

# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

APRIL 2017

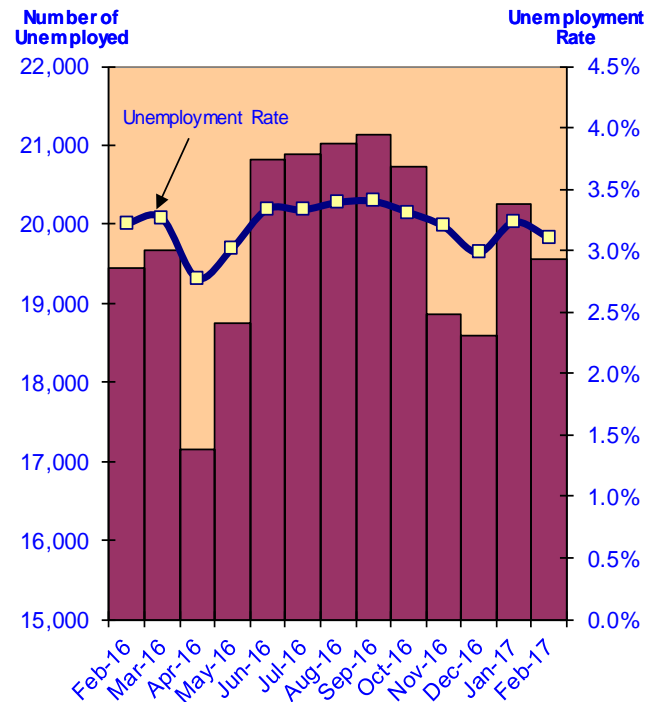
## IN THIS ISSUE:

- The February unemployment rate in Fairfax County decreased to 3.1 percent. (See page 1)
- Sales Tax receipts in April were down 0.8 percent. (See page 2)
- The U.S. economy grew at an annual rate of 0.7 percent in the first quarter of 2017 after growing 2.1 percent in the fourth quarter of 2016. (See page 2)
- The Consumer Confidence Index increased to a seventeen year high in March. (See page 2)
- The number of homes sold in Fairfax County during March 2017 increased 16.0 percent over a year earlier. (See page 3)
- In March 2017, the average sales price of all homes sold in Fairfax County increased 6.2 percent compared to the average sale price in March 2016. (See page 3)
- The number of active listings of homes for sale in the County decreased 17.5 percent in March from a year ago. (See page 4)
- April 2017 Special Report on Northern Virginia Employment (See pages 5-6)

Previous issues of this publication can be accessed at:

[http://www.fairfaxcounty.gov/economic/economic\\_indicators.htm](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.

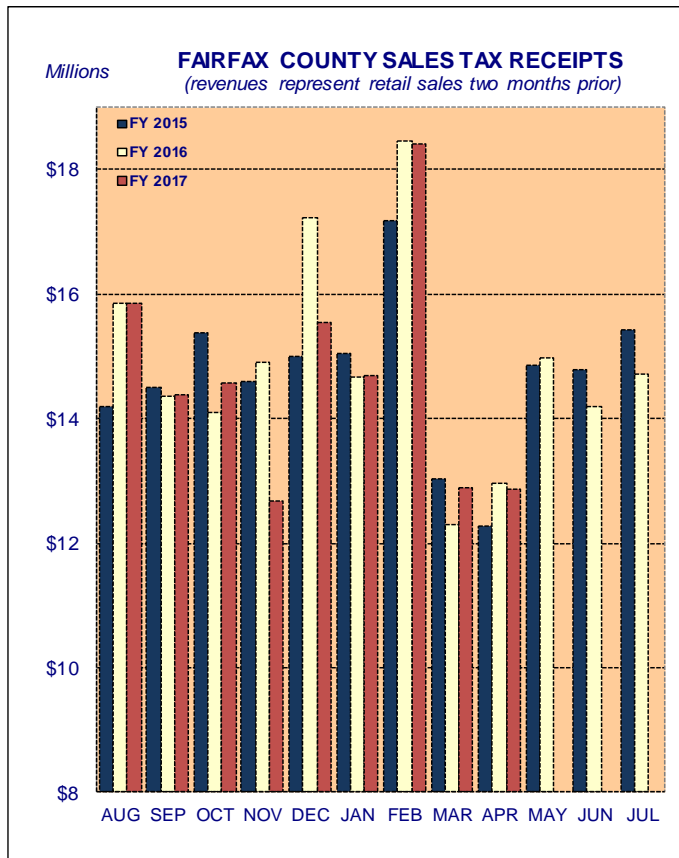
## Employment

Compared to January, the February unemployment rate in Fairfax County decreased 0.1 percentage point to 3.1 percent. The number of unemployed residents decreased over the month from 20,254 to 19,562. The County's unemployment rate was down 0.1 percentage point from February 2016.

In February, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point from January to 3.9 percent. The rate was down 0.1 percentage point from February 2016.

The U.S. seasonally adjusted unemployment rate decreased to 4.7 percent in February, down 0.1 percentage point from January. The rate was down 0.2 percentage point from a year ago. Total nonfarm payroll employment increased by 235,000 in February. Over the past three months, job gains have averaged 209,000 per month.

## Sales Tax Receipts



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

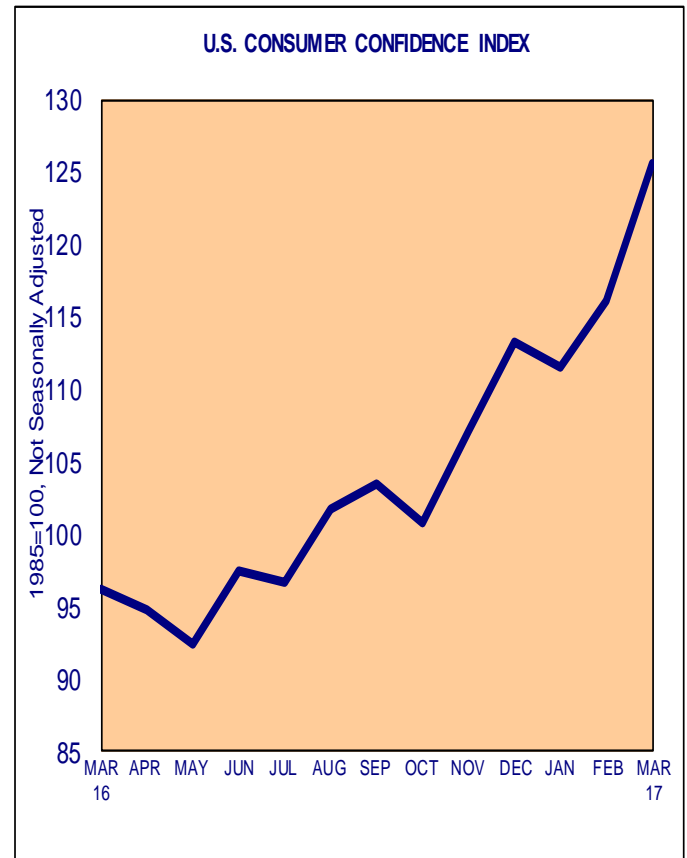
Sales Tax receipts distributed to Fairfax County in April for retail purchases made in February were \$12.9 million, a decrease of 0.8 percent from April 2016. Through April, FY 2017 Sales Tax receipts are down 2.2 percent from FY 2016 primarily due to refunds as a result of state audits.

## NATIONAL INDICATORS

### Case-Shiller Home Price Indices

Based on the latest available data, home prices in 20 U.S. cities, as measured by the S&P Case-Shiller home price index, increased 5.9 percent for the 12 months ending in February. Home prices in the Washington Metropolitan area posted a 4.1 percent gain during the same period. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that "The S&P CoreLogic Case-Shiller National Home Price Index and the two composite indices accelerated since the national index set a new high four months ago." He added that, "There are still relatively few existing homes listed for sale and the small 3.8 month supply is supporting the recent price increases. Housing affordability has declined since 2012 as the pressure of higher prices has been a larger factor than stable to lower mortgage rates."

## Consumer Confidence Index



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

The Consumer Confidence Index increased in March for the second straight month to a 17-year high. The index stands at 125.6 (1985=100), up from 116.1 a month ago. Both the present situation component and the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of current business and labor market conditions improved considerably." She added that, "Consumers feel current market conditions have improved over the recent period, and their renewed optimism suggests the possibility of some upside to the prospects for economic growth in the coming months."

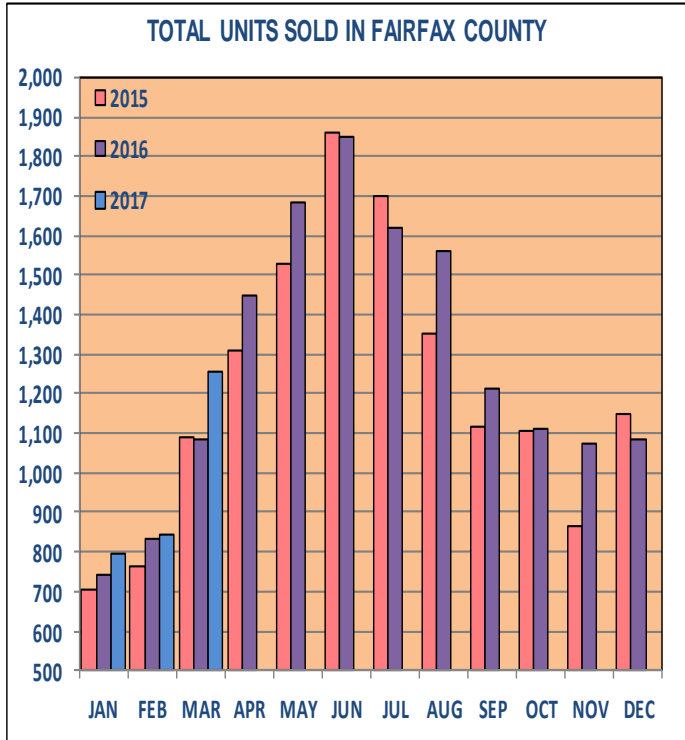
## Gross Domestic Product

According to the advance estimate by the Bureau of Economic Analysis, real gross domestic product (GDP) increased at an annual rate of 0.7 percent in the first quarter of 2017 after growing 2.1 percent in the fourth quarter of 2016. Consumer spending, which makes up more than two-thirds of economic activity, grew by just 0.3 percent in the first quarter, compared to 3.5 percent in the fourth quarter. Federal, and state and local government expenditures decreased during the first quarter. The advance estimate will be revised twice based on more complete data before it is considered final.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

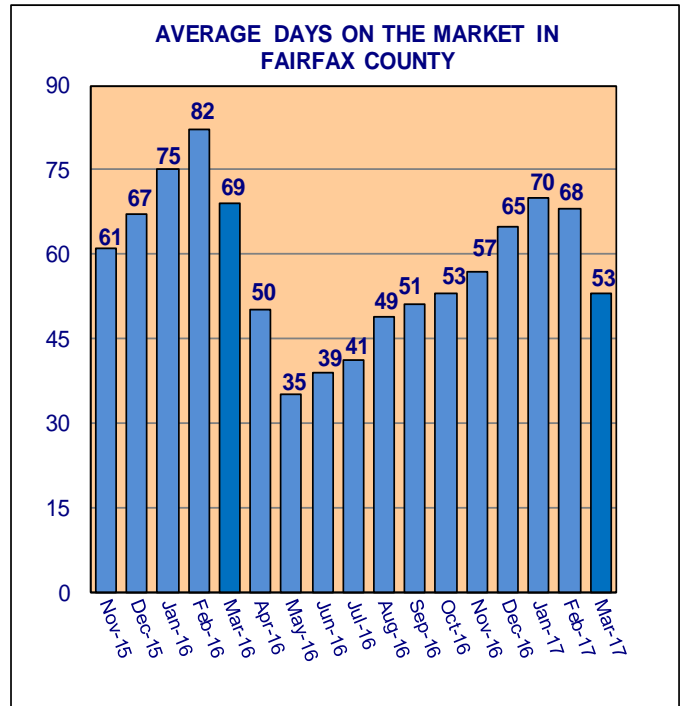
In March, 1,256 homes were sold in Fairfax County, an increase of 16.0 percent over the 1,083 homes sold in March 2016.



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 March were on the market for 53 days. This is 16 days fewer than the 69 day average in March 2016.



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 March 2017 in Fairfax County was \$563,377, an increase of 6.2 percent over the March 2016 average sales price of \$530,553. The average March price was up 3.5 percent compared to the annual 2016 average home sales price of \$544,416.

The average sales price for detached homes that sold in March 2017 was \$744,526, an increase of 5.3 percent over the March 2016 average of \$706,846. The average sales price of attached homes increased 1.5 percent over the same period.

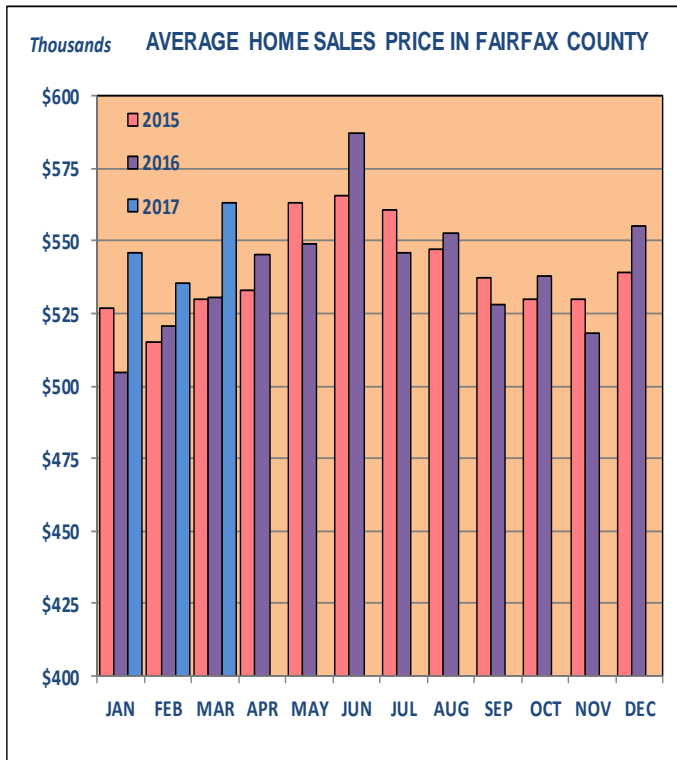
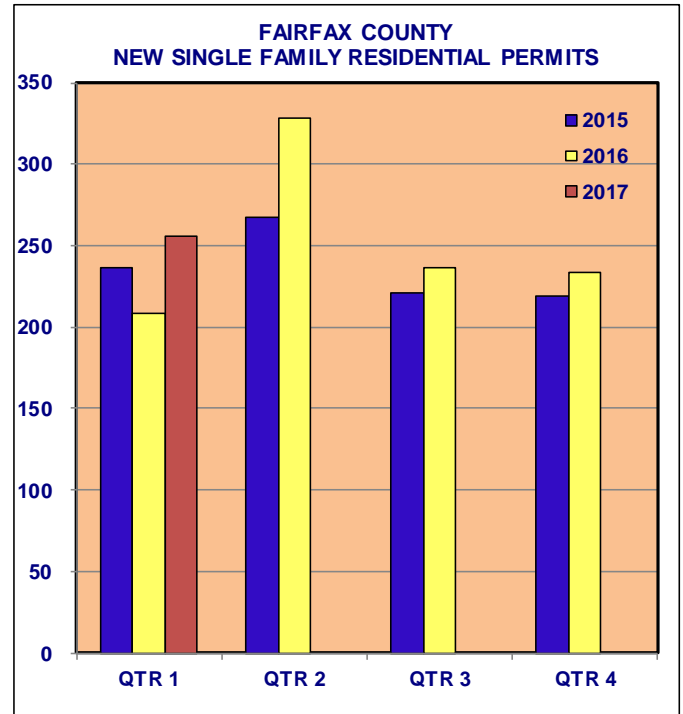
### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN MAR 2017 COMPARED TO SALES IN MAR 2016

	MAR 2017	MAR 2016	% Change
All Homes	\$563,377	\$530,553	6.2%
Detached Homes	\$744,526	\$706,846	5.3%
Attached Homes	\$379,320	\$373,643	1.5%

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](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)

## Single Family Building Permits

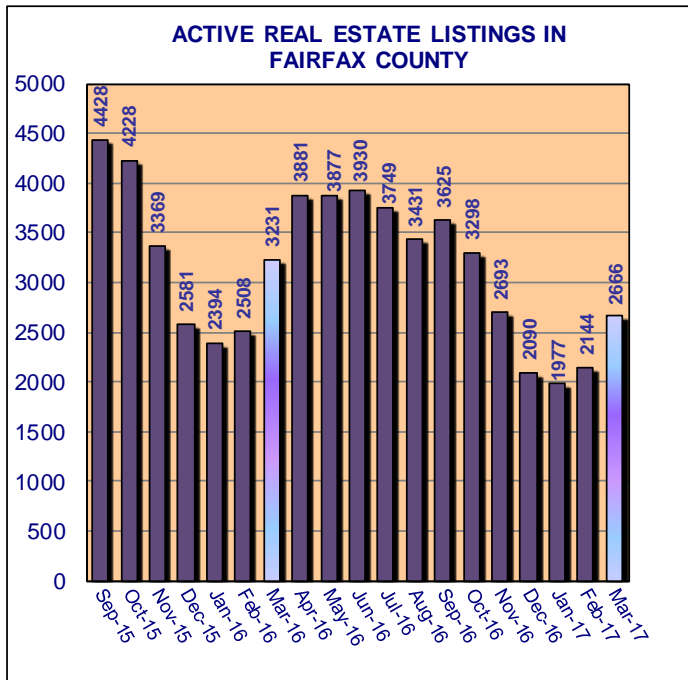
During the first quarter of 2017, 256 new single family permits were issued in Fairfax County. This represents a 23.1 percent increase over the 208 permits issued during the same period in 2016.



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

## Inventory of Homes for Sale

The number of active listings in the County in March was 2,666, a decrease of 17.5 percent from the 3,231 listings in March 2016. Based on the March 2017 listings and the current sales rate, there is approximately a 2.1 month supply of homes for sale in the County, less than the 3.0 month supply a year ago.



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

Inquiries regarding this publication should be directed to:

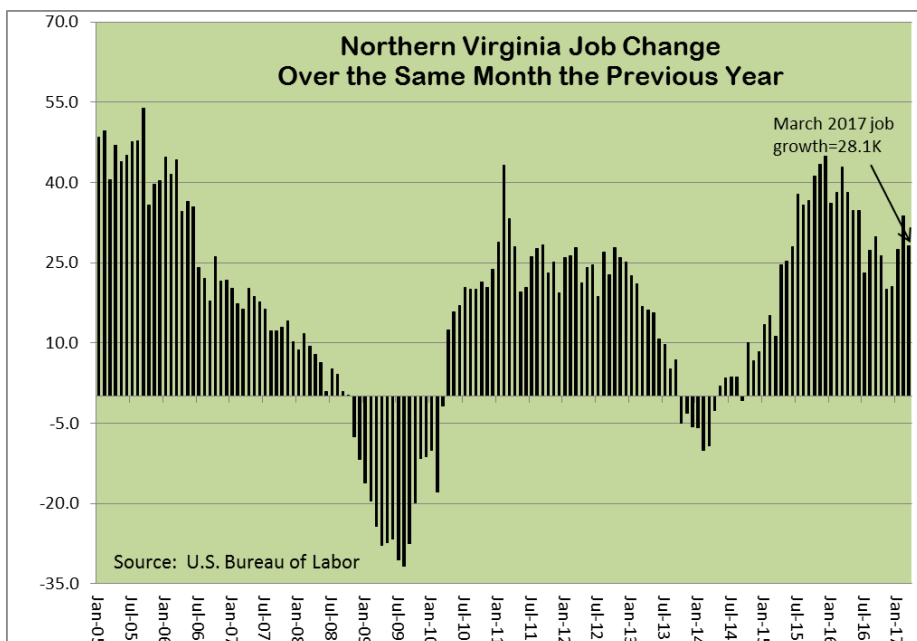
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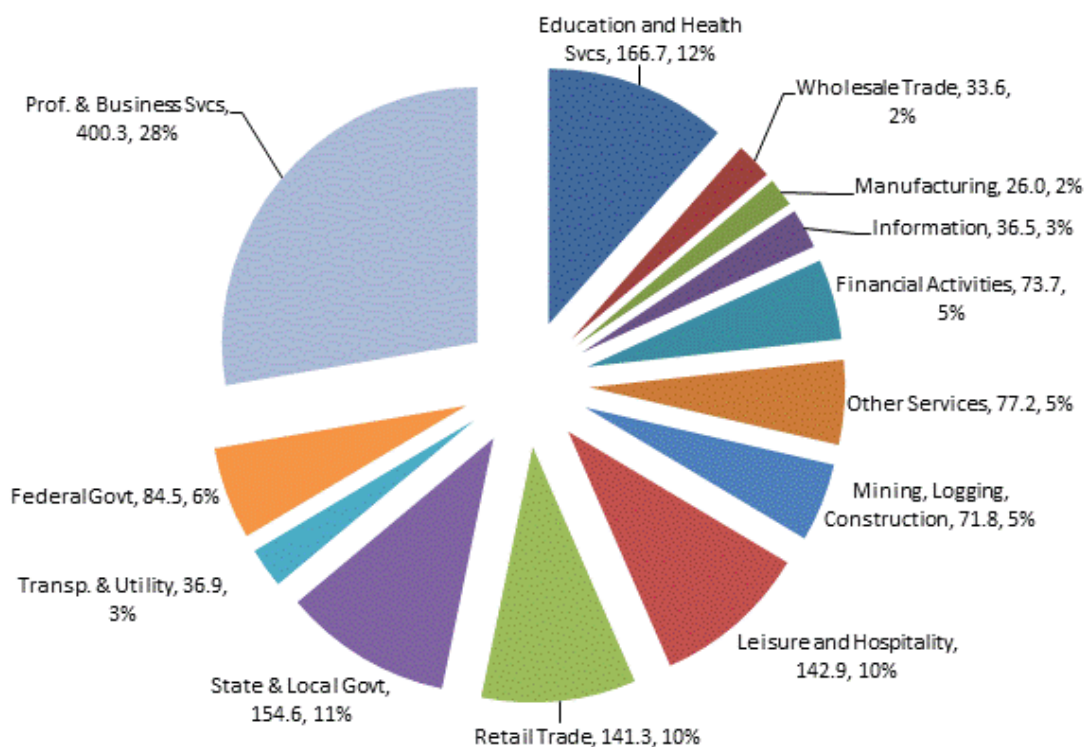
## Special Report – Northern Virginia Employment April 2017

Based on data from the U.S. Bureau of Labor Statistics, the Northern Virginia region experienced job growth at an annual rate of 2.0 percent in March 2017. Prior to the recession, annual job growth from 2003 through 2007 rose at a rate of 2.9 percent. Growth stagnated in 2008, rising just 0.2 percent. The area lost 22,900 jobs in 2009, a drop of 1.7 percent. Employment rose 0.9 percent in 2010 and growth has averaged 1.2 percent per year from 2011 through the end of 2015. In 2016, job growth strengthened slightly, increasing 2.2 percent. As of March 2017, total nonfarm employment in Northern Virginia was 1,446,000, a gain of 28,100 jobs since March 2016.



### Jobs by Sector in Northern Virginia

Employment in the Professional and Business Services sector was 400,300 in March 2017, 28 percent of the total jobs in Northern Virginia.

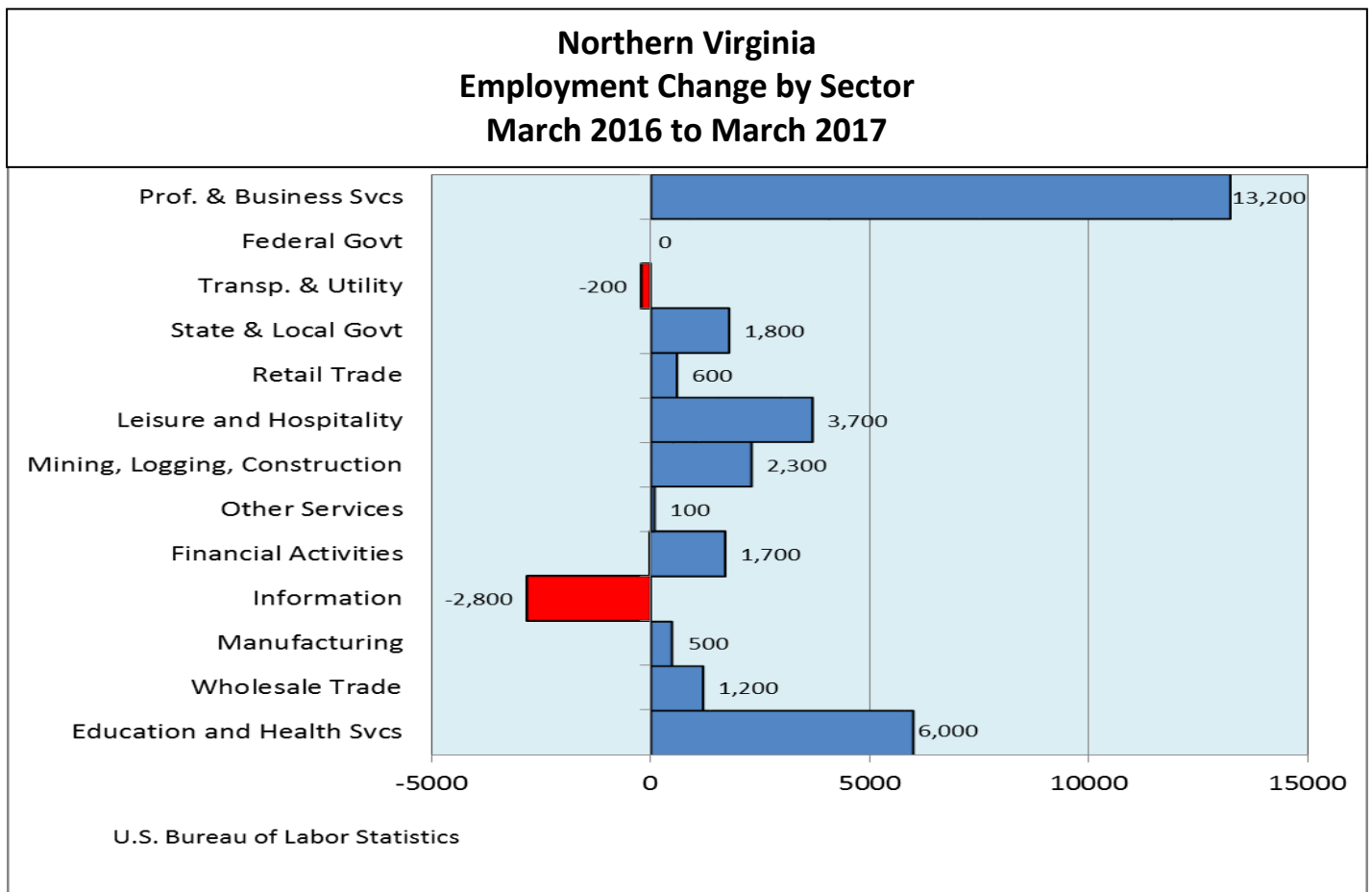


Note: Total employment in March 2017 was 1,446,000. Employment figures in the graph above are in thousands.

The Professional and Business Services sector includes such jobs as attorneys, federal contractors, and businesses that provide services to other businesses such as printing and computer services. The Education and Health Services sector makes up approximately 12 percent of total employment in Northern Virginia, while the State and Local government sectors make up approximately 11 percent. The Retail trade and the Leisure and Hospitality sectors each make up approximately 10 percent. Federal government jobs represent 6 percent of total employment in the area.

### Change by Sector

Of the 28,100 net new jobs created over the year ending March 2017, nearly a half, or 13,200 jobs, were in the Professional and Business Services sector which increased by 3.4 percent over March 2016. There were also significant increases in the number of jobs in the Education and Health Services sector, which increased by 6,000 jobs or 3.7 percent, Leisure and Hospitality, which increased by 3,700 jobs or 2.7 percent, and Mining, Logging, and Construction, which experienced an increase of 2,300 jobs or 3.3 percent. The number of relatively high paying Information sector jobs decreased steeply, with a decline of 2,800 jobs or 7.1 percent.



### Employment in Fairfax County

Fairfax County specific employment data are reported on a delayed basis and are currently available only through the third quarter of 2016. In September 2016, total non-farm employment in the County was 598,071, an increase of nearly 9,400 jobs or 1.6 percent compared to the previous September. Employment rose 1.3 percent in 2015 after falling 0.6 percent in 2013 and 1.2 percent in 2014. During the year ending September 2016, nearly half of the new jobs were added to the Professional and Business Services sector, which increased by 4,564 jobs or 2.2 percent. The next greatest employment increase was in the Education and Health Services sector which increased by 2,586 jobs or 4.1 percent, and in Leisure and Hospitality, which added 1,704 jobs for an increase of 3.2 percent.