



ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

MARCH 2014

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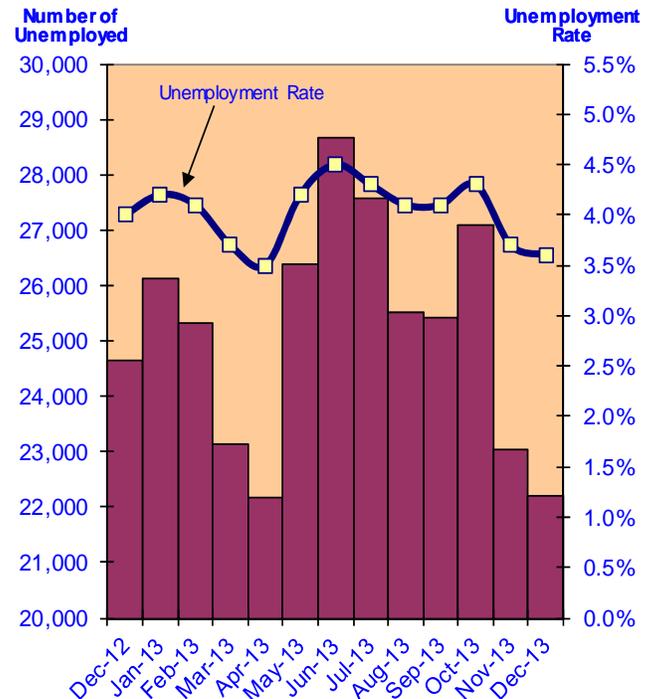
- The unemployment rate in Fairfax County rose to 4.0 percent in January. (See page 1)
- Sales tax receipts in Fairfax County fell 4.1 percent in March from a year ago. (See page 2)
- Home prices in the Washington Metropolitan area posted a 8.2 percent gain in January compared to a year ago. (See page 2)
- The Consumer Confidence Index, which had increased in January, fell slightly in February. (See page 2)
- The average sales price of all homes that sold in February 2014 increased 4.8 percent compared to the average sales price in February 2013. (See page 3)
- The number of active listing of homes for sale in the County increased 26.3 percent in February from a year ago. (See page 4)
- The office vacancy rate in Fairfax County rose to 14.9 percent in 2013, up from 14.4 percent in 2012. (See page 4)
- Total nonfarm payroll employment in Northern Virginia increased by 3,200 jobs in January but some sectors experienced job losses. (See page 5)

The *Fairfax County Economic Indicators* is on the Web and can be accessed at:

http://www.fairfaxcounty.gov/economic/economic_indicators.htm



FAIRFAX COUNTY UNEMPLOYMENT DATA



Source: Virginia Employment Commission. Compiled by the Fairfax County Department of Management and Budget.

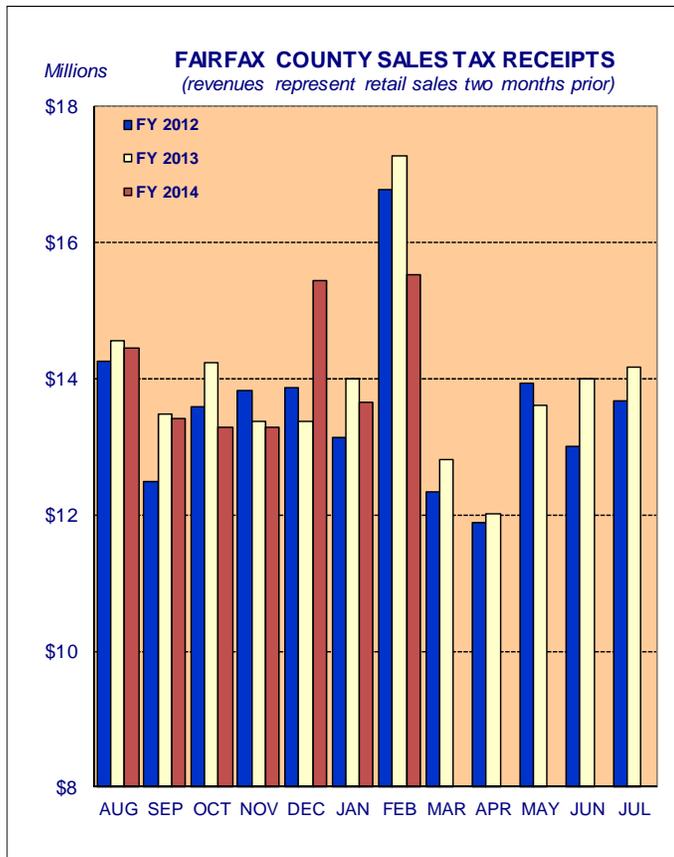
Employment

The unemployment rate in Fairfax County rose to 4.0 percent in January, up from 3.6 percent in December. The number of unemployed residents increased over the month from 22,194 to 25,305. The County's unemployment rate is below the 4.2 percent rate recorded last January.

The seasonally adjusted January unemployment rate in Virginia increased to 5.3 percent, up from 4.8 percent in December. The state's unemployment rate is below the 5.9 percent rate recorded a year ago.

The U.S. seasonally adjusted unemployment rate in January decreased slightly from 6.7 percent to 6.6 percent. Since October 2013, the unemployment rate has decreased by 0.6 percentage point. Total nonfarm payroll employment increased by 113,000. In 2013, employment growth averaged 194,000 per month.

Sales Tax Receipts



Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget.

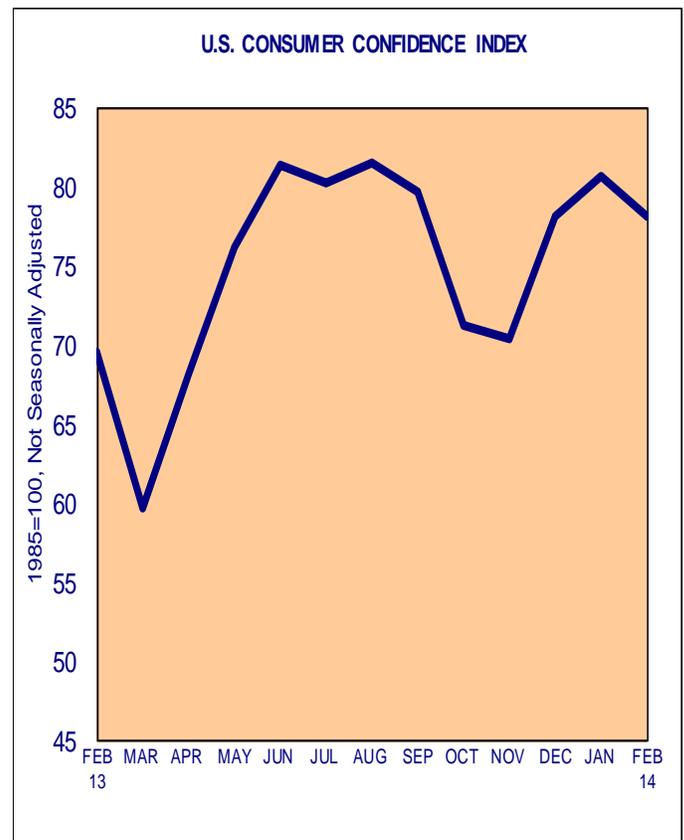
Sales Tax receipts distributed to Fairfax County in March for retail purchases made in January, were \$12.3 million, a decrease of 4.1 percent from March 2013. During the first eight months of FY 2014, Sales Tax receipts are down 1.5 percent.

NATIONAL INDICATORS

Case-Shiller Home Price Indices

Based on the latest report, home prices in 20 U.S. cities, as measured by the S&P Case-Shiller Index, increased 13.2 percent in January from a year earlier. However, 12 areas reported declining prices in January versus December. David Blitzer, Chairman of the Index Committee stated "Expectations and recent data point to continued home price gains for 2014. Although... the consensus is for moderating gains." Home prices in the Washington Metropolitan area posted an 8.2 percent gain over the year and a 0.3 percent increase from December to January.

Consumer Confidence Index



Source: The Conference Board. Compiled by the Fairfax County Department of Management and Budget.

The Consumer Confidence Index, which had increased in January, decreased slightly in February. The index stands at 78.1 (1985=100), down from 79.4 a month ago. The present situation component increased, while the expectations component dropped. Lynn Franco, Director of Economic Indicators at the Conference Board, said that the Present Situation Index is at its highest level in almost six years, which "suggests that consumers believe the economy has improved, but they do not foresee it gaining considerable momentum in the months ahead."

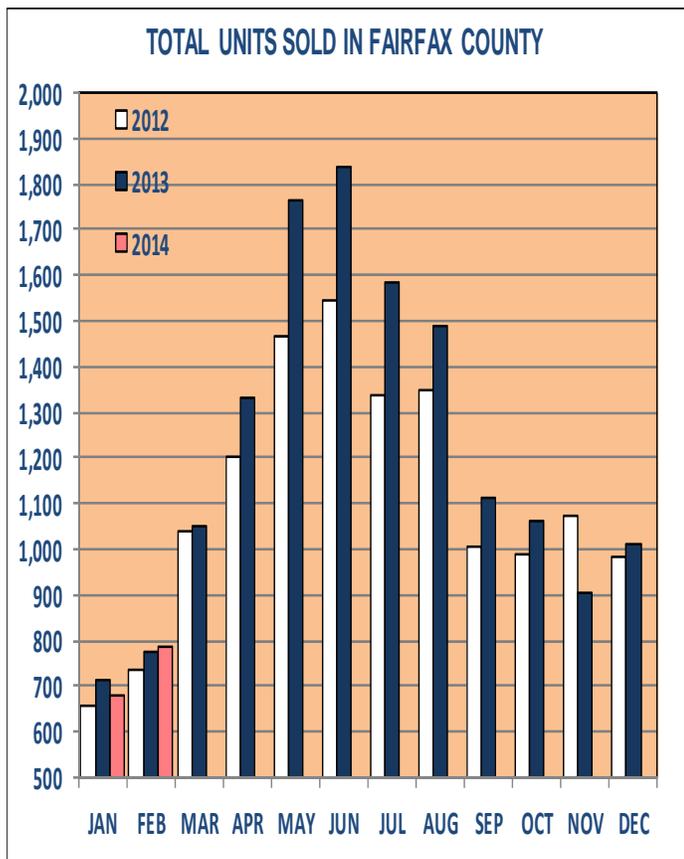
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 2.6 percent in the fourth quarter of 2013, according to the final estimate by the Bureau of Economic Analysis (BEA). This is a deceleration in growth from the third quarter, when the economy grew 4.1 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In February, 789 homes were sold in Fairfax County, an increase of 2.1 percent from the 773 homes sold in February 2013.

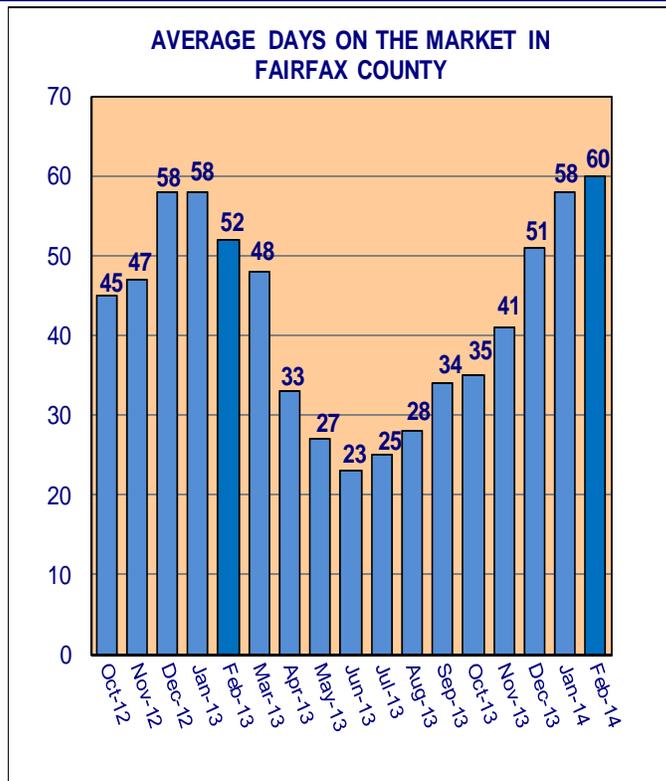


Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in February were on the market for 60 days, 8 days longer than the 52-day average in February 2013.

Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: www.fairfaxcounty.gov/dta/tax_assessment.htm



Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

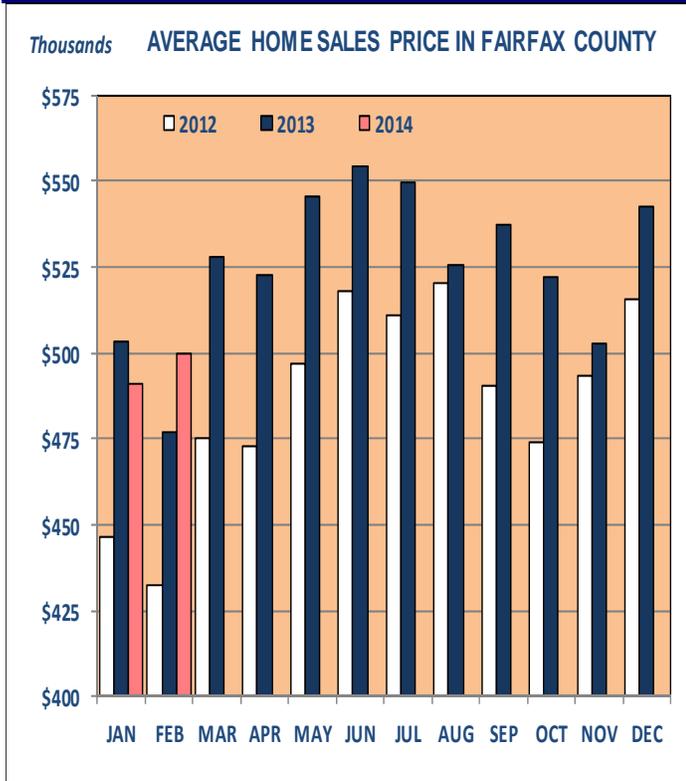
Average Home Sales Prices

The average home sales price of all homes that sold in February 2014 in Fairfax County was \$499,765, an increase of 4.8 percent over the February 2013 average sales price of \$476,735. Compared to the annual 2013 average home sales price of \$531,136, the February price decreased 5.9 percent.

The average sales price for detached homes that sold in February 2014 was \$677,199, an increase of 7.4 percent over the February 2013 average of \$630,557. The average sales price of attached homes increased 6.9 percent in the same time period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN FEB 2014 COMPARED TO SALES IN FEB 2013

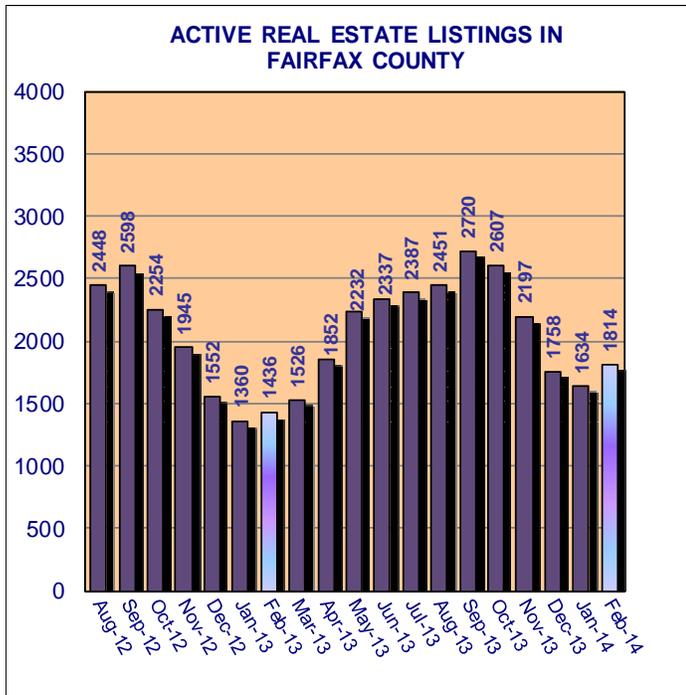
	February 2014	February 2013	% Change
All Homes	\$499,765	\$476,735	4.8%
Detached Homes	\$677,199	\$630,557	7.4%
Attached Homes	\$352,384	\$329,534	6.9%



Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Inventory of Homes for Sale

In February, the number of active listings in the County was 1,814, an increase of 26.3 percent over the 1,436 listed in February 2013. Based on the February 2014 listings and the current sales rate, there is a 2.3 month supply of homes for sale in the County, up from the 1.9 month supply a year ago.

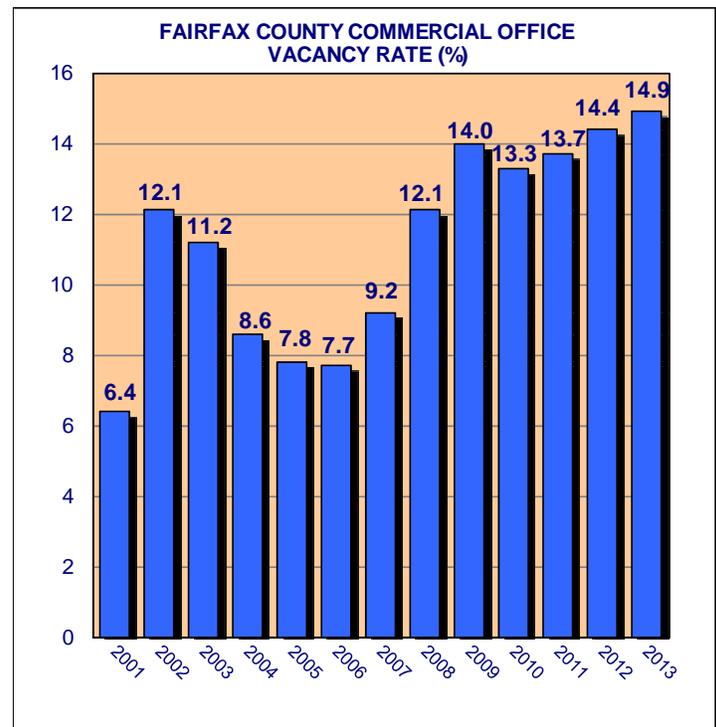


Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the commercial office market remained sluggish during 2013 and the direct office vacancy rate rose to 14.9 percent, up from 14.4 percent in 2012. The increase is primarily due to federal budget issues. Government contractors have consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending.

The 2013 direct office vacancy rate was the highest since 1991 when the rate was 16.9 percent. The overall vacancy rate, including sublet space vacancies, was 17.1 percent, up from 16.7 percent at the close of 2012.



Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.

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Employment in Northern Virginia

Total January 2014 nonfarm payroll employment in Northern Virginia was 1.355 million, an increase of 3,200 new jobs over January 2013. The state and local government sector added 4,900 jobs, followed by 3,300 additional jobs in the Construction sector. These increases were offset by decreases in the federal government, which lost 4,500 jobs in Northern Virginia in January compared to a year ago. A significant drop occurred in the Professional and Business Services sector, which lost 7,800 jobs in January from a year ago. The impacts of sequestration and the federal budget issues are most likely to be noticeable in this sector, which includes many government contractors.

The Education and Health Services sector registered a 2,100 job gain in January, while the Retail sector employment rose 2,000. The Financial Activities sector gained 1,700 jobs, while the Other Services sector added 1,900. Net job losses were also registered in the Information sector and in Manufacturing.

**Northern Virginia Employment Change by Sector
January 2013 to January 2014
Total Employment Change = 3,200**

