



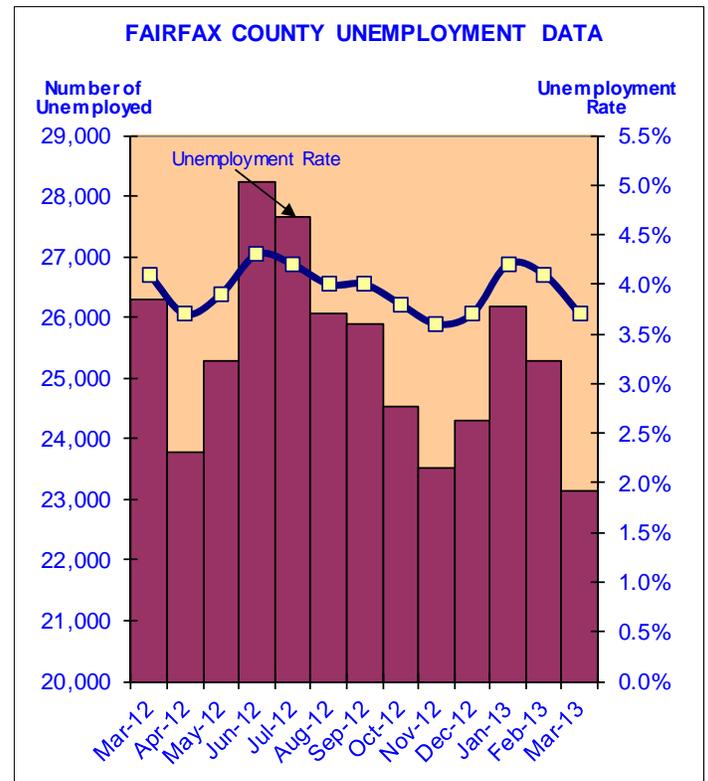
ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

MAY 2013

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- The unemployment rate in Fairfax County decreased to 3.7 percent in March. (See page 1)
- Sales Tax receipts in Fairfax County for the first ten months of FY 2013 are up 1.9 percent compared to a year ago. (See page 2)
- The Consumer Confidence Index improved in April after declining in March. (See page 2)
- Based on current home listings, there is just a 1.4 month supply of homes for sale in Fairfax County. (See page 3)
- The average sales price of all homes that sold in April 2013 increased 10.6 percent compared to the average sales price in April 2012. (See page 3)
- In April 2013, the volume of home sales increased 10.7 percent compared to the same period last year. (See page 4)
- The direct office vacancy rate in the County increased to 14.4 percent as of year-end 2012, the highest level since 1992. (See page 4)



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

Employment

The unemployment rate in Fairfax County decreased to 3.7 percent in March, down from 4.1 percent in February. The number of unemployed residents decreased over the month from 25,331 to 23,126. The County's unemployment rate is below the 4.3 percent rate recorded last March.

The March unemployment rate in Virginia decreased to 5.3 percent, down from 5.6 percent in February and 5.9 percent a year earlier.

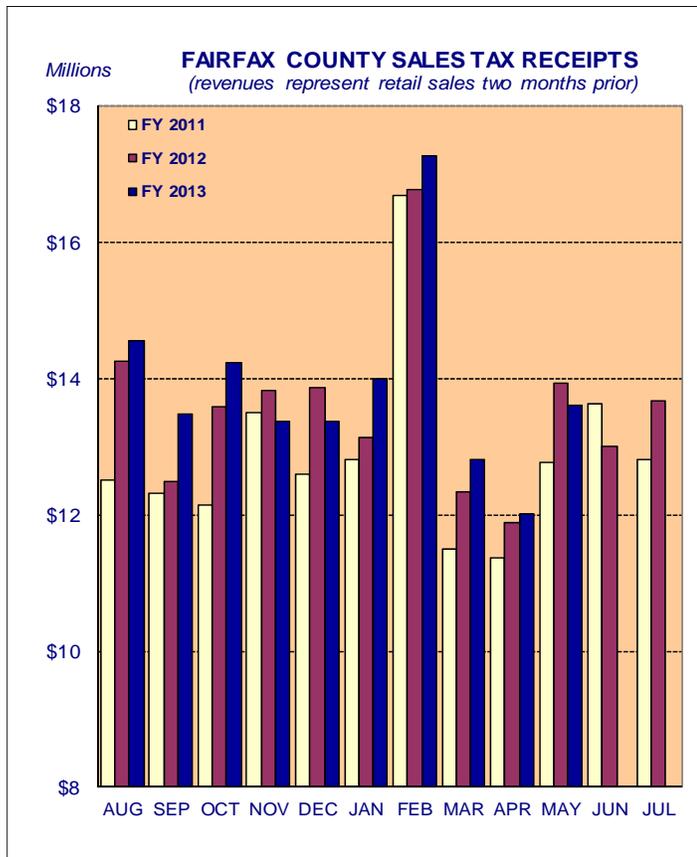
The U.S. unemployment rate in March decreased slightly to 7.6 percent, down from 7.7 percent in February. The total nonfarm payroll employment increased by 88,000. In the prior 12 months, employment growth averaged 169,000 jobs per month.



The *Fairfax County Economic Indicators* is on the Web and can be accessed at:

http://www.fairfaxcounty.gov/economic/economic_indicators.htm

Sales Tax Receipts



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

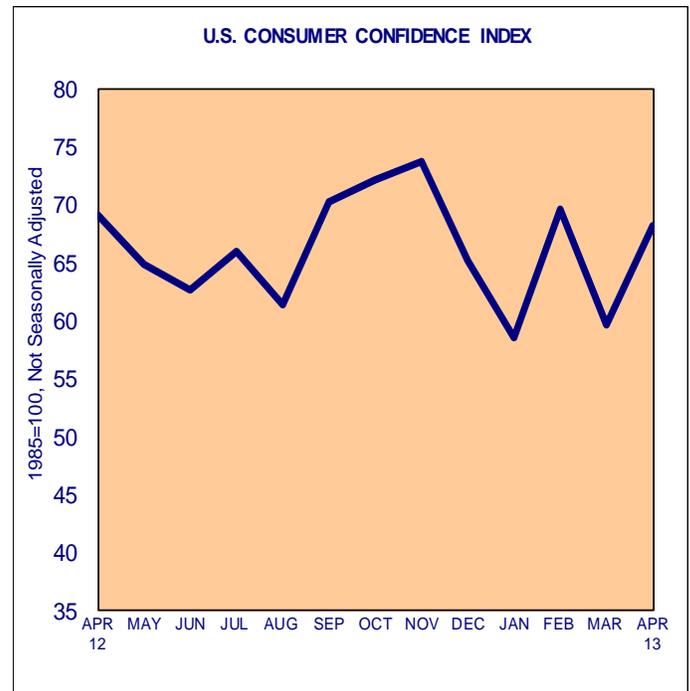
Sales Tax receipts distributed to Fairfax County in May for retail purchases made in March, were \$13.6 million, a decrease of 2.3 percent from May 2012. For the first ten months of FY 2013, the County's Sales Tax collections are up 1.9 percent.

Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 2.4 percent in the first quarter of 2013, according to the Bureau of Economic Analysis (BEA). In the fourth quarter of 2012, real GDP increased 0.4 percent. The acceleration in the economy in the first quarter reflected an increase in private inventory investment and personal consumption, along with a smaller decrease in federal government spending.

Consumer Confidence Index

The Consumer Confidence Index, which declined in March, improved in April. The index stands at 68.1 (1985=100), up from 61.9 a month ago. Both the present situation component and the expectations component improved. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "consumers' confidence has been challenged several times over the past few months by such events as the fiscal cliff, the payroll tax hike and the sequester. Thus, while expectations appear to have bounced back, it is too soon to tell if confidence is actually on the mend."



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

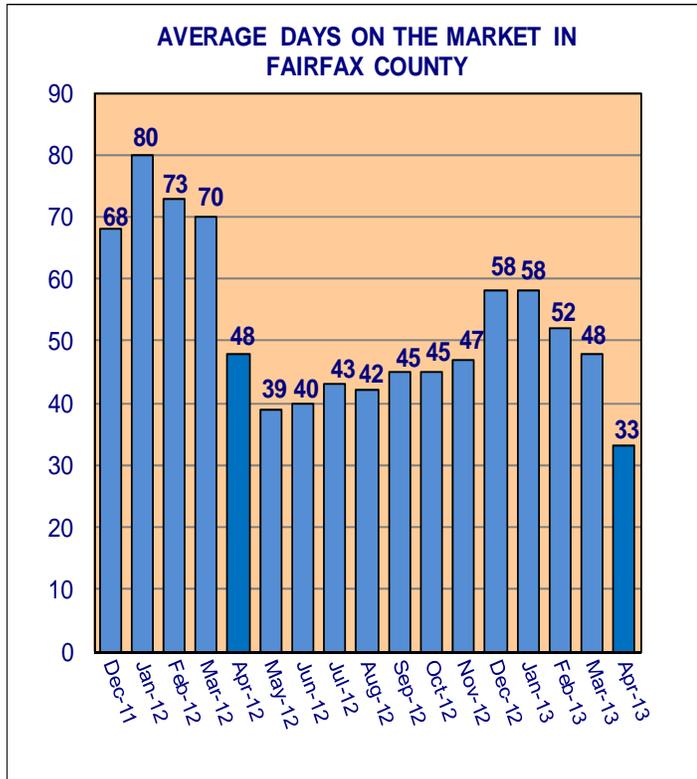
HOUSING MARKET

Negative Equity Report

According to newly released data from CoreLogic, residential properties continue to return to a state of positive equity. In the Washington Metropolitan area, 22.0 percent of all properties with a mortgage were in negative equity at the end of the first quarter of this year compared to 28.7 percent a year ago. Including those that are near negative equity, the figure is 26.6 percent compared to 34.1 percent last year. Negative equity, also referred to as "underwater", is a situation in which the borrower owes more on their mortgage than the home is worth. Near negative equity is defined as mortgages within 5.0 percent of being "underwater". The existence of negative equity weighs on the housing market by holding back sale and refinancing activity. Mark Fleming, chief economist with CoreLogic expects that "the pent-up supply that falling negative equity releases will moderate price gains in many of the fast-appreciating markets this spring."

Average Days on the Market in Fairfax County

The average days on the market in April dropped compared to the same month the prior year. Fairfax County homes that sold in April had been on the market for an average of 33 days, down from the 48-day average in April 2012.



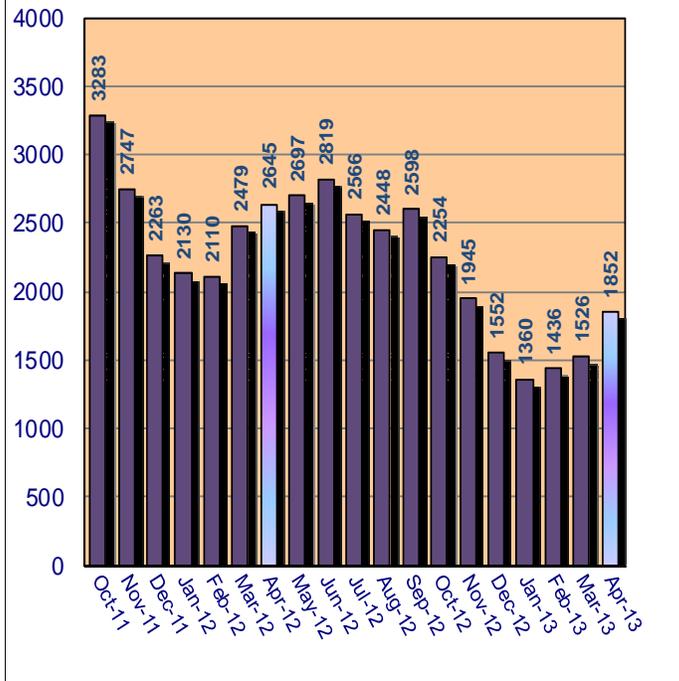
Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Inventory of Homes for Sale in Fairfax County

In April 2013, the number of active listings in the County was 1,852, a drop of 30.0 percent from the 2,645 listed in April 2012. Based on the April 2013 listings and the current sales rate, there is just a 1.4 month supply of homes for sale in the County, down from the 2.2 month supply a year ago.

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

ACTIVE REAL ESTATE LISTINGS IN FAIRFAX COUNTY



Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

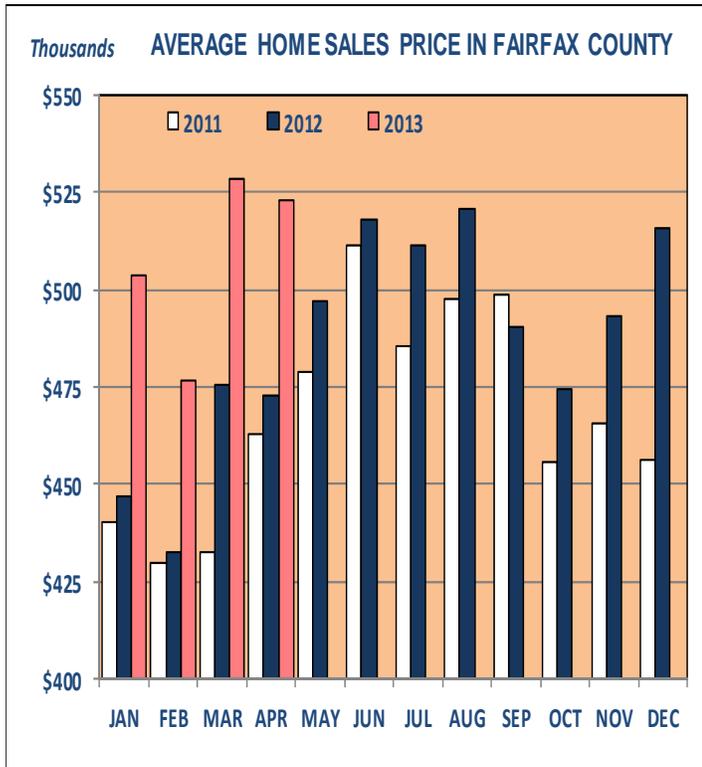
Average Home Sales Prices

The average home sales price of all homes that sold in April 2013 was \$522,960, an increase of 10.6 percent over the April 2012 average sales price of \$473,045. Compared to the annual 2012 average home sales price of \$492,480, the April price increased 6.2 percent.

The average sales price for detached homes that sold in April 2013 was \$676,321, an increase of 11.9 percent over the April 2012 average of \$604,565. The average sales price of attached homes increased 12.4 percent in the same time period.

AVERAGE SALES PRICE OF HOMES SOLD IN APRIL 2013 COMPARED TO SALES IN APRIL 2012

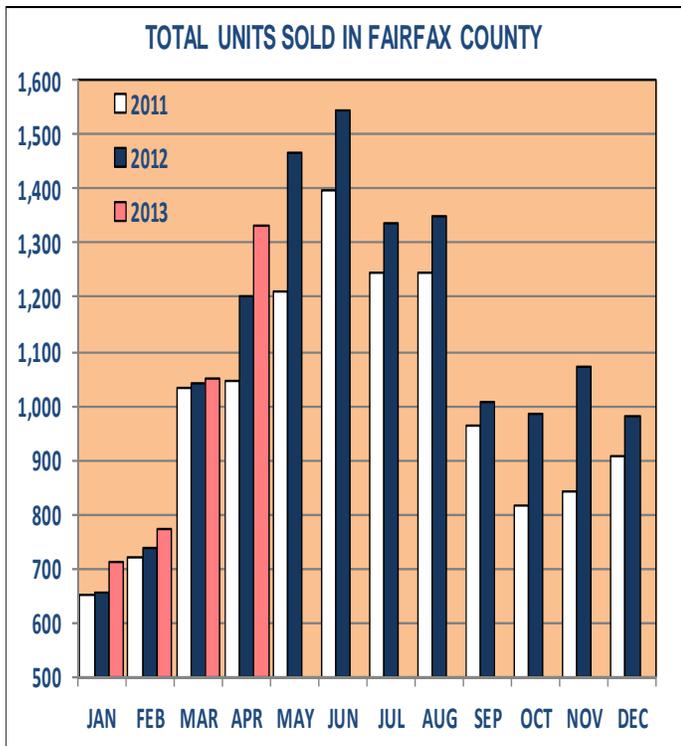
	April 2013	April 2012	% Change
All Homes	\$522,960	\$473,045	10.6%
Detached Homes	\$676,321	\$604,565	11.9%
Attached Homes	\$359,358	\$319,723	12.4%



Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Total Home Sales Volume

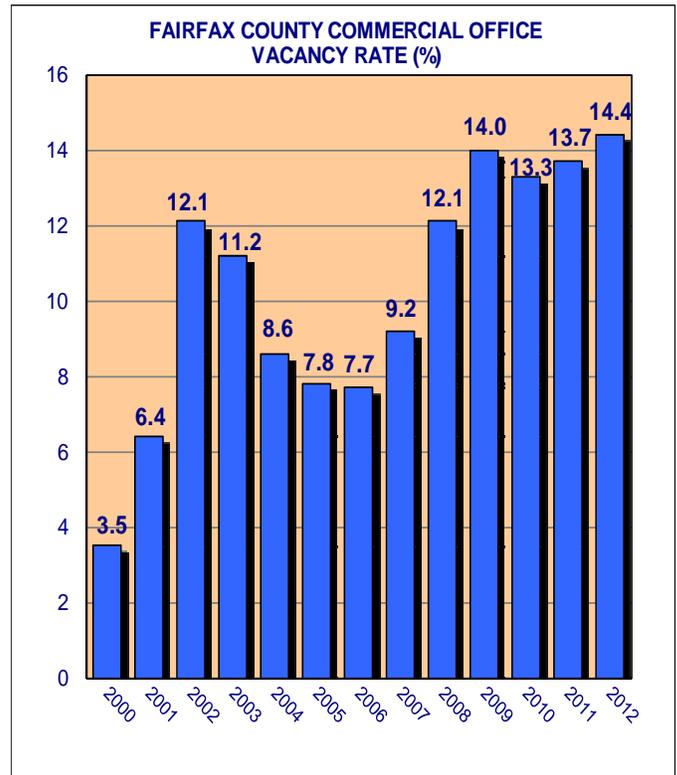
In April, the number of homes sold in Fairfax County increased 10.7 percent to 1,331 from the 1,202 homes sold in the same month last year. For the first four months of 2013, the number of homes sold in the County is up 6.3 percent.



Source: Metropolitan Regional Information Systems, Inc. Compiled by the Fairfax County Department of Management and Budget.

Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the direct office vacancy rate in the County increased to 14.4 percent as of year-end 2012, the highest level since 1992. The overall vacancy rate, including sublet space vacancies, was 16.7 percent, up from 15.7 percent at year-end 2011. The increase in the vacancy rate is attributed to the threat of sequestration, as government contractors consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending.



Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.

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