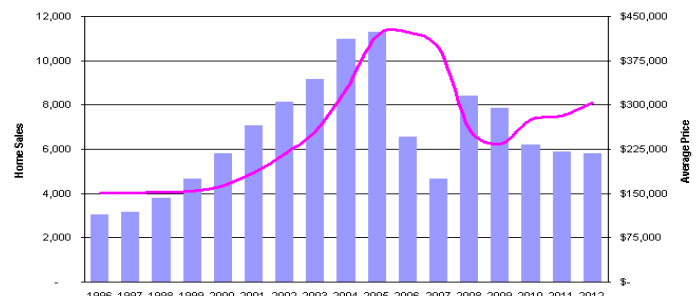
The average weekly wage in Prince William County (\$813 in the 2nd Quarter 2012) grew by 1.1% year-over-year and by 10.2% since 2007. At-place average weekly wages in Northern Virginia (\$1,303 in the 2nd Quarter 2012) declined by 0.4% in the last year but grew by 10.6% since 2007. In Virginia, weekly wages (\$952 in the 2nd Quarter 2012) grew by 0.3% year-over-year and by 10.8% since 2007.

The impact of the housing downturn continues to be acutely felt in those industries related to housing. Construction employment, for example, declined in Prince William County by over 7,000 net jobs (-35.2%) between September 2005 and February 2010. Likewise, jobs in finance and insurance and real estate experienced a net loss of over 700 jobs (20.2%) since their respective peak months of the real estate boom. Signs of a turnaround in the local real estate

market give hope that employment in these sectors will follow suit. Nevertheless, these industries have lost over one quarter of all jobs since their respective peaks.

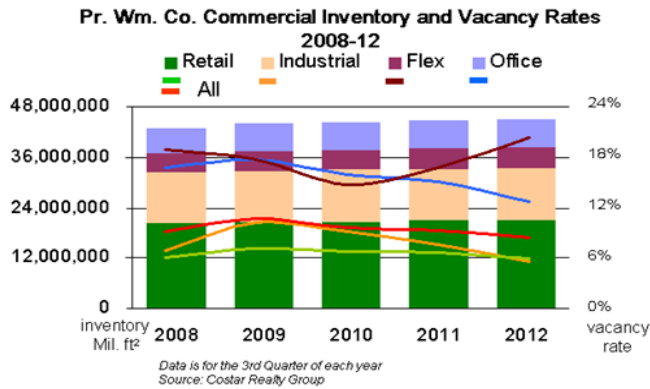
Residential Real Estate Market – According to data from Metropolitan Regional Information Systems (MRIS), the average home in Prince William County during December 2012 sold for \$316,141. This represents an increase of 16.4% year-over-year, and an increase of 54.7% since February 2009's \$204,378, the low point to date of the recent downturn. The number of homes sold in Prince William County in December 2012 was 400—a drop of 8.0% from December 2011, suggesting that, while the Prince William County real estate market appears to have stabilized, and in fact grown healthily in terms of average sales price, it has yet to gain momentum in terms of inventory and sales. In December 2012, the ratio of homes on the market to homes sold was 2.05, compared to 2.60 one year earlier. Average “days on the market” stood at 42 in December 2012 compared to 60 in December 2011.

Prince William County Home Sales and Average Sold Price 1996-2012



Commercial Real Estate Market – In December 2012, according to Costar Realty Group (Costar), Prince William County commercial inventory included 45.4 million square feet of space in 1,941 buildings. Since 2008, some 1.9 million square feet of commercial space has been added to the inventory, a growth rate of 4.3%. Vacancy rates moved slightly higher, year-over-year, led by increases in Industrial and Flex vacancy. In December 2012, a total of 3.94 million square feet of vacant space (including retail) was reported by Costar, a vacancy rate of 8.7%. This represents an increase of 132,140 square feet since December 2011, when the total vacancy rate was

8.1%); vacant commercial space has increased by 132,140 square feet (3.5%) since 2008.



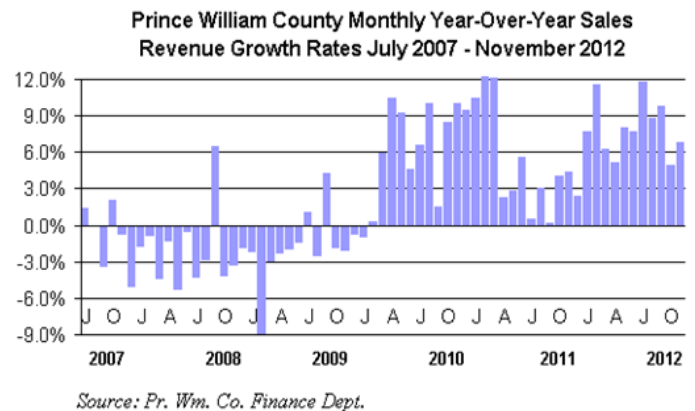
In December 2012, the Prince William County commercial inventory consisted of:

- Office: 6,771,141 sq. ft. in 427 buildings;
- Flex: 4,579,145 sq. ft. in 134 buildings;
- Industrial: 12,674,298 sq. ft. in 351 buildings; and
- Retail: 21,380,316 sq. ft. in 1,029 buildings.

Total vacant space includes 820,121 square feet of vacant Office space (12.1%, down from 14.2% one year ago), 881,471 square feet of vacant Flex space (19.2%, compared to 16.6% one year ago), 1,023,134 square feet of vacant Industrial space (8.1%, up from 6.0% one year ago) and 1,215,205 square feet of vacant Retail space (5.7%, unchanged from one year ago). Expectations are that the commercial real estate market will improve over the course of the next few years, as the local economy grows.

For more information, including current and archived economic, demographic, and financial data and publications, please visit the Prince William County Finance Department website at <http://www.pwcgov.org/finance>

Retail – Retail activity, as reflected in sales revenue generated in Prince William County has continued at a strong pace during the quarter, following a two year trend. In November 2012, a total of \$4,578,015 in sales tax revenue was generated to the County -- an 8.8% increase over November. Fiscal cliffs and continued federal budget uncertainty notwithstanding, retailers are hopeful, going forward into 2013, of continued robust retail activity as the economy and consumer confidence strengthen.



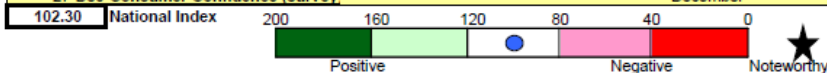
The quarterly index of economic indicators for Prince William County includes nineteen local economic indices, each nominally scored from 0 to 200. A score of 100 indicates expected or neutral impact to the economy; a score of 0 indicates severely negative impact or under performance; a score of 200 indicates a tremendously positive impact or better than expected performance.

Our local index of economic indicators for the 4th Quarter 2012 was **107.89** -- an indication of higher than expected performance. In the 3rd Quarter 2012, the index was 115.79.

Summary of National Economic Indicators as Reported by "Briefing.Com"
Data Released 4th Quarter 2012

2/1/13

Date	Release	For	Actual	Outlook	Prior	Change	Notes
16-Dec	Initial Claims (000s)	8-Dec	344		371	-7.3%	updated
23-Dec	Initial Claims (000s)	15-Dec	362		344	5.2%	updated
30-Dec	Initial Claims (000s)	22-Dec	362		362	0.0%	updated
6-Jan	Initial Claims (000s)	29-Dec	372		362	2.8%	updated
16-Jan	Unemployment Rate	December	7.8%		7.8%	0.0%	updated
16-Jan	Nonfarm Payrolls (000s)	Q4 2012	603		464	30.0%	updated
16-Jan	Hourly Earnings	December	0.3%		0.3%	0.0%	updated
16-Jan	Average Workweek	December	34.5		34.4	0.3%	updated
15-Jan	Personal Income	November	0.6%		0.1%	0.5%	updated
15-Jan	Personal Spending	November	0.4%		-0.1%	0.5%	updated
22-Jan	Wholesale Inventories	November	0.6%		0.3%	0.3%	updated
22-Jan	Wholesale Inventories (Sales)	November	2.3%		-0.9%	3.2%	updated
22-Jan	Ratio Inventory to Sales (months)	November	1.19		1.21	-2.0%	updated
22-Jan	Business Inventories	November	0.3%		0.3%	0.0%	updated
22-Jan	Business Inventories (Sales)	November	1.0%		-0.3%	1.3%	updated
22-Jan	Ratio Inventory to Sales (months)	November	1.28		1.28	0.0%	updated
8-Jan	Factory Orders	November	0.0%		0.8%	-0.8%	updated
8-Jan	Durable Orders	November	0.8%		1.1%	-0.3%	updated
16-Jan	Industrial Production	December	0.3%		1.0%	-0.7%	updated
16-Jan	Capacity Utilization	December	78.8%		78.7%	0.1%	updated
2-Jan	ISM Index (survey)	December	50.7		49.5	2.4%	updated
4-Jan	ISM Services (survey)	December	56.1		54.7	2.6%	updated
10-Jan	NY Empire State Index--Seasonally Adjusted (survey)	December	-7.30		-4.31	69.4%	updated
17-Jan	Philadelphia Fed (survey)	December	4.6		-8.9	-151.7%	updated
23-Jan	Chicago PMI (survey)	December	48.9		51.2	-4.5%	updated
21-Dec	Durable Goods Orders	November	0.7%		1.1%	-0.4%	updated
24-Jan	Leading Indicators	December	0.5%		0.0%	0.5%	updated
15-Jan	Housing Starts (000s)	December	954		851	12.1%	updated
15-Jan	Building Permits (000s)	December	903		900	0.3%	updated
26-Jan	Existing Home Sales (m)	December	4.94		4.61	7.2%	updated
26-Jan	New Home Sales (000s)	December	369		307	20.2%	updated
1-Oct	Construction Spending	November	-0.3%		0.7%	-1.0%	updated
8-Jan	Consumer Credit (\$b)	November	\$16.00		\$14.10	13.5%	updated
6-Jan	Retail Sales	December	0.5%		0.4%	0.1%	updated
6-Jan	Retail Sales ex-auto	December	0.3%		-0.1%	0.4%	updated
10-Jan	Auto Sales--Domestic (m)	December	5.5		4.2	31.0%	updated
10-Jan	Truck Sales--Domestic (m)	December	6.5		6.5	0.0%	updated
10-Jan	All Light Vehicle Sales Including Foreign (m)	December	15.4		14.5	6.2%	updated
10-Jan	Domestic Light Vehicle Sales % of All Sales Including Fo	December	77.9%		73.8%	5.6%	updated
11-Jan	Trade Balance (\$b)	November	-\$48.70		-\$42.10	15.7%	updated
11-Jan	Treasury Budget (\$b)	December	-\$0.30		-\$172.10	-99.8%	updated
10-Jan	GDP-Adv	Q3 2012	-0.1%		3.1%	-3.2%	updated
11-Jan	Import Prices ex-oil	December	-0.1%		-0.2%	0.1%	updated
11-Jan	Import Prices with oil	December	-0.1%		-0.8%	0.7%	updated
11-Jan	Export Prices ex-agriculture	December	-0.2%		-0.8%	0.6%	updated
11-Jan	Export Prices with agriculture	December	-0.1%		-0.7%	0.6%	updated
15-Jan	PPI	December	-0.2%		-0.8%	0.6%	updated
15-Jan	Core PPI	December	0.1%		0.1%	0.0%	updated
16-Jan	CPI	December	0.0%		-0.3%	0.3%	updated
16-Jan	Core CPI	December	0.1%		0.1%	0.0%	updated
18-Jan	Mich Sentiment-Prel. (survey)	December	72.9		82.7	-12%	updated
27-Dec	Consumer Confidence (survey)	December	65.1		71.5	-9.0%	updated



Prince William County Data (Data Reported by PWC Finance Dept., USBLS, VEC, Costar, MRIS)

Date	Release	For	Actual	Outlook	Prior	Change	Notes
31-Dec	Pr Wm Estimated Population	Q4 2012	415,912		414,506	0.3%	
12-Jan	Washington-Baltimore CPI-U Monthly Year-Over-Year	November	2.3%		-0.8%		updated
23-Jan	Pr. Wm Civ. Labor Force	December	234,017		234,001	0.0%	updated
23-Jan	Pr Wm Civ Emp Lab Force	December	223,576		223,018	0.3%	updated
23-Jan	Pr Wm Unemployment Rt	December	4.5%		4.7%	-0.2%	updated
23-Jan	Pr Wm At-place Establishments	Q2 2012	7,797		7,824	-0.3%	updated
23-Jan	Pr Wm At-place Employment	Q2 2012	113,513		110,008	3.2%	updated
23-Jan	Pr Wm At-place Avg Salary	Q2 2012	\$ 42,276		\$ 43,212	-2.2%	updated
16-Oct	Pr Wm Net Vehicles Added	November	4,707		4,851	-3.0%	updated
19-Jan	Pr Wm Sales Tax Revenue Year over Year 12 Month Mov Avg Incre	November	7.4%		7.2%	0.2%	updated
5-Jan	Pr Wm Commercial Inventory (sf including retail)	Q4 2012	45,404,900		45,046,328	0.8%	updated
5-Jan	Pr Wm Commercial Vacancy (sf including retail)	Q4 2012	8.7%		8.1%	0.6%	updated
5-Jan	Pr Wm Commercial Inventory (sf non-retail)	Q4 2012	24,024,584		23,928,390	0.4%	updated
5-Jan	Pr Wm Commercial Vacancy (non-retail)	Q4 2012	11.3%		10.2%	1.1%	updated
10-Jan	Pr Wm Housing Market Unit Sales	December	400		483	-17.2%	updated
10-Jan	Pr Wm Housing Market Ending Listing Inventory	December	821		1,078	-23.8%	updated
10-Jan	Pr Wm Housing Market Listing/Sales Ratio	December	2.1		2.2	-8.0%	updated
10-Jan	Pr Wm Housing Market Sale Price	December	\$ 316,141		\$ 321,055	-1.5%	updated
10-Oct	Pr. Wm. Quarterly Foreclosures	Q4 2012	312		419	-25.5%	updated

