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☐ The U.S. economy grew at an annual rate of 4.2 percent in the second quarter of 2014 after contracting 2.1 percent in the first quarter. (See page 2)

☐ The Consumer Confidence Index increased in August for the fourth consecutive month. (See page 2)

☐ In August 2014, the average sales price of all homes that sold in Fairfax County increased 5.7 percent compared to the average sales price in August 2013. (See page 3)

☐ The number of active listing of homes for sale in the County increased 54.9 percent in August from a year ago. (See page 4)

☐ Federal procurement spending in Fairfax County decreased 12.5 percent in federal fiscal year 2013. (See page 4)

The Fairfax County Economic Indicators is on the Web and can be accessed at:

http://www.fairfaxcounty.gov/economic/economic_indicators.htm

Employment

The unemployment rate in Fairfax County decreased from 4.4 percent in June to 4.2 percent in July. The number of unemployed residents decreased over the month from 28,174 to 27,477. The County’s unemployment rate was 0.3 percentage points lower than last July.

The seasonally adjusted July unemployment rate in Virginia increased to 5.4 percent from 5.3 percent in June. This is the third consecutive monthly increase in the seasonally adjusted unemployment rate. The state’s unemployment rate was 5.7 percent a year ago.

The U.S. seasonally adjusted unemployment rate in July increased slightly to 6.2 percent, up from 6.1 percent in June. Total nonfarm payroll employment rose by 209,000, the same as the monthly average increase during the prior 12 months.
Sales Tax Receipts

FAIRFAX COUNTY SALES TAX RECEIPTS
(revenues represent retail sales two months prior)

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 $14.5 million, an increase of 8.2 percent over September 2013. Combined, Sales Tax receipts are up 3.1 percent for the first two months of the fiscal year.

NATIONAL INDICATORS

Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 4.2 percent in the second quarter of 2014, according to the revised estimate by the Bureau of Economic Analysis (BEA). In the initial estimate, real GDP was reported to have increased 4.0 percent. This is an acceleration in growth over the first quarter of 2014, when the economy contracted 2.1 percent.

Consumer Confidence Index

U.S. CONSUMER CONFIDENCE INDEX

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

The Consumer Confidence Index, which had increased in July, improved further in August. The index stands at 92.4 (1985=100), up from 90.3 a month ago. The present situation component increased, while the expectations component edged down. Lynn Franco, Director of Economic Indicators at the Conference Board, said that the consumer confidence is up for the fourth consecutive month "as improving business conditions and robust job growth helped boost consumers' spirits." She added that, "Overall, they [consumers] remain quite positive about the short-term outlooks for the economy and labor market."

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 Index, increased 8.1 percent for the 12 months ending in June 2014. According to David M. Blitzer, Chairman of the Index Committee at S&P Dow Jones Indices, "For the first time since February 2008, all cities showed lower annual rates than the previous month. Other housing indicators - starts, existing home sales and builders' sentiment - are positive. Taken together, these point to a more normal housing sector."
FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In August, 1,317 homes were sold in Fairfax County, a decrease of 11.6 percent from the 1,489 homes sold in August 2013. During the first eight months of 2014, the number of home sales is down 11.7 percent from 10,543 in 2013 to 9,314 in 2014.

Average Days on the Market

On average, homes that sold in Fairfax County in August were on the market for 43 days, 15 days longer than the 28-day average in August 2013.

Average Home Sales Prices

The average sales price of all homes that sold in August 2014 in Fairfax County was $555,273, an increase of 5.7 percent over the August 2013 average sales price of $525,511. The average August price was 4.5 percent higher than the 2013 average home sales price of $531,136.

The average sales price for detached homes that sold in August 2014 was $720,343, an increase of 4.9 percent over the August 2013 average of $686,596. The average sales price of attached homes increased 1.9 percent during the same time 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: [www.fairfaxcounty.gov/dta/tax_assessment.htm](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)
Inventory of Homes for Sale

In August, the number of active listings in the County was 3,796, an increase of 54.9 percent over the 2,450 listed in August 2013. Based on the August 2014 listings and the current sales rate, there is a 2.9 month supply of homes for sale in the County, up from the 1.6 month supply a year ago.

Federal Procurement

Based on information from the Federal Procurement Data System, in federal fiscal year (FY) 2013 – the most recent data available – federal procurement spending in Fairfax County decreased from $26.4 billion to $23.1 billion, a decline of 12.5 percent from FY 2012. Defense procurement contract awards in the County dropped 16.2 percent, while non-defense decreased 4.8 percent. Federal procurement spending grew 16.2 percent per year from FY 2007 through 2010; growth moderated to 5.2 percent in FY 2011 and was flat in FY 2012.