



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

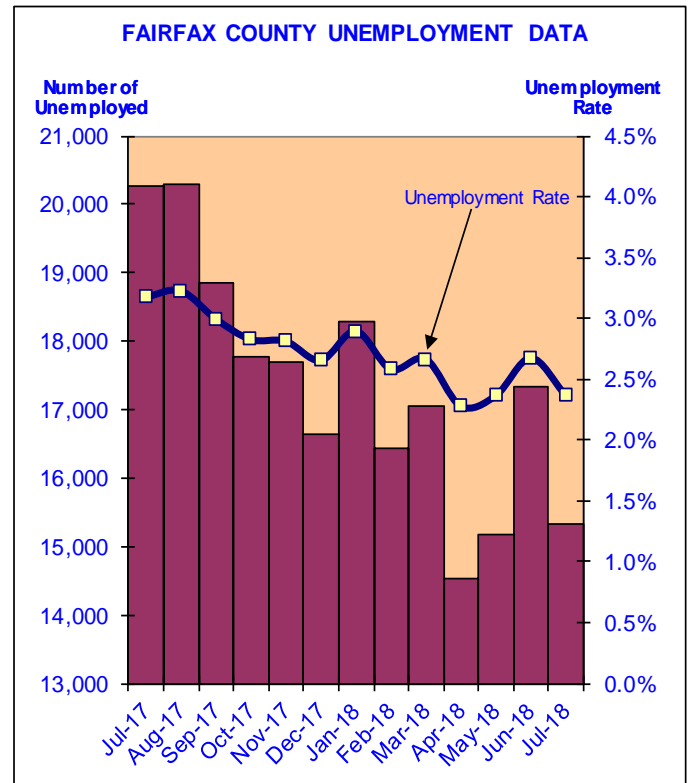
SEPTEMBER 2018

IN THIS ISSUE:

- The July unemployment rate in Fairfax County decreased to 2.4 percent. (See page 1)
- Sales tax receipts in Fairfax County increased compared to last September. (See page 2)
- The Consumer Confidence Index increased in August for the second straight month. (See page 2)
- The number of homes sold in Fairfax County during August 2018 was unchanged compared to a year earlier. (See page 3)
- In August 2018, the average sales price of all homes sold in Fairfax County increased 0.6 percent compared to the average sale price in August 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 7.0 percent in August from a year ago. (See page 4)
- Total federal procurement spending in Fairfax County increased less than one percent in federal Fiscal Year 2017. (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.

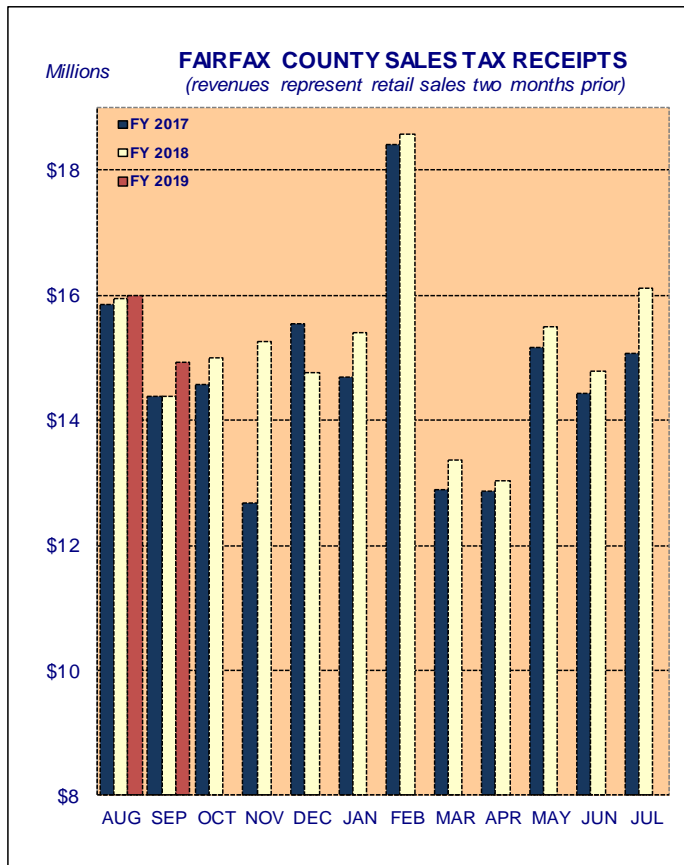
Employment

Compared to June, the July unemployment rate in Fairfax County decreased 0.3 percentage point to 2.4 percent. The number of unemployed residents decreased over the month from 17,330 to 15,331. The County's unemployment rate was down 0.8 percentage point from July 2017.

In July, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point to 3.1 percent. The rate was down 0.6 percentage point from July 2017. This is the lowest monthly unemployment rate since August 2007.

The U.S. seasonally adjusted unemployment rate decreased to 3.9 percent in July, down 0.1 percentage point from June. The rate was down 0.4 percentage point from a year ago. Total nonfarm payroll employment increased by 157,000 in July. Over the last three months, job gains have averaged 224,000 per month.

Sales Tax Receipts



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

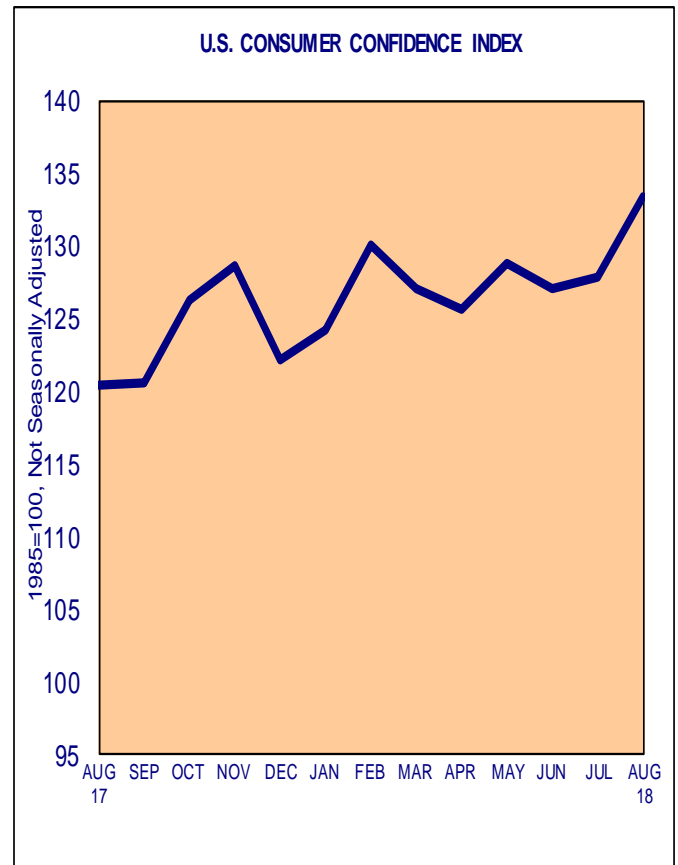
Sales Tax receipts distributed to Fairfax County in September for retail purchases made in July were \$14.9 million, an increase of 3.7 percent over September 2017. During the first two months of FY 2019, Sales Tax receipts are up 2.0 percent over FY 2018.

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 5.9 percent for the 12 months ending in July. Home prices in the Washington Metropolitan area posted a 2.7 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, "Rising home prices are beginning to catch up with housing," with sales of existing single family homes dropping each month for the last six months. He added that, "The index of housing affordability has worsened substantially since the start of the year."

Consumer Confidence Index



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

The Consumer Confidence Index increased in August for the second straight month and now stands at 133.4 (1985=100), up from 127.9 a month ago. Both the present situation and the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of present-day conditions improved further. Expectations, which had declined in June and July, bounced back in August and continue to suggest solid economic growth for the remainder of 2018." She added that, "Overall, these historically high confidence levels should continue to support healthy consumer spending in the near-term."

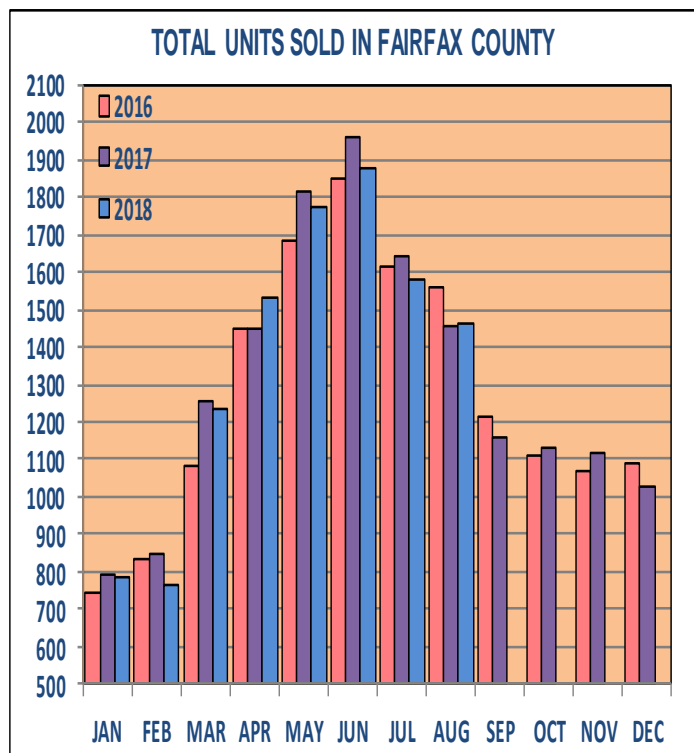
Consumer Price Index

The August Consumer Price Index for All Urban Consumers (CPI-U) increased 2.7 percent compared to last August. Excluding food and energy, core inflation increased 2.2 percent. Through July, the most recent data available, the Washington area CPI-U increased 2.5 percent compared to a year ago. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In August, 1,460 homes were sold in Fairfax County, largely unchanged from the 1,459 homes that were sold in August 2017.

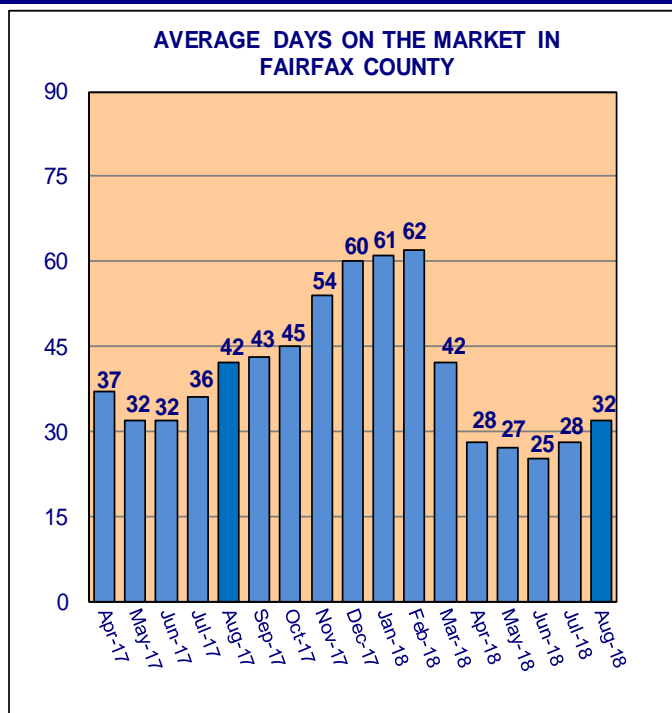


Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in August were on the market for 32 days. This is 10 days fewer than the 42-day average in August 2017.

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.

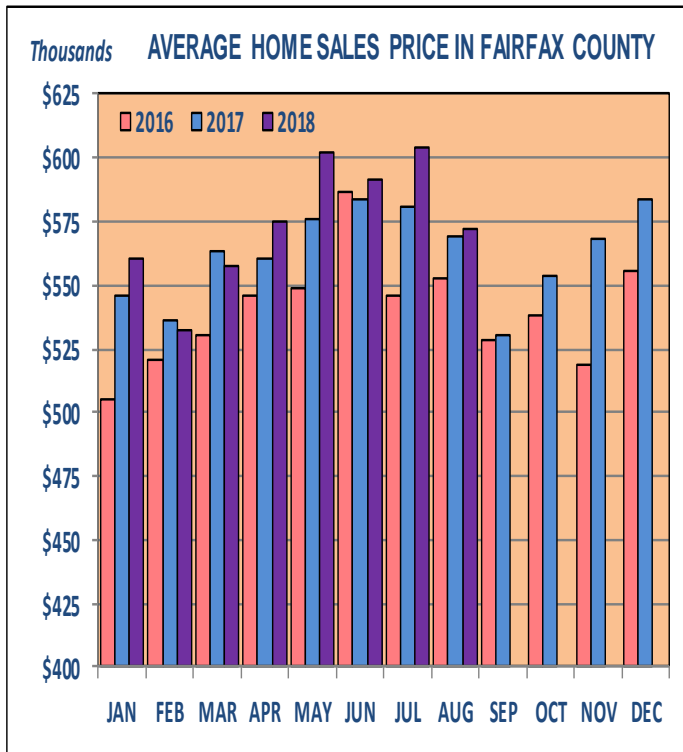
Average Home Sales Prices

The average sales price of all homes that sold in August 2018 in Fairfax County was \$572,086, an increase of 0.6 percent over the August 2017 average sales price of \$568,769. The average August price was up 0.7 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in August 2018 was \$754,669, an increase of 1.7 percent over the August 2017 average of \$742,000. The average sales price of attached homes increased 5.8 percent over the same period.

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

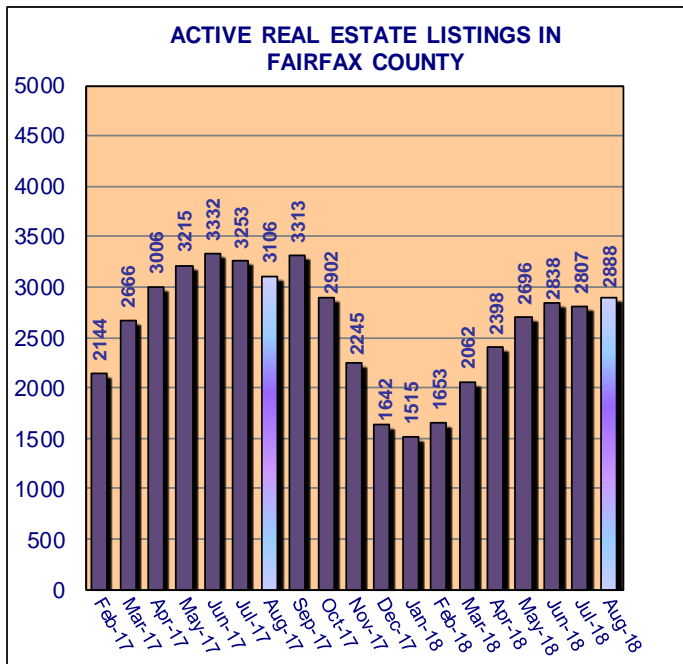
	AUG 2018	AUG 2017	% Change
All Homes	\$572,086	\$568,769	0.6%
Detached Homes	\$754,669	\$742,000	1.7%
Attached Homes	\$403,456	\$381,452	5.8%



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

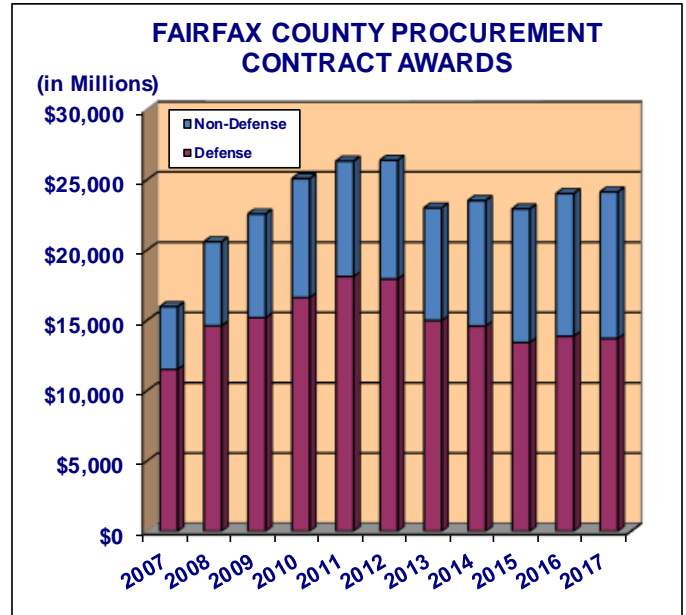
Inventory of Homes for Sale

The number of active listings in the County in August was 2,888, a decrease of 7.0 percent from the 3,106 listings in August 2017. Based on the August 2018 listings and the current sales rate, there is approximately a 2.0-month supply of homes for sale in the County, less than the 2.1-month supply a year ago.



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

Federal Procurement



Source: Federal Procurement Data System. Compiled by the Fairfax County Department of Management and Budget.

Based on information from the Federal Procurement Data System, in the federal fiscal year (FY) 2017 - the most recent data available - total federal procurement spending increased from \$24.0 billion to \$24.2 billion, an increase of 0.5 percent over FY 2016. Defense procurement contract awards in the County decreased 1.2 percent from \$13.9 billion to \$13.7 billion, while non-defense contracts increased 2.8 percent from \$10.2 billion in FY 2016 to \$10.4 billion in FY 2017.

After growing an average of 13.3 percent per year from FY 2007 to FY 2011, and remaining stable in FY 2012, procurement spending is now 8.5 percent below its level in FY 2012.

The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or TTY 711 (Virginia Relay Center)

Staff: Albena Assenova, Revenue and Economic Analysis Coordinator; Eric Eisinger, Budget Analyst