

# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

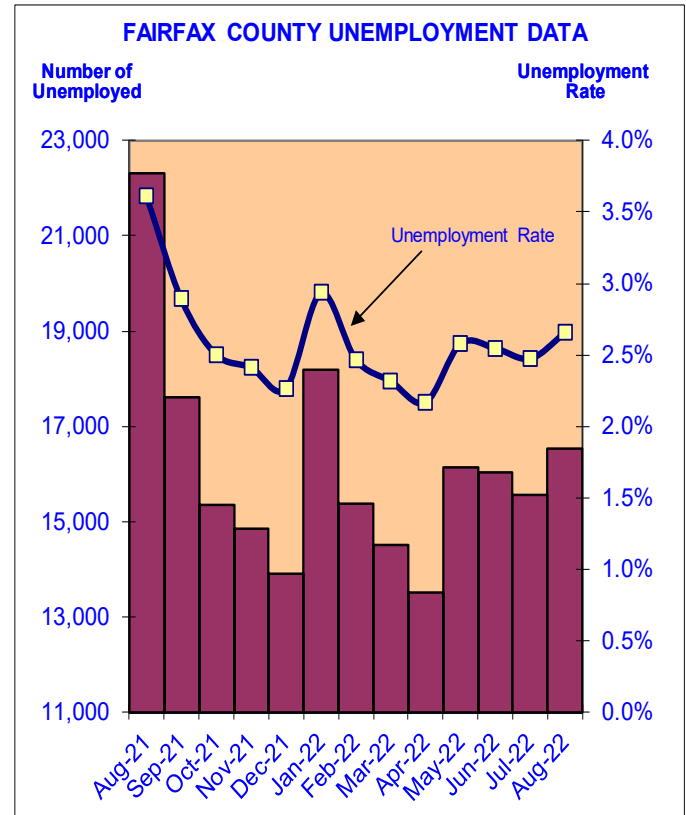
OCTOBER 2022

## IN THIS ISSUE:

- The unemployment rate in Fairfax County increased 0.2 percent to 2.7 percent in August.  
**(See page 1)**
- Sales tax receipts in October for purchases made in August increased 15.9 percent compared to last October.  
**(See page 2)**
- The Consumer Confidence Index decreased in October after increasing the previous two months.  
**(See page 2)**
- The number of homes sold in Fairfax County in September decreased 31.4 percent from a year earlier.  
**(See page 3)**
- In September 2022, the average sales price of all homes sold in Fairfax County increased 2.1 percent compared to the average sale price in September 2021.  
**(See page 3)**
- The number of active listings of homes for sale in the County decreased 14.4 percent from a year earlier.  
**(See page 4)**
- The number of single family and townhouse building permits for the first nine months of 2022 is down 18.7 percent.  
**(See page 4)**
- October 2022 Special Report on NOVA Employment.  
**(See page 5-6)**

**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.

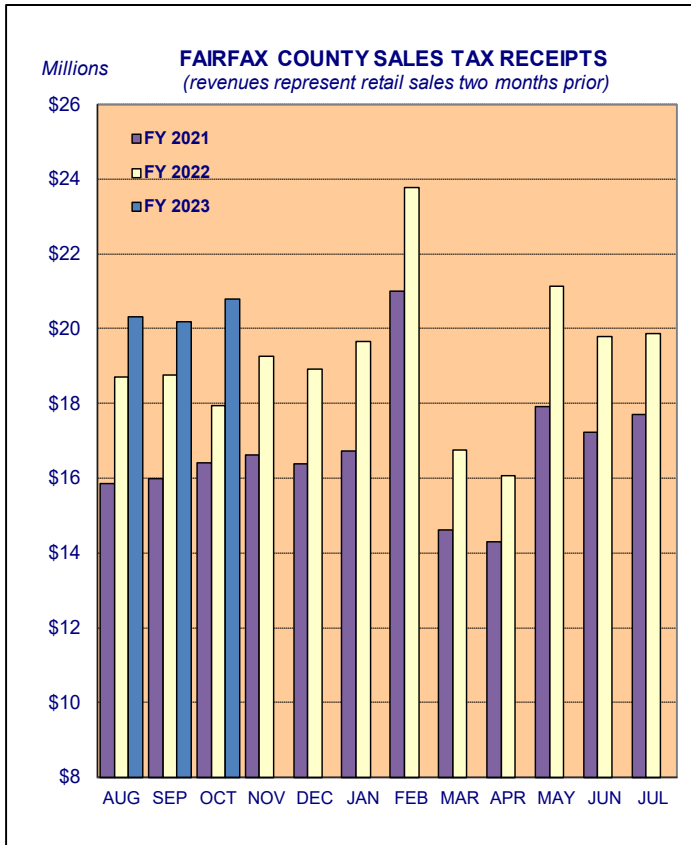
## Employment

Compared to July, the August unemployment rate in Fairfax County increased 0.2 percentage point to 2.7 percent. The number of unemployed residents increased from 15,563 to 16,530. The County's unemployment rate was down 0.9 percentage point from August 2021.

The seasonally adjusted unemployment rate in Virginia in August decreased 0.1 percentage point to 2.6 percent. The rate was down 1.0 percentage point from August 2021.

The U.S. seasonally adjusted unemployment rate in August increased 0.2 percent to 3.7 percent. The rate was down 1.5 percentage points compared to a year ago. Total nonfarm payroll employment increased by 315,000 jobs. This growth brings total nonfarm employment 240,000 higher than its pre-pandemic level in February 2020.

## Sales Tax Receipts



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

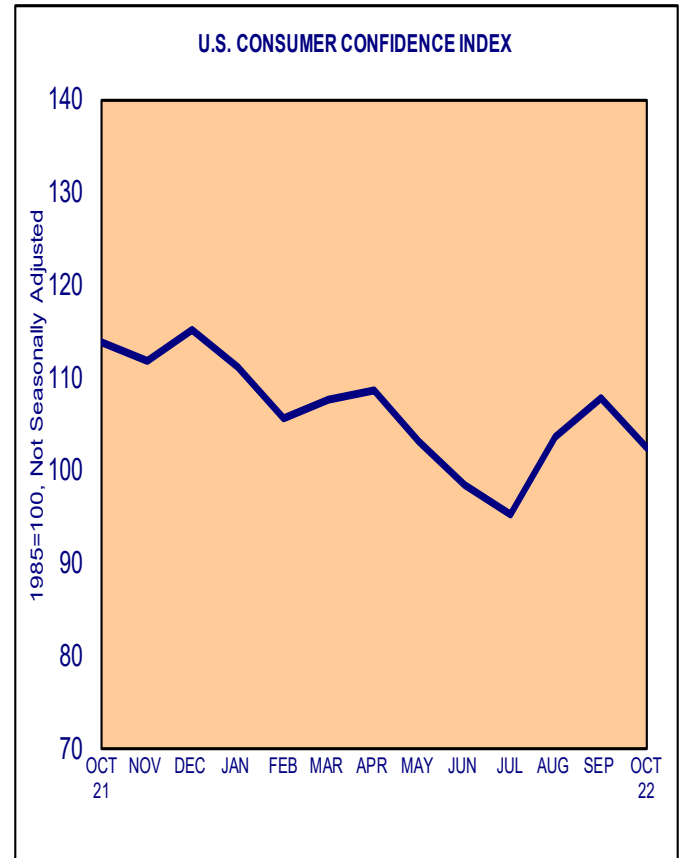
Sales Tax receipts distributed to Fairfax County in October for retail purchases made in August were \$20.8 million, an increase of 15.9 percent over October 2021. For the first three months of FY 2023, sales tax receipts are up 10.6 percent compared to the previous year.

## 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 13.1 percent for the 12 months ending in August. Home prices in the Washington Metropolitan area gained 7.4 percent during the same period, the smallest rate of increase among the cities in the index. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, explained that August's report reflected a forceful deceleration and said that, "As the Federal Reserve moves interest rates higher, mortgage financing becomes more expensive and housing becomes less affordable." He added that, "Given the prospects for a more challenging macroeconomic environment, home prices may well continue to decelerate."

## Consumer Confidence Index



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

The Consumer Confidence Index decreased in October. The index now stands at 102.5 (1985=100), down from 107.8 in September. Both the present situation and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Concerns about inflation – which had been receding since July – picked up again with both gas and food prices serving as the main drivers." She added that, "Looking ahead, inflationary pressures will continue to pose strong headwinds to consumer confidence and spending, which could result in a challenging holiday season for retailers."

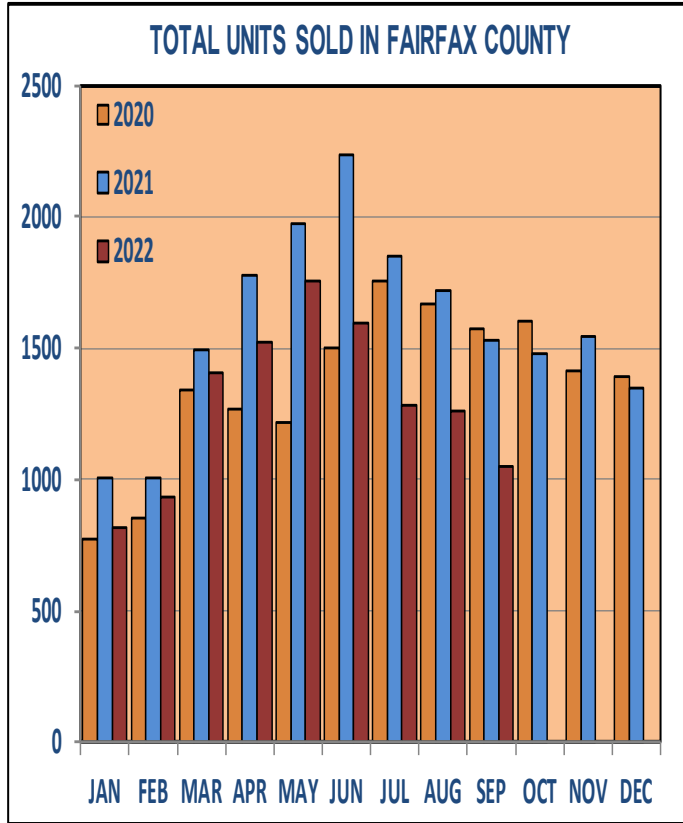
### Gross Domestic Product

According to the advance estimate by the Bureau of Economic Analysis, real gross domestic product (GDP) increased at an annual rate of 2.6 percent in the third quarter of 2022. The increase in real GDP in the third quarter reflected increases in personal consumption expenditures (PCE), exports, and federal government spending. In the second quarter, real GDP decreased 0.6 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

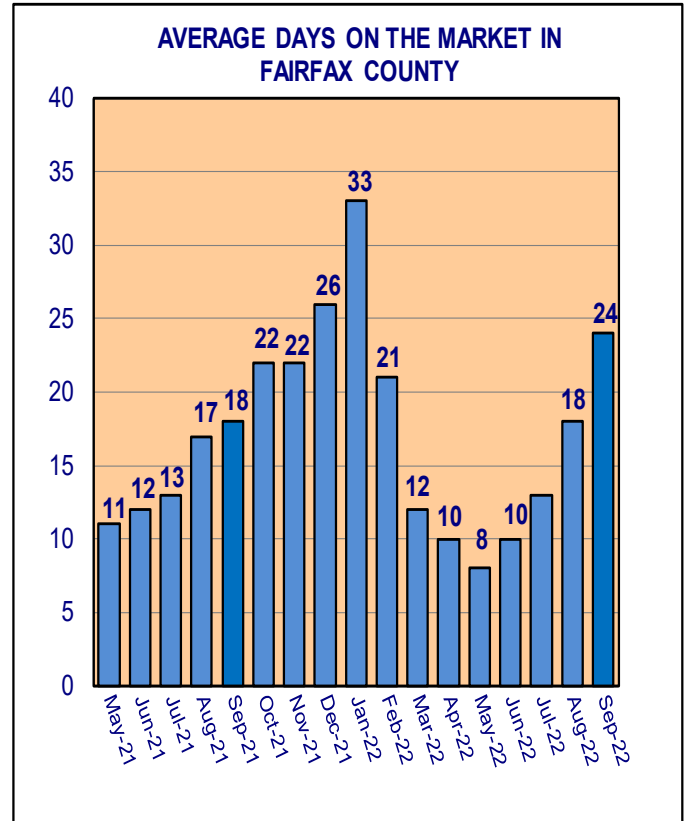
In September 2022, 1,051 homes were sold in Fairfax County, a decrease of 31.4 percent from the 1,533 homes that were sold in September 2021.



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 September 2022 were on the market for 24 days. This is six days more than the 18-day average in September 2021.



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 September 2022 in Fairfax County was \$709,595, an increase of 2.1 percent over the September 2021 average sales price of \$695,154. The average sales price was up 0.1 percent compared to the 2021 annual average home sales price of \$709,136.

The average sales price for detached homes that sold in September 2022 was \$964,392, an increase of 2.3 percent over the September 2021 average of \$943,008. The average sales price of attached homes increased 7.2 percent over the same period.

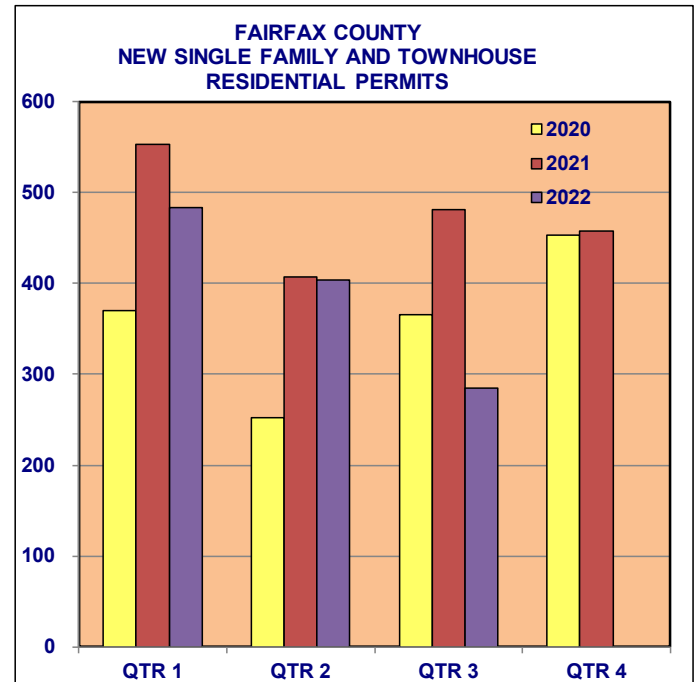
### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN SEP 2022 COMPARED TO SALES IN SEP 2021

	SEP 2022	SEP 2021	% Change
<b>All Homes</b>	<b>\$709,595</b>	<b>\$695,154</b>	<b>2.1%</b>
<b>Detached Homes</b>	<b>\$964,392</b>	<b>\$943,008</b>	<b>2.3%</b>
<b>Attached Homes</b>	<b>\$500,281</b>	<b>\$466,892</b>	<b>7.2%</b>

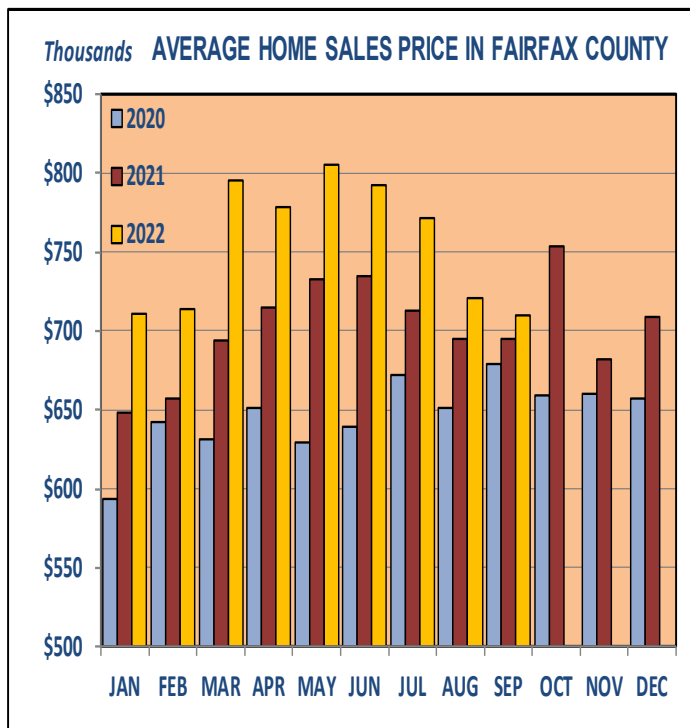
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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

## Single Family and Townhouse Permits

During the third quarter of 2022, 285 new single family and townhouse permits were issued in Fairfax County. This represents a 40.7 percent decrease compared to the number of permits issued during the same period in 2021. Combined, the number of permits is down 18.7 percent for the first three quarters of 2022.



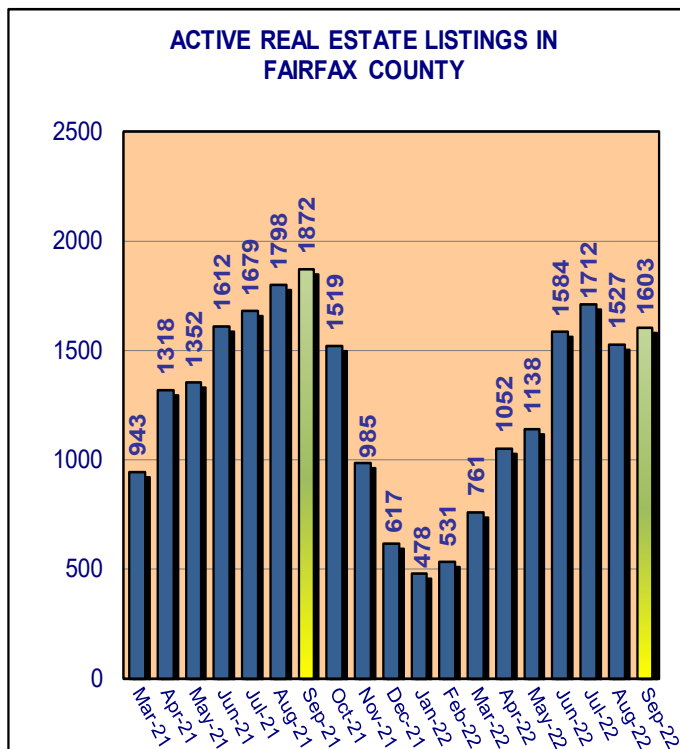
Source: Fairfax County Land Development Services. Compiled by the Fairfax County Department of Management and Budget.



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

## Inventory of Homes for Sale

The number of active listings for sale in the County in September 2022 was 1,603, a decrease of 14.4 percent from the 1,872 listings in September 2021. Based on the September 2022 listings and the current sales rate, there is approximately a 1.5-month supply of homes for sale in the County, more than the 1.2-month supply a year ago.



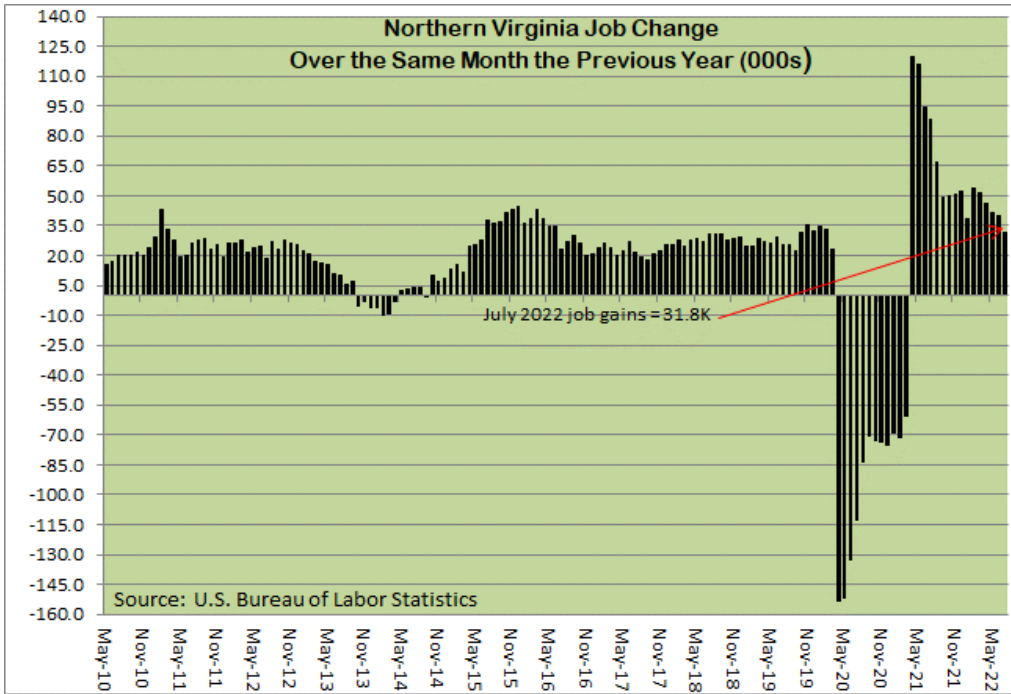
Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

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## Special Report – October 2022 Northern Virginia Employment



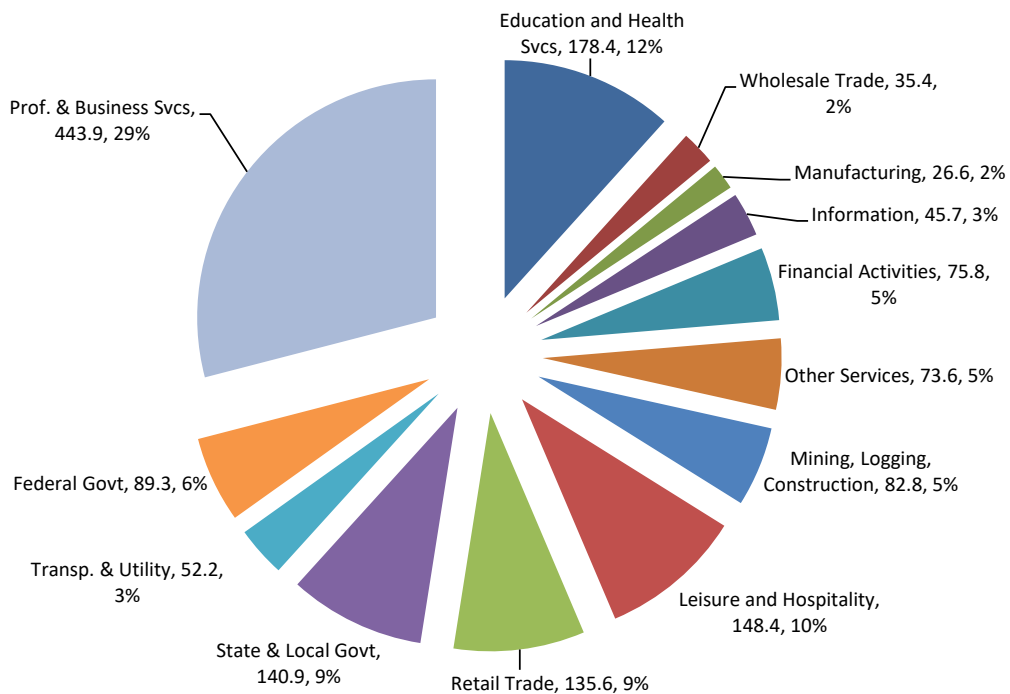
Based on data from the U.S. Bureau of Labor Statistics (BLS), the Northern Virginia region experienced job growth at an annual rate of 2.1 percent in July 2022 as the local economy continued to recover from the effects of the pandemic-related closures.

Previously, the region experienced job losses in late 2013 and 2014, primarily in the Professional and Business Services sector due to federal sequestration and reductions in procurement

spending. The job growth over those two years averaged 0.4 percent. From 2015 to 2019, job growth accelerated to an average of 1.9 percent annually. Employment dropped 4.6 percent in 2020 due to the COVID-19 pandemic. As of July 2022, total nonfarm employment in Northern Virginia was 1,528,600, a gain of 31,800 jobs compared to July 2021.

### Jobs by Sector in Northern Virginia

Employment in the Professional and Business Services sector was 443,900 in July 2022, 29.0 percent of the total jobs in Northern Virginia.

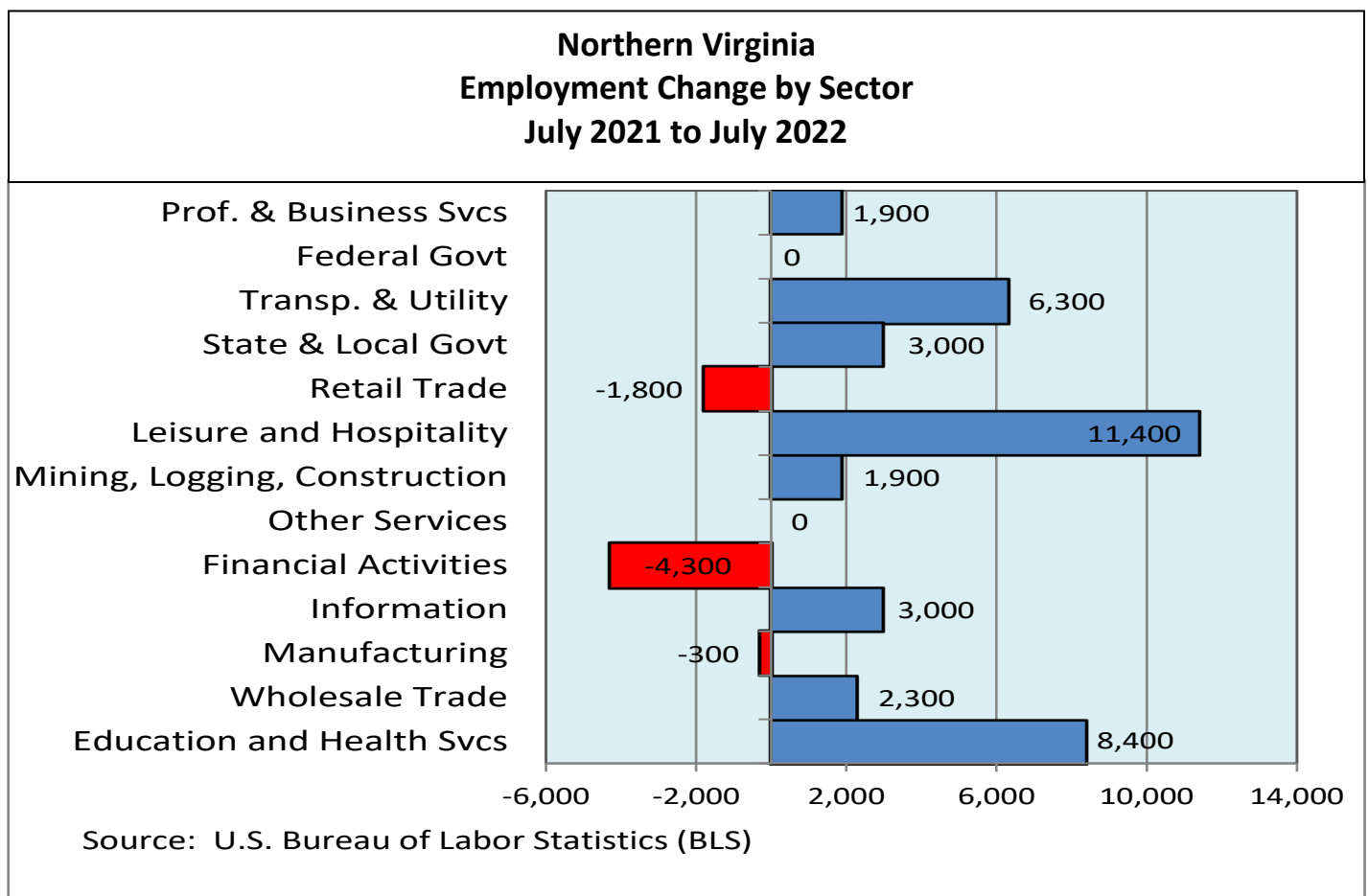


Note: Total employment in July 2022 was 1,528,600. Employment figures in the graph above are in thousands.

The Professional and Business Services sector includes such jobs as attorneys, federal contractors, and businesses that provide services to other businesses such as printing and computer services. The Education and Health Services sector, the second largest sector by number of employees, makes up 11.7 percent of total employment in Northern Virginia, while the Leisure and Hospitality sector, the third largest sector, makes up 9.7 percent of total employment. Federal government jobs represent 5.8 percent of total employment in the area.

### Change by Sector

Of the 31,800 net jobs gained over the year ending July 2022, 11,400 jobs were in the Leisure and Hospitality sector, which increased by 8.3 percent over July 2021. There was also a significant increase in the number of jobs in Educational and Health Services which increased by 8,400 jobs or 4.9 percent, and across most other major categories. The Financial Activities, Retail Trade, and Manufacturing sectors lost employees.



### Employment in Fairfax County

Fairfax County specific employment data by sector are reported on a delayed basis and are currently available through the first quarter of 2022. In March, total non-farm employment in Fairfax County was 608,084, an increase of 10,783 jobs or 1.8 percent compared to the previous March. The sector with the largest employment increase was Leisure and Hospitality, which increased by 6,821 jobs or 17.7 percent. The Professional and Business Services sector increased by 4,261 employees or 1.9 percent. During the pre-pandemic years of 2016 through 2019, annual job growth in Fairfax County averaged 1.5 percent.