



ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

JUNE 2023

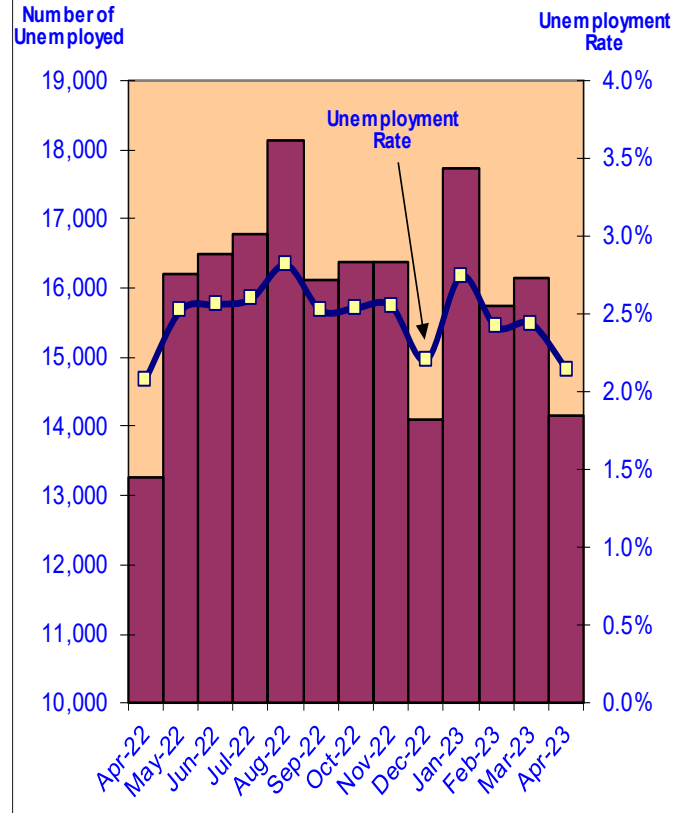
IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased from 2.4 percent to 2.1 percent in April.
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- Sales tax receipts in June for purchases made in April decreased 1.1 percent compared to last June.
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- The Consumer Confidence Index improved in June.
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- The number of homes sold in Fairfax County in May decreased 27.3 percent from a year earlier.
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- In May 2023, the average sales price of all homes sold in Fairfax County decreased 0.5 percent compared to May 2022.
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- The number of active listings of homes for sale in the County decreased 18.0 percent from a year earlier.
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- The average 30-year fixed rate mortgage interest rate increased to 6.72 percent in June, up from 5.52 percent a year ago.
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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.

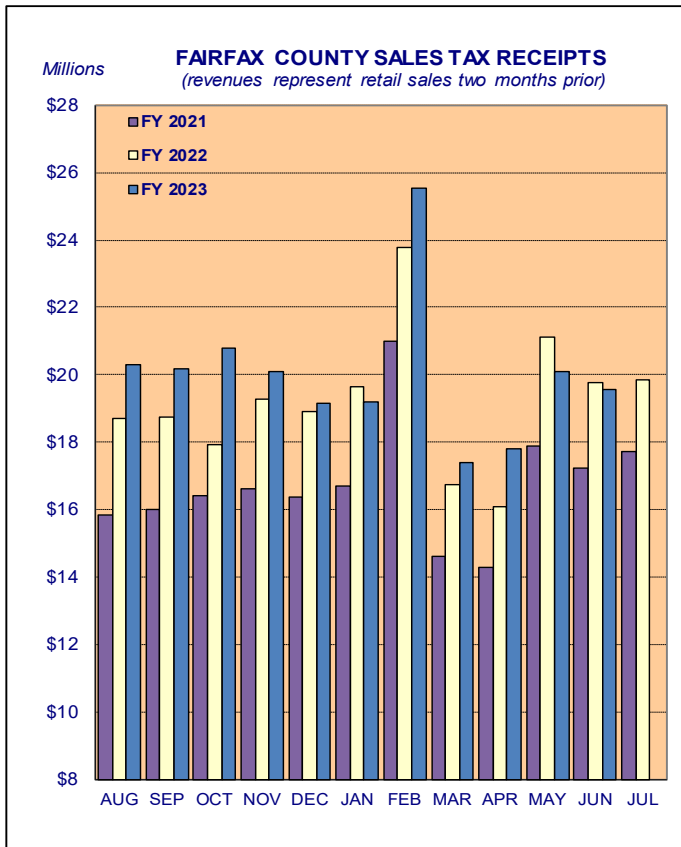
Employment

Compared to March, the April unemployment rate in Fairfax County decreased from 2.4 percent to 2.1 percent. The number of unemployed residents decreased from 16,134 to 14,164. The County's unemployment rate remained the same compared to April 2022.

The seasonally adjusted unemployment rate in Virginia in April decreased from 3.2 percent to 3.1 percent. The rate was up 0.5 percentage point compared to April 2022.

The U.S. seasonally adjusted unemployment rate in April decreased 0.1 percentage point to 3.4 percent. The rate was down 0.2 percentage point compared to a year ago. Total nonfarm payroll employment increased by 253,000 jobs, compared with an average monthly gain of 290,000 over the prior six months.

Sales Tax Receipts



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

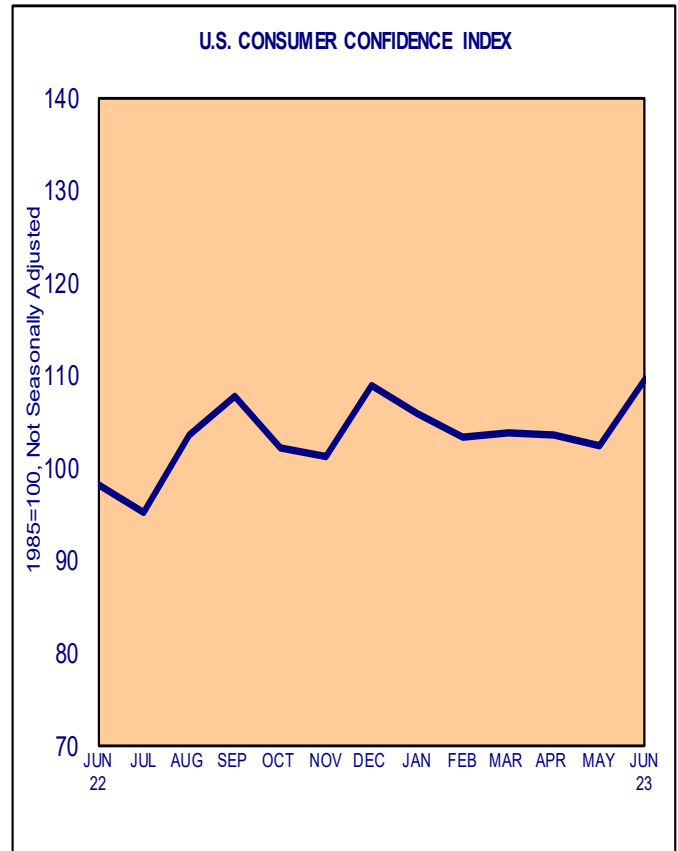
Sales Tax receipts distributed to Fairfax County in June for retail purchases made in April were \$19.6 million, a decrease of 1.1 percent from June 2022. For the first eleven months of FY 2023, sales tax receipts are up 4.3 percent compared to the previous year.

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, decreased 1.7 percent for the 12 months ending in April. Home prices in the Washington Metropolitan area decreased by 0.5 percent during the same period. However, on a month-over-month basis, the index posted an increase of 1.7 percent in April. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "Home prices peaked in June 2022, declined until January 2023, and then began to recover." He added that, "Whether we see further support for that view in coming months will depend on how well the market navigates the challenges posed by current mortgage rates and the continuing possibility of economic weakness."

Consumer Confidence Index



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

The Consumer Confidence Index increased in June and now stands at 109.7 (1985=100), up from 102.5 in May. Both the present situation component and the expectations component increased. For 15 of the last 16 months – since March 2022 – the Expectations Index has been below 80, the level which often signals a recession within the next year. However, June's index was just slightly below 80 and up sharply from last month. Dana Peterson, Chief Economist at the Conference Board, said that "Greater confidence was most evident among consumers under age 35, and consumers earning incomes over \$35,000. Nonetheless, the expectations gauge continued to signal consumers anticipating a recession at some point over the next 6 to 12 months."

Consumer Price Index (CPI)

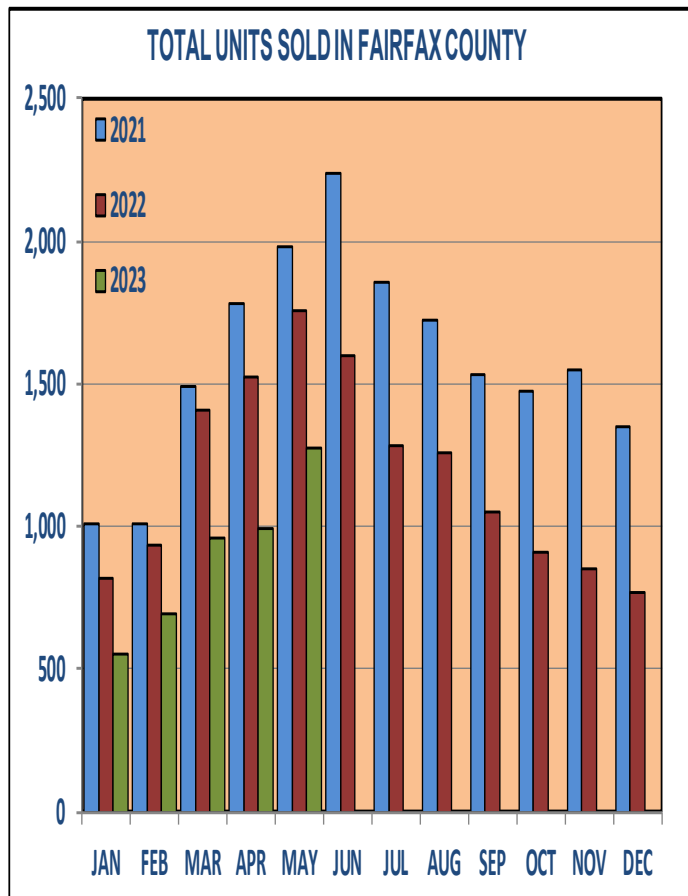
For the 12 months ending in May, the Consumer Price Index for all Urban Consumers (CPI-U) increased 4.0 percent before seasonal adjustments. The increases were led by a 6.7 percent increase in the cost of food and an 8.0 percent increase in the cost of shelter. The cost of energy decreased 11.7 percent, while the cost of used cars and trucks decreased 4.2 percent.

The May index for all items less food and energy increased 5.3 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 May 2023, 1,275 homes were sold in Fairfax County, a decrease of 27.3 percent from the 1,754 homes that were sold in May 2022.

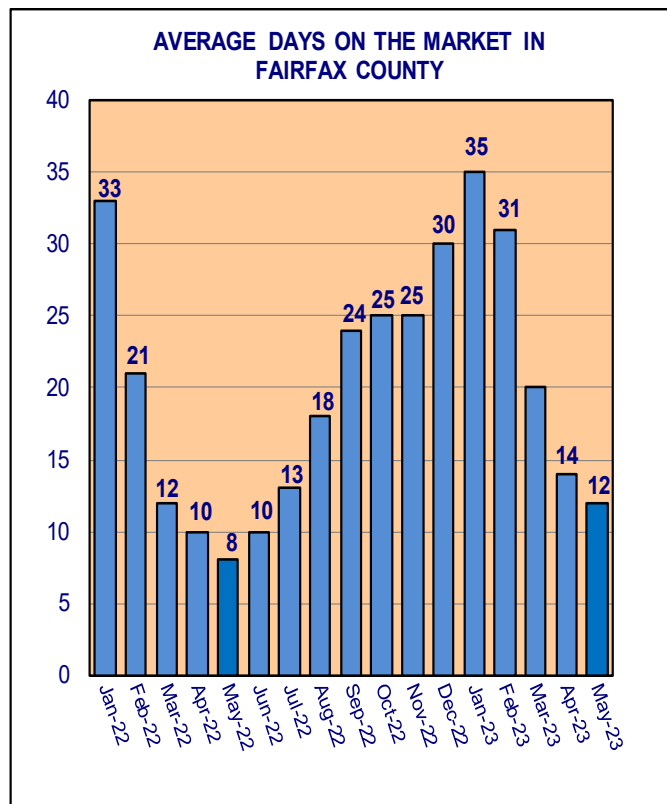


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in May 2023 were on the market for 12 days. This is four days more than the 8-day average in May 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.

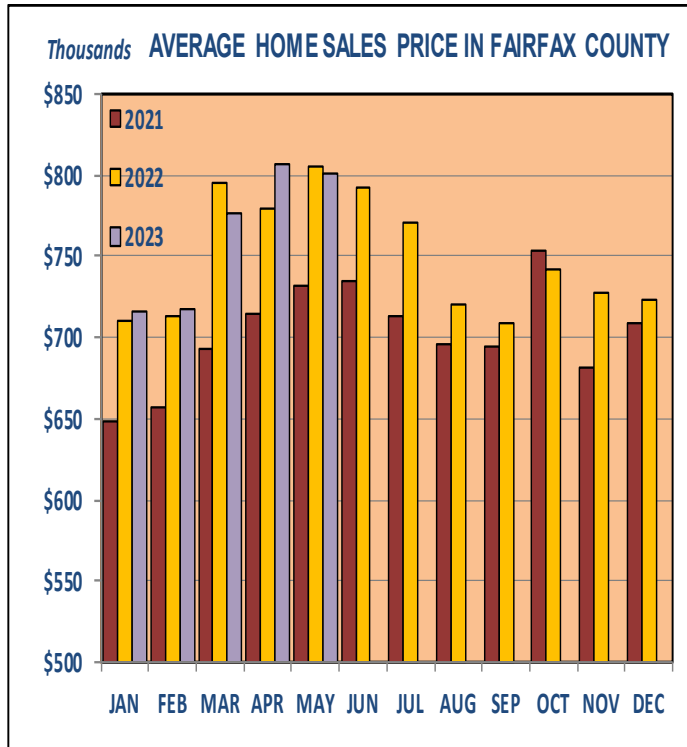
Average Home Sales Prices

The average sales price of all homes that sold in May 2023 in Fairfax County was \$801,081, a decrease of 0.5 percent from the May 2022 average sales price of \$805,497. The average sales price was up 5.2 percent compared to the 2022 annual average home sales price of \$761,799.

The average sales price for detached homes that sold in May 2023 was \$1,033,794, a decrease of 1.6 percent from the May 2022 average of \$1,050,934. The average sales price of attached homes increased by 1.3 percent over the same period.

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

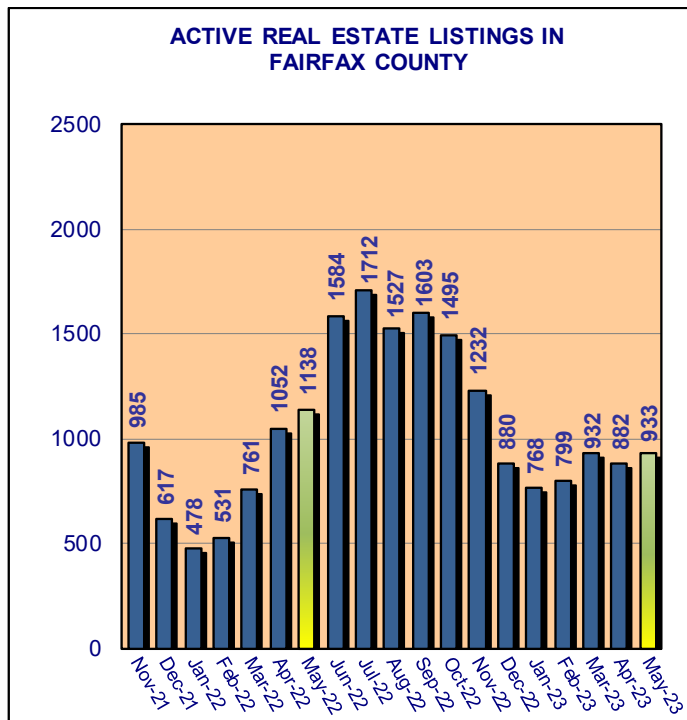
	MAY 2023	MAY 2022	% Change
All Homes	\$801,081	\$805,497	-0.5%
Detached Homes	\$1,033,794	\$1,050,934	-1.6%
Attached Homes	\$524,384	\$517,784	1.3%



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

Inventory of Homes for Sale

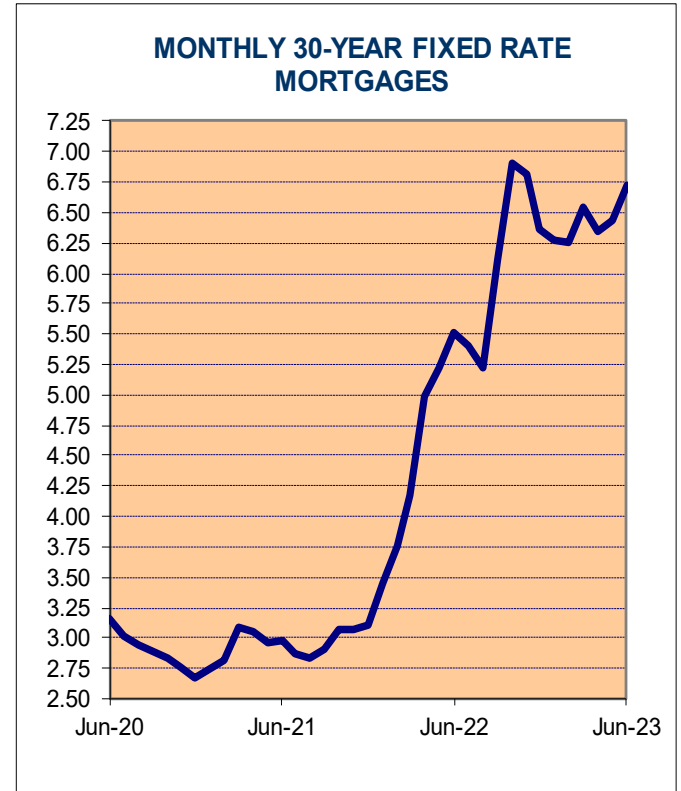
The number of active listings for sale in the County in May 2023 was 933, a decrease of 18.0 percent from the 1,138 listings in May 2022. Based on the May 2023 listings and the current sales rate, there is approximately a 0.7-month supply of homes for sale in the County, more than the 0.6-month supply 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 6.72 percent in June, up from 6.43 percent a month ago. A year ago, the average 30-year mortgage rate was 5.52 percent.



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

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