



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

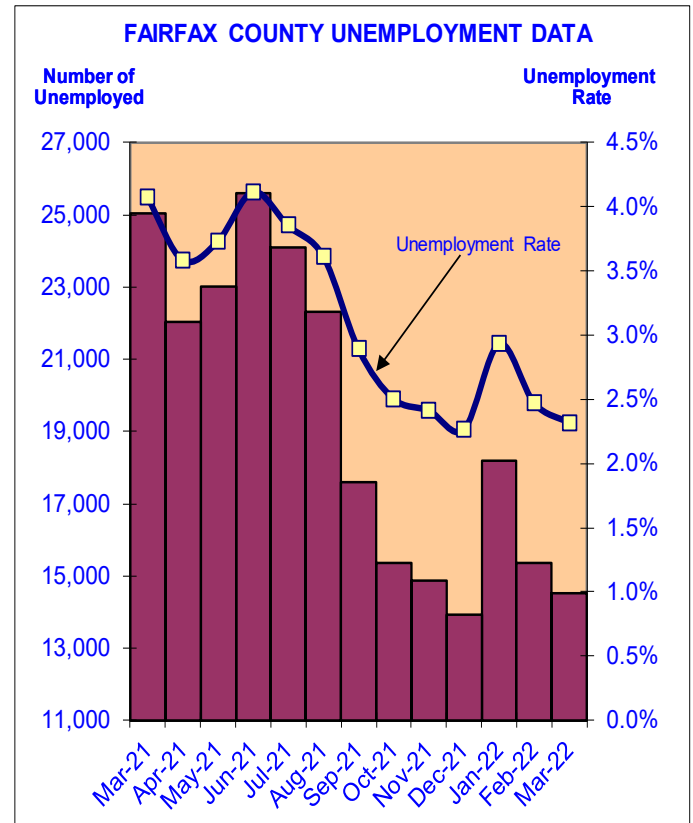
MAY 2022

IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased 0.2 percentage point to 2.3 percent in March.
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- Sales tax receipts in May for purchases made in March increased 18.0 percent compared to last May.
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- The Consumer Confidence Index decreased in May after increasing in April.
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- The number of homes sold in Fairfax County in April decreased 14.5 percent from a year earlier.
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- In April 2022, the average sales price of all homes sold in Fairfax County increased 9.0 percent compared to the average sale price in April 2021.
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- The number of active listings of homes for sale in the County decreased 20.2 percent from a year earlier.
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- The direct office vacancy rate increased to 16.0 percent at year-end 2021, up from 14.6 percent a year earlier.
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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.

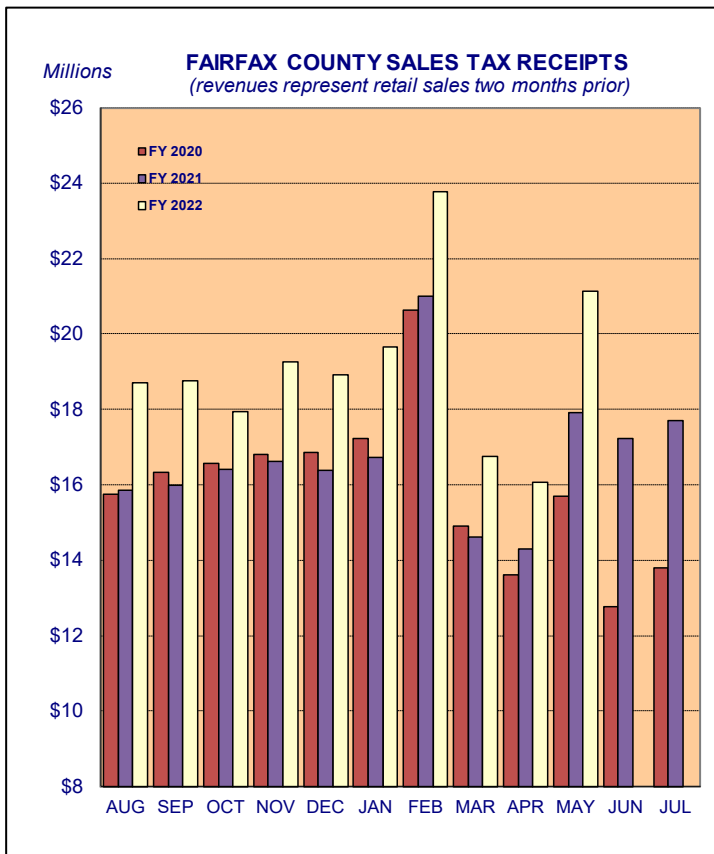
Employment

Compared to February, the March unemployment rate in Fairfax County decreased 0.2 percentage point to 2.3 percent. The number of unemployed residents decreased from 15,369 to 14,526. The County's unemployment rate was down 1.8 percentage points from March 2021.

The seasonally adjusted unemployment rate in Virginia in March decreased 0.2 percentage point to 3.0 percent. The rate was down 1.5 percentage points from March 2021.

The U.S. seasonally adjusted unemployment rate in March decreased 0.2 percentage point to 3.6 percent. The rate was down 2.4 percentage points compared to a year ago. Total nonfarm employment increased by 431,000 in March. Overall job growth averaged 562,000 in the first quarter of 2022, the same as the average monthly gain for 2021.

Sales Tax Receipts



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

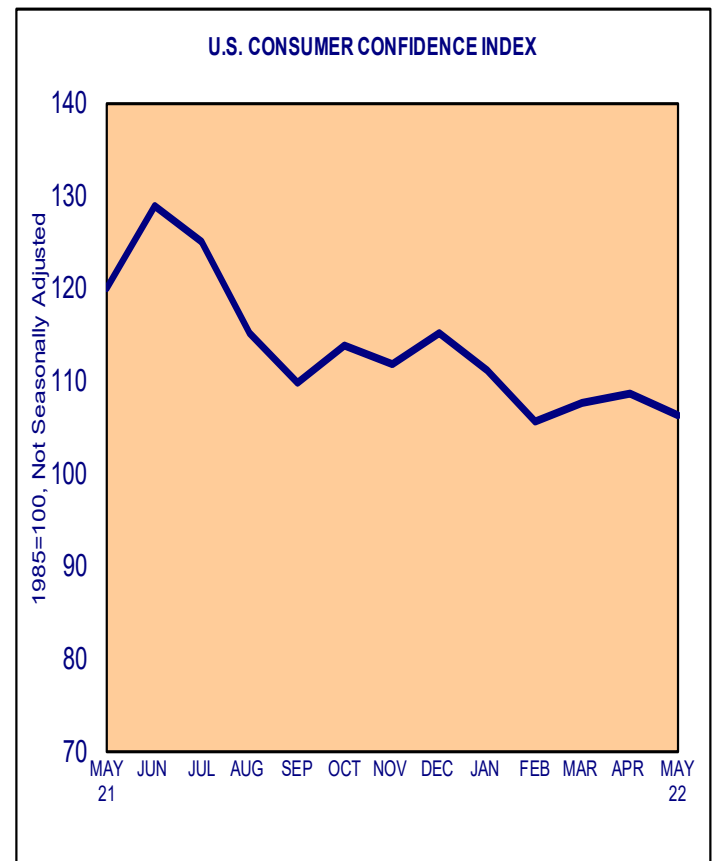
Sales Tax receipts distributed to Fairfax County in May for retail purchases made in March were \$21.1 million, an increase of 18.0 percent over May 2021. For the first ten months of FY 2022, sales tax receipts are up 15.2 percent compared to the previous year.

NATIONAL INDICATORS

Case-Shiller Home Prices 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 21.2 percent for the 12 months ending in March. Home prices in the Washington Metropolitan area gained 12.9 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "Mortgages are becoming more expensive as the Federal Reserve has begun to ratchet up interest rates, suggesting that the macroeconomic environment may not support extraordinary home price growth for much longer." He added that, "Although one can safely predict that price gains will begin to decelerate, the timing of the deceleration is a more difficult call."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in May after increasing in April. The index now stands at 106.4 (1985=100), down from 108.6 in April. Both the present situation and the expectation component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "purchasing intentions for cars, homes, major appliances, and more all cooled – likely a reflection of rising interest rates and consumers pivoting from big-ticket items to spending on services." She added that, "Looking ahead, expect surging prices and additional interest rate hikes to pose continued downside risks to consumer spending this year."

Consumer Price Index

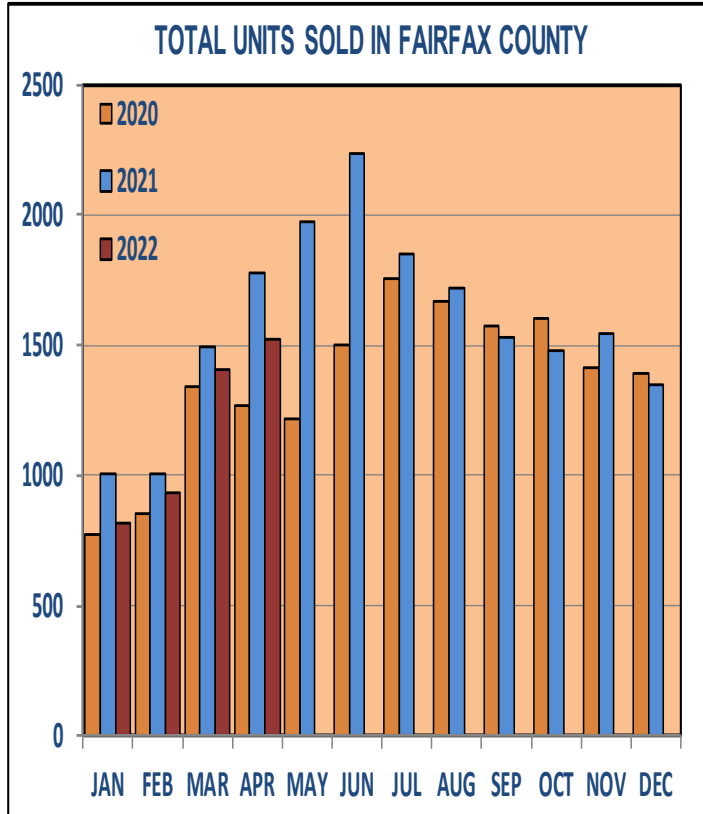
The Consumer Price Index for all Urban Consumers (CPI-U) increased 8.3 percent in April before seasonal adjustment. The increases were led by a 9.4 percent increase in the cost of food, and a 30.3 percent increase in the cost of energy. Gasoline prices increased 43.6 percent. The increase in the cost of used cars and trucks moderated slightly to 22.7 percent, but the cost of rent increased 4.8 percent.

The April index for all items less food and energy increased 6.2 percent over the last 12 months. The Federal Reserve's target inflation rate is 2 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In April 2022, 1,523 homes were sold in Fairfax County, a decrease of 14.5 percent from the 1,781 homes that were sold in April 2021.

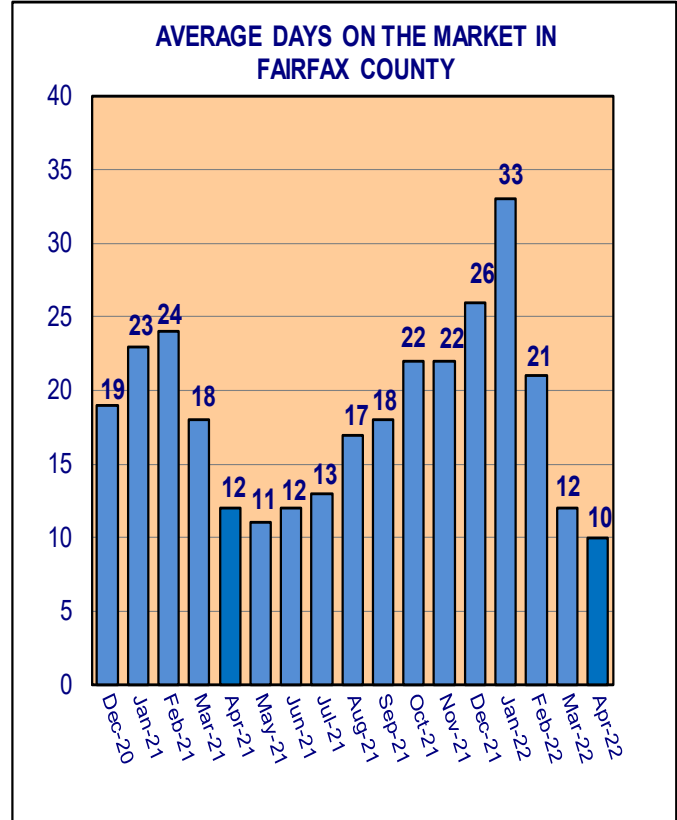


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in April 2022 were on the market for 10 days. This is 2 days shorter than the 12-day average in April 2021.

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: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

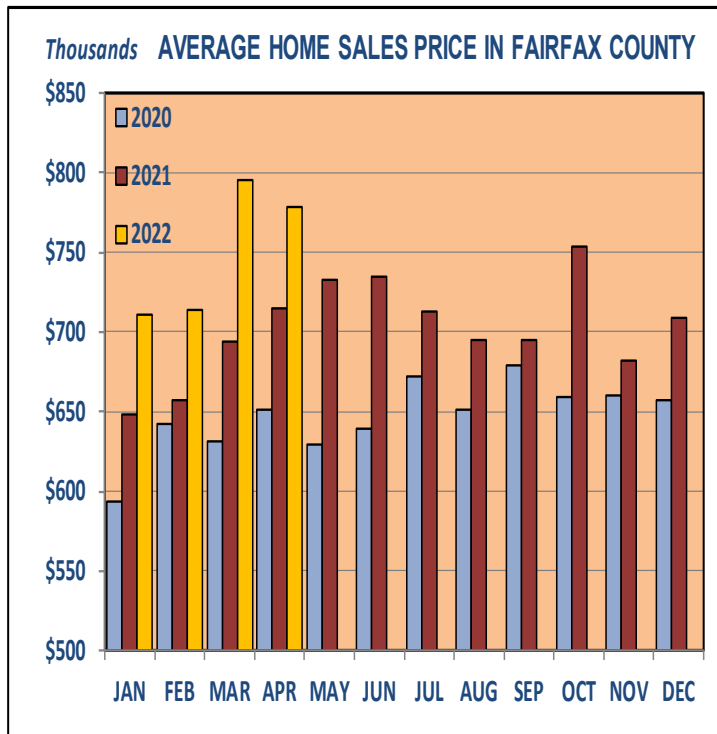
Average Home Sales Prices

The average sales price of all homes that sold in April 2022 in Fairfax County was \$778,950, an increase of 9.0 percent over the April 2021 average sales price of \$714,564. The average sales price was up 9.8 percent compared to the 2021 annual average home sales price of \$709,136.

The average sales price for detached homes that sold in April 2022 was \$1,044,078, an increase of 9.8 percent over the April 2021 average of \$951,184. The average sales price of attached homes increased 8.8 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN APR 2022 COMPARED TO SALES IN APR 2021

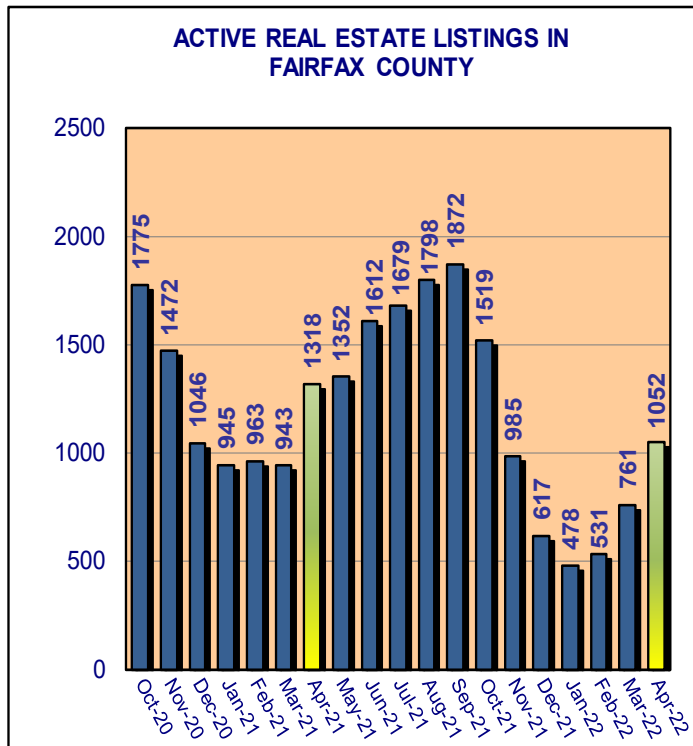
	APR 2022	APR 2021	% Change
All Homes	\$778,950	\$714,564	9.0%
Detached Homes	\$1,044,078	\$951,184	9.8%
Attached Homes	\$515,905	\$474,193	8.8%



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Inventory of Homes for Sale

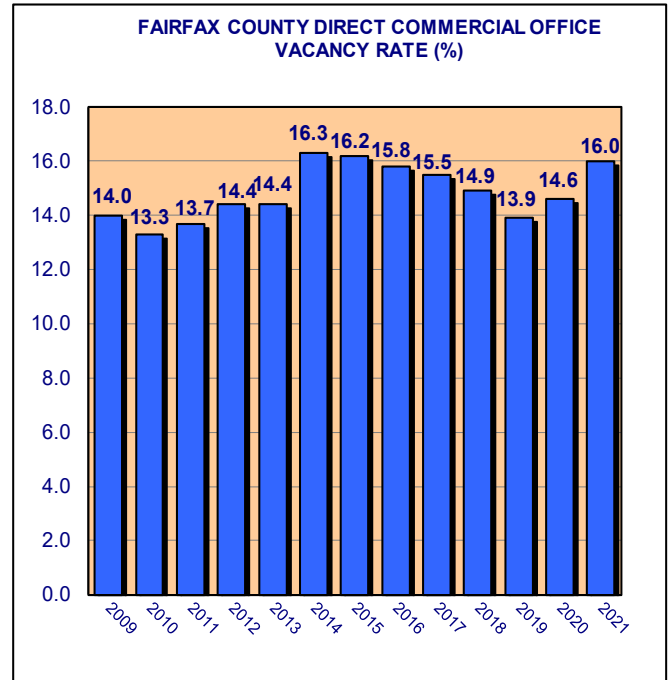
The number of active listings for sale in the County in April 2022 was 1,052, a decrease of 20.2 percent from the 1,318 listings in April 2021. Based on the April 2022 listings and the current sales rate, there is approximately a 0.7-month supply of homes for sale in the County, the same as last April.



Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the direct office vacancy rate was 16.0 percent at year-end 2021, up from 14.6 percent at year-end 2020. This is the highest vacancy rate since 2015. Gross leasing in 2021 totaled approximately 5.0 million square feet, down from more than 5.2 million square feet the previous year. At year's end, the amount of vacant unleased office space stood at about 20.3 million square feet. The County has approximately 2.1 million square feet under construction across six buildings.



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

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