



# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

NOVEMBER 2023

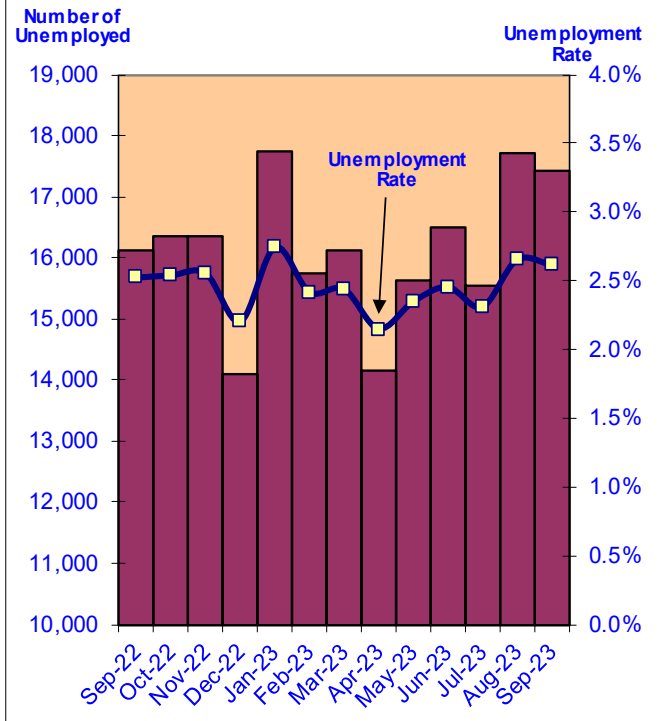
## IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased from 2.7 percent in August to 2.6 percent in September. (See page 1)
- November Sales tax receipts for purchases made in September increased 0.3 percent compared to last November. (See page 2)
- The Consumer Confidence Index increased in November after three consecutive months of declines. (See page 2)
- The number of homes sold in Fairfax County in October 2023 decreased 5.7 percent from a year earlier. (See page 3)
- In October 2023, the average sales price of all homes sold in Fairfax County increased 1.8 percent compared to October 2022. (See page 3)
- The number of active listings of homes for sale in the County in October 2023 decreased 30.3 percent from a year earlier. (See page 4)
- The average 30-year fixed rate mortgage interest rate increased to 7.62 percent in October, up from 6.90 percent a year 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

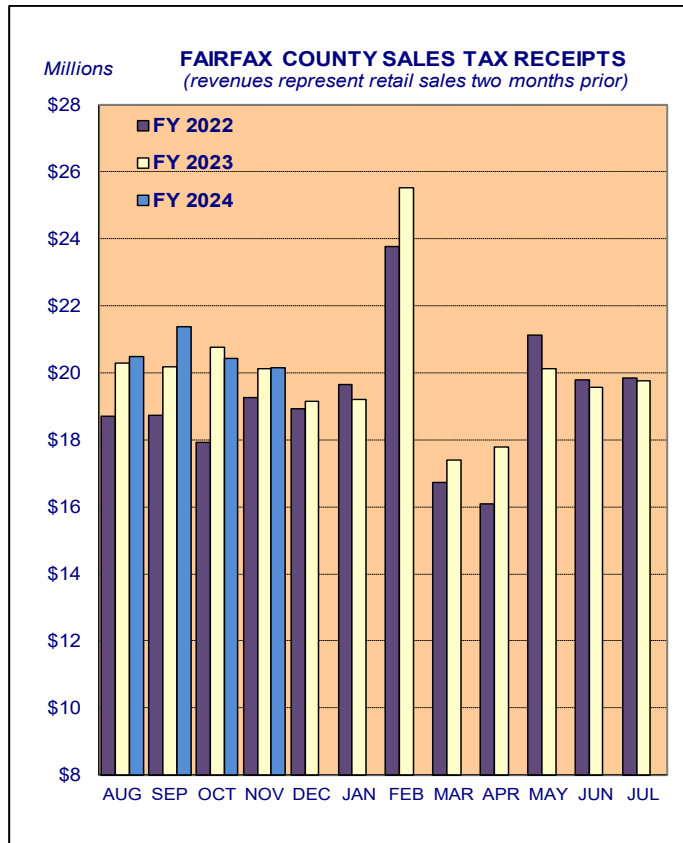
## Employment

The September unemployment rate in Fairfax County decreased to 2.6 percent, down from 2.7 percent in August. The number of unemployed residents decreased from 17,725 to 17,421. The County's unemployment rate was up 0.1 percentage point compared to September 2022.

The seasonally adjusted unemployment rate in Virginia stayed at 2.5 percent in September. The rate was down 0.5 percentage point compared to September 2022.

The U.S. seasonally adjusted unemployment rate in September was also unchanged at 3.8 percent. The rate was up 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 336,000 jobs in September, above the average monthly gain of 267,000 over the prior 12 months.

## Sales Tax Receipts



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

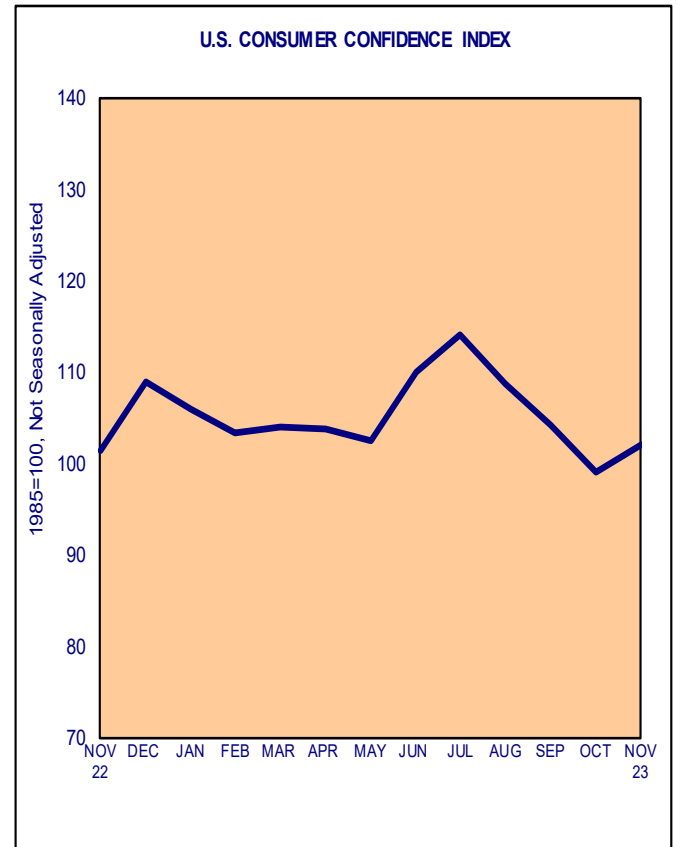
Sales Tax receipts distributed to Fairfax County in November for retail purchases made in September were \$20.2 million, an increase of 0.3 percent compared to November 2022. For the first 4 months of FY 2024, Sales Tax receipts are up 1.3 percent compared to the previous year.

## 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 3.9 percent for the 12 months ending in September. Home prices in the Washington Metropolitan area increased by 4.4 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "Although this year's increase in mortgage rates has surely suppressed the quantity of homes sold, the relative shortage of inventory for sale has been a solid support for prices." He added that, "Unless higher rates or exogenous events lead to general economic weakness, the breadth and strength of this month's report are consistent with an optimistic view of future results."

## Consumer Confidence Index



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

After declining for three consecutive months, the Consumer Confidence Index increased in November to 102.0, up from 99.1 in October. Both the present situation component and expectations component increased. However, the Expectations Index is still below 80, the level which often signals a recession within the next year. Dana Peterson, Chief Economist at the Conference Board, said that, "Consumers remain preoccupied with rising prices in general, followed by war/conflicts and higher interest rates." She added that, "Buying plans for autos, homes, and big-ticket appliances trended downward on a six-month basis—perhaps reflecting the impact of elevated interest rates."

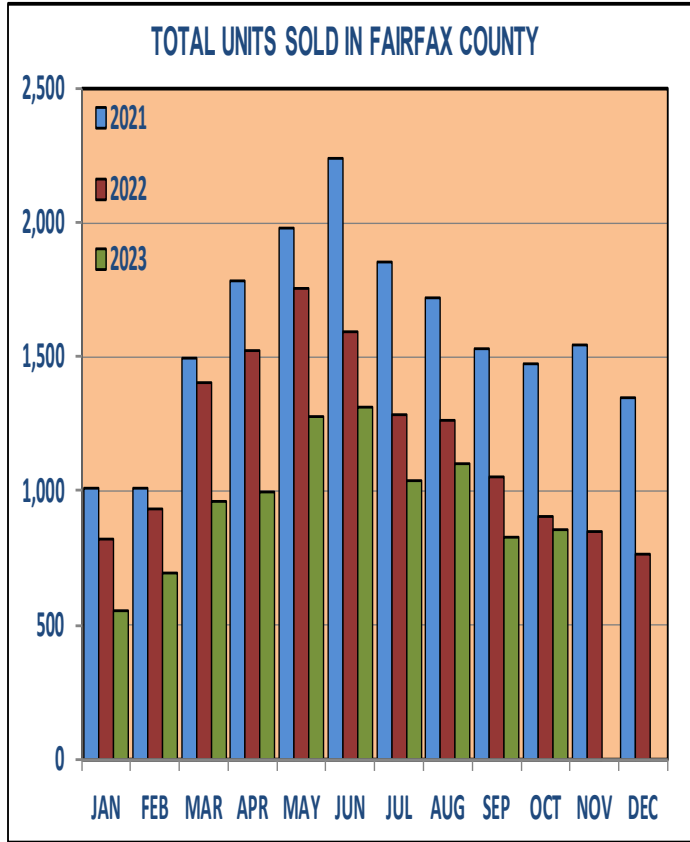
### Consumer Price Index (CPI)

Compared to a year ago, the Consumer Price Index for all Urban Consumers (CPI-U) increased 3.2 percent in October before seasonal adjustments. The increases were led by a 6.7 percent increase in the cost of shelter, and a 3.3 percent increase in the cost of food. The cost of energy decreased 4.5 percent, and the cost of used cars and trucks decreased 7.1 percent. The October index for all items less food and energy increased 4.0 percent over the course of the last 12 months. The Federal Reserve target inflation rate is 2 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

In October 2023, 855 homes were sold in Fairfax County, a decrease of 5.7 percent from the 907 homes that were sold in October 2022.

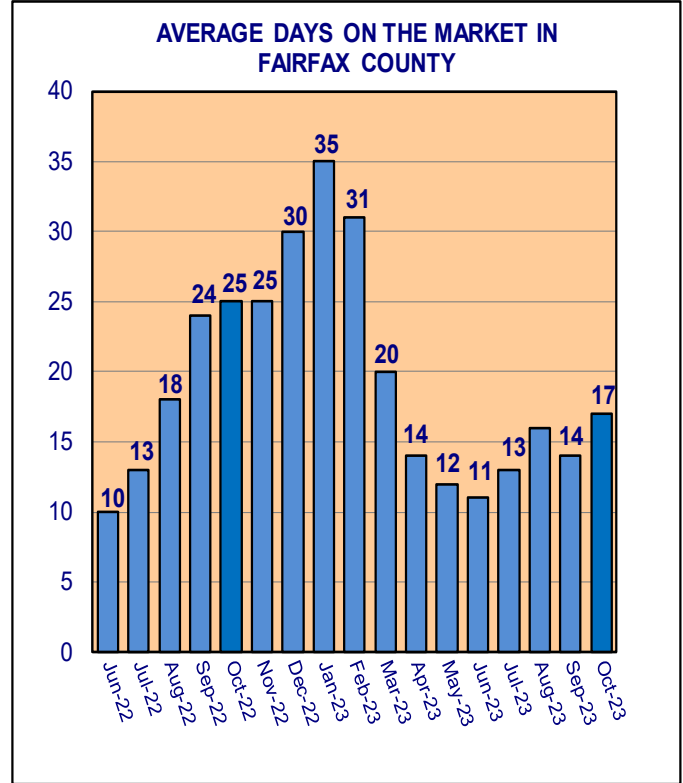


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

## Average Days on the Market

On average, homes that sold in Fairfax County in October 2023 were on the market for 17 days, a decrease of 8 days compared to October 2022.

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.

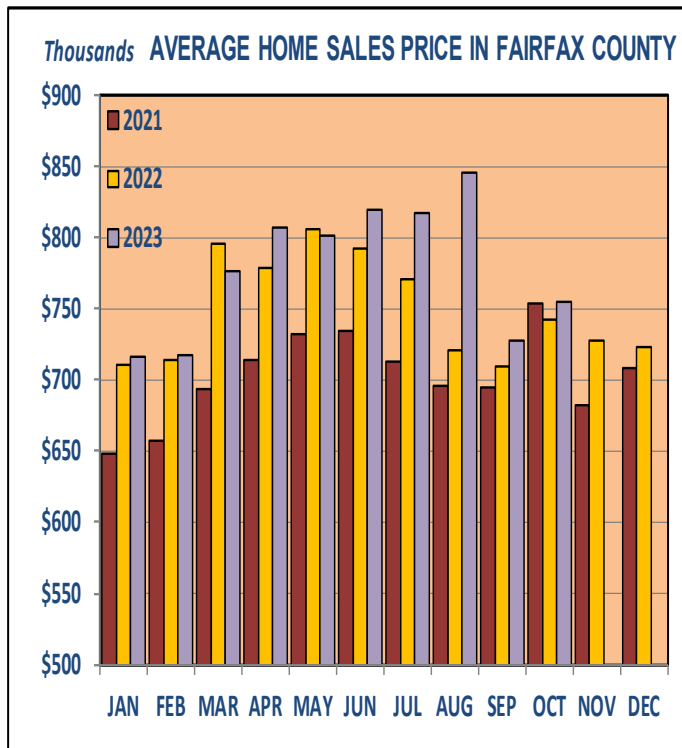
## Average Home Sales Prices

The average sales price of all homes that sold in October 2023 in Fairfax County was \$755,259, an increase of 1.8 percent over the October 2022 average sales price of \$742,196. The average sales price was down 0.9 percent compared to the 2022 annual average home sales price of \$761,799.

The average sales price for detached homes that sold in October 2023 was \$1,051,020, an increase of 6.0 percent over the October 2022 average of \$991,124. The average sales price of attached homes increased by 3.5 percent over the same period.

### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN OCT 2023 COMPARED TO SALES IN OCT 2022

	OCT 2023	OCT 2022	% Change
All Homes	\$755,259	\$742,196	1.8%
Detached Homes	\$1,051,020	\$991,124	6.0%
Attached Homes	\$509,530	\$492,167	3.5%



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

### 30-Year Fixed Rate Mortgages

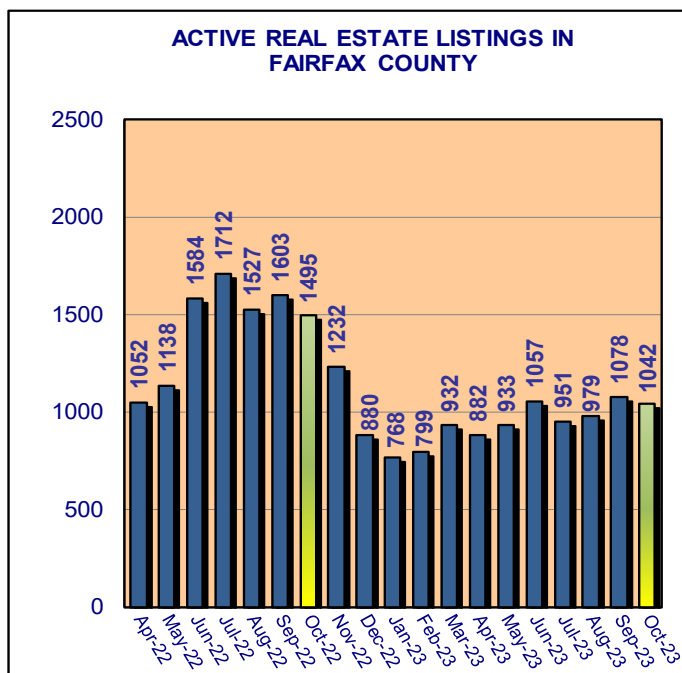
According to Freddie Mac, the average 30-year fixed rate mortgage interest rate in October increased to 7.62 percent, up from 7.20 percent a month ago. A year ago, the average 30-year mortgage rate was 6.90 percent. This is the highest level since November 2000.



Source: Freddie Mac. 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 October 2023 was 1,042, a decrease of 30.3 percent from the 1,495 listings in October 2022. Based on the October 2023 listings and the current sales rate, there is approximately a 1.3-month supply of homes for sale in the County, less than the 1.4-month supply a year ago.



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

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