



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

MARCH 2015

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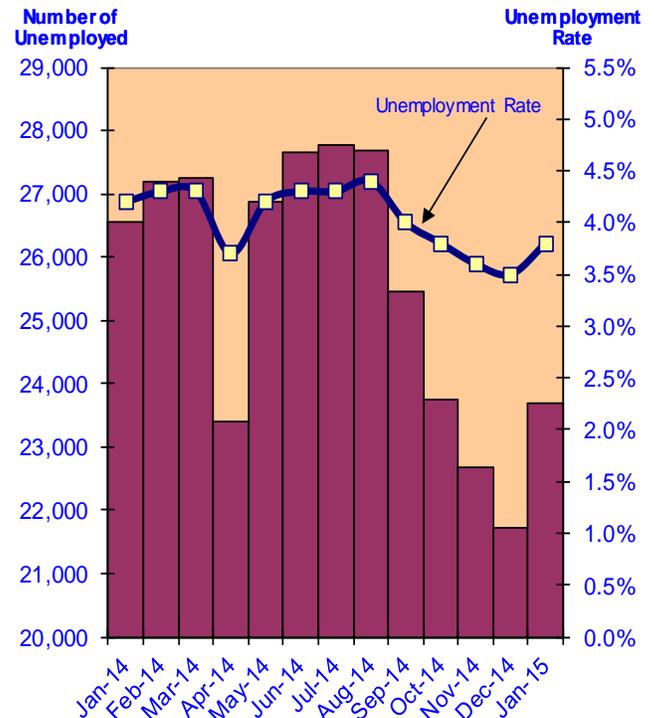
- The unemployment rate in Fairfax County increased to 3.8 percent in January. (See page 1)
- Sales tax receipts in Fairfax County increased 6.1 percent in March from a year ago. (See page 2)
- The Consumer Confidence Index decreased in February after it grew to the highest level since August 2007 in January. (See page 2)
- The U.S. economy grew at an annual rate of 2.2 percent in the fourth quarter of 2014 after growing 5.0 percent in the third quarter. (See page 2)
- The number of homes sold in Fairfax County in February decreased 3.2 percent from a year ago. (See page 3)
- In February 2015, the average sales price of all homes sold in Fairfax County increased 3.0 percent compared to the average sales price in February 2014. (See page 3)
- The number of active listings of homes for sale in the County increased 31.1 percent in February from a year ago. (See page 4)

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.

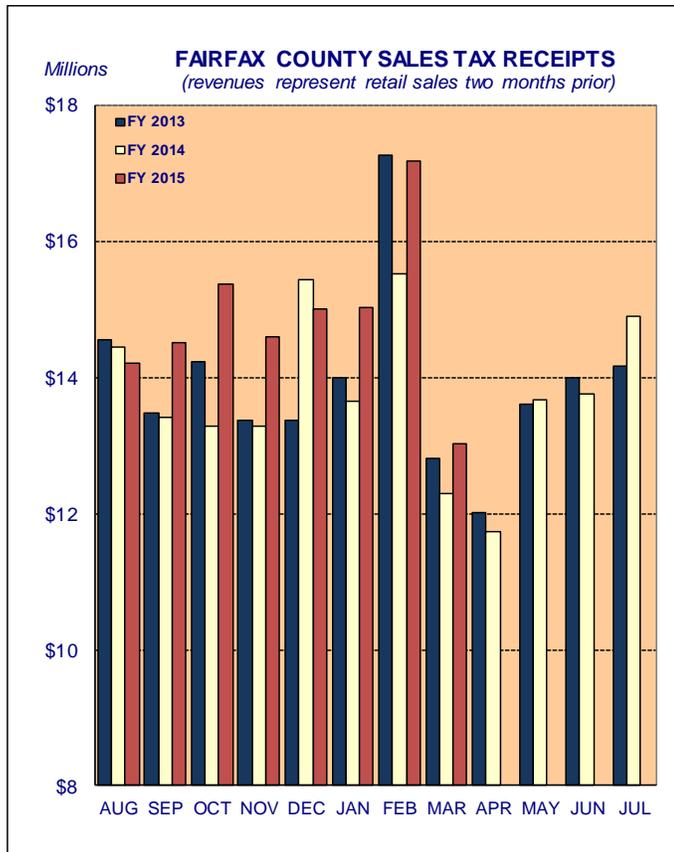
Employment

The unemployment rate in Fairfax County increased from 3.5 percent in December to 3.8 percent in January. The number of unemployed residents increased over the month from 21,722 to 23,697. The County's unemployment rate was 0.4 percentage points lower than last January.

The January seasonally adjusted unemployment rate in Virginia fell to 4.7 percent from 4.8 percent in December. This is the lowest rate since October 2008. The January rate decreased 0.6 percentage points from a year ago.

The U.S. seasonally adjusted unemployment rate increased slightly from 5.6 percent in December to 5.7 percent in January. Total nonfarm payroll employment increased by 257,000 in January. On average, 336,000 jobs per month were added during the past 3 months.

Sales Tax Receipts



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

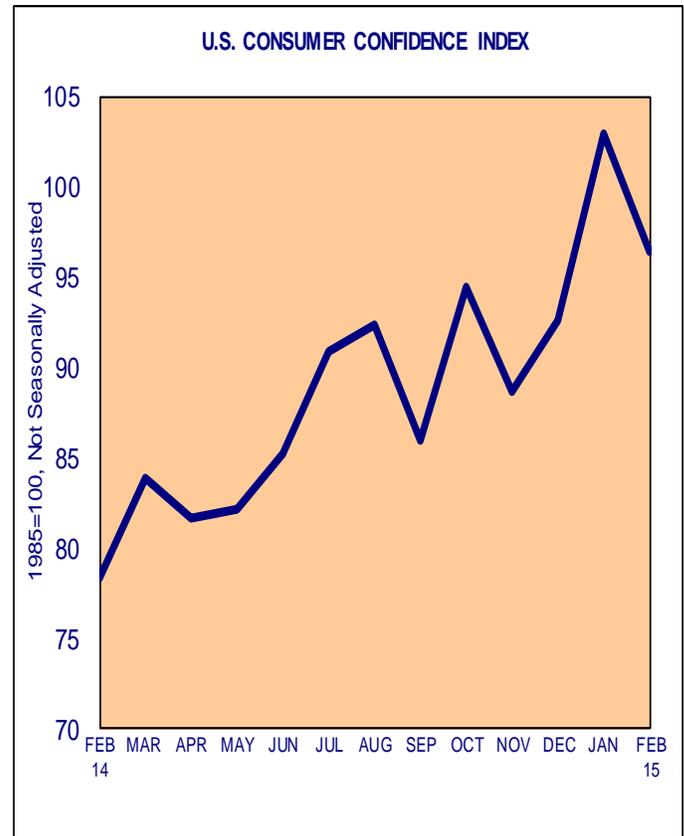
Sales Tax receipts distributed to Fairfax County in March for retail purchases made in January were \$13.0 million, an increase of 6.1 percent over March 2014. Combined, Sales Tax receipts are up 6.9 percent for the first eight months of the fiscal year.

NATIONAL INDICATORS

Case-Shiller Home Price Indices

According to the S&P Case-Shiller home price index, home prices were up 4.5 percent for the 12 months ending in December 2014. Home prices in the Washington Metropolitan area posted a 1.5 percent gain during the same period. According to David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices, "The housing recovery is faltering. While prices and sales of existing homes are close to normal, construction and new home sales remain weak." He added that, "The softness in housing is despite favorable conditions elsewhere in the economy: strong job growth, a declining unemployment rate, continued low interest rates and positive consumer confidence."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in February after increasing sharply in January. The index stands at 96.4 (1985=100), down from 103.8 a month ago. Both the present situation component and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, while consumer confidence retreated during the month, it "still remains at pre-recession levels (September 2007, Index 99.5)." She added that, "Despite this month's decline, consumers remain confident that the economy will continue to expand at the current pace in the months ahead."

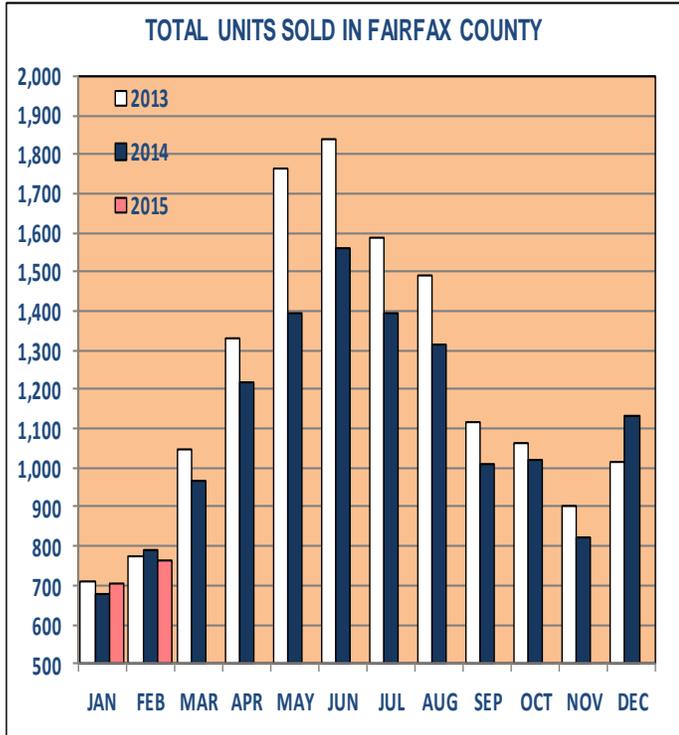
Gross Domestic Product

According to the revised estimate by the Bureau of Economic Analysis, real gross domestic product (GDP) increased at an annual rate of 2.2 percent in the fourth quarter of 2014 after growing 5.0 percent in the third quarter. In the previous estimate, real GDP was reported to have increased 2.6 percent. The U.S. economy is estimated to have grown 2.4 percent in 2014 compared to an increase of 2.2 percent in 2013.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

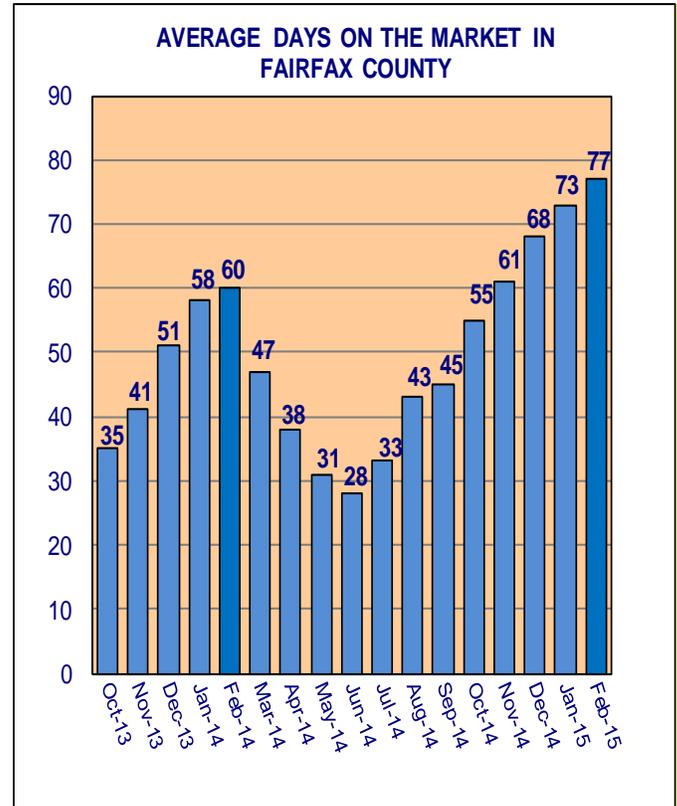
In February, 764 homes were sold in Fairfax County, a decrease of 3.2 percent from the 789 homes sold in February 2014.



Source: Real Estate Business Intelligence. 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 77 days. This is 17 days longer than the 60-day average in February 2014.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Average Home Sales Prices

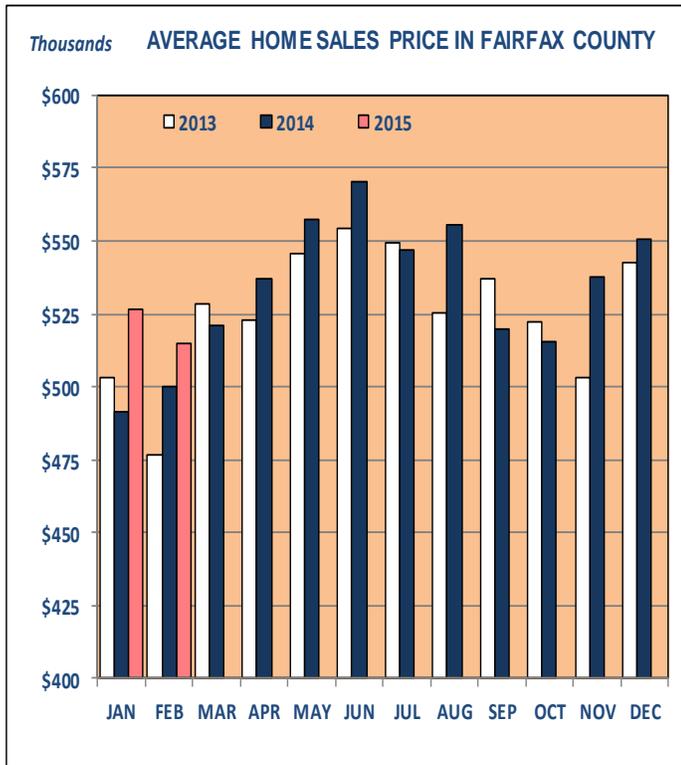
The average sales price of all homes that sold in February 2015 in Fairfax County was \$514,898, an increase of 3.0 percent over the February 2014 average sales price of \$499,765. The average February price was down 4.3 percent compared to the 2014 average home sales price of \$538,280.

The average sales price for detached homes that sold in February 2015 was \$658,799, a decrease of 2.7 percent from the February 2014 average of \$677,199. The average sales price of attached homes increased 4.6 percent during the same time period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN FEB 2015 COMPARED TO SALES IN FEB 2014

	FEB 2015	FEB 2014	% Change
All Homes	\$514,898	\$499,765	3.0%
Detached Homes	\$658,799	\$677,199	-2.7%
Attached Homes	\$368,719	\$352,384	4.6%

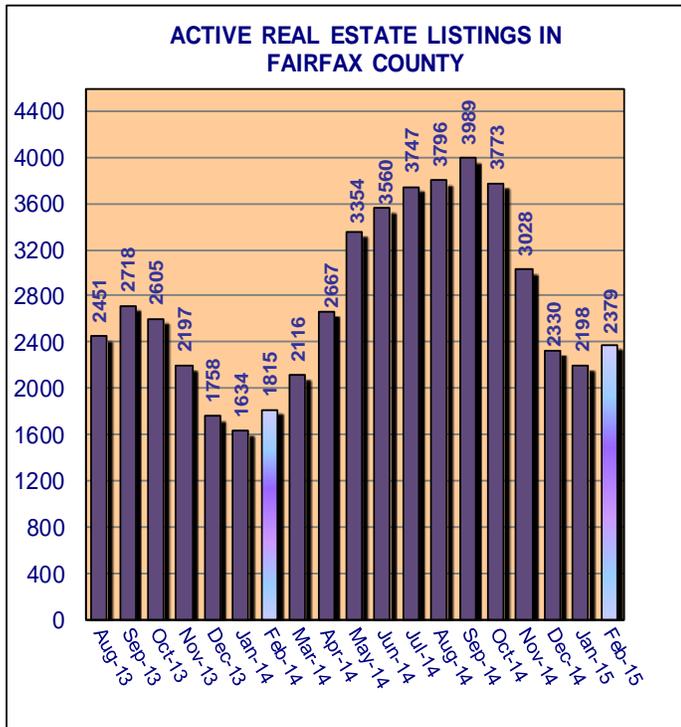
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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



Source: Real Estate Business Intelligence. 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 2,379, an increase of 31.1 percent over the 1,815 listed in February 2014. Based on the February 2015 listings and the current sales rate, there is approximately a 3.1 month supply of homes for sale in the County, up from the 2.3 month supply a year ago.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Negative Equity

Based on data from Zillow, which is the largest U.S. real estate website that provides nationwide real estate information and research, the percentage of homes with negative equity in the U.S. was 16.9 percent in the fourth quarter of 2014, unchanged from the third quarter. Negative equity - a situation in which the borrower owes more on their mortgage than the home is worth - had fallen for ten straight quarters prior to flattening out in the last quarter of 2014. According to Zillow's report, "Low-end homes are far more likely to be worth less than the balance of their mortgage and they are far more likely to be further underwater than their high-end counterparts." Based on Zillow's latest local data available, the percentage of homes with negative equity in Fairfax County was 9.0 percent in the third quarter of 2014, down from 9.6 percent in the second quarter.

GO GREEN!

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