IN THIS ISSUE:

- The March unemployment rate in Fairfax County was unchanged from a month ago at 3.9 percent. (See page 1)
- Sales tax receipts in Fairfax County increased 8.7 percent in May from a year ago. (See page 2)
- The Consumer Confidence Index decreased in April after increasing in March. (See page 2)
- The U.S. economy contracted at an annual rate of 0.7 percent in the first quarter of 2015 after growing 2.2 percent in the fourth quarter of 2014. (See page 2)
- The number of homes sold in Fairfax County in April increased 7.4 percent from a year ago. (See page 3)
- In April 2015, the average sales price of all homes sold in Fairfax County decreased 0.8 percent compared to the average sales price in April 2014. (See page 3)
- The number of active listings of homes for sale in the County increased 37.6 percent in April 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

Employment

In March, the unemployment rate in Fairfax County was unchanged from a month ago at 3.9 percent. The number of unemployed residents decreased slightly over the month from 24,672 to 24,213. The County’s unemployment rate was 0.4 percentage points lower than last March.

The March seasonally adjusted unemployment rate in Virginia increased a slight 0.1 percentage point to 4.8 percent. The March rate was down 0.5 percentage points from a year ago.

The March U.S. seasonally adjusted unemployment rate was unchanged from a month ago at 5.5 percent. Over the year, the unemployment rate was down 1.1 percentage points. Total nonfarm payroll employment increased by 126,000 in March. On average, 269,000 jobs per month were added over the prior 12 months.
Sales Tax receipts distributed to Fairfax County in May for retail purchases made in March were $14.9 million, an increase of 8.7 percent over May 2014. Combined, Sales Tax receipts are up 6.8 percent for the first ten 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 5.0 percent for the 12 months ending in March, extending the year-over-year gains for 35 consecutive months. Home prices in the Washington Metropolitan area posted a 1.0 percent gain during the same period. David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices, said that “Home prices are currently rising more quickly than either per capita personal income (3.1%) or wages (2.2%), narrowing the pool of future home-buyers.” He added that, “All of this suggests that some future moderation in home prices gains is likely.”

**Gross Domestic Product**

According to the revised estimate by the Bureau of Economic Analysis, real gross domestic product (GDP) contracted at an annual rate of 0.7 percent in the first quarter of 2015 after growing 2.2 percent in the fourth quarter of 2014. The slowdown likely reflects temporary factors, such as harsh winter weather. Consumer spending, which makes up more than two-thirds of economic activity, grew 1.8 percent in the first quarter, compared with an increase of 4.4 percent in the fourth quarter. In addition, exports declined 7.6 percent as the strong dollar made U.S. goods more expensive for foreign buyers. Government spending declined 1.1 percent. This estimate will be revised once more before it is considered final.
FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In April, 1,308 homes were sold in Fairfax County, an increase of 7.4 percent over the 1,218 homes sold in April 2014.

Average Days on the Market

On average, homes that sold in Fairfax County in April were on the market for 47 days. This is 9 days longer than the 38-day average in April 2014.

Average Home Sales Prices

The average sales price of all homes that sold in April 2015 in Fairfax County was $532,800, a decrease of 0.8 percent from the April 2014 average sales price of $536,934. The average April price was down 1.0 percent compared to the 2014 average home sales price of $538,280.

The average sales price for detached homes that sold in April 2015 was $687,839, a decrease of 2.3 percent from the April 2014 average of $704,232. The average sales price of attached homes increased 1.0 percent during the same time period.

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Inventory of Homes for Sale

In April, the number of active listings in the County was 3,669, an increase of 37.6 percent over the 2,667 listed in April 2014. Based on the April 2015 listings and the current sales rate, there is approximately a 2.8 month supply of homes for sale in the County, up from the 2.2 month supply a year ago.

30-Year Fixed-Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate decreased to 3.67 percent in April, down from 3.77 percent a month ago. A year ago, the average 30-year mortgage interest rate was 4.34 percent. Volatility in interest rates is likely in the next several months in anticipation of if and when the Federal Reserve will start raising the federal funds rate.

To receive this publication electronically each month, send your e-mail address to: lynda.pham@fairfaxcounty.gov or call 703-324-2391

Inquiries regarding this publication should be directed to:

The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or 1-800-828-1120 (TDD)

Staff: Susan Datta, CFO; Marcia Wilds, Revenue and Economic Analysis Coordinator; Albena Assenova, Senior Budget Analyst.