

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

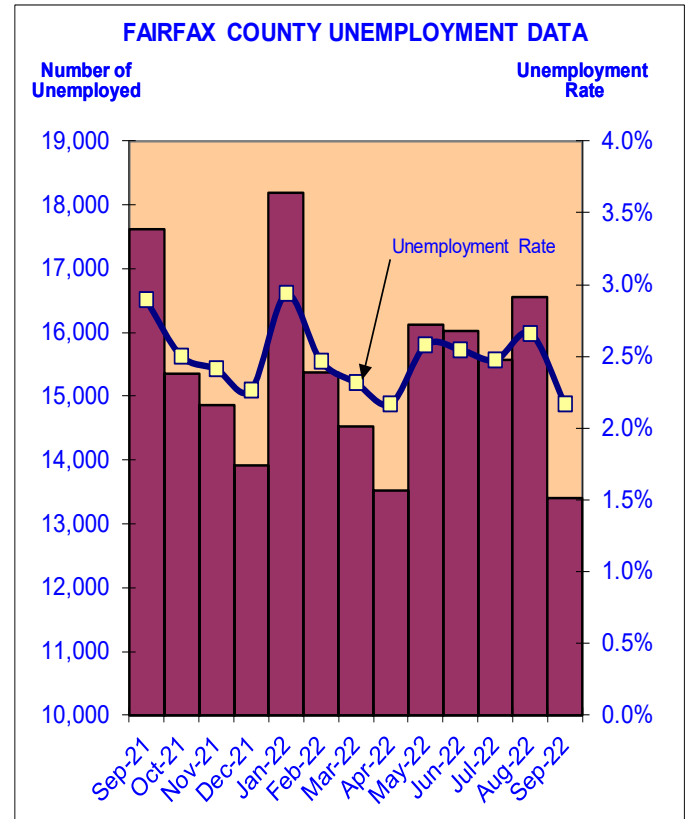
NOVEMBER 2022

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- The unemployment rate in Fairfax County decreased 0.5 percent to 2.2 percent in September.
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- Sales tax receipts in November for purchases made in September increased 4.4 percent compared to last November.
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- The Consumer Confidence Index decreased in November for the second straight month.
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- The number of homes sold in Fairfax County in October decreased 38.6 percent from a year earlier.
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- In October 2022, the average sales price of all homes sold in Fairfax County decreased 1.5 percent compared to the average sale price in October 2021.
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- The number of active listings of homes for sale in the County decreased 1.6 percent from a year earlier.
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- A 30-year fixed rate mortgage interest rate averaged 6.90 percent in October.
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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.

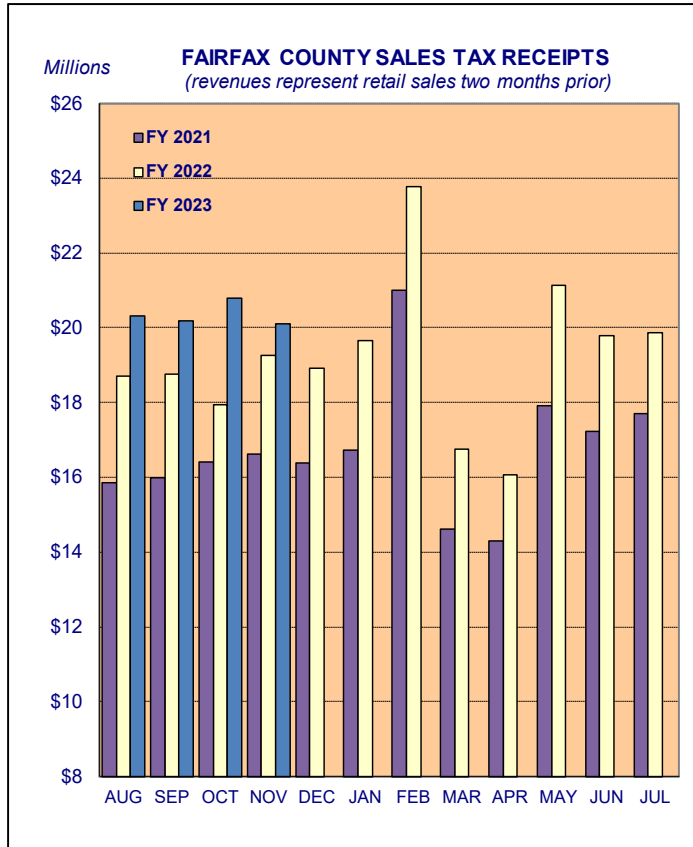
Employment

Compared to August, the September unemployment rate in Fairfax County decreased 0.5 percentage point to 2.2 percent. The number of unemployed residents decreased from 16,557 to 13,398. The County's unemployment rate was down 0.7 percentage point from September 2021.

The seasonally adjusted unemployment rate in Virginia in September remained unchanged at 2.6 percent. The rate was down 0.8 percentage point from September 2021.

The U.S. seasonally adjusted unemployment rate in September decreased 0.2 percentage point to 3.5 percent. The rate was down 1.2 percentage points compared to a year ago. Total nonfarm payroll employment increased by 263,000 jobs. Monthly job growth has averaged 420,000 in 2022, compared with 562,000 per month in 2021.

Sales Tax Receipts



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

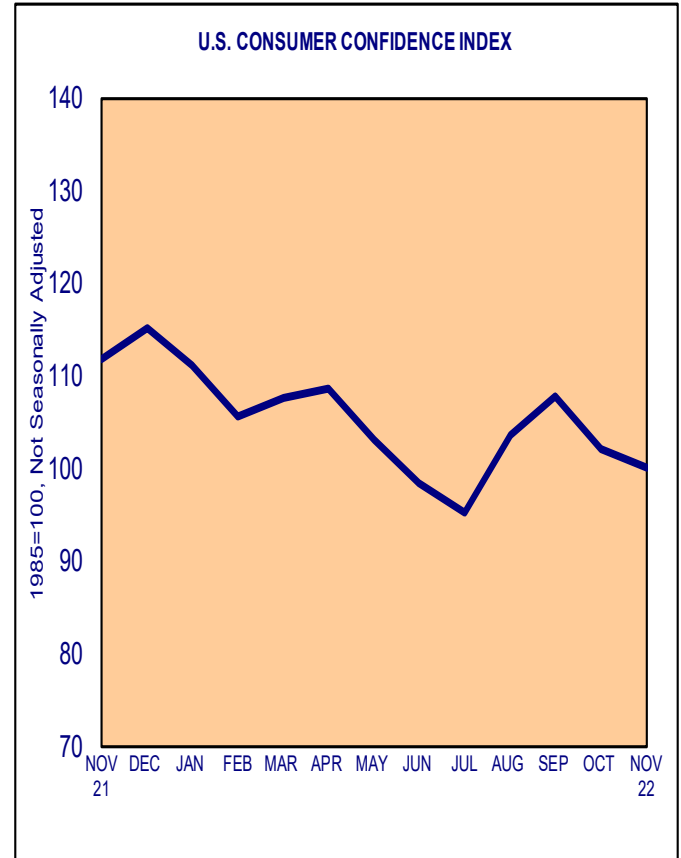
Sales Tax receipts distributed to Fairfax County in November for retail purchases made in September were \$20.1 million, an increase of 4.4 percent over November 2021. For the first four months of FY 2023, sales tax receipts are up 9.0 percent compared to the previous year.

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 10.4 percent for the 12 months ending in September. Home prices in the Washington Metropolitan area gained 6.5 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, explained that September's report reflected short-term declines and medium-term deceleration in housing prices across the U.S. and said that, "As the Federal Reserve continues to move interest rates higher, mortgage financing continues to be more expensive and housing becomes less affordable." He added that, "Given the continuing prospects for a challenging macroeconomic environment, home prices may well continue to weaken."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in November. The index now stands at 100.2 (1985=100), down from 102.2 in October. Both the present situation and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Inflation expectations increased to their highest level since July, with both gas and food prices as the main culprits. Intentions to purchase homes, automobiles, and big-ticket appliances all cooled." She added that, "The combination of inflation and interest rate hikes will continue to pose challenges to confidence and economic growth into early 2023."

Consumer Price Index

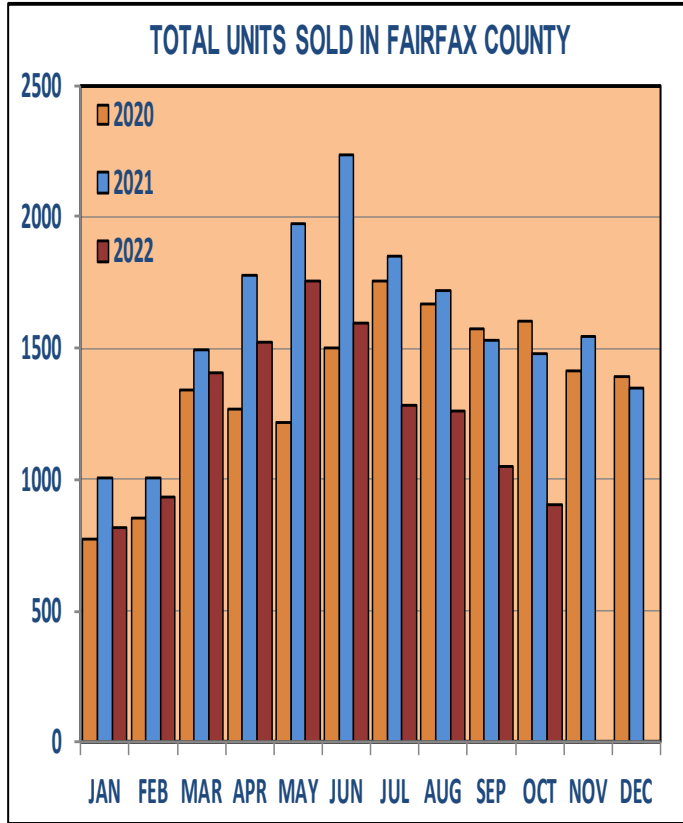
The Consumer Price Index for All Urban Consumers (CPI-U) increased 7.7 percent in October over the last twelve months before seasonal adjustment. This was the smallest 12-month increase since the period ending January 2022. The core inflation rate excluding food and energy increased 6.3 percent. The cost of food increased by 10.9 percent while the cost of shelter increased by 6.9 percent.

The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

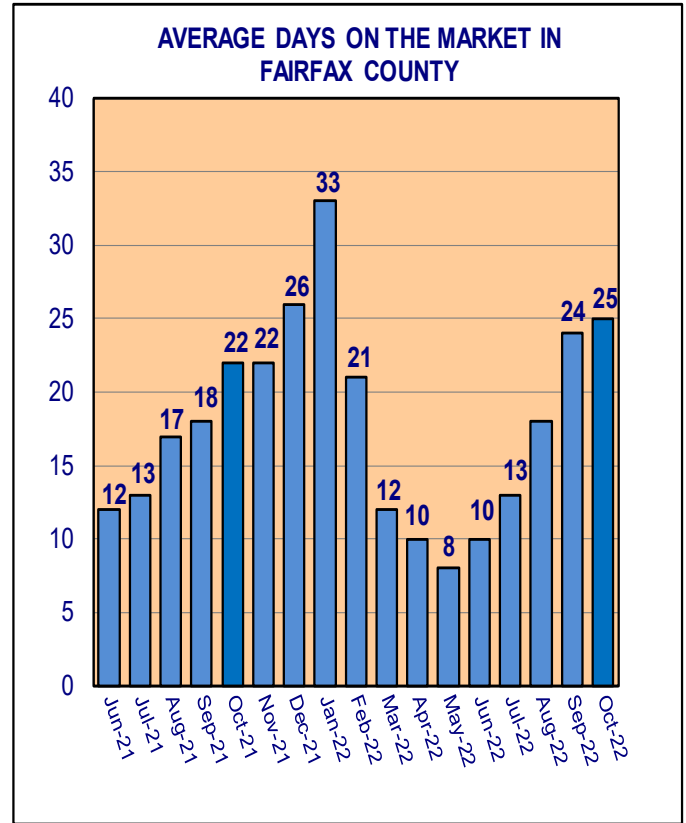
In October 2022, 907 homes were sold in Fairfax County, a decrease of 38.6 percent from the 1,476 homes that were sold in October 2021.



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 2022 were on the market for 25 days. This is three days more than the 22-day average in October 2021.



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

Average Home Sales Prices

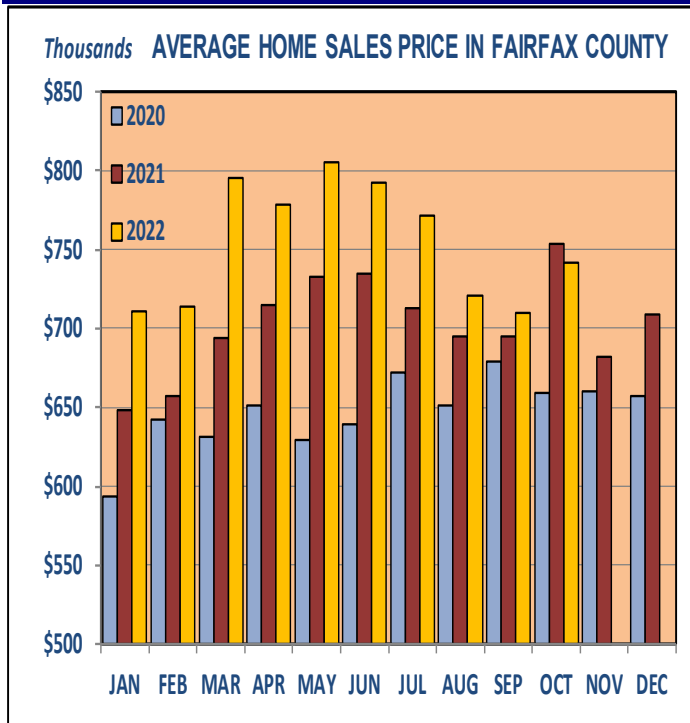
The average sales price of all homes that sold in October 2022 in Fairfax County was \$742,196, a decrease of 1.5 percent from the October 2021 average sales price of \$753,581. The average sales price was up 4.7 percent compared to the 2021 annual average home sales price of \$709,136.

The average sales price for detached homes that sold in October 2022 was \$991,124, a decrease of 4.2 percent from the October 2021 average of \$1,034,460. The average sales price of attached homes increased 5.9 percent over the same period.

FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN OCT 2022 COMPARED TO SALES IN OCT 2021

	OCT 2022	OCT 2021	% Change
All Homes	\$742,196	\$753,581	-1.5%
Detached Homes	\$991,124	\$1,034,460	-4.2%
Attached Homes	\$492,167	\$464,577	5.9%

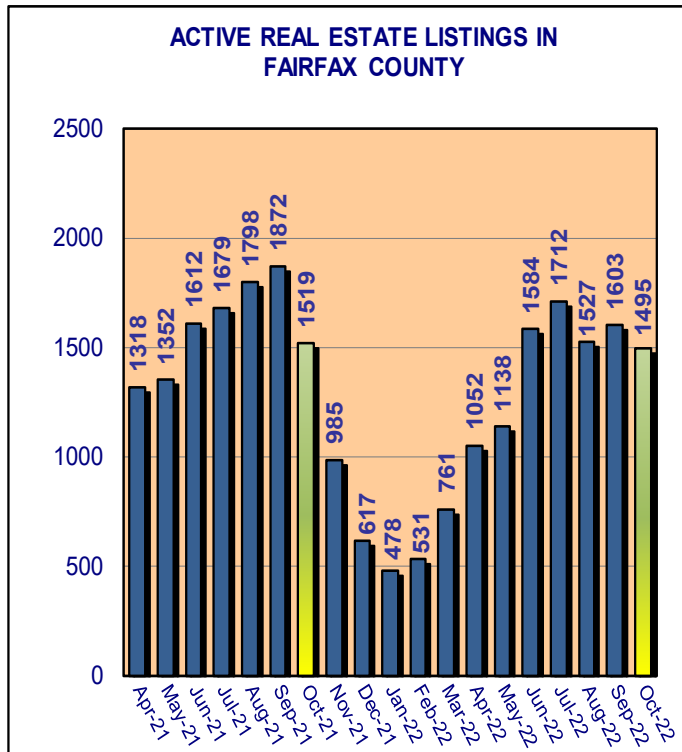
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read 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.

Inventory of Homes for Sale

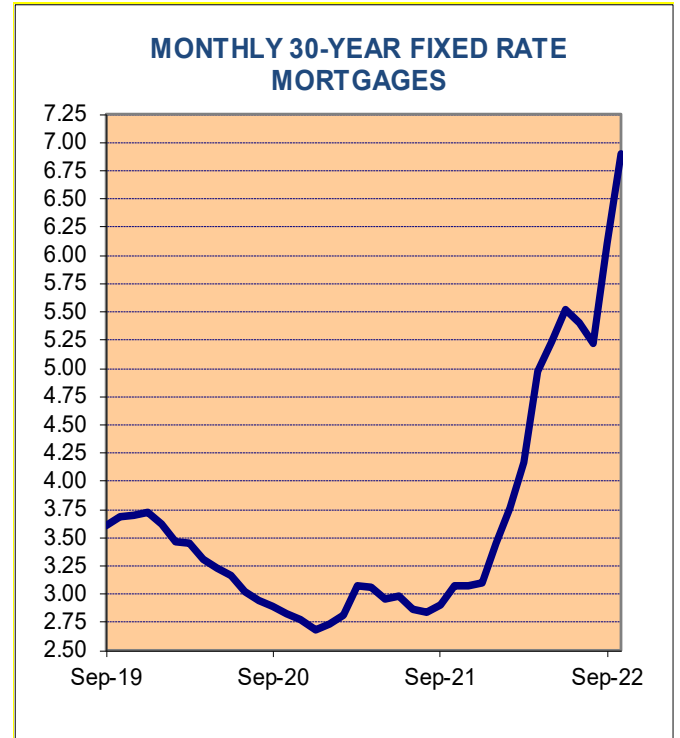
The number of active listings for sale in the County in October 2022 was 1,495, a decrease of 1.6 percent from the 1,519 listings in October 2021. Based on the October 2022 listings and the current sales rate, there is approximately a 1.6-month supply of homes for sale in the County, more than the 1.0-month 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 rate mortgage interest rate in October was 6.90 percent. A year ago, the interest rate was 3.07 percent. This is the highest mortgage interest rate since 2002.



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

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