

ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

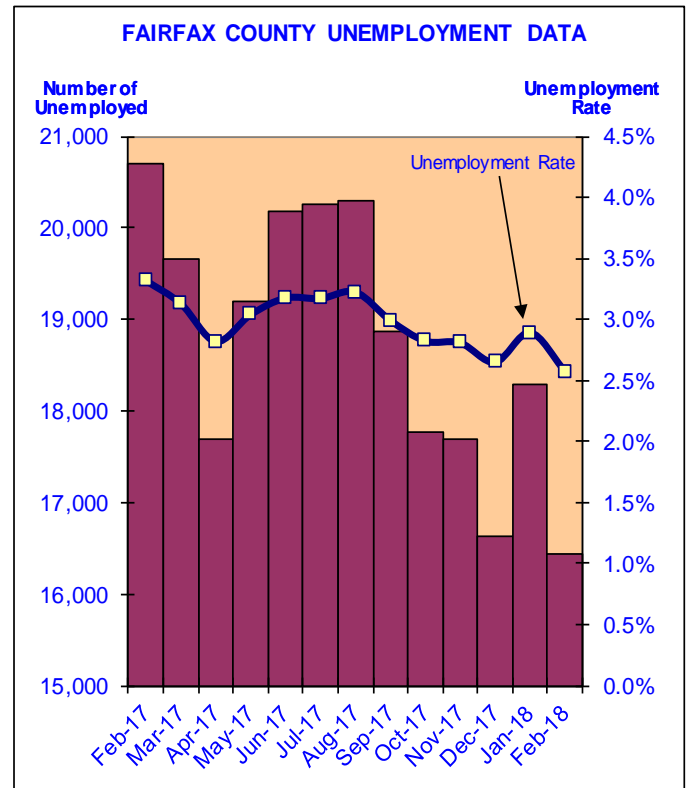
APRIL 2018

IN THIS ISSUE:

- The February unemployment rate in Fairfax County decreased to 2.6 percent. (See page 1)
- Through April, Sales Tax receipts in Fairfax County are up 2.9 percent. (See page 2)
- The Consumer Confidence Index decreased in March after increasing in February to its highest level since 2000. (See page 2)
- The U.S. economy grew at an annual rate of 2.3 percent in the first quarter of 2018 after growing 2.9 percent in the fourth quarter of 2017. (See page 2)
- The number of homes sold in Fairfax County during March 2018 decreased 1.5 percent from a year earlier. (See page 3)
- In March 2018, the average sales price of all homes sold in Fairfax County decreased 1.1 percent compared to the average sale price in March 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 22.7 percent in March from a year ago. (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.

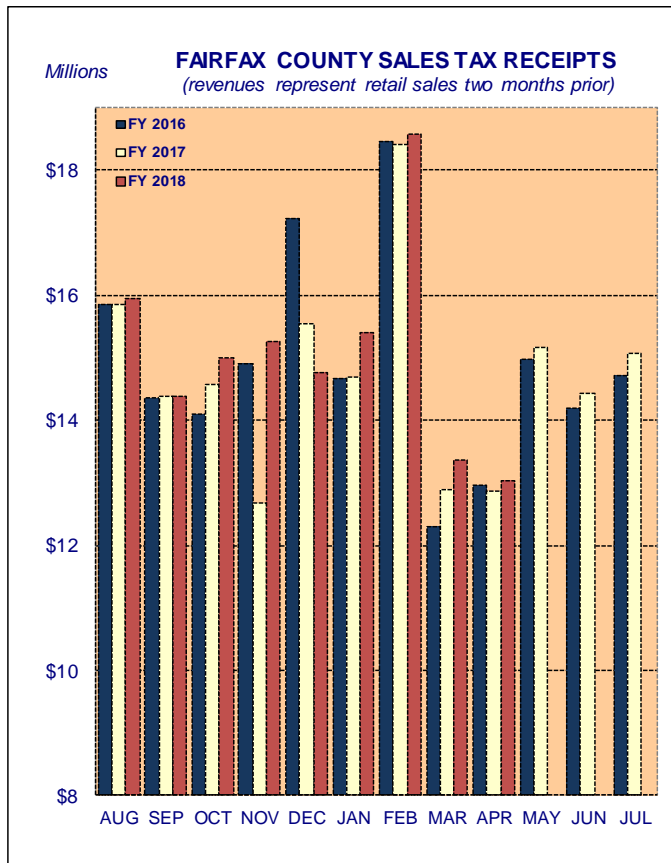
Employment

Compared to January, the February unemployment rate in Fairfax County decreased 0.3 percentage point to 2.6 percent. The number of unemployed residents decreased over the month from 18,297 to 16,431. The County's unemployment rate was down 0.7 percentage point from February 2017.

In February, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point from January to 3.5 percent. The rate was down 0.5 percentage point from February 2017.

The U.S. seasonally adjusted unemployment rate of 4.1 percent was unchanged in February. The rate was down 0.6 percentage point from a year ago. Total nonfarm payroll employment increased by 313,000 in February. Over the last three months, job gains have averaged 242,000 per month.

Sales Tax Receipts



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

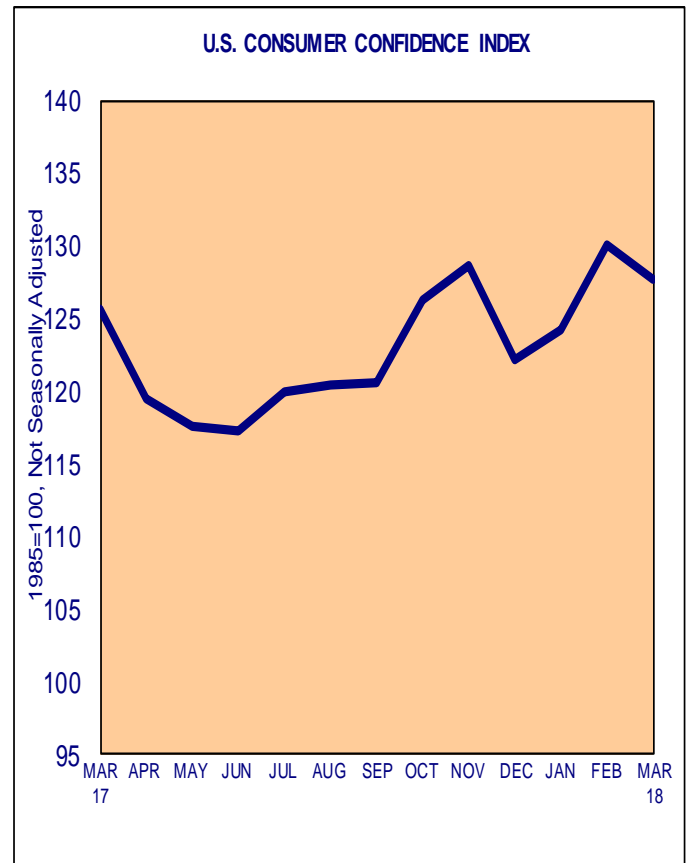
Sales Tax receipts distributed to Fairfax County in April for retail purchases made in February were \$13.0 million, an increase of 1.3 percent over April 2017. Through the first nine months of FY 2018, Sales Tax receipts are up 2.9 percent over FY 2017.

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 6.8 percent for the 12 months ending in February. Home prices in the Washington Metropolitan area posted a 2.4 percent gain during the same period, the lowest rate of increase among the metropolitan areas in the index. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that, "Year-over-year prices measured by the National Index have increased continuously for the past 70 months, since May 2012." He added that, "With expectations for continued economic growth and further employment gains, the current run of rising house prices is likely to continue."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in March, following an increase in February and now stands at 127.7 (1985=100), down from 130.0 a month ago. Both the present situation and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of current conditions declined slightly, with business conditions the primary reason for the moderation." She added that, "Despite the modest retreat in confidence, index levels remain historically high and suggest further strong growth in the months ahead."

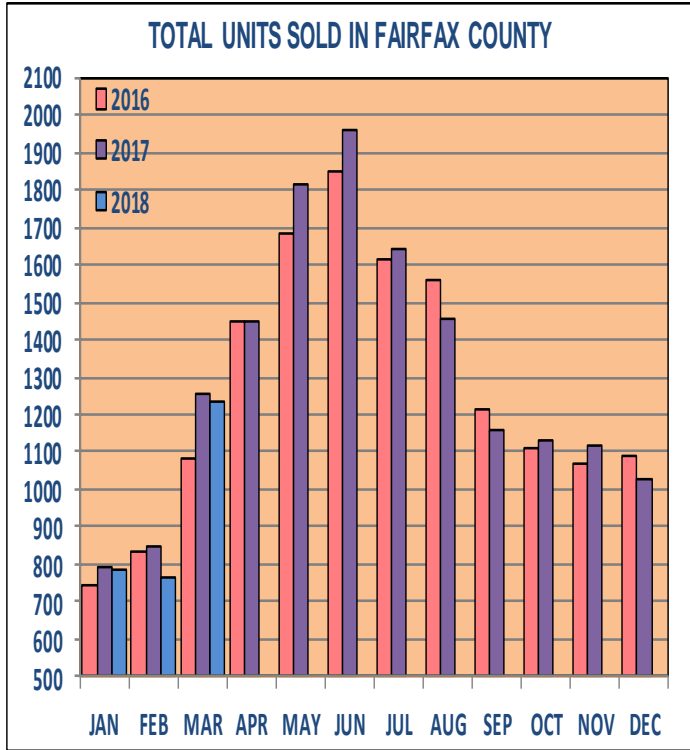
Gross Domestic Product

According to the advance estimate by the Bureau of Economic Analysis, real gross domestic product (GDP) increased at an annual rate of 2.3 percent in the first quarter of 2018, after growing 2.9 percent in the fourth quarter. Consumer spending, which makes up more than two-thirds of economic activity, grew by just 0.7 percent in the first quarter of 2018 after growing 2.8 percent in the fourth quarter of 2017. The advance estimate will be revised twice based on more complete data before it is considered final.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

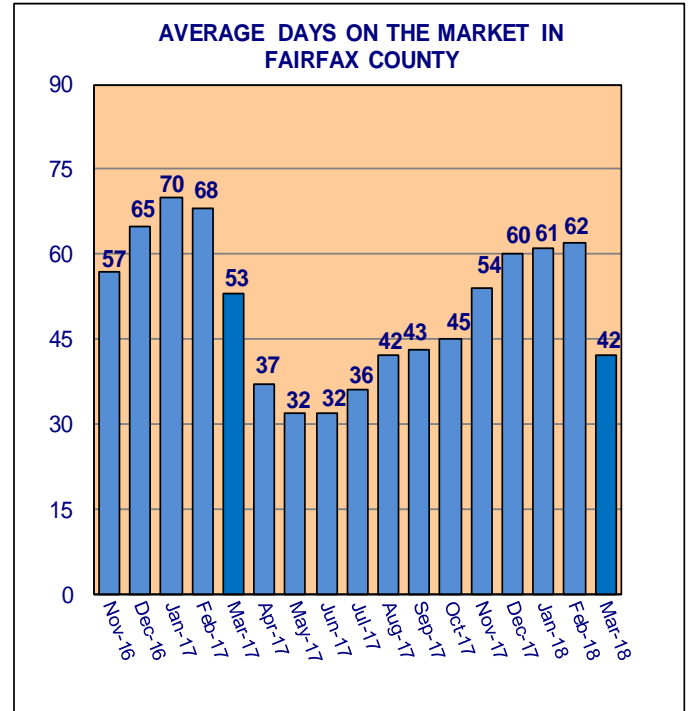
In March, 1,237 homes were sold in Fairfax County, a decrease of 1.5 percent from the 1,256 homes sold in March 2017.



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 March were on the market for 42 days. This is 11 days fewer than the 53 day average in March 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 March 2018 in Fairfax County was \$557,420, a decrease of 1.1 percent from the March 2017 average sales price of \$563,377. The average March price was down 1.8 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in March 2018 was \$729,465, a decrease of 2.0 percent from the March 2017 average of \$744,526. The average sales price of attached homes increased 3.7 percent over the same 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: <https://www.fairfaxcounty.gov/taxes/real-estate>

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

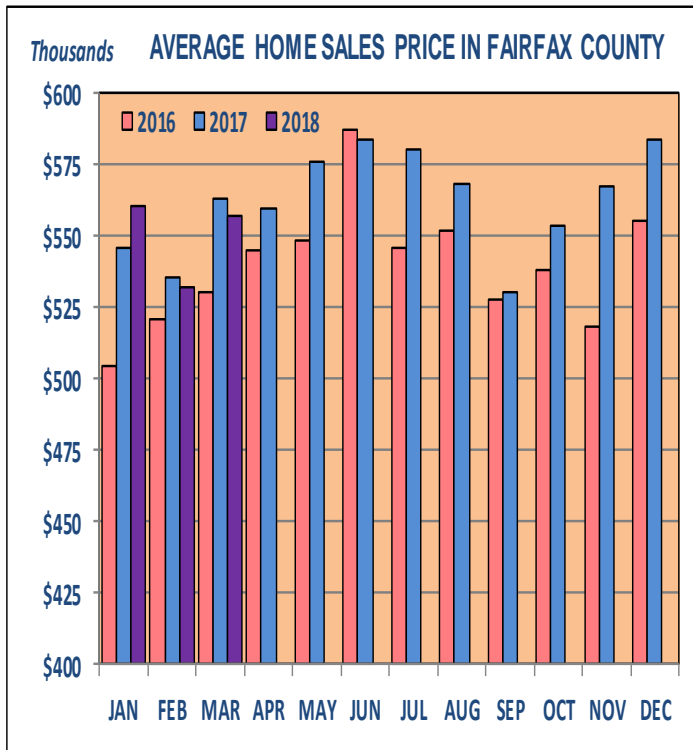
	MAR 2018	MAR 2017	% Change
All Homes	\$557,420	\$563,377	-1.1%
Detached Homes	\$729,465	\$744,526	-2.0%
Attached Homes	\$393,258	\$379,320	3.7%

30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate increased for the seventh straight month to 4.47 percent in April, up from 4.44 percent a month ago. A year ago, the rate was 4.05 percent. The current rate is at the highest level since September 2013.



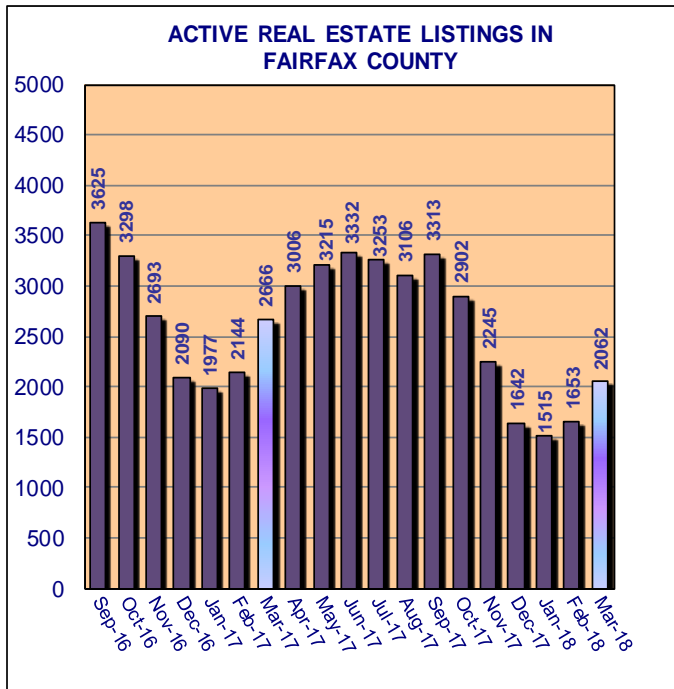
Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.



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 March was 2,062, a decrease of 22.7 percent from the 2,666 listings in March 2017. Based on the March 2018 listings and the current sales rate, there is approximately a 1.7 month supply of homes for sale in the County, less than the 2.1 month supply a year ago.



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

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