

ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

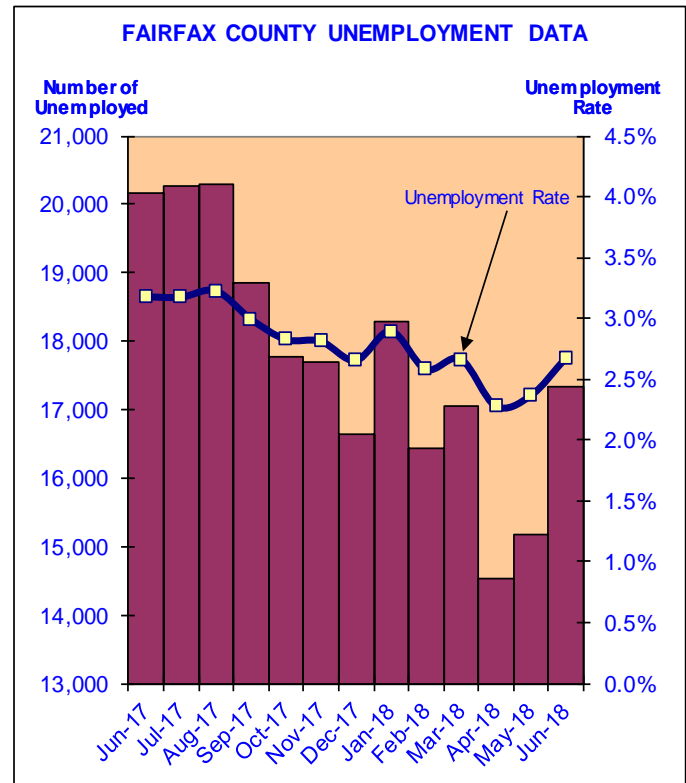
AUGUST 2018

IN THIS ISSUE:

- The June unemployment rate in Fairfax County increased to 2.7 percent. (See page 1)
- Sales tax receipts in Fairfax County increased slightly compared to last August. (See page 2)
- The Consumer Confidence Index increased in July after decreasing in June. (See page 2)
- The number of homes sold in Fairfax County during July 2018 decreased 4.0 percent from a year earlier. (See page 3)
- In July 2018, the average sales price of all homes sold in Fairfax County increased 4.1 percent compared to the average sale price in July 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 13.7 percent in July from a year ago. (See page 4)
- A 30-year fixed mortgage interest rate averaged 4.53 percent in July. (See page 4)

Previous issues of this publication can be accessed at:

<https://www.fairfaxcounty.gov/budget/economic-indicators>



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

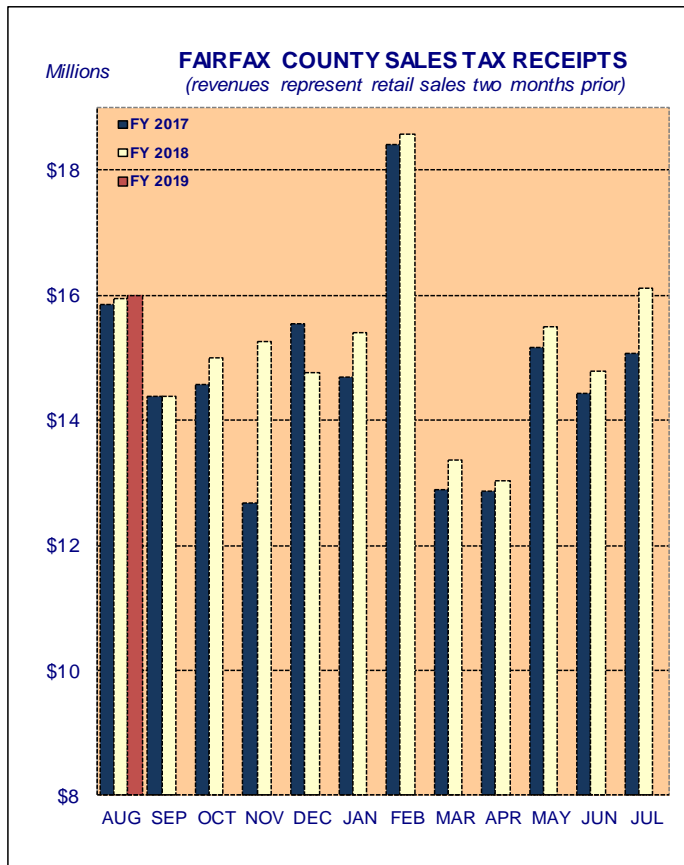
Employment

Compared to May, the June unemployment rate in Fairfax County increased 0.3 percentage point to 2.7 percent. The number of unemployed residents increased over the month from 15,168 to 17,330. The County's unemployment rate was down 0.5 percentage point from June 2017.

In June, the seasonally adjusted unemployment rate in Virginia was unchanged at 3.2 percent. The rate was down 0.5 percentage point from June 2017. This is the lowest monthly unemployment rate since October 2007.

The U.S. seasonally adjusted unemployment rate increased to 4.0 percent in June, up 0.2 percentage point over May. The rate was down 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 213,000 in June. Over the last three months, job gains have averaged 211,000 per month.

Sales Tax Receipts



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

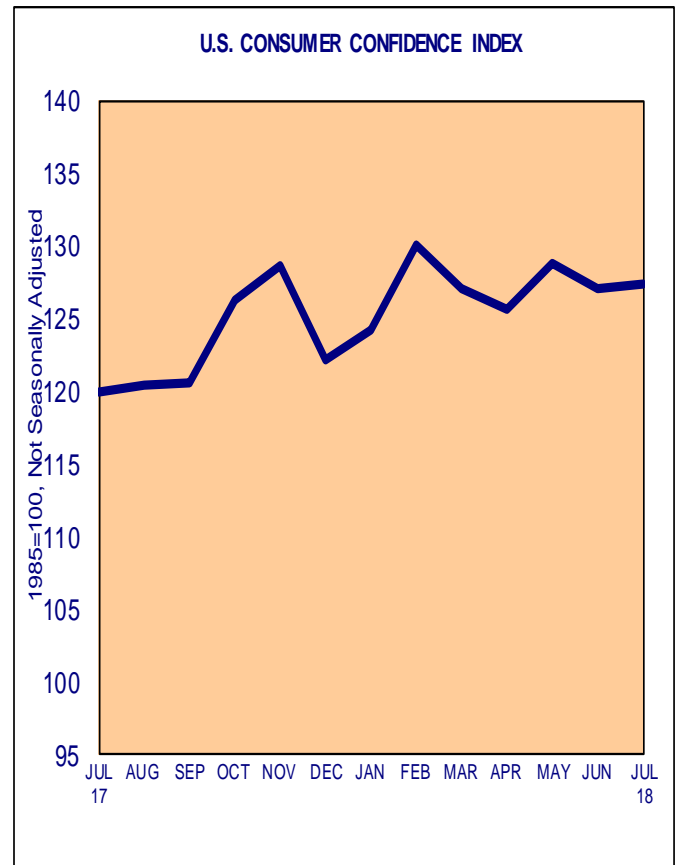
Sales Tax receipts distributed to Fairfax County in August for retail purchases made in June were \$16.0 million, an increase of 0.4 percent over August 2017. August represents the first month of Fairfax County's FY 2019 Sales Tax receipts.

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 6.3 percent for the 12 months ending in June. Home prices in the Washington Metropolitan area posted a 2.9 percent gain during the same period, the lowest rate of increase among the metropolitan areas in the index. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that, "even as home prices keep climbing, we are seeing signs that growth is easing in the housing market. He added that, "Rising mortgage rates – 30 year fixed rate mortgages rose from 4% to 4.5% since January – and the rise in home prices are affecting housing affordability."

Consumer Confidence Index



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

The Consumer Confidence Index increased marginally in July, following a decrease in June and now stands at 127.4 (1985=100), up from 127.1 a month ago. The present situation increased, while the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of present-day conditions improved, suggesting that economic growth is still strong." She added that, "While expectations continue to reflect optimism in the short-term economic outlook, back-to-back declines suggest consumers do not foresee growth accelerating."

Retail Sales

According to the U.S. Census Bureau, national retail sales increased 0.5 percent in July, after increasing 0.2 percent in June. Overall, July sales increased 6.4 percent from a year earlier.

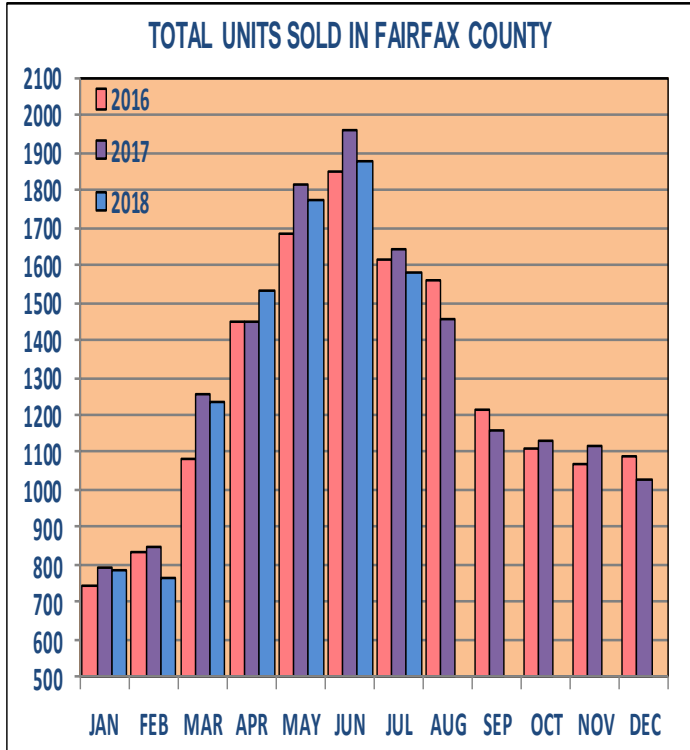
Housing Starts

According to data from the U.S. Census Bureau, housing starts in July increased 0.9 percent compared to the previous month, but were 1.4 percent below the rate from a year ago.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

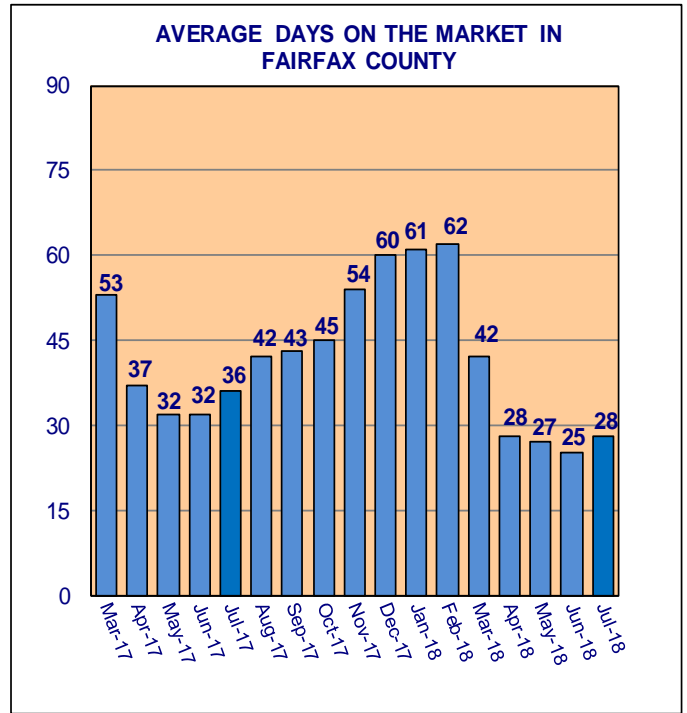
In July, 1,577 homes were sold in Fairfax County, a decrease of 4.0 percent from the 1,642 homes sold in July 2017.



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 July were on the market for 28 days. This is 8 days fewer than the 36 day average in July 2017.



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

Average Home Sales Prices

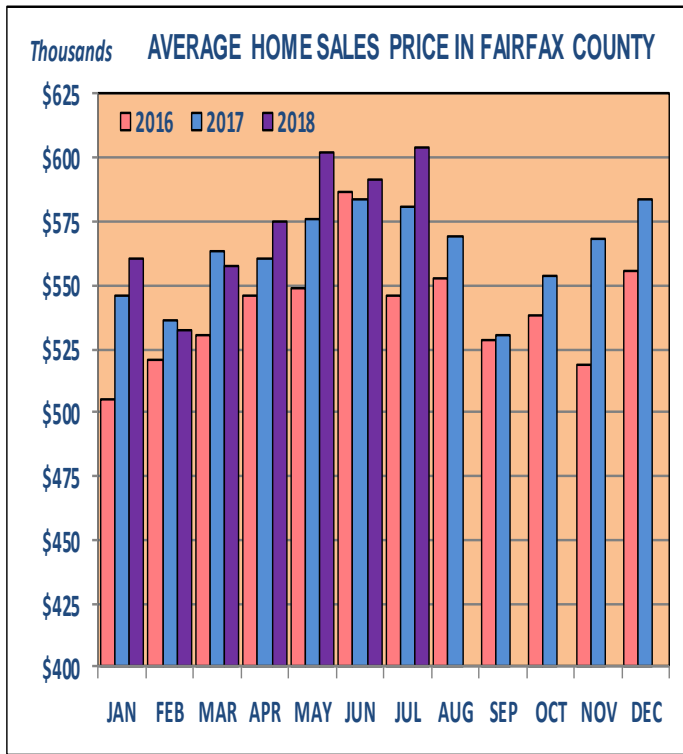
The average sales price of all homes that sold in July 2018 in Fairfax County was \$603,920, an increase of 4.1 percent over the July 2017 average sales price of \$580,381. The average July price was up 6.4 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in July 2018 was \$785,887, an increase of 2.7 percent over the July 2017 average of \$764,893. The average sales price of attached homes increased 3.7 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN JULY 2018 COMPARED TO SALES IN JULY 2017

	JULY 2018	JULY 2017	% Change
All Homes	\$603,920	\$580,381	4.1%
Detached Homes	\$785,887	\$764,893	2.7%
Attached Homes	\$405,302	\$390,858	3.7%

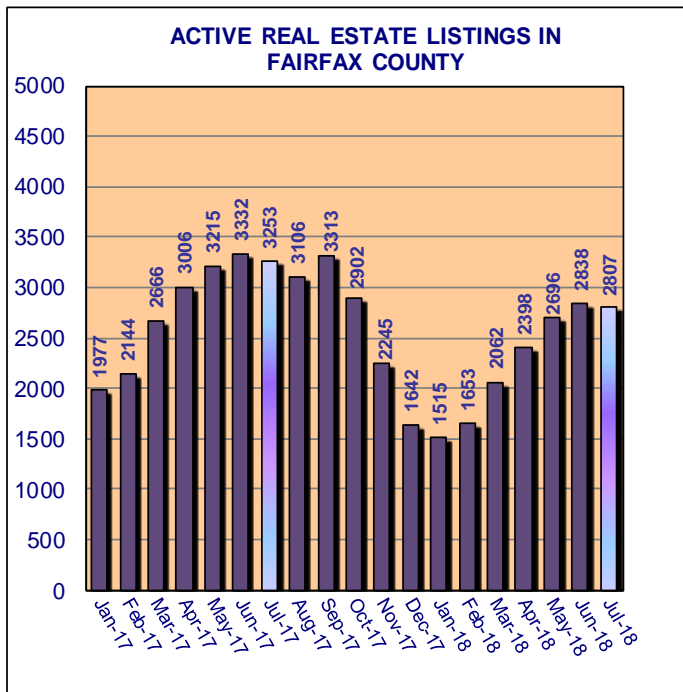
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: <https://www.fairfaxcounty.gov/taxes/real-estate>



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 July was 2,807, a decrease of 13.7 percent from the 3,253 listings in July 2017. Based on the July 2018 listings and the current sales rate, there is approximately a 1.8 month supply of homes for sale in the County, less than the 2.0 month supply a year ago.



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

30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed mortgage interest rate in July decreased to 4.53 percent from 4.57 percent a month ago. A year ago, the average 30-year interest rate was 3.97 percent.



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

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