

ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

FEBRUARY 2017

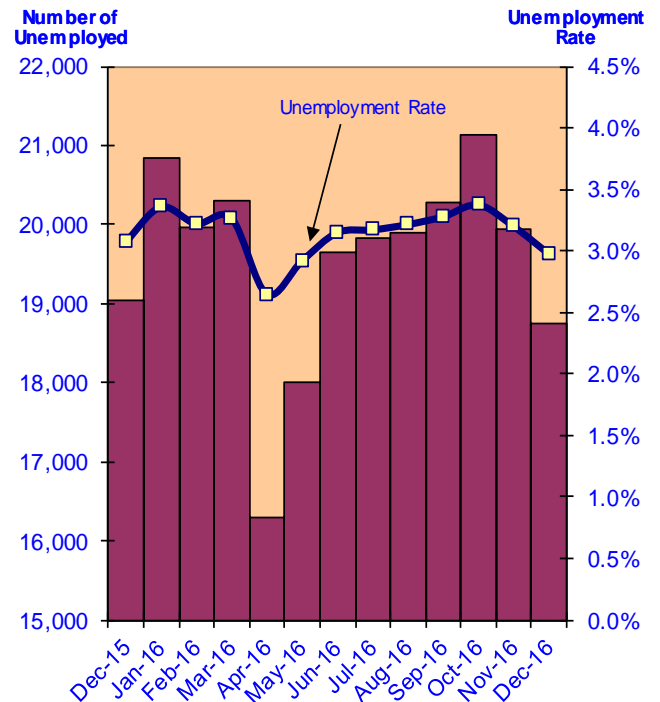
IN THIS ISSUE:

- The December unemployment rate in Fairfax County decreased to 3.0 percent. (See page 1)
- Sales Tax receipts in February were down 0.2 percent. (See page 2)
- The U.S. economy grew at an annual rate of 1.9 percent in the fourth quarter of 2016 after growing 3.5 percent in the third quarter. (See page 2)
- The Consumer Confidence Index decreased in January after reaching a fifteen year high in December. (See page 2)
- The number of homes sold in Fairfax County during January 2017 increased 6.9 percent over a year earlier. (See page 3)
- In January 2017, the average sales price of all homes sold in Fairfax County increased 8.1 percent compared to the average sale price in January 2016. (See page 3)
- The number of active listings of homes for sale in the County decreased 17.4 percent in January from a year ago. (See page 4)

Previous issues of this publication 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.

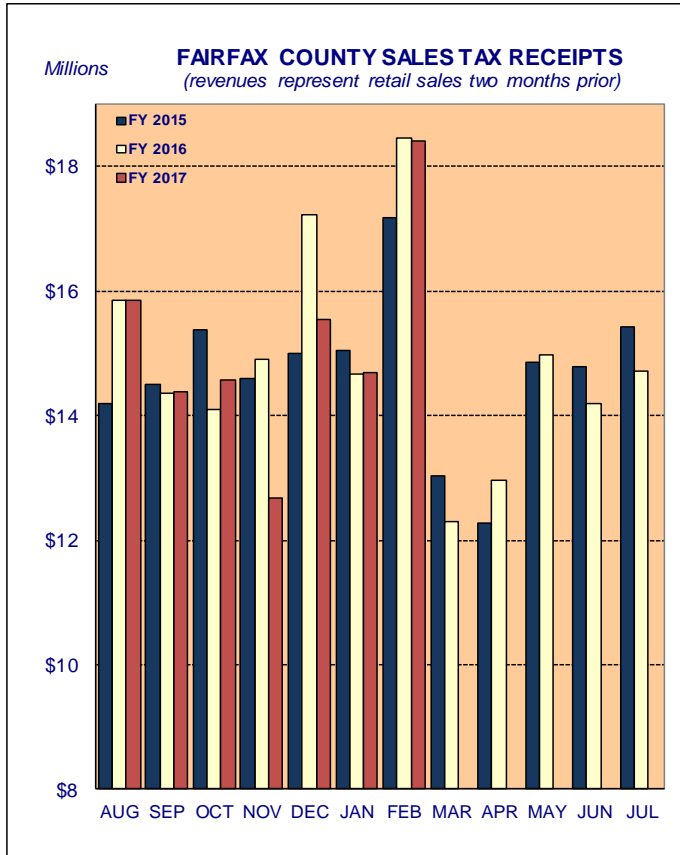
Employment

The December unemployment rate in Fairfax County decreased 0.2 percentage point to 3.0 percent. The number of unemployed residents decreased over the month from 19,943 to 18,754. The County's unemployment rate was down 0.1 percentage point from December 2015.

The seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point in December to 4.1 percent. The rate was down 0.1 percentage point from December 2015.

The U.S. seasonally adjusted unemployment rate increased 0.1 percentage point to 4.7 percent in December. The rate was down 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 156,000 in December. For all of 2016, job growth totaled 2.2 million, less than the increase of 2.7 million in 2015.

Sales Tax Receipts



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

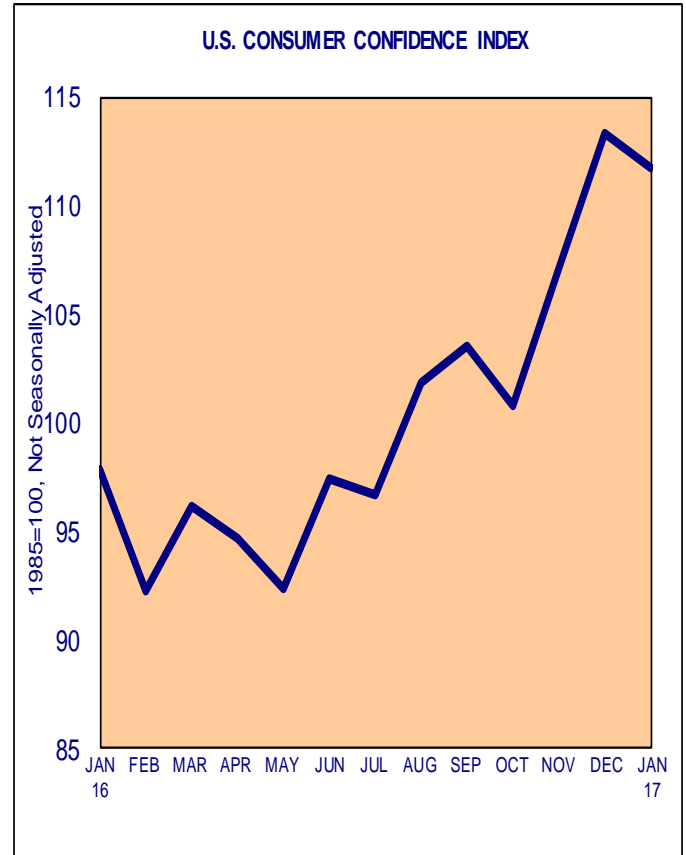
Sales Tax receipts distributed to Fairfax County in February for retail purchases made in December were \$18.4 million, a decrease of 0.2 percent from February 2016. Through February, FY 2017 Sales Tax receipts are down 3.1 percent from FY 2016 primarily due to refunds as a result of state audits.

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 5.6 percent for the 12 months ending in December. Home prices in the Washington Metropolitan area posted a 4.2 percent gain during the same period. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that "Home prices continue to advance, with the national average rising faster than at any time in the last two-and-a-half years." He added that, "One factor behind rising home prices is low inventory. While sales of existing single family homes passed five million units at annual rates in January, the highest since 2007, the inventory of homes remains quite low with a 3.6 month supply."

Consumer Confidence Index



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

The Consumer Confidence Index decreased slightly in January after reaching a 15-year high in December. The index stands at 111.8 (1985=100), down from 113.3 a month ago. While the present situation component increased, the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "The decline in confidence was driven solely by a less optimistic outlook for business conditions, jobs, and especially consumers' income prospects." She added that, "Consumers' assessment of current conditions, on the other hand, improved in January. Despite the retreat in confidence, consumers remain confident that the economy will continue to expand in the coming months."

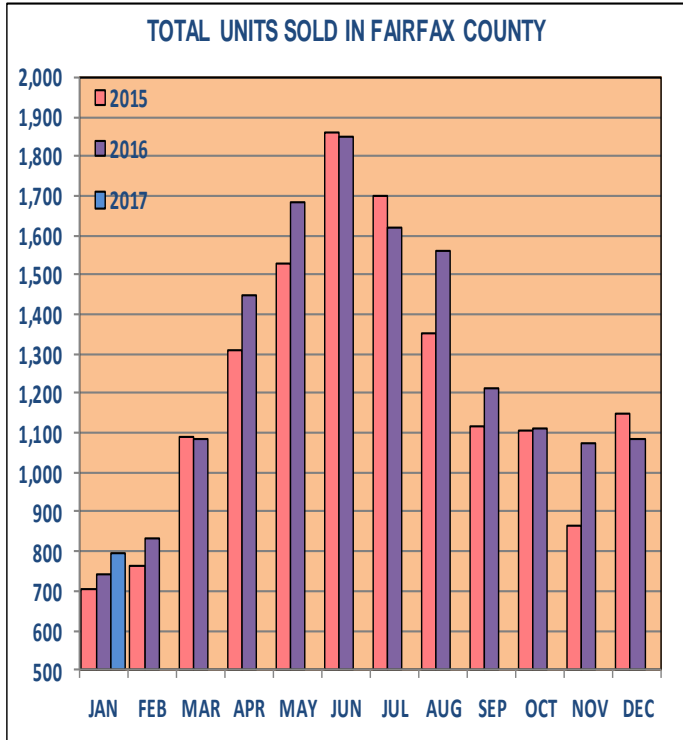
Gross Domestic Product

The second estimate of real gross domestic product (GDP) by the Bureau of Economic Analysis was unchanged from the initial one at 1.9 percent annual growth rate in the fourth quarter of 2016. In the third quarter, real GDP increased 3.5 percent. An increase in personal consumption expenditures was larger than previously estimated, while increases in state and local government spending were lower than previously estimated. For all of 2016, real GDP increased 1.6 percent, compared to an increase of 2.6 percent in 2015.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In January, 794 homes were sold in Fairfax County, an increase of 6.9 percent over the 743 homes sold in January 2016.

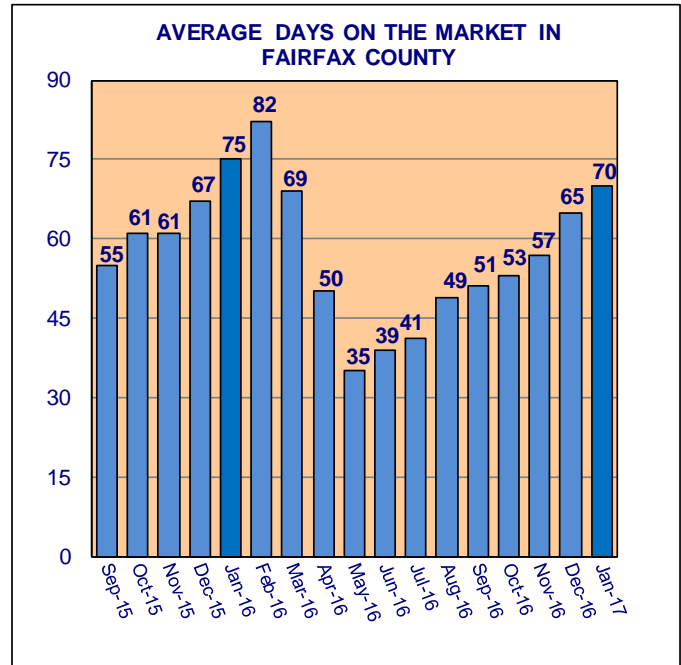


Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in January were on the market for 70 days. This is 5 days fewer than the 75 day average in January 2016.

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.

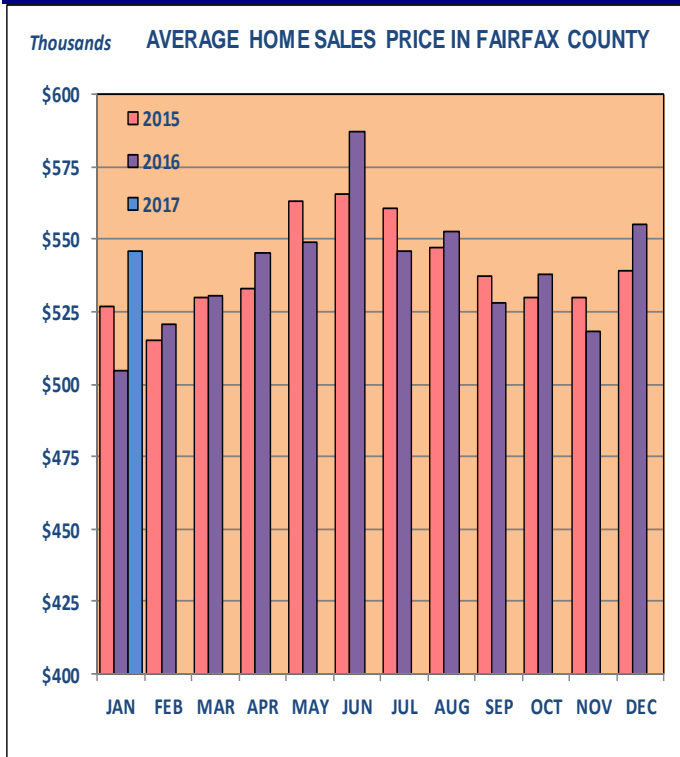
Average Home Sales Prices

The average sales price of all homes that sold in January 2017 in Fairfax County was \$545,772, an increase of 8.1 percent over the January 2016 average sales price of \$504,805. The average January price was up 0.2 percent compared to the annual 2016 average home sales price of \$544,416.

The average sales price for detached homes that sold in January 2017 was \$730,390, an increase of 8.6 percent over the January 2016 average of \$672,743. The average sales price of attached homes increased 2.4 percent over the same period.

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

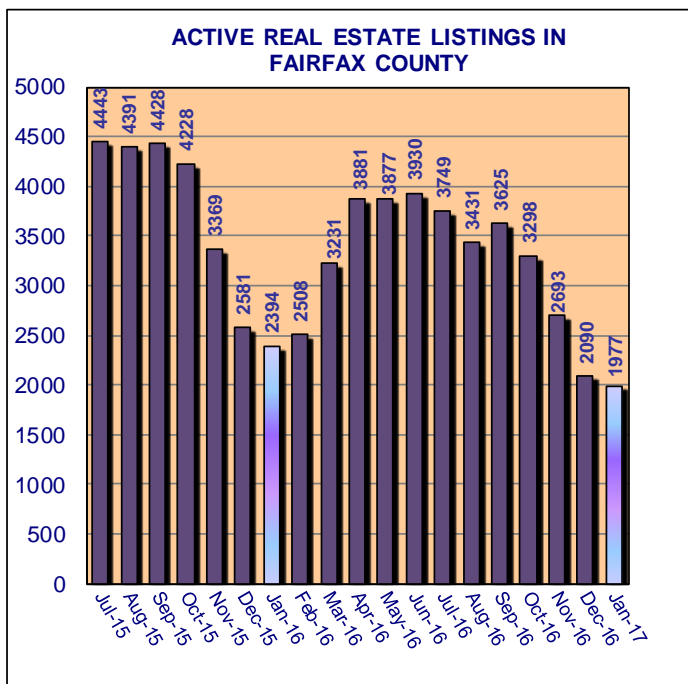
	JAN 2017	JAN 2016	% Change
All Homes	\$545,772	\$504,805	8.1%
Detached Homes	\$730,390	\$672,743	8.6%
Attached Homes	\$363,923	\$355,241	2.4%



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

Inventory of Homes for Sale

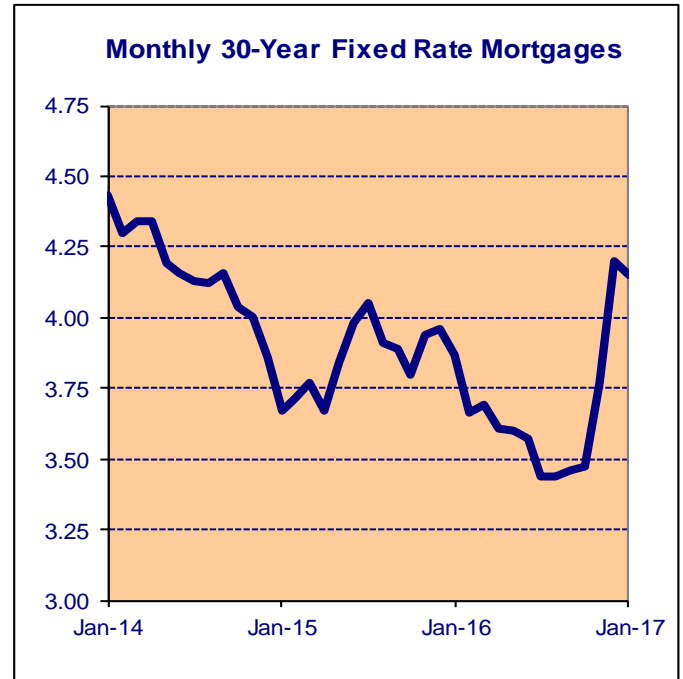
The number of active listings in the County in January was 1,977, a decrease of 17.4 percent from the 2,394 listings in January 2016. Based on the January 2017 listings and the current sales rate, there is approximately a 2.5 month supply of homes for sale in the County, less than the 3.2 month supply a year ago.



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

30-Year Fixed Rate Mortgages

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate decreased to 4.15 percent in January, down from 4.20 percent a month ago. A year ago the average 30-year mortgage interest rate was 3.87 percent. Except for last month's average rate of 4.20 percent, the current rate is the highest since September 2014.



Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.

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