

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

MARCH 2025

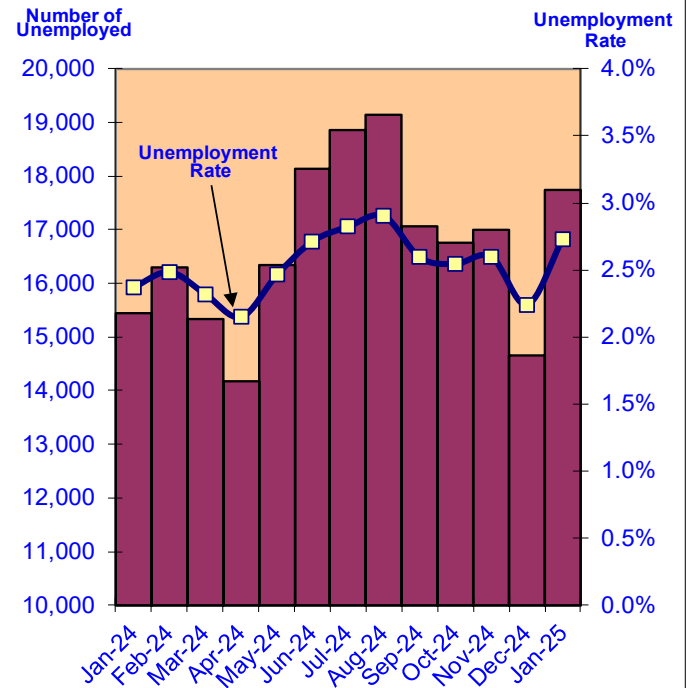
IN THIS ISSUE:

- ❑ The unemployment rate in Fairfax County increased from 2.2 percent in December to 2.7 percent in January.
(See page 1)
- ❑ Sales tax receipts in March 2025 for purchases made in January 2025 increased 2.3 percent compared to last March.
(See page 2)
- ❑ The Consumer Confidence Index declined for a fourth month in a row in March.
(See page 2)
- ❑ The number of homes sold in Fairfax County in February 2025 was down 6.2 percent from a year ago.
(See page 3)
- ❑ In February 2025, the average sales price of all homes sold in Fairfax County decreased 3.2 percent compared to February 2024.
(See page 3)
- ❑ The number of active listings of homes for sale in Fairfax County in February 2025 increased 24.1 percent from a year earlier.
(See page 4)
- ❑ A 30-year fixed rate mortgage in March 2025 averaged 6.65 percent, down from 6.84 percent a month ago.
(See page 4)

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

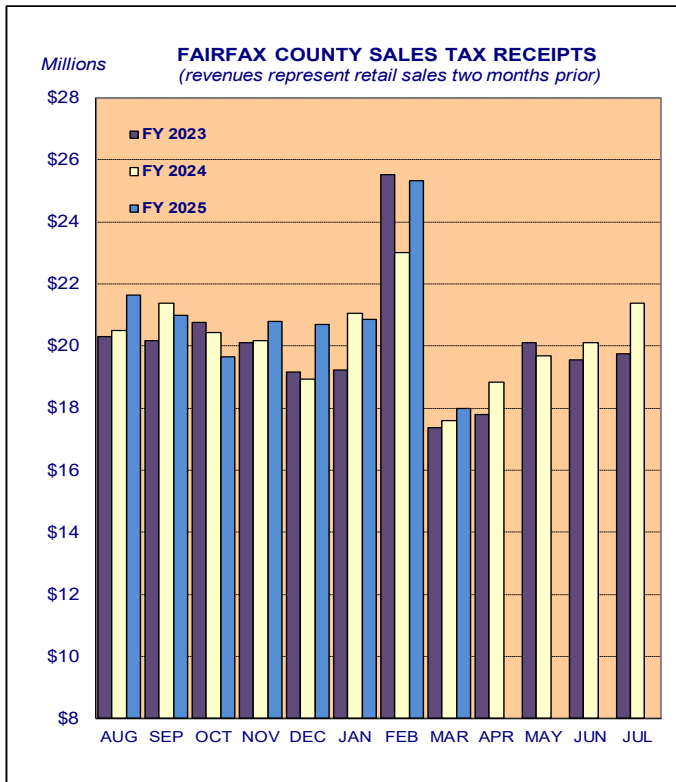
Employment

The unemployment rate in Fairfax County increased from 2.2 percent in December 2024 to 2.7 percent in January 2025. The number of unemployed residents increased from 14,660 to 17,744. The County's unemployment rate increased 0.3 percentage point compared to January 2024.

Compared to December, the seasonally adjusted January unemployment rate in Virginia increased from 2.9 percent to 3.0 percent. It was up 0.2 percentage point compared to a year ago.

The U.S. seasonally adjusted unemployment rate slightly decreased from 4.1 percent in December to 4.0 percent in January. The rate was up 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 143,000 in January, compared to an average monthly gain of 166,000 jobs over the prior 12 months. In 2024, payroll employment grew by 2.2 million, compared to an increase of 3.0 million in 2023.

Sales Tax Receipts



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

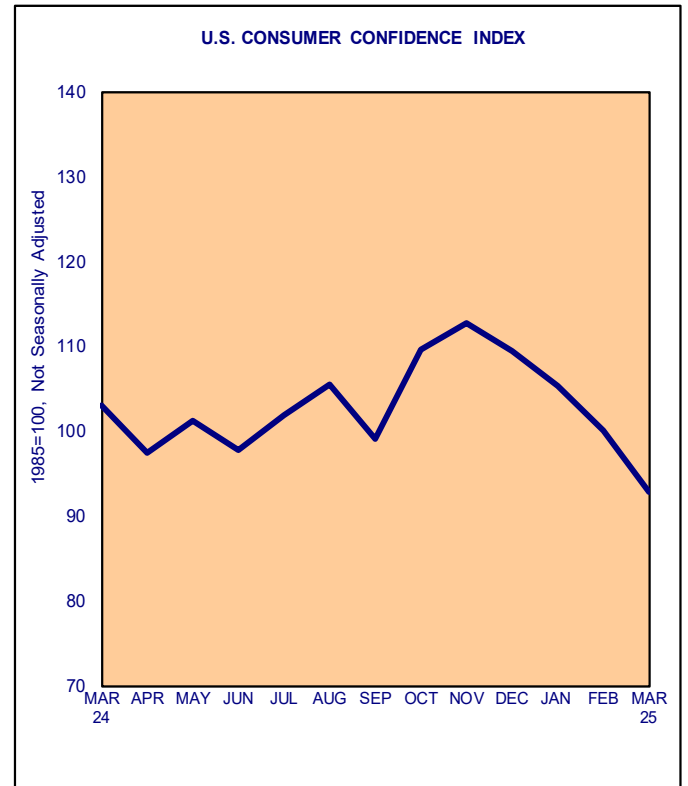
Sales Tax receipts distributed to Fairfax County in March 2025 for retail purchases made in January 2025 were \$18.0 million, an increase of 2.3 percent compared to March 2024. For the first 8 months of FY 2025, Sales Tax receipts are up 3.0 percent compared to the previous year.

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 by 4.7 percent in January compared to a year ago. Home prices in the Washington Metropolitan area increased by 5.1 percent during the same period. Nicholas Godec, Head of Fixed Income Tradables & Commodities, said that, "Home price growth continued to moderate in January, reflecting a clear two-part story across the past year." He added that, "Rising mortgage rates throughout the year elevated monthly payment burdens, which, combined with already high home prices, pushed affordability to multi-decade lows in many regions. This likely contributed to subdued activity in the back half of the year, with both buyers and sellers exercising caution. Inventory constraints also remain a challenge, particularly in legacy metro areas, where limited new construction continues to restrict supply."

Consumer Confidence Index



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

In March, the Consumer Confidence Index continued to decline, down to 92.9 from 100.1 in February. Both the expectations and present situation components decreased. Notably, expectations component declined to 65.2, the lowest level in 12 years. A level below 80 usually signals a recession ahead. Stephanie Guichard, Senior Economist in Global Indicators at the Conference Board said, "Consumer confidence declined for a fourth consecutive month in March, falling below the relatively narrow range that had prevailed since 2022." She added that, "Consumers' expectations were especially gloomy, with pessimism about future business conditions deepening and confidence about future employment prospects falling to a 12-year low. Meanwhile, consumers' optimism about future income—which had held up quite strongly in the past few months—largely vanished, suggesting worries about the economy and labor market have started to spread into consumers' assessments of their personal situations."

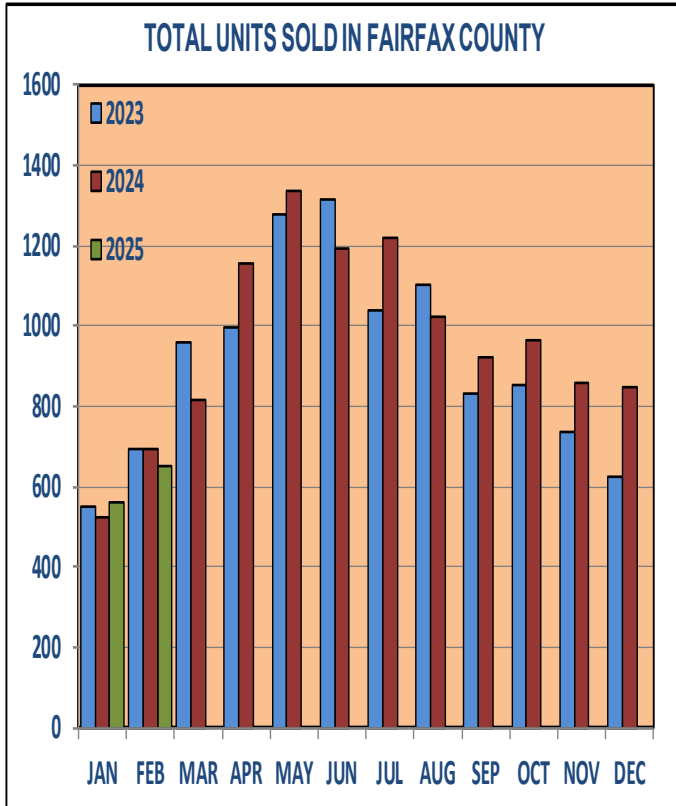
Consumer Price Index

Compared to a year ago, the February Consumer Price Index for All Urban Consumers (CPI-U) increased 2.8 percent before seasonal adjustments. The cost of food increased 2.6 percent, and the cost of shelter increased 4.2 percent. The cost of energy decreased 0.2 percent, while the used cars index increased 0.8 percent compared to a year ago. The core inflation rate excluding food and energy increased 3.1 percent. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In February 2025, 650 homes were sold in Fairfax County, a decrease of 6.2 percent from the 693 homes that were sold in February 2024.



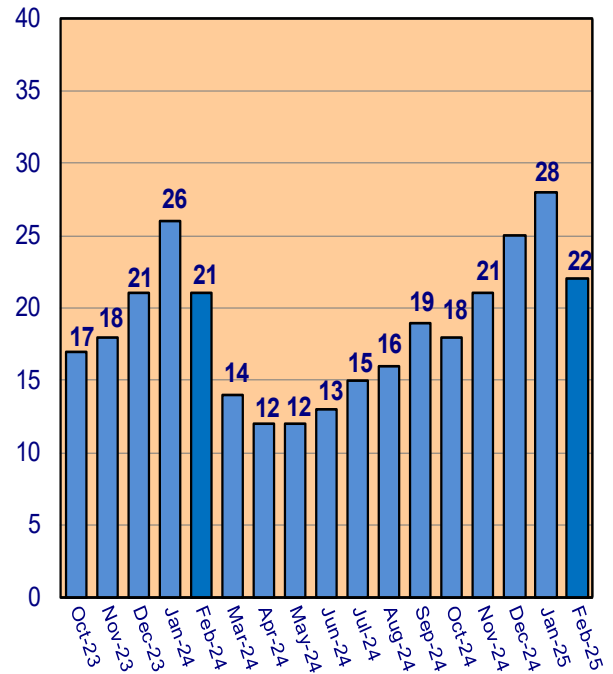
Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in February 2025 were on the market for 22 days. This is 1 day longer than last February.

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>

AVERAGE DAYS ON THE MARKET IN FAIRFAX COUNTY



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

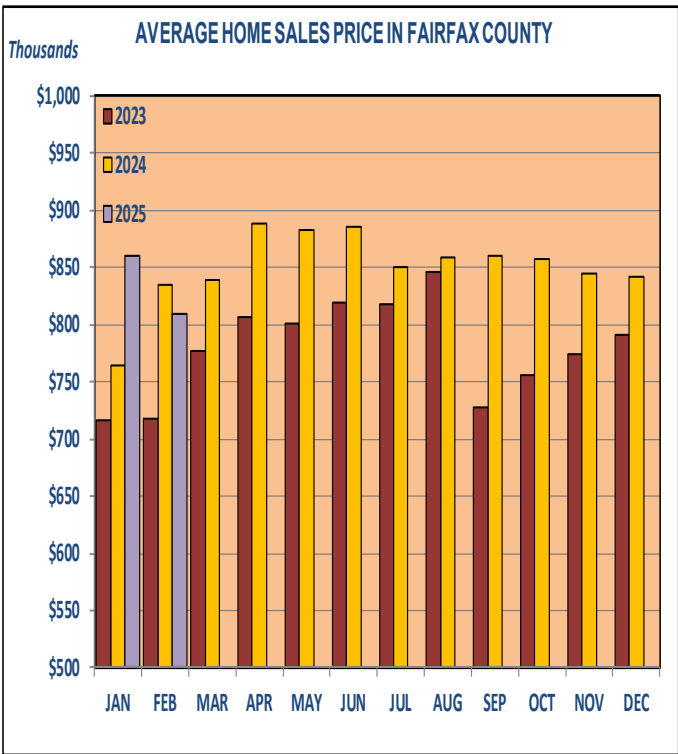
Average Home Sales Prices

The average sales price of all homes that sold in February 2025 in Fairfax County was \$808,624, a decrease of 3.2 percent from the February 2024 average sales price of \$835,322. The average sales price was 5.8 percent down compared to the 2024 annual average home sales price of \$858,057.

The average sales price for detached homes that sold in February 2025 was \$1,115,380, a decrease of 7.6 percent from the February 2024 average of \$1,206,759. The average sales price of attached homes remained flat in the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN FEB 2025 COMPARED TO SALES IN FEB 2024

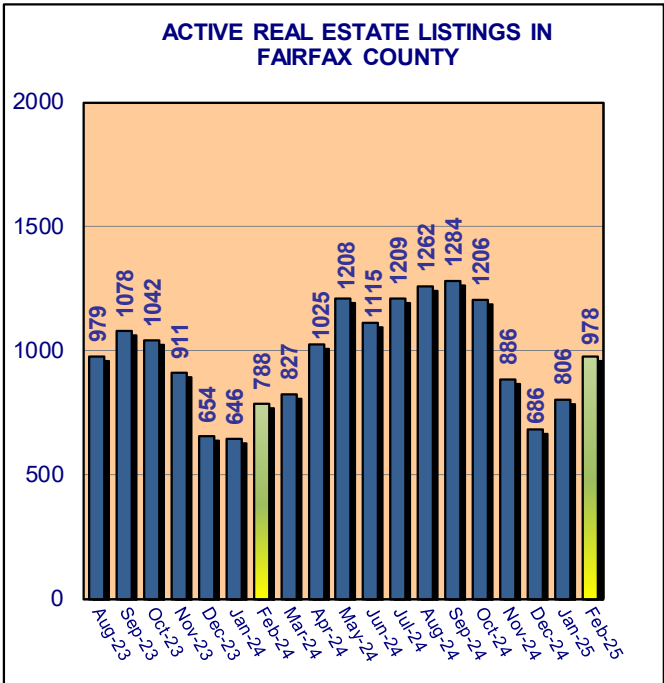
	FEB 2025	FEB 2024	% Change
All Homes	\$808,624	\$835,322	-3.2%
Detached Homes	\$1,115,380	\$1,206,759	-7.6%
Attached Homes	\$534,957	\$534,866	0.0%



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

Inventory of Homes for Sale

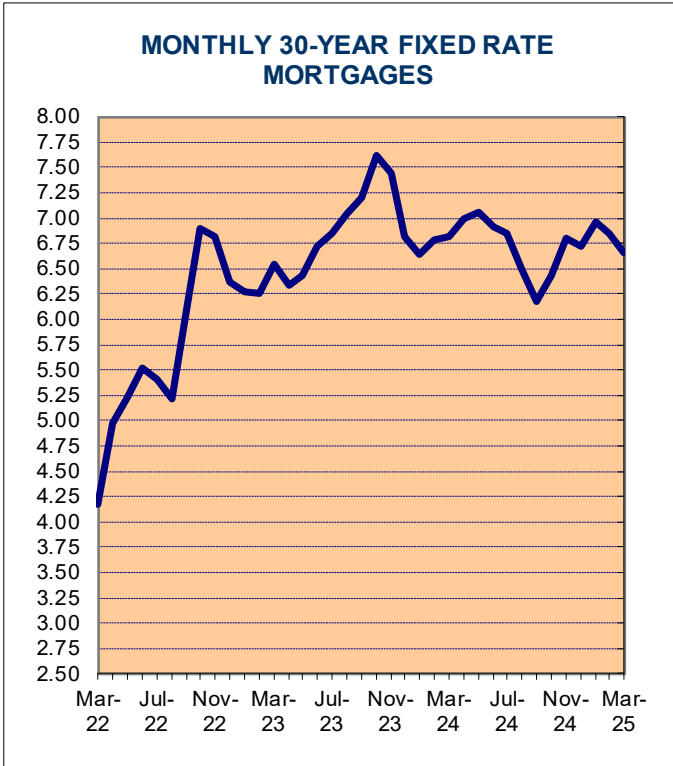
The number of active listings for sale in the County in February 2025 was 978, an increase of 24.1 percent over the 788 listings in February 2024. Based on the February 2025 listings and the current sales rate, there is approximately a 1.5-month supply of homes for sale in the County, compared to the 1.1-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 in March continued to decrease to 6.65 percent, down from 6.84 percent a month ago. The average March mortgage rate was 19 basis points lower than the rate from a year ago.



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

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