

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

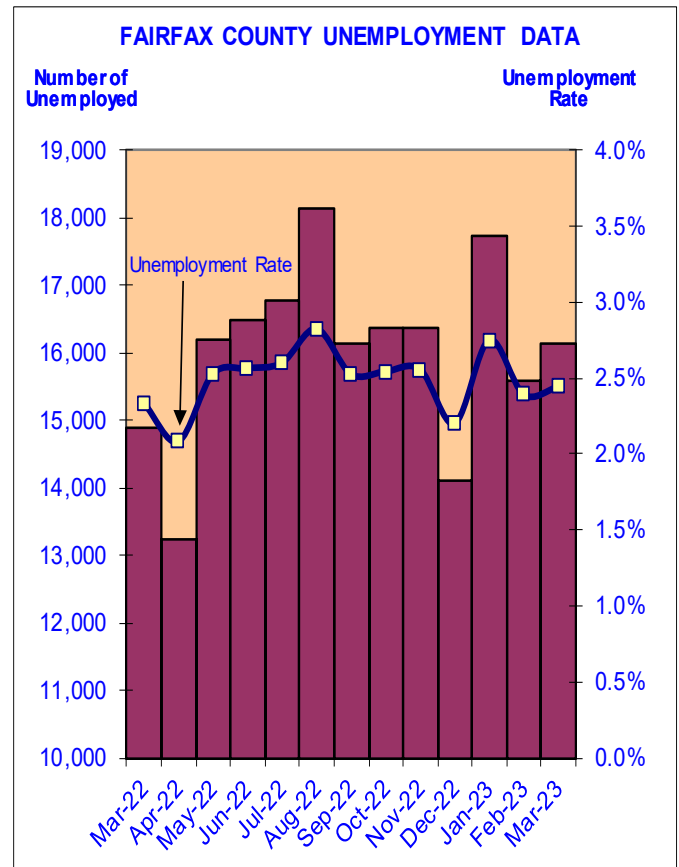
MAY 2023

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- The unemployment rate in Fairfax County remained unchanged at 2.4 percent in March. (See page 1)
- Sales tax receipts in May for purchases made in March decreased 4.8 percent compared to last May. (See page 2)
- The Consumer Confidence Index decreased in May for a second straight month. (See page 2)
- The number of homes sold in Fairfax County in April decreased 34.7 percent from a year earlier. (See page 3)
- In April 2023, the average sales price of all homes sold in Fairfax County increased 3.6 percent compared to April 2022. (See page 3)
- The number of active listings of homes for sale in the County decreased 16.2 percent from a year earlier. (See page 4)
- The average 30-year fixed rate mortgage interest rate increased to 6.43 percent in May, up from 5.23 percent 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.

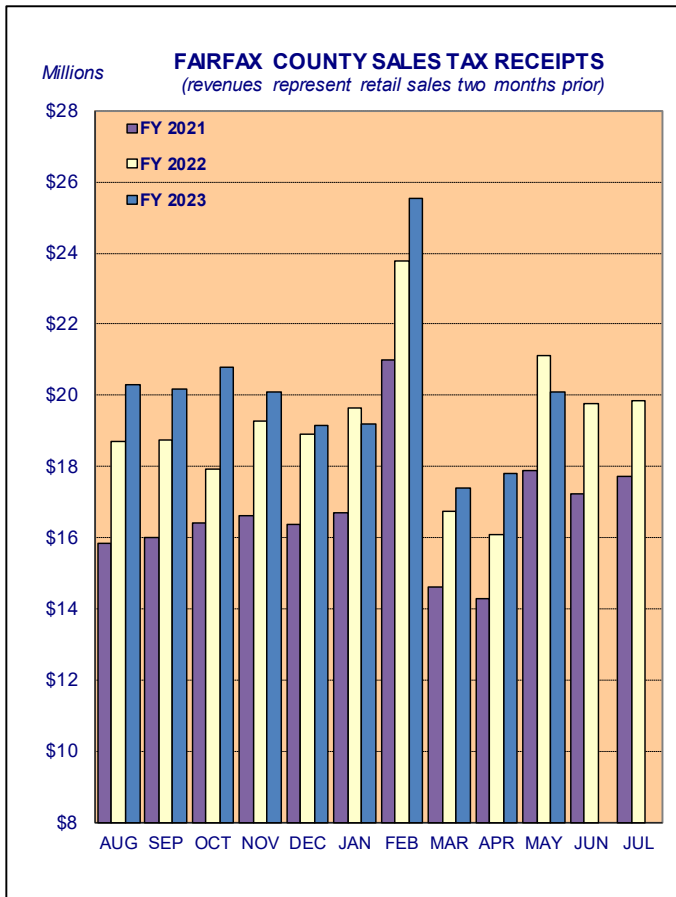
Employment

Compared to February, the March unemployment rate in Fairfax County remained unchanged at 2.4 percent. The number of unemployed residents increased from 15,754 to 16,134. The County's unemployment rate was up 0.1 percentage point compared to March 2022.

The seasonally adjusted unemployment rate in Virginia in March was unchanged at 3.2 percent. The rate was up 0.4 percentage point compared to March 2022.

The U.S. seasonally adjusted unemployment rate in March decreased 0.1 percentage point to 3.5 percent. The rate was down 0.1 percentage point compared to a year ago. Total nonfarm payroll employment increased by 236,000 jobs, compared with an average monthly gain of 334,000 over the prior six months.

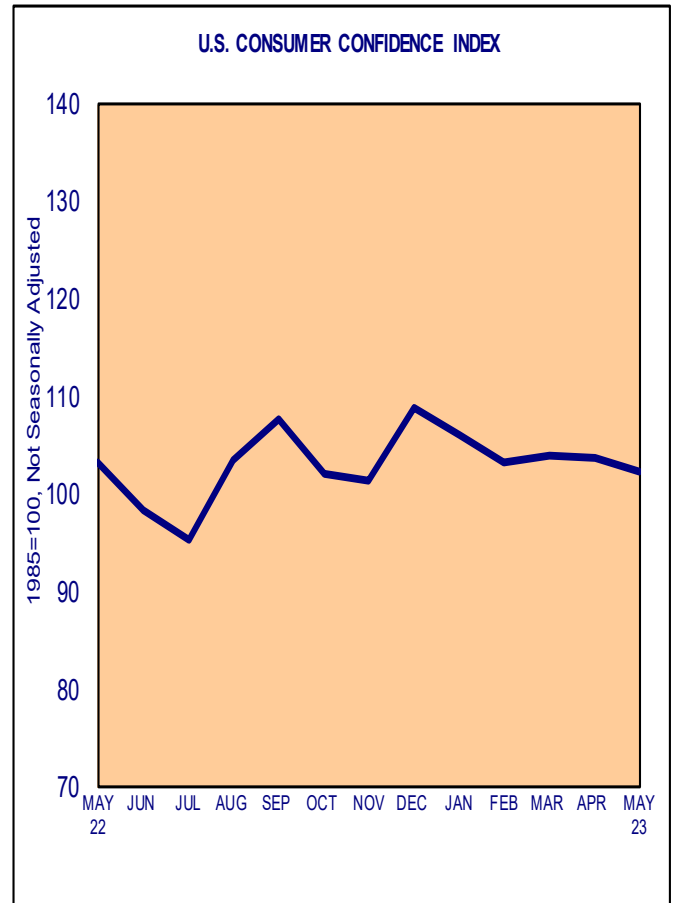
Sales Tax Receipts



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 \$20.1 million, a decrease of 4.8 percent from May 2022. For the first ten months of FY 2023, sales tax receipts are up 4.8 percent compared to the previous year.

Consumer Confidence Index



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

The Consumer Confidence Index decreased in May for the second straight month. The index now stands at 102.3 (1985=100), down from 103.7 in April. Both the present situation component and the expectations component decreased. For 14 of the last 15 months – since February 2022 – the Expectations Index has been below 80, the level which often signals a recession within the next year. Ataman Ozyildirim, Senior Director of Economics at the Conference Board, said that, “consumers continued to view inflation as a major influence on their view of the US economy.”

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, decreased 1.1 percent for the 12 months ending in March. Home prices in the Washington Metropolitan area decreased by 0.2 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, “the challenges posed by current mortgage rates and the continuing possibility of economic weakness are likely to remain a headwind for housing prices for at least the next several months.”

Consumer Price Index (CPI)

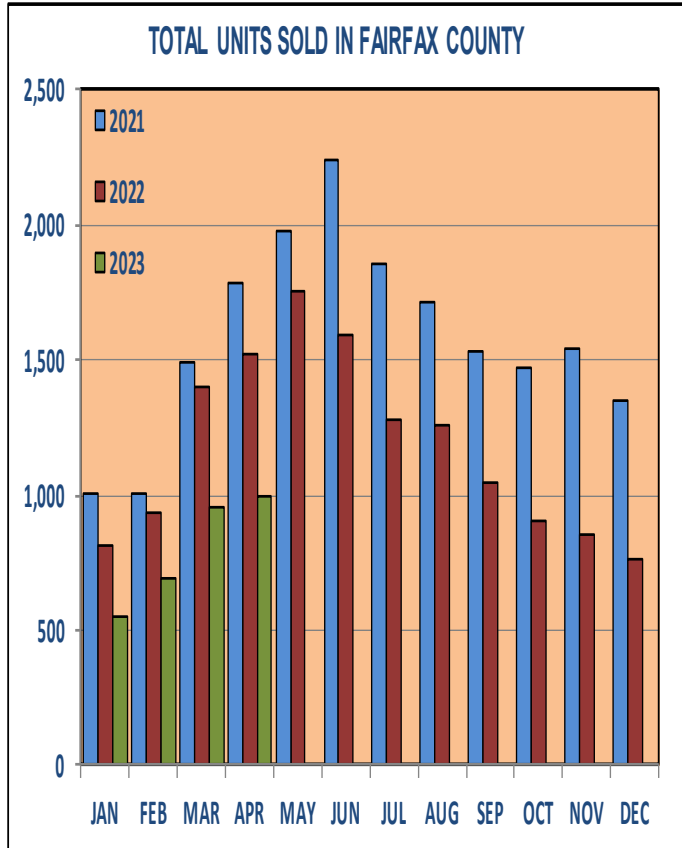
The Consumer Price Index for all Urban Consumers (CPI-U) increased 4.9 percent in April before seasonal adjustments. The increases were led by a 7.7 percent increase in the cost of food, and a 8.1 percent increase in the cost of shelter. The cost of energy decreased 5.1 percent, while the cost of used cars and trucks decreased 6.6 percent.

The April index for all items less food and energy increased 5.5 percent over the course of the last 12 months. The Federal Reserve target inflation rate is 2 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In April 2023, 994 homes were sold in Fairfax County, a decrease of 34.7 percent from the 1,523 homes that were sold in April 2022.

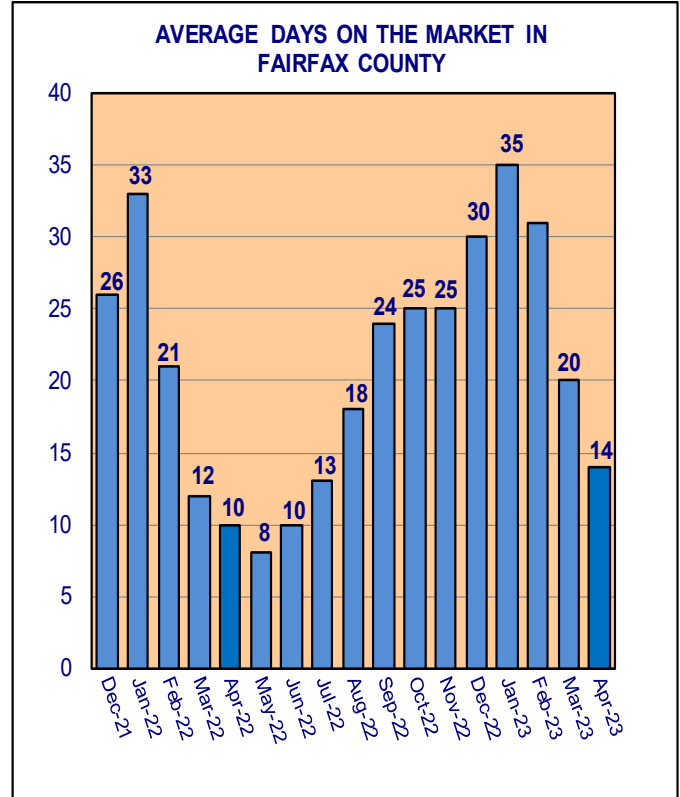


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in April 2023 were on the market for 14 days. This is four days more than the 10-day average in April 2022.

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.

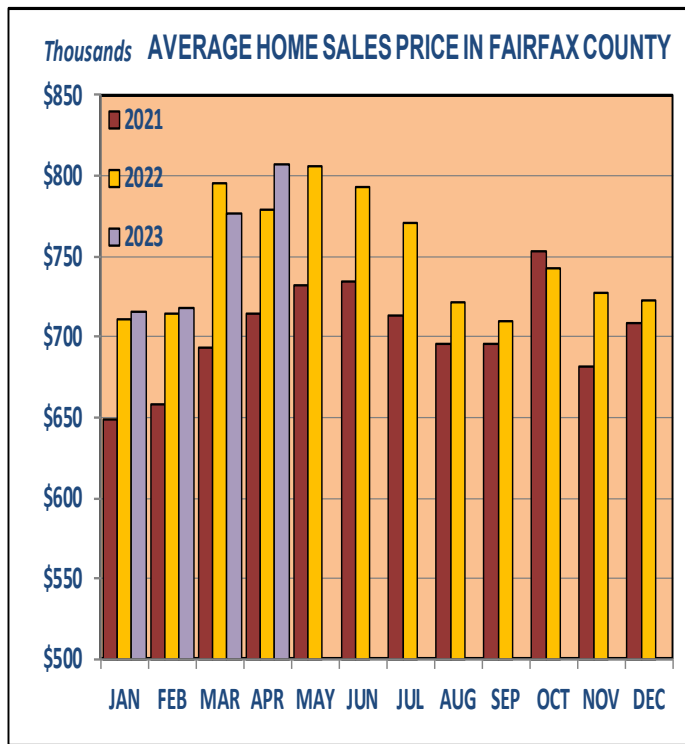
Average Home Sales Prices

The average sales price of all homes that sold in April 2023 in Fairfax County was \$806,672, an increase of 3.6 percent over the April 2022 average sales price of \$778,950. The average sales price was up 5.9 percent compared to the 2022 annual average home sales price of \$761,799.

The average sales price for detached homes that sold in April 2023 was \$1,053,142, an increase of 0.9 percent over the April 2022 average of \$1,044,078. The average sales price of attached homes increased by 1.7 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN APR 2023 COMPARED TO SALES IN APR 2022

	APR 2023	APR 2022	% Change
All Homes	\$806,672	\$778,950	3.6%
Detached Homes	\$1,053,142	\$1,044,078	0.9%
Attached Homes	\$524,535	\$515,905	1.7%



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

Inventory of Homes for Sale

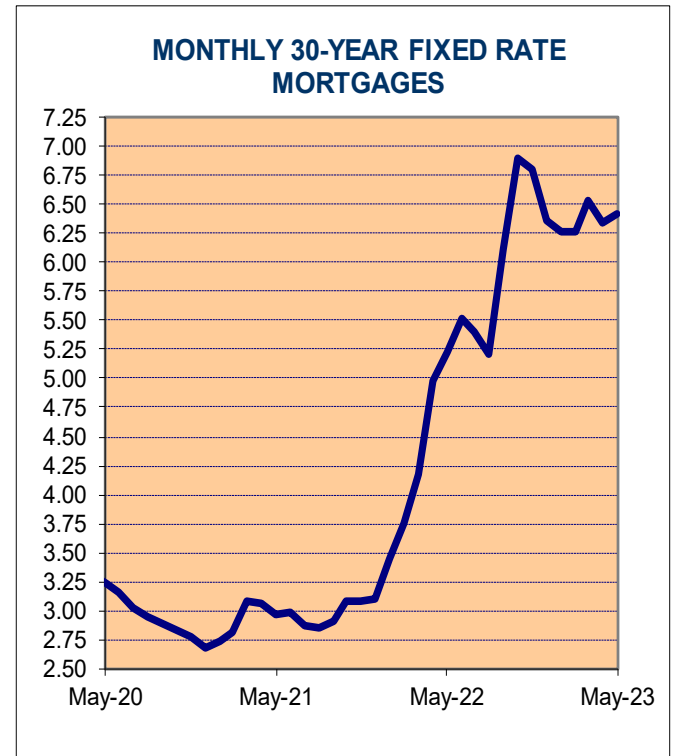
The number of active listings for sale in the County in April 2023 was 882, a decrease of 16.2 percent from the 1,052 listings in April 2022. Based on the April 2023 listings and the current sales rate, there is approximately a 0.9-month supply of homes for sale in the County, more than the 0.7-month supply a year ago.



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

30-Year Fixed Rate Mortgages

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate increased to 6.43 percent in May, up from 6.34 percent a month ago. A year ago, the average 30-year mortgage rate was 5.23 percent.



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

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