

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

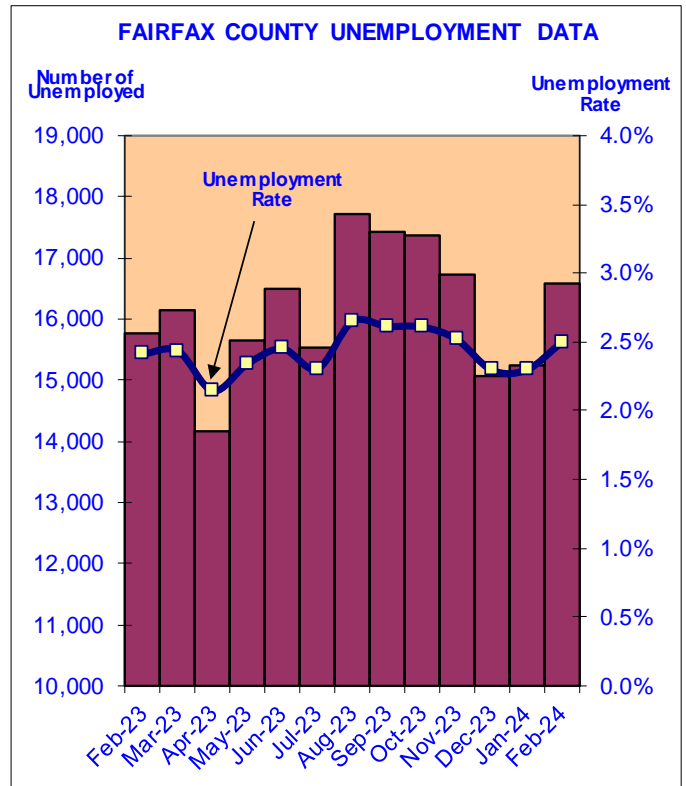
APRIL 2024

IN THIS ISSUE:

- The February unemployment rate in Fairfax County was 2.5 percent, 0.2 percentage point up from a month ago. (See page 1)
- April Sales tax receipts for purchases made in February increased 5.8 percent compared to last April. (See page 2)
- The Consumer Confidence Index retreated further in April, reaching its lowest level since July 2022. (See page 2)
- The number of homes sold in Fairfax County in March 2024 was down 14.8 percent from a year ago. (See page 3)
- In March 2024, the average sales price of all homes sold in Fairfax County increased 8.0 percent compared to March 2023. (See page 3)
- The number of active listings of homes for sale in the County in March 2024 decreased 11.3 percent from a year earlier. (See page 4)
- A 30-year fixed rate mortgage averaged 6.99 percent, up from 6.34 percent in April 2023. (See page 4)

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

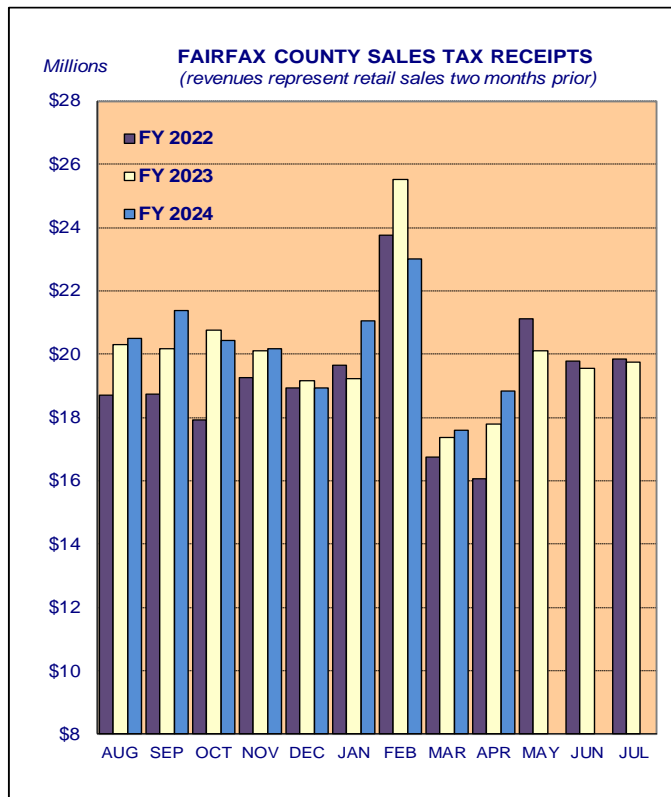
Employment

The unemployment rate in Fairfax County was up from 2.3 percent in January to 2.5 percent in February. The number of unemployed residents increased from 15,240 to 16,574. The County's unemployment rate was up 0.1 percentage point compared to February 2023.

Compared to January, the seasonally adjusted unemployment rate in Virginia remained at 3.0 percent in February. The rate was also unchanged compared to a year ago.

The U.S. seasonally adjusted unemployment rate in February increased from 3.7 percent to 3.9 percent. The rate was up 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 275,000 jobs in February, compared to an average monthly gain of 230,000 over the prior 12 months.

Sales Tax Receipts



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

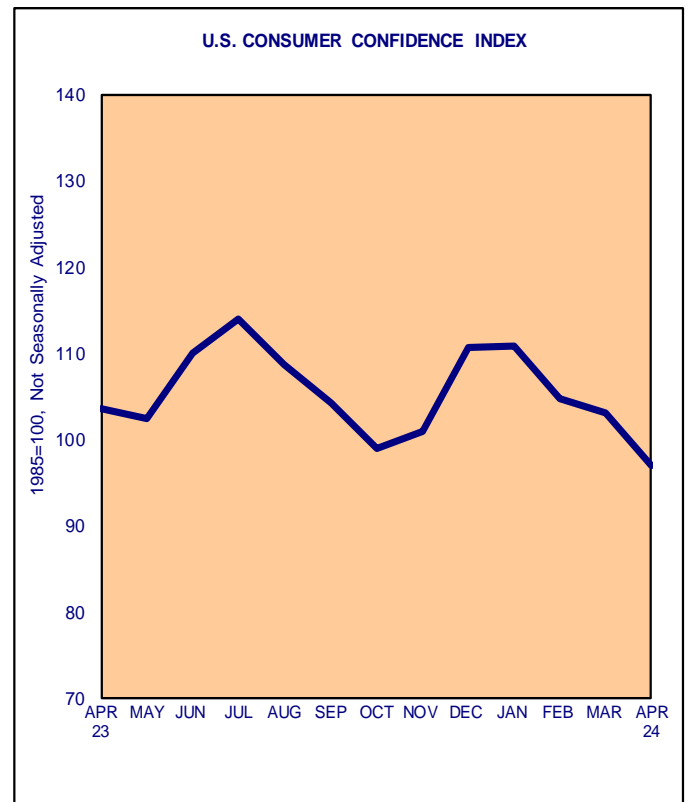
Sales Tax receipts distributed to Fairfax County in April 2024 for retail purchases made in February 2024 were \$18.8 million, an increase of 5.8 percent compared to April 2023. For the first 9 months of FY 2024, Sales Tax receipts are up 0.8 percent compared to the previous year.

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 7.3 percent in February compared to a year ago. Home prices in the Washington Metropolitan area increased by 7.1 percent during the same period. Brian D. Luke, Head of Commodities, Real & Digital assets, said that, "Following last year's decline, U.S. home prices are at or near all-time highs." He added that, "Since the previous peak in prices in 2022, this marks the second time home prices have pushed higher in the face of economic uncertainty...Enthusiasm for potential Fed cuts and lower mortgage rates appears to have supported buyer behavior, driving the 10- and 20-City Composites to new highs."

Consumer Confidence Index



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

The Consumer Confidence Index retreated to 97.0 in April, down from 103.1 in March. This marks the third consecutive month of decline. Both the present situation component and the expectations component decreased. The expectations component remained under 80, a reading that often signals a recession ahead. Dana Peterson, Chief Economist at the Conference Board, said that, "Confidence retreated further in April, reaching its lowest level since July 2022 as consumers became less positive about the current labor market situation, and more concerned about future business conditions, job availability, and income". She added that, "Despite April's dip in the overall index, since mid-2022, optimism about the present situation continues to more than offset concerns about the future. April's write-in responses highlighted elevated price levels, especially for food and gas, dominated consumer's concerns, with politics and global conflicts as distant runners-up."

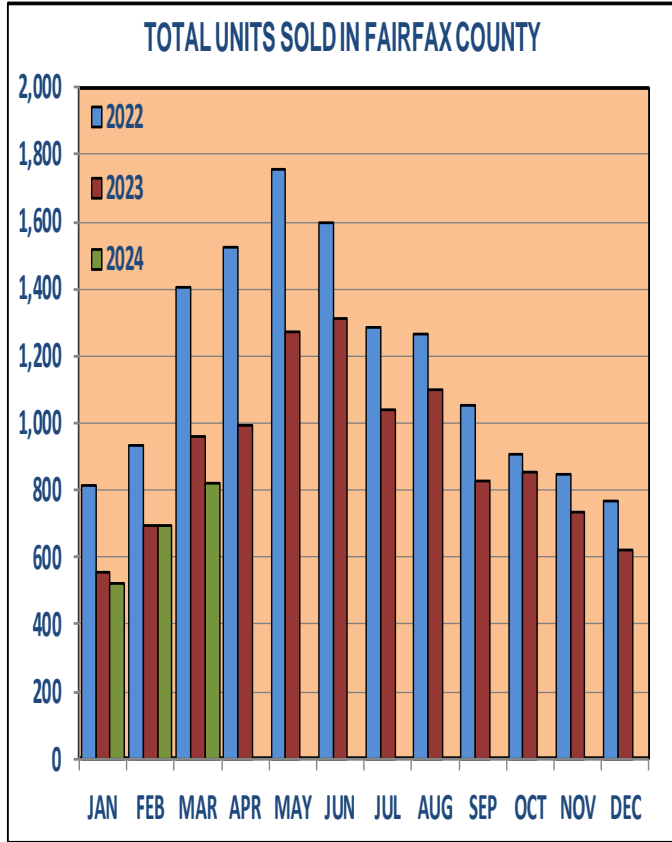
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 1.6 percent in the first quarter of 2024, according to the Advance estimate released by the Bureau of Economic Analysis (BEA). In the fourth quarter of 2023, real GDP increased 3.4 percent. The moderate increase in the first quarter primarily reflected increases in consumer spending, fixed investment, and state and local government spending. This was partially offset by a decrease in private inventory investment.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

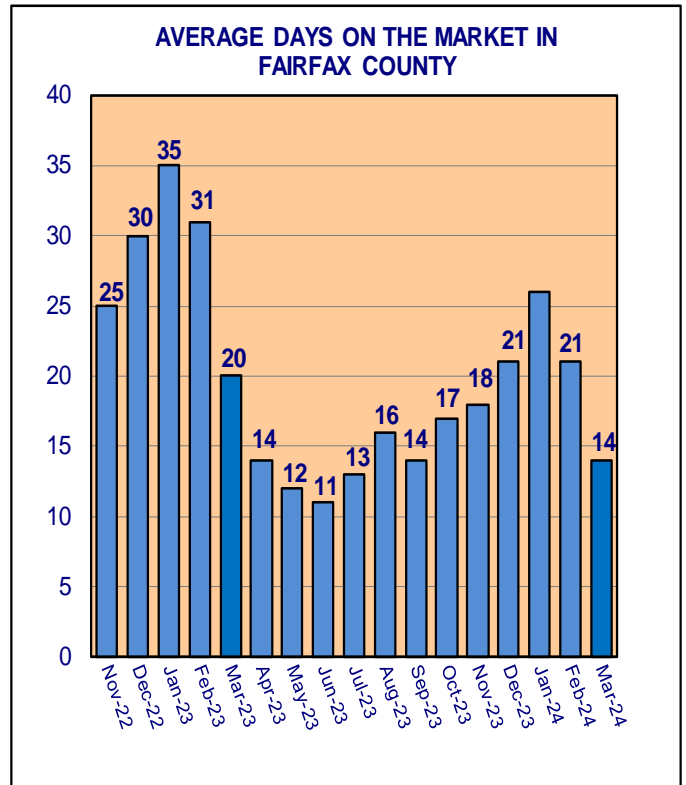
In March 2024, 818 homes were sold in Fairfax County, a decrease of 14.8 percent from the 960 homes that were sold in March 2023.



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 2024 were on the market for 14 days, a decrease of 6 days compared to March 2023.



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 2024 in Fairfax County was \$839,295, an increase of 8.0 percent over the March 2023 average sales price of \$776,792. The average sales price was up 6.2 percent compared to the 2023 annual average home sales price of \$790,367.

The average sales price for detached homes that sold in March 2024 was \$1,128,656, an increase of 4.8 percent over the March 2023 average of \$1,077,212. The average sales price of attached homes grew 9.4 percent over the same period.

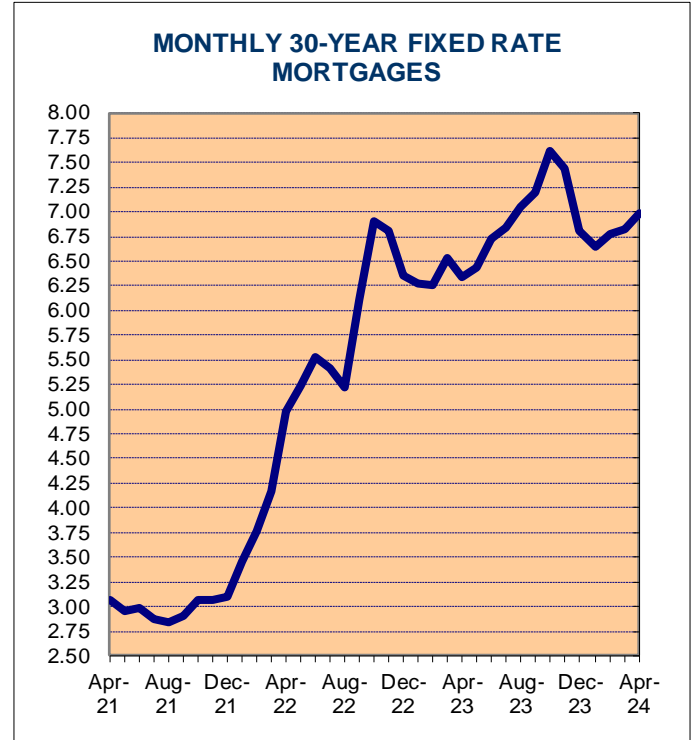
FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN MAR 2024 COMPARED TO SALES IN MAR 2023

	MAR 2024	MAR 2023	% Change
All Homes	\$839,295	\$776,792	8.0%
Detached Homes	\$1,128,656	\$1,077,212	4.8%
Attached Homes	\$548,514	\$501,557	9.4%

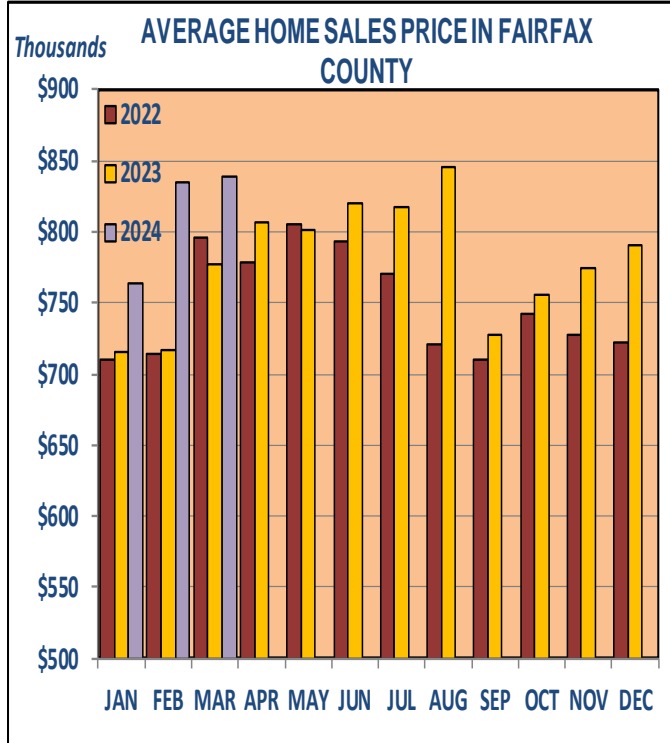
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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

30-Year Fixed Rate Mortgages

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate in April increased to 6.99 percent, up from 6.82 percent a month ago. A year ago, the average 30-year mortgage rate was 6.34 percent. While mortgage rates have contracted moderately since the peak in October 2023, the uptick trend might resume if the Federal Reserve holds off on rate cuts for longer than initially expected, particularly since many inflation metrics are still above the Fed's comfort level. Mortgage rates in April were more than 175 basis points higher than two years ago.



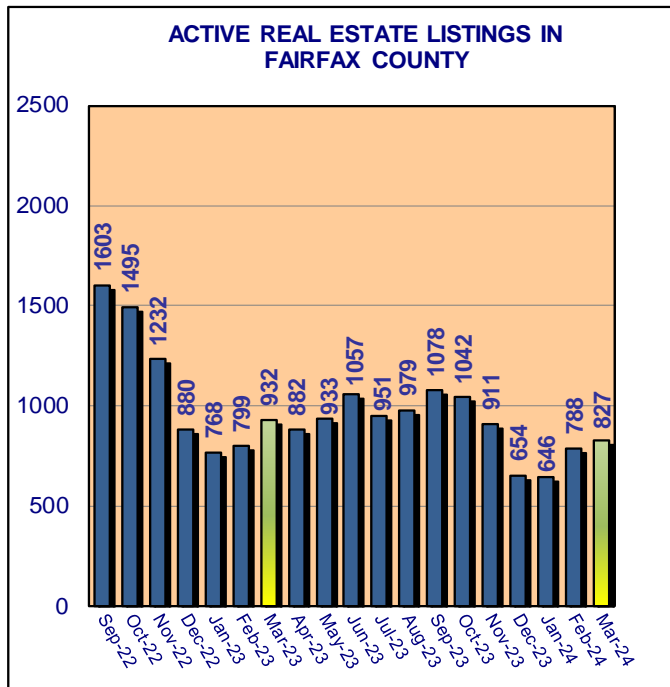
Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.



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 March 2024 was 827, a decrease of 11.3 percent from the 932 listings in March 2023. Based on the March 2024 listings and the current sales rate, there is approximately a 1.0-month supply of homes for sale in the County, the same as a year ago.



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

The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or TTY 711 (Virginia Relay Center)

Staff: Albena Assenova, Revenue and Economic Analysis Division Director; Taotao Luo, Budget Analyst