

# ECONOMIC CONDITIONS

Let's check the indicators...

# Key Economic Indicators 2025 Check-in

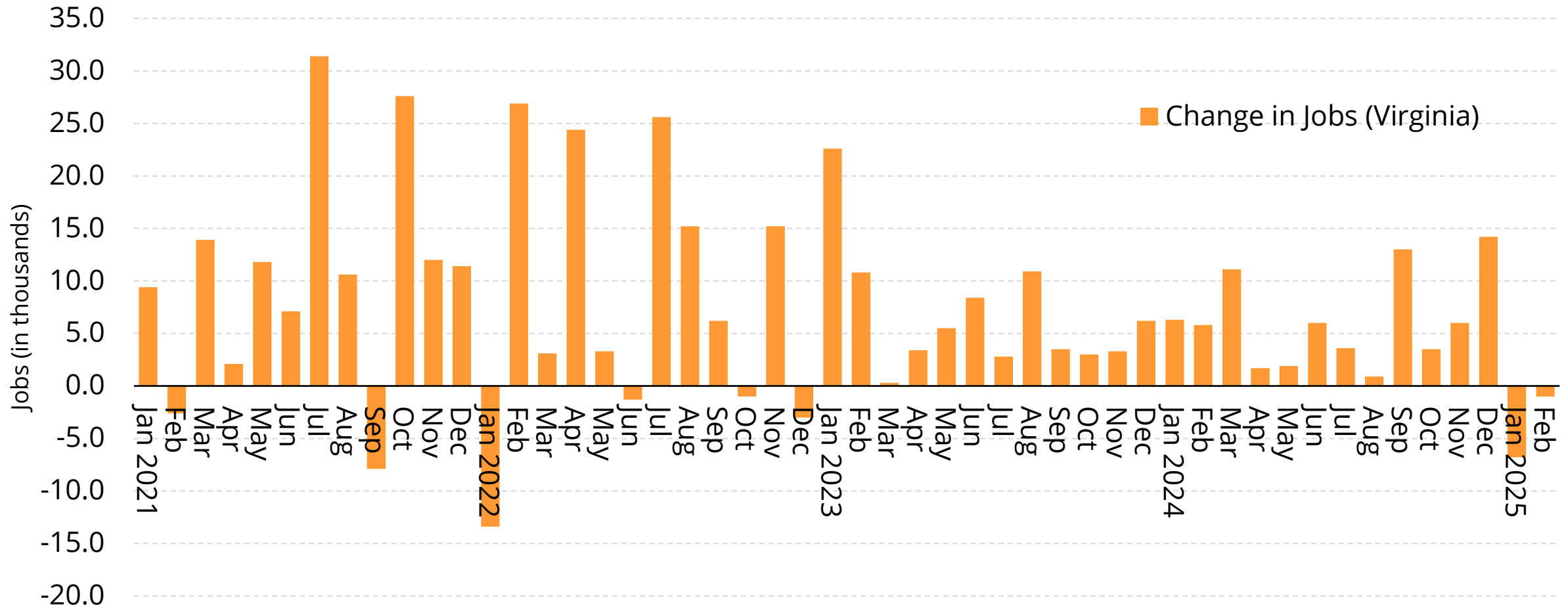


## ***JOBS***

U.S	↑	National job market holding up for now. 228K jobs added in March, beating expectations. But uncertainty looms for employers amid tariffs
VA	↓	VA lost jobs in Jan (-6.8K) & Feb (-1K). Likely to see this continue as DOGE cuts make their way into the data

# Virginia Job Trends

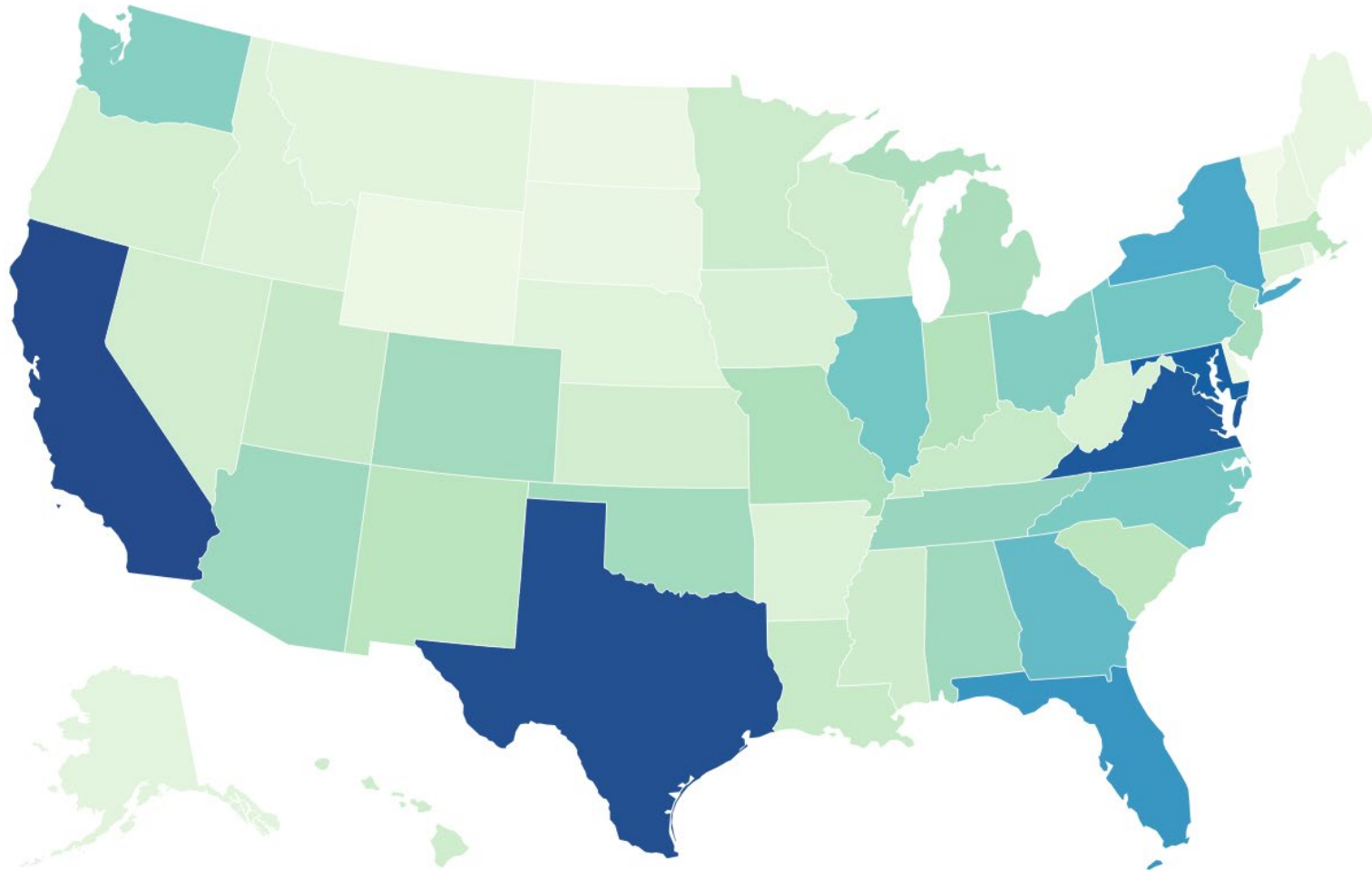
Monthly job change, Virginia (in thousands)



Source: U.S. Bureau of Labor Statistics, seasonally adjusted

# Federal Employment by State

low high

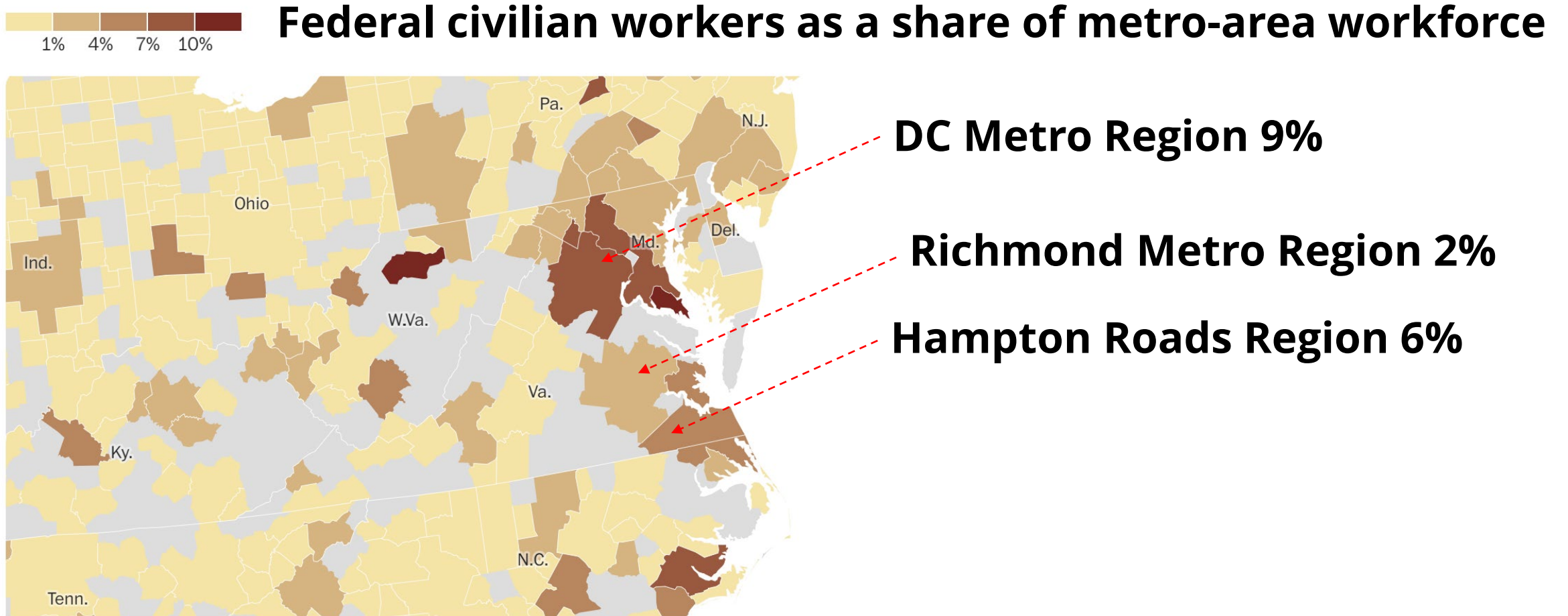


## Top 5 by # of Federal Jobs

1. CA
2. VA
3. MD
4. TX
5. FL



# Fed employment in VA concentrated in a few regions



# Federal Employment by Type in Virginia

- Federal Civilian: approximately **321K jobs**
- Active-Duty Military: approximately **131K Jobs**
- Federal Contracting: approximately **441K jobs**

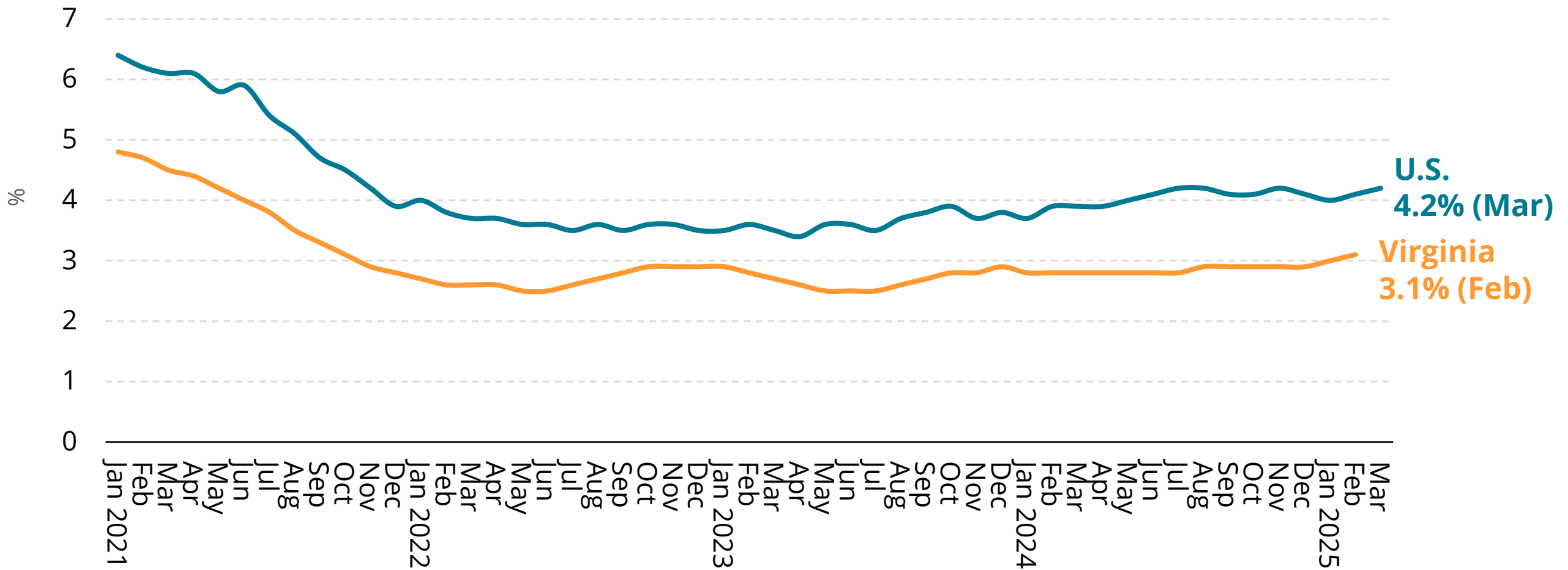
# Key Economic Indicators 2025 Check-in



<b>UNEMPLOYMENT RATE</b>		
U.S	↔	Stable so far through March. Hovering between 4% to 4.2% for nearly a year
VA	↔	Stable, edged up to 3.1% in February, but hovering around same level for over a year

# Unemployment Rate

Unemployment Rate (%)



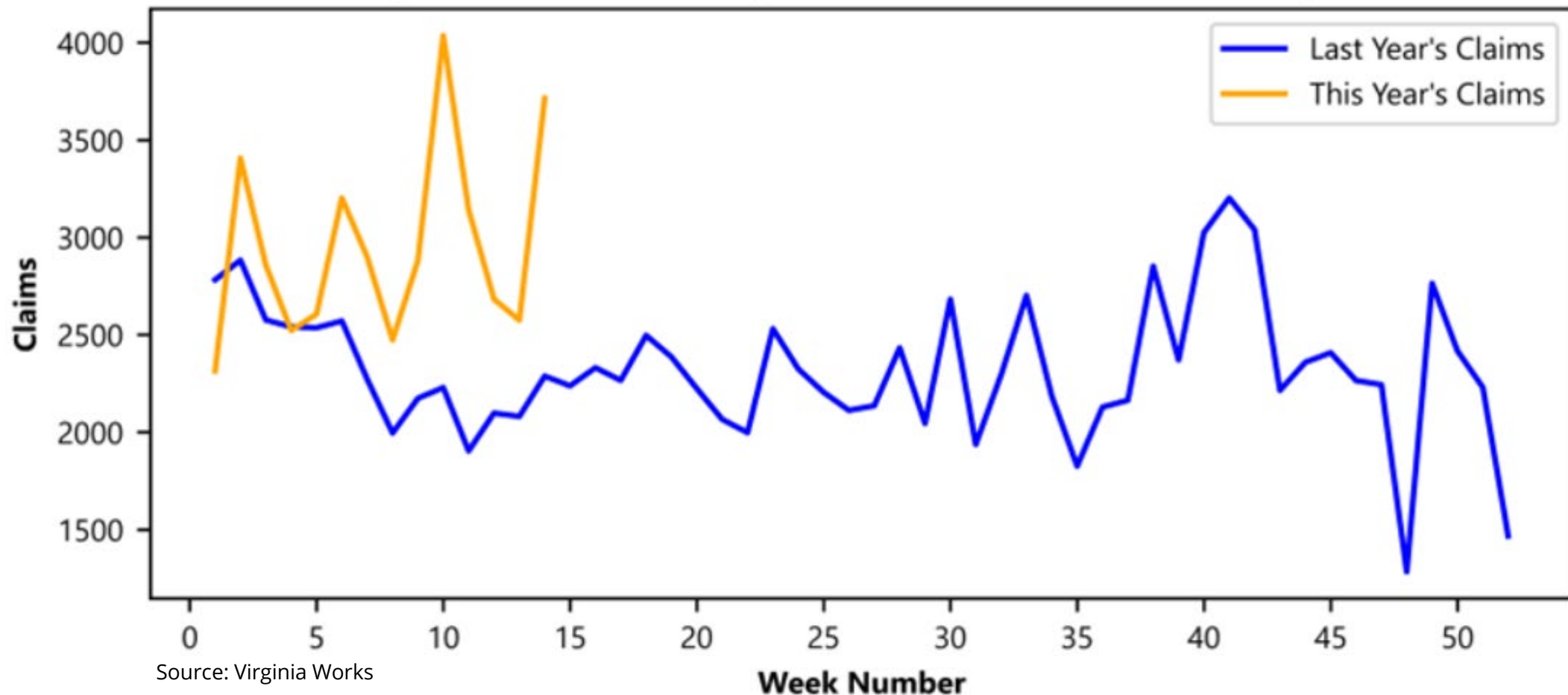
Source: U.S. Bureau of Labor Statistics, seasonally adjusted



# Initial Claims for Unemployment Insurance

Unemployment insurance claims continue to trend higher than last year in Virginia

**Virginia Initial Claims by Week: Previous and Current year**



Source: Virginia Works

# Potential Impact of Fed Job Cuts on Unemployment

Metro Area	Baseline Unemployment	Unemployment rate if federal workforce cut by...		
		25% Reduction	50% Reduction	75% Reduction
DC Metro Area	2.8%	5.0%	7.3%	9.6%
Hampton Roads	2.6%	4.0%	5.5%	6.9%
Richmond	2.6%	3.1%	3.6%	4.1%
Roanoke	2.4%	2.9%	3.4%	3.9%
Lynchburg	2.9%	2.9%	3.0%	3.0%
Charlottesville	2.0%	2.3%	2.5%	2.8%
Blacksburg	2.4%	2.5%	2.5%	2.6%
Harrisonburg	2.5%	2.5%	2.6%	2.7%

Source: Urban Institute, U.S. Office of Personnel Management, U.S. Bureau of Labor Statistics

# Key Economic Indicators 2025 Check-in



## CONSUMER SENTIMENT INDICATORS

### **THE CONFERENCE BOARD**

Consumer Confidence Index



Has been trending down for 4 straight months. Sharp drop in February and March, driven by growing pessimism about future expectations

### **UNIVERSITY OF MICHIGAN**

Consumer Sentiment Index



Trending down 3 straight months. March drop driven by worsening unemployment and inflation concerns

### **FANNIE MAE**

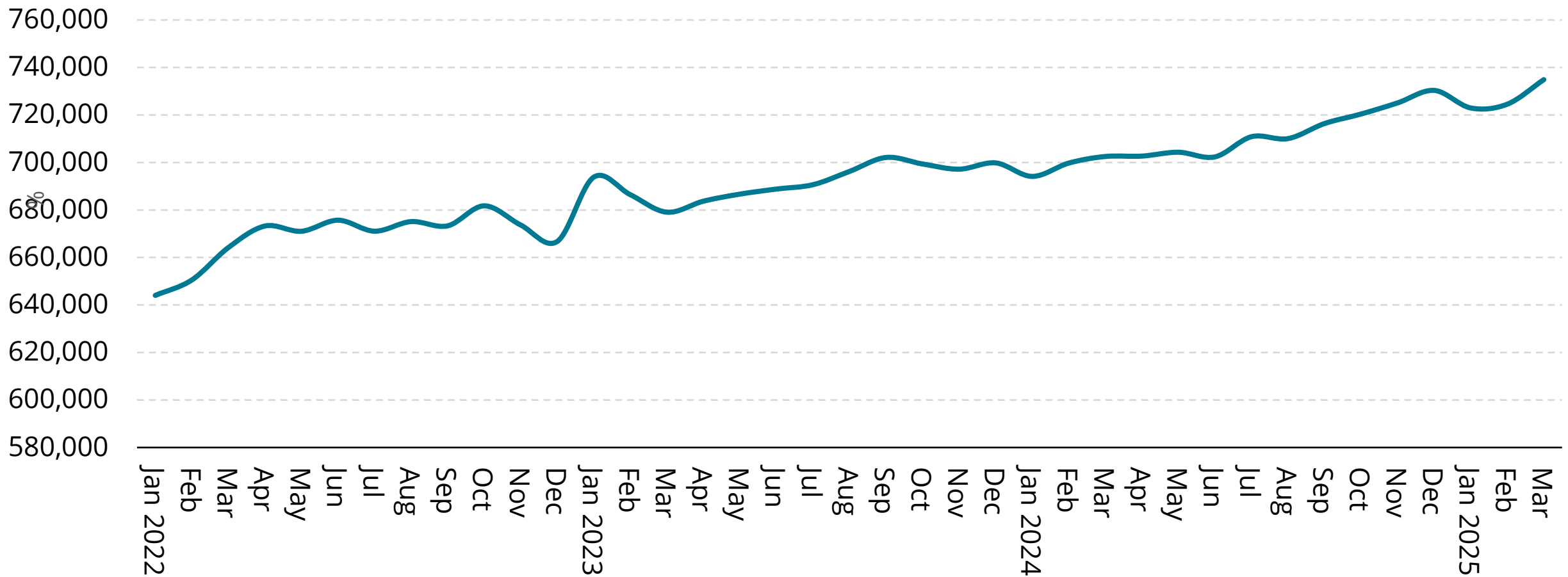
Home Purchase Sentiment Index



Consumer housing sentiment fell in February and March, driven by rates and job concerns

# Retail Sales

U.S. Retail Sales (in millions)



Source: U.S. Census Bureau, seasonally adjusted

# Key Economic Indicators 2025 Check-in



## **CONSUMER PRICE INDEX (CPI)**

Overall CPI	↓	March 2.4%. In February it was 2.8%.
Core CPI (excludes food & energy)	↓	March 2.8%. In February it was 3.1%

## **PERSONAL CONSUMPTION EXPENDITURES PRICE INDEX (PCE)**

Overall PCE	↔	Was 2.5% in February, holding firm from January
Core PCE (excludes food & energy)	↑	Was 2.8% in February. In January it was 2.6%



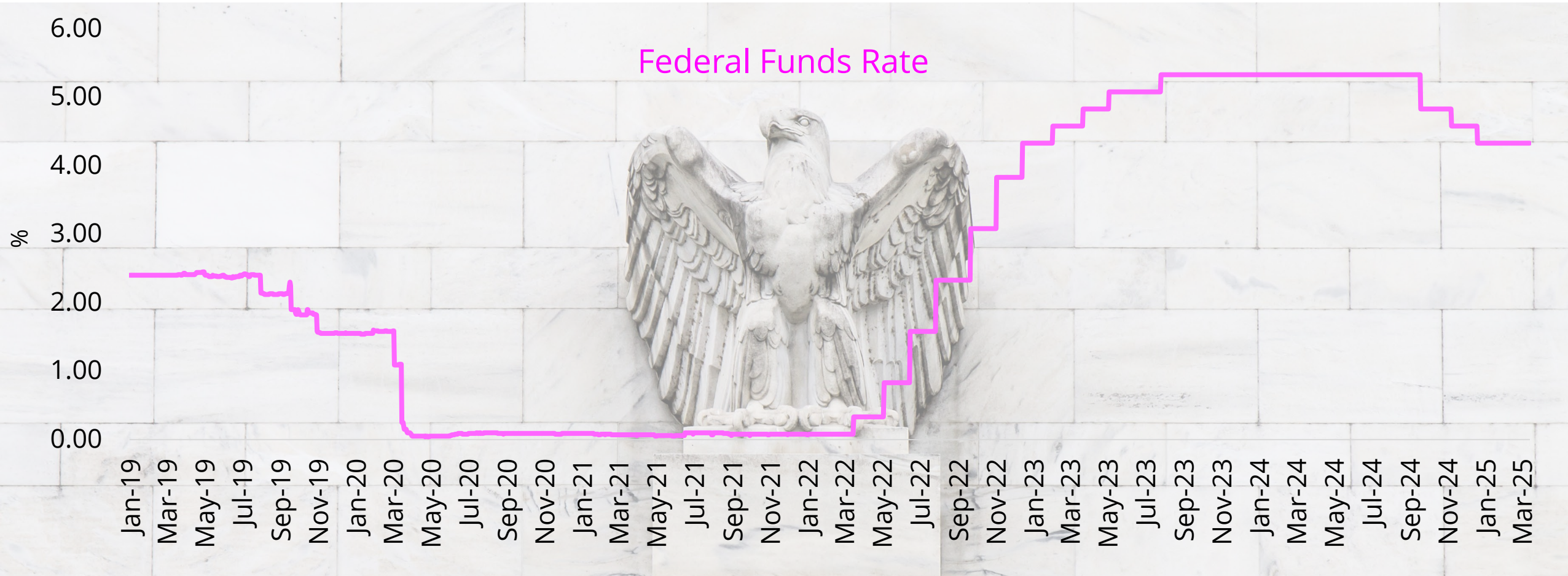
# Tariff Uncertainty Looms...

## Potential impacts are wide-ranging and fluid

- Consumers likely to see higher prices on wide range of goods in the near-term, longer-term inflationary risk could also materialize
- New tariffs could increase builder costs about \$9,200 per home according to the National Association of Home Builders
- Could reduce trade volumes in the Port of Virginia
- China is a big importer of Virginia soy beans



# Federal Funds Rate



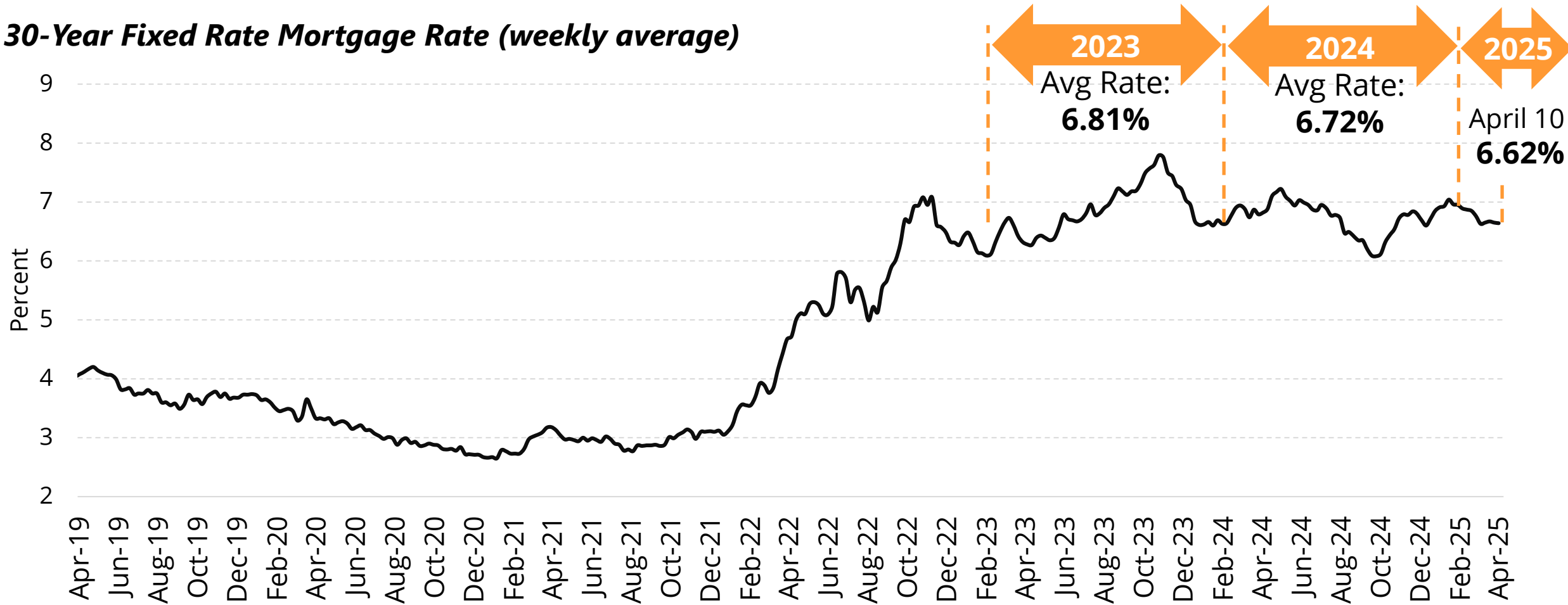




# HOUSING MARKET

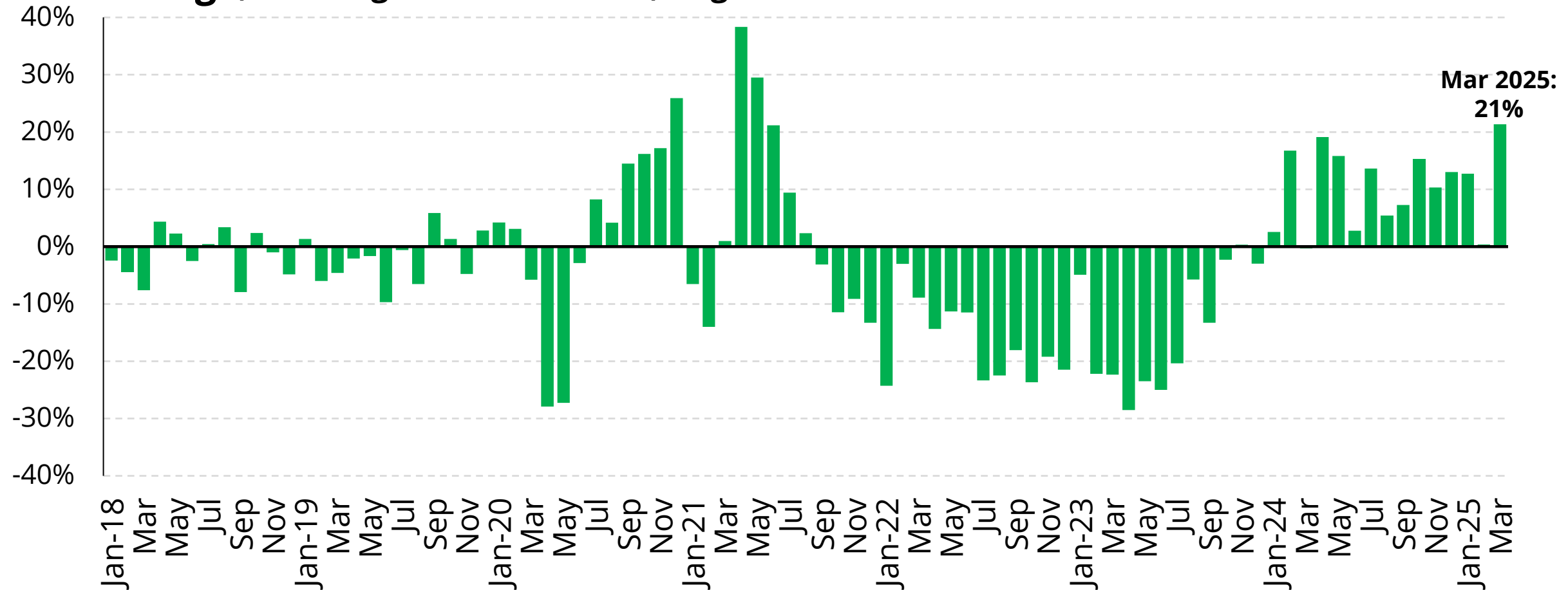
# Mortgage Rate Trends

## 30-Year Fixed Rate Mortgage Rate (weekly average)



# Inventory levels improving, but remain tight

## ***New Listings, % Change from Prior Year, Virginia***

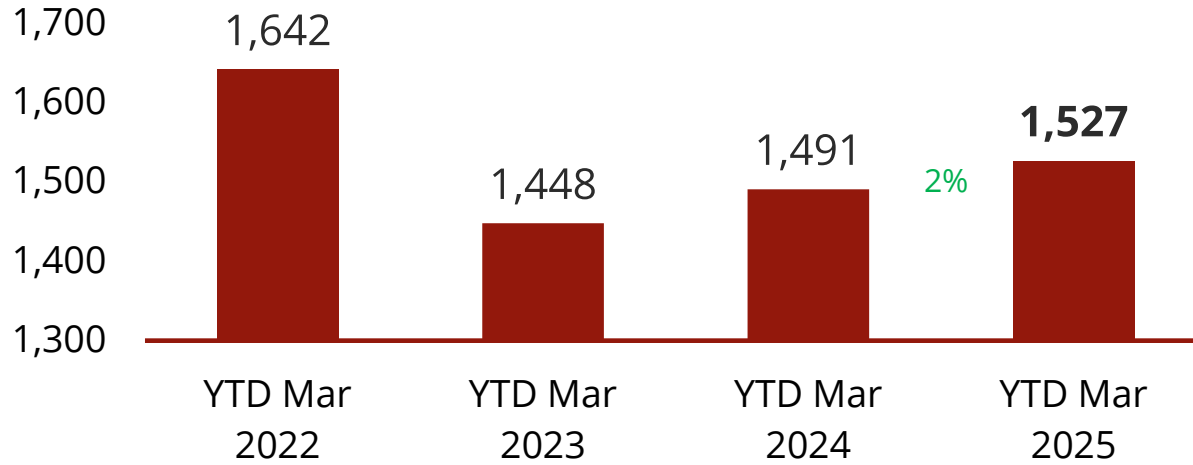


**Mar 2025:  
21%**

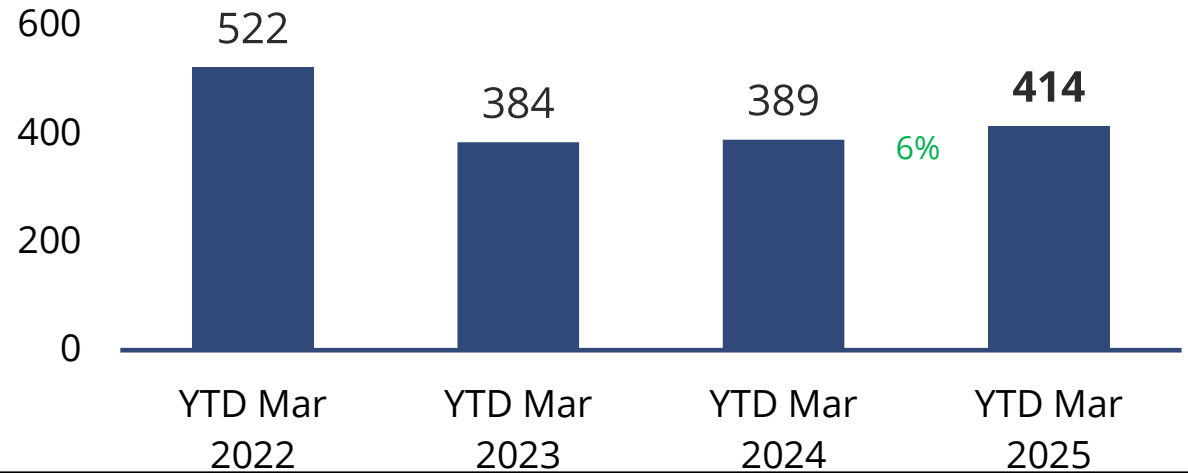


# New Listings – Local Markets (YTD March 2025)

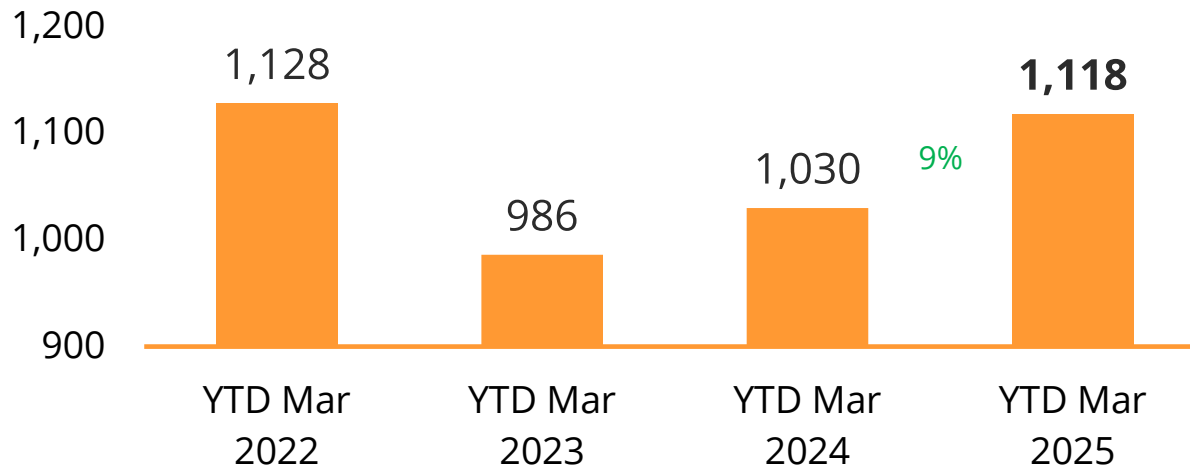
## Chesterfield County



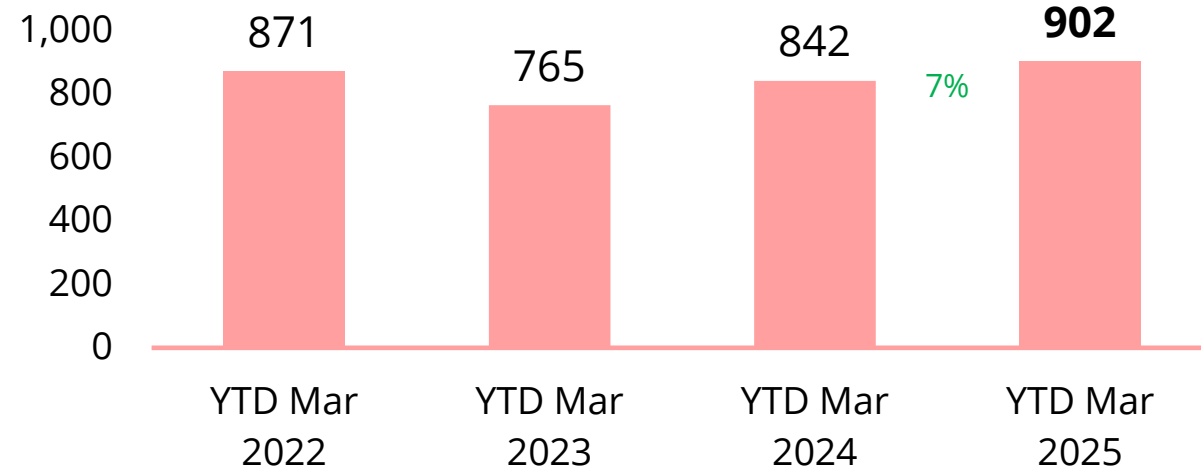
## Hanover County



## Henrico County

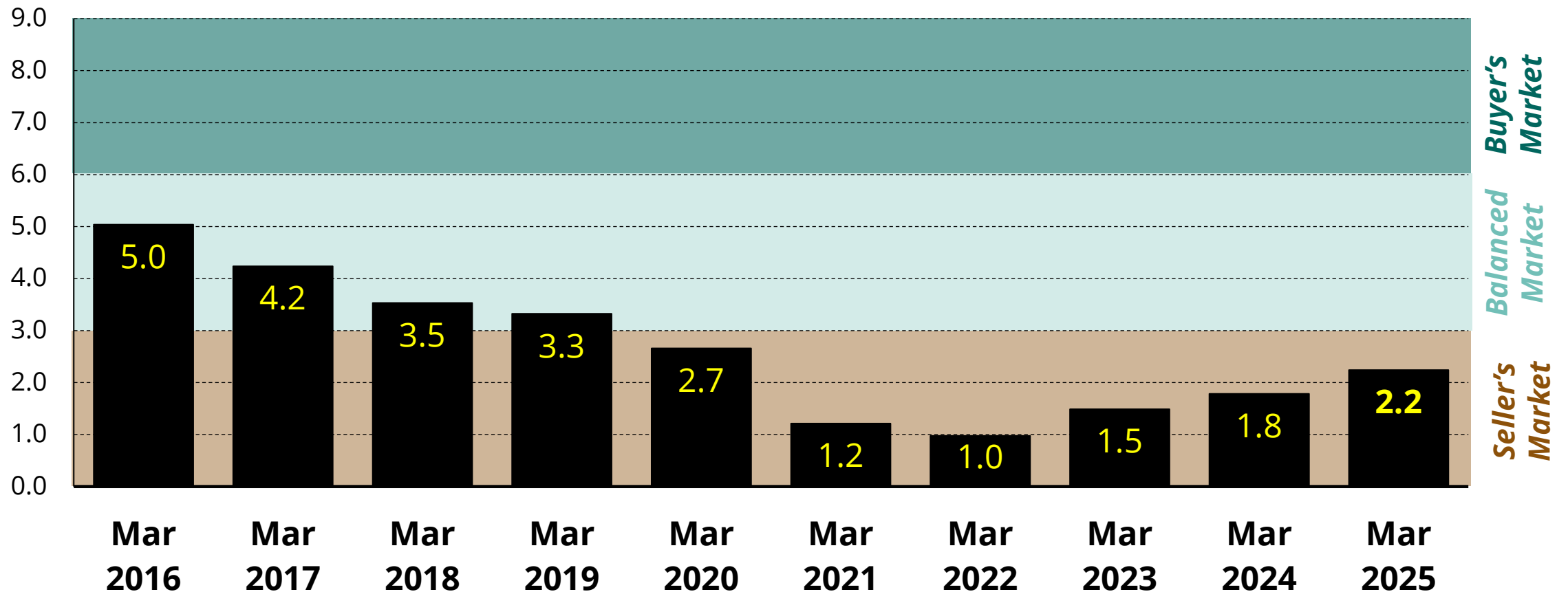


## Richmond



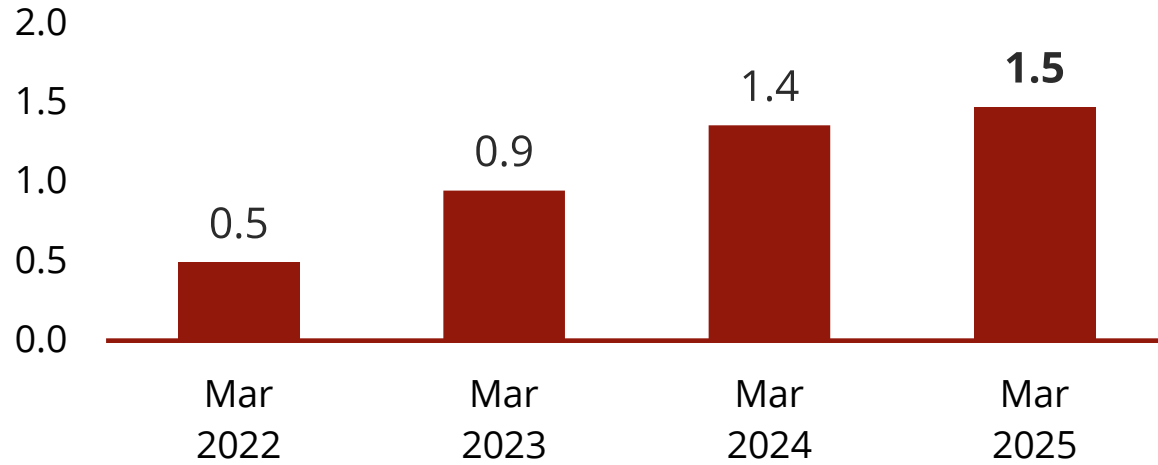
# Supply increasing, but still a seller's market

***Months of Supply, Virginia (March)***

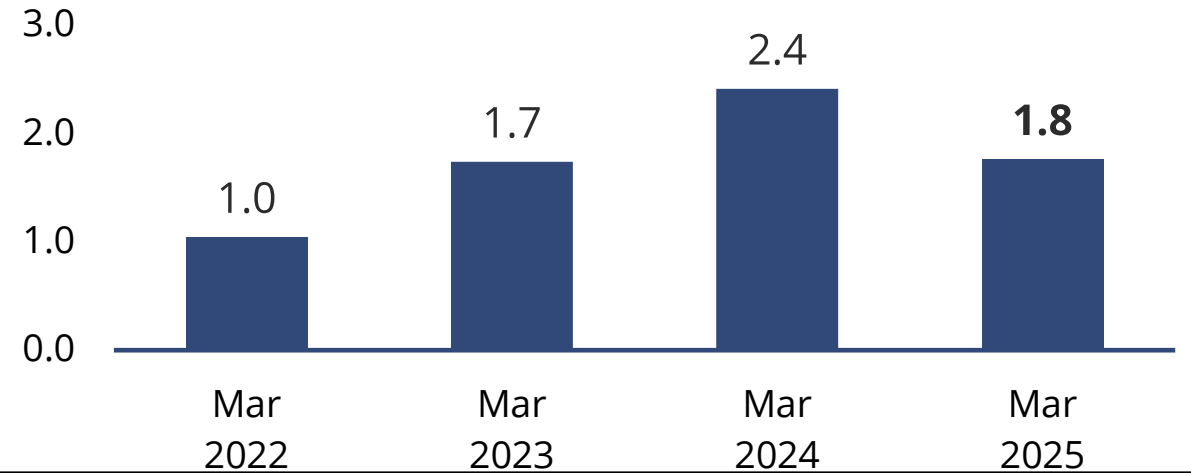


# SFD Months of Supply – Local Markets (March 2025)

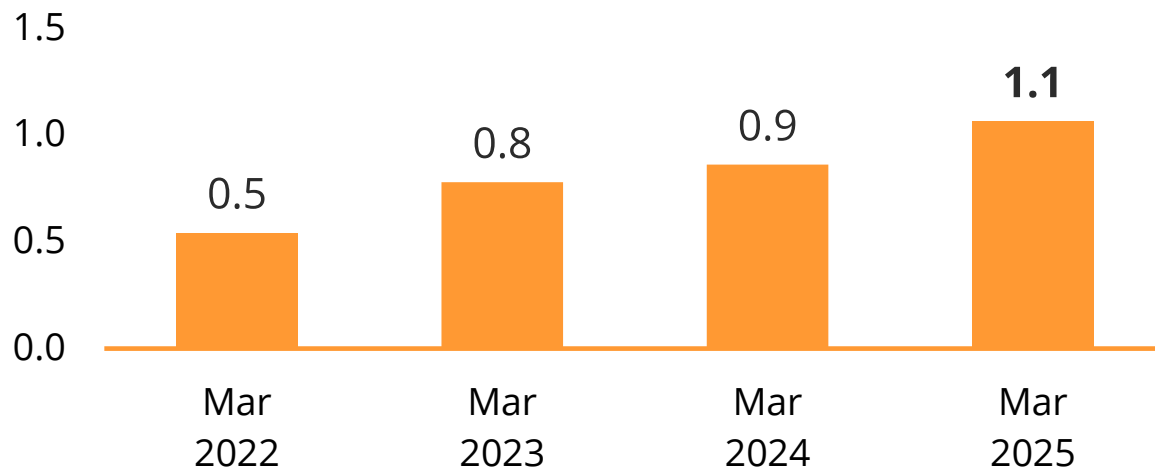
## Chesterfield County



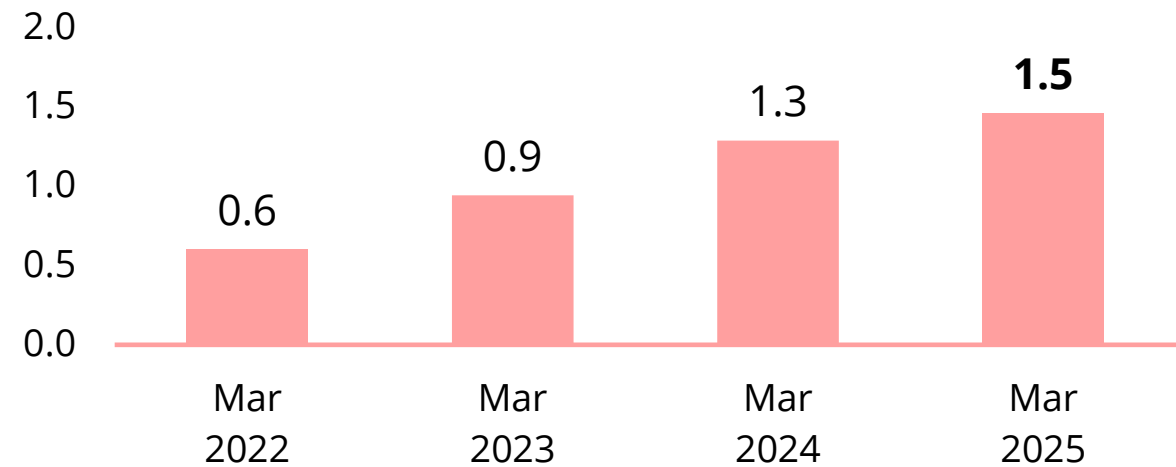
## Hanover County



## Henrico County

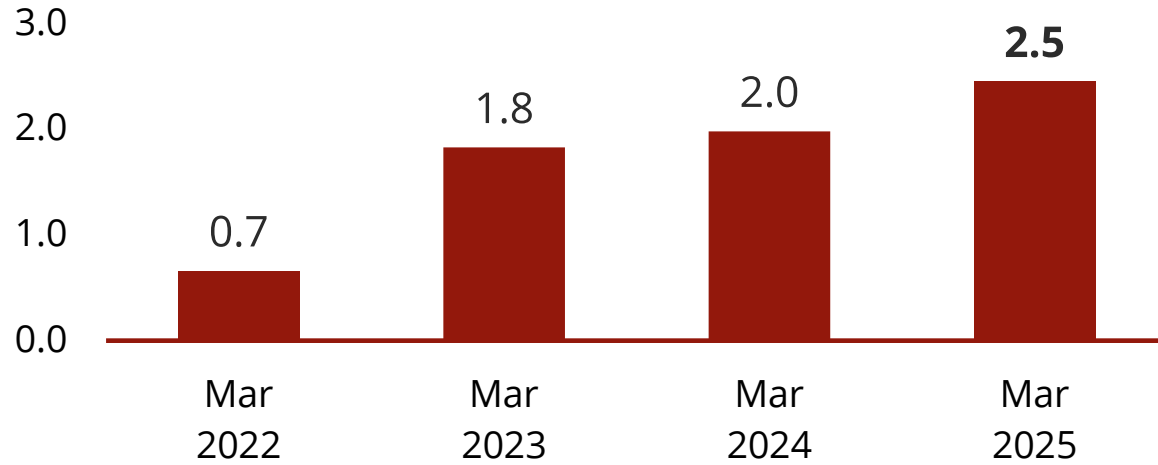


## Richmond

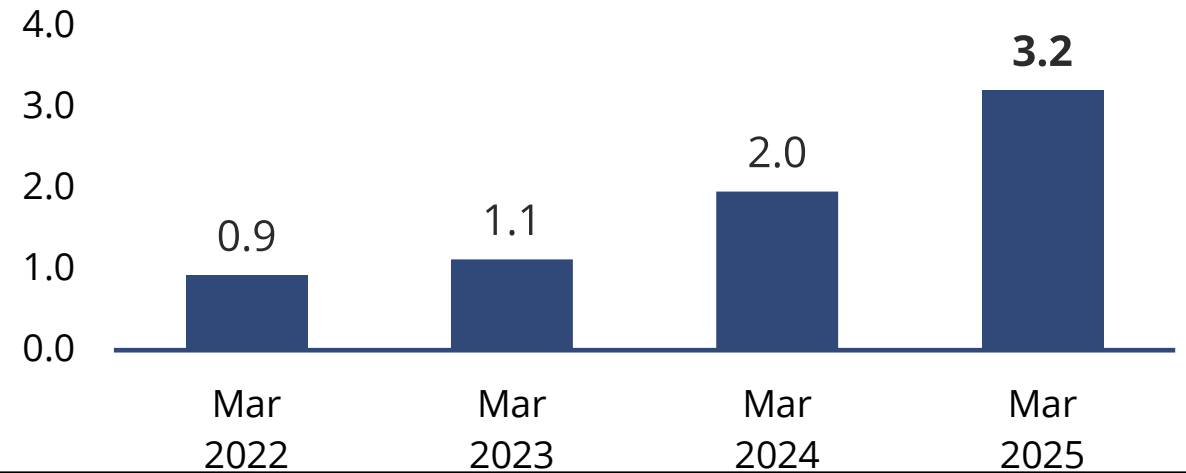


# TH/C Months of Supply – Local Markets (March 2025)

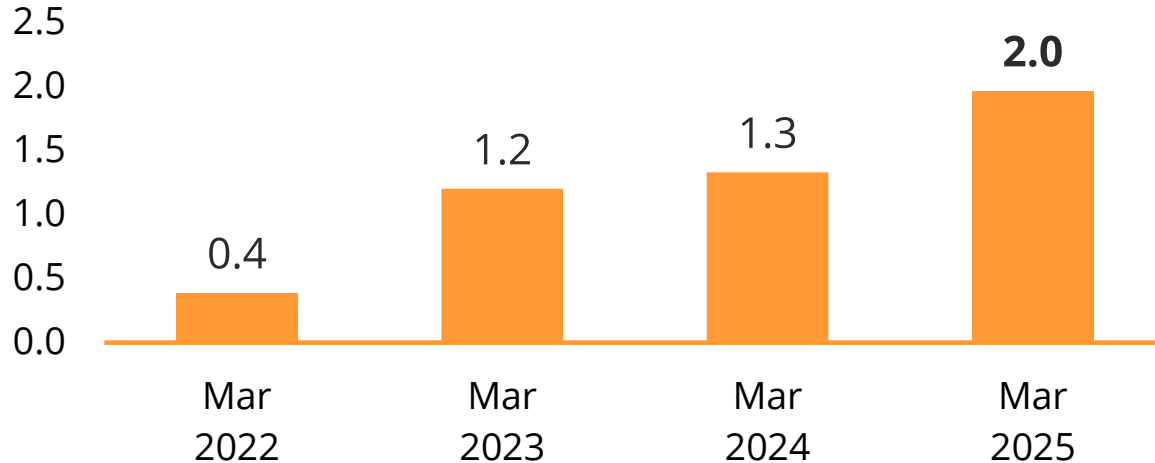
## Chesterfield County



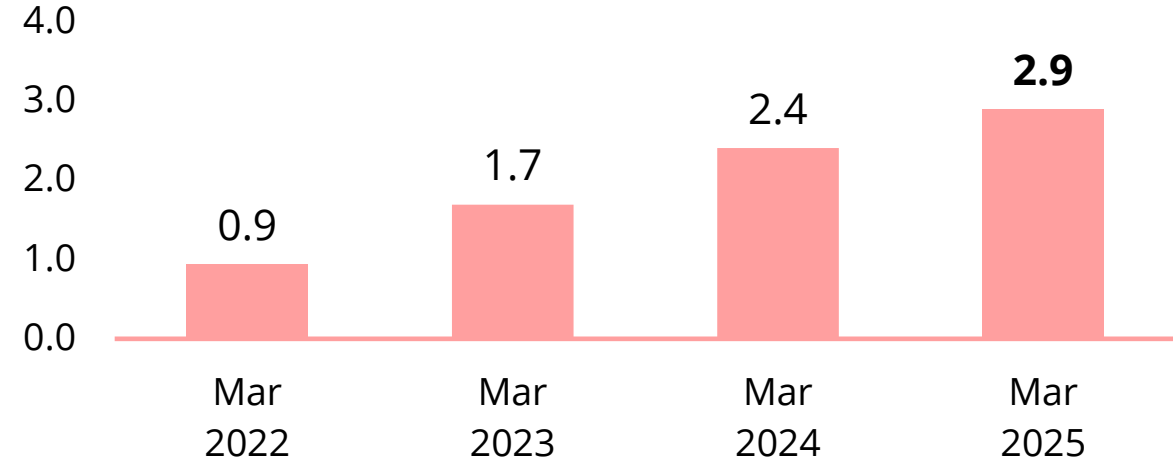
## Hanover County



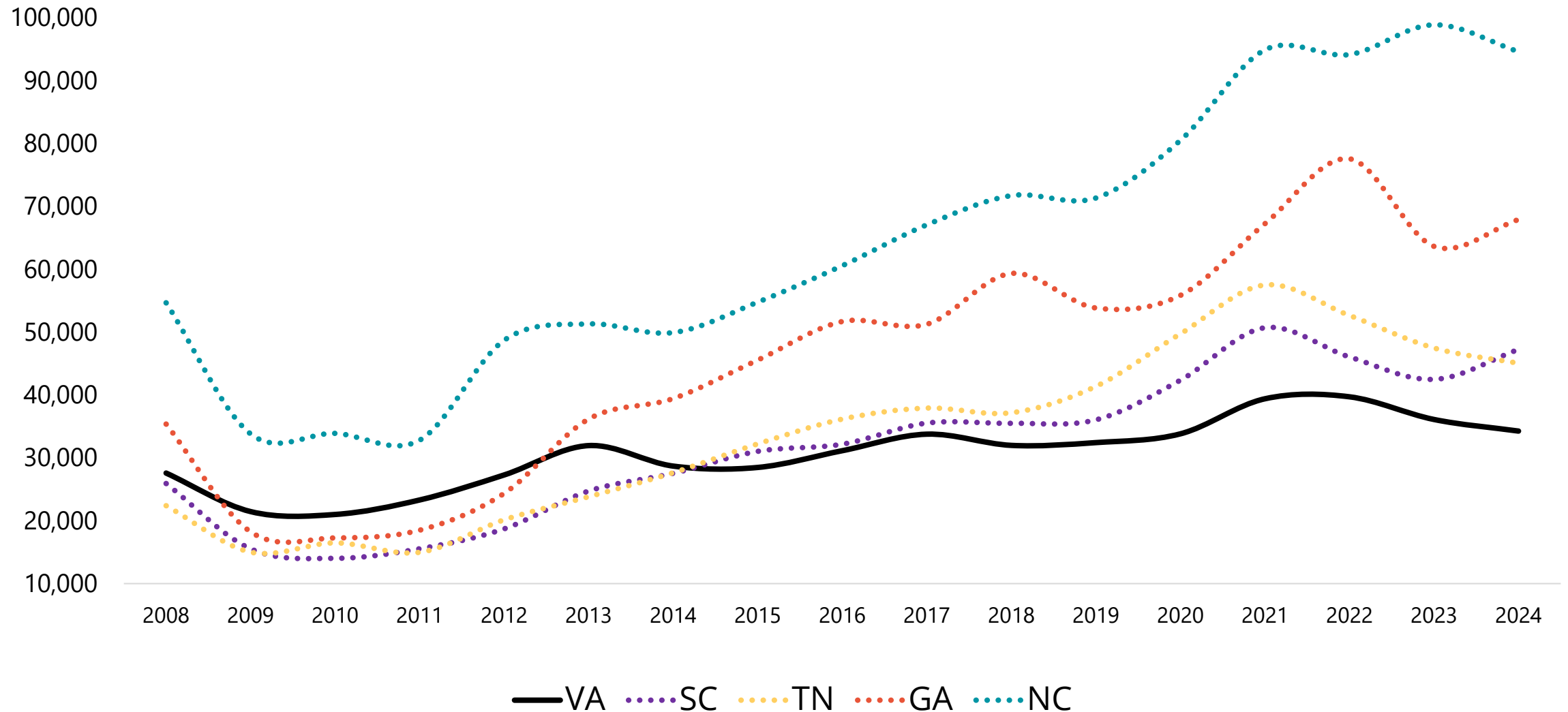
## Henrico County



## Richmond



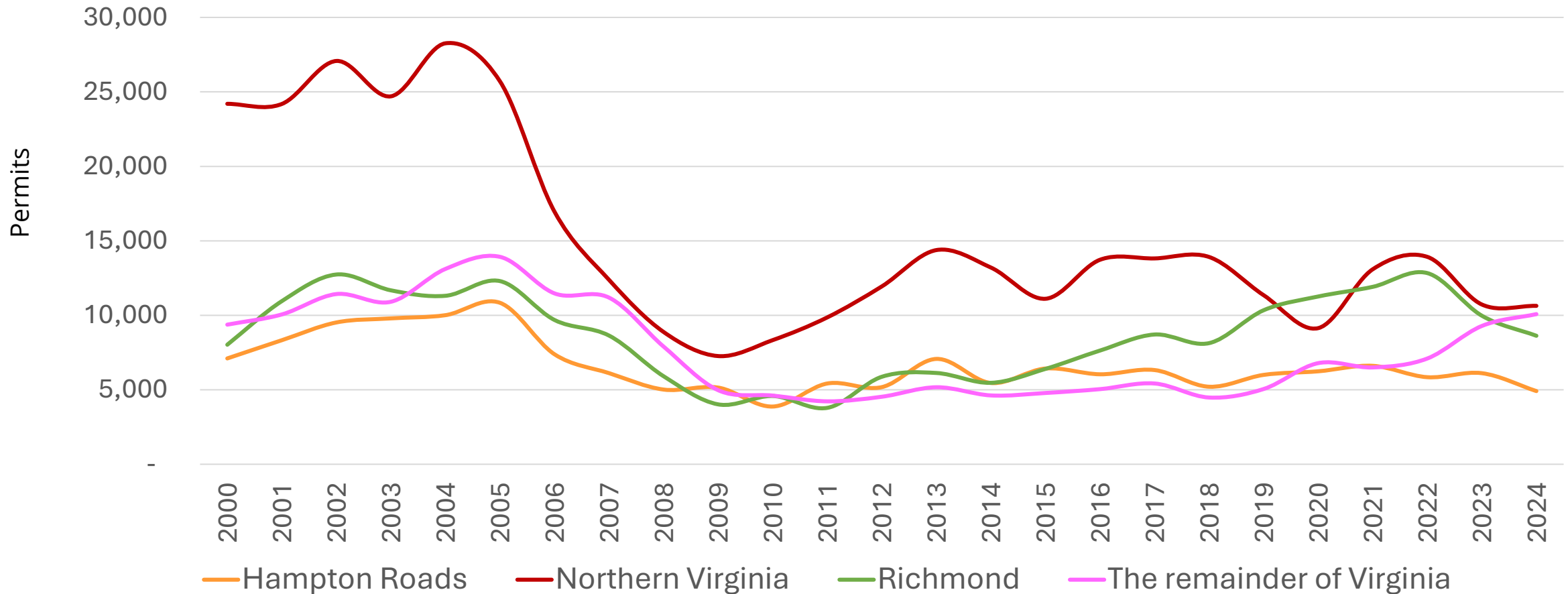
# Annual Building Permits by State





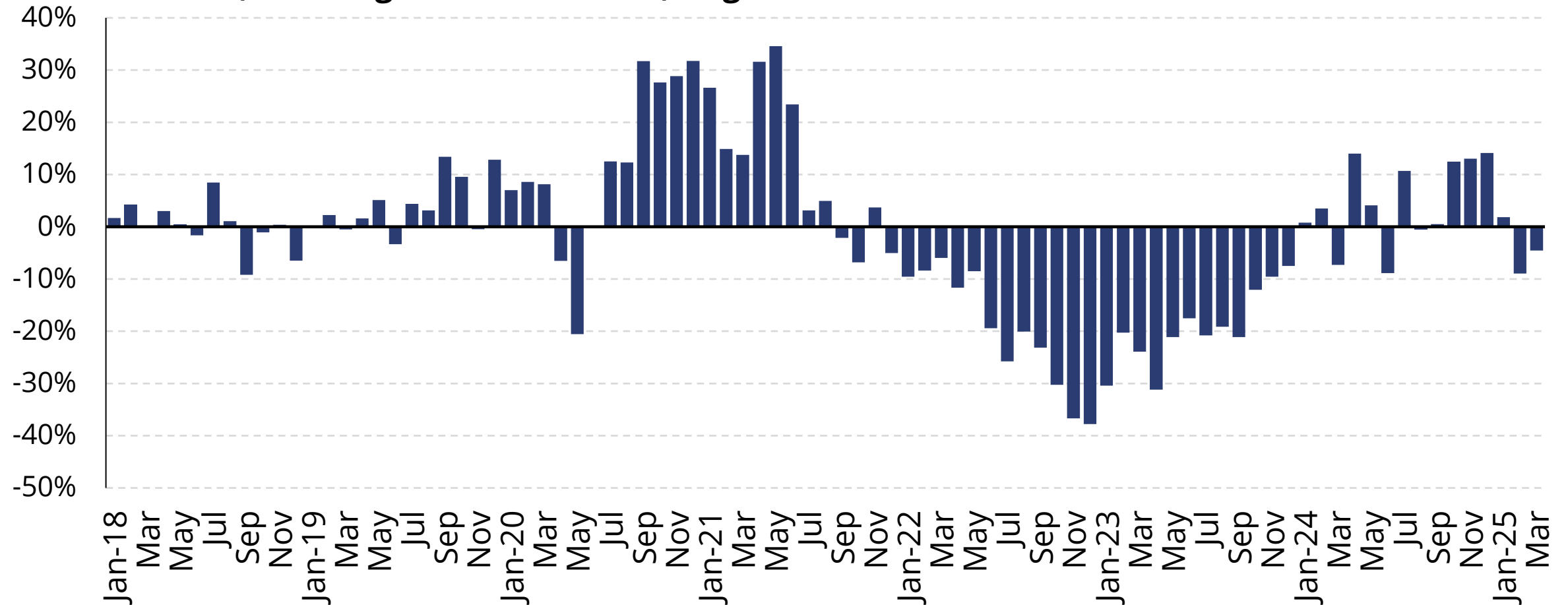
# New Construction Not Keeping Pace with Demand

***Residential Building Permits (Annual)***



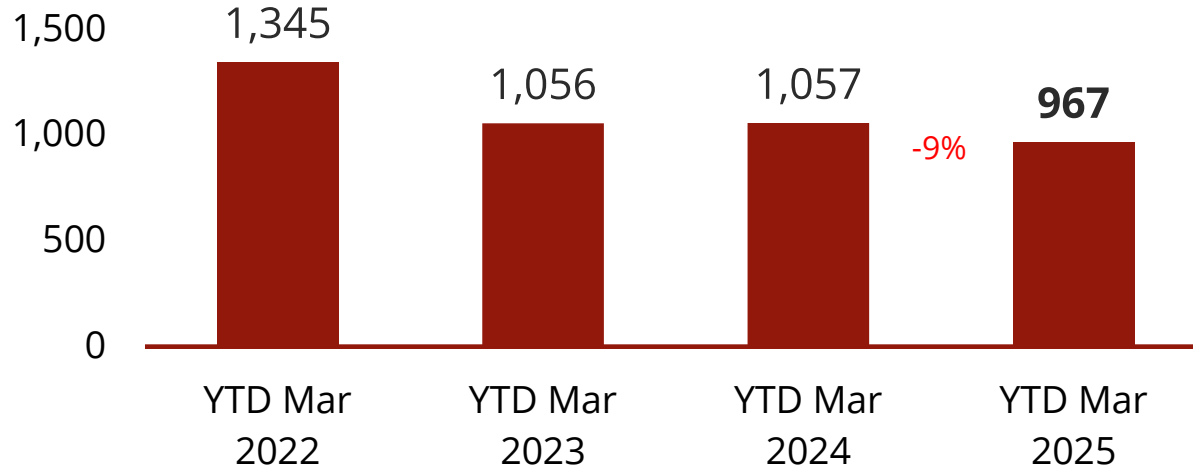
# Home Sales Off to a Slow Start in 2025

## ***Closed Sales, % Change from Prior Year, Virginia***

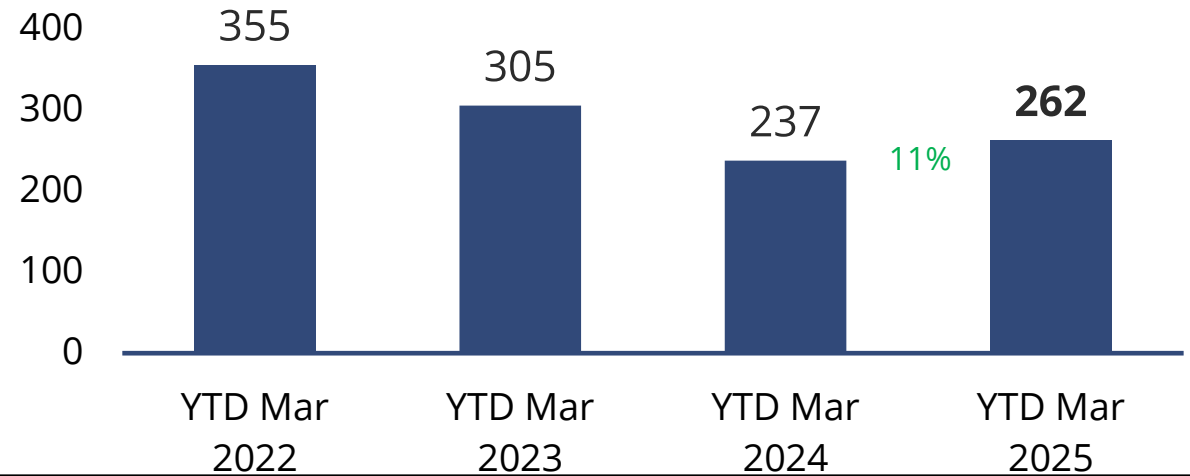


# Closed Sales – Local Markets (YTD March 2025)

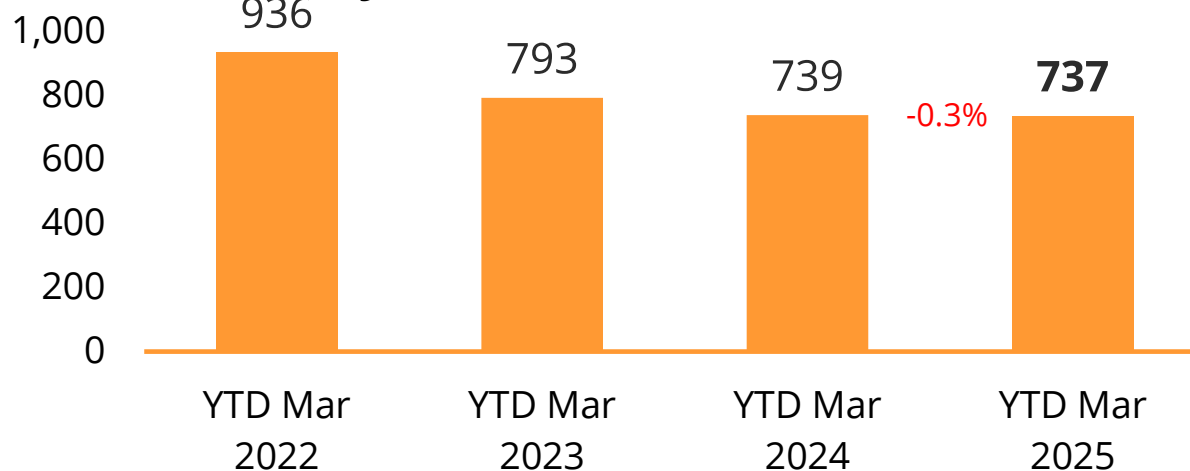
## Chesterfield County



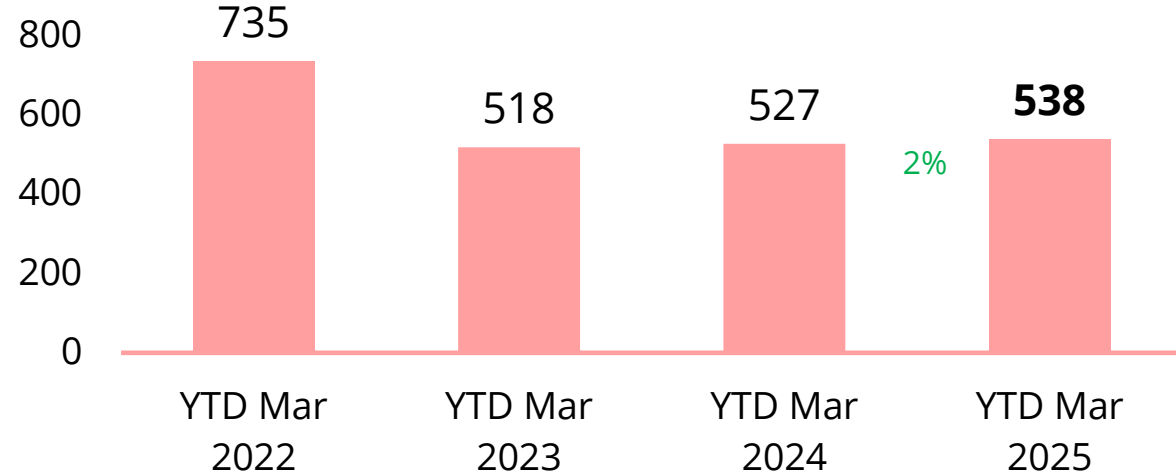
## Hanover County



## Henrico County

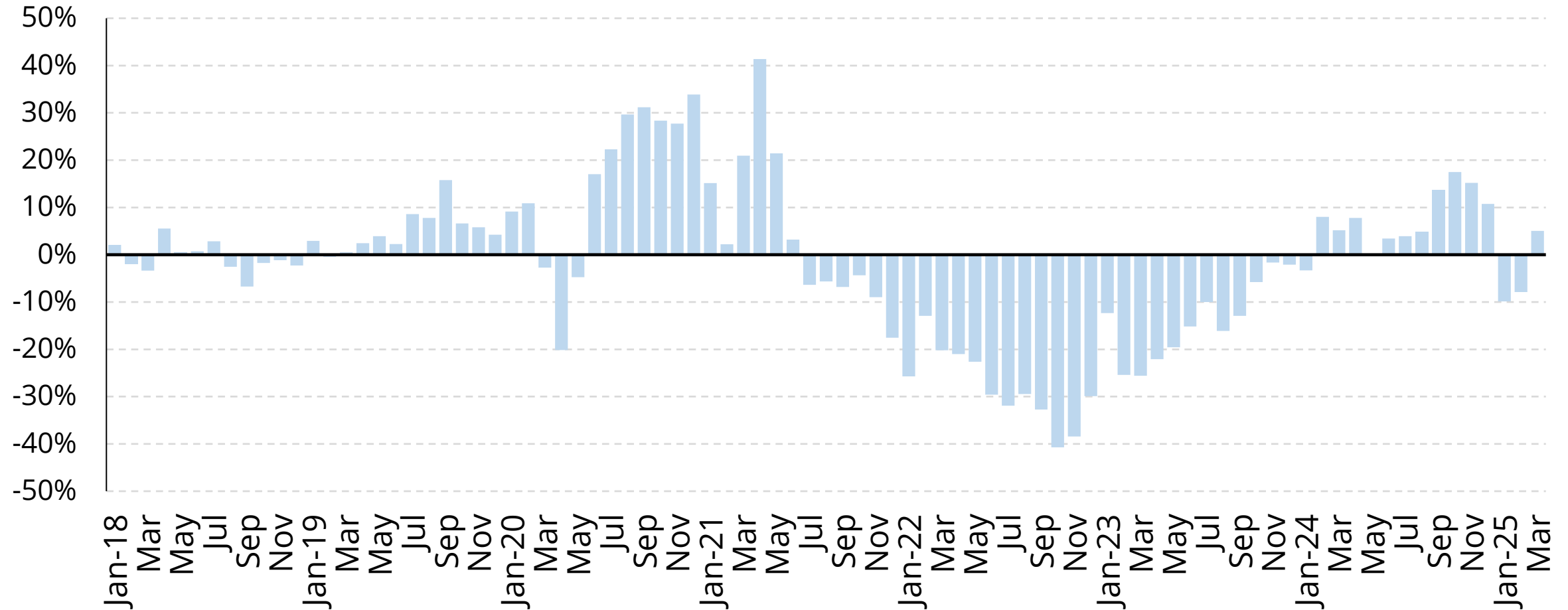


## Richmond



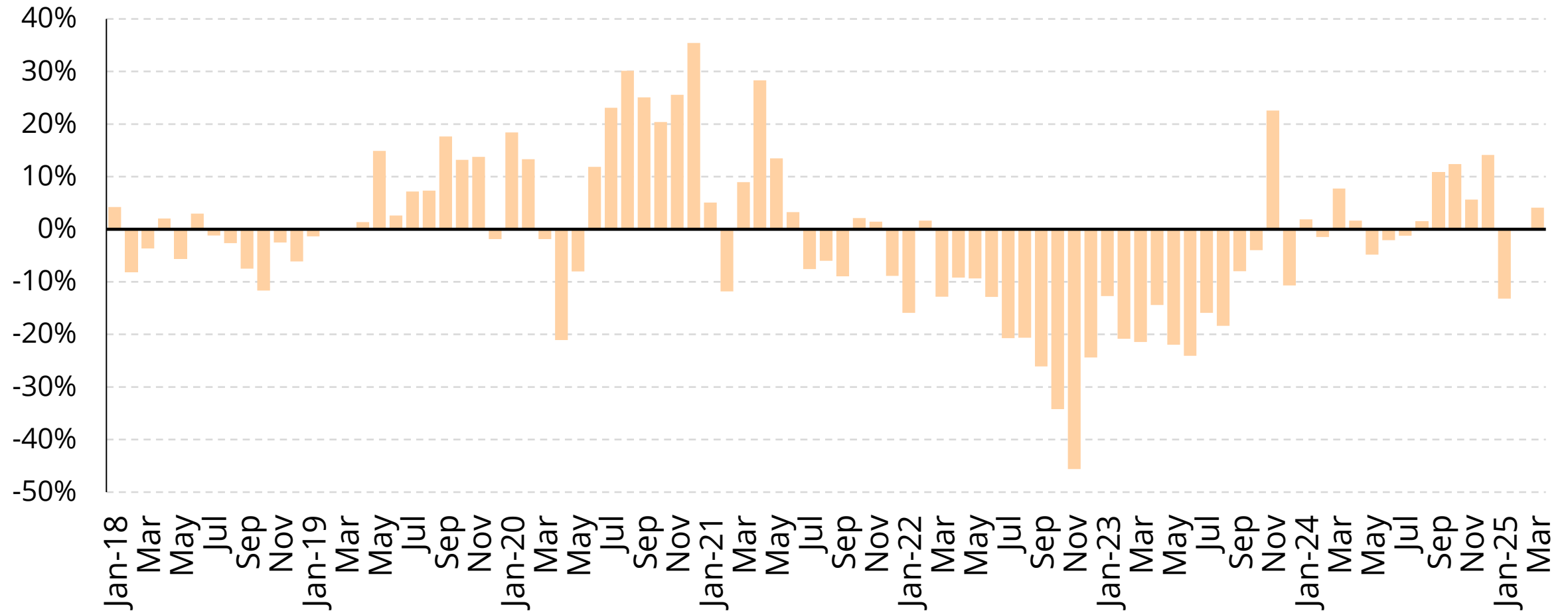
# Pending Sales Activity

**% Change from Prior Year, Pending Sales, Virginia (statewide)**



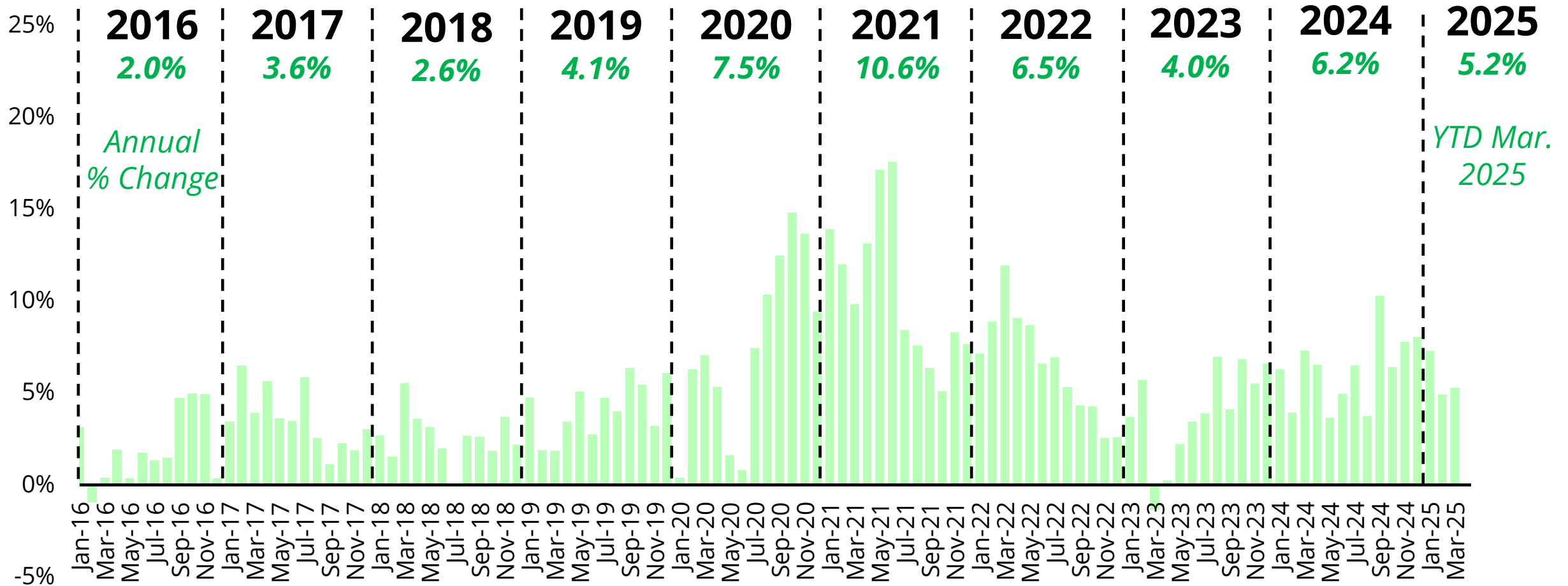
# Pending Sales Activity

**% Change from Prior Year, Pending Sales, Richmond Region**



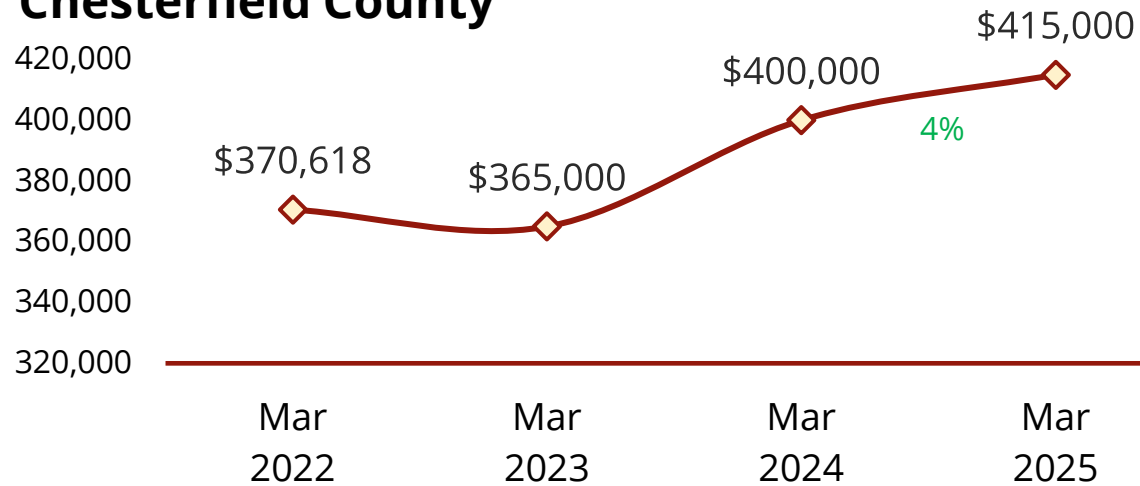
# Home prices still climbing briskly in Virginia

**Median Sales Price, % Change from Prior Year, Virginia**

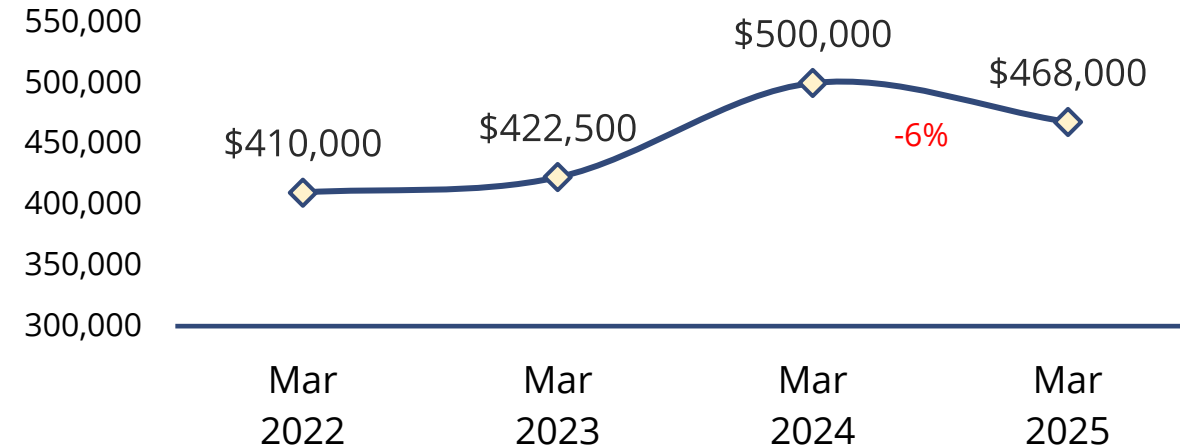


# Median Sales Price – Local Markets (March 2025)

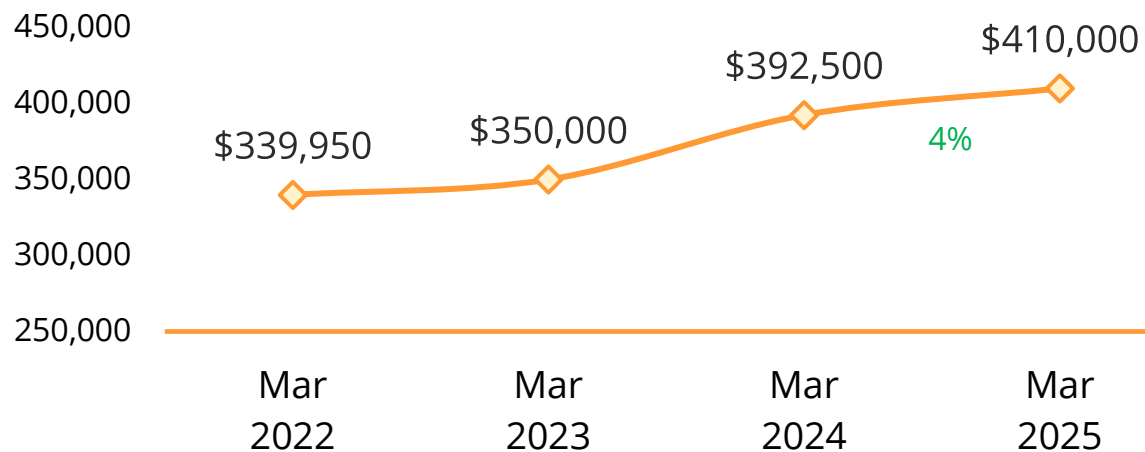
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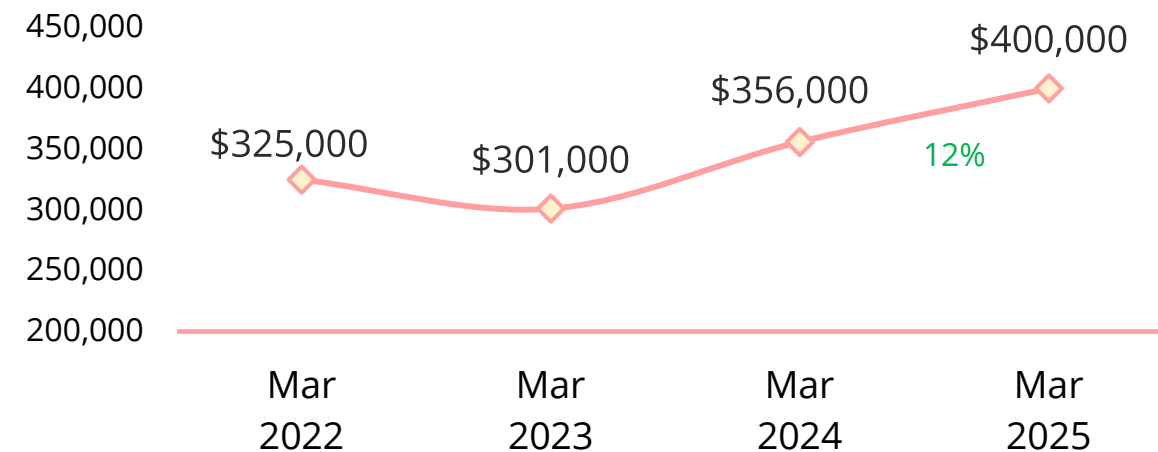
## Hanover County



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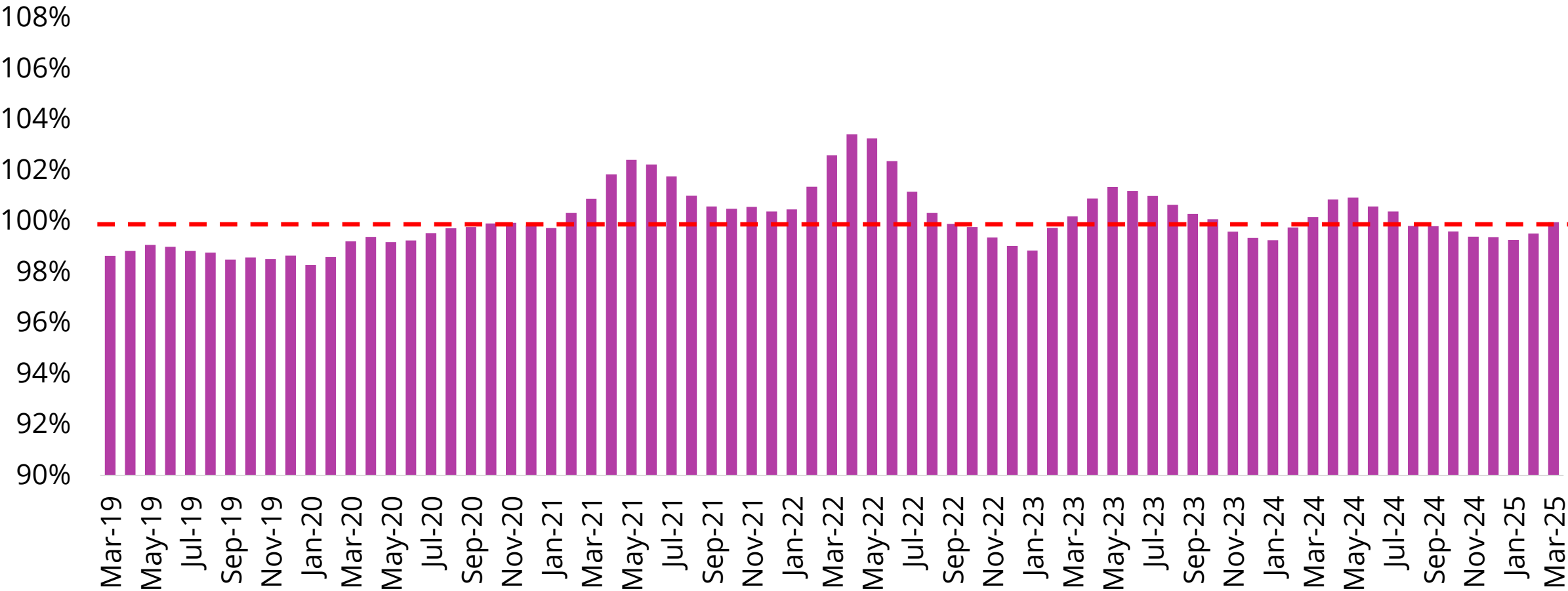
## Richmond





# Market Remains Competitive

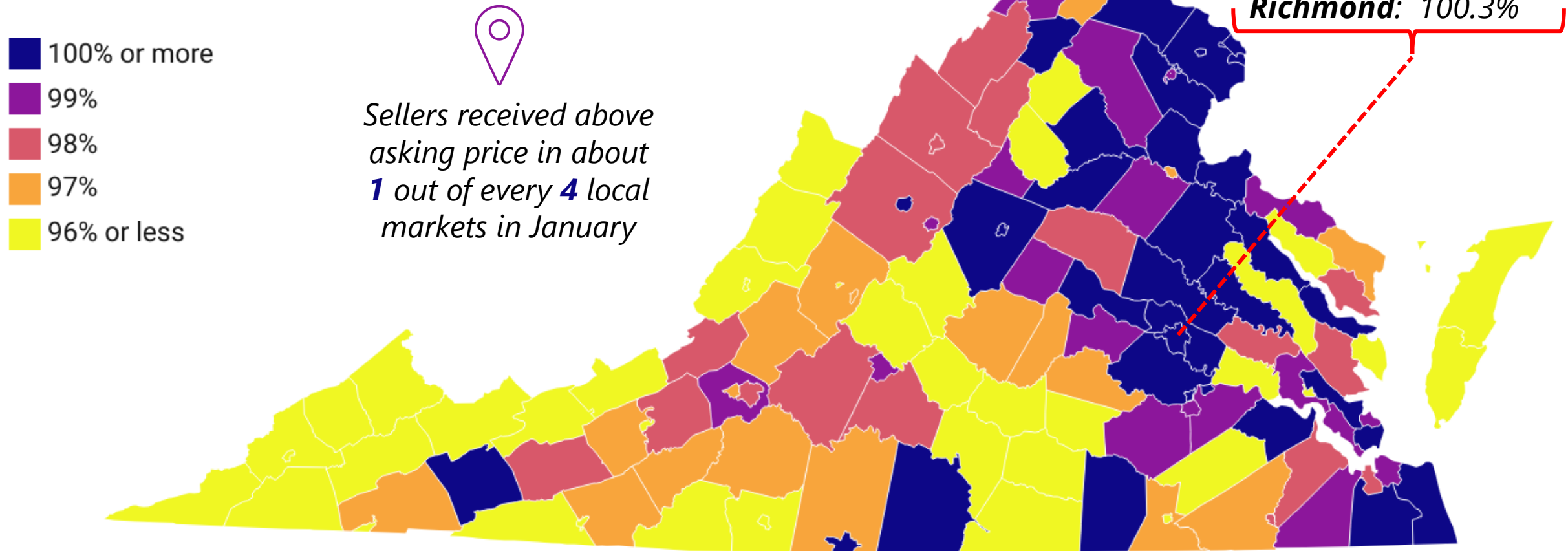
*Average Sold-to-Ask Price Ratio, Virginia*



Source: Virginia REALTORS®

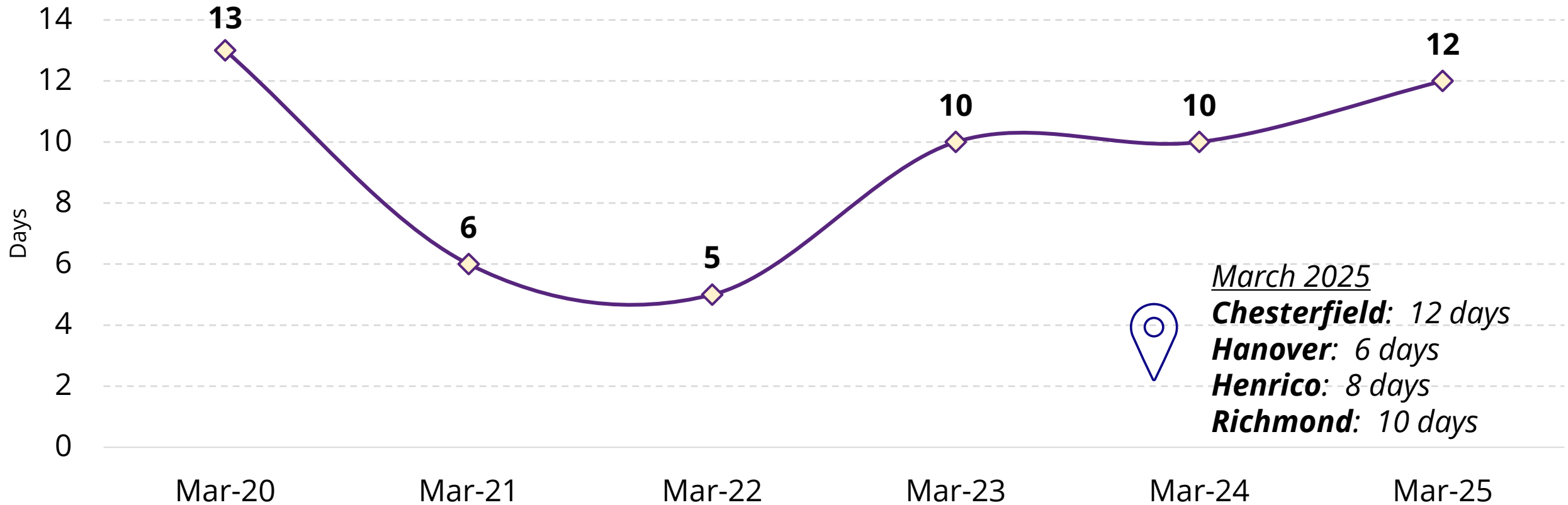
# Average Sold-to-List Price Ratio – Local Markets

Average Sold-to-List Price Ratio, March 2025



# Median Days on Market

*Median Days on Market, March (Statewide)*



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