

# ECONOMIC INDICATORS<sup>®</sup>

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

MAY 2021

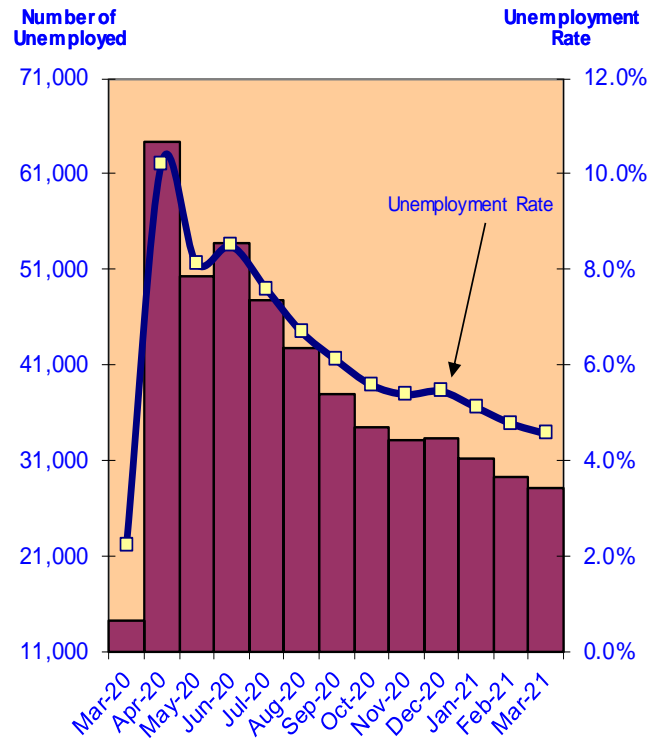
## IN THIS ISSUE:

- The unemployment rate in Fairfax County decreased 0.2 percentage point to 4.6 percent in March.  
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- Sales tax receipts for retail purchases made in March increased 14.0 percent compared to last year.  
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- The Consumer Confidence Index decreased slightly in May after increasing for four consecutive months.  
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- The number of homes sold in Fairfax County in April increased 40.1 percent from a year earlier.  
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- In April 2021, the average sales price of all homes sold in Fairfax County increased 9.7 percent compared to the average sale price in April 2020.  
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- The number of active listings of homes for sale in the County decreased 15.6 percent in April from a year ago.  
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- The direct office vacancy rate increased to 14.6 percent at year-end 2020, up from 13.9 percent a year earlier.  
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**Previous issues of this publication can be accessed at:**

<https://www.fairfaxcounty.gov/budget/economic-indicators>

## FAIRFAX COUNTY UNEMPLOYMENT DATA



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

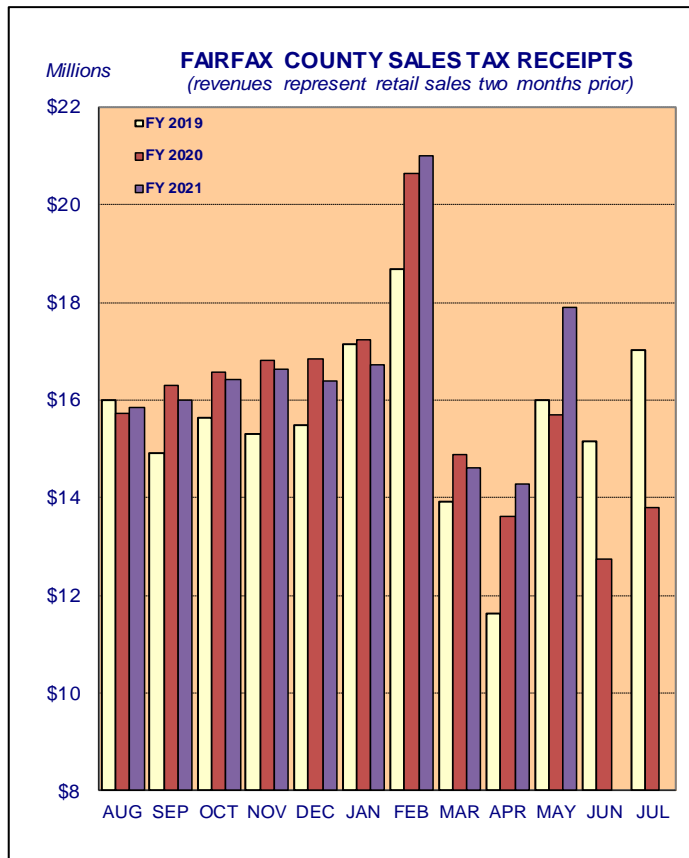
## Employment

Compared to February, the March unemployment rate in Fairfax County decreased 0.2 percentage point to 4.6 percent. The number of unemployed residents decreased from 29,150 to 28,050. The County's unemployment rate was up 2.4 percentage points over March 2020.

The seasonally adjusted unemployment rate in Virginia in March decreased 0.1 percentage point to 5.1 percent. The rate was up 2.5 percentage points over March 2020.

The U.S. seasonally adjusted unemployment rate in March decreased 0.2 percentage point to 6.0 percent. The rate was up 1.6 percentage points compared to a year ago. Total nonfarm payroll employment increased by 916,000 jobs in March. As of March 2021, there were 4.0 million more unemployed people compared to February 2020.

## Sales Tax Receipts



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

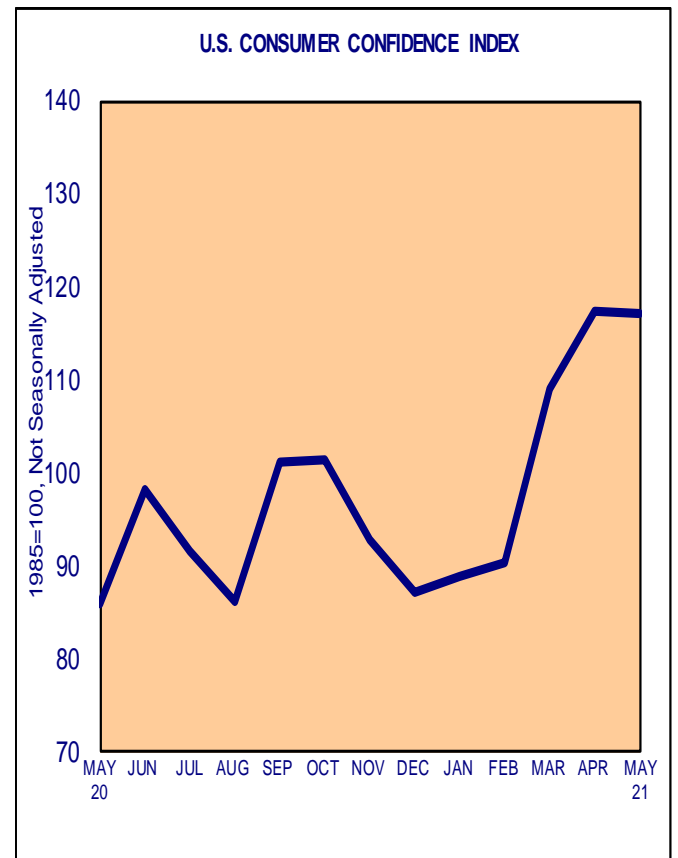
Sales Tax receipts distributed to Fairfax County in May for retail purchases made in March were \$17.9 million, an increase of 14.0 percent over May 2020. For the first ten months of FY 2021, sales tax receipts are up 0.9 percent compared to the previous year.

## 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 13.3 percent for the 12 months ending in March. Home prices in the Washington Metropolitan area gained 12.2 percent during the same period. Craig J. Lazzara, Managing Director and Global Head of Index Investment Strategy, said that, "The National Composite's 13.2% gain was last exceeded more than 15 years ago in December 2005, and lies very comfortably in the top decile of historical performance."

## Consumer Confidence Index



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

The Consumer Confidence Index decreased marginally in May after increasing for four straight months. The index now stands at 117.2 (1985=100), down from 117.5 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 "Consumers were less upbeat this month about their income prospects – a reflection, perhaps, of both rising inflation expectations and a waning of further government support until expanded Child Care payments begin reaching parents in July." She added that, "Overall, consumers remain optimistic, and confidence should remain resilient in the short term, as vaccination rates climb, COVID-19 cases decline further, and the economy fully reopens."

### Consumer Price Index

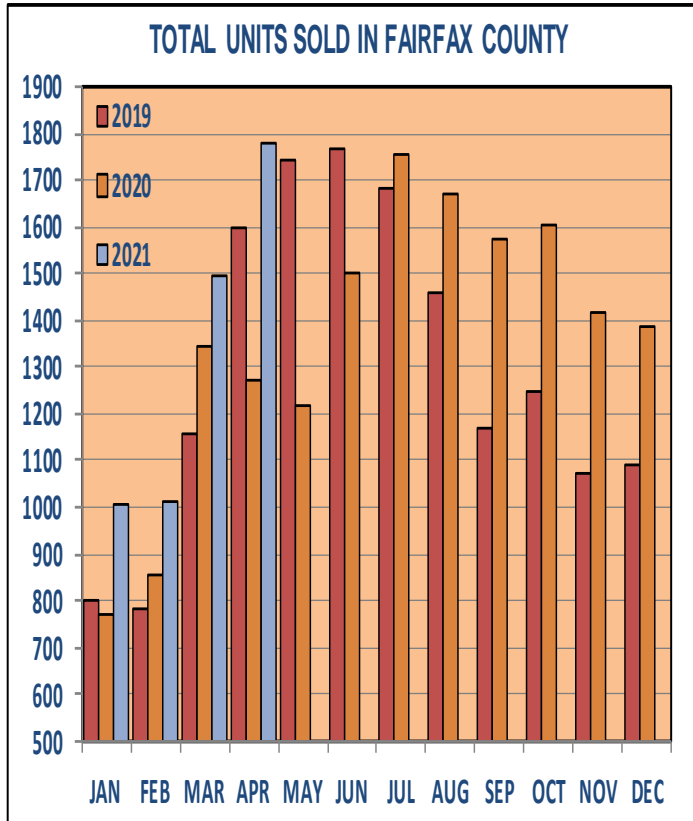
The Consumer Price Index for All Urban Consumers (CPI-U) increased 4.2 percent over the last 12 months, before seasonal adjustment. This is the largest 12-month increase since a 4.9-increase for the period ending September 2008. The increases were led by a 25.1-percent increase in energy costs and a 21.0-percent increase in the cost of used cars and trucks.

The index for all items less food and energy increased 3.0 percent over the last 12 months.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

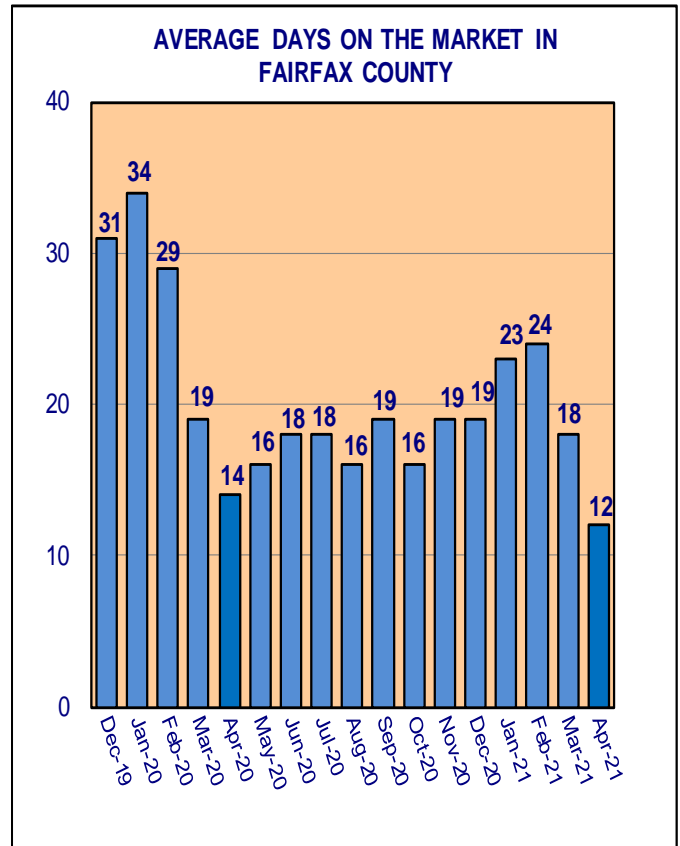
In April 2021, 1,781 homes were sold in Fairfax County, an increase of 40.1 percent over the 1,271 homes that were sold in April 2020.



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 April were on the market for 12 days. This is 2 days fewer than the 14-day average in April 2020.



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

## Average Home Sales Prices

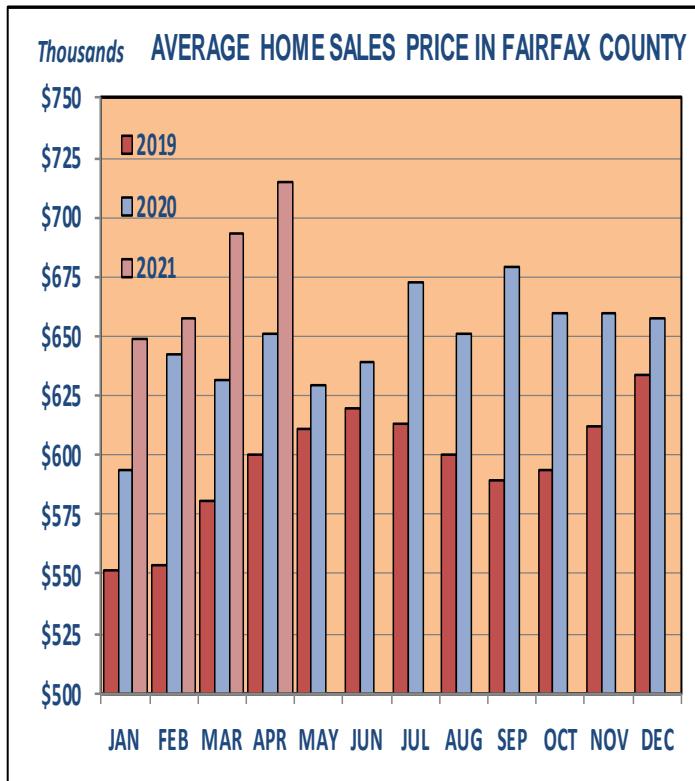
The average sales price of all homes that sold in April 2021 in Fairfax County was \$714,564, an increase of 9.7 percent over the April 2020 average sales price of \$651,153. The April average sales price was up 9.5 percent compared to the 2020 annual average home sales price of \$652,320.

The average sales price for detached homes that sold in April 2021 was \$951,184, an increase of 13.1 percent over the April 2020 average of \$840,718. The average sales price of attached homes increased 6.8 percent over the same period.

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>

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

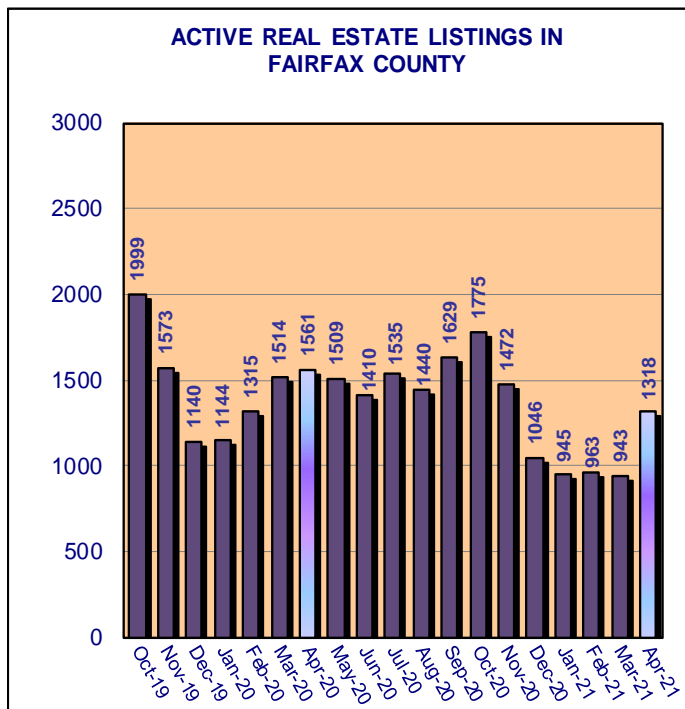
	APR 2021	APR 2020	% Change
All Homes	\$714,564	\$651,153	9.7%
Detached Homes	\$951,184	\$840,718	13.1%
Attached Homes	\$474,193	\$444,099	6.8%



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

### Inventory of Homes for Sale

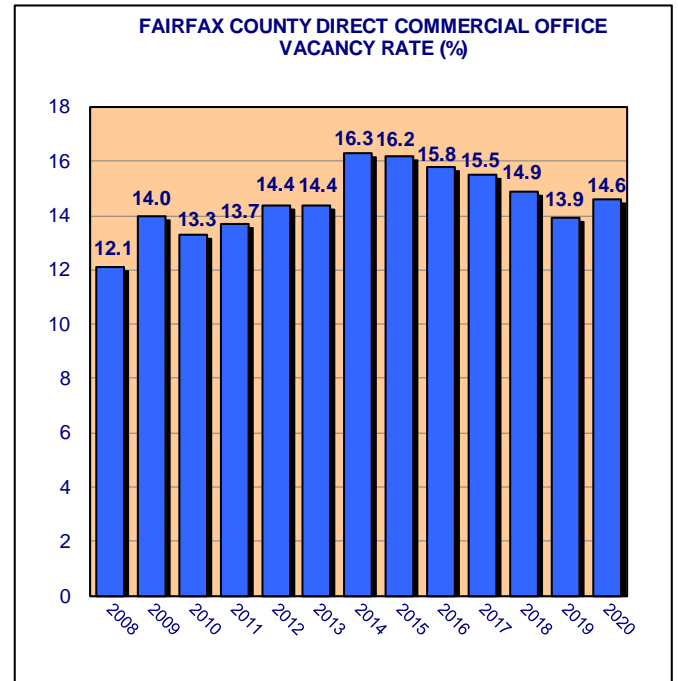
The number of active listings in the County in April 2021 was 1,318, a decrease of 15.6 percent from the 1,561 listings in April 2020. Based on the April 2021 listings and the current sales rate, there is approximately a 0.7-month supply of homes for sale in the County, less than the 1.2-month supply a year ago.



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

### Commercial Office Market

According to the Fairfax County Economic Development Authority (FCEDA), the direct office vacancy rate was 14.6 percent at year-end 2020, up from 13.9 percent at year-end 2019. This marked the first year of increased office vacancy since 2014. Gross office leasing totaled over 5.2 million square feet, down from over 9 million square feet the previous year. The slowdown in leasing activity is due to the impact of COVID-19. New office construction continues throughout Fairfax County. At year's end 2020, approximately 2.9 million square feet of construction were underway in the County.



Source: Fairfax County Economic Development Authority. Compiled by the Fairfax County Department of Management and Budget.

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