



ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

FEBRUARY 2024

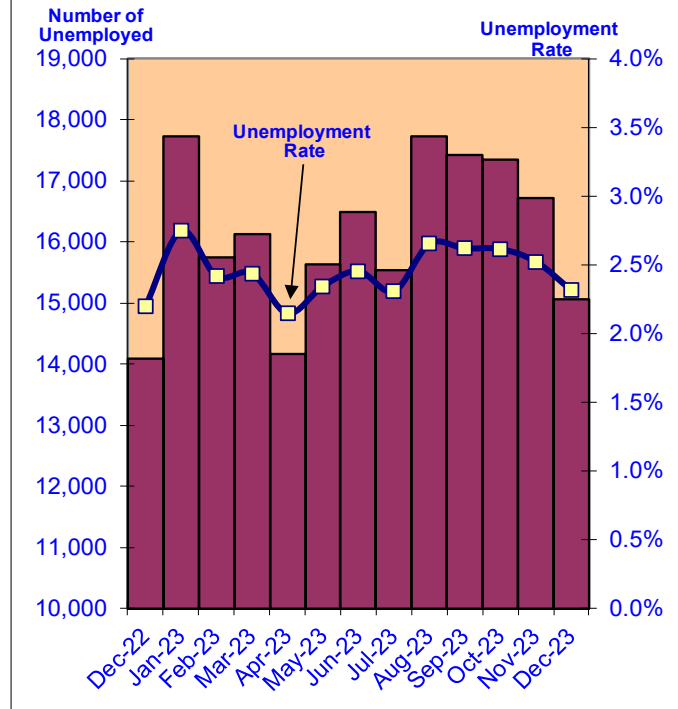
IN THIS ISSUE:

- The December unemployment rate in Fairfax County was 2.3 percent, 0.1 percentage point down from a year ago. (See page 1)
- February Sales tax receipts for purchases made in December decreased 9.9 percent compared to last February. (See page 2)
- The Consumer Confidence Index retreated in February, reflecting persistent uncertainty about the national economy. (See page 2)
- The number of homes sold in Fairfax County in January 2024 decreased 5.4 percent from a year ago. (See page 3)
- In January 2024, the average sales price of all homes sold in Fairfax County increased 6.8 percent compared to January 2023. (See page 3)
- The number of active listings of homes for sale in the County in January 2024 decreased 15.9 percent from a year earlier. (See page 4)
- A 30-year fixed rate mortgage averaged 6.78 percent in February 2024, up from 6.26 percent in February 2023. (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

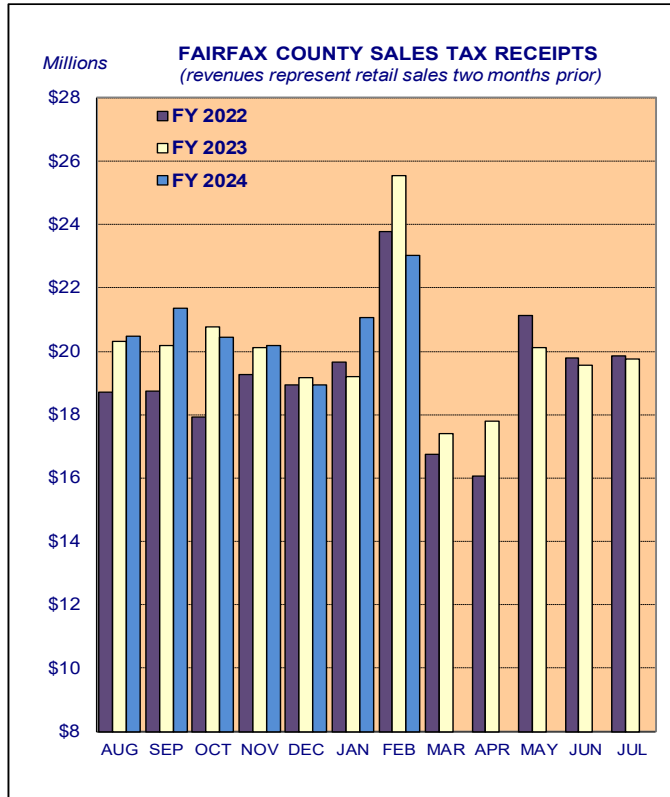
Employment

The unemployment rate in Fairfax County decreased from 2.5 percent in November to 2.3 percent in December. The number of unemployed residents decreased from 16,729 to 15,057. The County's unemployment rate was down 0.1 percentage point compared to December 2022.

Compared to November, the December seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point to 3.0 percent. The rate was down 0.1 percentage point compared to December 2022.

The U.S. seasonally adjusted unemployment rate in December remained at 3.7 percent. The rate was down 0.2 percentage point from a year ago. Total nonfarm payroll employment increased by 216,000 jobs in December. Monthly job growth averaged 225,000 in 2023, compared to an average increase of 399,000 jobs per month in 2022.

Sales Tax Receipts



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

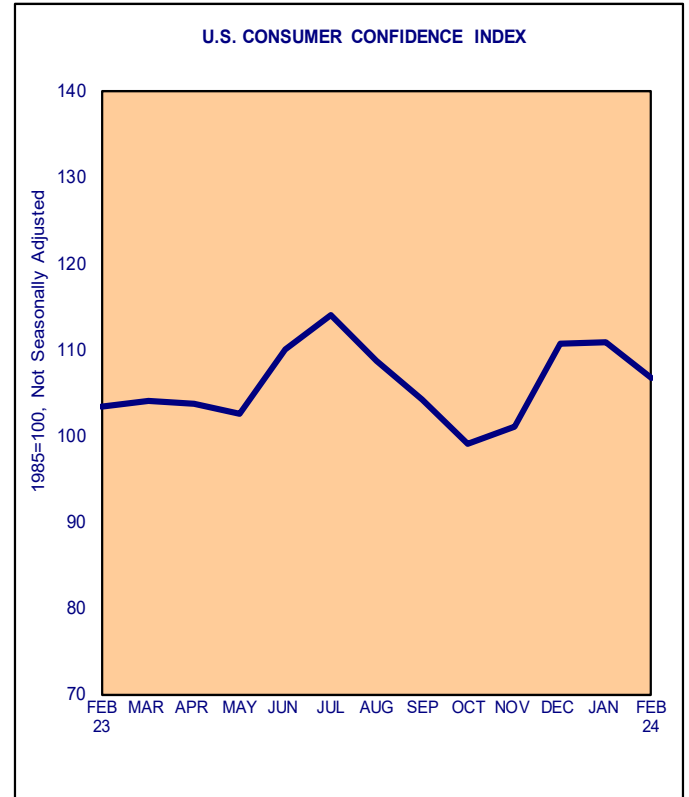
Sales Tax receipts distributed to Fairfax County in February 2024 for retail purchases made in December 2023 were \$23.0 million, a decrease of 9.9 percent compared to February 2023. For the first 7 months of FY 2024, Sales Tax receipts are up just 0.1 percent compared to the previous year.

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 6.1 percent in December compared to a year ago. Home prices in the Washington Metropolitan area increased by 5.1 percent during the same period. Brian D. Luke, Head of Commodities, Real & Digital assets, said that, "Looking back at the year, 2023 appears to have exceeded average annual home price gains over the past 35 years." He added that, "While we are not experiencing the double-digit gains seen in the previous two years, above-trend growth should be well received considering the rising costs of financing home mortgages."

Consumer Confidence Index



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

The Consumer Confidence Index retreated in February to 106.7, down from 110.9 in January. Both the present situation component and the expectations component decreased, and the expectations component slipped slightly under 80, a reading that often signals a recession ahead. Dana Peterson, Chief Economist at the Conference Board, said that, "The decline in consumer confidence in February interrupted a three-month rise, reflecting persistent uncertainty about the US economy." She added that, "February's write-in responses revealed that while overall inflation remained the main preoccupation of consumers, they are now a bit less concerned about food and gas prices, which have eased in recent months. But they are more concerned about the labor market situation and the US political environment."

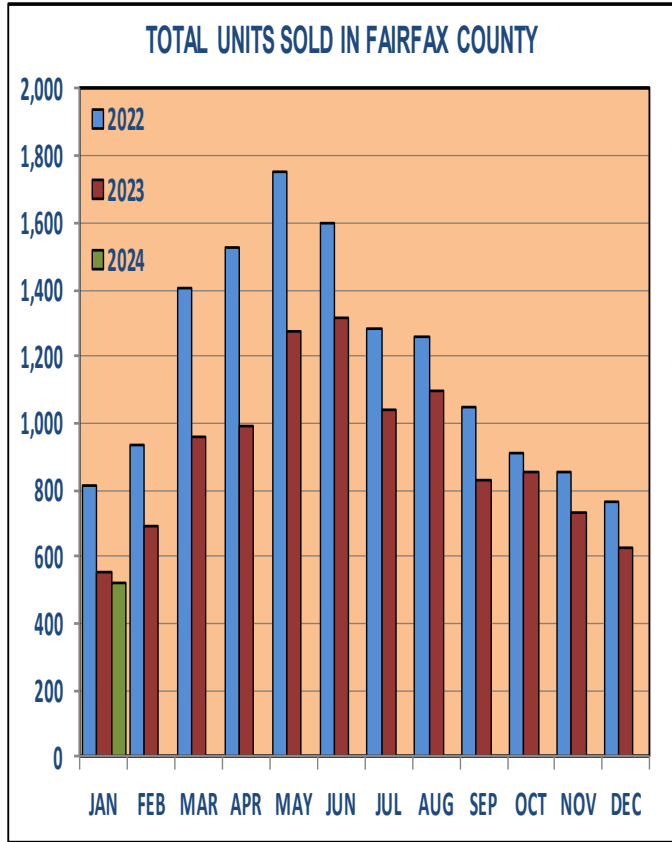
Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 3.1 percent in January over the last 12 months before seasonal adjustment. The increase decelerated from the 3.4 percent increase for the 12 months ending December. The increases were led by a 2.6 percent increase in the cost of food, a 6.0 percent increase in the cost of shelter, partially offset by a 4.6 decrease in the cost of energy largely driven by a decrease in the gasoline index. The used cars index decreased 3.5 percent during the same period. The core inflation rate excluding food and energy increased 3.9 percent. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

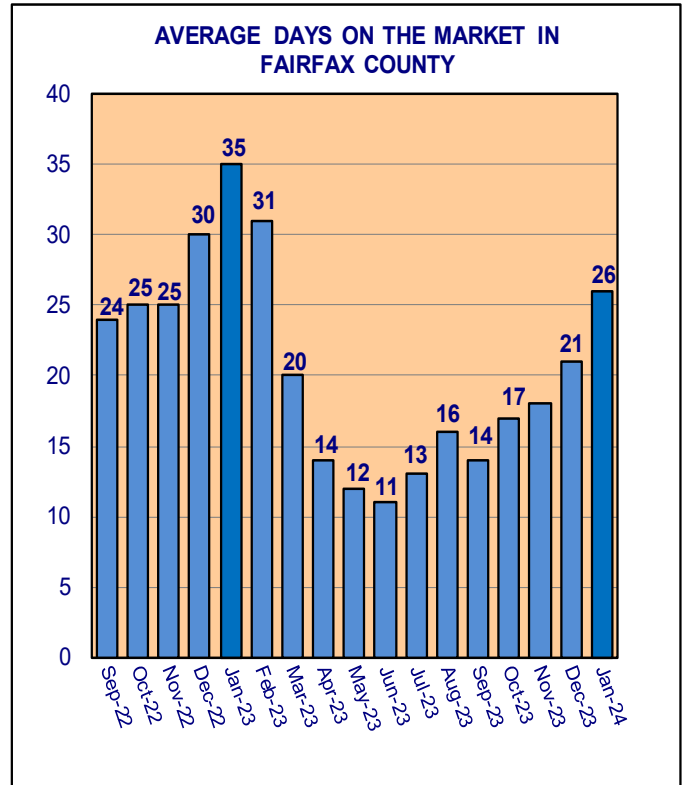
In January 2024, 522 homes were sold in Fairfax County, a decrease of 5.4 percent from the 552 homes that were sold in January 2023.



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 January 2024 were on the market for 26 days, a decrease of 9 days compared to January 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 January 2024 in Fairfax County was \$764,416, an increase of 6.8 percent over the January 2023 average sales price of \$716,076. The average sales price was down 3.3 percent compared to the 2023 annual average home sales price of \$790,367.

The average sales price for detached homes that sold in January 2024 was \$1,089,871, a strong increase of 11.5 percent over the January 2023 average of \$977,209. The average sales price of attached homes grew 4.4 percent over the same period.

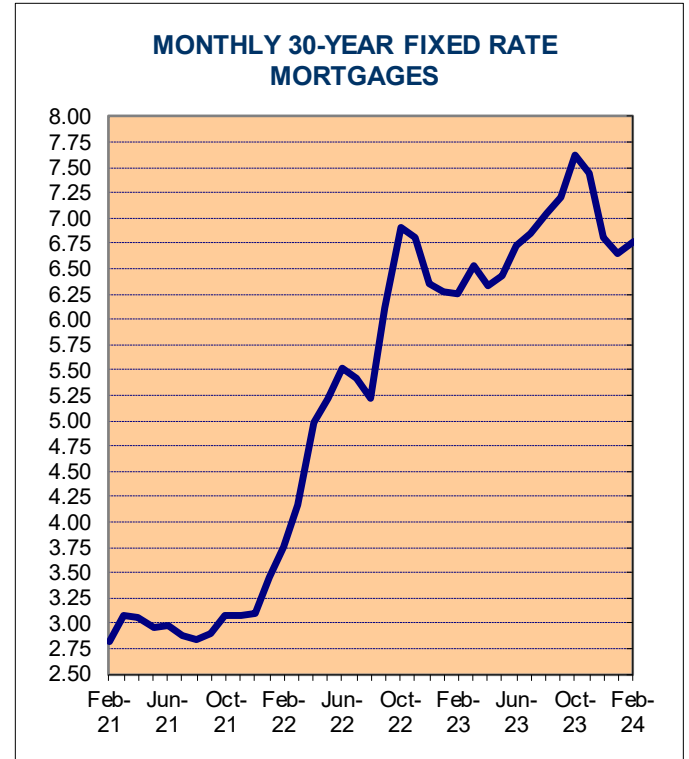
FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN JAN 2024 COMPARED TO SALES IN JAN 2023

	JAN 2024	JAN 2023	% Change
All Homes	\$764,416	\$716,076	6.8%
Detached Homes	\$1,089,871	\$977,209	11.5%
Attached Homes	\$510,051	\$488,581	4.4%

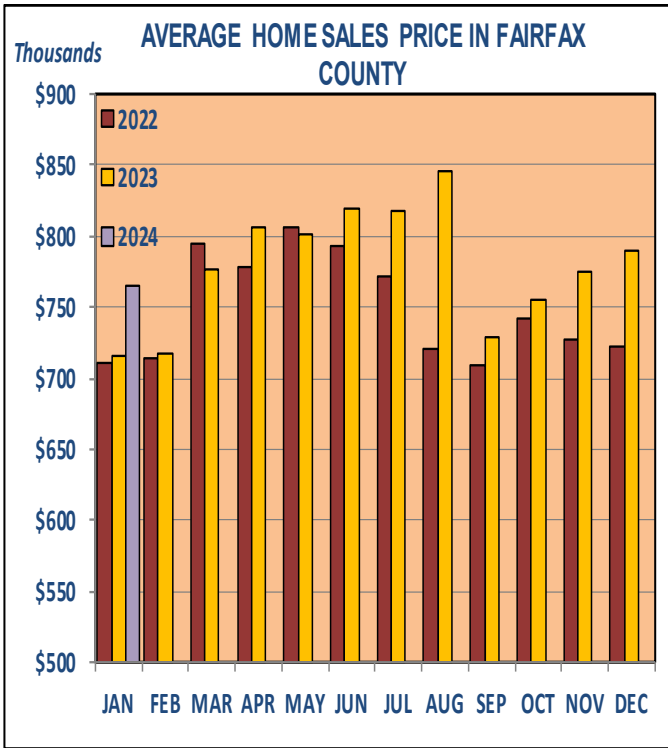
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read 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 February increased to 6.78 percent, up from 6.64 percent a month ago. A year ago, the average 30-year mortgage rate was 6.26 percent. While the rate has declined since the peak in October 2023, it is still over 50 basis points higher than February 2023, and almost double what it was two years ago.



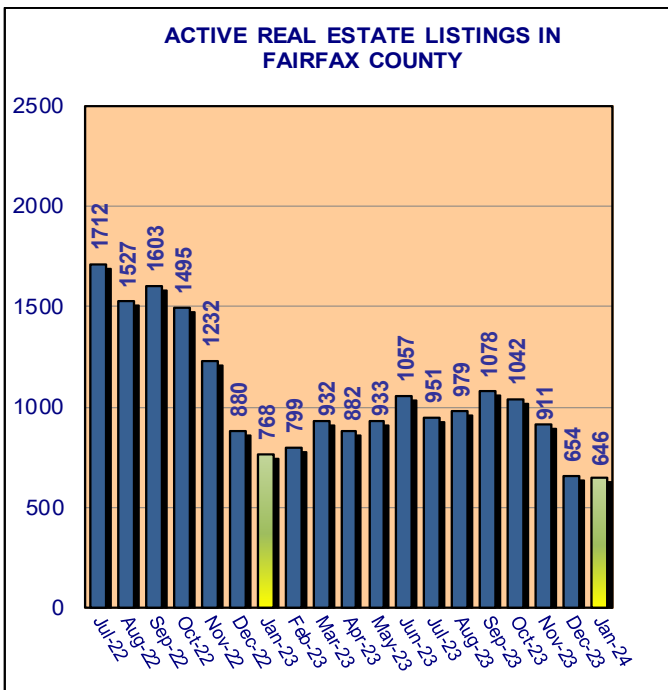
Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.



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 January 2024 was 646, a decrease of 15.9 percent from the 768 listings in January 2023. Based on the January 2024 listings and the current sales rate, there is approximately a 1.2-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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