

# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

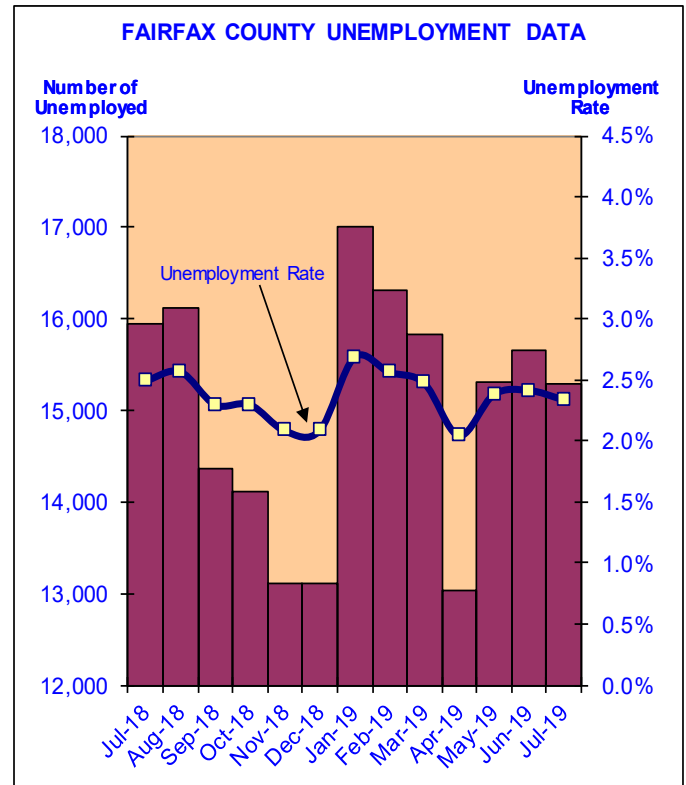
SEPTEMBER 2019

## IN THIS ISSUE:

- The July unemployment rate in Fairfax County decreased to 2.3 percent. (See page 1)
- Sales tax receipts in Fairfax County increased 3.7 percent through the first two months of the fiscal year. (See page 2)
- The Consumer Confidence Index decreased slightly in August after increasing in July. (See page 2)
- The number of homes sold in Fairfax County during August 2019 decreased 0.2 percent from a year earlier. (See page 3)
- In August 2019, the average sales price of all homes sold in Fairfax County increased 4.9 percent compared to the average sale price in August 2018. (See page 3)
- The number of active listings of homes for sale in the County decreased 25.5 percent in August from a year ago. (See page 4)
- Total federal procurement spending in Fairfax County increased by almost 10 percent in federal Fiscal Year 2018. (See page 4)

**Previous issues of this publication can be accessed at:**

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



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

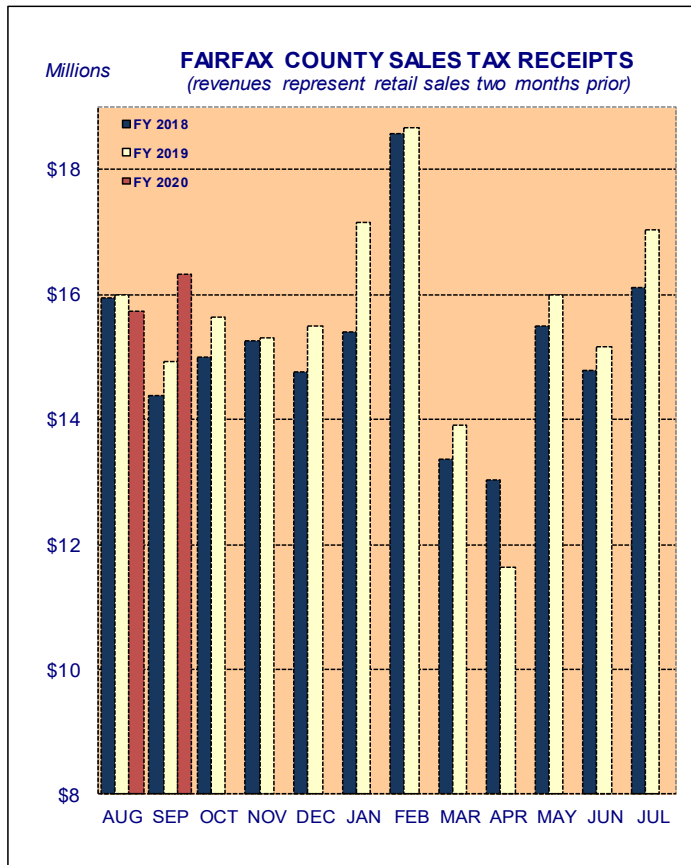
## Employment

Compared to June, the July unemployment rate in Fairfax County decreased 0.1 percentage point to 2.3 percent. The number of unemployed residents decreased slightly over the month from 15,665 to 15,285. The County's unemployment rate was down 0.2 percentage point from July 2018.

In July, the seasonally adjusted unemployment rate in Virginia remained unchanged at 2.9 percent. The rate was also unchanged compared to July 2018.

The U.S. seasonally adjusted unemployment rate in July remained unchanged at 3.7 percent. The rate was down 0.2 percentage point from a year ago. Total nonfarm payroll employment increased by 164,000 in July. Over the last three months, job gains have averaged 140,000 per month.

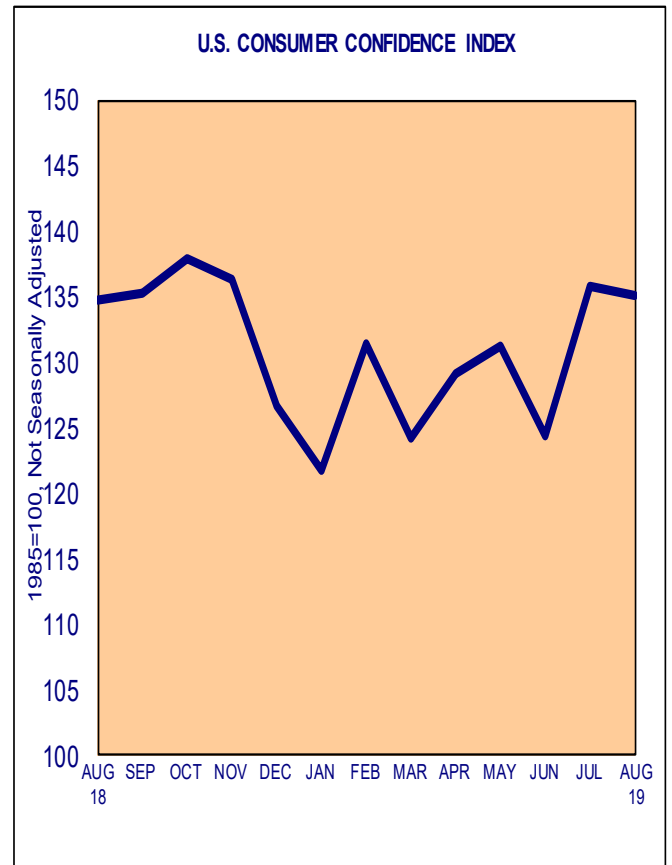
## Sales Tax Receipts



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

Sales Tax receipts distributed to Fairfax County in September for retail purchases made in July were \$16.3 million, an increase of 9.4 percent over September 2018. During the first two months of FY 2020, Sales Tax receipts are up 3.7 percent over FY 2019.

## Consumer Confidence Index



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

The Consumer Confidence Index declined marginally in August, following an increase in July. It now stands at 135.1 (1985=100), down from 135.8 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, "While other parts of the economy may show some weakening, consumers have remained confident and willing to spend." She added that, "If the recent escalation in trade and tariff tensions persists, it could potentially dampen consumers' optimism regarding the short-term economic outlook."

## 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 2.0 percent for the 12 months ending in July. Home prices in the Washington Metropolitan area posted a 2.7 percent gain during the same period. Philip Murphy, Managing Director and Global Head of Index Governance at S&P Dow Jones Indices, said that, "Year-over-year home prices continued to gain, but at ever more modest rates." He added that, "Home price gains remained positive in low single digits in most cities, and other fundamentals indicate renewed housing demand."

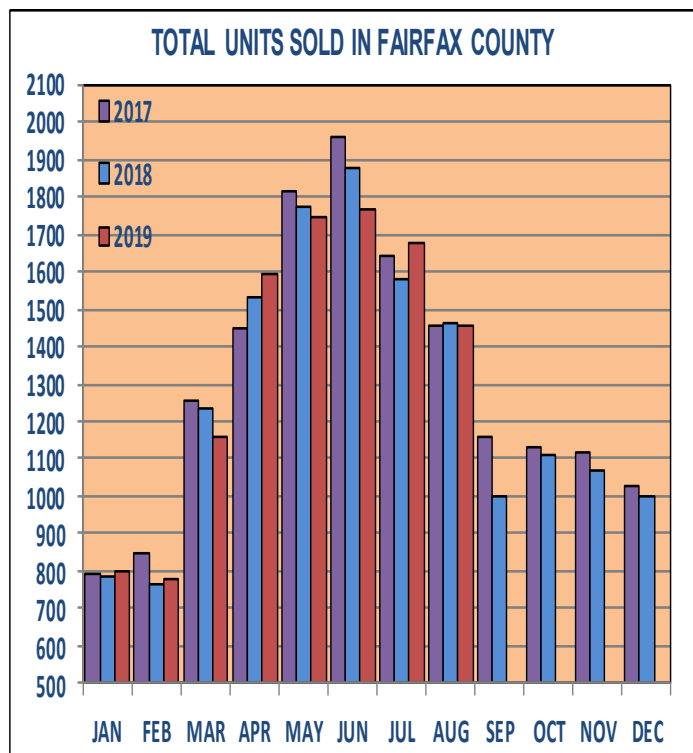
### Consumer Price Index

The August Consumer Price Index for All Urban Consumers (CPI-U) increased 1.7 percent compared to last August. Excluding food and energy, core inflation increased 2.4 percent. Through July, the most recent data available, the Washington area CPI-U increased 1.2 percent compared to a year ago. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

In August, 1,457 homes were sold in Fairfax County, a decrease of 0.2 percent from the 1,460 homes that were sold in August 2018.

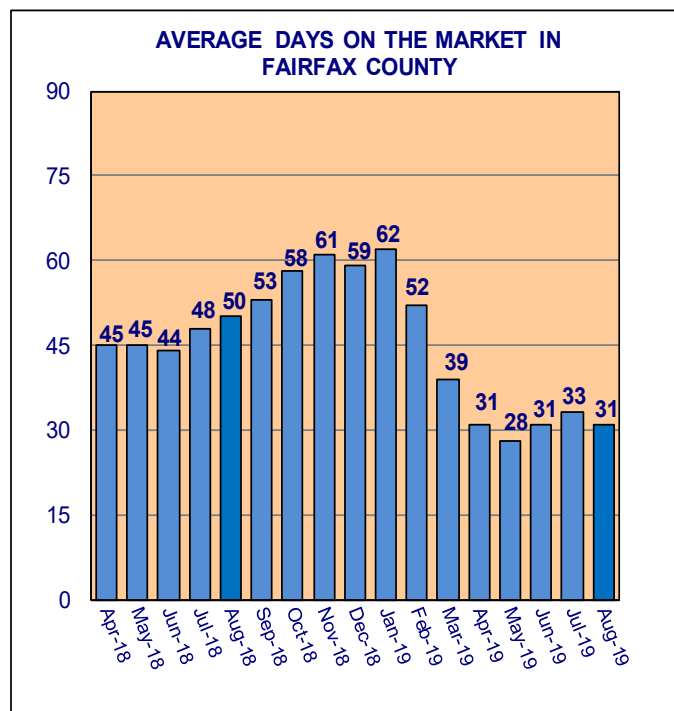


Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

## Average Days on the Market

On average, homes that sold in Fairfax County in August were on the market for 31 days. This is 19 days fewer than the 50-day average in August 2018.

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

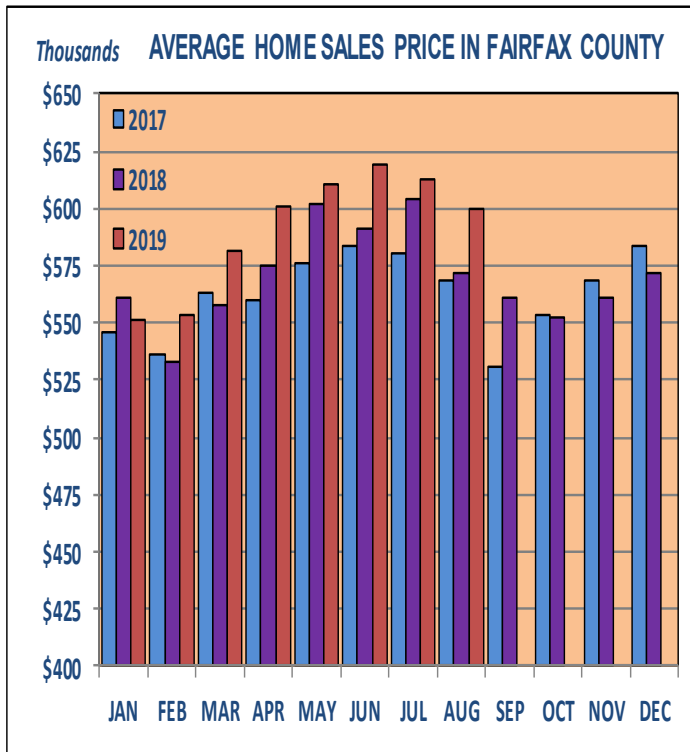
## Average Home Sales Prices

The average sales price of all homes that sold in August 2019 in Fairfax County was \$599,872, an increase of 4.9 percent over the August 2018 average sales price of \$572,086. The average sales price increased 3.7 percent compared to the annual 2018 average home sales price of \$578,723.

The average sales price for detached homes that sold in August 2019 was \$797,975, an increase of 5.7 percent over the August 2018 average of \$754,669. The average sales price of attached homes increased by 0.5 percent over the same period.

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

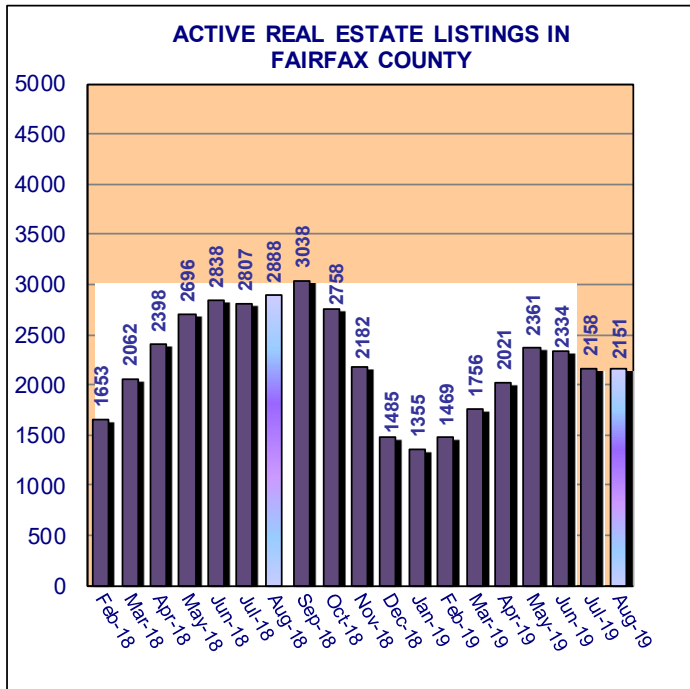
	AUG 2019	AUG 2018	% Change
All Homes	\$599,872	\$572,086	4.9%
Detached Homes	\$797,975	\$754,669	5.7%
Attached Homes	\$405,420	\$403,456	0.5%



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

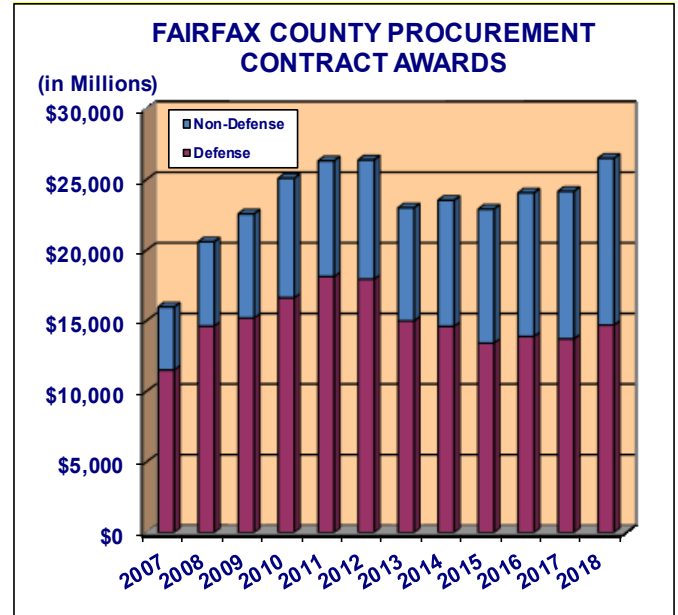
### Inventory of Homes for Sale

The number of active listings in the County in August was 2,151, a decrease of 25.5 percent from the 2,888 listings in August 2018. Based on the August 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: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

### Federal Procurement



Source: Fairfax Procurement Data System. Compiled by the Fairfax County Department of Management and Budget.

Based on information from the Federal Procurement Data System, in the federal fiscal year (FY) 2018, the most recent data available, total federal procurement spending in Fairfax County increased from \$24.2 billion to \$26.5 billion, an increase of 9.7 percent over FY 2017. Defense procurement contract awards in the County increased 7.1 percent from \$13.7 billion to \$14.7 billion, while non-defense contracts increased 13.1 percent from \$10.4 billion to \$11.8 billion.

Federal procurement spending in the County grew an average of 13.3 percent per year from FY 2007 to FY 2011. Average annual growth slowed to just 0.1 percent per year FY 2011 to FY 2018 primarily due to significant reductions as a result of federal sequestration. The FY 2018 level has finally exceeded the previous peak in federal contract spending in the County of \$26.4 billion in FY 2012.

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