



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

APRIL 2020

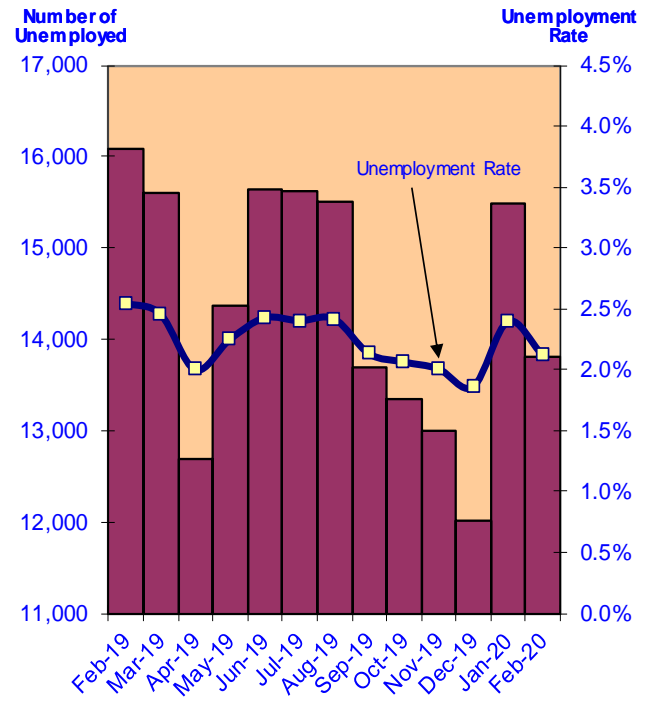
IN THIS ISSUE:

- Some information included in this month's edition of "Economic Indicators" predates the full economic impact of the COVID-19 pandemic including unemployment data, sales tax receipts, and housing market data.
- The unemployment rate in Fairfax County decreased 0.3 percentage point to 2.1 percent in February.
(See page 1)
- The Consumer Confidence Index decreased significantly in March.
(See page 2)
- The U.S economy shrank at an annual rate of 4.8 percent in the first quarter, led by a decrease of 7.6 percent in personal consumption expenditures.
(See page 2)
- The number of homes sold in Fairfax County in March increased 16.2 percent from a year earlier.
(See page 3)
- In March 2020, the average sales price of all homes sold in Fairfax County increased 8.6 percent compared to the average sale price in March 2019.
(See page 3)
- The number of active listings of homes for sale in the County decreased 13.8 percent in March 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.

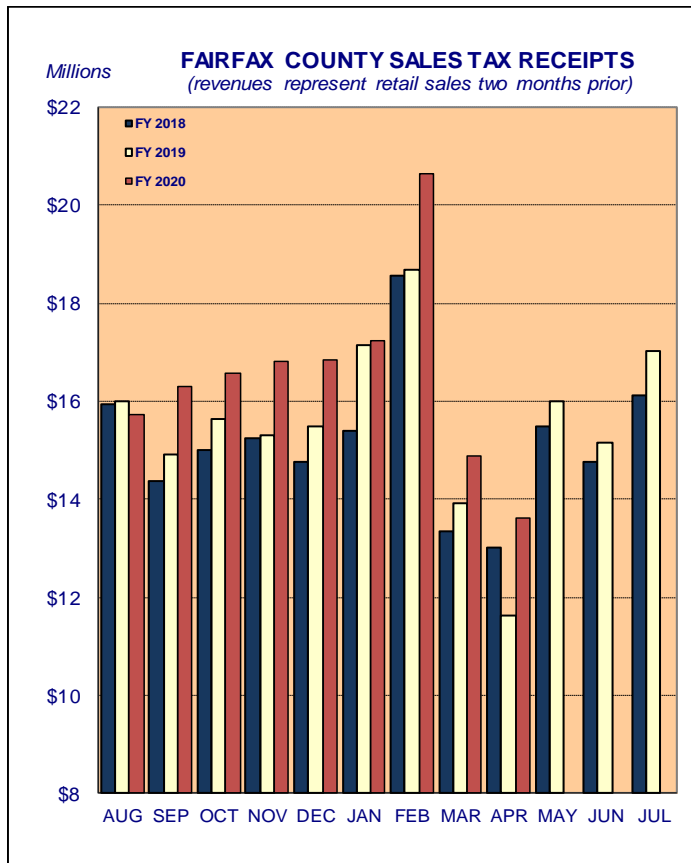
Employment

Compared to January, the February unemployment rate in Fairfax County decreased 0.3 percentage point to 2.1 percent. The number of unemployed residents decreased over the month from 15,480 to 13,811. The County's unemployment rate was down 0.4 percentage point from February 2019.

The seasonally adjusted unemployment rate in Virginia in February decreased 0.1 percentage point to 2.6 percent. The rate was down 0.4 percentage point from February 2019.

The U.S. seasonally adjusted unemployment rate in February decreased 0.1 percentage point to 3.5 percent. The rate was down 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 273,000 in February. Over the last three months, job gains have averaged 243,000 per month.

Sales Tax Receipts



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

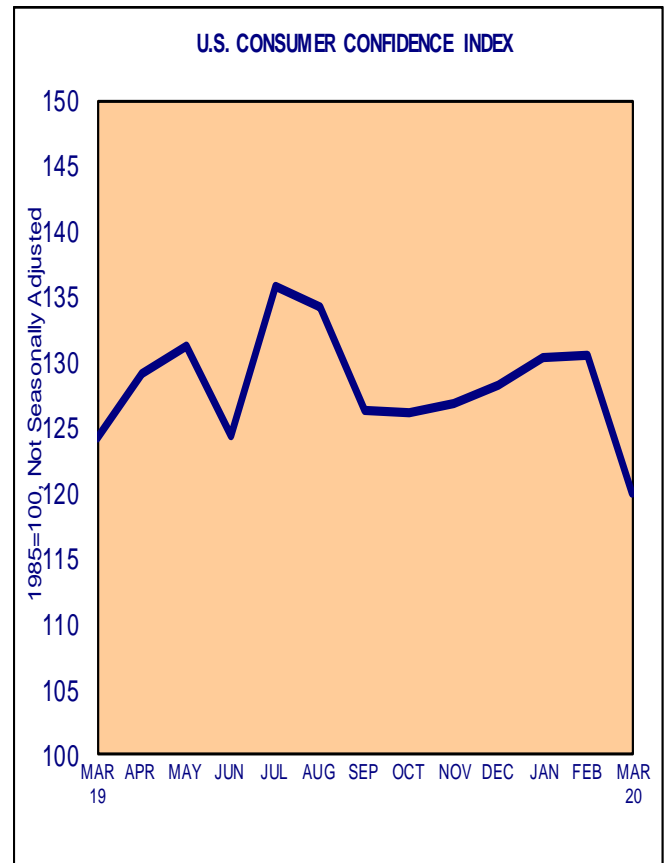
Sales Tax receipts distributed to Fairfax County in April for retail purchases made in February were \$13.6 million, an increase of 16.9 percent over April 2019. The year-over-year comparison was skewed by a significant refund that was issued in April 2019 as a result of a state audit. During the first nine months of FY 2020, Sales Tax receipts are up 7.2 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.

NATIONAL INDICATORS

Case-Shiller Home Price Indices

Baед on the latest available data, home prices in 20 U.S. cities, as measured by the S&P Case-Shiller home price index, increased 3.5 percent for the 12 months ending in February. Home prices in the Washington Metropolitan area posted a 3.7 percent gain during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "Importantly, today's report covers real estate transactions closed during the month of February, and shows no signs of any adverse effect from the governmental suppression of economic activity in response to the COVID-19 epidemic."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in March. It now stands at 120.0 (1985=100), down from 132.6 a month ago. Both the present situation component and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "The intensification of COVID-19 and extreme volatility in the financial markets have increased uncertainty about the outlook for the economy and jobs. March's decline in confidence is more in line with a severe contraction – rather than a temporary shock – and further declines are sure to follow."

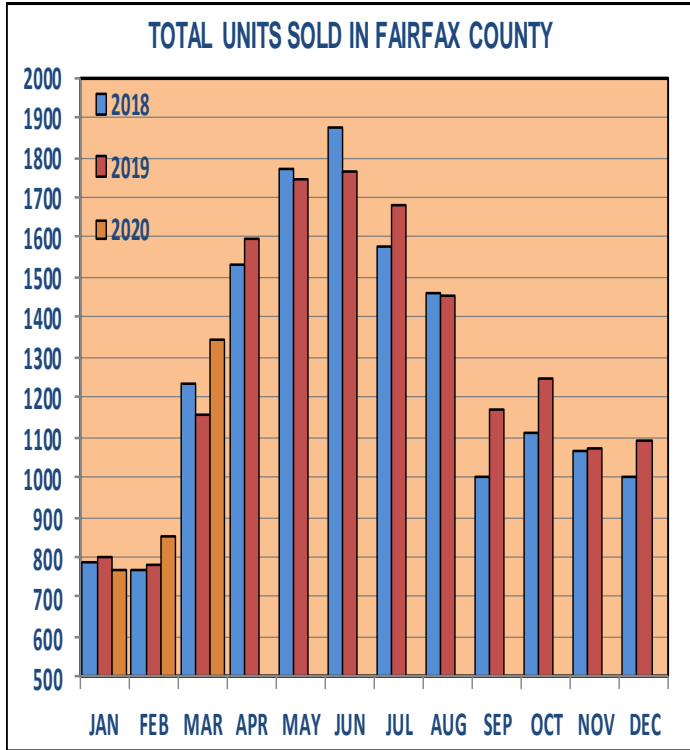
Gross Domestic Product (GDP)

According to the first estimate released by the Bureau of Economic Analysis (BEA), real gross domestic product decreased at an annual rate of 4.8 percent in the first quarter, after growing 2.1 percent in the fourth quarter of 2019. Personal consumption expenditures, which make up over two thirds of GDP, decreased 7.6 percent during the first quarter. According to the BEA, the decline in first quarter GDP was, in part, due to the response to the spread of COVID-19, as governments issued stay-at-home orders in March. This led to rapid changes in demand, as businesses and schools switched to remote work or canceled operations, and consumers canceled, restricted, or redirected their spending.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

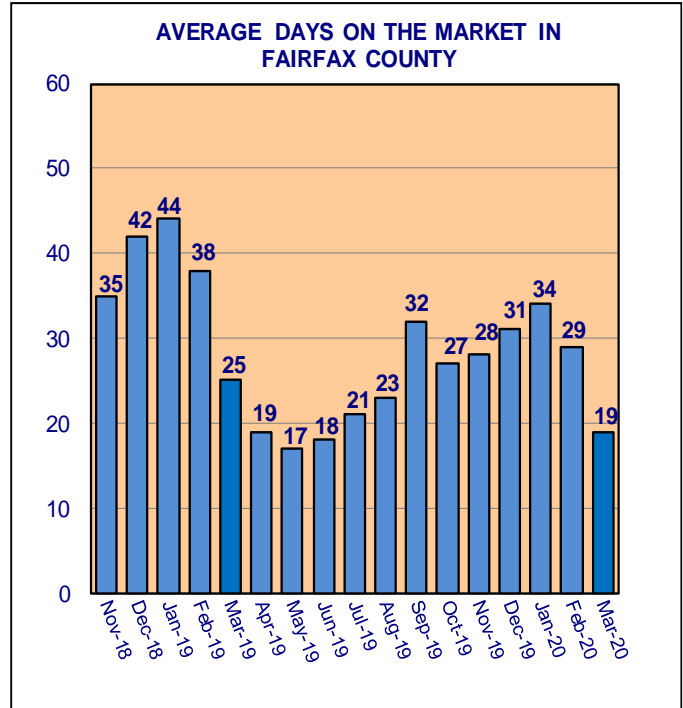
In March, 1,343 homes were sold in Fairfax County, an increase of 16.2 percent over the 1,156 homes that were sold in March 2019.



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 March were on the market for 19 days. This is 6 days fewer than the 25-day average in March 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 March 2020 in Fairfax County was \$631,053, an increase of 8.6 percent over the March 2019 average sales price of \$581,109. The average sales price was up 4.9 percent compared to the annual 2019 average home sales price of \$601,506.

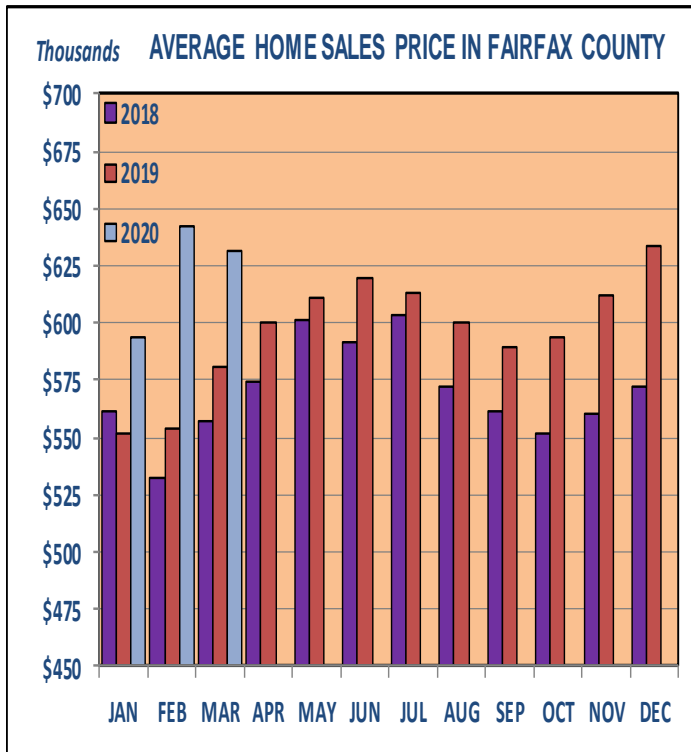
The average sales price for detached homes that sold in March 2020 was \$829,111, an increase of 9.7 percent over the March 2019 average of \$755,469. The average sales price of attached homes increased by 7.7 percent over the same period.

FAIRFAX COUNTY

AVERAGE SALES PRICE OF HOMES SOLD IN MAR 2020 COMPARED TO SALES IN MAR 2019

	MAR 2020	MAR 2019	% Change
All Homes	\$631,053	\$581,109	8.6%
Detached Homes	\$829,111	\$755,469	9.7%
Attached Homes	\$423,635	\$393,453	7.7%

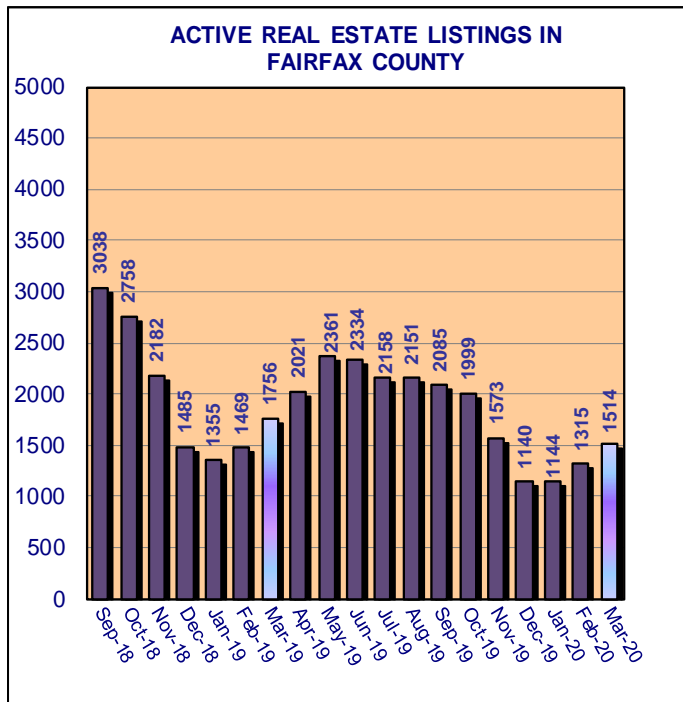
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read 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.

Inventory of Homes for Sale

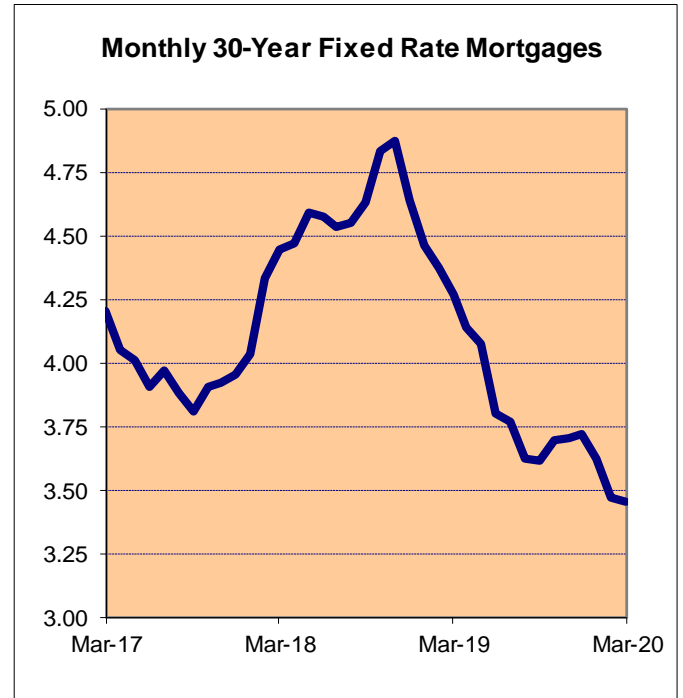
The number of active listings in the County in March was 1,514, a decrease of 13.8 percent from the 1,756 listings in March 2019. Based on the March 2020 listings and the current sales rate, there is approximately a 1.1-month supply of homes for sale in the County, less than the 1.5-month supply a year ago.



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

30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage rate decreased to 3.45 percent in March, down from 3.47 percent a month ago. A year ago, the rate was 4.27 percent.



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

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