

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

JANUARY 2017

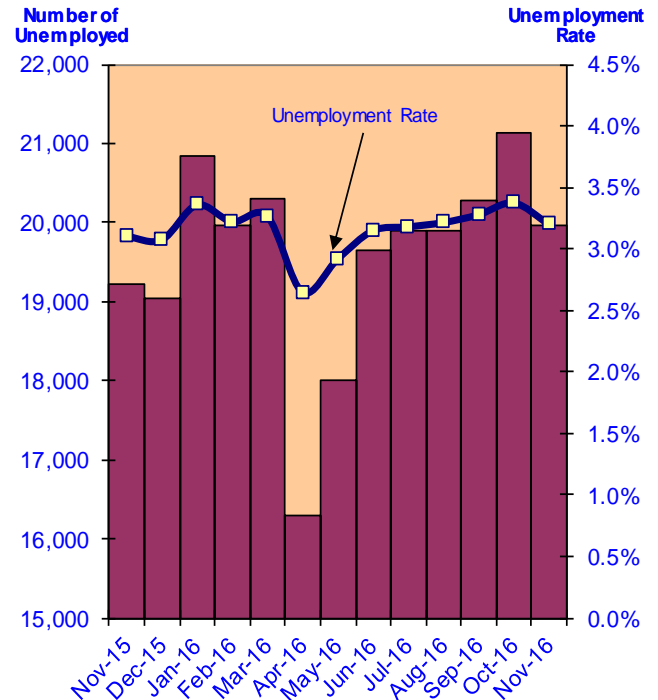
IN THIS ISSUE:

- The November unemployment rate in Fairfax County decreased slightly to 3.2 percent. (See page 1)
- Sales Tax receipts in January were up 0.2 percent. (See page 2)
- Based on preliminary estimates, the U.S. economy grew at an annual rate of 1.6 percent in 2016, down from the 2.6 percent growth in 2015. (See page 2)
- The Consumer Confidence Index increased in December to a 13-year high. (See page 2)
- The number of homes sold in Fairfax County during 2016 increased 6.1 percent compared to 2015. (See page 3)
- In 2016, the average sales price of all homes sold in Fairfax County increased a slight 0.1 percent compared to 2015. (See page 3)
- In 2016, on average, it took 52 days to sell a home in Fairfax County, the same as in 2015. (See page 4)
- The number of new single family building permits issued in the County for 2016 increased 6.7 percent compared to 2015. (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.

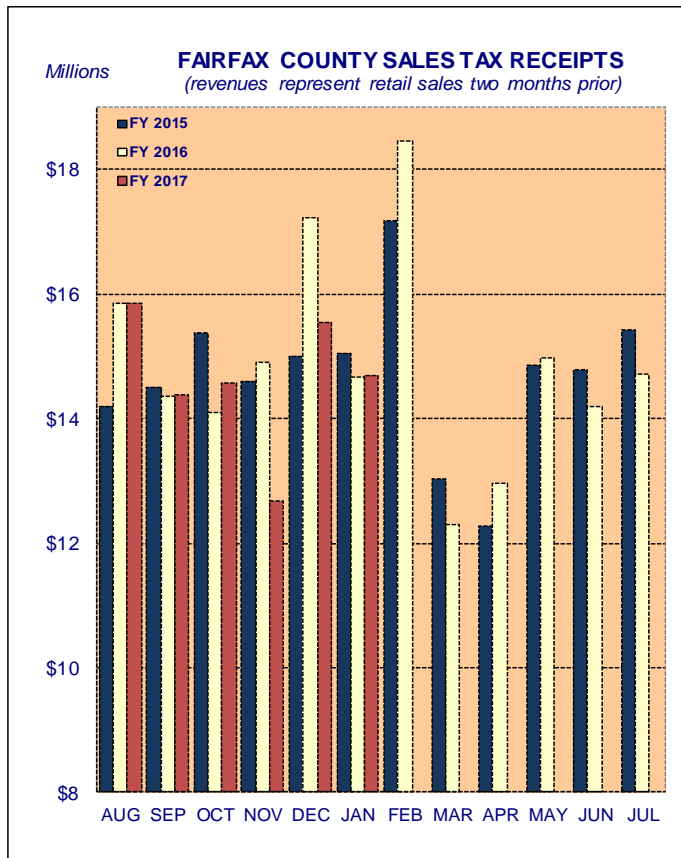
Employment

The November unemployment rate in Fairfax County decreased 0.2 percentage point to 3.2 percent. The number of unemployed residents decreased over the month from 21,131 to 19,961. The County's unemployment rate was up 0.1 percentage point from November 2015.

The seasonally adjusted unemployment rate in Virginia increased 0.1 percentage point in November to 4.2 percent. The rate was unchanged from November 2015.

The U.S. seasonally adjusted unemployment rate decreased 0.3 percentage point to 4.6 percent in November. The rate was down 0.4 percentage point from a year ago. Total nonfarm payroll employment increased by 178,000 in November. On average, 180,000 jobs per month have been added since the beginning of 2016, compared to an average of 229,000 per month in 2015.

Sales Tax Receipts



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

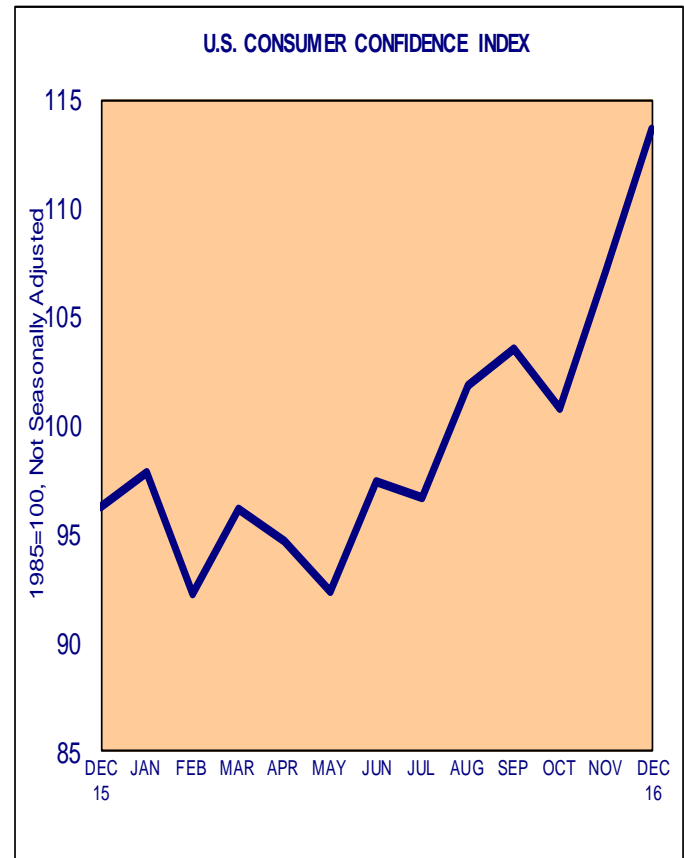
Sales Tax receipts distributed to Fairfax County in January for retail purchases made in November were \$14.7 million, an increase of 0.2 percent over January 2015. Through January, FY 2017 Sales Tax receipts are down 3.7 percent from FY 2016 primarily due to refunds as a result of state audits.

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 5.1 percent for the 12 months ending in October. Home prices in the Washington Metropolitan area posted a 3.4 percent gain during the same period. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that “mortgage interest rates rose in November and are expected to rise further as home prices continue to outpace gains in wages and personal income.” He added that, “With the current high consumer confidence numbers and low unemployment rate, affordability trends do not suggest an immediate reversal in home price trends. Nevertheless, home prices cannot rise faster than incomes and inflation indefinitely.”

Consumer Confidence Index



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

The Consumer Confidence Index increased in December after a significant rise in November and is now at a 13-year high. The index stands at 113.7 (1985=100), up from 109.4 a month ago. While the expectations component increased considerably, the present situation component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, “The post-election surge in optimism for the economy, jobs and income prospects, as well as for stock prices which reached a 13-year high, was most pronounced among older consumers.” She added that, “Looking ahead to 2017, consumers’ continued optimism will depend on whether or not their expectations are realized.”

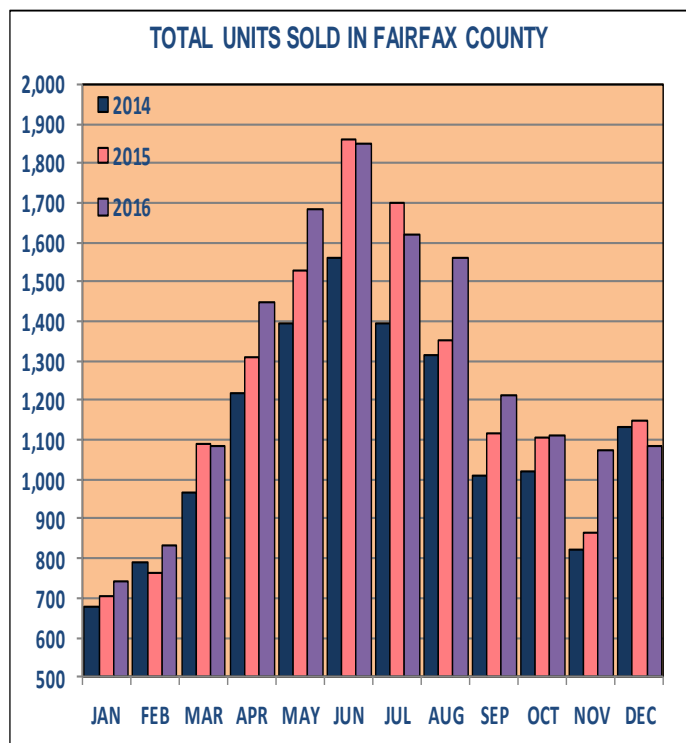
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 1.9 percent in the fourth quarter of 2016, according to the advanced estimate by the Bureau of Economic Analysis (BEA). In the third quarter, real GDP increased 3.5 percent. For all of 2016, real GDP grew at a preliminary rate of 1.6 percent, down from the 2.6 percent growth in 2015. The fourth quarter and annual rates for 2016 will be revised twice before they are considered final.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In December, 1,087 homes were sold in Fairfax County, a decrease of 5.5 percent from the 1,150 homes sold in December 2015. During all of 2016, the number of home sales increased 6.1 percent from 14,850 in 2015 to 15,755 in 2016.

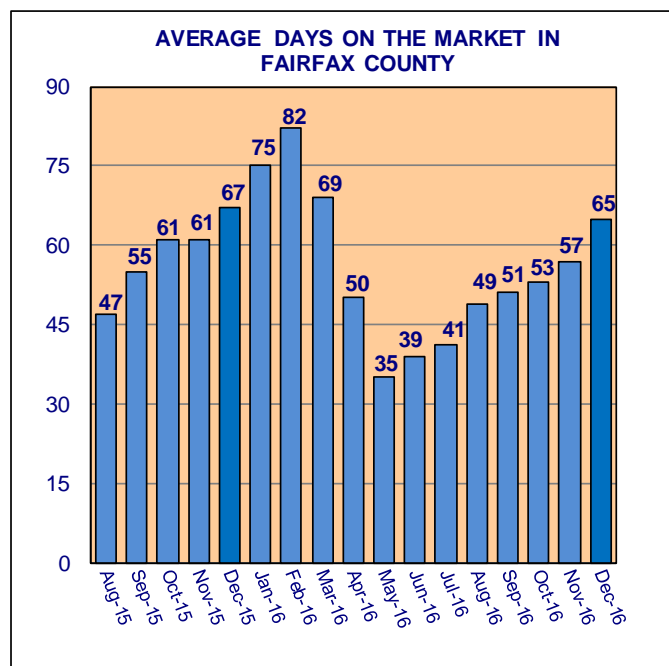


Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in December were on the market for 65 days. This is 2 days fewer than the 67 day average in December 2015. During 2016, homes were on the market 52 days before they sold, the same as in 2015.

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 December 2016 in Fairfax County was \$555,511, an increase of 3.0 percent over the December 2015 average sales price of \$539,383. During 2016, the average home sales price in the County increased 0.1 percent to \$544,416 compared to 2015.

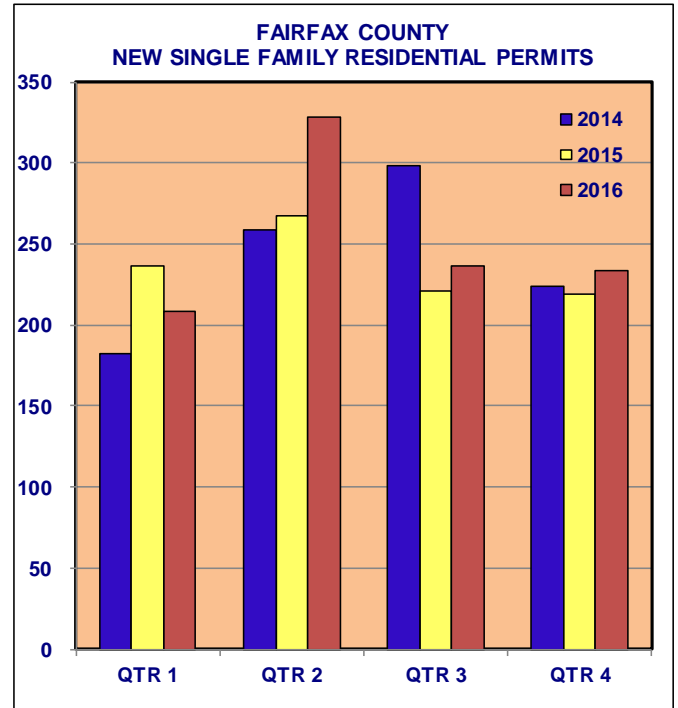
The average sales price for detached homes that sold in December 2016 was \$728,356, an increase of 1.7 percent over the December 2015 average of \$716,163. The average sales price of attached homes decreased 1.4 percent compared to last December. In 2016, detached homes' average sale price increased 0.8 percent over 2015, while attached homes decreased a slight 0.1 percent during the same time period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN 2016 COMPARED TO SALES IN 2015

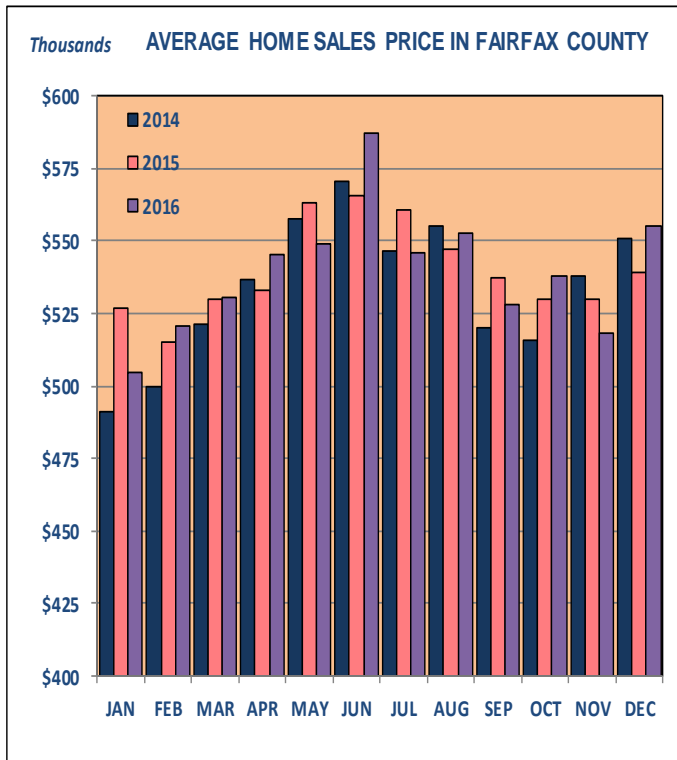
	2016	2015	% Change
All Homes	\$544,416	\$544,055	0.1%
Detached Homes	\$712,675	\$707,214	0.8%
Attached Homes	\$374,979	\$375,491	-0.1%

Single Family Building Permits

During the fourth quarter of 2016, 234 new single family building permits were issued in Fairfax County. This represents a 6.8 percent increase over the 219 permits issued during the same period in 2015. The number of new single family permits issued for all of 2016 was 1,006, up 6.7 percent compared to the 943 issued in 2015.



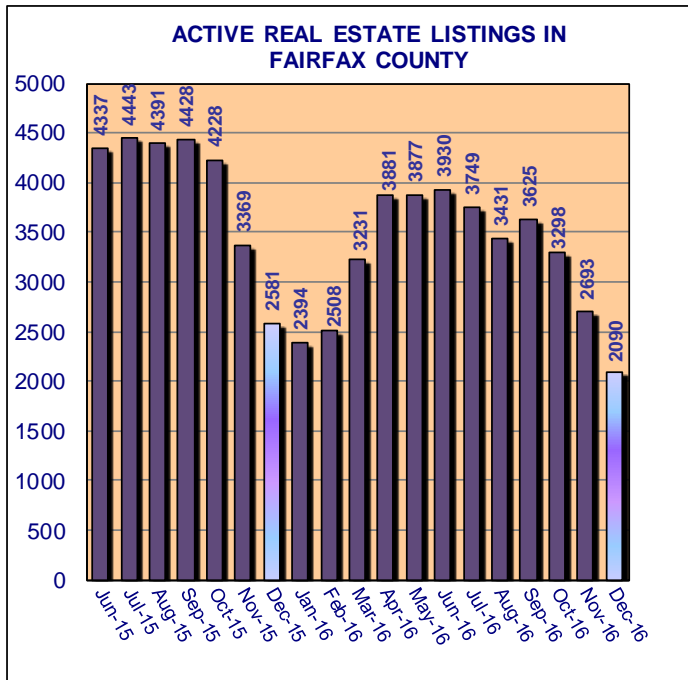
Source: Fairfax County Land Development Services. Compiled by the Fairfax County Department of Management and Budget.



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 December was 2,090, a decrease of 19.0 percent from the 2,581 listings in December 2015. Based on the December 2016 listings and the current sales rate, there is approximately a 1.9 month supply of homes for sale in the County, less than the 2.2 month supply a year ago.



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

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