



# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

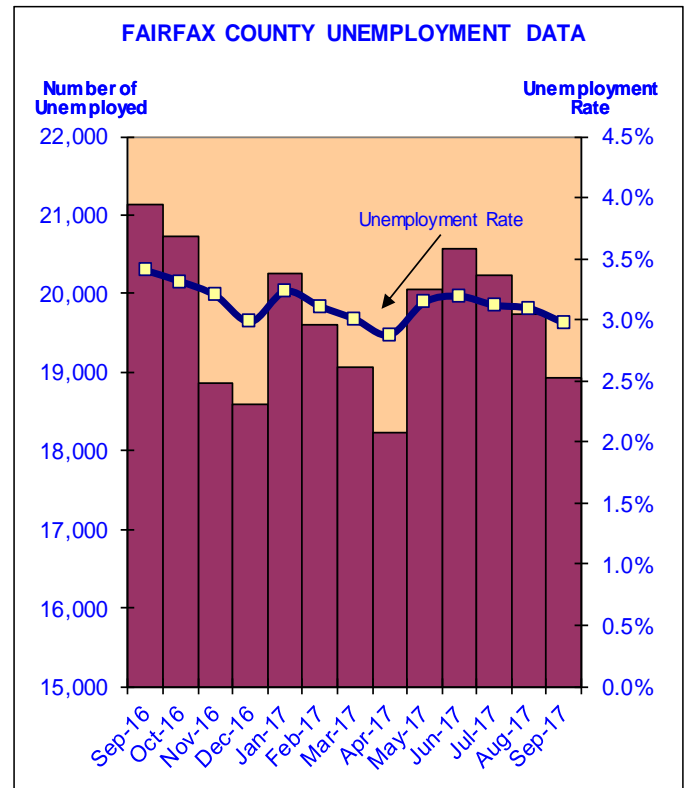
NOVEMBER 2017

## IN THIS ISSUE:

- The September unemployment rate in Fairfax County decreased to 3.0 percent. (See page 1)
- For the first four months of the fiscal year, adjusted Sales Tax receipts in Fairfax County are up 1.1 percent. (See page 2)
- The Consumer Confidence Index increased in October to a 17-year high. (See page 2)
- The number of homes sold in Fairfax County during October 2017 increased 1.7 percent from a year earlier. (See page 3)
- In October 2017, the average sales price of all homes sold in Fairfax County increased 3.0 percent compared to the average sale price in October 2016. (See page 3)
- The number of active listings of homes for sale in the County decreased 12.0 percent in October from a year ago. (See page 4)
- A 30-year fixed rate mortgage averaged 3.90 percent in October. (See page 4)

Previous issues of this publication can be accessed at:

[http://www.fairfaxcounty.gov/economic/economic\\_indicators.htm](http://www.fairfaxcounty.gov/economic/economic_indicators.htm)



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

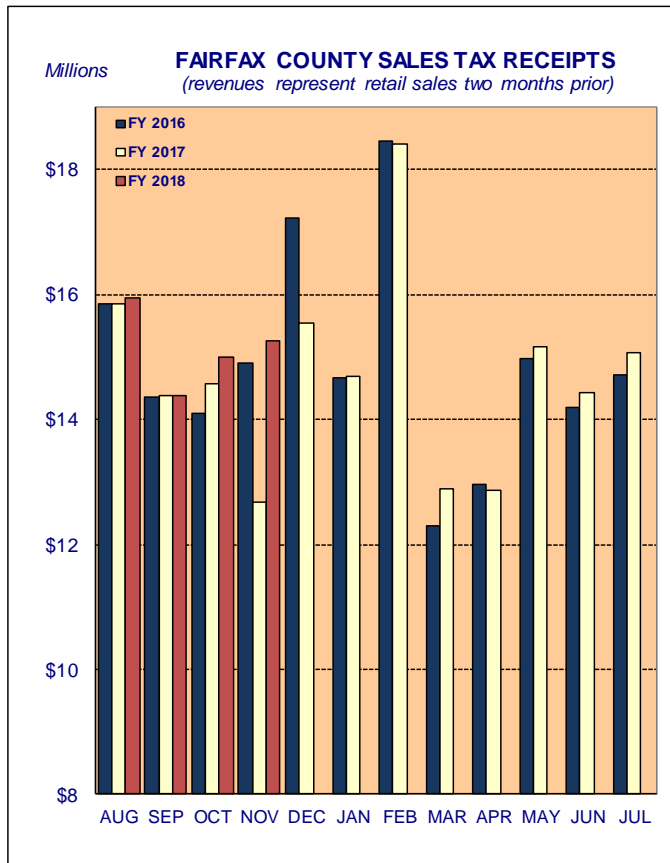
## Employment

Compared to August, the September unemployment rate in Fairfax County decreased 0.1 percentage point to 3.0 percent. The number of unemployed residents decreased over the month from 19,745 to 18,938. The County's unemployment rate was down 0.4 percentage point from September 2016.

The seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point to 3.7 percent in September. The rate was down 0.4 percentage point from September 2016.

The U.S. seasonally adjusted unemployment rate decreased 0.2 percentage point to 4.2 percent in September. The rate was down 0.7 percentage point from a year ago. Total nonfarm payroll employment decreased by 33,000 in September. The decline likely reflected the impact of Hurricanes Irma and Harvey. Over the past three months, job gains have averaged 91,000 per month.

## Sales Tax Receipts



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

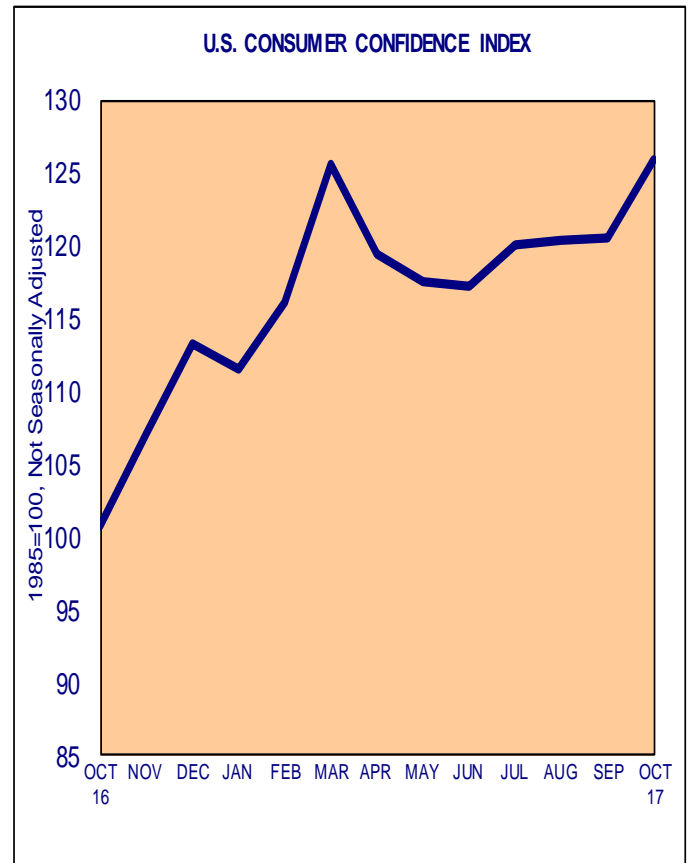
Sales Tax receipts distributed to Fairfax County in November for retail purchases made in September were \$15.3 million, an increase of 20.4 percent over November 2016. Last November's receipts were reduced by a refund of \$2.5 million for taxes paid in previous years based on a state audit. Through the first four months of FY 2018, Sales Tax receipts are up 5.4 percent over FY 2017. Excluding last year's refund, FY 2018 Sales Tax collections are up 1.1 percent over the first four months of FY 2017.

## 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 6.2 percent for the 12 months ending in September. Home prices in the Washington Metropolitan area posted a 3.1 percent gain during the same period, the smallest increase among the twenty cities in the index. David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices, said that, "Most economic indicators suggest that home prices can see further gains. Rental rates and home prices are climbing, the rent-to-buy ratio remains stable, the average rate on a 30-year mortgage is still under 4%, and at a 3.8-month supply, the inventory of homes for sale is still low." He added that, "One dark cloud for housing is affordability – rising prices mean that some people will be squeezed out of the market."

## Consumer Confidence Index



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

The Consumer Confidence Index, which had improved marginally in September, increased again in October. The index stands at 125.9 (1985=100), up from 120.6 a month ago. This is the highest level in 17 years. Both the present situation component and the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of current conditions improved, boosted by the job market which had not received such favorable ratings since 2001." She added, "Confidence remains high among consumers, and their expectations suggest the economy will continue expanding at a solid pace for the remainder of the year."

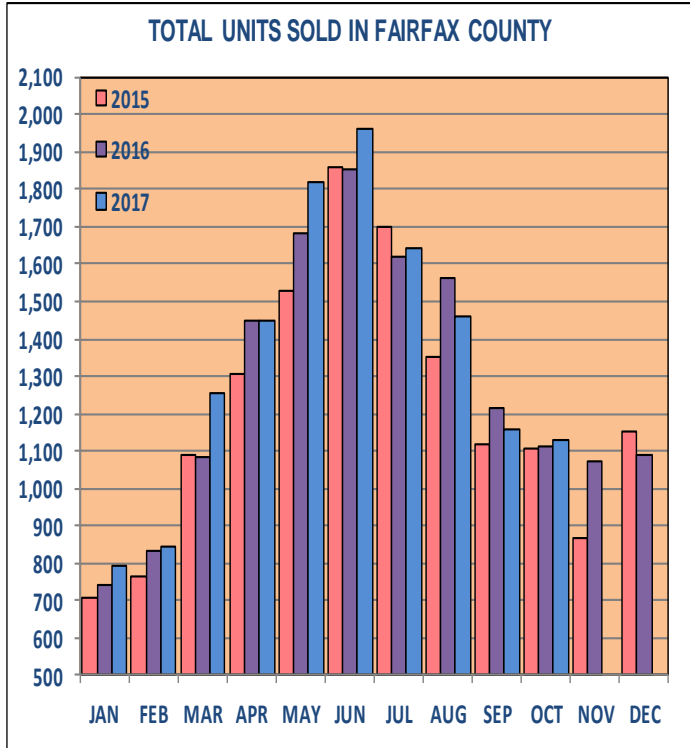
### Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 3.3 percent in the third quarter of 2017, according to a revised estimate by the Bureau of Economic Analysis (BEA). In the initial estimate, real GDP was reported to have increased at 3.0 percent. During the second quarter of 2017, the economy grew at an annual rate of 3.1 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

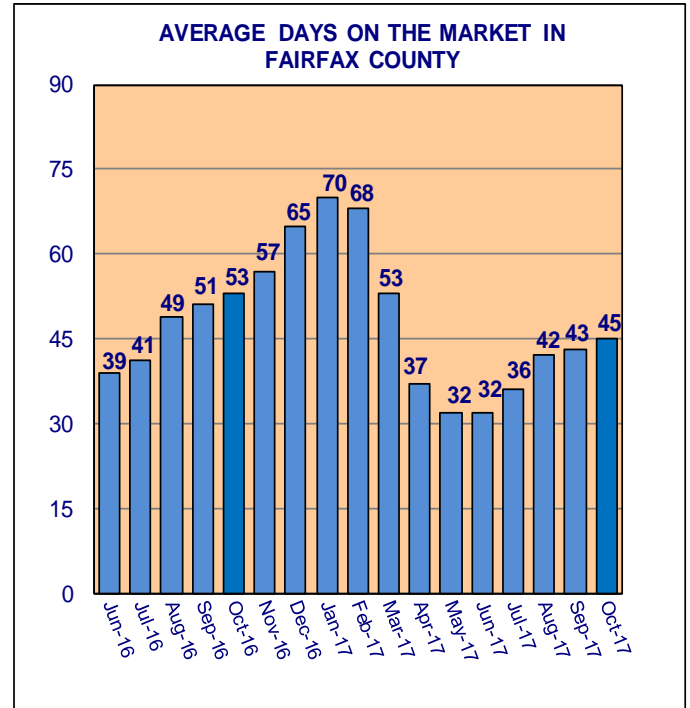
In October, 1,129 homes were sold in Fairfax County, an increase of 1.7 percent over the 1,110 homes sold in October 2016.



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 45 days. This is 8 days fewer than the 53 day average in October 2016.



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

## Average Home Sales Prices

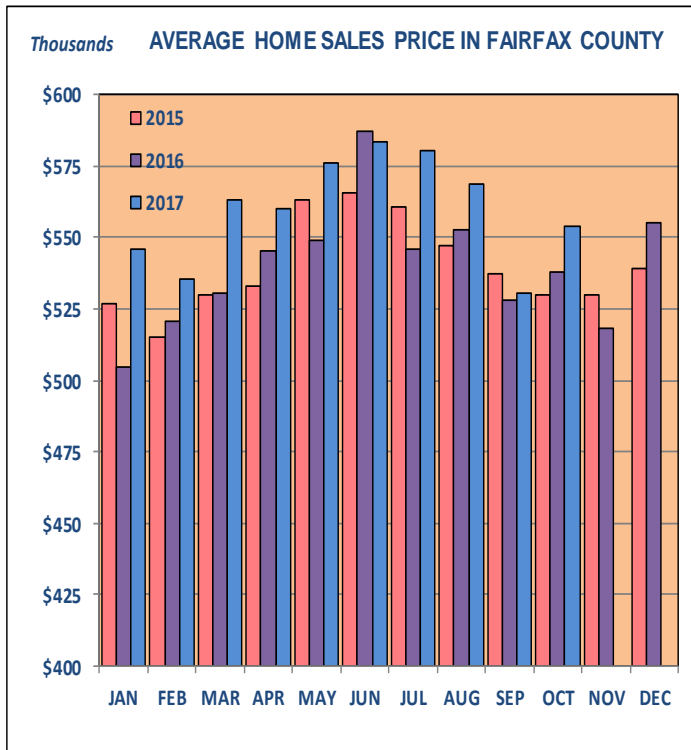
The average sales price of all homes that sold in October 2017 in Fairfax County was \$553,780, an increase of 3.0 percent over the October 2016 average sales price of \$537,897. The average October price was up 1.7 percent compared to the annual 2016 average home sales price of \$544,416.

The average sales price for detached homes that sold in October 2017 was \$757,818, an increase of 3.7 percent over the October 2016 average of \$730,863. The average sales price of attached homes decreased 0.1 percent over the same period.

### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN OCT 2017 COMPARED TO SALES IN OCT 2016

	OCT 2017	OCT 2016	% Change
All Homes	\$553,780	\$537,897	3.0%
Detached Homes	\$757,818	\$730,863	3.7%
Attached Homes	\$370,009	\$370,270	-0.1%

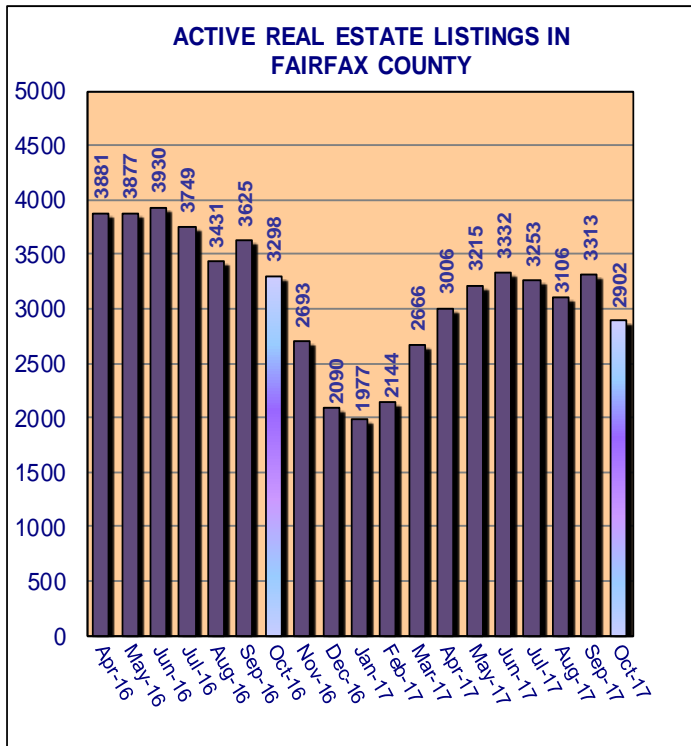
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: [www.fairfaxcounty.gov/dta/tax\\_assessment.htm](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)



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

### Inventory of Homes for Sale

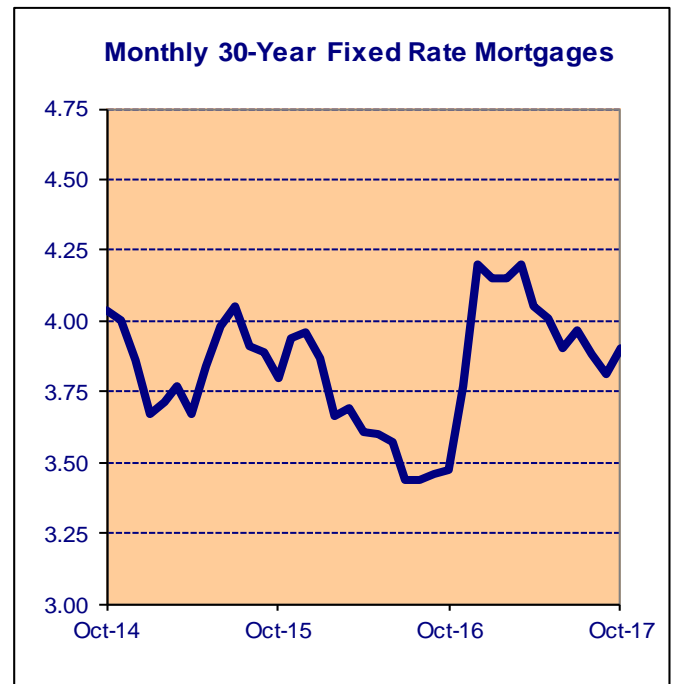
The number of active listings in the County in October was 2,902, a decrease of 12.0 percent from the 3,298 listings in October 2016. Based on the October 2017 listings and the current sales rate, there is approximately a 2.6 month supply of homes for sale in the County, less than the 3.0 month supply 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 rate mortgage interest rate in October increased to 3.90 percent, up from 3.81 percent a month ago. A year ago, the rate was 3.47 percent.



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

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