



ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

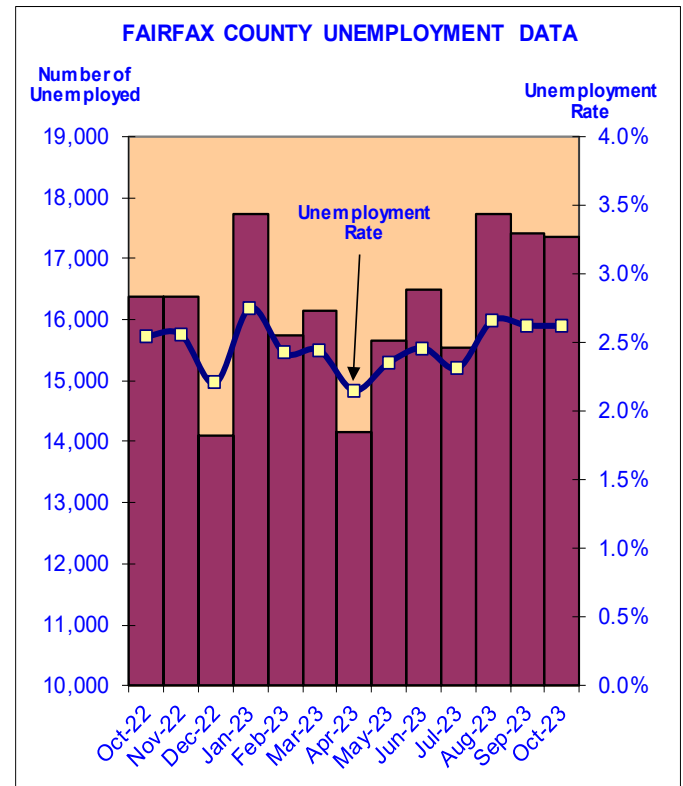
DECEMBER 2023

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- The October unemployment rate in Fairfax County remained unchanged at 2.6 percent. (See page 1)
- December Sales tax receipts for purchases made in October decreased 1.2 percent compared to last December. (See page 2)
- The Consumer Confidence Index increased in December. (See page 2)
- The number of homes sold in Fairfax County in November 2023 decreased 13.6 percent from a year earlier. (See page 3)
- In November 2023, the average sales price of all homes sold in Fairfax County increased 6.5 percent compared to November 2022. (See page 3)
- The number of active listings of homes for sale in the County in November 2023 decreased 26.1 percent from a year earlier. (See page 4)
- As of mid-year 2023, the direct office vacancy rate in Fairfax County increased to 17.1 percent. (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

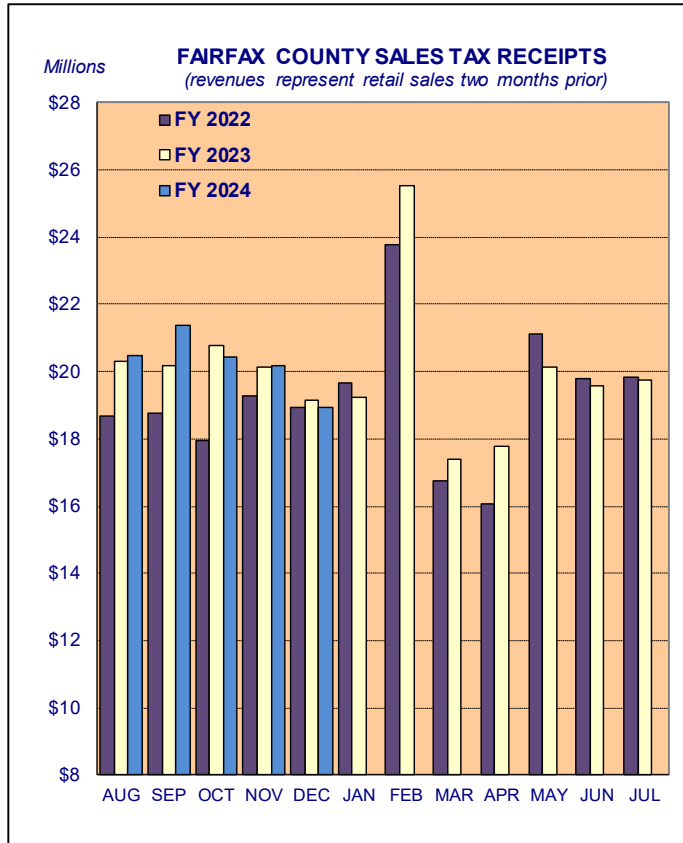
Employment

Compared to September, the October unemployment rate in Fairfax County remained unchanged at 2.6 percent. The number of unemployed residents decreased slightly from 17,421 to 17,354. The County's unemployment rate was up 0.1 percentage point compared to October 2022.

Compared to September, the seasonally adjusted unemployment rate in Virginia increased 0.2 percentage point in October to 2.7 percent. The rate was down 0.4 percentage point compared to October 2022.

The U.S. seasonally adjusted unemployment rate in October increased 0.1 percentage point to 3.9 percent. The rate was up 0.2 percentage point from a year ago. Total nonfarm payroll employment increased by 150,000 jobs in October, below the average monthly gain of 258,000 over the prior 12 months.

Sales Tax Receipts



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

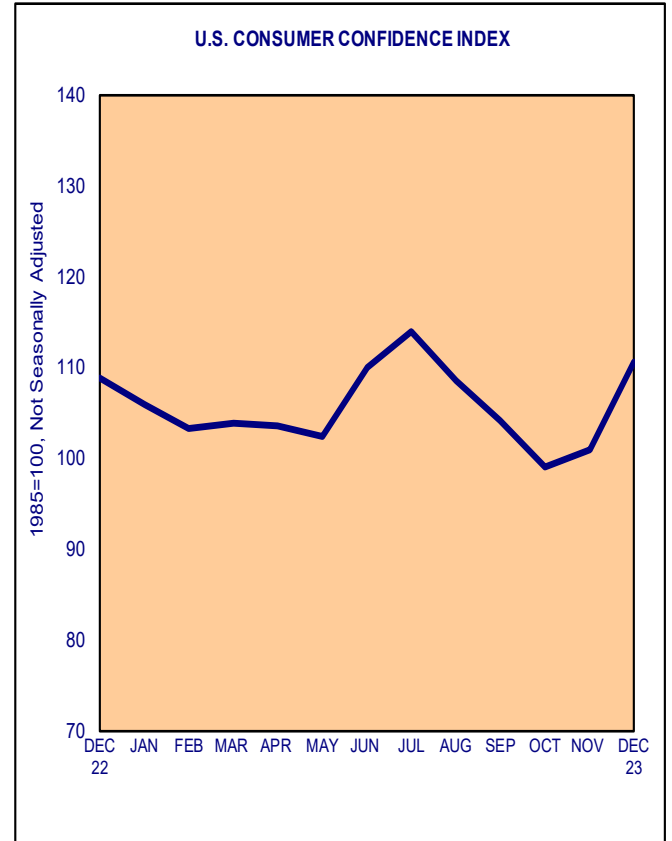
Sales Tax receipts distributed to Fairfax County in December for retail purchases made in October were \$21.1 million, a decrease of 1.2 percent compared to December 2022. For the first 5 months of FY 2024, Sales Tax receipts are up 0.9 percent compared to the previous year.

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 4.9 percent for the 12 months ending in October. Home prices in the Washington Metropolitan area increased by 4.7 percent during the same period. Brian D. Luke, Head of Commodities, Real & Digital assets, said that, "We are experiencing broad based home price appreciation across the country, with steady gains seen in nineteen of twenty cities." He added that, "Home prices leaned into the highest mortgage rates recorded in this market cycle and continued to push higher. With mortgage rates easing and the Federal Reserve guiding toward a slightly more accommodative stance, homeowners may be poised to see more appreciation."

Consumer Confidence Index



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

The Consumer Confidence Index increased in December to 110.7, up from 101.0 in November. Both the present situation component and expectations component increased. Dana Peterson, Chief Economist at the Conference Board, said that, "December's write-in responses revealed the top issue affecting consumers remains rising prices in general, while politics, interest rates, and global conflicts all saw downticks as top concerns." She added that consumers' expectations of a U.S. recession over the next 12 months "abated in December to the lowest level seen this year—though two-thirds still perceive a downturn is possible in 2024."

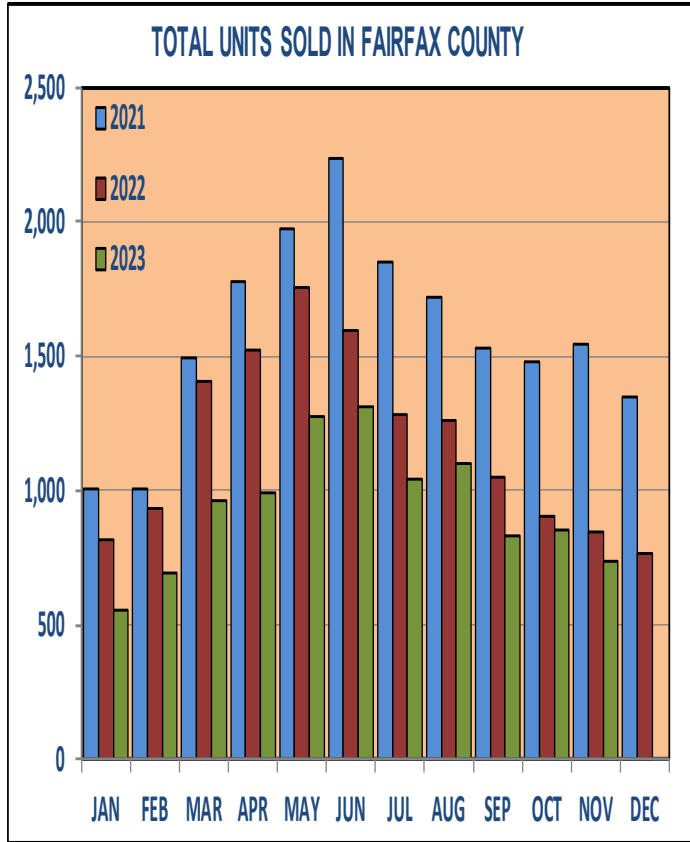
Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 4.9 percent in the third quarter of 2023, according to the third estimate released by the Bureau of Economic Analysis (BEA). The second estimate of growth was 5.2 percent. The update primarily reflected a downward revision to consumer spending. In the second quarter, real GDP increased 2.1 percent. The acceleration in the third quarter primarily reflected an increase in exports and accelerations in consumer spending and private inventory investment.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In November 2023, 734 homes were sold in Fairfax County, a decrease of 13.6 percent from the 850 homes that were sold in November 2022.

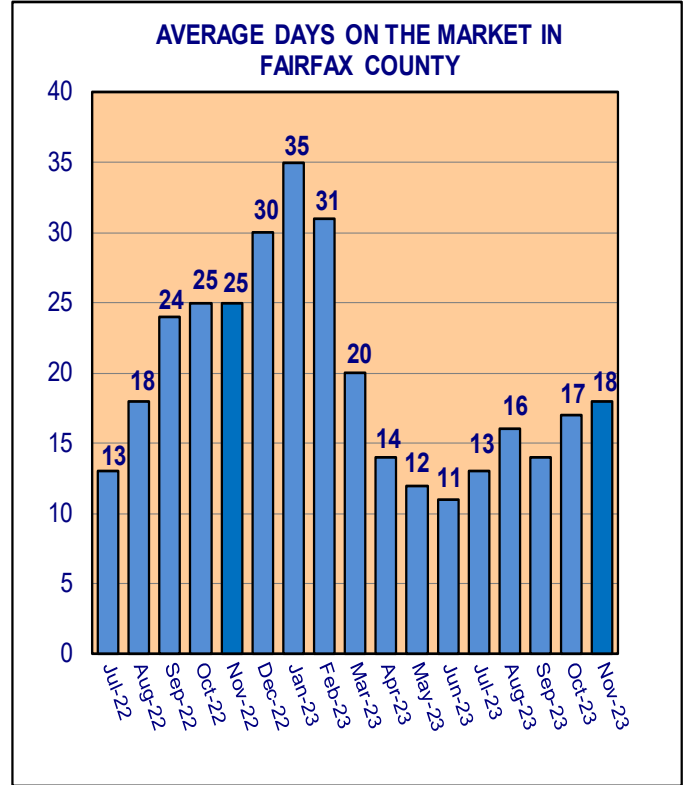


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in November 2023 were on the market for 18 days, a decrease of 7 days compared to November 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.

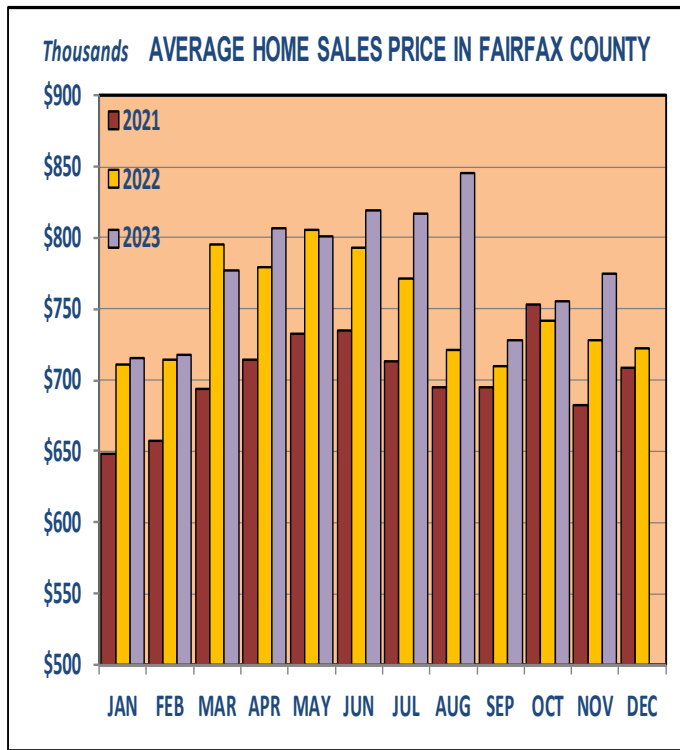
Average Home Sales Prices

The average sales price of all homes that sold in November 2023 in Fairfax County was \$774,548, an increase of 6.5 percent over the November 2022 average sales price of \$727,566. The average sales price was up 1.7 percent compared to the 2022 annual average home sales price of \$761,799.

The average sales price for detached homes that sold in November 2023 was \$1,075,263, an increase of 9.0 percent over the November 2022 average of \$986,713. The average sales price of attached homes decreased by 0.5 percent over the same period.

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

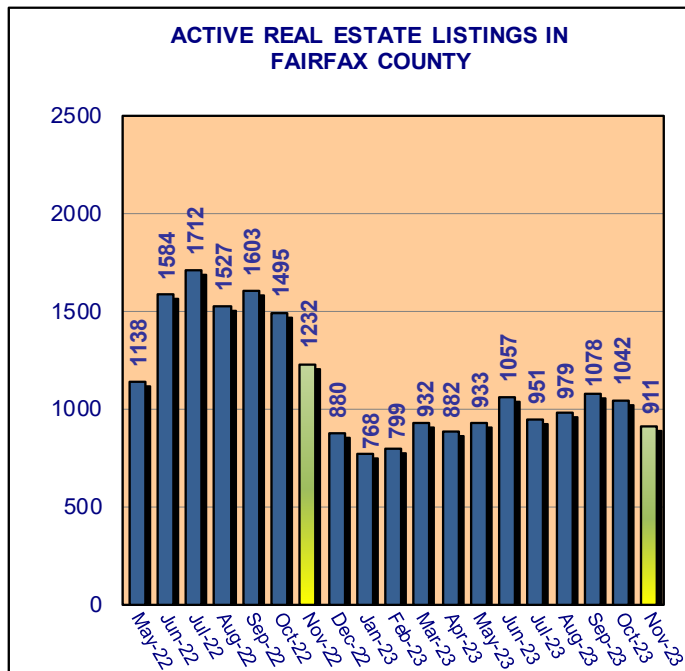
	NOV 2023	NOV 2022	% Change
All Homes	\$774,548	\$727,566	6.5%
Detached Homes	\$1,075,263	\$986,713	9.0%
Attached Homes	\$495,932	\$498,298	-0.5%



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 November 2023 was 911, a decrease of 26.1 percent from the 1,232 listings in November 2022. Based on the November 2023 listings and the current sales rate, there is approximately a 1.1-month supply of homes for sale in the County, less than the 1.2-month supply a year ago.

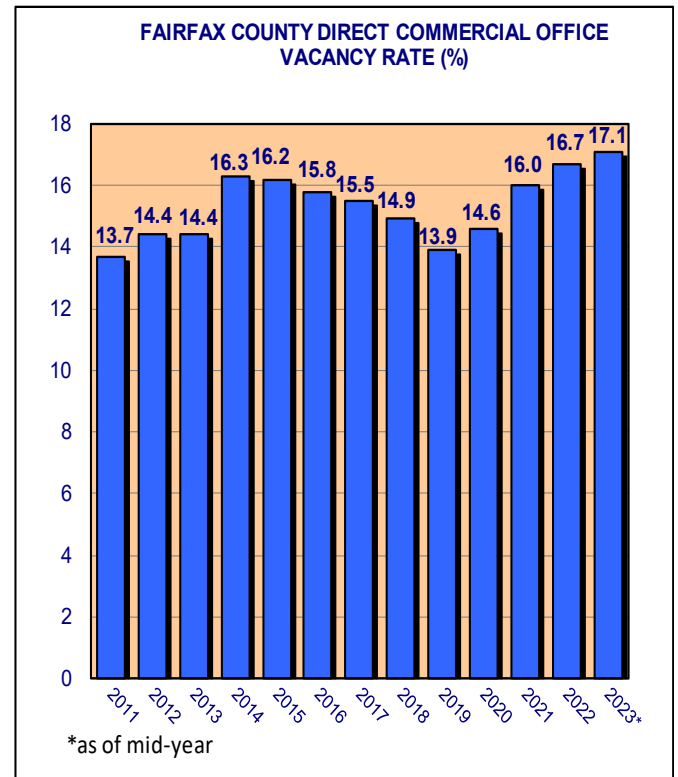


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the mid-year 2023 direct office vacancy rate increased to 17.1 percent, an increase of 0.4 percentage point over the year-end 2022 vacancy rate of 16.7 percent.

Typically, the County would see construction levels above two million square of new office space feet year after year, but as of mid-year 2023, under the post-pandemic financial climate, there was just one million square feet under construction, across five buildings. Three of the office buildings under construction commenced work without a committed tenant but are expected to capture some of the trophy office demand due to location along the Silver Line and proximity to in-demand amenities.



Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.

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