



ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

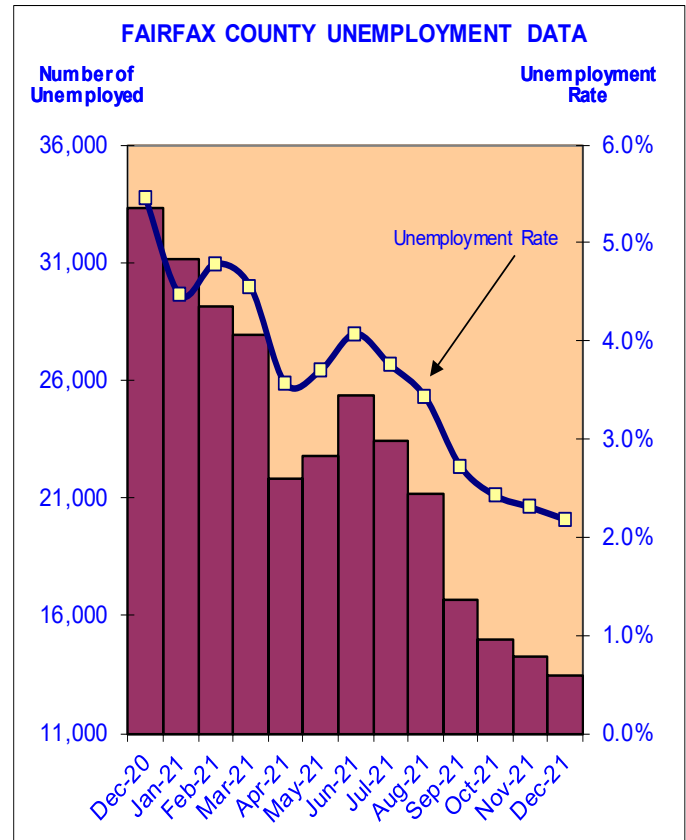
FEBRUARY 2022

IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased 0.1 percentage point to 2.2 percent in December.
(See page 1)
- Sales tax receipts in February for purchases made in December increased 13.2 percent compared to last February.
(See page 2)
- The Consumer Confidence Index decreased in February for the second straight month.
(See page 2)
- The number of homes sold in Fairfax County in January decreased 18.9 percent from a year earlier.
(See page 3)
- In January 2022, the average sales price of all homes sold in Fairfax County increased 9.6 percent compared to the average sale price in January 2021.
(See page 3)
- The number of active listings of homes for sale in the County decreased 49.4 percent from a year earlier.
(See page 4)
- A 30-year fixed rate mortgage averaged 3.76 percent in February, up from 3.45 percent in the previous month.
(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.

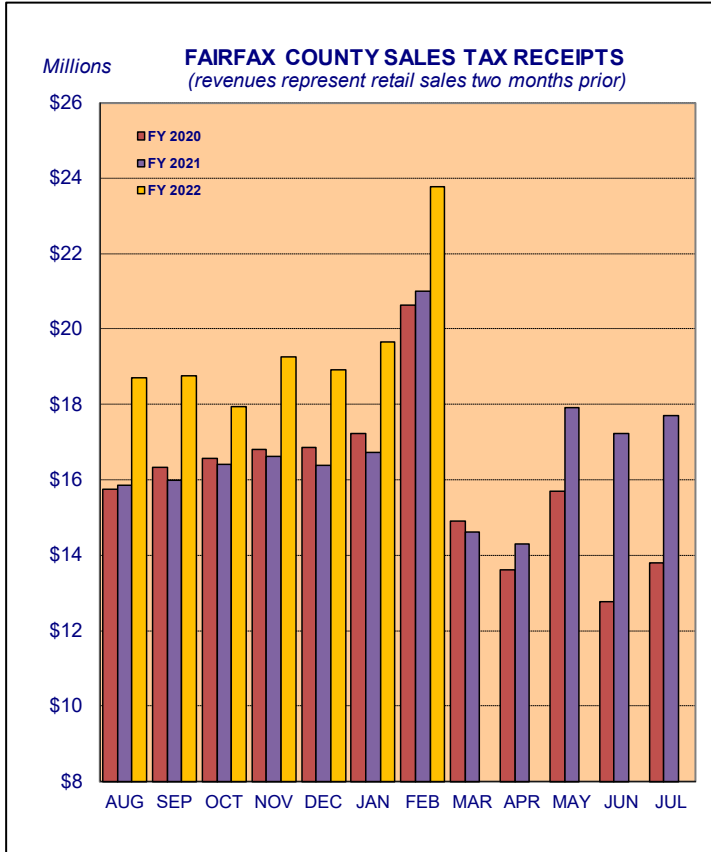
Employment

Compared to November, the December unemployment rate in Fairfax County decreased 0.1 percentage point to 2.2 percent. The number of unemployed residents decreased from 14,271 to 13,423. The County's unemployment rate was down 3.3 percentage points from December 2020.

The seasonally adjusted unemployment rate in Virginia in December remained unchanged at 3.3 percent. The rate was down 1.7 percentage points from December 2020.

The U.S. seasonally adjusted unemployment rate in December decreased 0.3 percentage point to 3.9 percent. The rate was down 2.8 percentage points compared to a year ago. Total nonfarm payroll employment increased by 199,000 jobs in December. Job growth averaged 537,000 per month in 2021.

Sales Tax Receipts



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

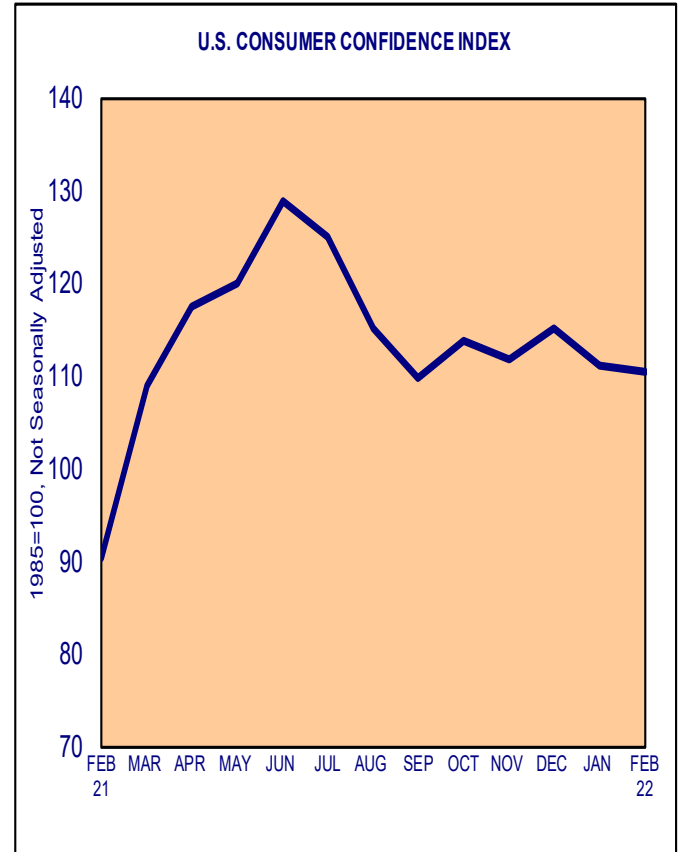
Sales Tax receipts distributed to Fairfax County in February for retail purchases made in December were \$23.8 million, an increase of 13.2 percent over February 2021. For the first seven months of FY 2022, sales tax receipts are up 15.1 percent compared to the previous year.

NATIONAL INDICATORS

Case-Shiller Index

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 18.6 percent for the 12 months ending in December. Home prices in the Washington Metropolitan area gained 10.5 percent during the same period, the lowest annual rate of increase among the 20 cities in the index. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "We have noticed that for the past several months, home prices have been rising at a very high, but decelerating rate. That deceleration paused in December, as year-over-year changes in all composite indexes were slightly ahead of November levels." He added that, "In the short term, meanwhile, we should soon begin to see the impact of increasing mortgage rates on home prices."

Consumer Confidence Index



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

The Consumer Confidence Index decreased slightly in February for the second straight month. The index now stands at 110.5 (1985=100), down from 111.1 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, "Concerns about inflation rose again in February, after posting back-to-back declines." She added that, "While they do not expect the economy to pick up steam in the near future, consumers also do not foresee conditions worsening."

Consumer Price Index

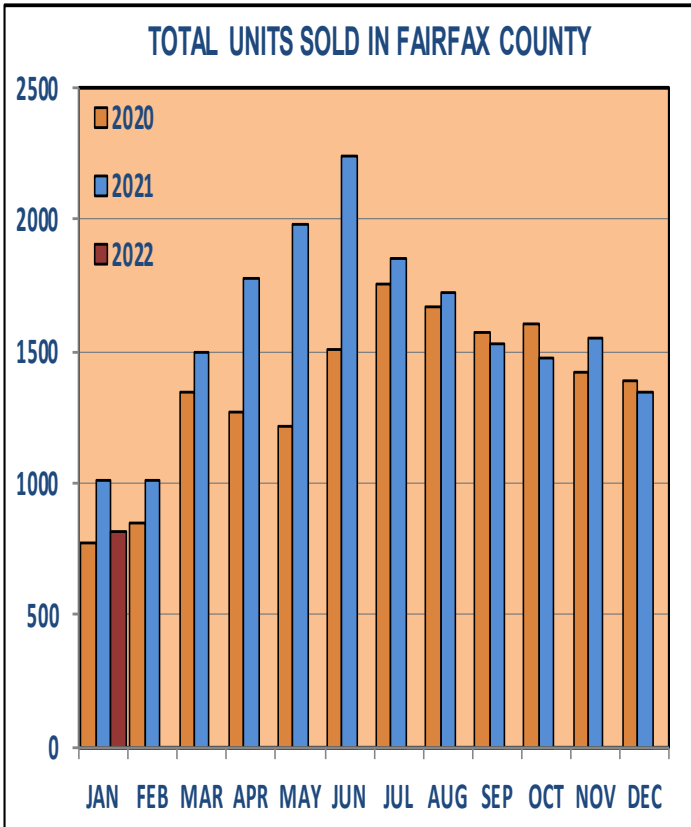
The Consumer Price Index for All Urban Consumers (CPI-U) increased 7.5 percent in January over the last 12 months before seasonal adjustment. This was the largest 12-month increase since the period ending February 1982. The core inflation rate excluding food and energy increased 6.0 percent. The increases were led by a 40.0 percent increase in gasoline costs, a 40.5 percent increase in the cost of used cars and trucks, and an increase of 7.0 percent in food costs. The cost of rental housing which makes up nearly a quarter of the index, increased 4.1 percent.

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

FAIRFAX COUNTY HOUSING MARKET

Total Home Sales Volume

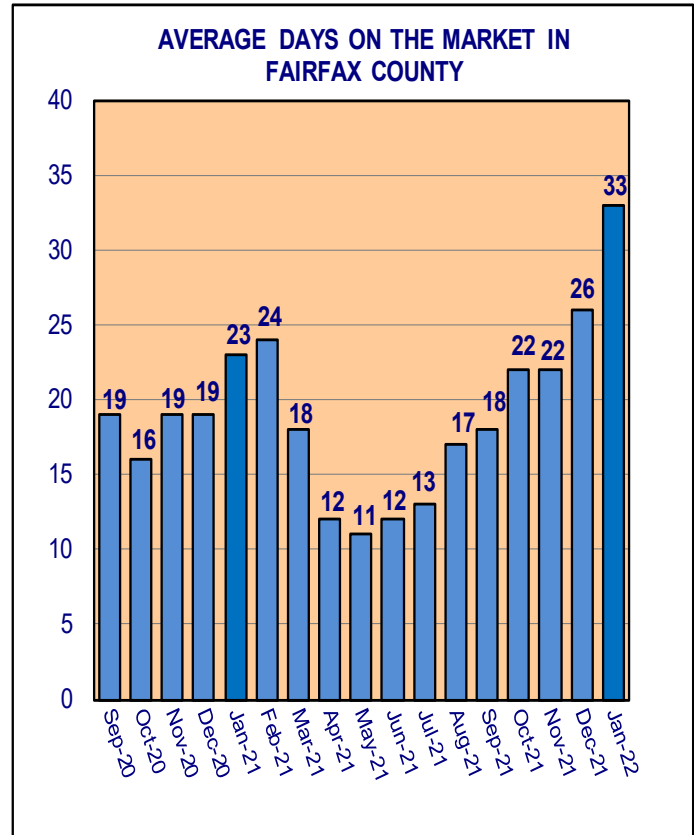
In January 2022, 817 homes were sold in Fairfax County, a decrease of 18.9 percent from the 1,008 homes that were sold in January 2021.



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 January 2022 were on the market for 33 days. This is 10 days longer than the 23-day average in January 2021.



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

Average Home Sales Prices

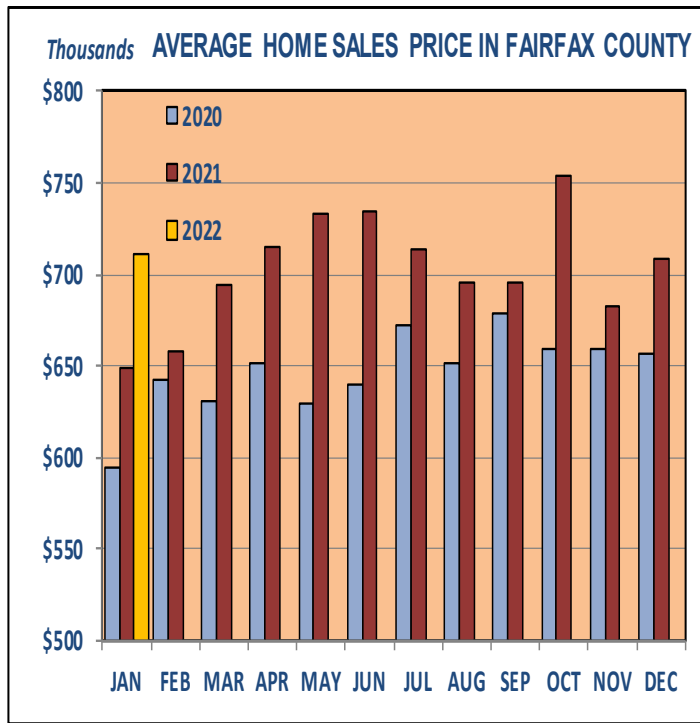
The average sales price of all homes that sold in January 2022 in Fairfax County was \$710,626, an increase of 9.6 percent over the January 2021 average sales price of \$648,546. The average sales price was up 0.2 percent compared to the 2021 annual average home sales price of \$709,136.

The average sales price for detached homes that sold in January 2022 was \$1,062,410, an increase of 14.6 percent over the January 2021 average of \$927,373. The average sales price of attached homes increased 2.6 percent over the same period.

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

	JAN 2022	JAN 2021	% Change
All Homes	\$710,626	\$648,546	9.6%
Detached Homes	\$1,062,410	\$927,373	14.6%
Attached Homes	\$449,043	\$437,725	2.6%

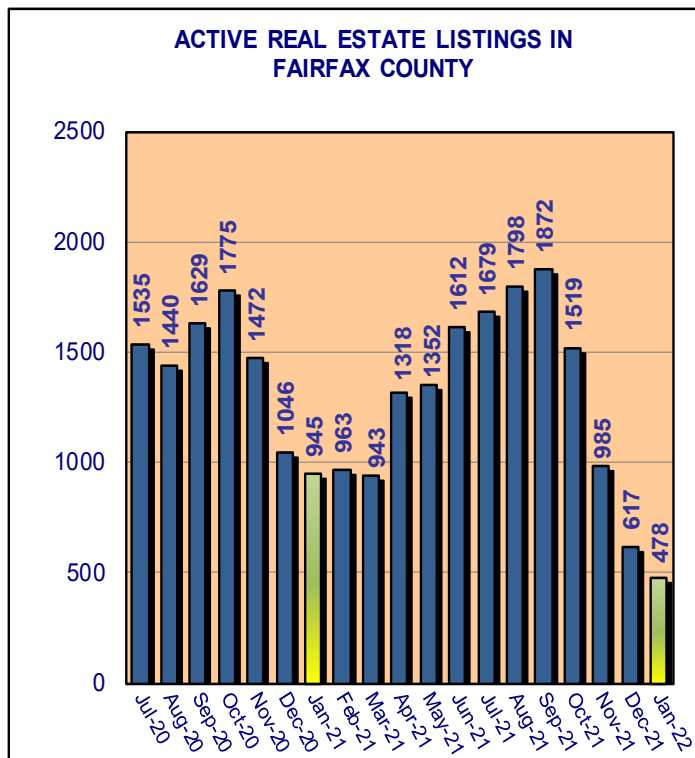
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read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

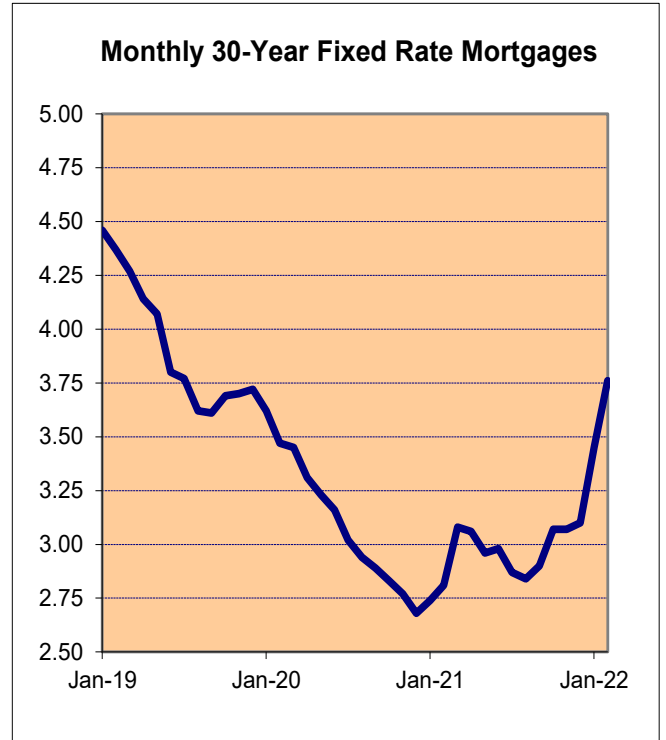
The number of active listings for sale in the County in January 2022 was 478, a decrease of 49.4 percent from the 945 listings in January 2021. Based on the January 2022 listings and the current sales rate, there is approximately a 0.6-month supply of homes for sale in the County, a decrease from the 0.8-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 increased to 3.76 percent in February, up from 3.45 percent a month ago. A year ago, the average 30-year mortgage rate was 2.81 percent.



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

The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or TTY 711 (Virginia Relay Center)

Staff: Albena Assenova, Revenue and Economic Analysis Coordinator; Eric Eisinger, Budget Analyst