

# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

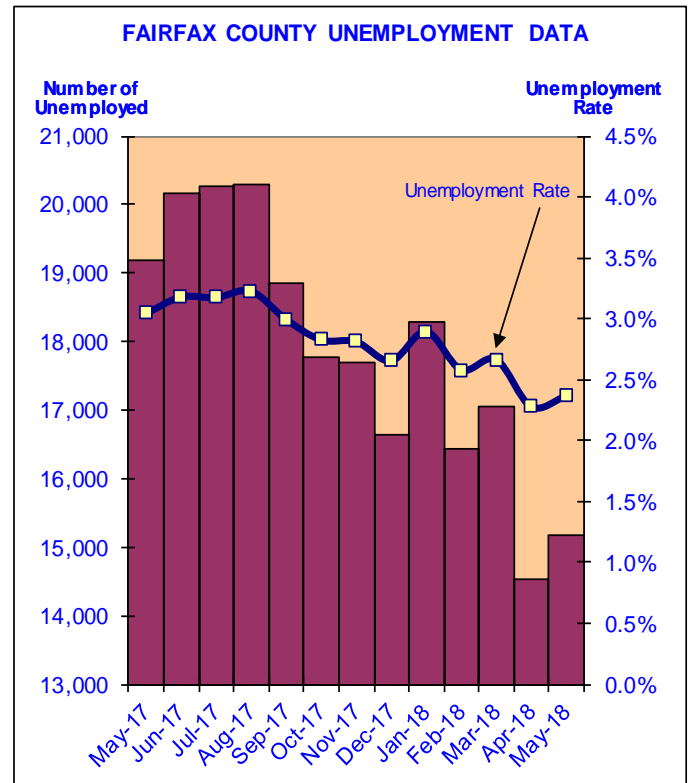
JULY 2018

## IN THIS ISSUE:

- The May unemployment rate in Fairfax County increased to 2.4 percent. (See page 1)
- Sales tax receipts in July were up 6.9 percent. (See page 2)
- The Consumer Confidence Index decreased in June after increasing in May. (See page 2)
- The U.S. economy grew at an annual rate of 4.1 percent in the second quarter of 2018. (See page 2)
- The number of homes sold in Fairfax County during June 2018 decreased 4.3 percent from a year earlier. (See page 3)
- In June 2018, the average sales price of all homes sold in Fairfax County increased 1.4 percent compared to the average sale price in June 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 14.8 percent in June from a year ago. (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.

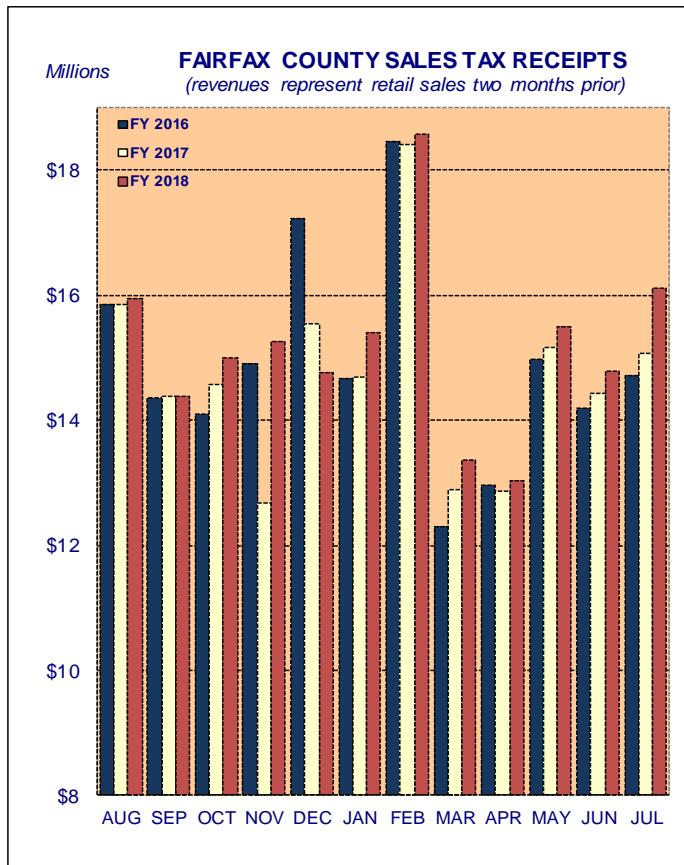
## Employment

Compared to April, the May unemployment rate in Fairfax County increased 0.1 percentage point to 2.4 percent. The number of unemployed residents increased over the month from 14,518 to 15,183. The County's unemployment rate was down 0.6 percentage point from May 2017.

In May, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point from April to 3.2 percent. The rate was down 0.6 percentage point from May 2017. This is the lowest monthly unemployment rate since October 2007.

The U.S. seasonally adjusted unemployment rate decreased to 3.8 percent in May, down 0.1 percentage point from April. The rate was down 0.5 percentage point from a year ago and is the lowest monthly unemployment rate since April 2000. Total nonfarm payroll employment increased by 223,000 in May. Over the last three months, job gains have averaged 179,000 per month.

## Sales Tax Receipts



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

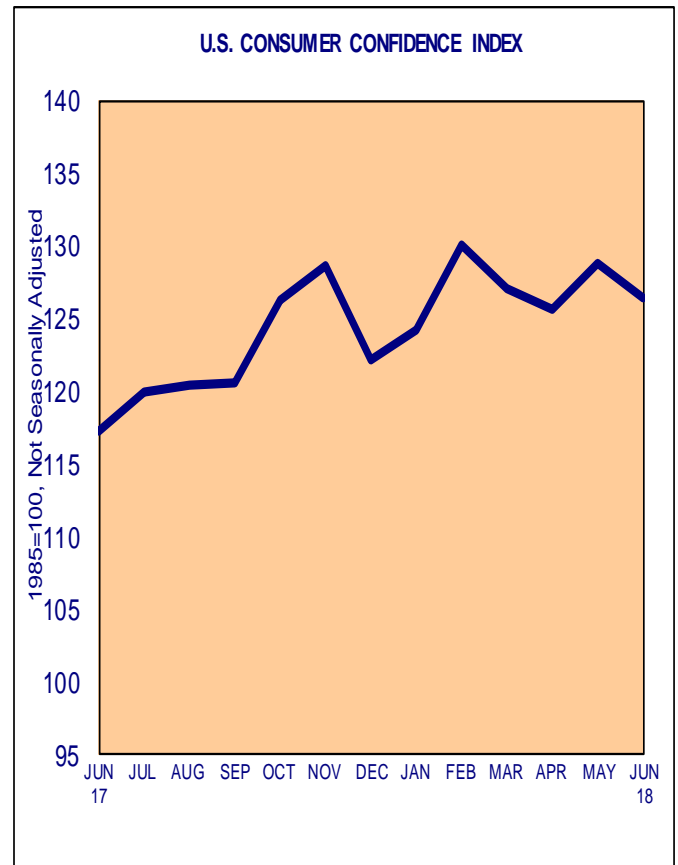
Sales Tax receipts distributed to Fairfax County in July for retail purchases made in May were \$16.1 million, an increase of 6.9 percent over July 2017. Total FY 2018 Sales Tax receipts are \$182.1 million, an increase of 3.2 percent over total FY 2017 receipts.

## 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 6.5 percent for the 12 months ending in May. Home prices in the Washington Metropolitan area posted a 3.1 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, "The number of pending home sales is drifting lower as is the number of existing homes for sale. Sales of new homes are also down and housing starts are flattening." He added that, "Affordability – a measure based on income, mortgage rates and home prices – has gotten consistently worse over the last eighteen months. All these indicators suggest that the combination of rising home prices and rising mortgage rates are beginning to affect the housing market."

## Consumer Confidence Index



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

The Consumer Confidence Index decreased in June, following an increase in May and now stands at 126.4 (1985=100), down from 128.8 a month ago. The present situation was flat, while the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of present-day conditions was relatively unchanged, suggesting that the level of economic growth remains strong." She added that, "While expectations remain high by historical standards, the modest curtailment in optimism suggests that consumers do not foresee the economy gaining much momentum in the months ahead."

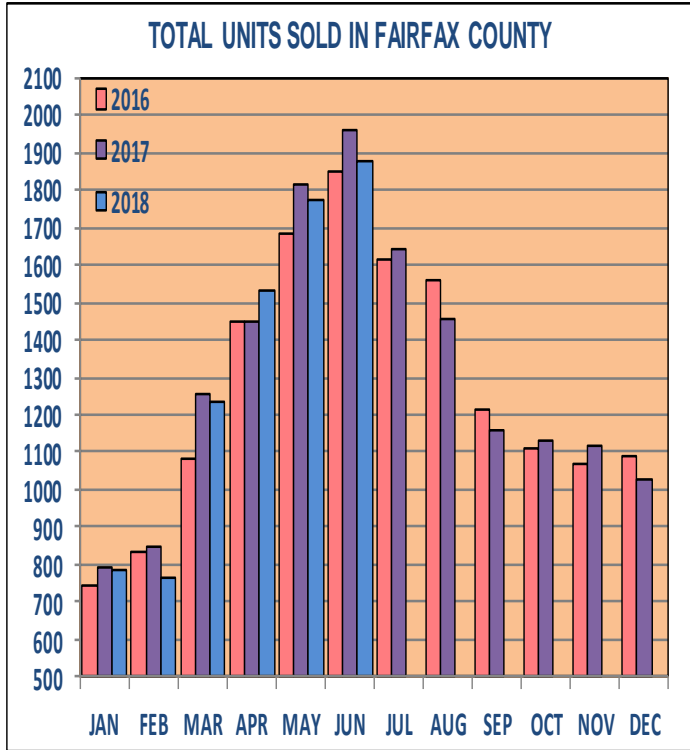
### Gross Domestic Product

According to the advance estimate by the Bureau of Economic Analysis (BEA), real gross domestic product (GDP) increased at an annual rate of 4.1 percent in the second quarter of 2018, after growing 2.2 percent in the first quarter. The increase in real GDP reflected positive contributions from personal consumption expenditures, exports, nonresidential fixed investment, and federal and state government spending.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

In June, 1,878 homes were sold in Fairfax County, a decrease of 4.3 percent from the 1,963 homes sold in June 2017.

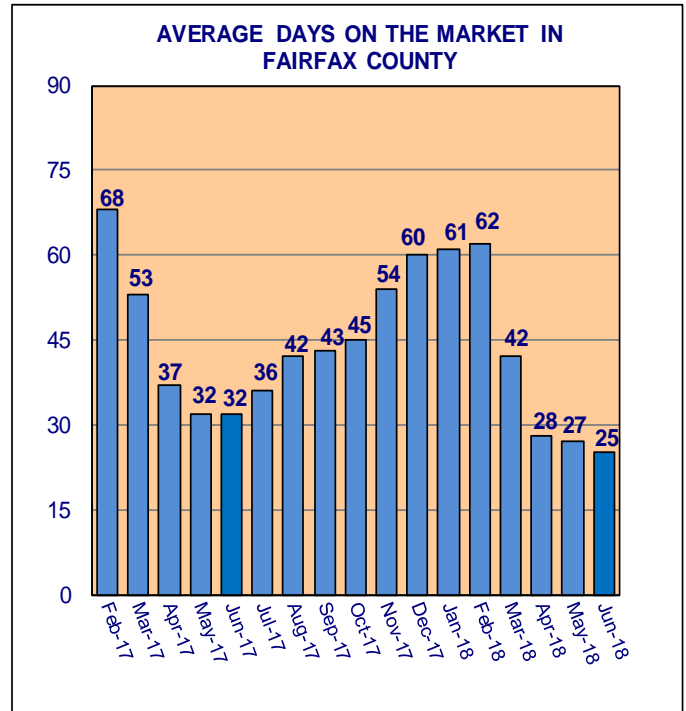


Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

## Average Days on the Market

On average, homes that sold in Fairfax County in June were on the market for 25 days. This is 7 days fewer than the 32 day average in June 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.

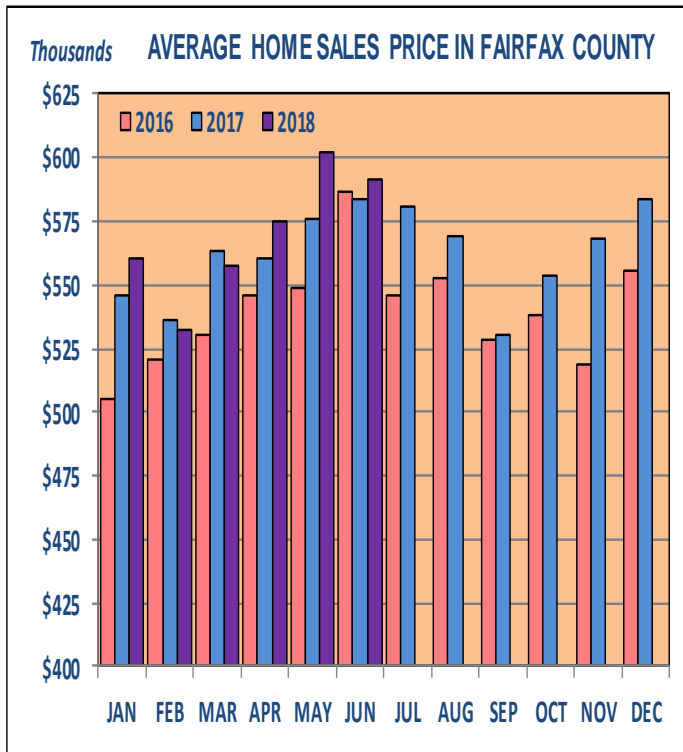
## Average Home Sales Prices

The average sales price of all homes that sold in June 2018 in Fairfax County was \$591,537, an increase of 1.4 percent over the June 2017 average sales price of \$583,620. The average June price was up 4.2 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in June 2018 was \$737,497, a decrease of 1.6 percent from the June 2017 average of \$749,472. The average sales price of attached homes increased 4.2 percent over the same period.

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

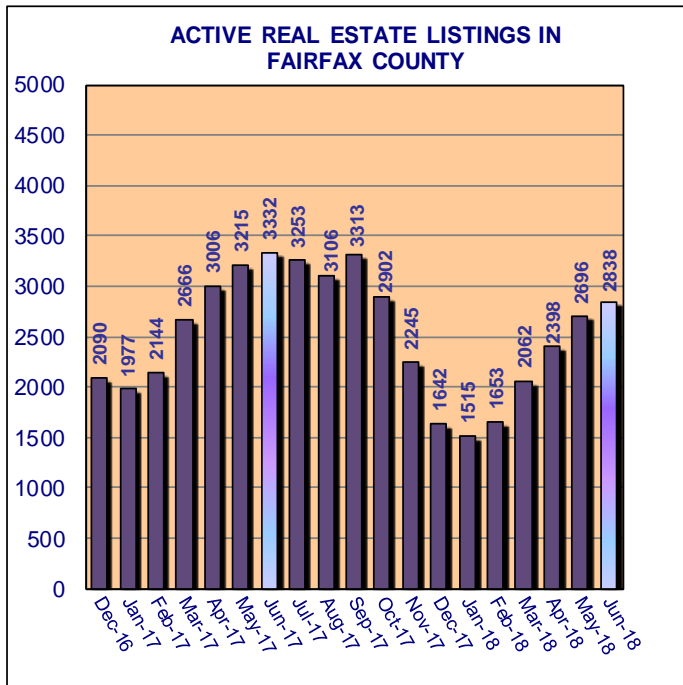
	JUNE 2018	JUNE 2017	% Change
All Homes	\$591,537	\$583,620	1.4%
Detached Homes	\$737,497	\$749,472	-1.6%
Attached Homes	\$408,035	\$391,706	4.2%



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

### Inventory of Homes for Sale

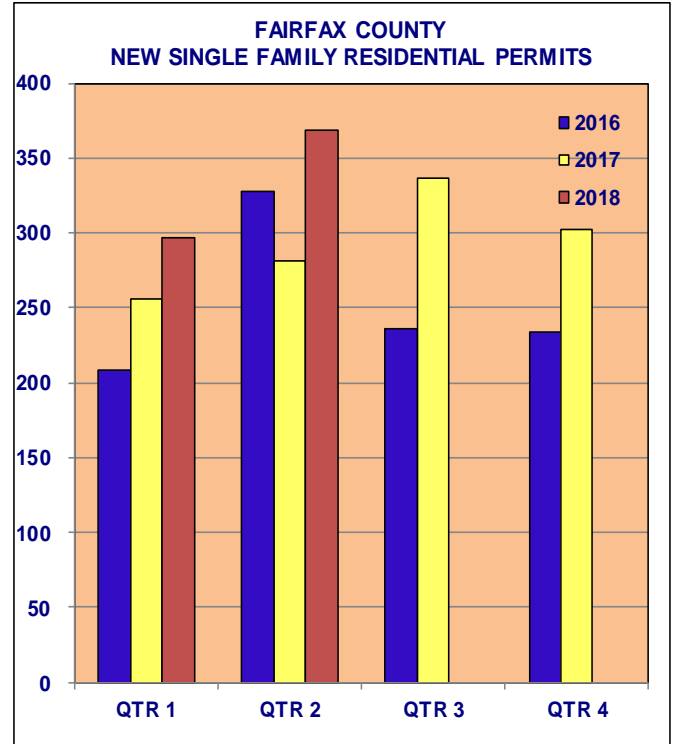
The number of active listings in the County in June was 2,838, a decrease of 14.8 percent from the 3,332 listings in June 2017. Based on the June 2018 listings and the current sales rate, there is approximately a 1.5 month supply of homes for sale in the County, less than the 1.7 month supply a year ago.



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

### Single Family Building Permits

During the second quarter of 2018, 369 new single family permits were issued in Fairfax County. This represents a 31.3 percent increase over the same period of 2017. Combined, for the first two quarters of 2018, the number of new single family permits is up 24.0 percent over last year.



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

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