

ECONOMIC INDICATORS[®]

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

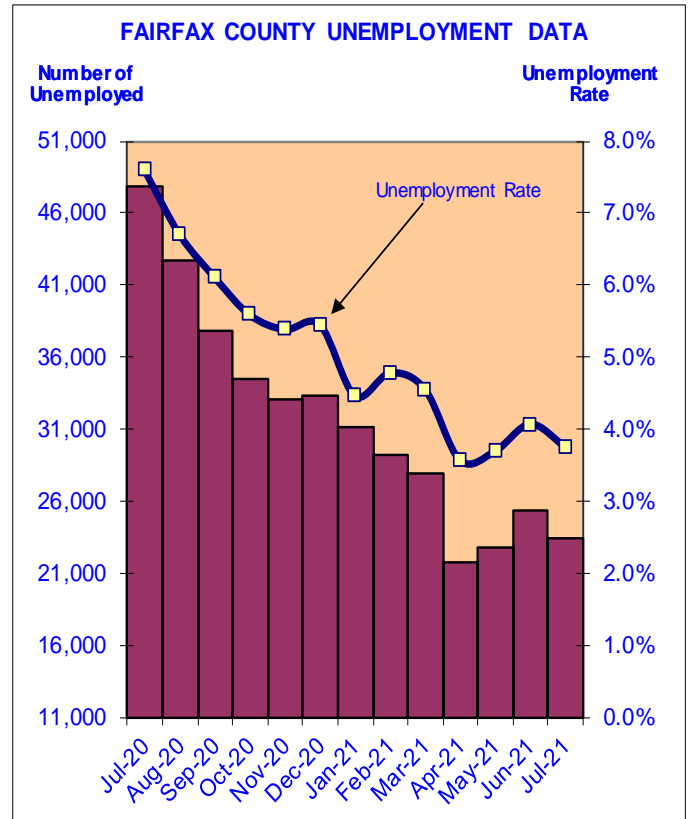
SEPTEMBER 2021

IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased 0.4 percentage point to 3.7 percent in July.
(See page 1)
- Sales tax receipts in September for purchases made in July increased 17.2 percent compared to last year.
(See page 2)
- The Consumer Confidence Index decreased in September for the third month in a row.
(See page 2)
- The number of homes sold in Fairfax County in August increased 3.0 percent from a year earlier.
(See page 3)
- In August 2021, the average sales price of all homes sold in Fairfax County increased 6.7 percent compared to the average sale price in August 2020.
(See page 3)
- The number of active listings of homes for sale in the County increased 24.9 percent in August from a year ago.
(See page 4)
- A 30-year fixed rate mortgage interest rate averaged 2.90 percent in September.
(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.

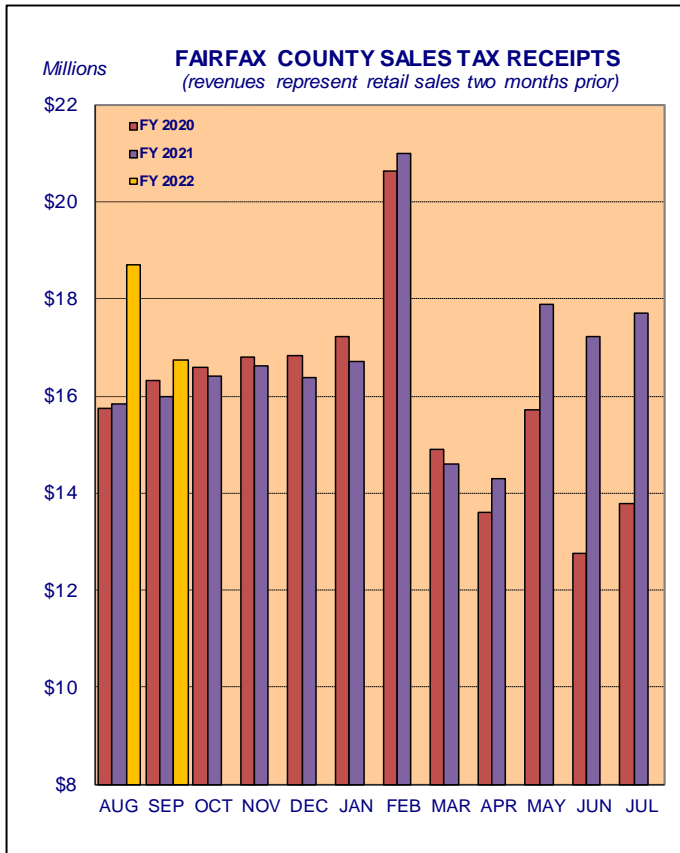
Employment

Compared to June, the July unemployment rate in Fairfax County decreased 0.4 percentage point to 3.7 percent. The number of unemployed residents decreased from 25,311 to 23,415. The County's unemployment rate was down 3.9 percentage points from July 2020.

The seasonally adjusted unemployment rate in Virginia in July decreased 0.1 percentage point to 4.2 percent. The rate was down 3.7 percentage points from July 2020.

The U.S. seasonally adjusted unemployment rate in July decreased 0.5 percentage point to 5.4 percent. The rate was down 4.8 percentage points compared to a year ago. Total nonfarm payroll employment increased by 943,000 jobs in July. In July, nonfarm payroll employment is up by 16.7 million since April 2020 but is down by 5.7 million, or 3.7 percent, from its pre-pandemic level in February 2020.

Sales Tax Receipts



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

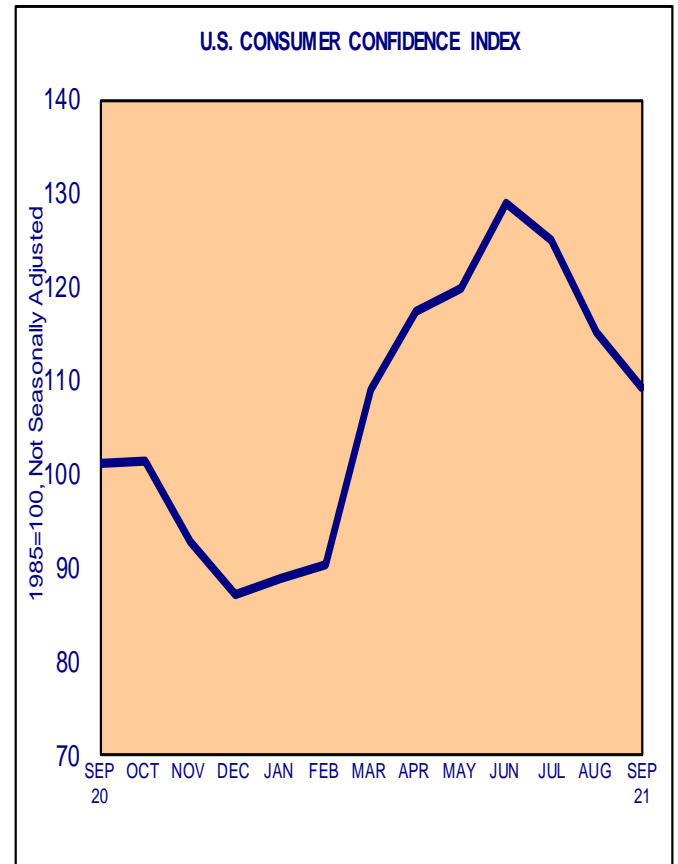
Sales Tax receipts distributed to Fairfax County in September for retail purchases made in July were \$18.7 million, an increase of 17.2 percent over September 2020. Compared to the pre-pandemic month of September 2019, sales tax receipts were up 14.9 percent. For the first two months of FY 2022, sales tax receipts are up 17.6 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 19.9 percent for the 12 months ending in July. Home prices in the Washington Metropolitan area gained 15.8 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "July 2021 is the fourth consecutive month in which the growth rate of housing prices set a record." He added that, "July's 19.7 percent price gain for the National Composite is the highest reading in more than 30 years of S&P Corelogic Case-Shiller data."

Consumer Confidence Index



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

The Consumer Confidence Index decreased in September for the third consecutive month. The index now stands at 109.3 (1985=100), down from 115.2 a month ago. Both the present situation component and the expectations component decreased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that "Concerns about the state of the economy and short-term growth prospects deepened, while spending intentions for homes, autos, and major appliances all retreated again." She added that, "These back-to-back declines suggest consumers have grown more cautious and are likely to curtail spending going forward."

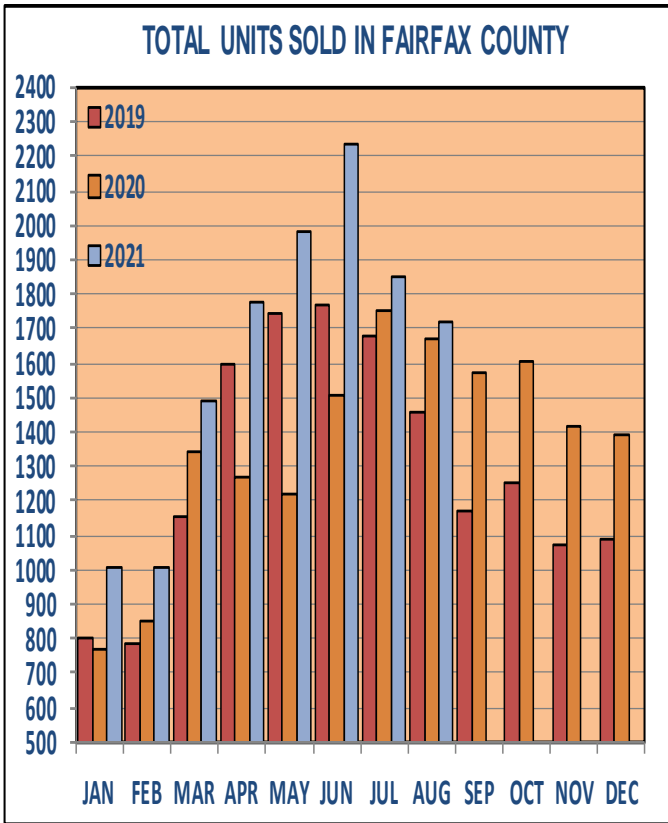
Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 5.4 percent in September over the last 12 months before seasonal adjustment. The core inflation rate excluding food and energy increased 4.0 percent. The increases were led by a 42.1 percent increase in gasoline costs, and a 24.4 percent increase in the cost of used cars and trucks. The cost of food increased by 4.6 percent, while rent increased 2.9 percent. During the same period, the Washington area CPI-U increased 4.5 percent. The Federal Reserve Board's target annual inflation rate is 2.0 percent.

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

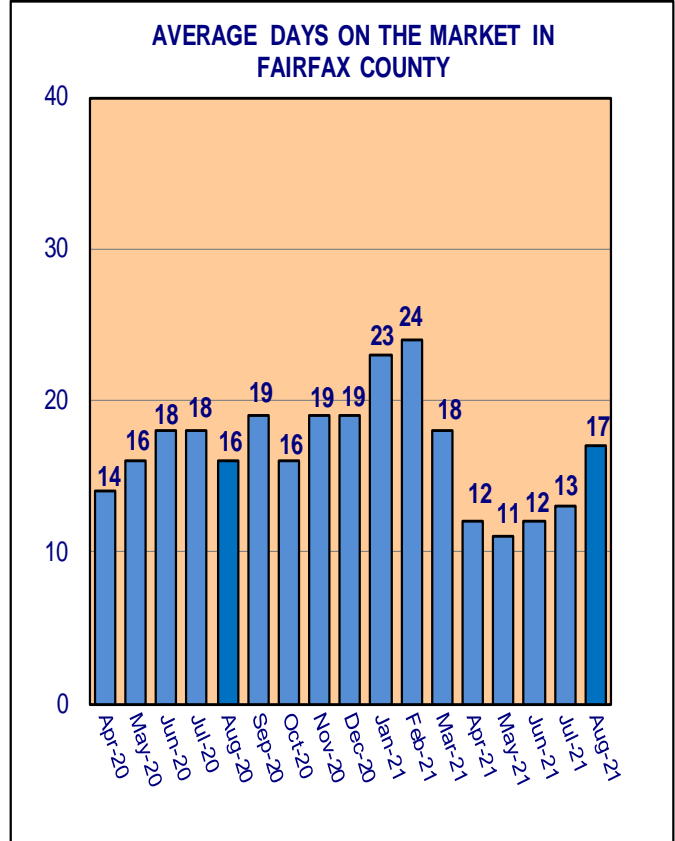
In August 2021, 1,719 homes were sold in Fairfax County, an increase of 3.0 percent over the 1,669 homes that were sold in August 2020.



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 August were on the market for 17 days. This is 1 day more than the 16-day average in August 2020.



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 August 2021 in Fairfax County was \$695,363, an increase of 6.7 percent over the August 2020 average sales price of \$651,539. The August average sales price was up 6.6 percent compared to the 2020 annual average home sales price of \$652,320.

The average sales price for detached homes that sold in August 2021 was \$948,124, an increase of 8.4 percent over the August 2020 average of \$874,401. The average sales price of attached homes increased 5.5 percent over the same period.

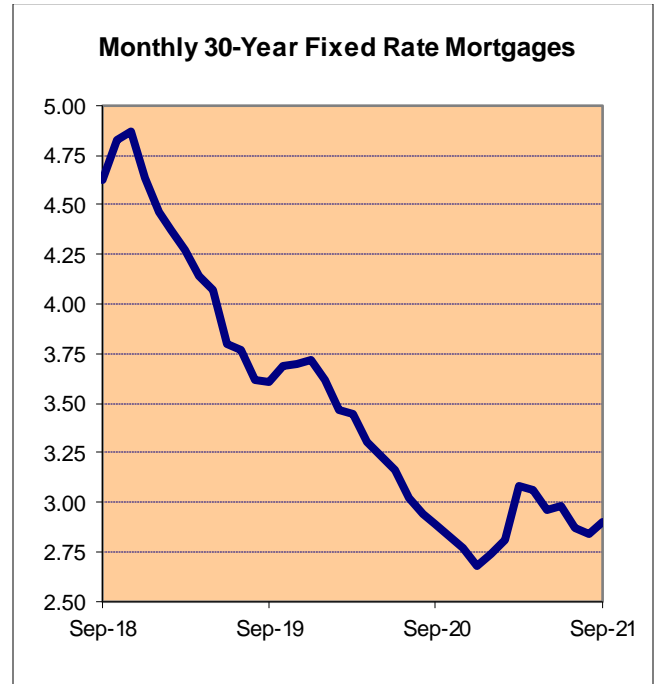
FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN AUG 2021 COMPARED TO SALES IN AUG 2020

	AUG 2021	AUG 2020	% Change
All Homes	\$695,363	\$651,539	6.7%
Detached Homes	\$948,124	\$874,401	8.4%
Attached Homes	\$464,275	\$439,885	5.5%

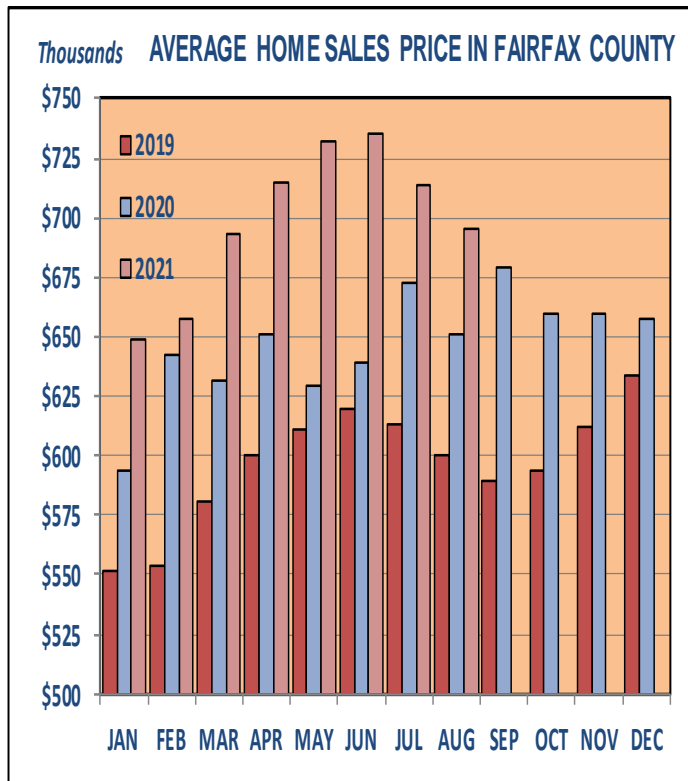
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: <https://www.fairfaxcounty.gov/taxes/real-estate>

30 Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate in September increased to 2.90 percent from 2.84 percent a month ago. A year ago, the interest rate was 2.89 percent.



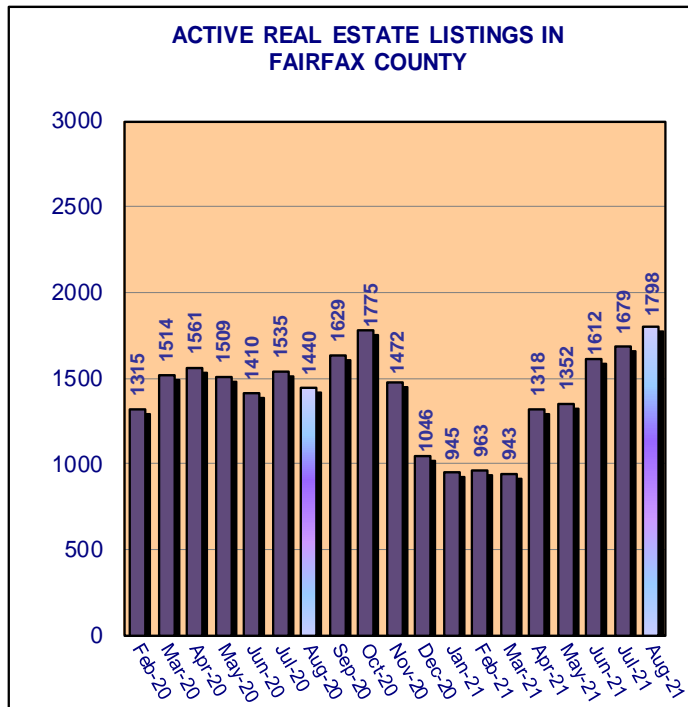
Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.



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

Inventory of Homes for Sale

The number of active listings in the County in August 2021 was 1,798, an increase of 24.9 percent over the 1,440 listings in August 2020. Based on the August 2021 listings and the current sales rate, there is approximately a 1.0-month supply of homes for sale in the County, an increase from the 0.9-month supply a year ago.



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

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