



ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

JULY 2014

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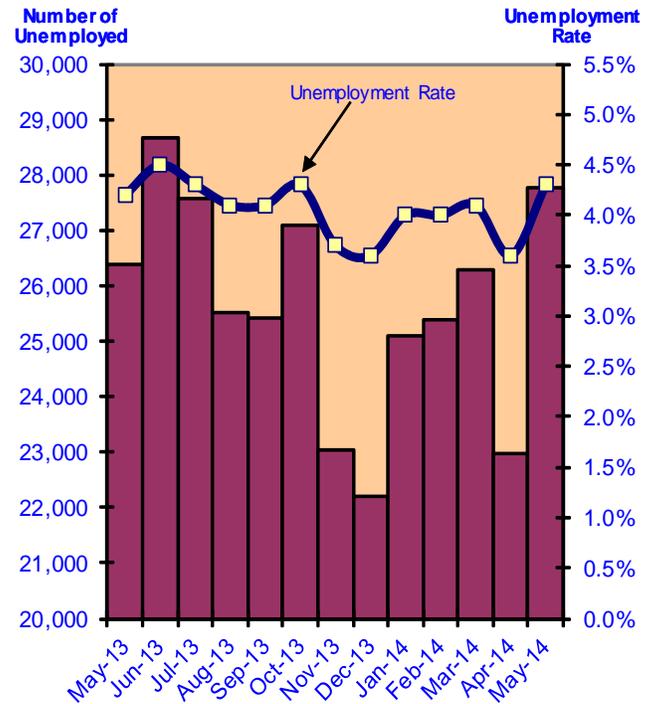
- The unemployment rate in Fairfax County increased to 4.3 percent in May. (See page 1)
- Total FY 2014 Sales tax receipts in Fairfax County declined 0.9 percent compared to FY 2013. (See page 2)
- The Consumer Confidence Index, which had increased in May, continued to improve in June. (See page 2)
- National retail sales in June were 4.3 percent above June 2013. (See page 2)
- In June 2014, the average sales price of all homes that sold in Fairfax County increased 2.9 percent compared to the average sales price in June 2013. (See page 3)
- The number of active listing of homes for sale in the County increased 52.3 percent in June from a year ago. (See page 4)
- The number of single family building permits issued in the County for the first six months of 2014 is down 6.4 percent. (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



FAIRFAX COUNTY UNEMPLOYMENT DATA



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

Employment

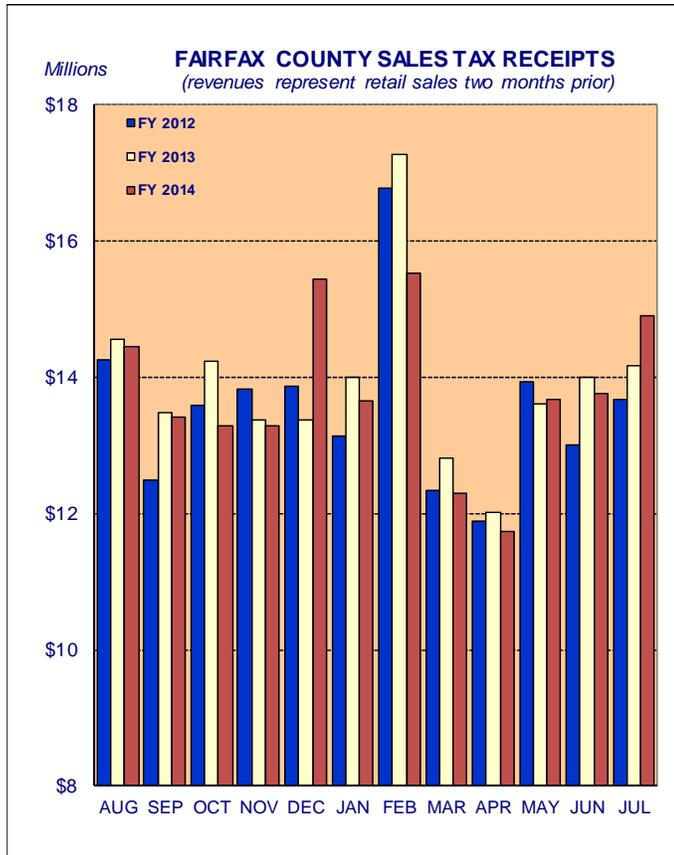
The Fairfax County and statewide unemployment rates rose in May at least partially due to students and graduates entering the labor force.

The unemployment rate in Fairfax County increased from 3.6 percent in April to 4.3 percent in May. The number of unemployed residents increased over the month from 22,896 to 27,781. The County's unemployment rate was unchanged compared to last May.

The seasonally adjusted May unemployment rate in Virginia increased to 5.1 percent from 4.9 percent in April. The state's unemployment rate was 5.6 percent a year ago.

The U.S. seasonally adjusted unemployment rate in May was unchanged compared to a month ago at 6.3 percent. Total nonfarm payroll employment rose by 217,000. Over the prior 12 months, employment growth has averaged 197,000 per month.

Sales Tax Receipts



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

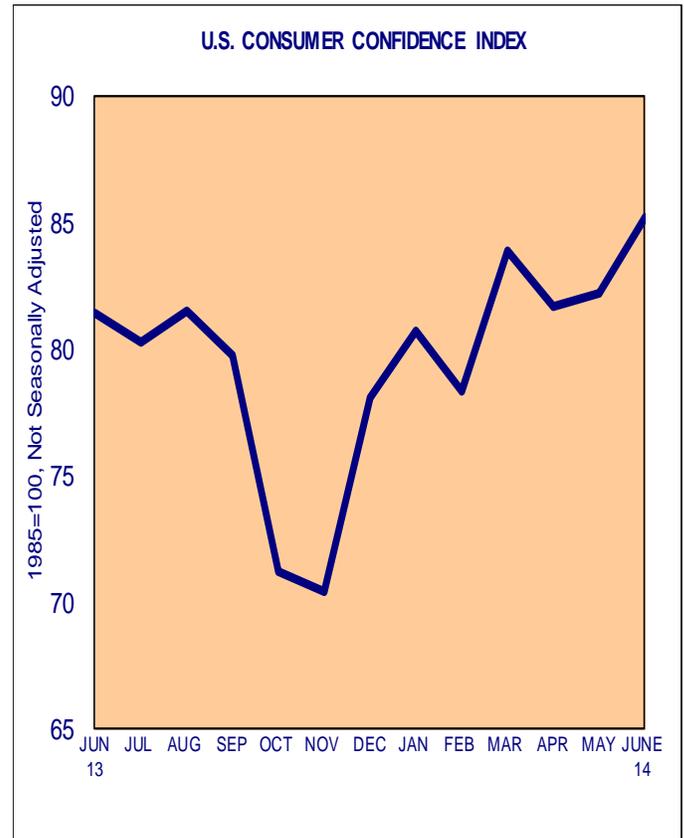
Sales Tax receipts distributed to Fairfax County in July for retail purchases made in May, were \$14.9 million, an increase of 5.2 percent over July 2013. Total FY 2014 Sales tax receipts are \$165.4 million, a decrease of 0.9 percent compared to FY 2013. The FY 2014 decline, which is the first since FY 2010, may be attributed to federal sequestration, severe winter weather, as well as, several refunds processed during the fiscal year.

NATIONAL INDICATORS

Housing Starts

Housing starts in June continued the decline from a month ago, decreasing 9.3 percent after falling 7.3 percent in May, which is an indication that the housing sector might be losing steam instead of improving. Building permits also lost ground, declining 4.2 percent in June, after decreasing 5.1 percent the month before. The June pace for permits on an annualized basis is up just 2.7 percent from a year ago.

Consumer Confidence Index



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

The Consumer Confidence Index, which had increased in May, continued to improve in June. The index stands at 85.2 (1985=100), up from 82.2 a month ago. Both the present situation component and the expectations component increased over the month. Lynn Franco, Director of Economic Indicators at the Conference Board, said that the index is at its highest level since January 2008 primarily due to consumers' positive assessment of current business conditions. She added that "the momentum going forward remains quite positive."

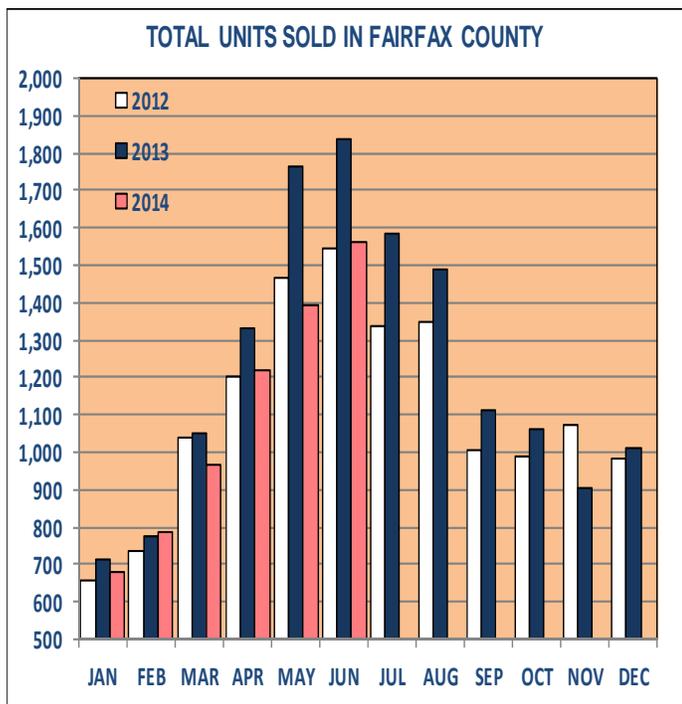
Retail Sales

After gaining 0.5 percent in May, national retail sales experienced more modest growth in June. According to the U.S. Census Bureau, overall retail sales in June advanced 0.2 percent over the previous month and were 4.3 percent above June 2013.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

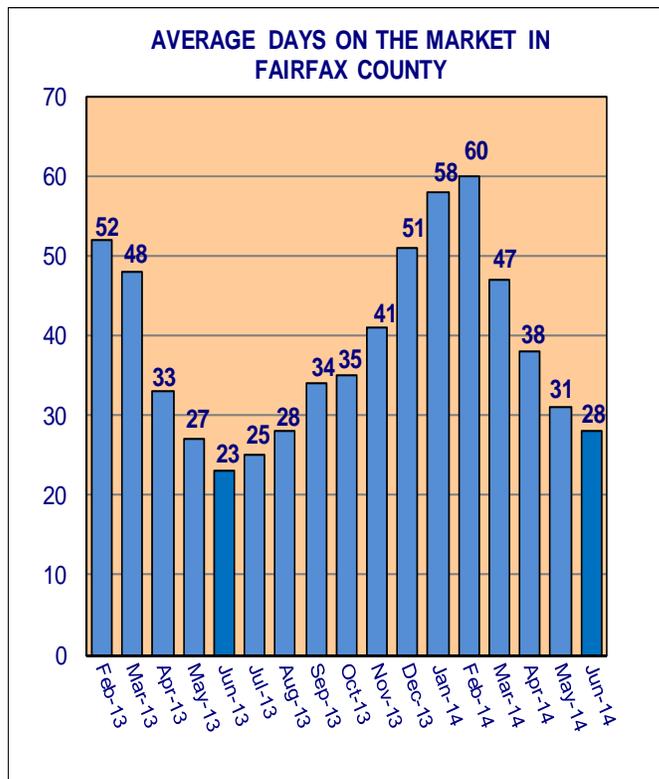
In June, 1,560 homes were sold in Fairfax County, a decrease of 15.1 percent from the 1,838 homes sold in June 2013. For the first six months of 2014, the number of home sales is down 11.6 percent from 7,468 in 2013 to 6,602 in 2014.



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 June were on the market for 28 days, slightly longer than the 23-day average in June 2013.



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

Average Home Sales Prices

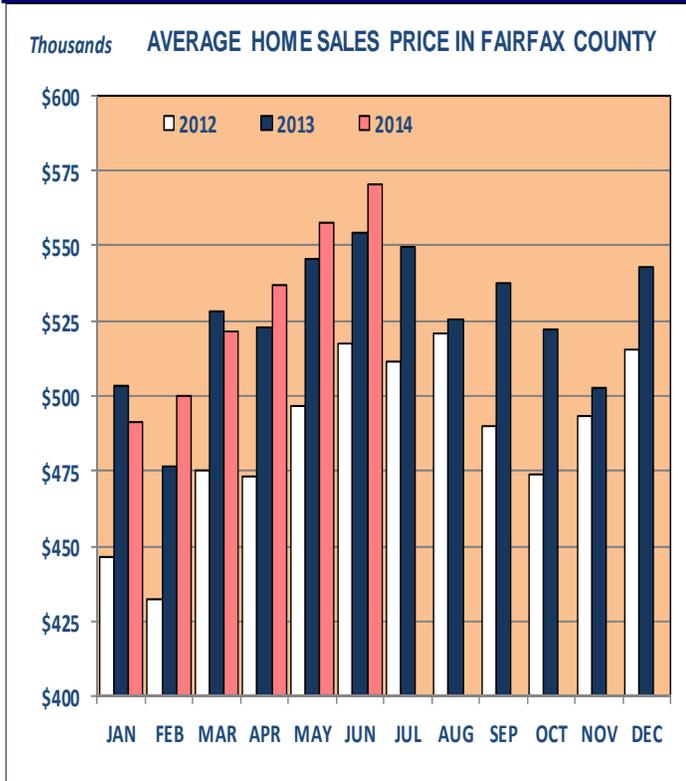
The average sales price of all homes that sold in June 2014 in Fairfax County was \$570,434, an increase of 2.9 percent over the June 2013 average sales price of \$554,117. Compared to the annual 2013 average home sales price of \$531,136, the June price increased 7.4 percent.

The average sales price for detached homes that sold in June 2014 was \$729,298, an increase of 4.7 percent over the June 2013 average of \$696,629. The average sales price of attached homes increased 0.2 percent in the same time period.

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

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN JUNE 2014 COMPARED TO SALES IN JUNE 2013

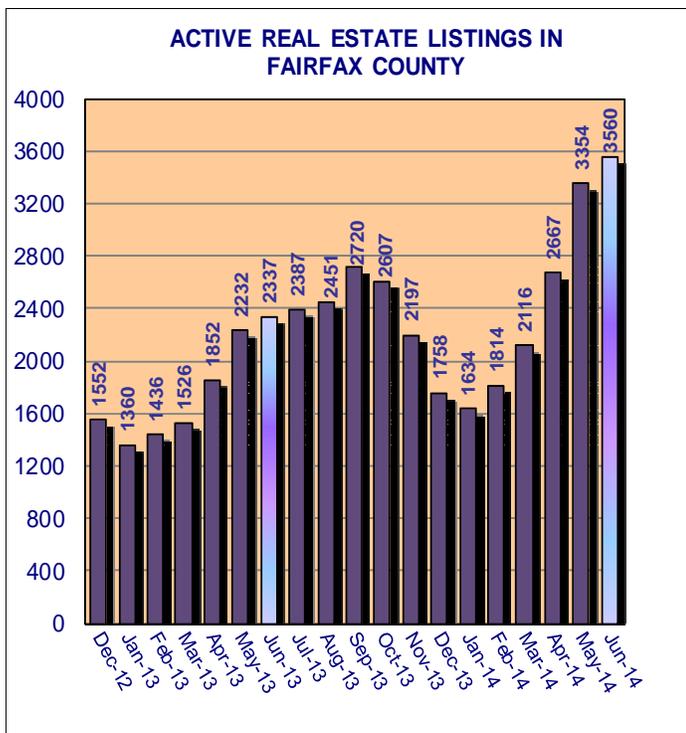
	June 2014	June 2013	% Change
All Homes	\$570,434	\$554,117	2.9%
Detached Homes	\$729,298	\$696,629	4.7%
Attached Homes	\$375,765	\$374,839	0.2%



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

Inventory of Homes for Sale

In June, the number of active listings in the County was 3,560, an increase of 52.3 percent over the 2,337 listed in June 2013. Based on the June 2014 listings and the current sales rate, there is a 2.3 month supply of homes for sale in the County, up from the 1.3 month supply a year ago.



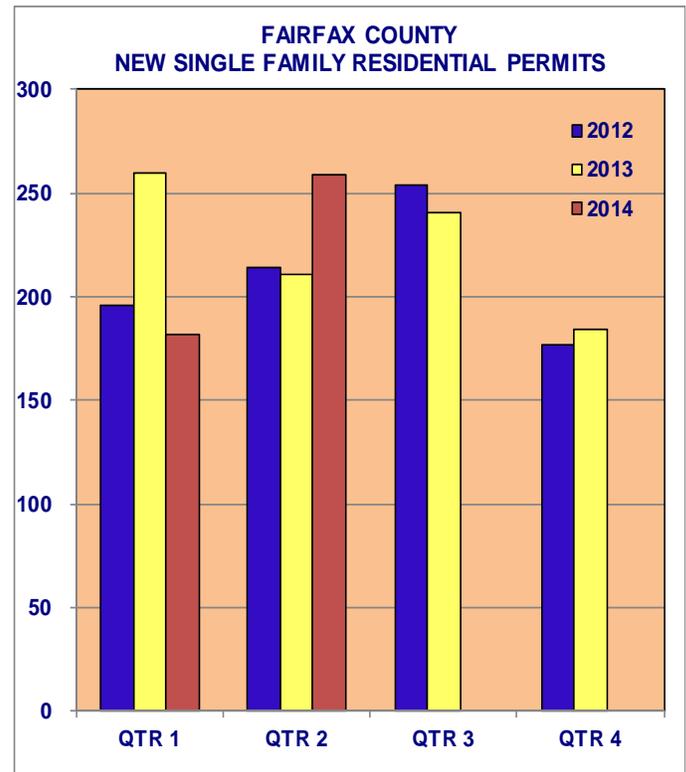
Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Negative Equity

According to Zillow, which is the largest U.S. real estate website that provides nationwide real estate information and research, the percentage of homes with negative equity in Fairfax County was 10.1 percent as of the first quarter of 2014. This compares to 18.8 percent nationwide. Negative equity, also referred to as “underwater”, is a situation in which the borrower owes more on their mortgage than the home is worth.

Single Family Building Permits

During the second quarter of 2014, 259 new single family building permits were issued in Fairfax County. This represents a 22.7 percent increase over the 211 permits issued during the same period of 2013. Combined, the number of new single family building permits is down 6.4 percent for the first two quarters of 2014.



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

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