

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

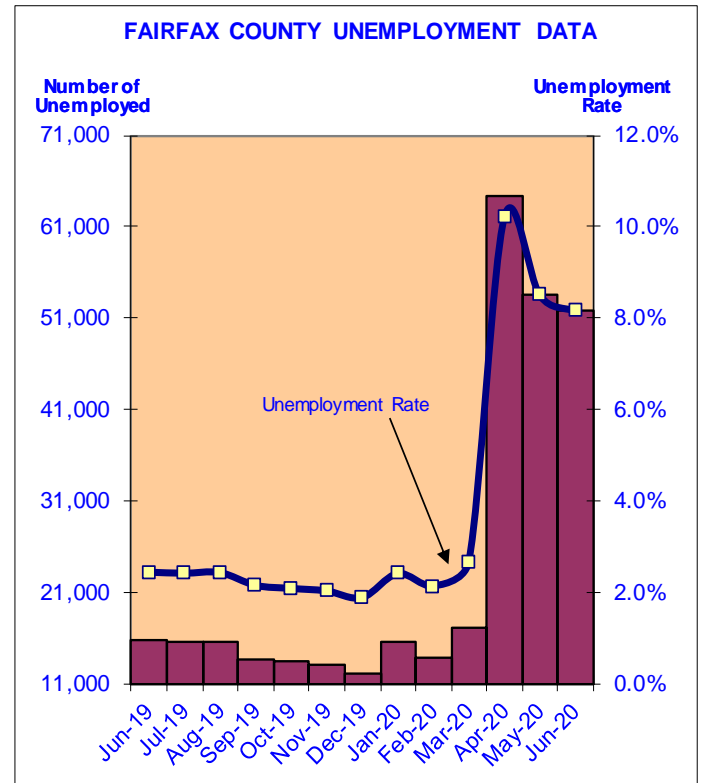
AUGUST 2020

IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased 0.4 percentage point to 8.1 percent in June.
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- Sales tax receipts in August for purchases made in June were up 0.7 percent.
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- The Consumer Confidence Index decreased in July.
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- The number of homes sold in Fairfax County in July increased 4.5 percent from a year earlier.
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- In July 2020, the average sales price of all homes sold in Fairfax County increased 9.7 percent compared to the average sale price in July 2019.
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- The number of active listings of homes for sale in the County decreased 28.9 percent in July from a year ago.
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- A 30-year fixed rate mortgage interest rate averaged 3.02 percent in July.
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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.

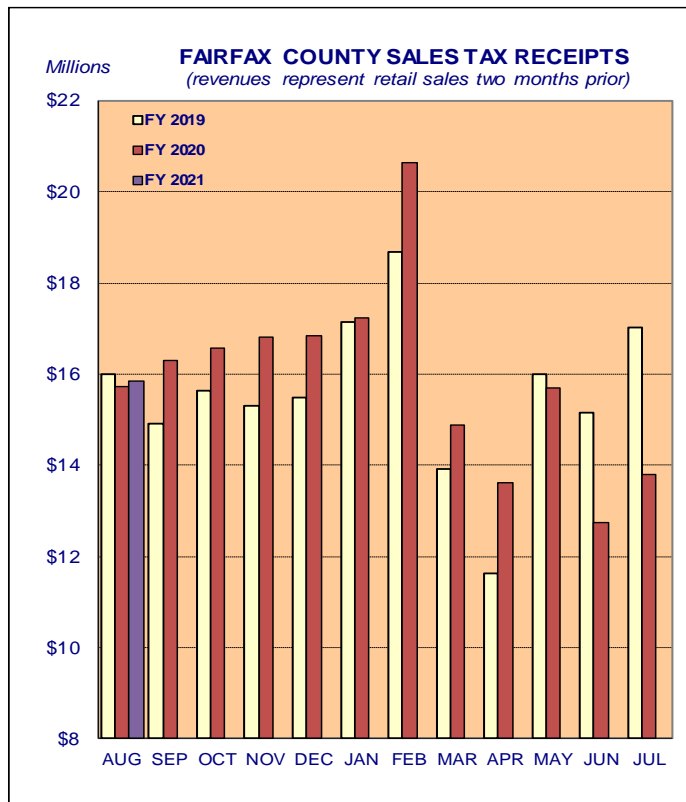
Employment

Compared to May, the June unemployment rate in Fairfax County decreased 0.4 percentage point to 8.1 percent. The number of unemployed residents decreased over the month from 53,457 to 51,803. The County's unemployment rate was up 5.7 percentage points over June 2019.

The seasonally adjusted unemployment rate in Virginia in June decreased 0.9 percentage point to 8.1 percent. The rate was up 5.3 percentage points over June 2019.

The U.S. seasonally adjusted unemployment rate in June decreased 2.2 percentage points to 11.1 percent, reflecting the continued partial resumption of economic activity after the COVID-19 related disruptions in previous months. The rate was up 7.4 percentage points compared to a year ago. Total nonfarm payroll employment increased by 4.8 million jobs in June.

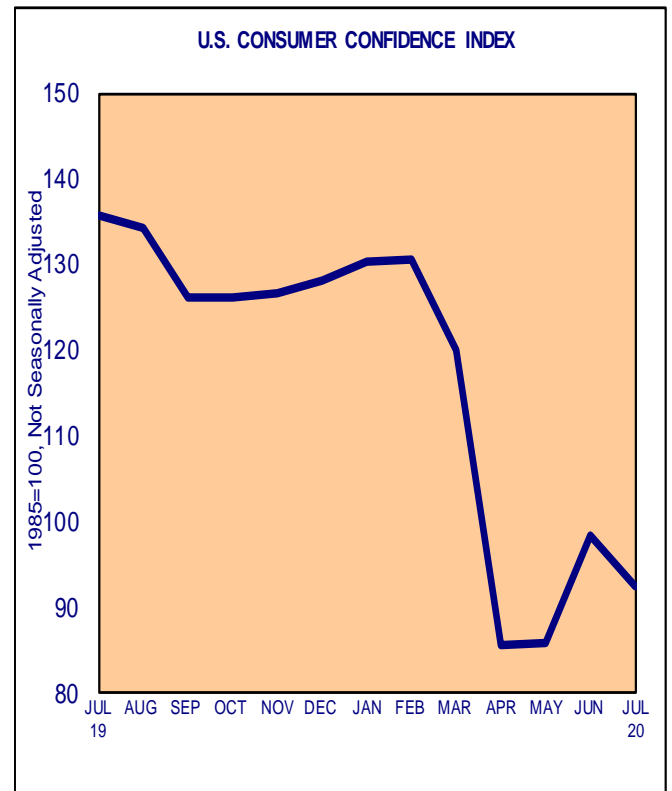
Sales Tax Receipts



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

Sales Tax receipts distributed to Fairfax County in August for retail purchases made in June were \$15.8 million, an increase of 0.7 percent over August 2019. August represents the first month of Fairfax County's FY 2021 Sales Tax Receipts. The 2019 Virginia General Assembly passed legislation requiring the collection of state and local sales taxes from remote internet sellers, which became effective July 1, 2019. As a result, last year's August receipts for June purchases did not include online sales, while this year's August receipts do.

Consumer Confidence Index



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

The Consumer Confidence Index decreased in July after increasing in June. The index now stands at 92.6 (1985=100), down from 98.3 a month ago. The present situation component increased while the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Looking ahead, consumers have grown less optimistic about the short-term outlook for the economy and labor market and remain subdued about their financial prospects." She added that, "Such uncertainty about the short-term future does not bode well for the recovery, nor for consumer spending."

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 3.5 percent for the 12 months ending in June. Home prices in the Washington Metropolitan area posted a 3.5 percent gain during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "More data will be required to understand whether the market resumes its previous path of accelerating prices, continues to decelerate, or remains stable." He added that, "It's important to bear in mind that deceleration is quite different from an environment in which prices actually fall."

Retail Sales

According to the U.S. Census Bureau, national retail sales increased 1.2 percent in July over the previous month, after increasing 8.4 percent in June. Overall, July retail sales increased 2.7 percent above July 2019. Nonstore retailers were up 24.7 percent over July 2019.

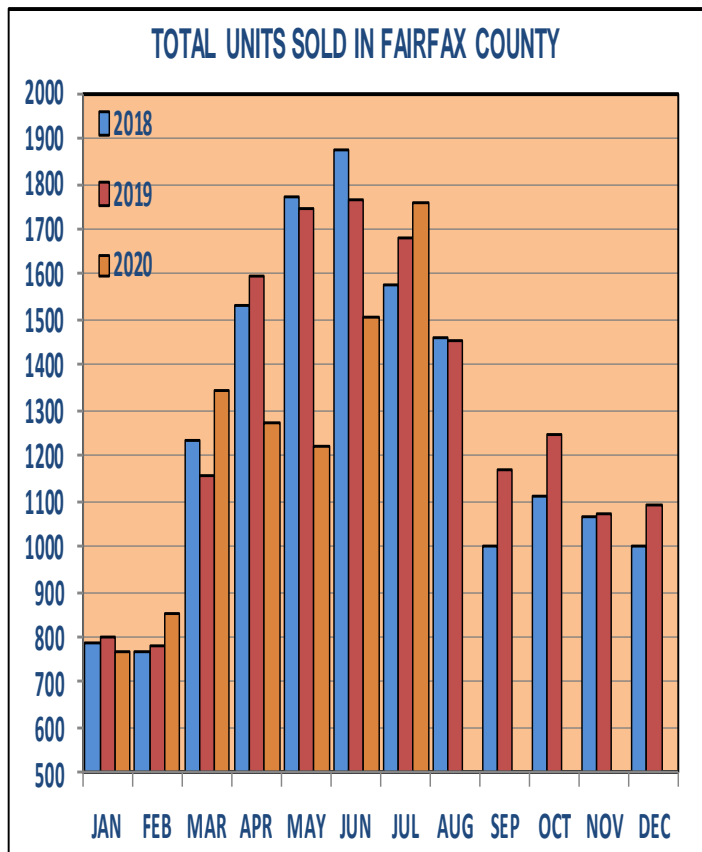
Housing Starts

According to data from the U.S. Census Bureau, housing starts in July increased 22.6 percent above the revised June estimate, and were 23.4 percent above the rate from a year ago.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

In July, 1,756 homes were sold in Fairfax County, an increase of 4.5 percent over the 1,680 homes that were sold in July 2019.

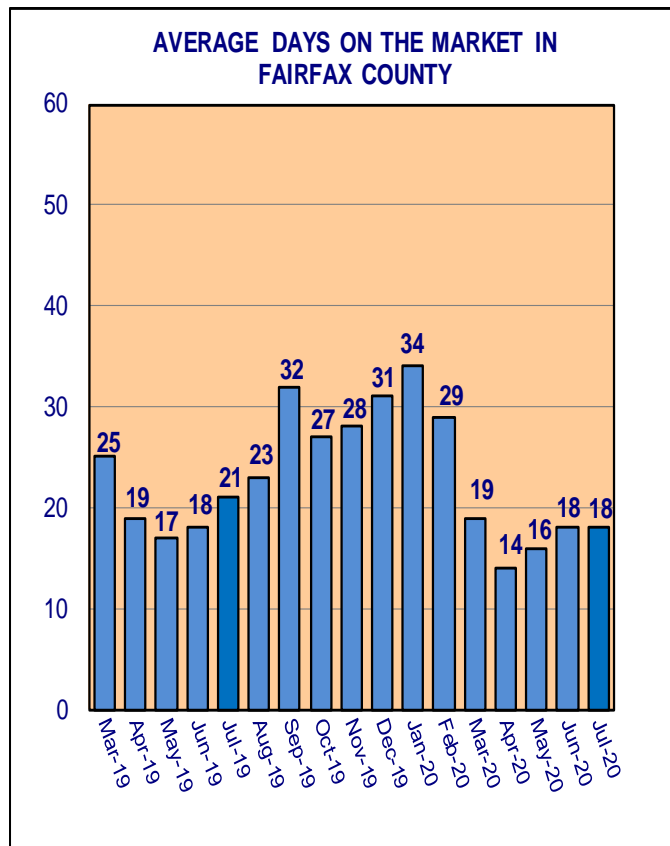


Source: Bright MLS. Compiled by the Fairfax County Department of Management and Budget.

Average Days on the Market

On average, homes that sold in Fairfax County in July were on the market for 18 days. This is 3 days fewer than the 21-day average in July 2019.

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.

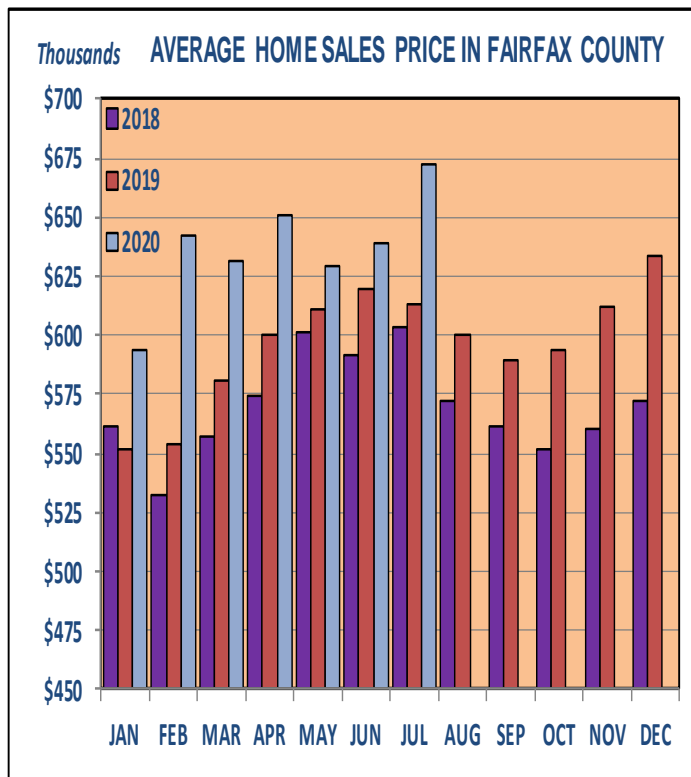
Average Home Sales Prices

The average sales price of all homes that sold in July 2020 in Fairfax County was \$672,370, an increase of 9.7 percent over the July 2019 average sales price of \$612,668. The average sales price was up 11.8 percent compared to the annual 2019 average home sales price of \$601,506.

The average sales price for detached homes that sold in July 2020 was \$848,648, an increase of 6.4 percent over the July 2019 average of \$797,753. The average sales price of attached homes increased by 9.9 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN JULY 2020 COMPARED TO SALES IN JULY 2019

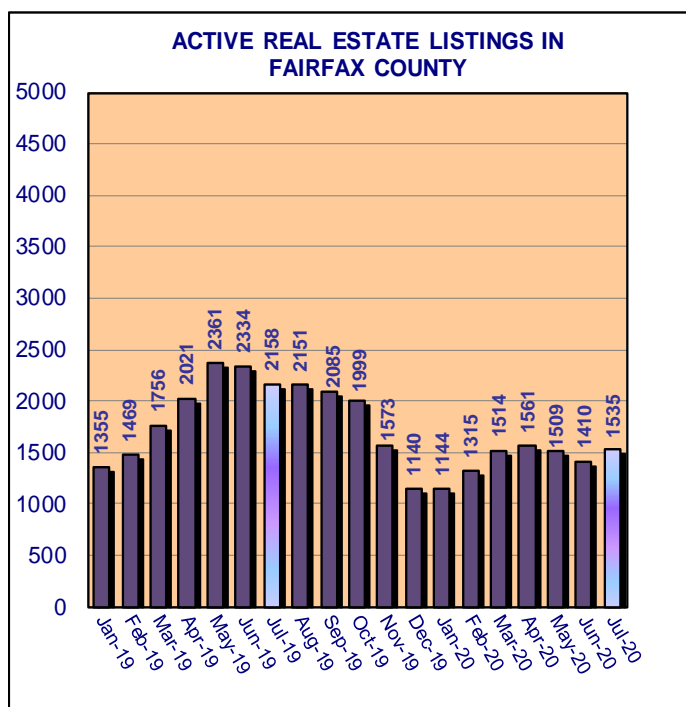
	JULY 2020	JULY 2019	% Change
All Homes	\$672,370	\$612,668	9.7%
Detached Homes	\$848,648	\$797,753	6.4%
Attached Homes	\$455,328	\$414,293	9.9%



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

Inventory of Homes for Sale

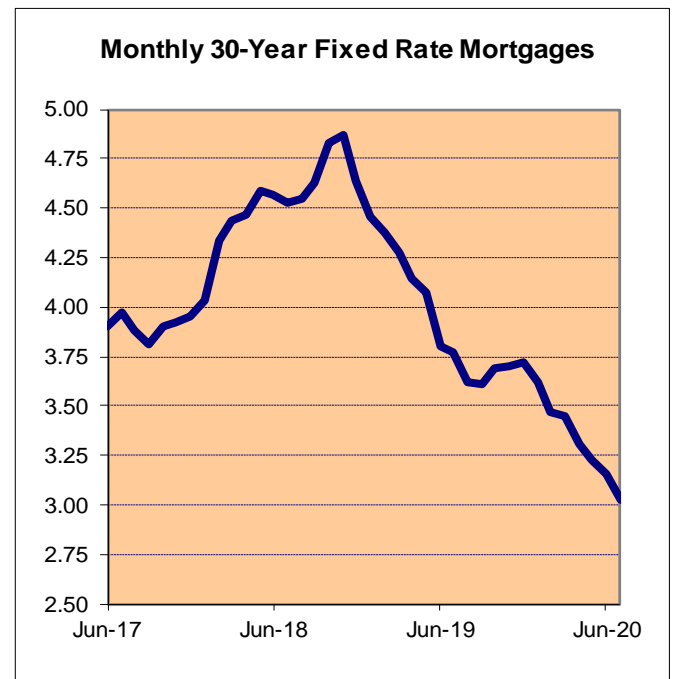
The number of active listings in the County in July was 1,535, a decrease of 28.9 percent from the 2,158 listings in July 2019. Based on the July 2020 listings and the current sales rate, there is approximately a 0.9-month supply of homes for sale in the County, less than the 1.3-month supply a year ago.



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

30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed mortgage interest rate in July decreased to 3.02 percent from 3.16 percent a month ago. This is its lowest level on record. A year ago, the average 30-year interest rate was 3.77 percent.



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

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