



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

DECEMBER 2018

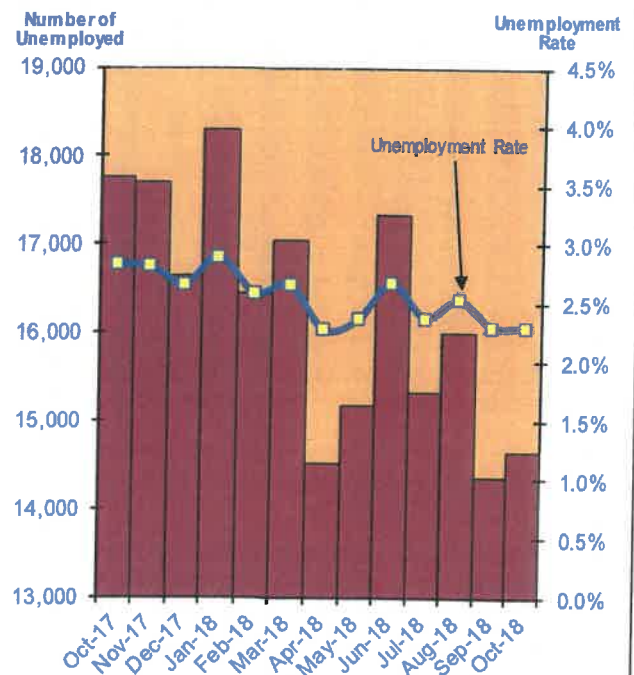
IN THIS ISSUE:

- ❑ The October unemployment rate in Fairfax County was unchanged at 2.3 percent. (See page 1)
- ❑ For the first five months of the fiscal year, Sales tax receipts in Fairfax County are up 2.7 percent. (See page 2)
- ❑ The Consumer Confidence Index decreased in November. (See page 2)
- ❑ The number of homes sold in Fairfax County during November 2018 decreased 4.1 percent from a year earlier. (See page 3)
- ❑ In November 2018, the average sales price of all homes sold in Fairfax County decreased 1.3 percent compared to the average sale price in November 2017. (See page 3)
- ❑ The number of active listings of homes for sale in the County decreased 2.8 percent in November from a year ago. (See page 4)
- ❑ As of mi-year 2018, the direct office vacancy rate in Fairfax County was unchanged at 15.5 percent compared to year-end 2017. (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.

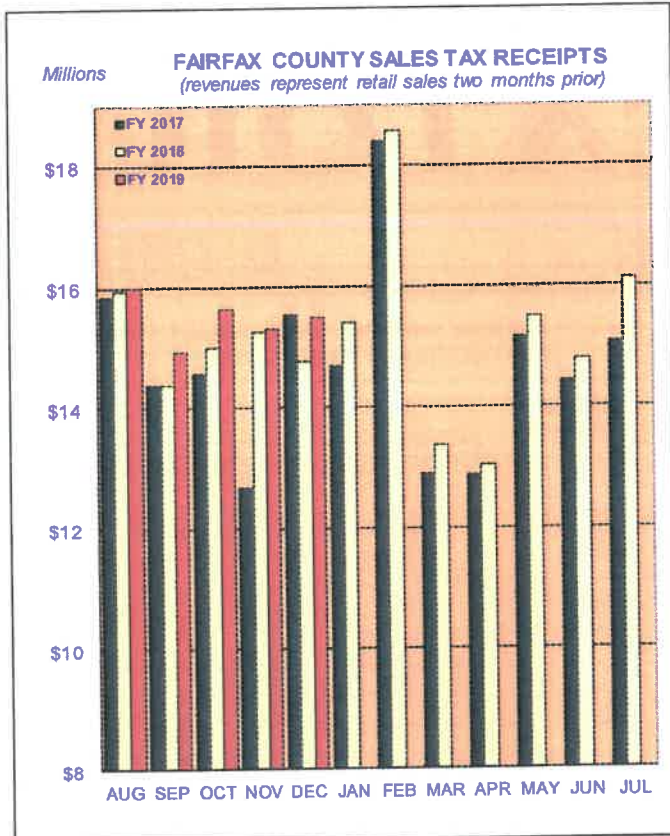
Employment

Compared to September, the October unemployment rate in Fairfax County was unchanged at 2.3 percent. The number of unemployed residents increased over the month from 14,364 to 14,645. The County's unemployment rate was down 0.5 percentage point from October 2017.

In October, the seasonally adjusted unemployment rate in Virginia was unchanged at 2.9 percent. The rate was down 0.7 percentage point from October 2017.

The U.S. seasonally adjusted unemployment rate in October was also unchanged at 3.7 percent. The rate was down 0.4 percentage point from a year ago. Total nonfarm payroll employment increased by 250,000 in October. Over the last three months, job gains have averaged 218,000 per month.

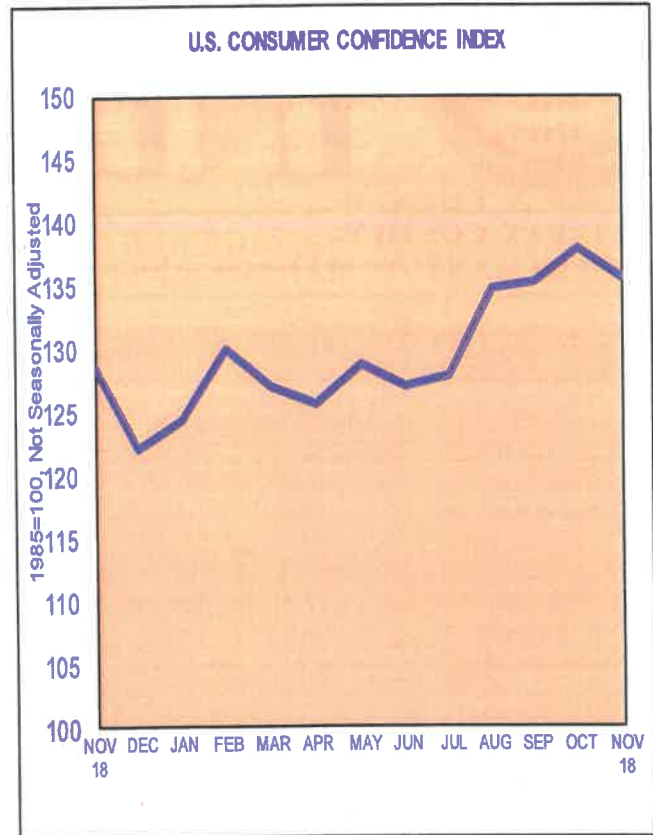
Sales Tax Receipts



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 \$15.5 million, an increase of 4.9 percent over December 2017. During the first five months of FY 2019, Sales Tax receipts are up 2.7 percent over FY 2018.

Consumer Confidence Index



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

The Consumer Confidence Index decreased in November after four consecutive months of increases. It now stands at 135.7 (1985=100), down from 137.9 a month ago. The present situation component increased while the the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Overall, consumers are still quite confident that economic growth will continue at a solid pace into early 2019." She added that, "If expectations soften further in the coming months, the pace of growth is likely to begin moderating."

NATIONAL INDICATORS

The Consumer Price Index

The Consumer Price Index for all Urban Consumers (CPI-U) was 2.2 percent higher in November 2018 compared to November 2017. Among the specific categories, food increased by 1.4 percent and energy increased by 3.1 percent, while shelter, the single largest component of the CPI, increased 3.2 percent. Medical care services were 2.4 percent higher in November 2018 compared to November 2017. The Washington area CPI rose 1.3 percent over the same period.

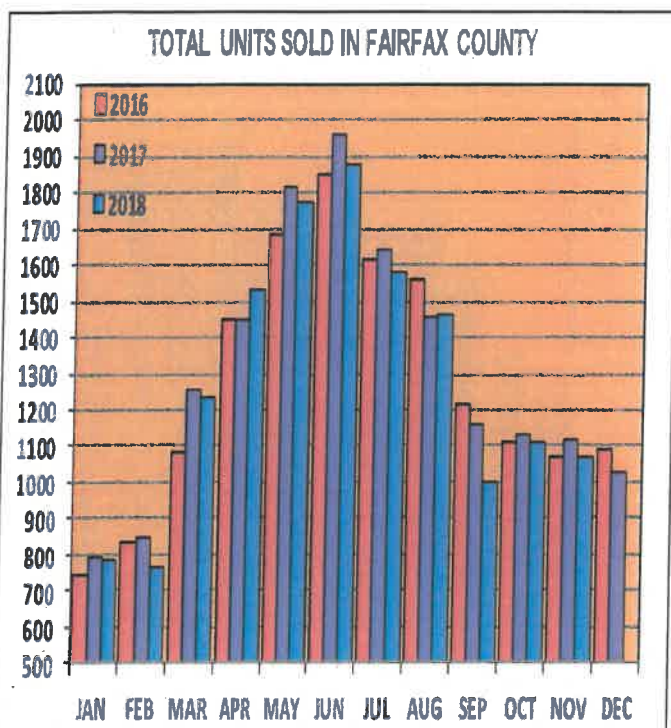
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 3.4 percent in the third quarter of 2018, according to a revised estimate by the Bureau of Economic Analysis (BEA). In the previous estimate, real GDP was reported to have increased 3.5 percent. 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

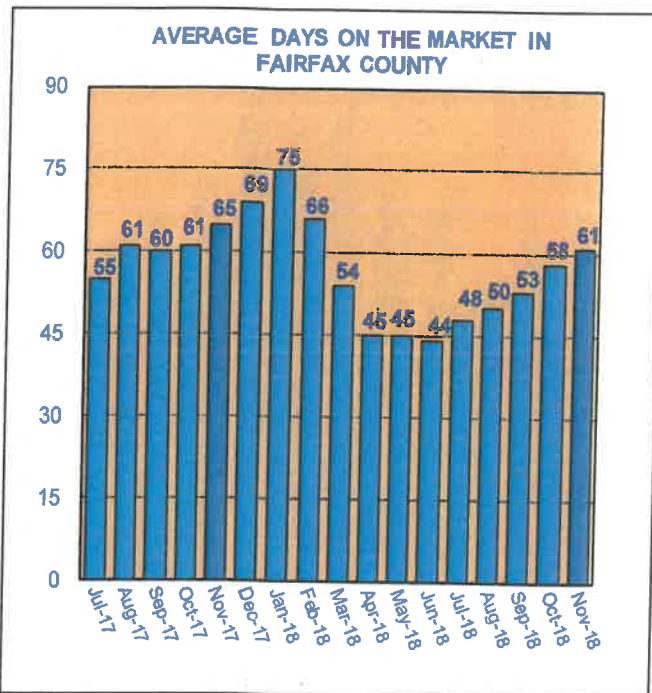
In November, 1,068 homes were sold in Fairfax County, a decrease of 4.1 percent from the 1,114 homes that were sold in November 2017.



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 November were on the market for 61 days. This is 4 days fewer than the 65 day average in November 2017.



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 November 2018 in Fairfax County was \$560,604, a decrease of 1.3 percent from the November 2017 average sales price of \$568,027. The average November price was also down 1.3 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in November 2018 was \$735,931, a decrease of 2.7 percent from the November 2017 average of \$756,498. The average sales price of attached homes increased 3.9 percent over the same period.

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

	NOV 2018	NOV 2017	% Change
All Homes	\$560,604	\$568,027	-1.3%
Detached Homes	\$735,931	\$756,498	-2.7%
Attached Homes	\$387,165	\$372,664	3.9%

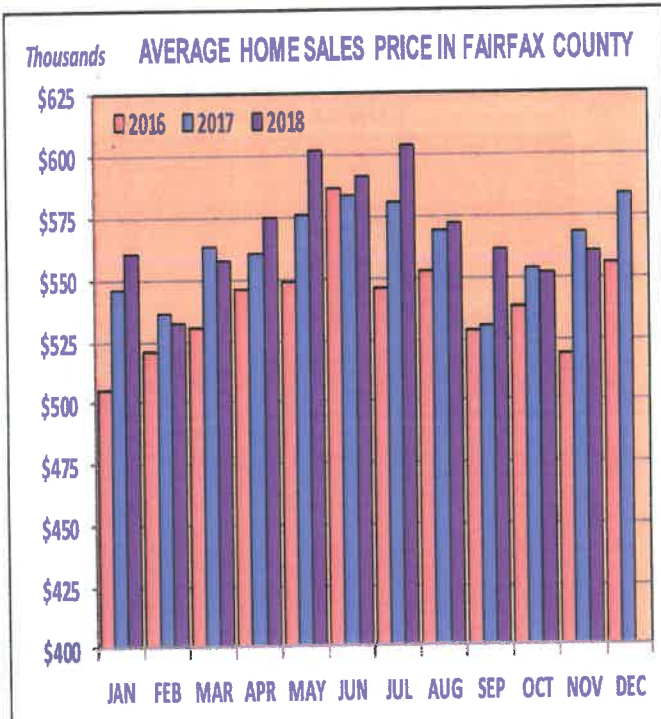
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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

Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the mid-year 2018 direct office vacancy rate was unchanged at 15.5 percent compared to the year-end 2017 vacancy rate. The vacancy rate has been declining gradually since 2014. The overall vacancy rate, including sublet space vacancies was 16.1 percent, down from 16.3 percent at year-end 2017.



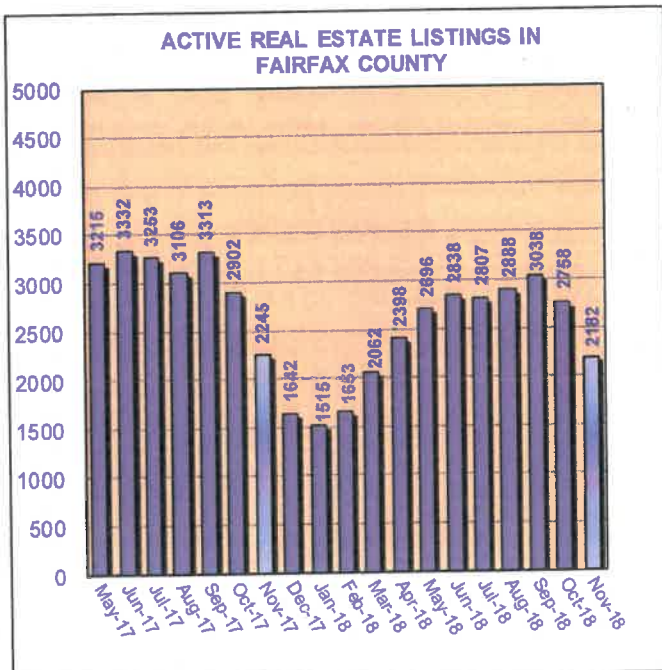
Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.



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 November was 2,182, a decrease of 2.8 percent from the 2,245 listings in November 2017. Based on the November 2018 listings and the current sales rate, there is approximately a 2.0 month supply of homes for sale in the County, the same monthly supply as a year ago.



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

The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or TTY 711 (Virginia Relay Center)

Staff: Albena Assenova, Revenue and Economic Analysis Coordinator; Eric Eisinger, Budget Analyst