

ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

FEBRUARY 2021

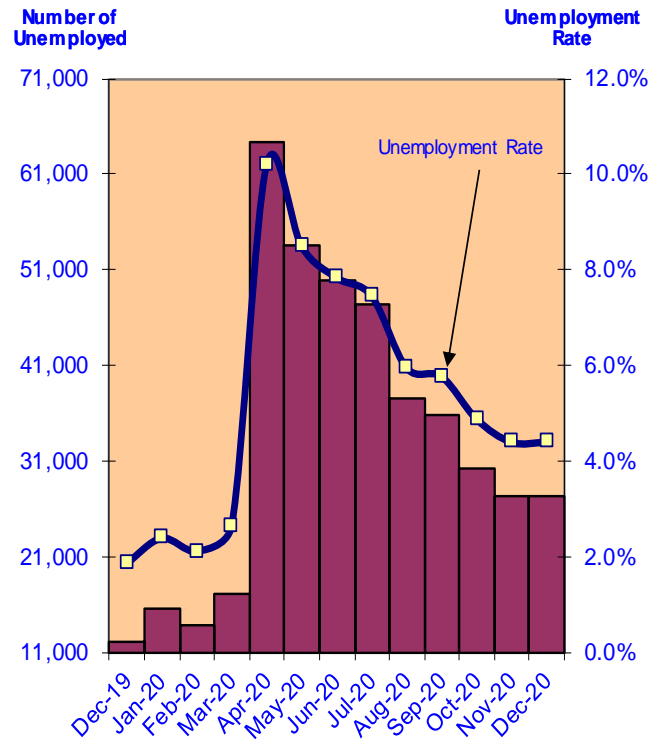
IN THIS ISSUE:

- The unemployment rate in Fairfax County remained unchanged at 4.4 percent in December.
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- Sales tax receipts decreased 1.0 percent through the first seven months of the fiscal year.
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- The Consumer Confidence Index increased in January after two months of declines.
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- The number of homes sold in Fairfax County in January increased 30.9 percent from a year earlier.
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- In January 2021, the average sales price of all homes sold in Fairfax County increased 9.2 percent compared to the average sale price in January 2020.
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- The number of active listings of homes for sale in the County decreased 17.4 percent in January from a year ago.
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- A 30-year fixed rate mortgage averaged 2.81 percent, up from 2.74 percent in the previous month.
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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.

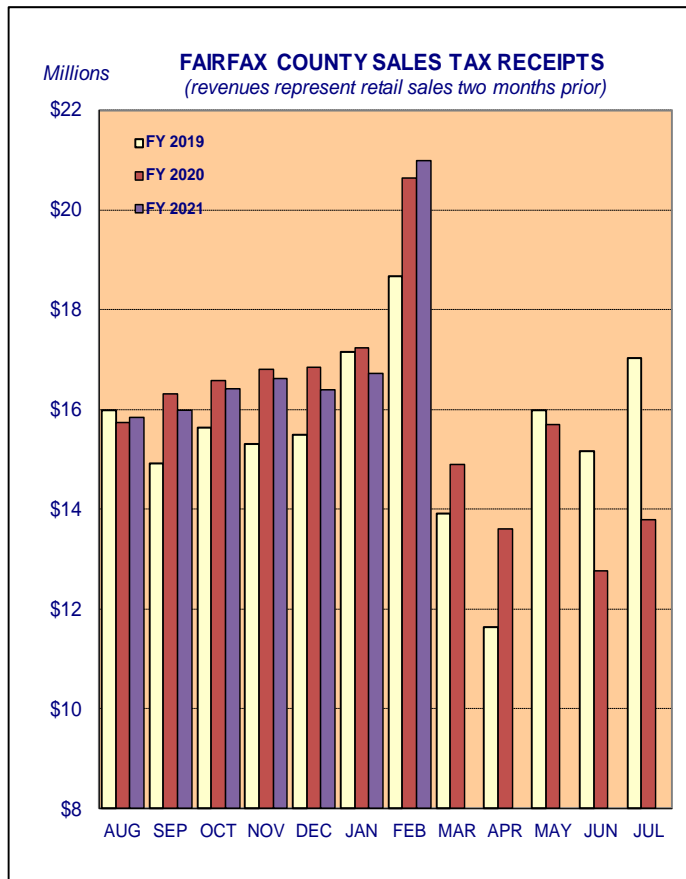
Employment

Compared to November, the December unemployment rate in Fairfax County remained unchanged at 4.4 percent. The number of unemployed residents decreased just slightly over the month from 27,327 to 27,313. The County's unemployment rate was up 2.5 percentage points over December 2019.

The seasonally adjusted unemployment rate in Virginia in December decreased 0.2 percentage point to 5.6 percent. The rate was up 3.1 percentage points over December 2019.

The U.S. seasonally adjusted unemployment rate in December was unchanged at 6.7 percent. The rate was up 3.1 percentage points compared to a year ago. Total nonfarm payroll employment declined by 140,000 jobs in December, following seven consecutive months of job gains. In December, employment was below the February level by 9.8 million, or 6.5 percent.

Sales Tax Receipts



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

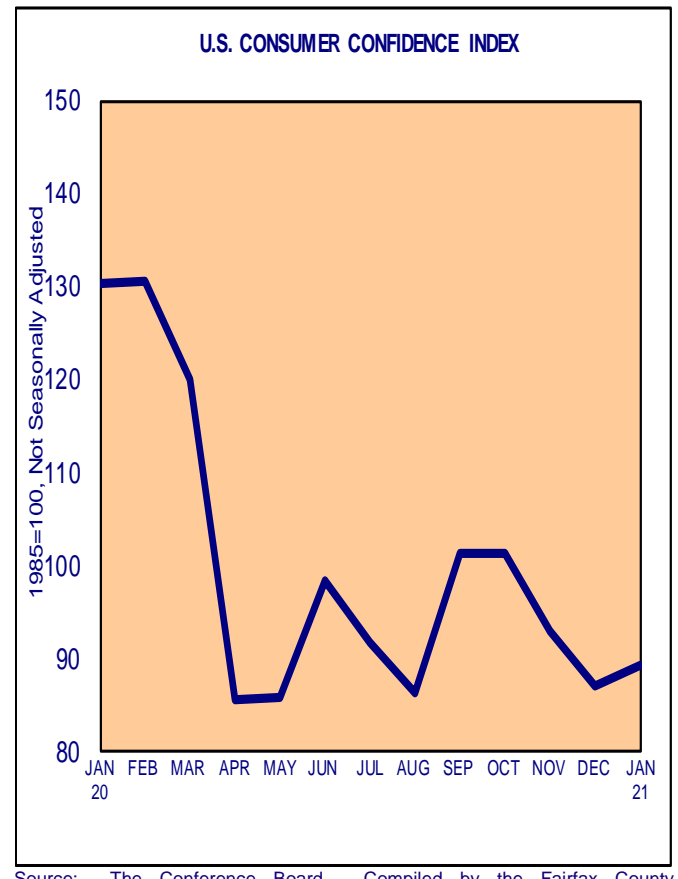
Sales Tax receipts distributed to Fairfax County in February for retail purchases made in December were \$21.0 million, an increase of 1.8 percent over February 2019. For the first seven months of FY 2021, sales tax receipts are down 1.0 percent compared to the previous year.

NATIONAL INDICATORS

Case-Shiller Home Price 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 10.1 percent for the 12 months ending in December. Home prices in the Washington Metropolitan area gained 10.3 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "The trend of accelerating home prices that began in June 2020 has now reached its seventh month." He added that "As COVID-related restrictions began to grip the economy in early 2020, their effect on housing prices was unclear. Price growth decelerated in May and June, and then began a steady climb upward, and December's report continues that acceleration in an emphatic manner."

Consumer Confidence Index



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

The Consumer Confidence Index increased in January after falling the previous two months. The index now stands at 89.3 (1985=100), up from 87.1 a month ago. The present situation component decreased while the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' appraisal of current conditions weakened further in January, with COVID-19 still the major suppressor." She added that, "Consumers' expectations for the economy and jobs, however, advanced further, suggesting that consumers foresee conditions improving in the not-too-distant future."

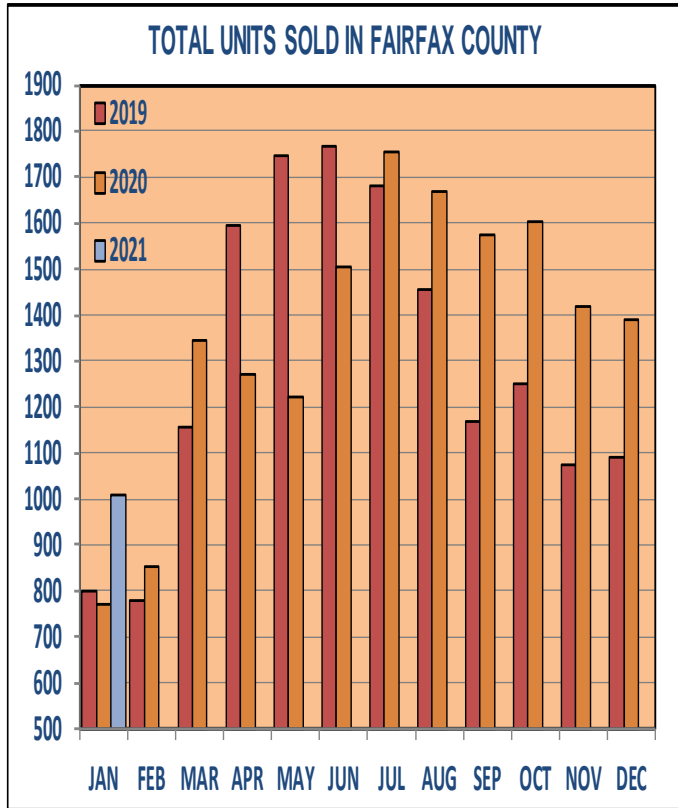
Gross Domestic Product

According to the third estimate released by the Bureau of Economic Analysis, real gross domestic product increased at an annual rate of 4.3 percent in the fourth quarter of 2020, after growing 33.4 percent in the third quarter. For all of 2020, the U.S. economy is estimated to have shrunk 3.5 percent, compared to an increase of 2.2 percent during 2019.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In January 2021, 1,008 homes were sold in Fairfax County, an increase of 30.9 percent over the 770 homes that were sold in January 2020.

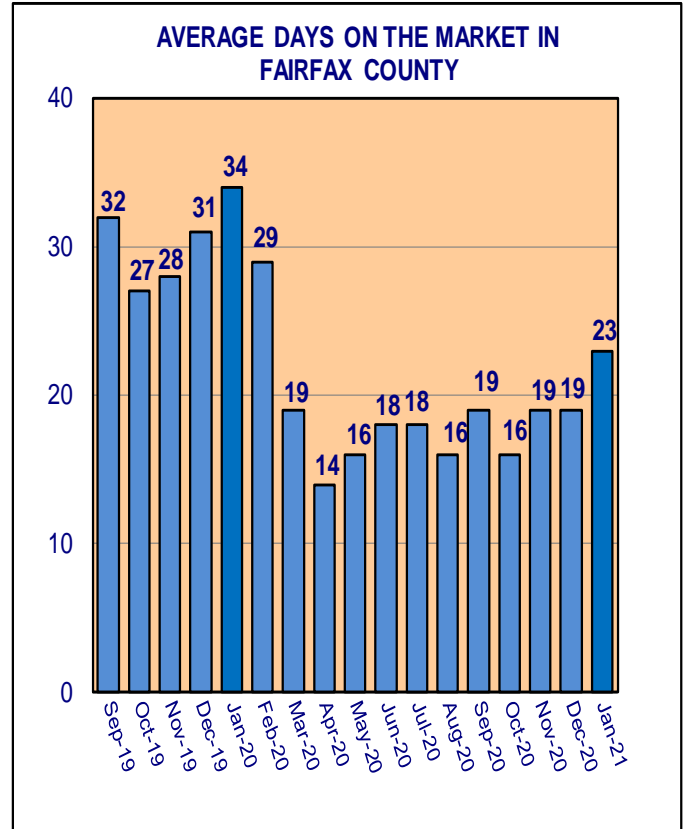


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in January were on the market for 23 days. This is 11 days fewer than the 34-day average in January 2020.

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.

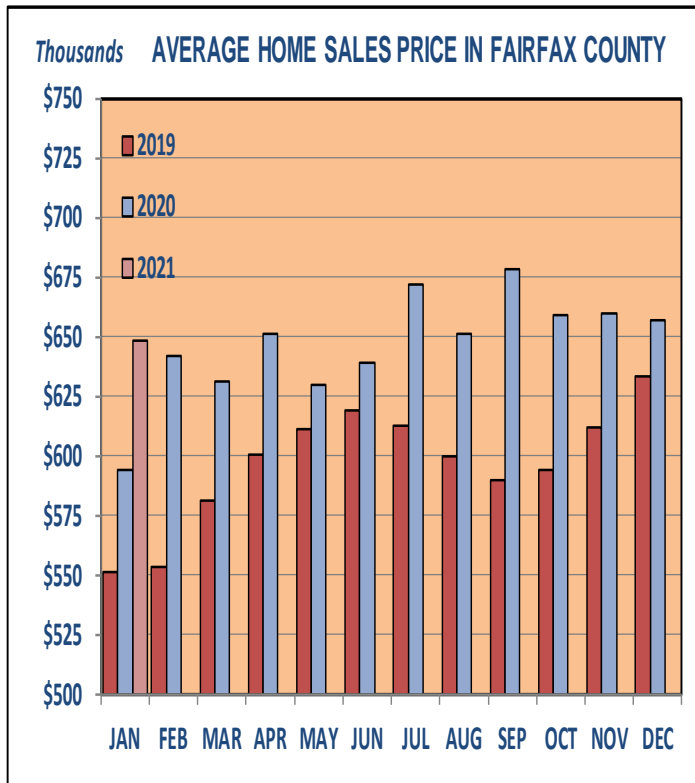
Average Home Sales Prices

The average sales price of all homes that sold in January 2021 in Fairfax County was \$648,546, an increase of 9.2 percent over the January 2020 average sales price of \$594,005. The average sales price was down 0.6 percent compared to the annual average home sales price of \$652,320.

The average sales price for detached homes that sold in January 2021 was \$927,373, an increase of 16.8 percent over the January 2020 average of \$794,161. The average sales price of attached homes increased 5.6 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN JAN 2021 COMPARED TO SALES IN JAN 2020

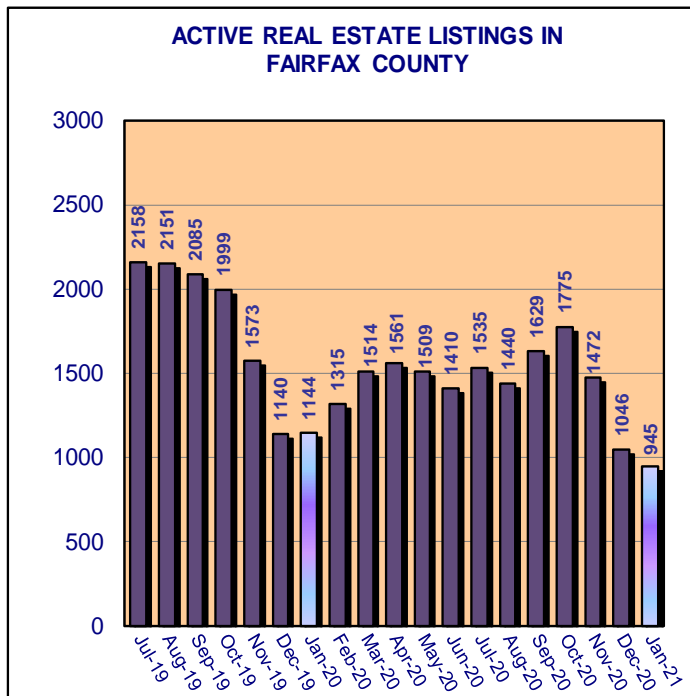
	JAN 2021	JAN 2020	% Change
All Homes	\$648,546	\$594,005	9.2%
Detached Homes	\$927,373	\$794,161	16.8%
Attached Homes	\$437,725	\$414,606	5.6%



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

Inventory of Homes for Sale

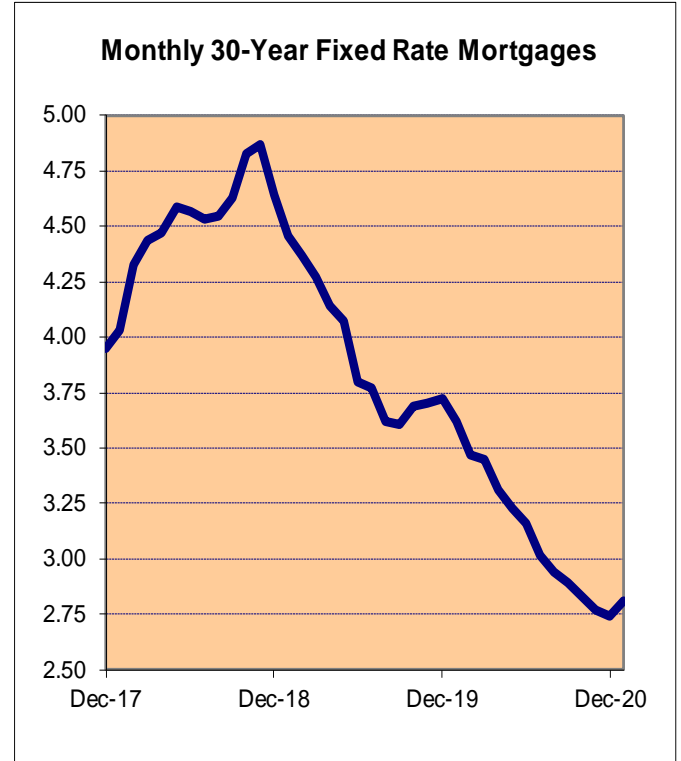
The number of active listings in the County in January 2021 was 945, a decrease of 17.4 percent from the 1,144 listings in January 2020. Based on the January 2021 listings and the current sales rate, there is approximately a 0.9-month supply of homes for sale in the County, less than the 1.5-month supply a year ago.



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

30-Year Fixed Rate Mortgages

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate increased to 2.81 percent in February, up from 2.74 percent a month ago. A year ago, the average 30-year mortgage rate was 3.47 percent. The current rate is still near an all-time low.



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

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