

# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

DECEMBER 2019

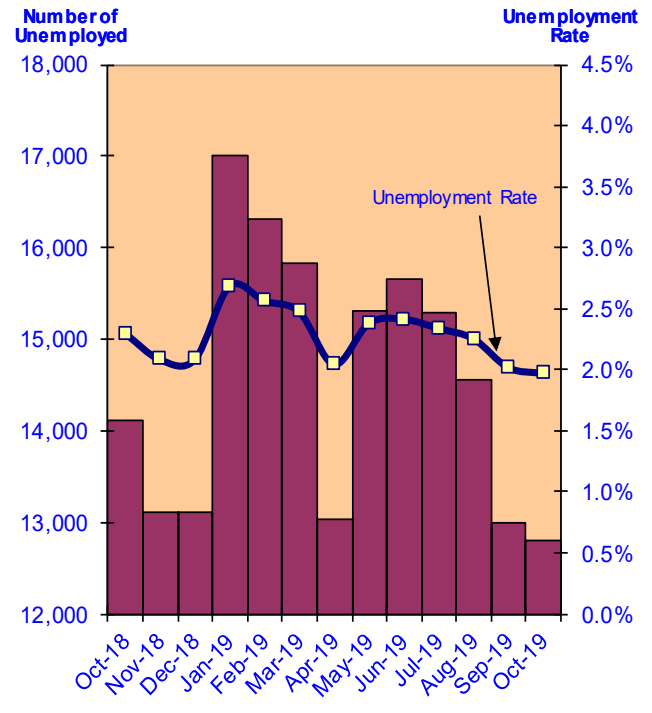
## IN THIS ISSUE:

- The unemployment rate in Fairfax County was unchanged at 2.0 percent in October. (See page 1)
- Sales tax receipts in Fairfax County are up 6.4 percent through the first five months of the fiscal year. (See page 2)
- The Consumer Confidence Index decreased in November for the fourth straight month. (See page 2)
- The number of homes sold in Fairfax County during November 2019 increased 0.5 percent from a year earlier. (See page 3)
- In November 2019, the average sales price of all homes sold in Fairfax County increased 9.2 percent compared to the average sale price in November 2018. (See page 3)
- The number of active listings of homes for sale in the County decreased 27.9 percent in November from a year ago. (See page 4)
- As of mid-year 2019, the direct office vacancy rate in Fairfax County decreased to 14.4 percent, the lowest level since 2013. (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.

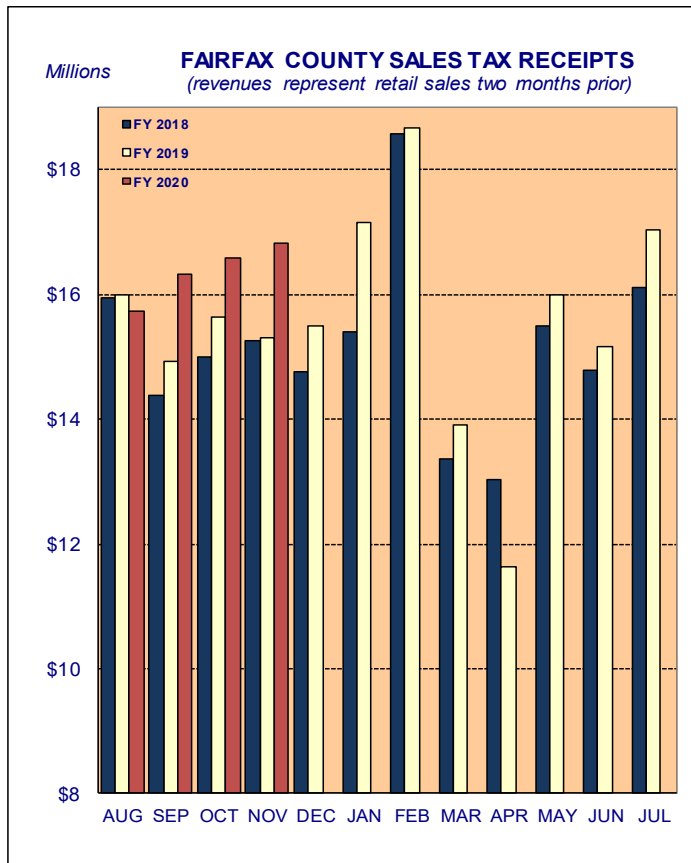
## Employment

Compared to September, the October unemployment rate in Fairfax County remained unchanged at 2.0 percent. The number of unemployed residents decreased over the month from 13,002 to 12,799. The County's unemployment rate was down 0.2 percentage point from October 2018.

The seasonally adjusted unemployment rate in Virginia in October decreased 0.1 percentage point to 2.6 percent. The rate was down 0.2 percentage point from October 2018.

The U.S. seasonally adjusted unemployment rate in October increased 0.1 percentage point to 3.6 percent. The rate was down 0.2 percentage point from a year ago. Total nonfarm payroll employment increased by 128,000 in October. Over the last three months, job gains have averaged 176,000 per month.

## Sales Tax Receipts



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

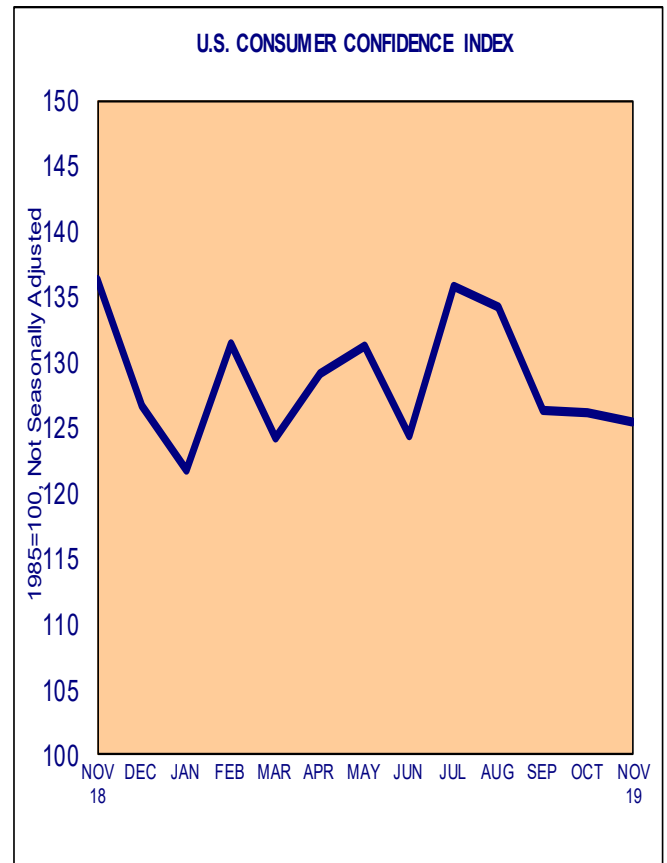
Sales Tax receipts distributed to Fairfax County in December for retail purchases made in October were \$16.9 million, an increase of 8.7 percent over December 2018. During the first five months of FY 2020, Sales Tax receipts are up 6.4 percent over FY 2019. It is likely that a significant part of the increase is due to a new law passed by the Virginia General Assembly and signed by the Governor requiring the collection of state and local sales taxes from remote internet sellers. The law went into effect on July 1.

## NATIONAL INDICATORS

### The Consumer Price Index

The Consumer Price Index for all Urban Consumers (CPI-U) was 2.1 percent higher in November 2019 compared to November 2018. Among the specific categories, food increased 2.0 percent, while shelter, the single largest component of the CPI, increased 3.3 percent. Medical care services were 5.1 percent higher in November 2019 compared to November 2018. The core rate, which excludes food and energy, increased 2.3 percent. The Washington area CPI rose 1.5 percent over the same period.

## Consumer Confidence Index



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

The Consumer Confidence Index declined in November for the fourth straight month. It now stands at 125.5 (1985=100), down from 126.1 a month ago. The present situation component decreased, while the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' short-term expectations improved modestly, and growth in early 2020 is likely to remain around 2 percent." She added that, "Overall, confidence levels are still high and should support solid spending during this holiday season."

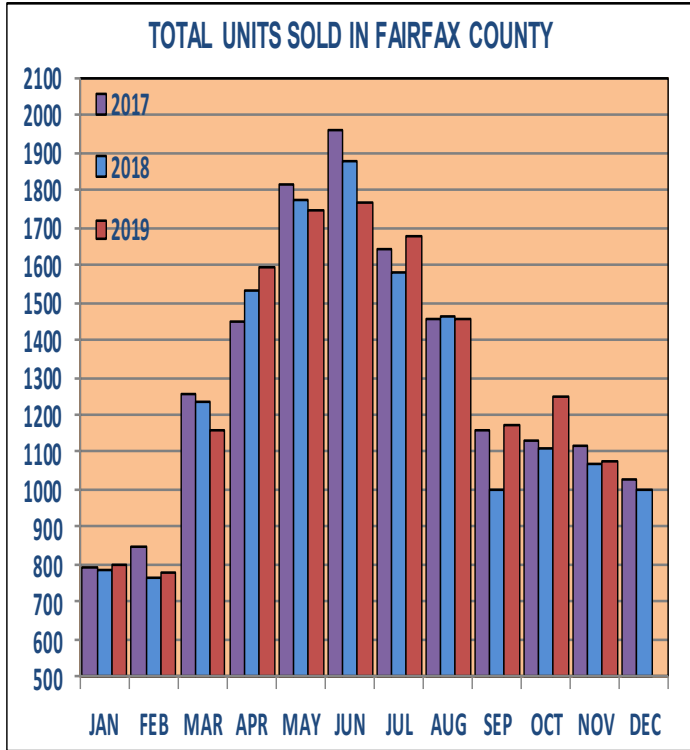
### Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 2.1 percent in the third quarter of 2019, according to a revised estimate by the Bureau of Economic Analysis (BEA). The initial estimate of GDP growth was 1.9 percent. During the second quarter of 2019, the economy grew at an annual rate of 2.0 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

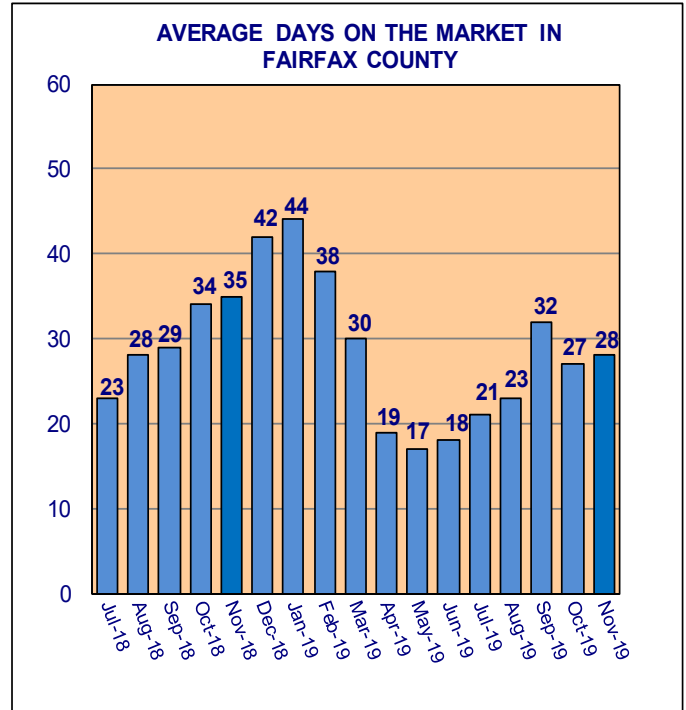
In November, 1,073 homes were sold in Fairfax County, an increase of 0.5 percent over the 1,068 homes that were sold in November 2018.



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

## Average Days on the Market

On average, homes that sold in Fairfax County in November were on the market for 28 days. This is 7 days fewer than the 35-day average in November 2018.



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

## Average Home Sales Prices

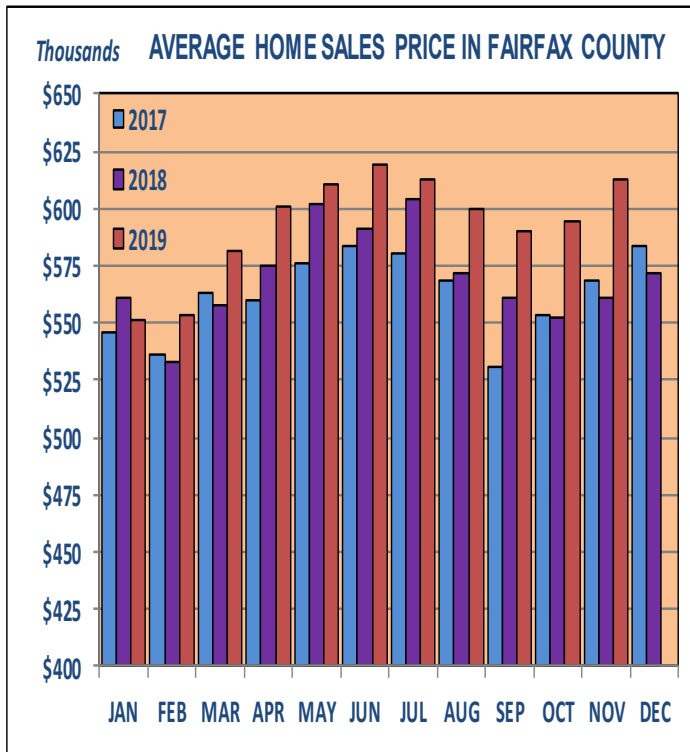
The average sales price of all homes that sold in November 2019 in Fairfax County was \$612,363, an increase of 9.2 percent over the November 2018 average sales price of \$560,604. The average sales price increased 5.8 percent compared to the annual 2018 average home sales price of \$578,723.

The average sales price for detached homes that sold in November 2019 was \$801,992, an increase of 9.0 percent over the November 2018 average of \$735,931. The average sales price of attached homes increased by 7.0 percent over the same period.

### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN NOV 2019 COMPARED TO SALES IN NOV 2018

	NOV 2019	NOV 2018	% Change
All Homes	\$612,363	\$560,604	9.2%
Detached Homes	\$801,992	\$735,931	9.0%
Attached Homes	\$414,395	\$387,165	7.0%

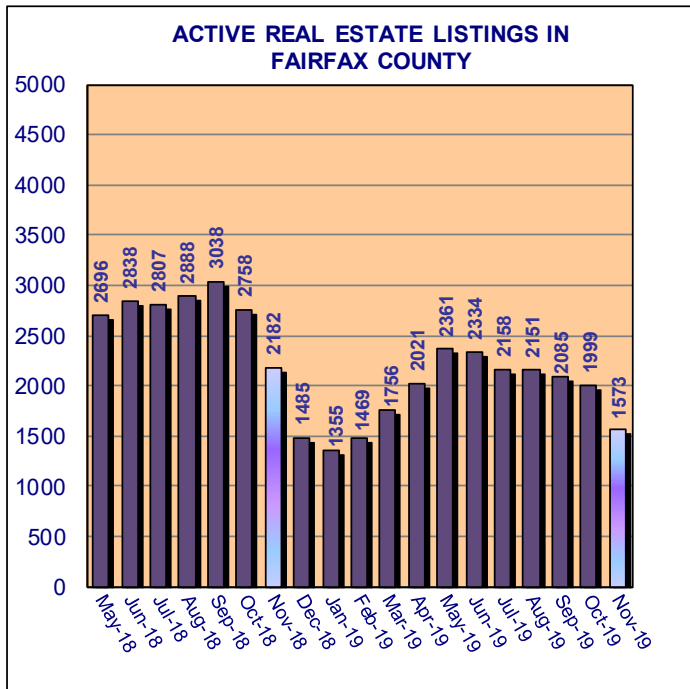
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

### Inventory of Homes for Sale

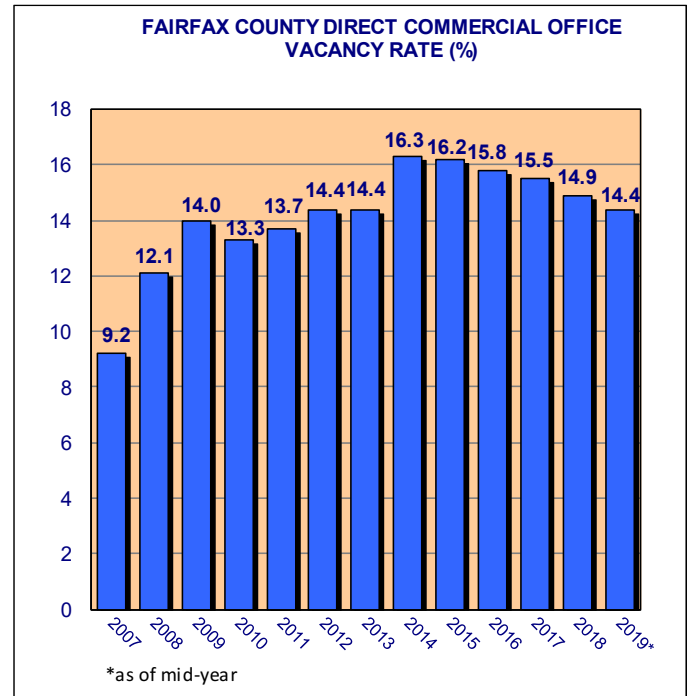
The number of active listings in the County in November was 1573, a decrease of 27.9 percent from the 2,182 listings in November 2018. Based on the November 2019 listings and the current sales rate, there is approximately a 1.5-month supply of homes for sale in the County, less than the 2.0-month supply a year ago.



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

### Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the mid-year 2019 direct office vacancy rate declined to 14.4 percent compared to the year-end 2018 vacancy rate of 14.9 percent. The vacancy rate fell for the fourth consecutive reporting period and is at its lowest level since 2013. The overall vacancy rate, including sublet space vacancies was 15.0 percent, down from 15.5 percent at year-end 2018.



Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.

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