

The Prince William Report

Prince William County Demographic and Economic Newsletter

January - March 2013

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 **417,293** (as of March 31, 2013) which is approximately 1,231 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
Marumsc*	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, Marumsc, 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 **417,293** (as of March 31, 2013), which

represents a growth rate of 3.8% 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
March 31 2013 population (estimate).....	417,293
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; Mar. 31, 2013 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

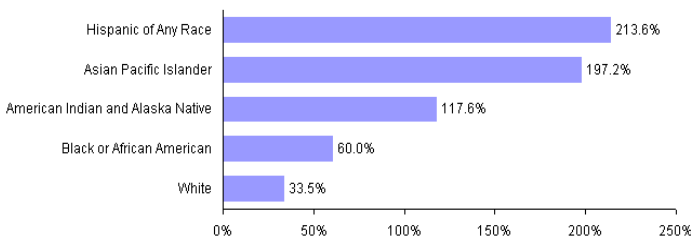
	1990	2000	2011
	% of Total	% of Total	% of Total
Reporting One Race	N/A	96.4%	95.4%
White	83.3%	68.9%	61.7%
Black/African American	11.6%	18.8%	20.1%
Am. Indian/Alaska Native	0.3%	0.4%	0.6%
Asian/Pacific Islander	3.0%	3.9%	7.9%
Other	1.8%	4.4%	5.1%
Reporting Two or More Races	N/A	3.6%	4.6%
Hispanic Origin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

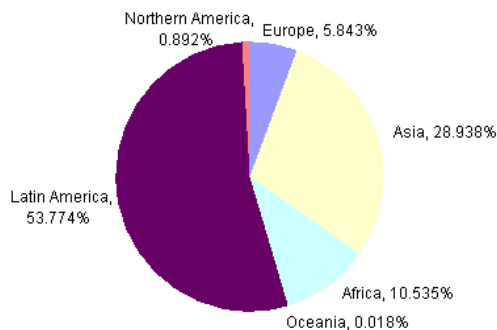


Sources: U.S. Dept. of Commerce, Bureau of the Census, 2000 Census, 2011 American Community Survey 1-Year Estimates

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

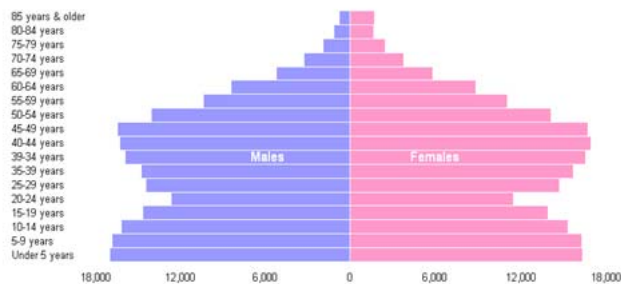
According to the 2011 American Community, **28.5%** of the total County population is under 18 years of age; approximately **7.1%** is aged 65 and over. The median age of the population is **33.6 years**. Prince William County’s population, while younger than the national average, has aged slightly since 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 March 31, 2013, there were an estimated **142,436 housing units** in Prince William County. This represents an additional 5,321 units (3.88%) 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%

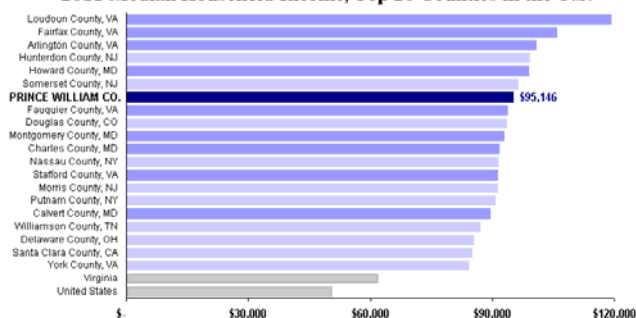
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 Census, Census 2000, 2011 American Community Survey 1 Year Estimates.

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.



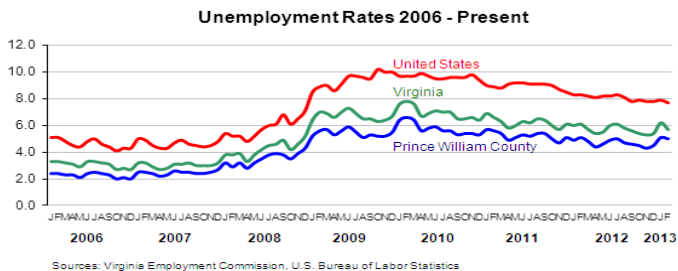
Source: U. S. Bureau of Census. 2011 American Community Survey 1 Year Estimate

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

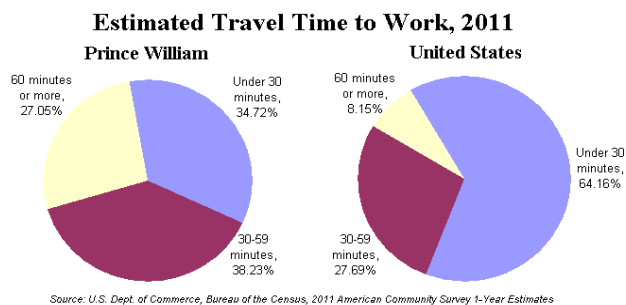
In February 2013, Prince William County had a civilian unemployment rate of 5.0%, compared to February 2012, when the rate was 5.1%. The Prince William County unemployment rate has historically trended significantly lower than the national rate, largely the result of Prince William County's enviable position as part of the Northern Virginia economy and its proximity to Washington, D.C. and the federal government. The impact of federal sequestration on the local economy has yet to be ascertained. In February 2013, the national unemployment rate was 7.7%; statewide the unemployment rate was 5.7%.



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.

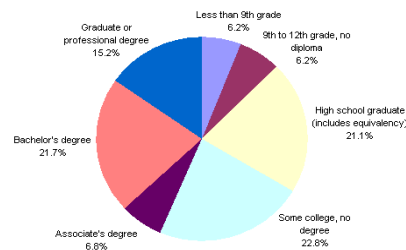


EDUCATION

The Prince William County Public School System reported that as of March 31, 2013, there were 83,448 students enrolled in public schools in the County: 39,414 in elementary schools; 18,895 in middle schools; 23,744 in high schools; and 1,395 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



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 1st Quarter 2013, the national economy appeared to be strengthening in some notable areas, even as fears regarding sequestration began to impact other areas. The housing market and automobile sales, still well below pre-recession levels, continued to grow modestly. Unemployment appears to be headed in the right direction, but still has a long way to go. Payroll tax increases, which kicked in at the beginning of the year and the impending sequestration at the end of the quarter appeared to dampen the consumer's mood, even as the stock market continued on an upward path; corporate earnings were mixed and job creation continued, but at a more modest pace. Real Gross Domestic Production (GDP) during the 1st Quarter, 2013 grew by 2.5%, normally considered a healthy pace. However, the impact of sequestration and continued budgetary challenges will play out as the year progresses.

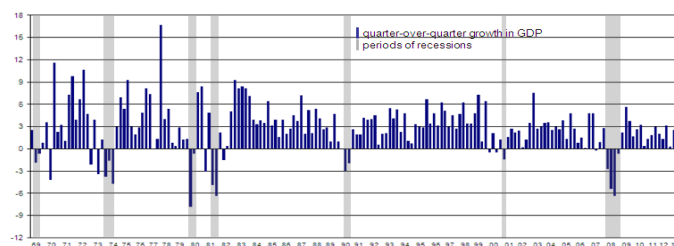
Indicators at a Glance

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 0.3%, and, as stated, the 1st Quarter 2013 grew by 2.5%, in preliminary estimates. Many economists expect real GDP growth over the next two years to be between 2

U.S. Gross Domestic Product and Recessions 1969 - 2013



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 385,000 in the 1st Quarter 2013. For the week ending March 30 2013, a total of 385,000 claims were reported. Unemployment rates, considered a lagging indicator of sorts, lingered around 8% through the first half of 2012, before moving below that mark in the last half of 2012. In March 2013 unemployment stood at 7.6% compared to 7.7% during the previous month and 8.2% one year earlier. 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 5.8%. Since that time, however, a net total of 5.26 million jobs have been added -- an increase of 3.7% in 39 months. Non-farm payrolls added 1.7 million net new jobs in 2012. An additional 626,000 net new jobs were reported during the 1st Quarter, 2013. 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



Source: Bureau of Labor Statistics; updated 04/05/13

Housing Industry – Across the nation, some 1,360,000 housing starts were reported in March 2013, a 58.4% increase from one year earlier. March 2013 permits totaled 902,000 -- a 20.7% increase, year-over-year. A total of 4.92 million existing homes were sold in March 2013 (seasonally adjusted annualized rate), a 9.8% annual increase. New home sales came in at 417,000 in March 2013 (seasonally adjusted annualized rate), an annual increase of 27.1%. Construction spending increased by 1.2% in February 2013, led by residential construction, which increased by 2.2% in February. 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 declined by 0.4% in March 2013, partly the result of tax increases that occurred at the beginning of the year as well as nervousness about the pending sequestration. Leading month-over-month gainers include furniture (0.9%) and clothing (0.1%). Loss leaders include auto parts (-0.6%), general merchandise (-1.2%) and automobile gasoline stations (-2.2%). The negotiated fiscal cliff deal and the expiration of the payroll taxes led to a general reduction in income, with adjustments in spending behavior and resulting pullback occurring in March.

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 March 2013 were reported at an annualized rate of 5.3 million – a 3.6% decrease from the previous month, as well as year-over-year. Sales of light domestic trucks were reported at an annualized rate of 6.7 million in March 2013, an increase of 1.5% from the previous month and 13.6% year-over-year. Total sales of automobiles and light trucks, including foreign, were reported at 15.3 million in March 2013, a monthly decrease of 0.6%, but an increase of 1.3% year-over-year.

Domestic automobile sales, as a percentage of all sales in the United States, were reported at 78.4% in March, 2013.

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 1st Quarter 2013 was **108.42** -- an indication of slightly higher than expected performance. In the 4th Quarter 2012, the national index was 102.30.

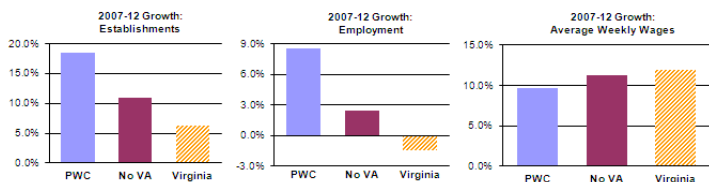
PRINCE WILLIAM ECONOMY

The Prince William County economy during the 1st Quarter 2013 continued a strengthening trend exhibited through the previous year. 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 be well below the national rate, 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 January and February continued in positive territory—thirty-seven consecutive months of year-over-year increases—but the growth was a slower pace, possibly signaling a more cautious consumer. The Prince William economy, with a few exceptions, appears to be continuing on a strengthening trend, although the impact of sequestration on the local economy has yet to be fully ascertained.

Establishments, Employment and Wages –

According to the Virginia Employment Commission, at-place establishments in Prince William County (7,937 in the 3rd Quarter 2012) grew by 4.2% year-over-year and by 18.6% since 2007. In Northern Virginia, at-place establishments (71,629 in the 3rd Quarter 2012) grew by 2.7% year-over-year and by 11.0% since 2007. In Virginia, at-place establishments (237,245 in the 3rd Quarter 2012) grew by 3.2% year-over-year and by 6.2% since 2007. Establishments in Prince William County account for 11.0% 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



At-place employment in Prince William County (112,988 in the 3rd Quarter 2012) increased by 4.1% year-over-year and by 8.57% since 2007. By comparison, Northern Virginia employment grew by 1.1% in the last year and 2.5% since 2007. Employment in the Commonwealth grew by 0.9% in the last year, but declined by 1.4% since 2007.

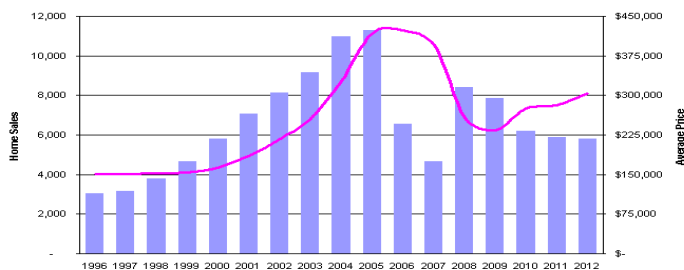
The average weekly wage in Prince William County (\$828 in the 3rd Quarter 2012) declined by 1.9% year-over-year but grew by 9.7% since 2007. At-place average weekly wages in Northern Virginia (\$1,296 in the 3rd Quarter 2012) declined by 2.6% in the last year but grew by 11.2% since 2007. In Virginia, weekly wages (\$960 in the 2nd Quarter 2012) declined by 1.5% year-over-year but grew by 12.0% 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 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 March 2013 sold for \$325,722. This is the highest monthly average since December, 2007 and represents an increase of 10.9% year-over-year, and an increase of 59.4% 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 March 2013 was 494—an increase of 19.9% from March 2012, suggesting that the Prince William County real estate market appears to be continuing to gain momentum as the Spring selling season commences. In March 2013, the ratio of homes on the market to homes sold was 1.72, compared to 2.86 one year earlier. Average “days on the market” stood at 46 in March 2013 compared to 62 in March 2012.

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



Commercial Real Estate Market – In March 2013, according to Costar Realty Group (Costar), Prince William County commercial inventory included 45.4 million square feet of space in 1,955 buildings. Since 2009, some 1.5 million square feet of commercial space has been added to the inventory, a growth rate of 3.5%. Vacancy rates moved slightly higher, year-over-year, led by increases in Industrial and Flex vacancy. In March 2013, a total of 3.83 million square feet of vacant space (including retail) was reported by Costar, a vacancy rate of 8.4%. This

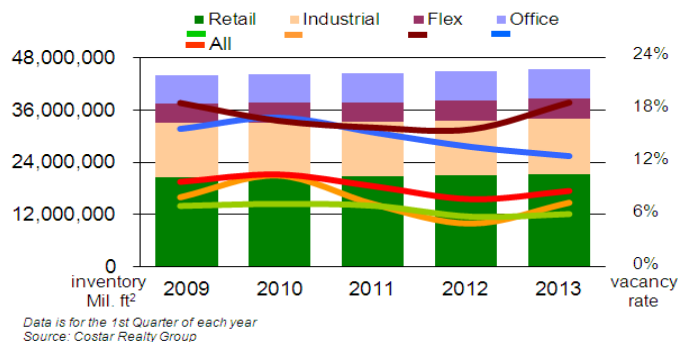
represents an increase of 469,205 square feet since March 2012, when the total vacancy rate was 7.5%); vacant commercial space has declined by 324,827 square feet (-1.0%) since 2009.

In March 2013 the Prince William County commercial inventory consisted of:

- Office: 6,806,968 sq. ft. in 430 buildings;
- Flex: 4,586,860 sq. ft. in 134 buildings;
- Industrial: 12,759,011 sq. ft. in 354 buildings; and
- Retail: 21,290,372 sq. ft. in 1,037 buildings.

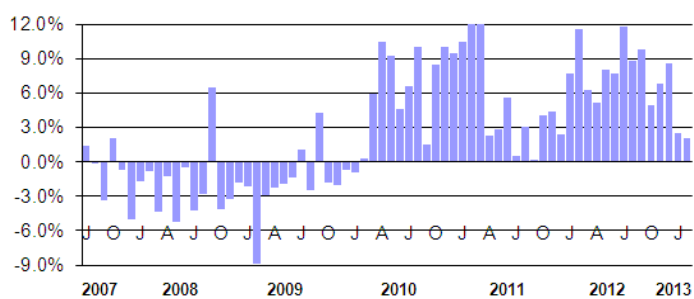
Total vacant space includes 844,434 square feet of vacant Office space (12.4%, down from 13.4% one year ago), 848,268 square feet of vacant Flex space (18.5%, compared to 15.5% one year ago), 904,496 square feet of vacant Industrial space (7.1%, up from 4.7% one year ago) and 1,235,605 square feet of vacant Retail space (5.8%, compared to 5.5% 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.

Prince William County Commercial Inventory and Vacancy Rates 2009-13



Retail – Retail activity, as reflected in sales revenue generated in Prince William County has continued at a strong pace during the quarter, following a three year trend. A cautionary note should be sounded however as tax increases begun in January, along with the impacts of sequestration on the local labor force may lead to a general pullback by the consumer in the coming months. In February 2013, a total of \$3,949,003 in sales tax revenue was generated to the County -- a 2% increase over February, 2012. General growth in retail activity is reflected in a net increase of over 330,000 square feet of new retail space in 2012 in Prince William County.

Prince William County Monthly Year-Over-Year Sales Revenue Growth Rates July 2007 - February 2013



Source: Pr. Wm. Co. Finance Dept.

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.

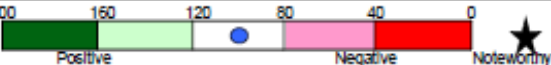
For more information, including current and archived economic, demographic, and financial data and publications, please visit the Prince William County Finance Department website at <http://www.pwcgov.org/finance>

Our local index of economic indicators for the 1st Quarter 2012 was **115.79** -- an indication of higher than expected performance. In the 4th Quarter 2012, the index was 107.89.

Summary of National Economic Indicators as Reported by "Briefing.Com" 4/26/13

Data Released 1st Quarter 2013

Date	Release	For	Actual	Outlook	Prior	Change	Notes
18-Mar	Initial Claims (000s)	9-Mar	334		371	-10.0%	updated
25-Mar	Initial Claims (000s)	16-Mar	341		334	2.1%	updated
1-Apr	Initial Claims (000s)	23-Mar	357		341	4.7%	updated
8-Apr	Initial Claims (000s)	30-Mar	366		357	7.8%	updated
8-Apr	Unemployment Rate	March	7.6%		7.7%	-0.1%	updated
8-Apr	Nonfarm Payrolls (000s)	Q1 2013	626		603	3.8%	updated
8-Apr	Hourly Earnings	March	0.0%		0.1%	-0.1%	updated
8-Apr	Average Workweek	March	34.6		34.5	0.3%	updated
12-Apr	Personal Income	February	1.1%		-3.7%	4.8%	updated
12-Apr	Personal Spending	February	0.7%		0.4%	0.3%	updated
12-Apr	Wholesale Inventories	February	-0.3%		0.8%	-1.1%	updated
12-Apr	Wholesale Inventories (Sales)	February	1.7%		-0.8%	2.5%	updated
12-Apr	Ratio Inventory to Sales (months)	February	1.19		1.21	-2.0%	updated
12-Apr	Business Inventories	February	0.1%		0.9%	-0.8%	updated
12-Apr	Business Inventories (Sales)	February	1.2%		-0.1%	1.3%	updated
12-Apr	Ratio Inventory to Sales (months)	February	1.28		1.29	-1.0%	updated
12-Apr	Factory Orders	February	3.0%		-1.0%	4.0%	updated
12-Apr	Durable Orders	February	5.6%		-3.7%	9.3%	updated
10-Apr	Industrial Production	February	0.7%		0.0%	0.7%	updated
10-Apr	Capacity Utilization	February	79.6%		79.2%	0.4%	updated
10-Apr	ISM Index (survey)	March	51.3		54.2	-5.4%	updated
9-Apr	ISM Services (survey)	March	54.4		56.0	-2.9%	updated
9-Apr	NY Empire State Index--Seasonally Adjusted (survey)	March	9.24		10.04	-8.0%	updated
9-Apr	Philadelphia Fed (survey)	March	2.0		-12.5	-116.0%	updated
9-Apr	Chicago PMI (survey)	March	52.4		56.8	-7.7%	updated
9-Apr	Durable Goods Orders	February	5.7%		-3.8%	9.5%	updated
9-Apr	Leading Indicators	February	0.5%		0.5%	0.0%	updated
17-Apr	Housing Starts (000s)	March	1036		968	7.0%	updated
17-Apr	Building Permits (000s)	March	902		939	-3.9%	updated
9-Apr	Existing Home Sales (m)	March	4.92		4.95	-0.6%	updated
9-Apr	New Home Sales (000s)	March	417		411	1.5%	updated
9-Apr	Construction Spending	February	1.2%		-2.1%	3.3%	updated
9-Apr	Consumer Credit (\$b)	February	\$18.10		\$12.70	42.5%	updated
12-Apr	Retail Sales	March	-0.4%		1.0%	-1.4%	updated
12-Apr	Retail Sales ex-auto	March	-0.4%		1.0%	-1.4%	updated
9-Apr	Auto Sales-Domestic (m)	March	5.3		5.5	-3.6%	updated
9-Apr	Truck Sales-Domestic (m)	March	6.7		6.6	1.5%	updated
9-Apr	All Light Vehicle Sales Including Foreign (m)	March	15.3		15.4	-0.6%	updated
9-Apr	Domestic Light Vehicle Sales % of All Sales Including Fo	March	78.4%		78.6%	-0.2%	updated
8-Apr	Trade Balance (\$b)	February	\$43.00		\$44.50	-3.4%	updated
9-Apr	Treasury Budget (\$b)	March	-\$106.50		-\$203.50	-47.7%	updated
9-Apr	GDP-Adv	Q1 2013	2.5%		0.4%	2.1%	updated
11-Apr	Import Prices ex-oil	March	-0.2%		0.1%	-0.3%	updated
11-Apr	Import Prices with oil	March	-0.5%		0.6%	-1.1%	updated
11-Apr	Export Prices ex-agriculture	March	-0.2%		-0.6%	0.4%	updated
11-Apr	Export Prices with agriculture	March	-0.4%		0.7%	-1.1%	updated
12-Apr	PPI	March	-0.6%		0.7%	-1.3%	updated
12-Apr	Core PPI	March	0.2%		0.2%	0.0%	updated
9-Apr	CPI	February	0.7%		0.0%	0.7%	updated
9-Apr	Core CPI	February	0.2%		0.3%	-0.1%	updated
12-Apr	Mich Sentiment-Prel. (survey)	March	72.3		78.6	-8%	updated
9-Apr	Consumer Confidence (survey)	March	59.7		68.0	-12.2%	updated

108.42 National Index 

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	Q1 2013	417,293		415,912	0.3%	
12-Jan	Washington-Baltimore CPI-U Monthly Year-Over-Year	January	2.2%		2.6%		updated
23-Jan	Pr Wm Civ. Labor Force	February	229,171		231,128	-0.8%	updated
23-Jan	Pr Wm Civ Emp Lab Force	February	218,080		219,468	-0.6%	updated
23-Jan	Pr Wm Unemployment Rt	February	4.8%		5.0%	-0.2%	updated
23-Jan	Pr Wm At-place Establishments	Q3 2012	7,937		7,797	1.6%	updated
23-Jan	Pr Wm At-place Employment	Q3 2012	112,988		113,573	-0.5%	updated
23-Jan	Pr Wm At-place Avg Salary	Q3 2012	\$ 43,056		\$ 42,276	1.8%	updated
16-Oct	Pr Wm Net Vehicles Added	Q1 2013	11,726		12,732	-7.9%	updated
19-Jan	Pr Wm Sales Tax Revenue Year over Year 12 Month Mov Avg Incre	February	7.0%		7.4%	-0.4%	updated
5-Jan	Pr Wm Commercial Inventory (sf including retail)	Q1 2013	45,404,900		45,046,328	0.8%	updated
5-Jan	Pr Wm Commercial Vacancy (sf including retail)	Q1 2013	8.7%		8.1%	0.6%	updated
5-Jan	Pr Wm Commercial Inventory (sf non-retail)	Q1 2013	24,024,584		23,928,390	0.4%	updated
5-Jan	Pr Wm Commercial Vacancy (non-retail)	Q1 2013	11.3%		10.2%	1.1%	updated
10-Jan	Pr Wm Housing Market Unit Sales	March	494		400	23.5%	updated
10-Jan	Pr Wm Housing Market Ending Listing Inventory	March	851		821	3.7%	updated
10-Jan	Pr Wm Housing Market Listing/Sales Ratio	March	1.7		2.1	-16.1%	updated
10-Jan	Pr Wm Housing Market Sale Price	March	\$ 325,722		\$ 316,141	3.0%	updated
10-Oct	Pr. Wm. Quarterly Foreclosures	Q4 2012	312		419	-25.5%	updated

115.79 Pr. Wm Index 