



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

NOVEMBER 2018

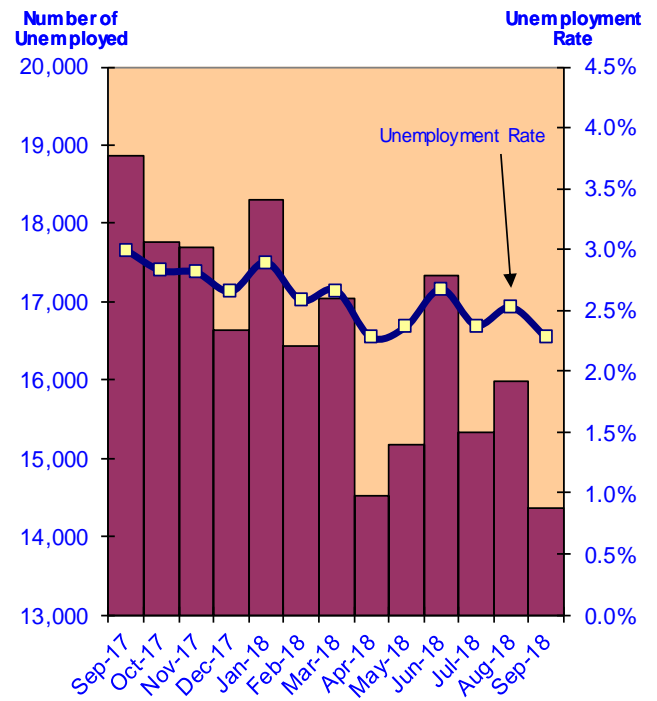
IN THIS ISSUE:

- The September unemployment rate in Fairfax County decreased to 2.3 percent. (See page 1)
- For the first four months of the fiscal year, Sales tax receipts in Fairfax County are up 2.1 percent. (See page 2)
- The Consumer Confidence Index increased in October for the fourth straight month. (See page 2)
- The number of homes sold in Fairfax County during October 2018 decreased 1.8 percent from a year earlier. (See page 3)
- In October 2018, the average sales price of all homes sold in Fairfax County decreased 0.3 percent compared to the average sale price in October 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 5.0 percent in October from a year ago. (See page 4)
- A 30-year fixed rate mortgage averaged 4.83 percent in October. (See page 4)

Previous issues of this publication can be accessed at:

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

FAIRFAX COUNTY UNEMPLOYMENT DATA



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

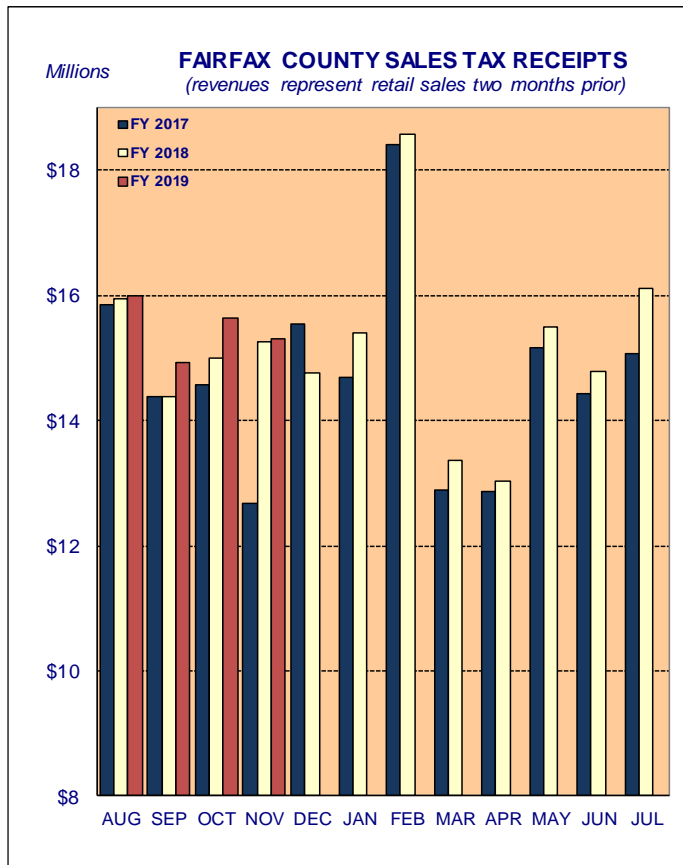
Employment

Compared to August, the September unemployment rate in Fairfax County decreased 0.2 percentage point to 2.3 percent. The number of unemployed residents decreased over the month from 15,992 to 14,364. The County's unemployment rate was down 0.7 percentage point from September 2017 and is at its lowest level since April 2008.

In September, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point to 2.9 percent. The rate was down 0.7 percentage point from September 2017. This is the lowest monthly unemployment rate since June 2007.

The U.S. seasonally adjusted unemployment rate was 3.7 percent in September, down 0.2 percentage point from August. The rate was down 0.5 percentage point from a year ago. The rate stands at its lowest level since December 1969. Total nonfarm payroll employment increased by 134,000 in September. Over the last three months, job gains have averaged 190,000 per month.

Sales Tax Receipts



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

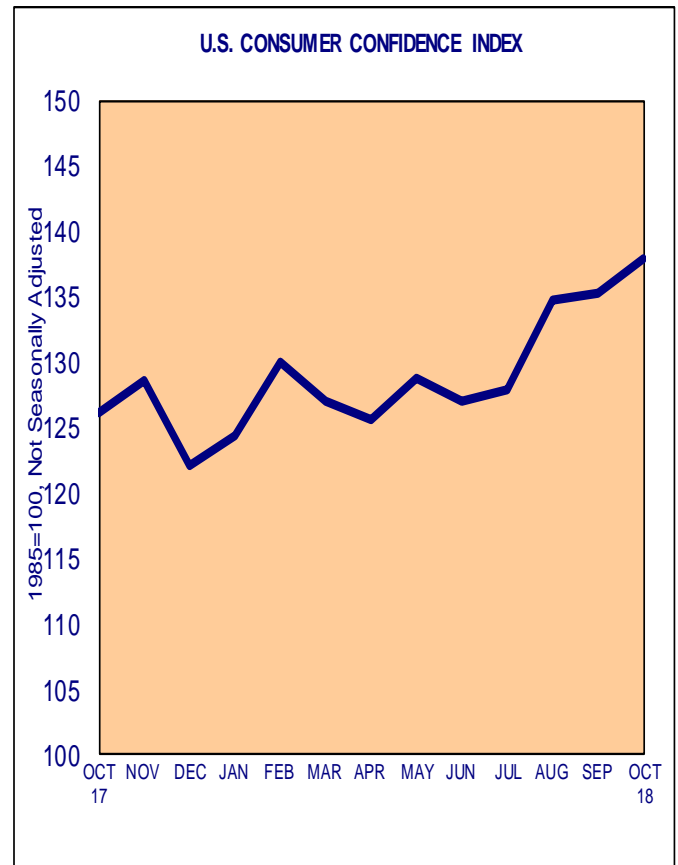
Sales Tax receipts distributed to Fairfax County in November for retail purchases made in September were \$15.3 million, an increase of 0.3 percent over November 2017. During the first four months of FY 2019, Sales Tax receipts are up 2.1 percent over FY 2018.

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 5.1 percent for the 12 months ending in September. Home prices in the Washington Metropolitan area posted a 2.9 percent gain during the same period, behind only New York for 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, "Home prices plus data on house sales and construction confirm the slowdown in housing." He added that, "One factor contributing to the weaker housing market is the recent increase in mortgage rates. Currently the national average for a 30-year fixed rate loan is 4.9%, a full percentage point higher than a year ago."

Consumer Confidence Index



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

The Consumer Confidence Index increased in October for the fourth straight month and now stands at 137.9 (1985=100), up from 135.3 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 remains quite positive, primarily due to strong employment growth." She added that, "The Expectations Index posted another gain in October, suggesting that consumers do not foresee the economy losing steam anytime soon."

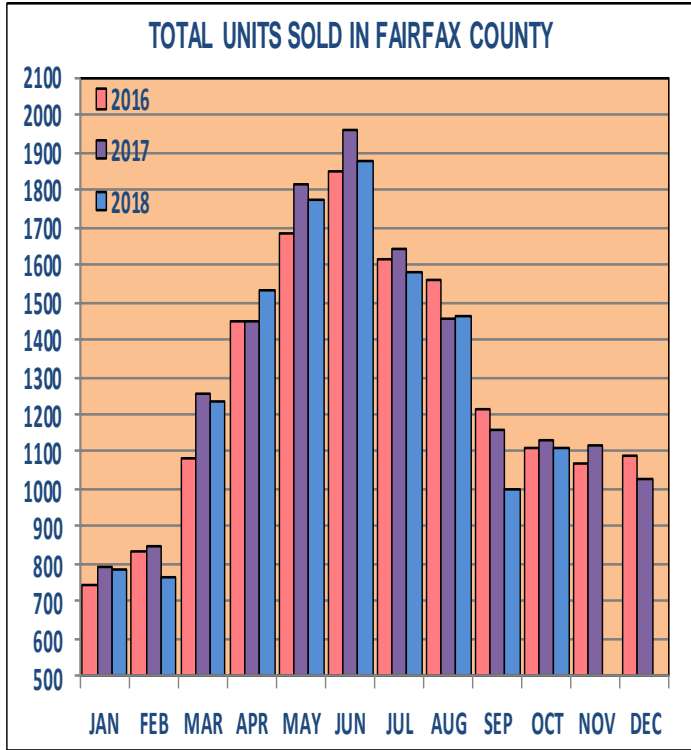
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 3.5 percent in the third quarter of 2018, according to a revised estimate by the Bureau of Economic Analysis (BEA). The initial estimate of GDP growth was also 3.5 percent. Upward revisions to nonresidential fixed investment and private inventory investment were offset by downward revisions to personal consumption expenditures and state and local government spending. During the second quarter of 2018, the economy grew at an annual rate of 4.2 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

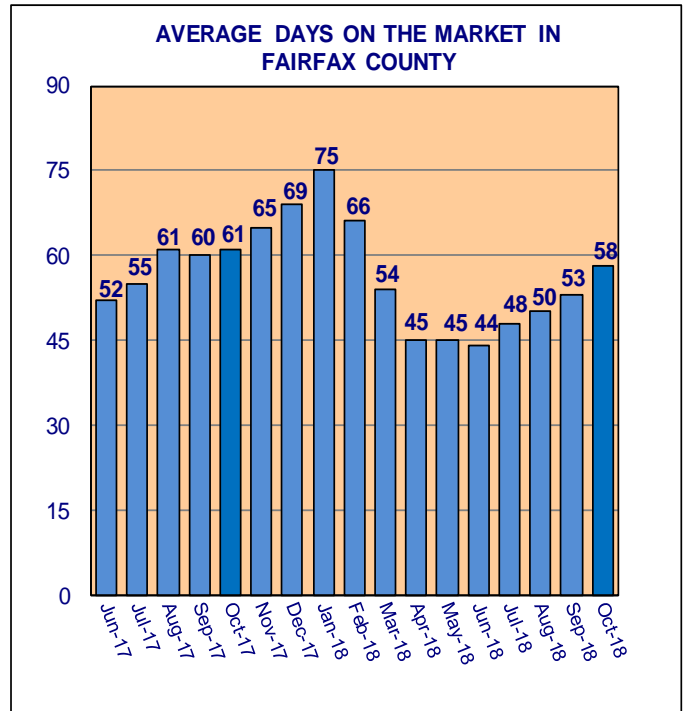
In October, 1,109 homes were sold in Fairfax County, a decrease of 1.8 percent from the 1,129 homes that were sold in October 2017.



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 October were on the market for 58 days. This is 3 days fewer than the 61 day average in October 2017.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget. As of October, Real Estate Business Intelligence changed the way Days on Market is measured, and recalculated historical data to provide apples-to-apples comparisons. As a result, the numbers included above are higher than the previously shown numbers.

Average Home Sales Prices

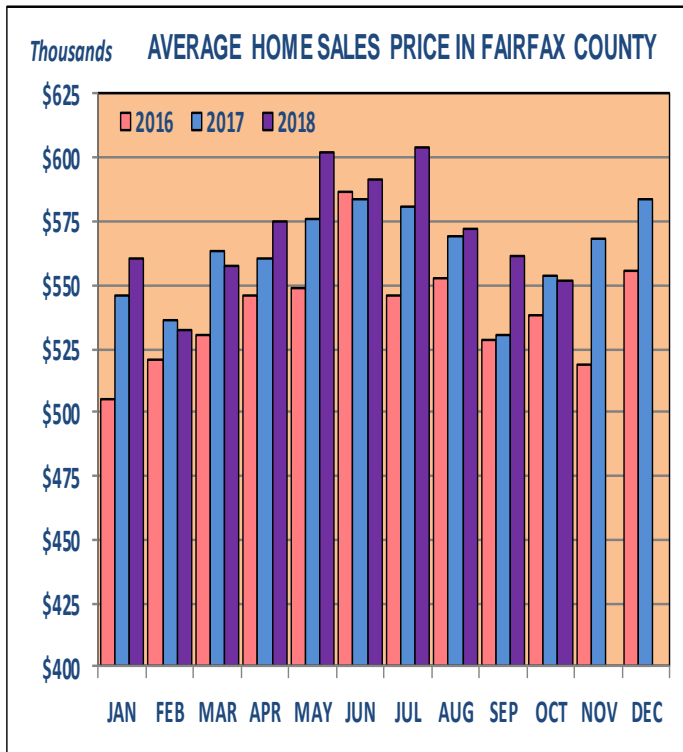
The average sales price of all homes that sold in October 2018 in Fairfax County was \$552,034, a slight decrease of 0.3 percent from the October 2017 average sales price of \$553,780. The average October price was down 2.8 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in October 2018 was \$763,476, an increase of 0.7 percent over the October 2017 average of \$757,818. The average sales price of attached homes increased 3.7 percent over the same 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: <https://www.fairfaxcounty.gov/taxes/real-estate>

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

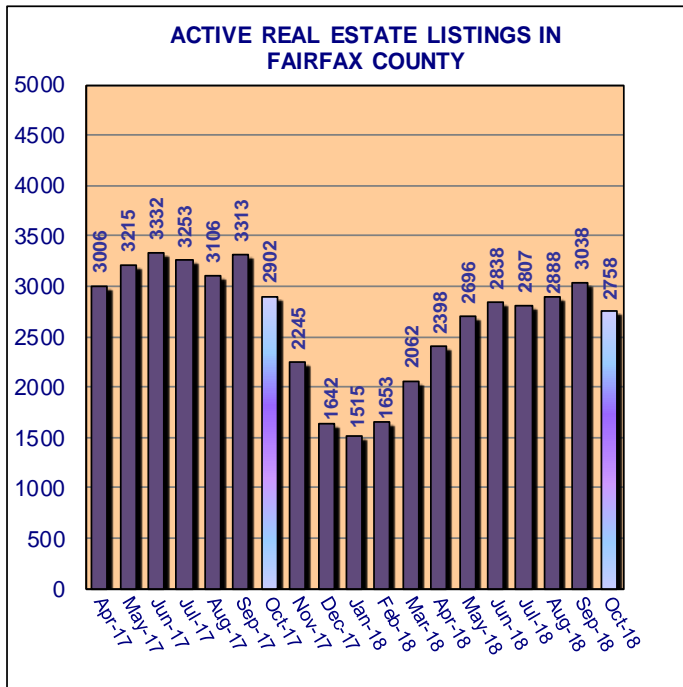
	OCT 2018	OCT 2017	% Change
All Homes	\$552,034	\$553,780	-0.3%
Detached Homes	\$763,476	\$757,818	0.7%
Attached Homes	\$383,523	\$370,009	3.7%



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 October was 2,758, a decrease of 5.0 percent from the 2,902 listings in October 2017. Based on the October 2018 listings and the current sales rate, there is approximately a 2.5 month supply of homes for sale in the County, less than the 2.6 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 rate mortgage interest rate in October increased to 4.83 percent, up from 4.63 percent a month ago, and the highest rate since April 2011. A year ago, the rate was 3.90 percent.



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

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