

# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

MARCH 2020

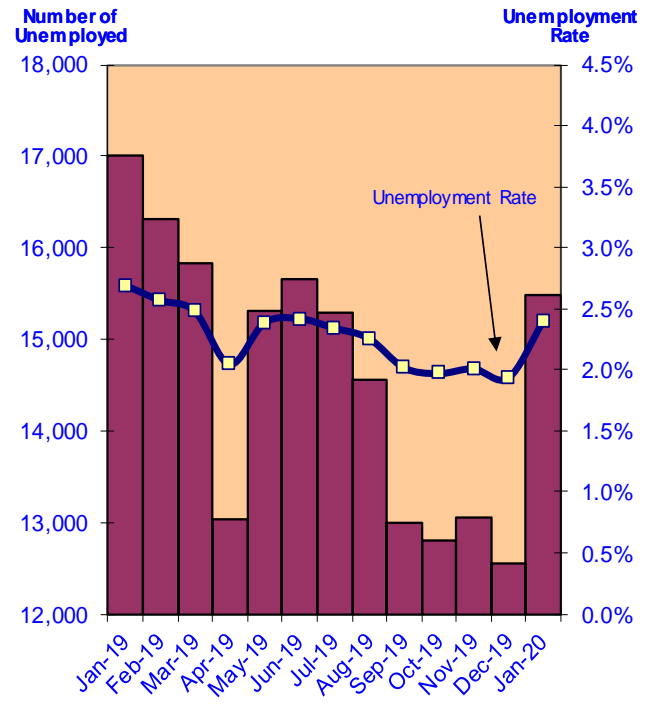
## IN THIS ISSUE:

- The information included in this month's edition of "Economic Indicators" predates the economic impact of the COVID-19 pandemic.
- The unemployment rate in Fairfax County increased 0.5 percentage point to 2.4 percent in January.  
(See page 1)
- Sales tax receipts in Fairfax County are up 6.3 percent through the first eight months of the fiscal year.  
(See page 2)
- The Consumer Confidence Index increased in February for the fourth straight month.  
(See page 2)
- The number of homes sold in Fairfax County in February increased 9.1 percent from a year earlier.  
(See page 3)
- In February 2020, the average sales price of all homes sold in Fairfax County increased 16.1 percent compared to the average sale price in February 2019.  
(See page 3)
- The number of active listings of homes for sale in the County decreased 10.5 percent in February from 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.

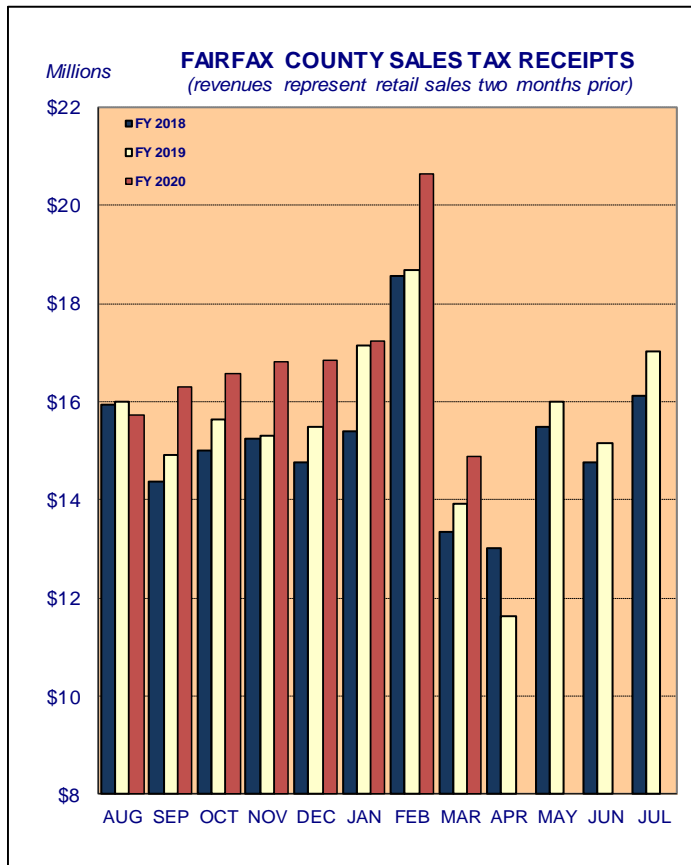
## Employment

Compared to December, the January unemployment rate in Fairfax County increased 0.5 percentage point to 2.4 percent. The number of unemployed residents increased over the month from 12,257 to 15,477. The County's unemployment rate was down 0.3 percentage point from January 2019.

The seasonally adjusted unemployment rate in Virginia in January remained unchanged at 2.7 percent. The rate was down 0.3 percentage point from January 2019.

The U.S. seasonally adjusted unemployment rate in January increased 0.1 percentage point to 3.6 percent. The rate was down 0.4 percentage point from a year ago. Total nonfarm payroll employment increased by 225,000 in January. Over the last three months, job gains have averaged 211,000 per month.

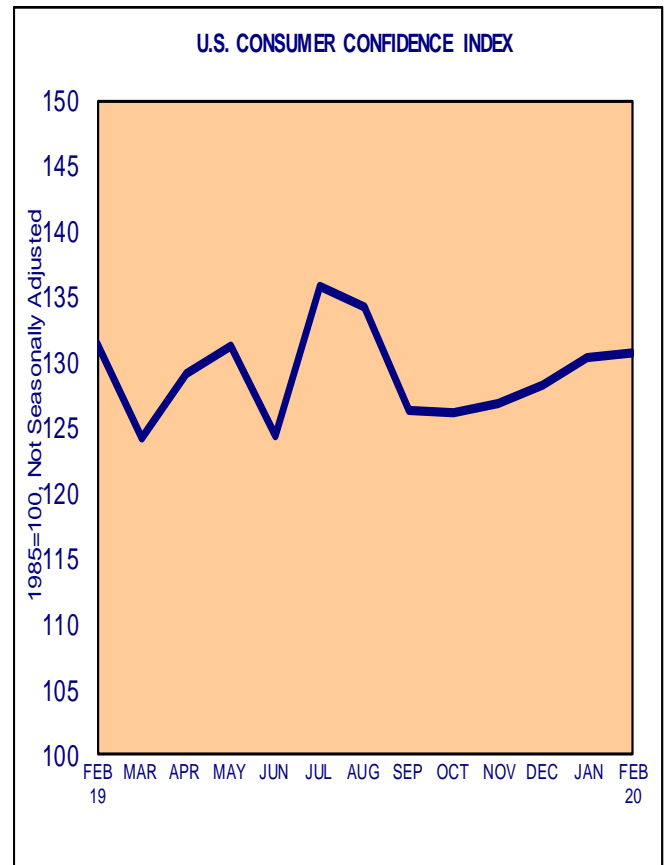
## Sales Tax Receipts



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

Sales Tax receipts distributed to Fairfax County in March for retail purchases made in January were \$14.9 million, an increase of 7.1 percent over March 2019. During the first eight months of FY 2020, Sales Tax receipts are up 6.3 percent over FY 2019. It is likely that a significant part of the increase is due to a new law passed by the Virginia General Assembly and signed by the Governor requiring the collection of state and local sales taxes from remote internet sellers. The law went into effect on July 1, 2019.

## Consumer Confidence Index



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

The Consumer Confidence Index increased in February for the fourth straight month. It now stands at 130.7 (1985=100), up from 130.4 a month ago. The present situation component decreased while the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Despite the decline in the Present Situation Index, consumers continue to view current conditions quite favorably." She added that, "Consumers' short-term expectations improved, and when coupled with solid employment growth, should be enough to continue to support spending and growth in the near term."

## 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 3.1 percent for the 12 months ending in January. Home prices in the Washington Metropolitan area posted a 3.5 percent gain during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "The trend of stable growth established in 2019 continued into the first month of the new year." He added that, "The COVID-19 pandemic did not begin to take hold in the U.S. until late February, and thus whatever impact it will have on housing prices is not reflected in today's data."

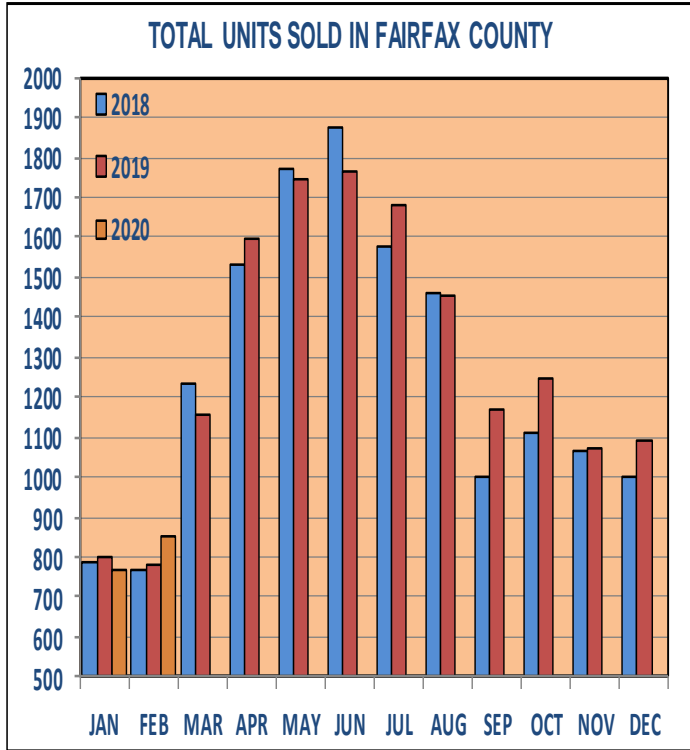
### Gross Domestic Product

According to the final estimate released by the Bureau of Economic Analysis, real gross domestic product increased at an annual rate of 2.1 percent in the fourth quarter of 2019, after growing 2.1 percent in the third quarter. For all of 2019, the U.S. economy is estimated to have grown 2.3 percent, compared to an increase of 2.9 percent in 2018.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

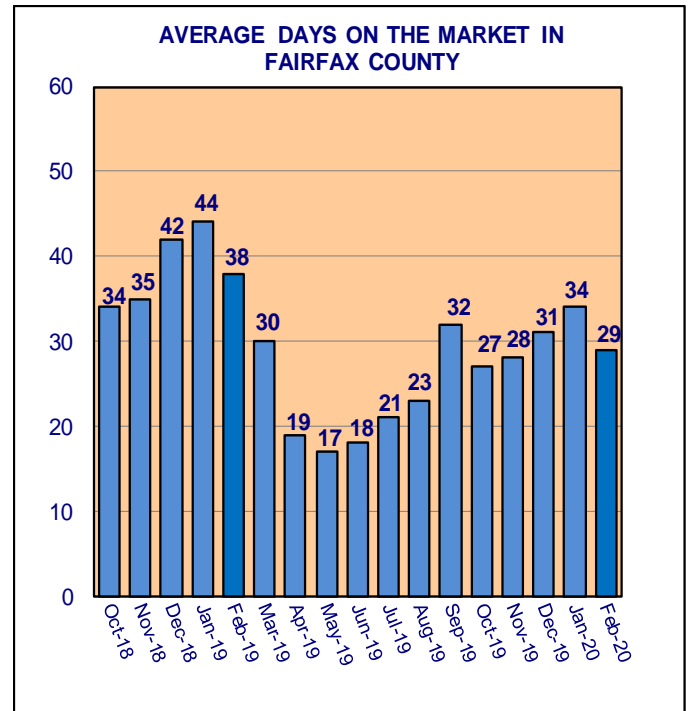
In February, 852 homes were sold in Fairfax County, an increase of 9.1 percent over the 781 homes that were sold in February 2019.



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 February were on the market for 29 days. This is 9 days fewer than the 38-day average in February 2019.



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 February 2020 in Fairfax County was \$642,344, an increase of 16.1 percent over the February 2019 average sales price of \$553,457. The average sales price was up 6.8 percent compared to the annual 2019 average home sales price of \$601,506.

The average sales price for detached homes that sold in February 2020 was \$847,127, an increase of 16.5 percent over the February 2019 average of \$726,880. The average sales price of attached homes increased by 11.8 percent over the same period.

### FAIRFAX COUNTY

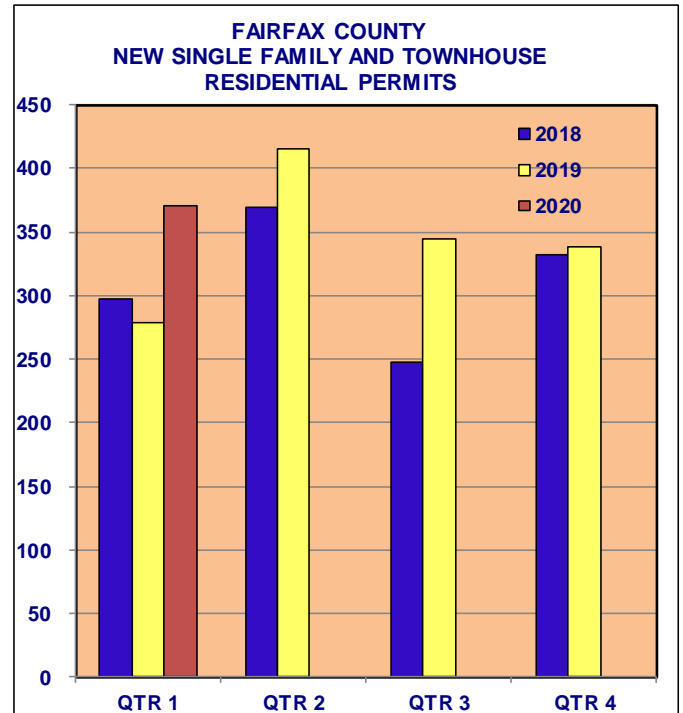
#### AVERAGE SALES PRICE OF HOMES SOLD IN FEB 2020 COMPARED TO SALES IN FEB 2019

	FEB 2020	FEB 2019	% Change
All Homes	\$642,344	\$553,457	16.1%
Detached Homes	\$847,127	\$726,880	16.5%
Attached Homes	\$438,520	\$392,082	11.8%

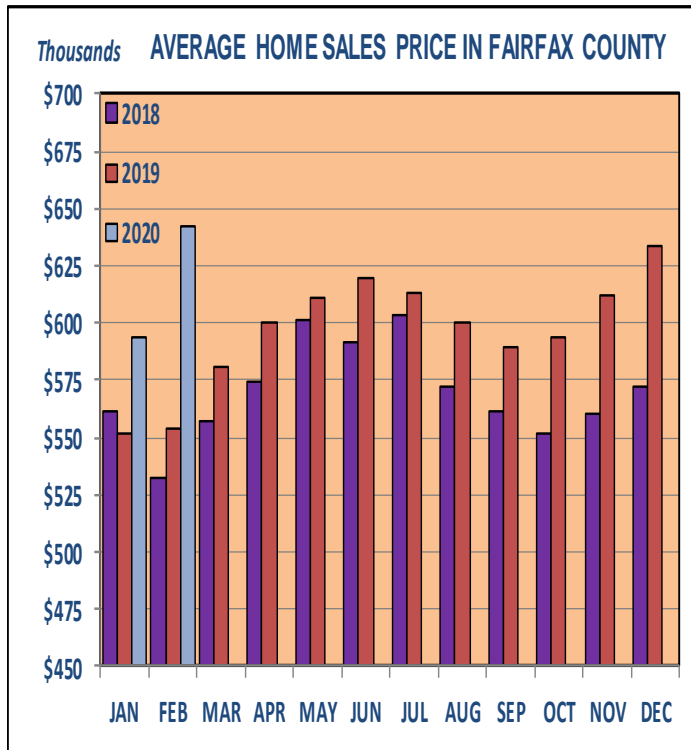
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: <https://www.fairfaxcounty.gov/taxes/real-estate>

## Single Family and Townhouse Building Permits

During the first quarter of 2020, 371 new single family and townhouse permits were issued in Fairfax County. This represents a 33.0 percent increase over the 279 permits issued during the same period in 2019.



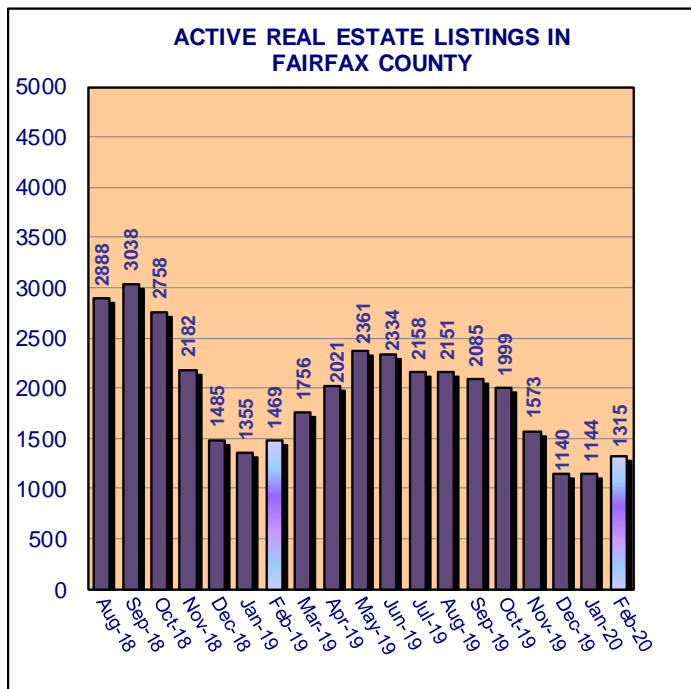
Source: Fairfax County Land Development Services. Compiled by the Fairfax County Department of Management and Budget.



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

## Inventory of Homes for Sale

The number of active listings in the County in February was 1,315, a decrease of 10.5 percent from the 1,469 listings in February 2019. Based on the February 2020 listings and the current sales rate, there is approximately a 1.5-month supply of homes for sale in the County, less than the 1.9-month supply a year ago.



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

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