

ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

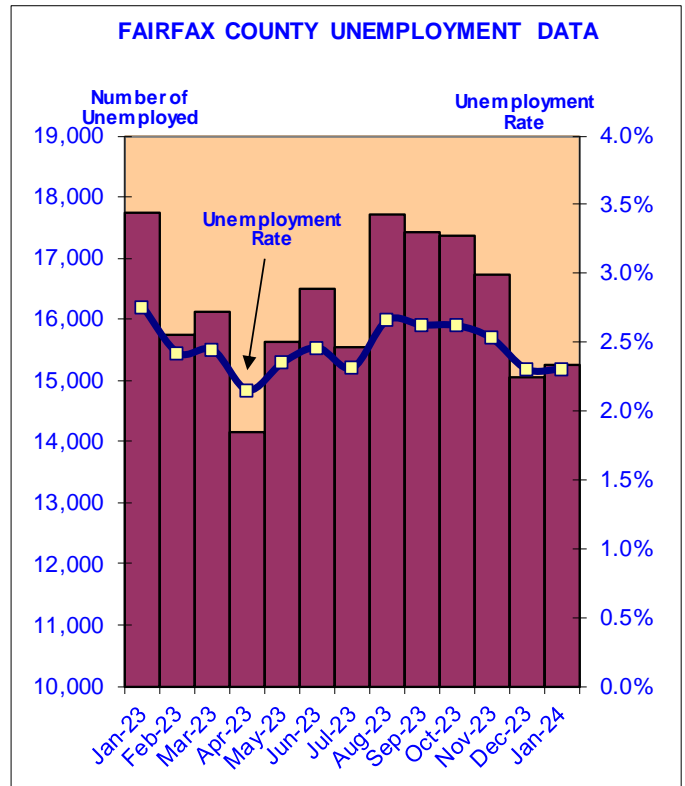
MARCH 2024

IN THIS ISSUE:

- The January unemployment rate in Fairfax County was 2.3 percent, 0.4 percentage point down from a year ago. (See page 1)
- March Sales tax receipts for purchases made in January increased 1.2 percent compared to last March. (See page 2)
- The Consumer Confidence Index changed little in March. Consumers' sentiment about the current situation improved but forward expectations remained negative. (See page 2)
- The number of homes sold in Fairfax County in February 2024 was essentially unchanged from a year ago. (See page 3)
- In February 2024, the average sales price of all homes sold in Fairfax County increased 16.4 percent compared to February 2023. (See page 3)
- The number of active listings of homes for sale in the County in February 2024 decreased 1.4 percent from a year earlier. (See page 4)
- A 30-year fixed rate mortgage averaged 6.82 percent in March 2024, up from 6.54 percent in March 2023. (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

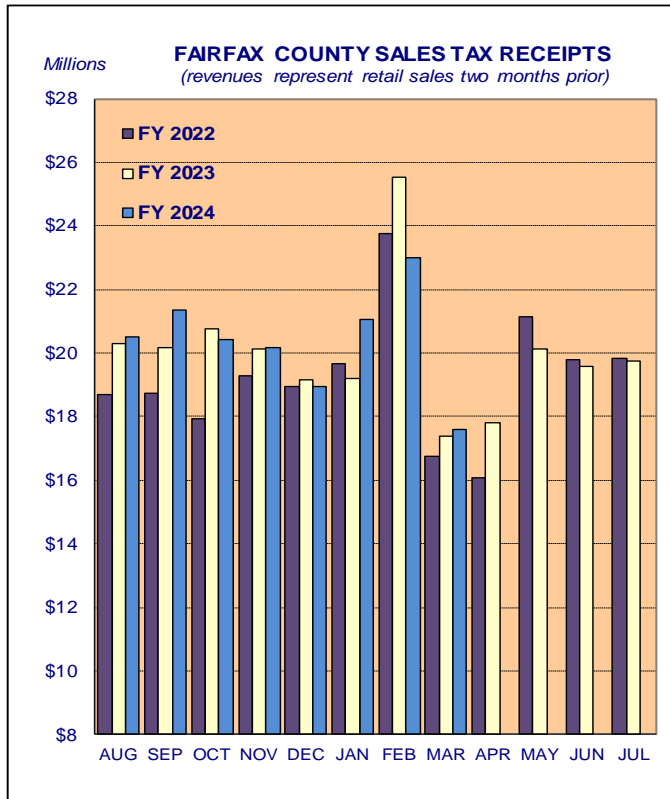
Employment

The unemployment rate in Fairfax County remained at 2.3 percent in January. The number of unemployed residents increased slightly from 15,057 to 15,240. The County's unemployment rate was down 0.4 percentage point compared to January 2023.

The seasonally adjusted unemployment rate in remained at 3.0 percent in January. The rate was down 0.1 percentage point compared to January 2023.

The U.S. seasonally adjusted unemployment rate in January remained at 3.7 percent for the third month in a row. The rate was up 0.3 percentage point from a year ago. Total nonfarm payroll employment increased by 353,000 jobs in January, compared to an average monthly gain of 255,000 in 2023.

Sales Tax Receipts



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

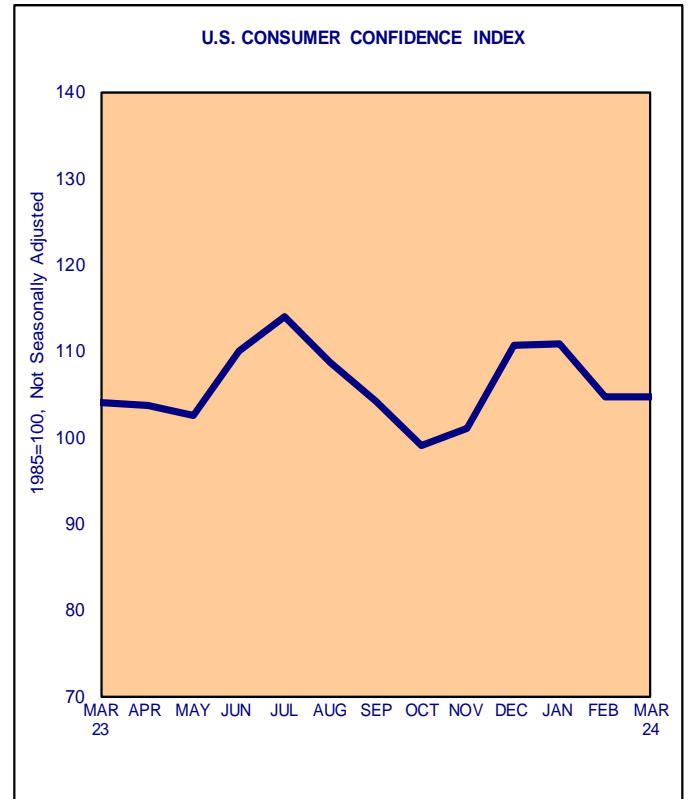
Sales Tax receipts distributed to Fairfax County in March 2024 for retail purchases made in January 2024 were \$17.6 million, an increase of 1.2 percent compared to March 2023. For the first 8 months of FY 2024, Sales Tax receipts are up just 0.2 percent compared to the previous year.

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 6.6 percent in January compared to a year ago. Home prices in the Washington Metropolitan area increased by 6.3 percent during the same period. Brian D. Luke, Head of Commodities, Real & Digital assets, said that, "U.S. home prices continued their drive higher." He added that, "On a seasonal adjusted basis, home prices have continued to break through previous all-time highs set last year."

Consumer Confidence Index



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

In March, the Consumer Confidence Index changed little at 104.7, slightly down from 104.8 in February. The present situation component increased but the expectations component continued to contract under 80, a reading that often signals a recession ahead. Dana Peterson, Chief Economist at the Conference Board, said that, "Consumers' assessment of the present situation improved in March, but they also became more pessimistic about the future." She added that, "Consumers remained concerned with elevated price levels, which predominated write-in responses." March's write-in responses showed an uptick in concerns about food and gas prices, but in general complaints about gas prices have been trending downward."

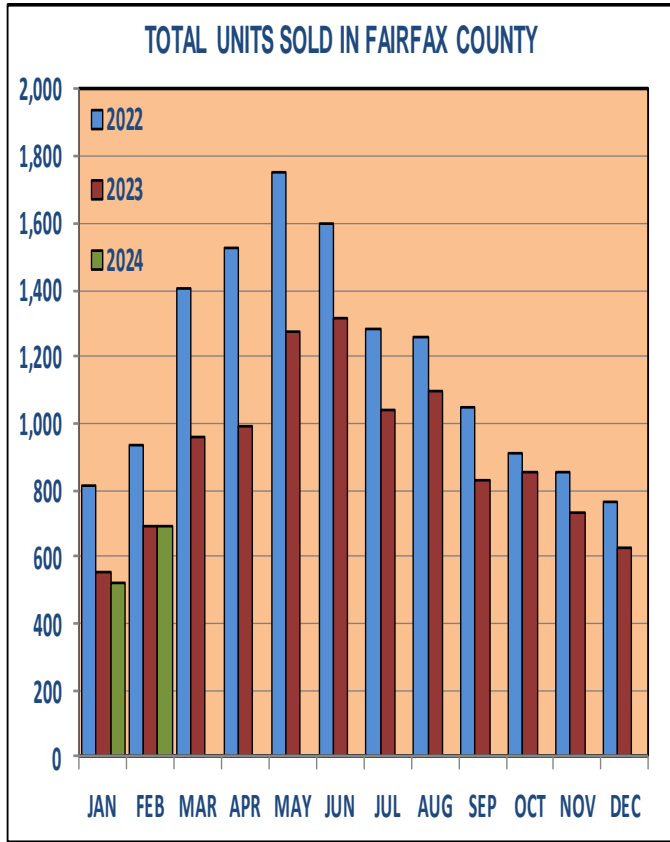
Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 3.2 percent in February over the last 12 months before seasonal adjustment. The cost of food increased by 2.2 percent, while the cost of shelter increased by 5.7 percent. The cost of energy decreased by 1.9 percent, while the used cars index decreased by 1.8 percent during the same period. The core inflation rate excluding food and energy rose 3.8 percent. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

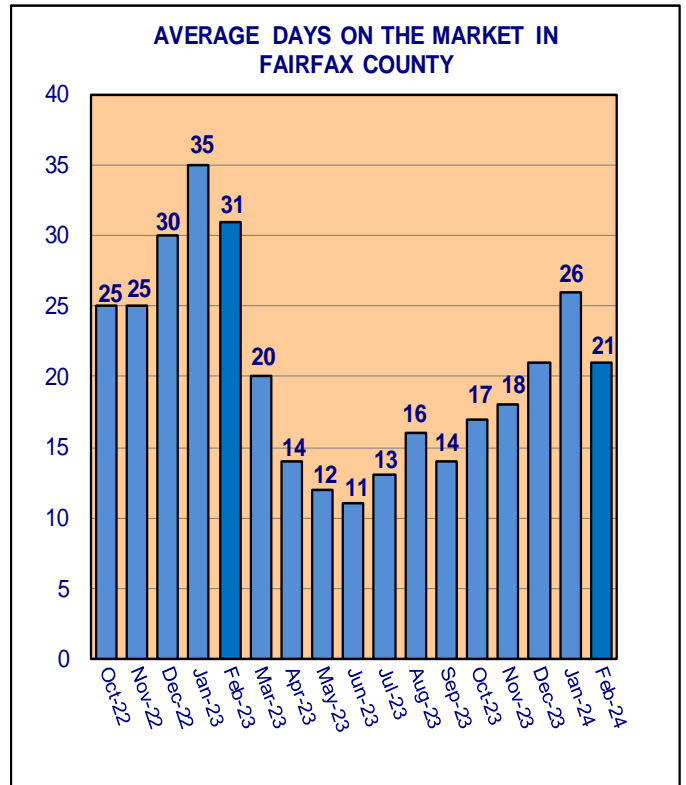
In February 2024, 693 homes were sold in Fairfax County, essentially unchanged compared to the 694 homes that were sold in February 2023.



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 February 2024 were on the market for 21 days, a decrease of 10 days compared to February 2023.



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

Average Home Sales Prices

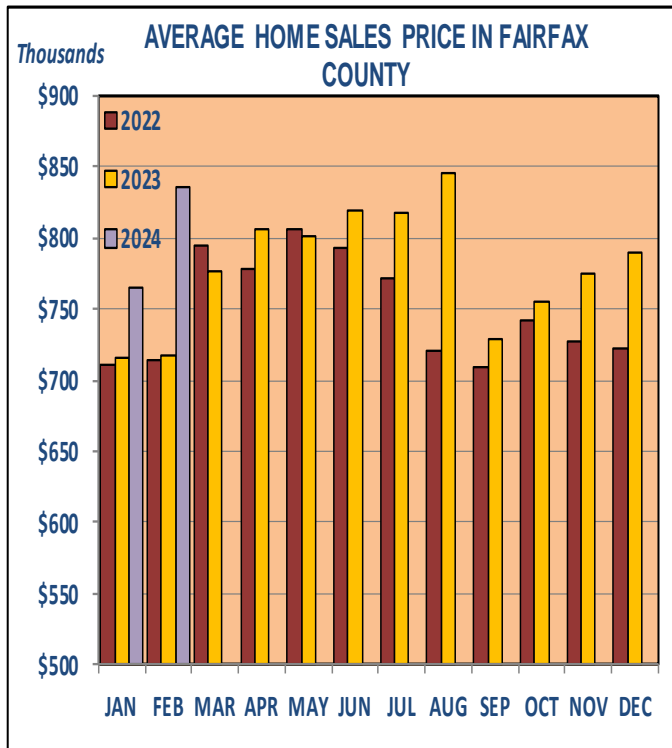
The average sales price of all homes that sold in February 2024 in Fairfax County was \$835,322, an increase of 16.4 percent over the February 2023 average sales price of \$717,550. The average sales price was up 5.7 percent compared to the 2023 annual average home sales price of \$790,367.

The average sales price for detached homes that sold in February 2024 was \$1,206,759, a strong increase of 23.3 percent over the February 2023 average of \$979,043. The average sales price of attached homes grew 8.9 percent over the same period.

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

	FEB 2024	FEB 2023	% Change
All Homes	\$835,322	\$717,550	16.4%
Detached Homes	\$1,206,759	\$979,043	23.3%
Attached Homes	\$534,866	\$491,299	8.9%

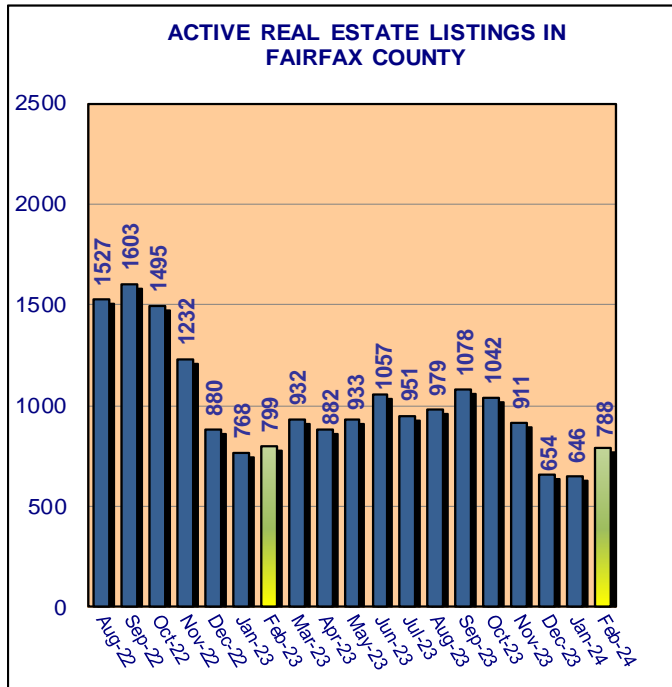
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read 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 February 2024 was 788, a decrease of 1.4 percent from the 799 listings in February 2023. Based on the February 2024 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.

30-Year Fixed Rate Mortgages

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate in March increased to 6.82 percent, up from 6.78 percent a month ago. A year ago, the average 30-year mortgage rate was 6.54 percent. While mortgage rates have contracted moderately since the peak in October 2023, the uptick trend might resume if the Federal Reserve holds off on rate cuts for longer than initially expected, particularly since many inflation metrics are still above the Fed's comfort level. Mortgage rates in March were more than 250 basis points higher than two years ago.



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

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