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- The unemployment rate in Fairfax County increased 7.5 percentage points to 10.2 percent in April. (See page 1)
- The Consumer Confidence Index increased slightly in May after two months of steep declines. (See page 2)
- The U.S economy shrank at an annual rate of 5.0 percent in the first quarter, after growing 2.1 percent in the fourth quarter of 2019. (See page 2)
- The number of homes sold in Fairfax County in May decreased 30.1 percent from a year earlier. (See page 3)
- In May 2020, the average sales price of all homes sold in Fairfax County increased 3.1 percent compared to the average sale price in May 2019. (See page 3)
- The number of active listings of homes for sale in the County decreased 36.1 percent in May from a year ago. (See page 4)

Previous issues of this publication can be accessed at:

https://www.fairfaxcounty.gov/budget/economic-indicators

Employment

Compared to March, the April unemployment rate in Fairfax County increased 7.5 percentage points to 10.2 percent. The number of unemployed residents increased over the month from 17,161 to 64,269. The County’s unemployment rate was up 8.2 percentage points over April 2019. The increase reflect the effects of the COVID-19 pandemic and the efforts to contain it.

The seasonally adjusted unemployment rate in Virginia in April increased 7.9 percentage points to 11.2 percent. The rate was up 8.3 percentage points over April 2019.

The U.S. seasonally adjusted unemployment rate in April increased 10.3 percentage points to 14.7 percent. The rate was up 11.1 percentage points compared to a year ago. Total nonfarm payroll employment decreased by 20.5 million jobs in April. According to the Bureau of Labor Statistics, employment fell sharply in all major indistries, particularly in the leisure and hospitality sectors.
Sales Tax Receipts

Sales Tax receipts distributed to Fairfax County in June for retail purchases made in April were $12.8 million, a decrease of 15.9 percent from June 2019. The decrease is due to store closures and stay-at-home orders in an effort to contain the spread of COVID-19. During the first eleven months of FY 2020, Sales Tax receipts are up 4.3 percent over FY 2019. It is likely that the increase year-to-date 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.

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 4.0 percent for the 12 months ending in April. Home prices in the Washington Metropolitan area posted a 3.8 percent gain during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, “April’s housing price data continue to be remarkably stable.” He added that, “The price trend that was in place pre-pandemic seems so far to be undisturbed, at least at the national level.”

Gross Domestic Product

According to the final estimate released by the Bureau of Economic Analysis (BEA), real gross domestic product (GDP) decreased at an annual rate of 5.0 percent in the first quarter, after growing 2.1 percent in the fourth quarter of 2019.
FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In May, 1,220 homes were sold in Fairfax County, a decrease of 30.1 percent from the 1,745 homes that were sold in May 2019.

Average Home Sales Prices

The average sales price of all homes that sold in May 2020 in Fairfax County was $629,757, an increase of 3.1 percent over the May 2019 average sales price of $611,109. The average sales price was up 4.7 percent compared to the annual 2019 average home sales price of $601,506.

The average sales price for detached homes that sold in May 2020 was $789,731, an increase of 1.3 percent over the May 2019 average of $779,442. The average sales price of attached homes increased by 5.3 percent over the same period.

Average Days on the Market

On average, homes that sold in Fairfax County in May were on the market for 16 days. This is one day fewer than the 17-day average in May 2019.

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
### Inventory of Homes for Sale

The number of active listings in the County in May was 1,509, a decrease of 36.1 percent from the 2,361 listings in May 2019. Based on the May 2020 listings and the current sales rate, there is approximately a 1.2-month supply of homes for sale in the County, less than the 1.4-month supply a year ago.

### 30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate decreased for the sixth straight month to 3.16 percent in June, down from 3.23 percent in May. A year ago, the rate was 3.80 percent. The current rate is the lowest average mortgage rate on record based on data from Freddie Mac.