



Overview

The purpose of this report is to provide an overview of economic indicators for the month of December that may impact Henrico County's ability to provide its services with data received between December 1st and December 31st, 2025. This report compiles National, State, and Local data that measure current economic conditions from National Financial Markets to Local Car Registrations. Most data will provide complete information for at least the previous fiscal year (FY25) and compare it to the current year (FY26). Data for FY26 is updated monthly as it becomes available. Some data is collected more frequently throughout the month. **Due to the Federal Government Shutdown, Bureau of Labor Statistics data has been unavailable since October. Consumer Price Index, Hourly Wage Changes against Changes in the Consumer Price Index, and Unemployment Rates are not available for this month's report but will be reintroduced in future monthly reports.**

OMB Summary

The month of December yielded mixed economic results. At the national level, the S&P 500 ended with a slight decline, while the Consumer Confidence Index dropped for a fifth consecutive month. 30-year fixed mortgage rates slightly decreased while the housing market exhibited signs of strength with an increase in Median Sales Price and rise in New Residential Construction permits. Aviation activity remains high. Year-to-date tax collections remain strong across all sectors.

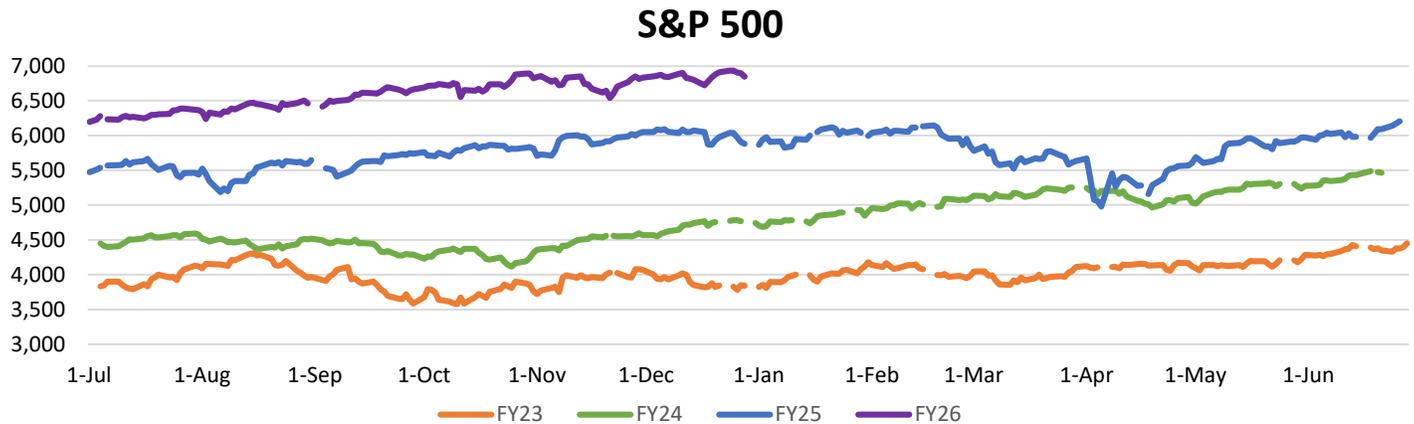
Metrics Considered

- **National:** S&P 500, Consumer Confidence Index, Real GDP, Wages, 30-Year Fixed Mortgage Rate
- **Henrico:** Local Sales & Use Tax, Meals Tax, Real Property Tax, Personal Property Tax, Vehicle Registrations, Occupancy Tax, New Residential Construction, Average Days on the Housing Market & Median Sales Price, Residential Transactions & Foreclosures
- **Area:** Richmond Aviation Activity



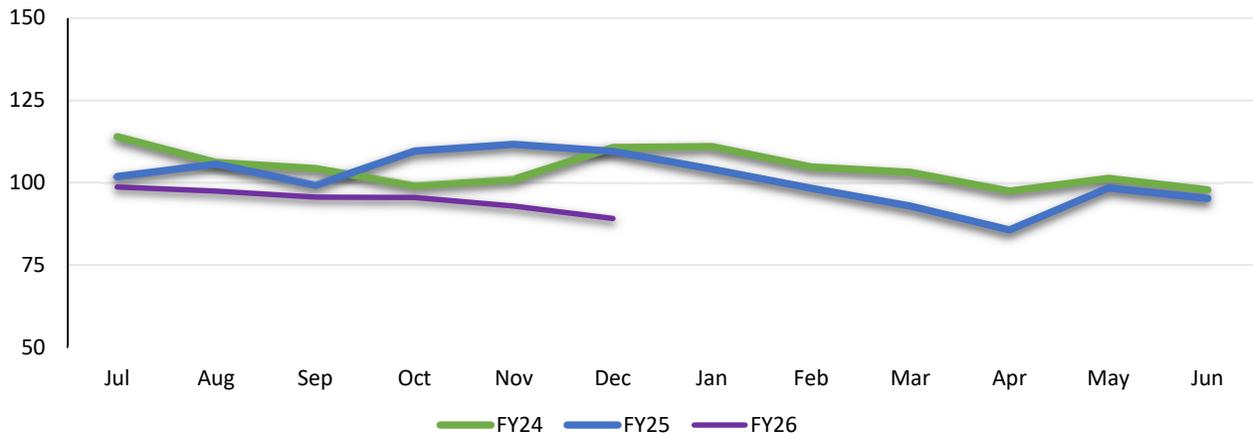
National Metrics

These indicators provide a mix of hard financial data as well as consumer consensus surveys to provide a macroeconomic and microeconomic view of the United States.



The **S&P 500** is a stock market index measuring the performance of 500 large U.S. companies on stock exchanges and is considered one of the best representations of the U.S. economy. **The S&P 500 decreased slightly in the month of December, closing 4.41 points lower than November.**

Consumer Confidence Index

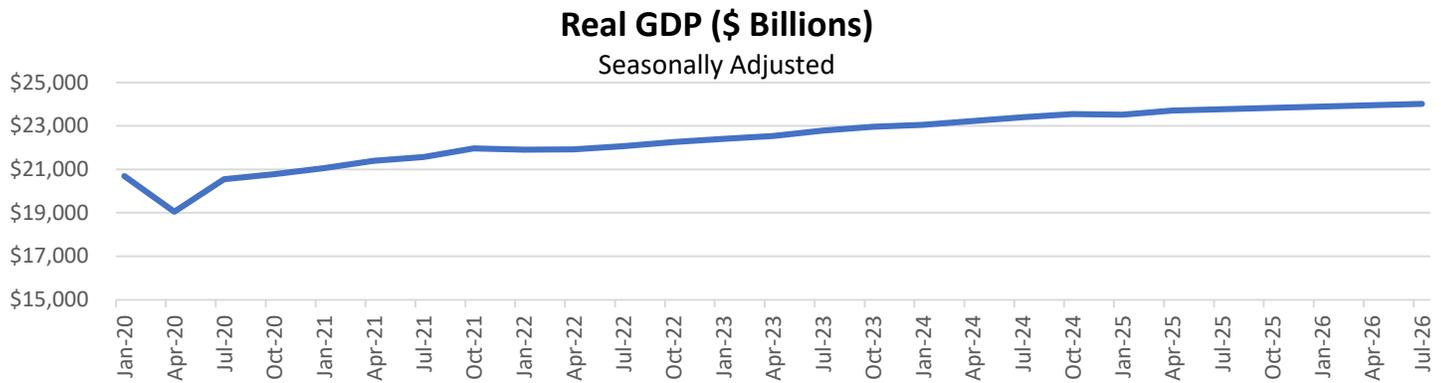


The **Consumer Confidence Index** is a monthly survey given to 5,000 randomly selected households gathering opinions on present situations and future expectations. It is benchmarked to 1985 (100) and best compared by reviewing month-over-month changes. **Over December the index fell 3.8 points from a revised 92.9 in November. Consumers cited declining confidence in labor market conditions and household income buying power¹**

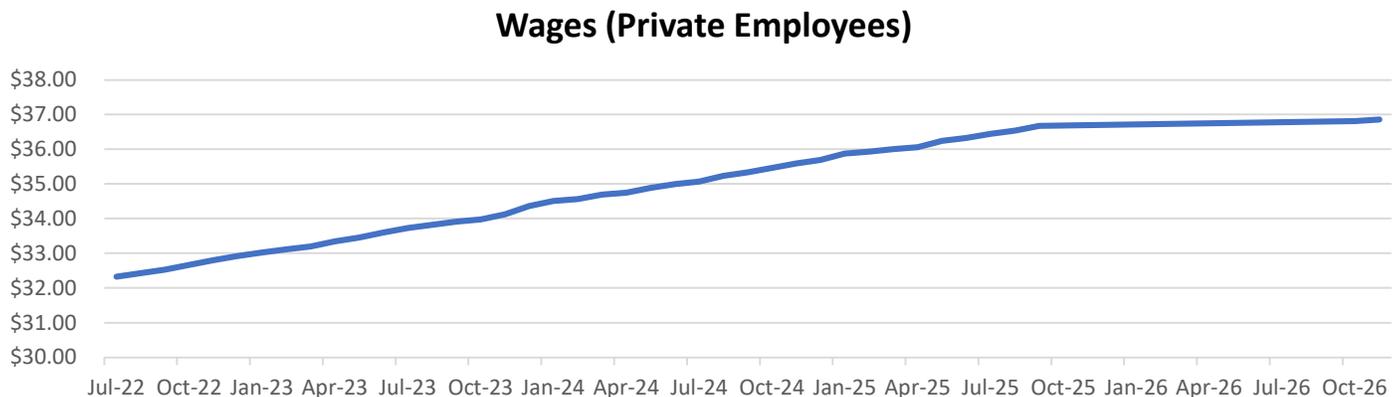
¹ The Conference Board; [US Consumer Confidence \(conference-board.org\)](https://www.conference-board.org)



National Metrics



The **Real Gross Domestic Product (GDP)** is an inflation adjusted standard measure of all goods and services produced by labor and property located in the United States in a given period. Gross domestic products can be calculated on a nominal or real (adjusted for inflation) basis. Since rising prices influence GDP, removing inflation related price changes isolates changes in production quantity. **In Q3 2025, real GDP increased by 1.35%² over Q2 2025, continuing a consistent increase over the past five years.**



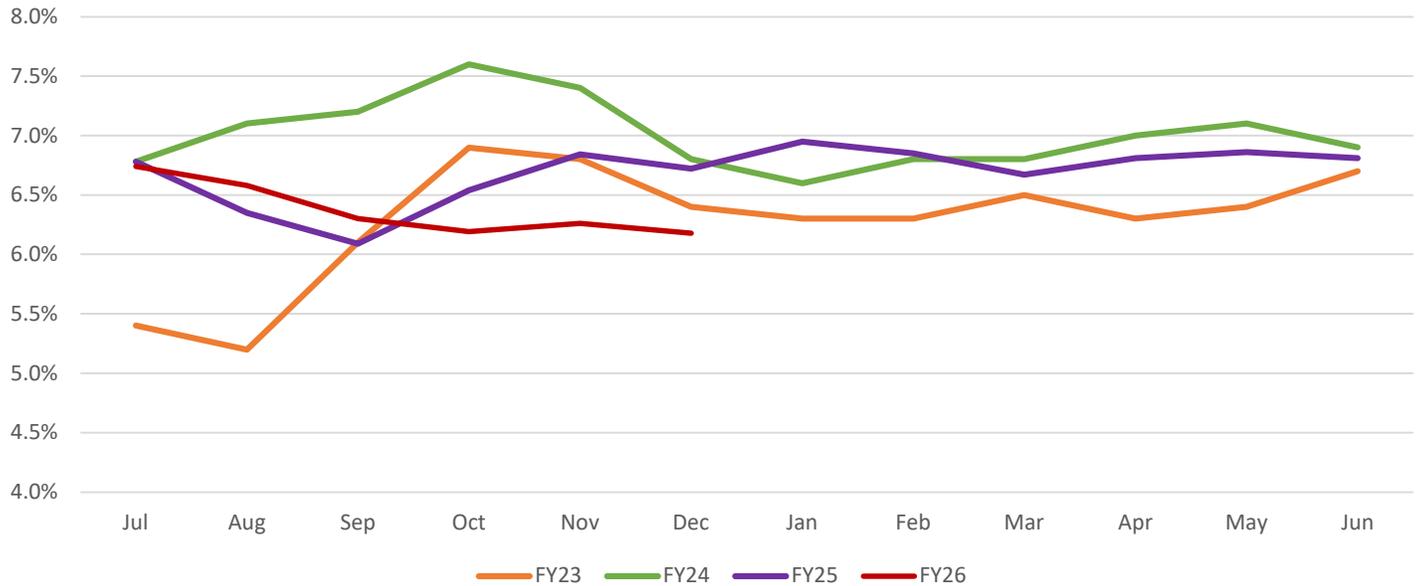
The **Average Hourly Earnings of All Private Employees** measures average hourly earnings employers pay that include overtime and shift differentials but excludes benefits, bonuses, retroactive pay, or employer payroll taxes. While earnings data changes capture wage rate adjustments, they can also include changes in the mix of employment. **In November, the average hourly wage increased to \$36.86. This rise of \$0.05 from October represents an increase of 0.14%.**

² Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>; GDP data is published quarterly.



National Metrics

30-Year Fixed Mortgage Rates



The **30-Year Fixed Mortgage Rate** is the most common financing mechanism used by residential home buyers. The interest rate represents the amount a qualified borrower will be charged by a lender over the loan term. **In December, the 30-year fixed mortgage interest rate decreased from 6.3%³ to 6.2%.**

³ Freddie Mac; [30-Year Fixed-Rate Mortgages Since 1971 - Freddie Mac](#)



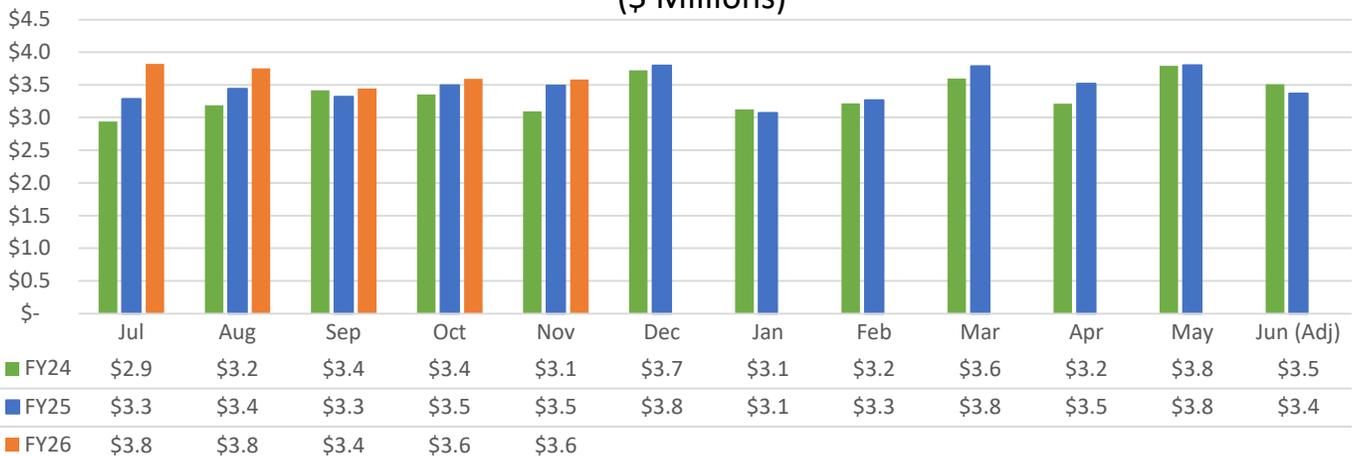
Henrico Metric

Local Sales & Use Tax (\$ Millions)



Henrico County **Sales & Use Tax** amounts to 6% of each purchase collected by the Commonwealth. By law, 1% is then remitted back to the County from the State. **December FY26 recorded collections of \$8.7 million, \$0.3 million more than December FY25 collections.**

Meals Tax (\$ Millions)

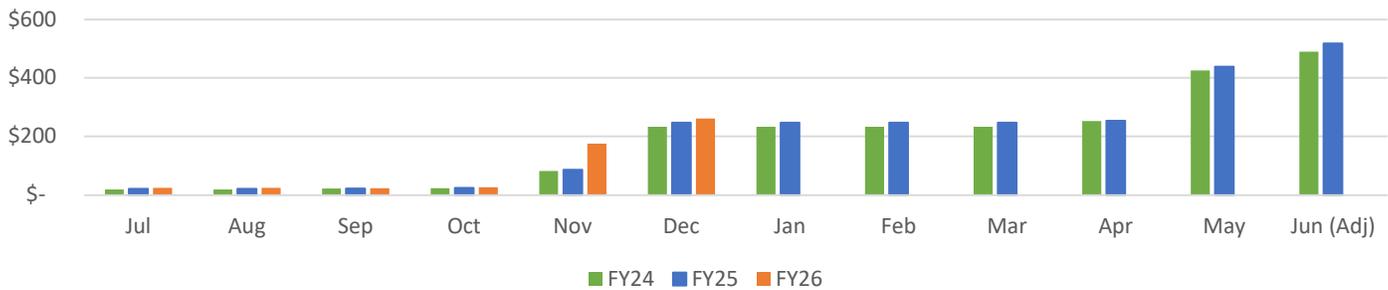


Henrico's **Meals Tax** establishes a 4% tax on prepared food and beverages. Revenue generated by the Meals Tax is dedicated to the operational and capital project needs of Henrico's Public Schools. Collections lag by two months and are compared as year-over-year monthly collections. **November FY26 collections totaled \$3.6 million, \$0.1 million more than November FY25.**



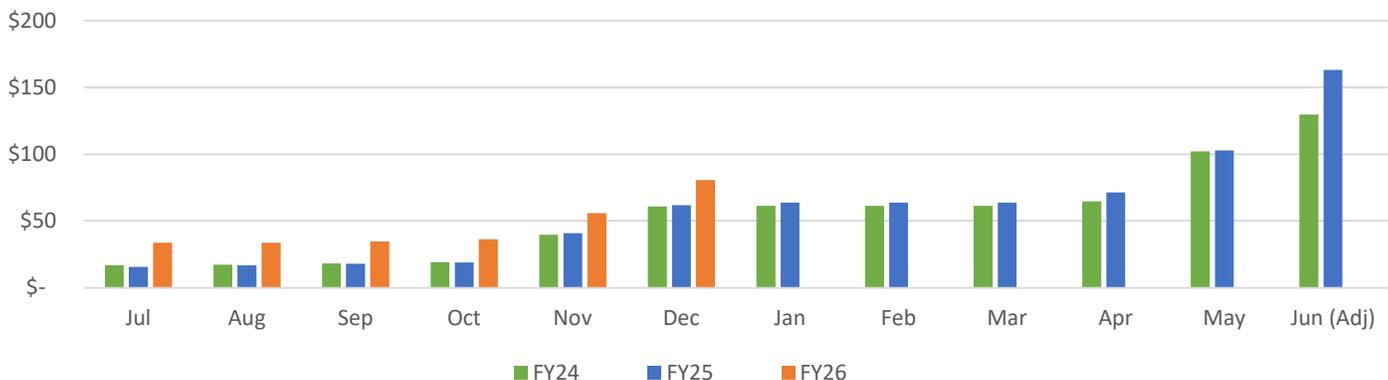
Henrico Metrics

Real Property Taxes
(\$ Millions, Cumulative)



Real Property Taxes are collected on property used for residential and nonresidential purposes. The Code of Virginia provides for assessment of real property at 100% of fair market value, which is the probable amount a property would sell for today if exposed to the market for a reasonable period. Collections are due twice a year in December and June. At the time of publication, **Real Property Tax Collections through December FY26 are \$261 million, \$14 million higher than December FY25. This difference is primarily due to procedural changes that saw some payments received earlier than in prior fiscal years.** The graph above represents cumulative collections throughout each fiscal year.

Personal Property Taxes
(\$ Millions, Cumulative)

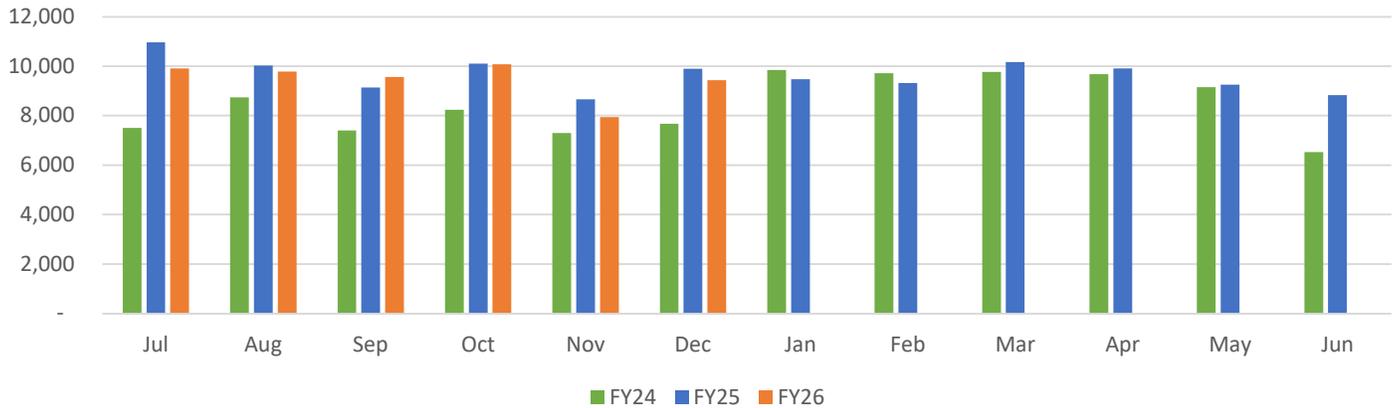


Personal Property Taxes are collected on all vehicles including cars, trucks, trailers, motorcycles, motor homes, aircraft, and watercraft. Personal property is collected in the locality where it is normally garaged, docked, or parked. Henrico County uses the J.D. Power Official Used Car Guide as of January 1st of each year to establish valuations. Collections are due twice a year in December and June. **Personal Property Tax Collections through December FY26 recorded \$80 million, which is \$18 million more than December FY25 due to several large new taxpayers.**

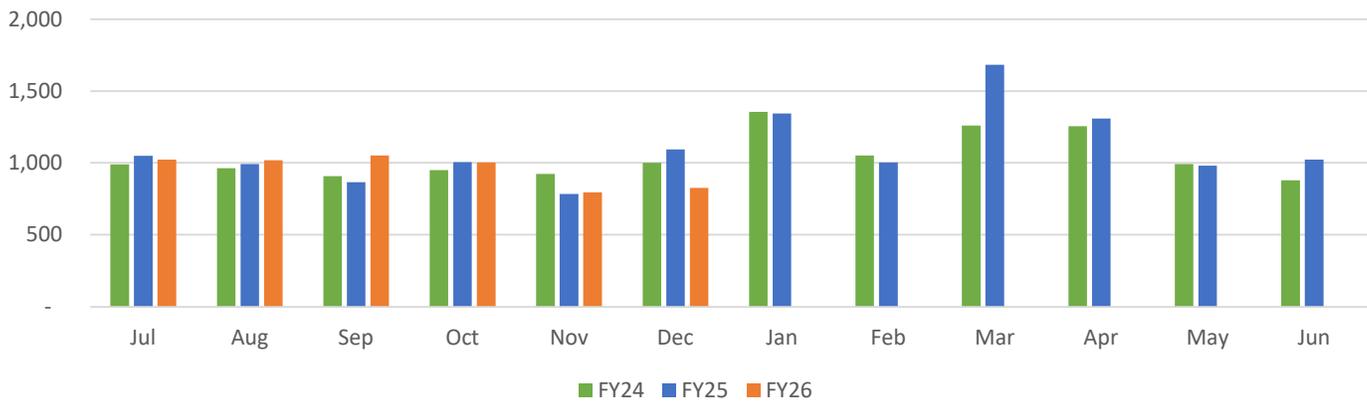


Henrico Metrics

Used Car Registration



New Car Registration

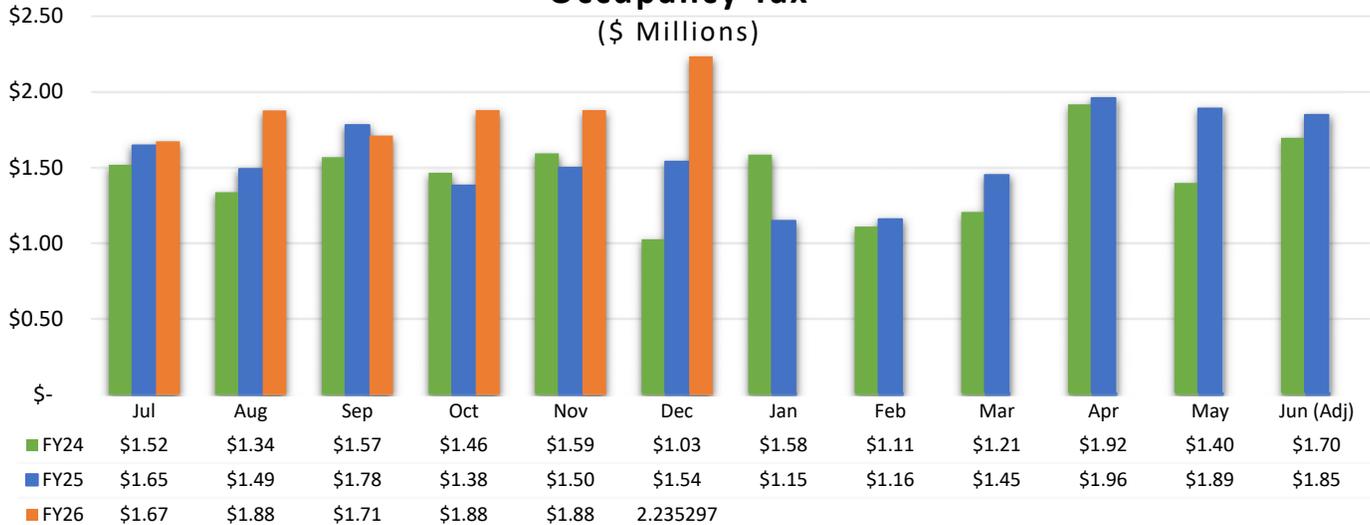


Vehicle Registration data is acquired from the Virginia Department of Transportation and is comprised of both new and used vehicles; the metric strongly correlates to vehicle sales. **Used Car Registrations in December FY26 recorded 9,425, or 4.70% lower than December FY25. New Car Registrations recorded 826, or 24.57% lower than December FY25. 2025 marked the end of an electric vehicle tax credit offered by the federal government; this credit may have influenced the increased values observed in FY25.**



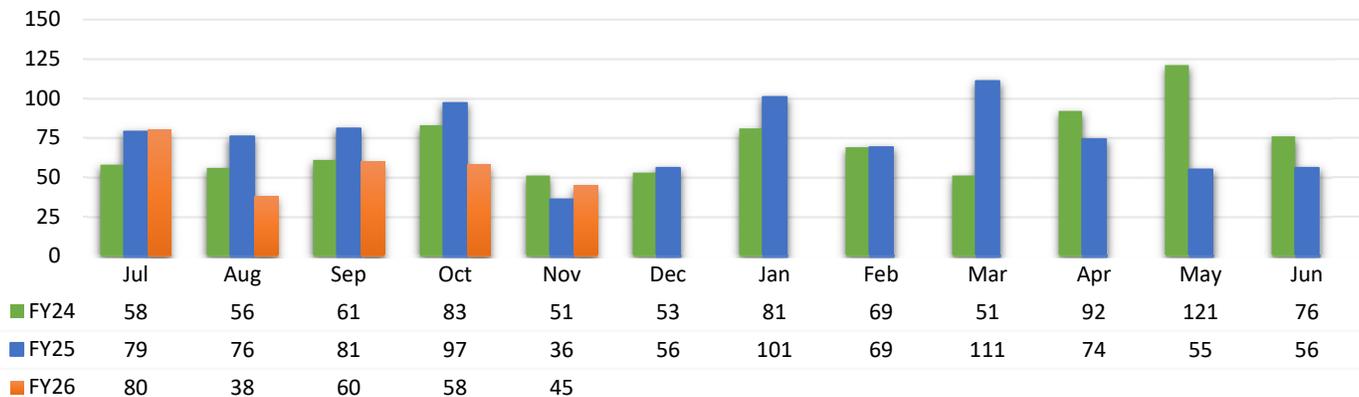
Henrico Metrics

Occupancy Tax
(\$ Millions)



Henrico’s **Occupancy Tax** is collected at an 8% rate on lodging for overnight stays. **Occupancy Tax collections in December FY26 totaled \$2.24 million, \$0.70 million greater than December FY25. Year-to-date collections total \$11.25 million, which is \$1.92 million higher than year-to-date FY25.**

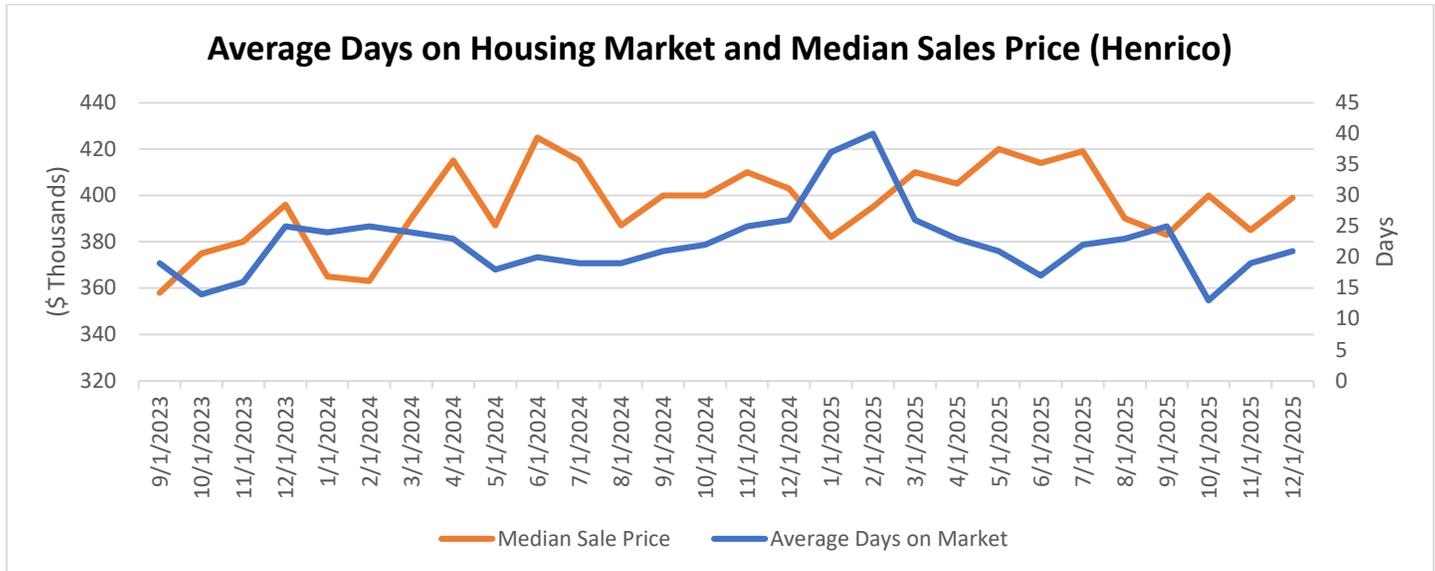
New Residential Construction



New Residential Construction is comprised of new single-family houses that were issued building permits. A slowdown may indicate worsening economic conditions, increased competition from neighboring localities, or a lack of expansion capabilities. **November FY26 construction totaled 45 permits, 9 more than November FY25.**



Henrico Metrics

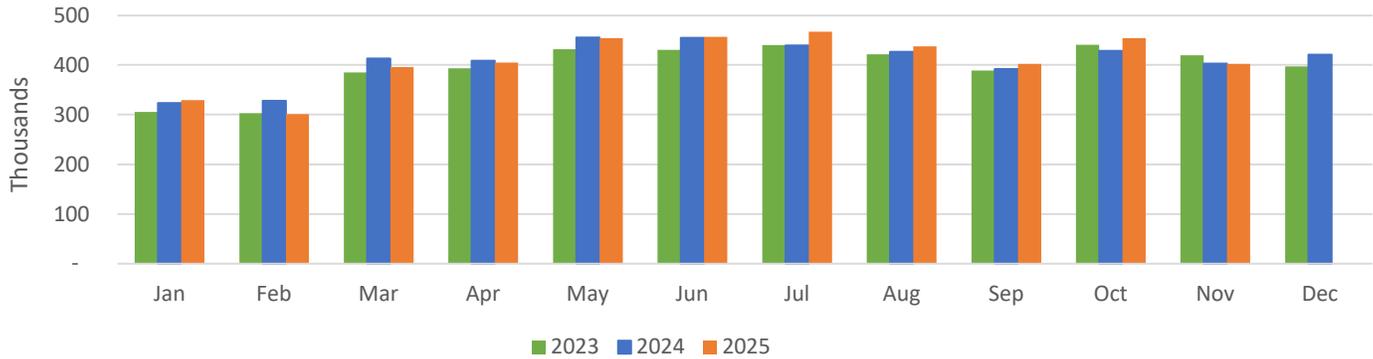


Average Days on the Housing Market and Median Sale Price provides a benchmark of the state of the housing market in Henrico. An increase in the time spent on market may indicate a slowing of the housing market, while a decrease may indicate acceleration. Median Sales Price tracks the middle value of homes sold in the County that month and can provide insight into the general direction of the market. **The Median Sales Price for the month of December totaled \$399,950 a \$14,950 increase from November. Average Days on the Housing Market increased from 19 in November to 21 in December.**



Area Metric

Richmond Aviation Activity



Richmond Aviation Activity represents passenger activity in and out of Richmond International Airport. The value is the combination of enplaned (departing) and deplaned (arriving) passengers. This provides traffic activity as it relates to flights around Henrico. Air travel can provide a benchmark for imported economic activity and is correlated with Occupancy and Meals Tax collections. **November 2025 recorded a total passenger count of 402,248, a 0.19% decrease compared to November 2024.**