



### Overview

The purpose of this report is to provide an overview of economic indicators for the month of September that may impact Henrico County's ability to provide its services with data received between September 1<sup>st</sup> and September 30<sup>th</sup>, 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.

### OMB Summary

The month of September yielded mixed results. The S&P 500 continued to steadily climb, reaching an all-time high in September. The Consumer Confidence Index dropped 3.2 points this month. Consumers voiced concerns about inflation, high living costs, unemployment, and economic uncertainty. Employee wages when accounting for increases in CPI remained relatively flat. At the local level, tax collections continue to be steady year-to-date. Both used and new car registrations saw slight decreases, though total registrations remain high compared to previous years. Average days on the housing market normalized after dipping during the summer. New Residential Construction and the number of building permits issued decreased significantly in August, this trend will be monitored closely moving forward. Unemployment rose locally to a rate of 3.7%, a number in line with the state average and lower than the national average. Airport activity rose slightly compared to 2024 and remains high. These trends will be monitored on a continual basis.

### Metrics Considered

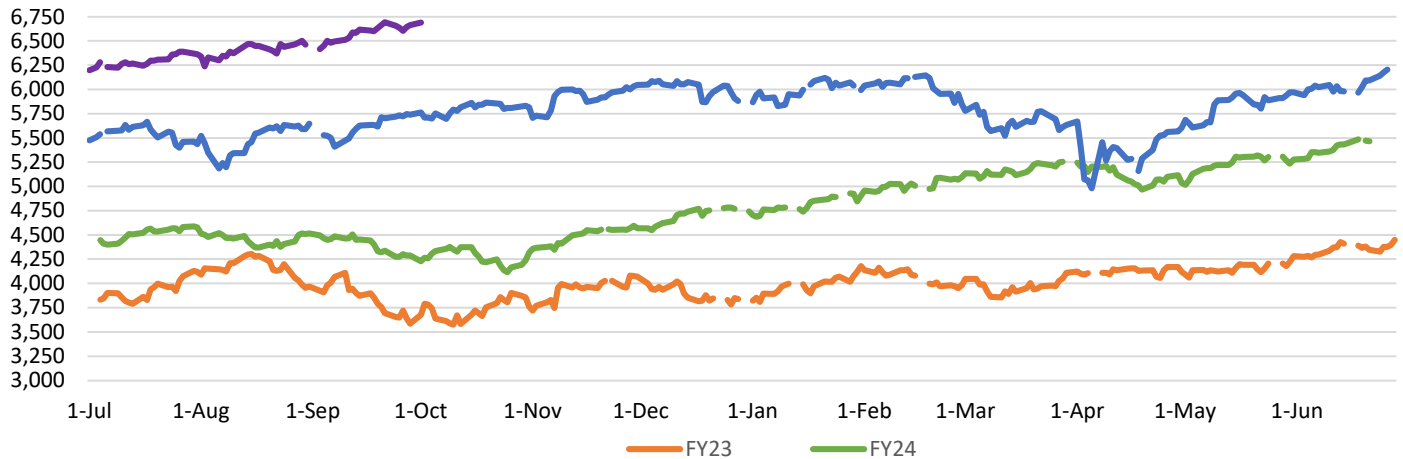
- **National:** S&P 500, Consumer Confidence Index, Real GDP, Wages, Consumer Price Index, Average Hourly Wage Changes against Changes in the Consumer Price Index, 30-Year Fixed Mortgage Rate
- **Virginia:** Unemployment Rate
- **Henrico:** Local Sales & Use Tax, Meals Tax, Real Property Tax, Personal 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

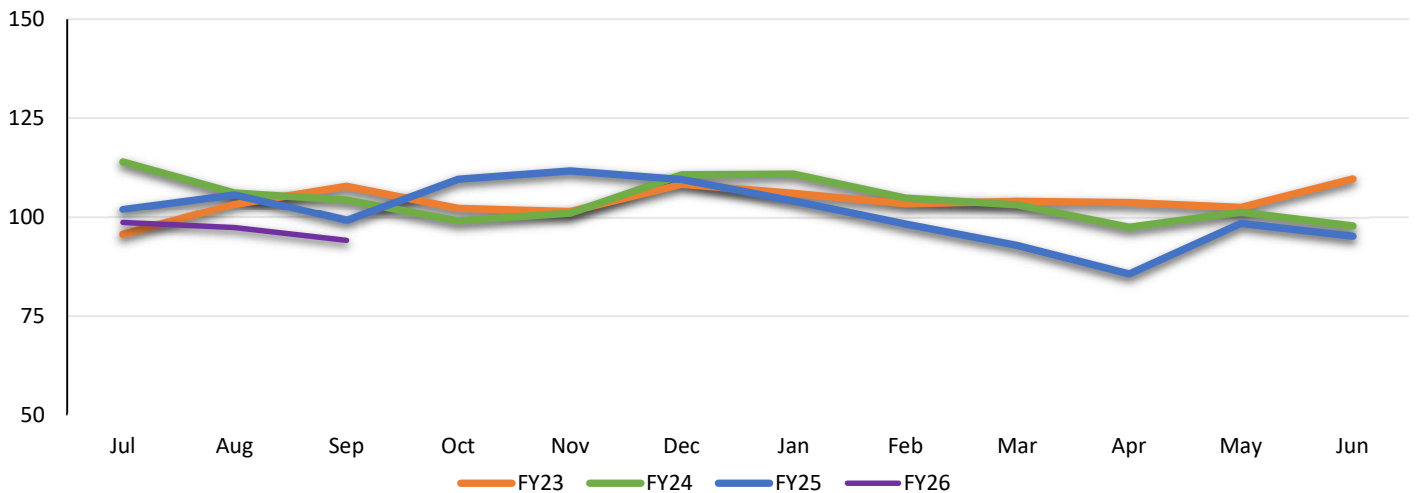
These indicators provide a mix of hard financial data as well as consumer consensus surveys to provide a macroeconomic and microeconomic view of the United States.

### S&P 500



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 experienced strong and steady growth throughout September, reaching a record high closing on September 22<sup>nd</sup> of 6,693.75.<sup>1</sup>**

### Consumer Confidence Index

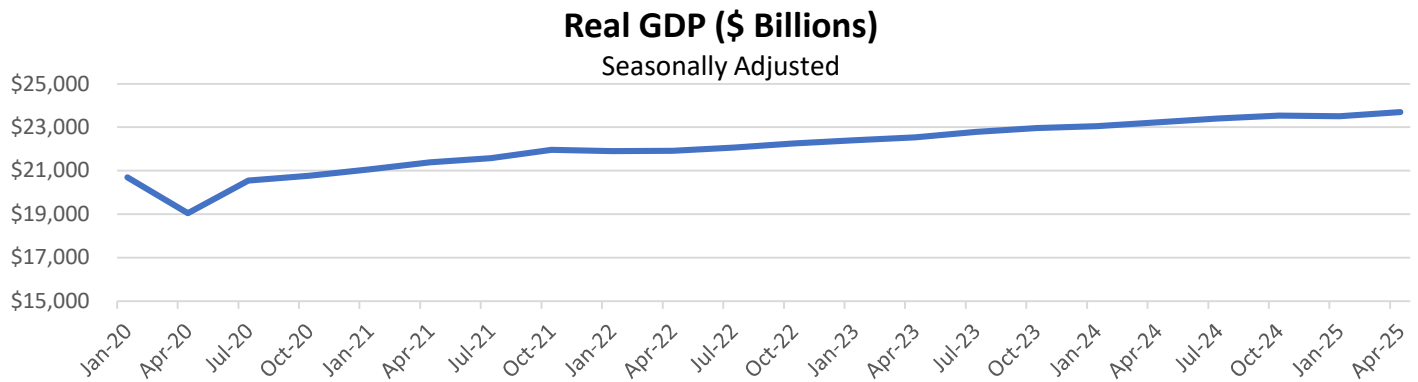


The **Consumer Confidence Index** is a monthly survey given to 5,000 randomly selected households gathering opinions on present situations and future expectations. It is benchmarked to 1985 (100) and best compared by reviewing month-over-month changes. **In September, the index fell by 3.2 points from August. Consumers cited concerns over rising prices, future income, and current and future job availability.**

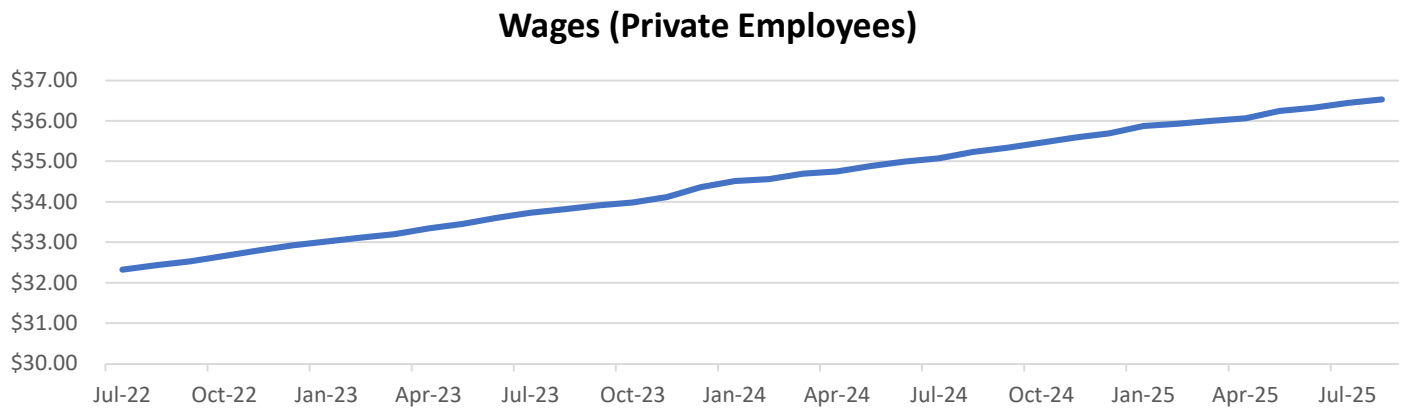
<sup>1</sup> Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/SP500>



## 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 Q2 2025, real GDP increased by 0.813%<sup>2</sup> over Q1 2025, continuing a consistent increase over the past five years.**



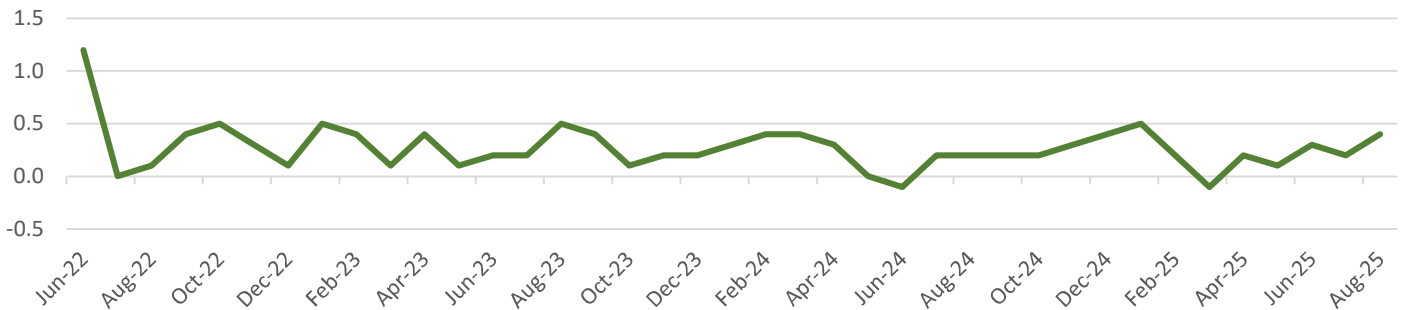
The **Average Hourly Earnings of All Private Employees** measures average hourly earnings employers pay that include overtime and shift differentials but excludes benefits, bonuses, retroactive pay, or employer payroll taxes. While earnings data changes capture wage rate adjustments, they can also include changes in the mix of employment. **In August, the average hourly wage increased to \$36.53. This rise of \$0.09 from July represents an increase of 0.2%.**

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



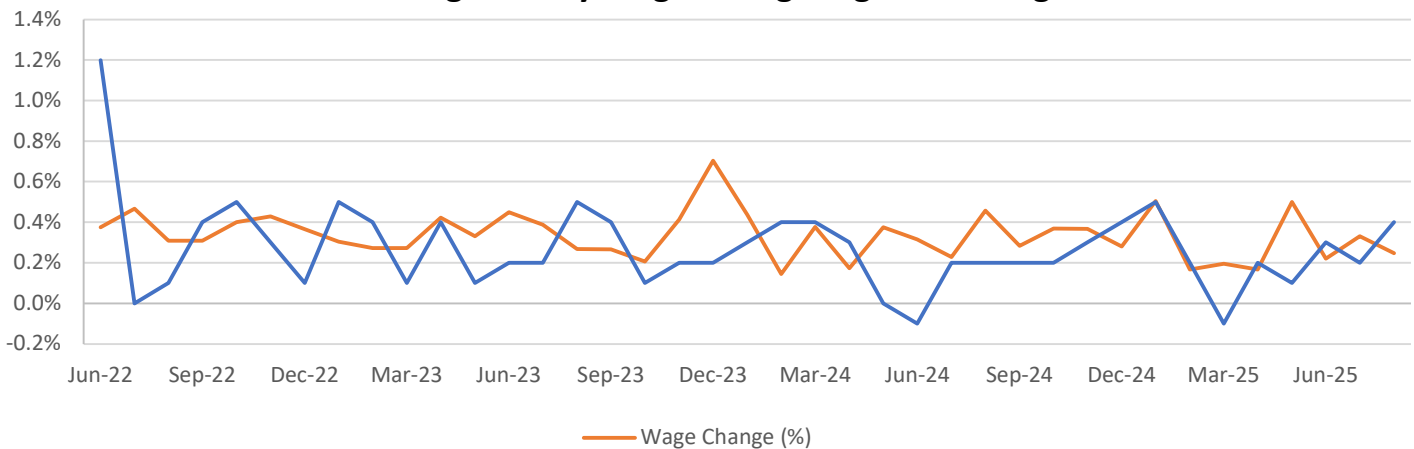
## National Metrics

### Consumer Price Index



The **Consumer Price Index (CPI)** is a weighted average of the prices of an identified basket of consumer goods and services used to help monitor inflation. The index measures the average change in price that consumers pay over time. The data is presented as a 1-month percent change, which means that anything shown greater than zero is indicative of inflation (prices increasing) while anything below zero is indicative of deflation (prices decreasing). **During the month of August, the consumer price index rose by 0.4%<sup>3</sup>.** The current 12-month CPI growth is 2.84% (unadjusted) as reported by the Bureau of Labor Statistics. This is 0.3% less than the trailing 12-month average of 3.14%, indicating continued inflation less than that of last year.

### Average Hourly Wage Changes against Changes in CPI



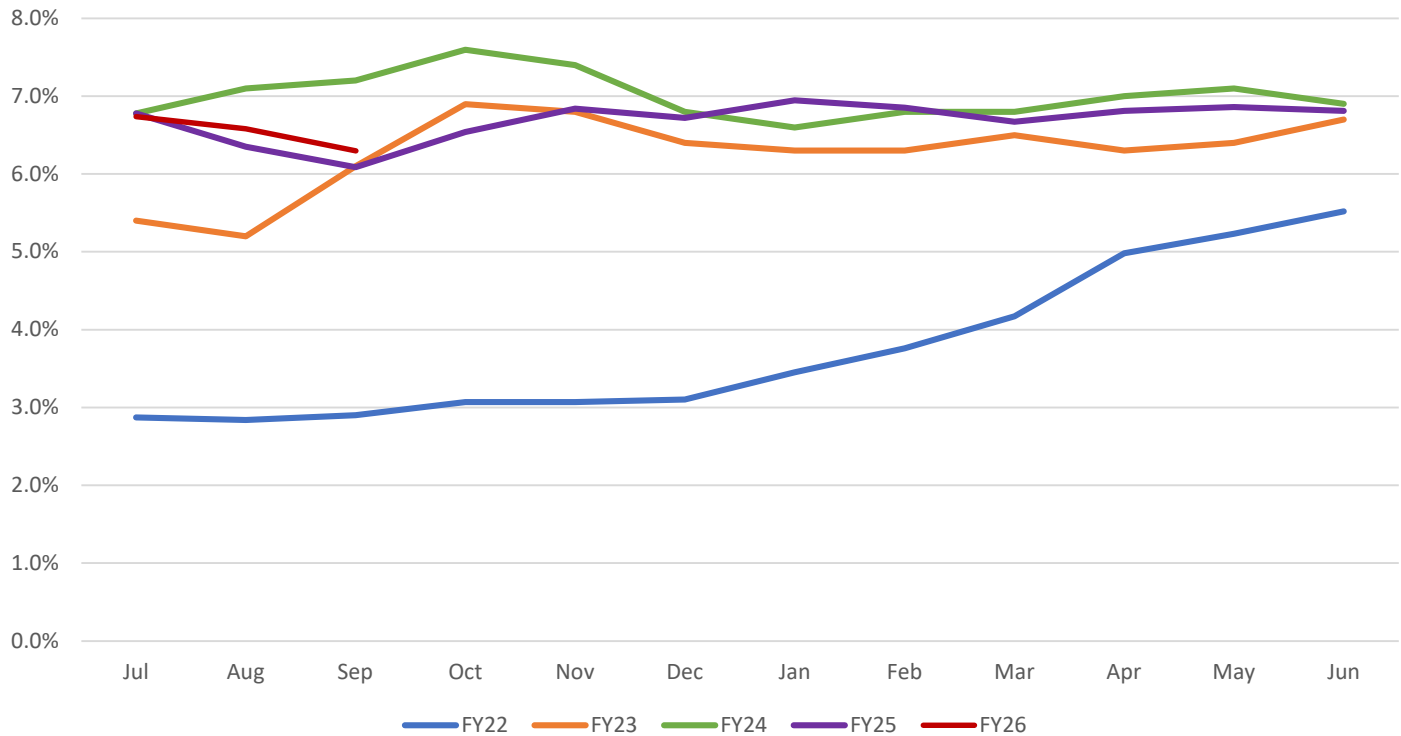
**Average Hourly Wage Changes against Changes in the Consumer Price Index** analyzes the relationship between national wages and consumer pricing, and more loosely, its affiliate inflation. It should be noted that this graph encompasses month over month changes, with both metrics demonstrating continuous upward growth over the past 2 years of recorded data. **August had a monthly wage growth of 0.2% while the CPI increased by 0.4%, a negative outcome for consumer buying power.**

<sup>3</sup> U.S. Bureau of Labor Statistics; [Bureau of Labor Statistics Data \(bls.gov\)](https://www.bls.gov)



## National Metrics

### 30-Year Fixed Mortgage Rates



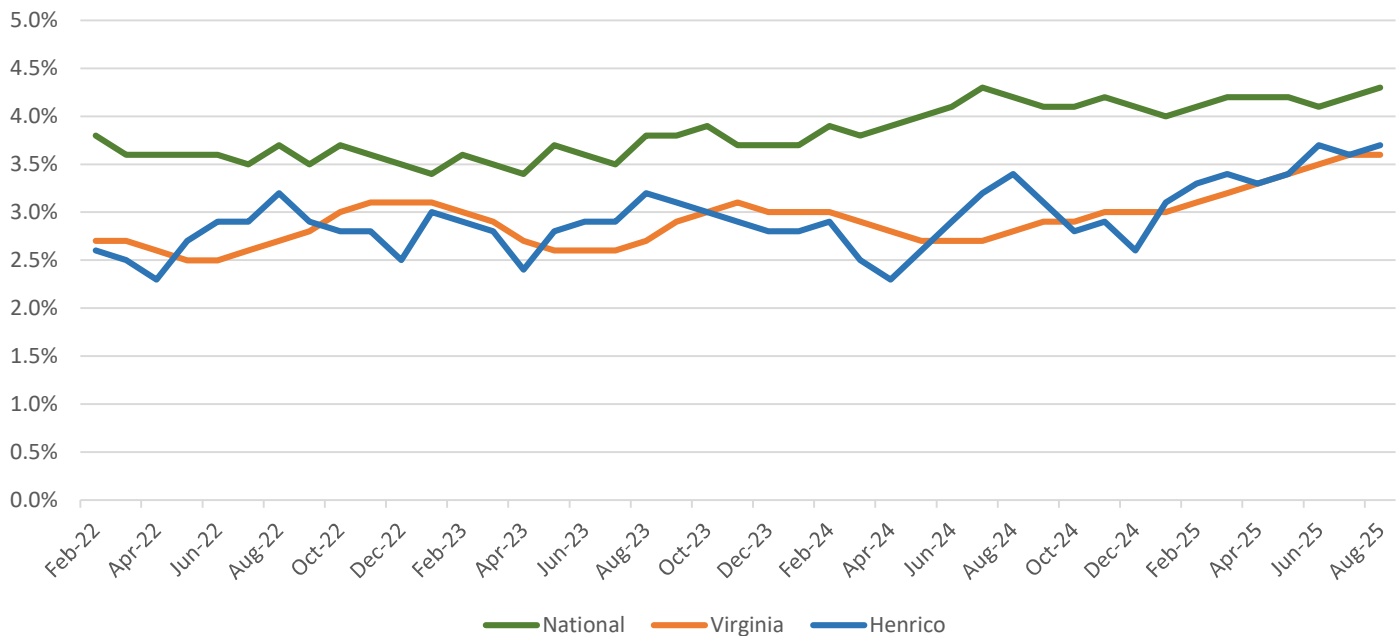
The **30-Year Fixed Mortgage Rate** is the most common financing mechanism used by residential home buyers. The interest rate represents the amount a qualified borrower will be charged by a lender over the loan term. **In September, the 30-year fixed mortgage interest rate decreased from 6.6%<sup>4</sup> to 6.3%, a 12-month low.**

<sup>4</sup> Freddie Mac; [30-Year Fixed-Rate Mortgages Since 1971 - Freddie Mac](#)



## Combined Metrics

### Unemployment Rates



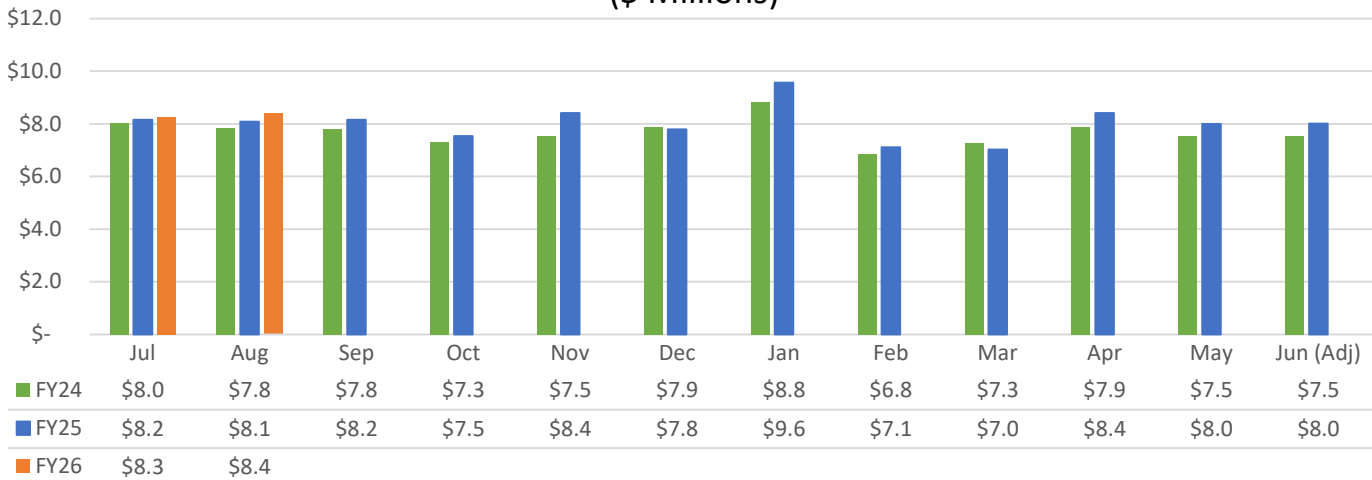
The **Unemployment Rate** shows the number of unemployed people as a percentage of the workforce. Known as the U-3 unemployment rate, an individual must be actively seeking work or laid off to be included. State unemployment data lags roughly six weeks while local unemployment data lags nine weeks. **In the month of August, unemployment rates increased by 0.1% at the National and Local levels. The State unemployment rate remains unchanged at 3.6%**<sup>5</sup>. Historically, Henrico unemployment rates have trended closely with the National and State levels.

<sup>5</sup> US Bureau of Labor Statistics; <https://data.bls.gov/lausmap/showMap.jsp>



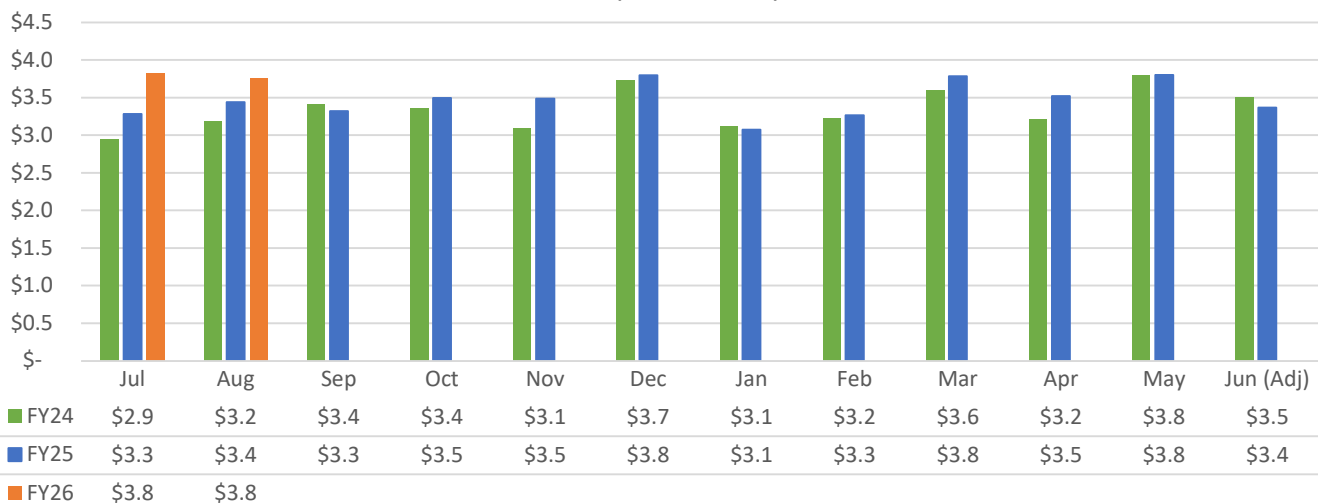
## Henrico Metrics

### 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. **August FY26 recorded collections of \$8.4 million, which is 3.8% more than August FY25 collections.**

### Meals Tax (\$ Millions)

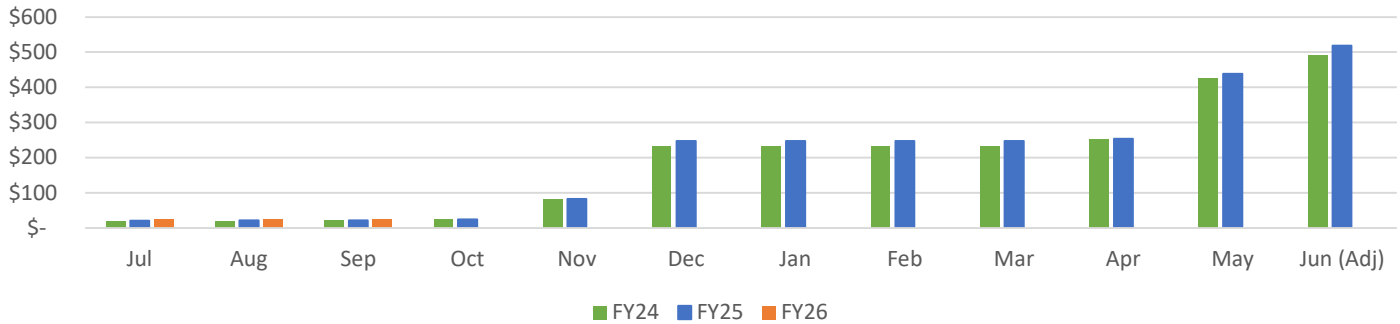


Henrico's **Meals Tax** establishes a 4% tax on prepared food and beverages. Revenue generated by the Meals Tax is dedicated to the operational and capital project needs of Henrico's Public Schools. Collections lag by two months and are compared as year-over-year monthly collections. **August FY26 collections totaled \$3.8 million, 0.4 million more than August FY25.**



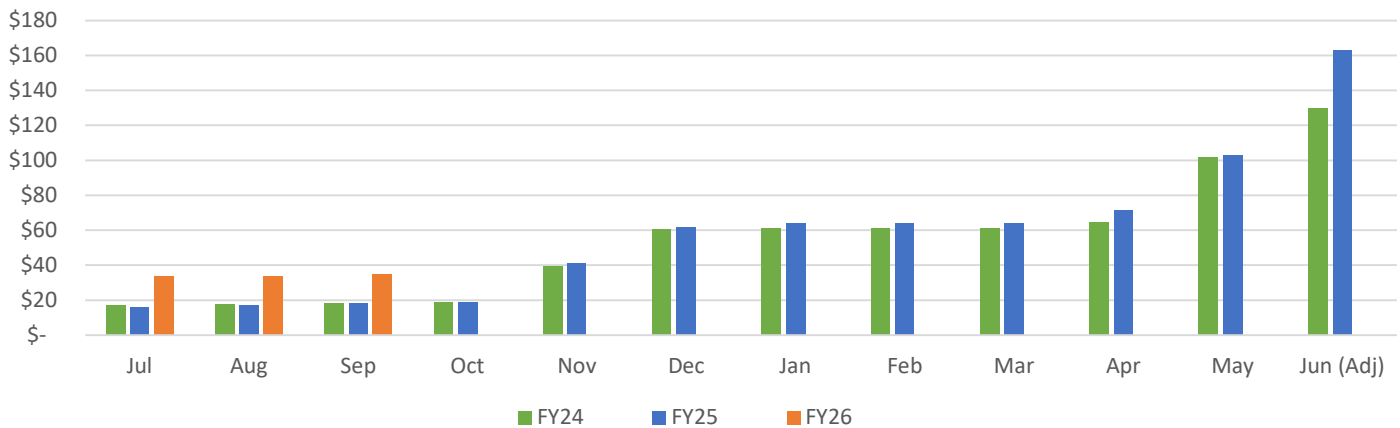
## Henrico Metrics

### 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 September FY26 are \$24 million, a 8.2% increase over FY25 year-to-date.** The graph above represents cumulative collections throughout each fiscal year.

### Personal Property Taxes (\$ Millions, Cumulative)

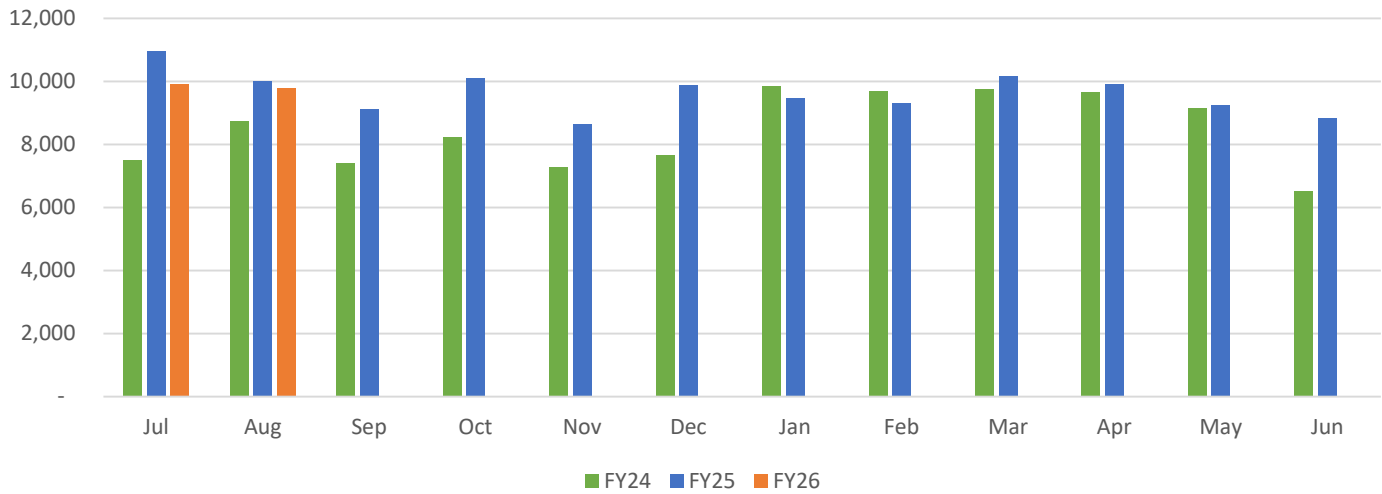


**Personal Property Taxes** are collected on all vehicles including cars, trucks, trailers, motorcycles, motor homes, aircraft, and watercraft. Personal property is collected in the locality where it is normally garaged, docked, or parked. Henrico County uses the J.D. Power Official Used Car Guide as of January 1<sup>st</sup> of each year to establish valuations. Collections are due twice a year in December and June. **Personal Property Tax Collections through September FY26 recorded \$35 million, which is \$17 million more than September FY25 due to several large new taxpayers.**

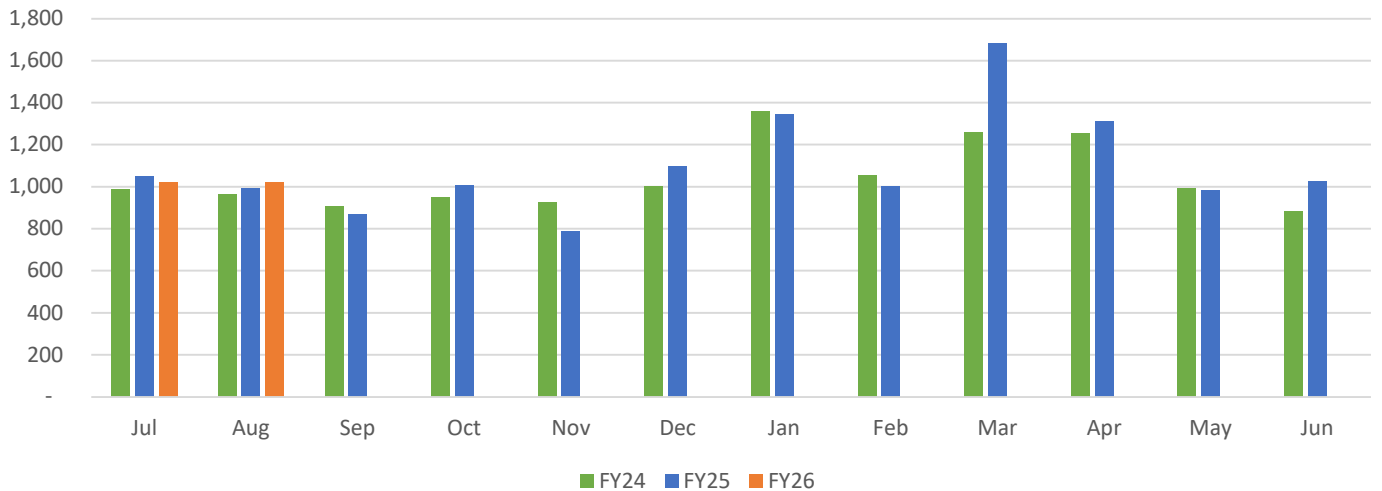


## Henrico Metrics

### Used Car Registration



### New Car Registration

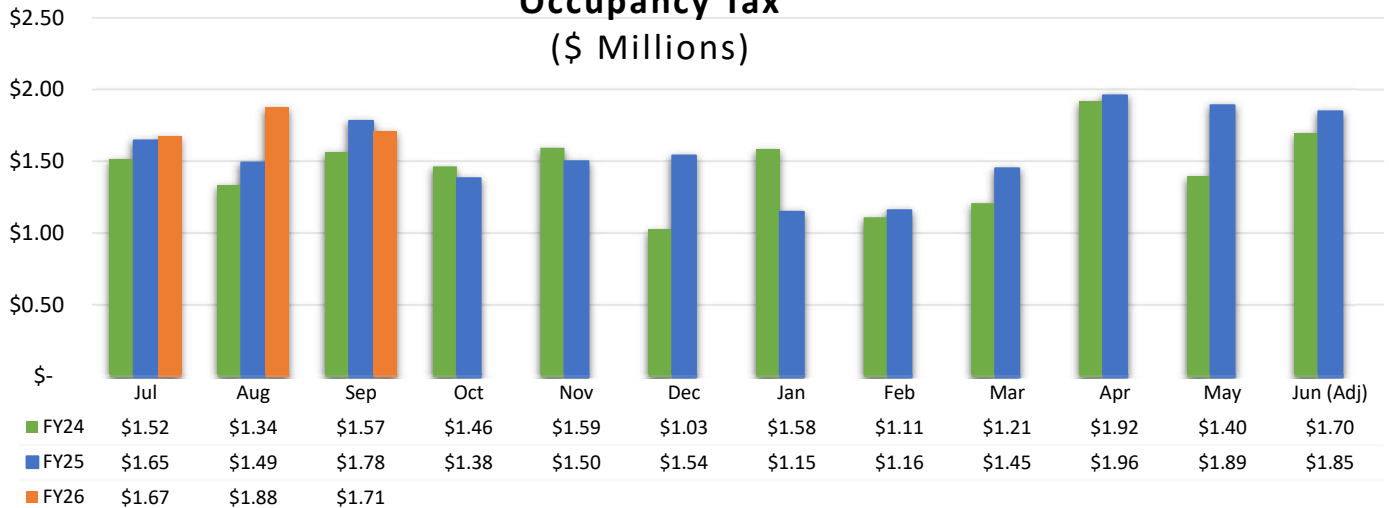


**Vehicle Registration** data is acquired from the Virginia Department of Transportation and is comprised of both new and used vehicles; the metric strongly correlates to vehicle sales. **Used Car Registrations in August FY26** recorded 9,774, which is 2.4% lower than July FY25. **New Car Registrations** recorded 1,018, or 2.7% higher than August FY25, but relatively flat compared to the prior month.



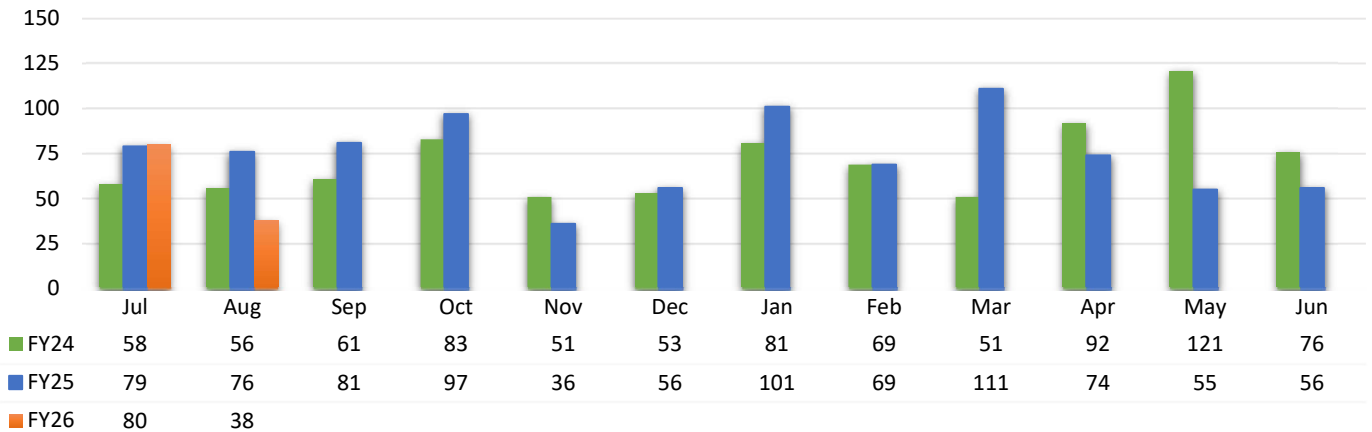
### Henrico Metrics

**Occupancy Tax**  
(\$ Millions)



Henrico’s **Occupancy Tax** is collected at an 8% rate on lodging for overnight stays. **Occupancy Tax collections in September FY26 totaled \$1.71 million, \$0.07 million less than September FY25. Full year collections totaled \$5.26 million, which is \$0.34 million higher than it was by September FY25.**

**New Residential Construction**

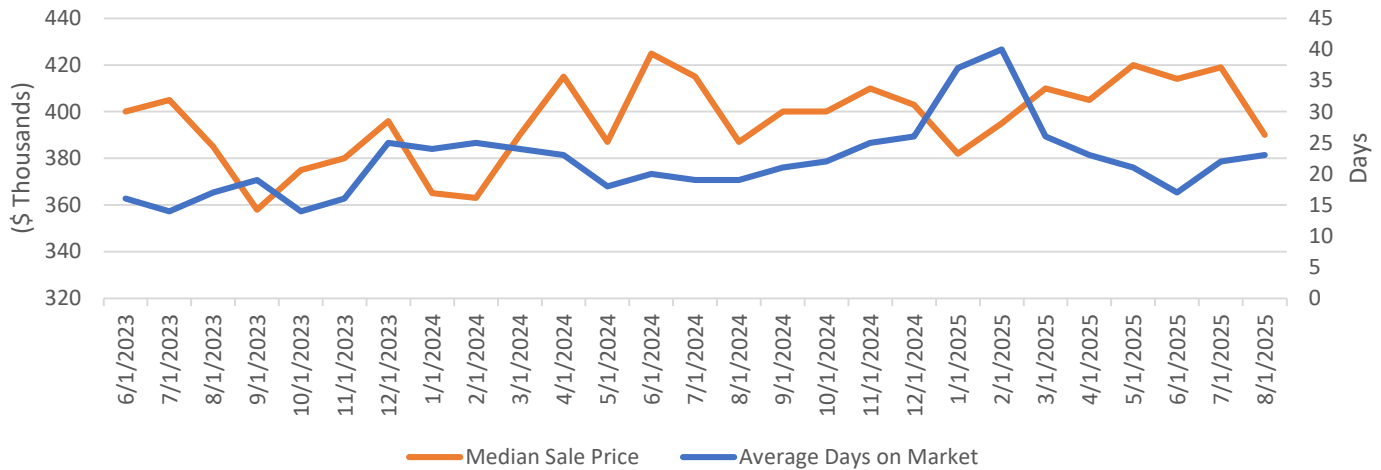


**New Residential Construction** is comprised of new single-family houses that were issued building permits. A slowdown may indicate worsening economic conditions, increased competition from neighboring localities, or a lack of expansion capabilities. **August FY26 construction totaled 38 permits, which is 38 less than July FY25. This is the lowest total recorded since November 2024.**



## Henrico Metrics

### Average Days on Housing Market and Median Sales Price (Henrico)

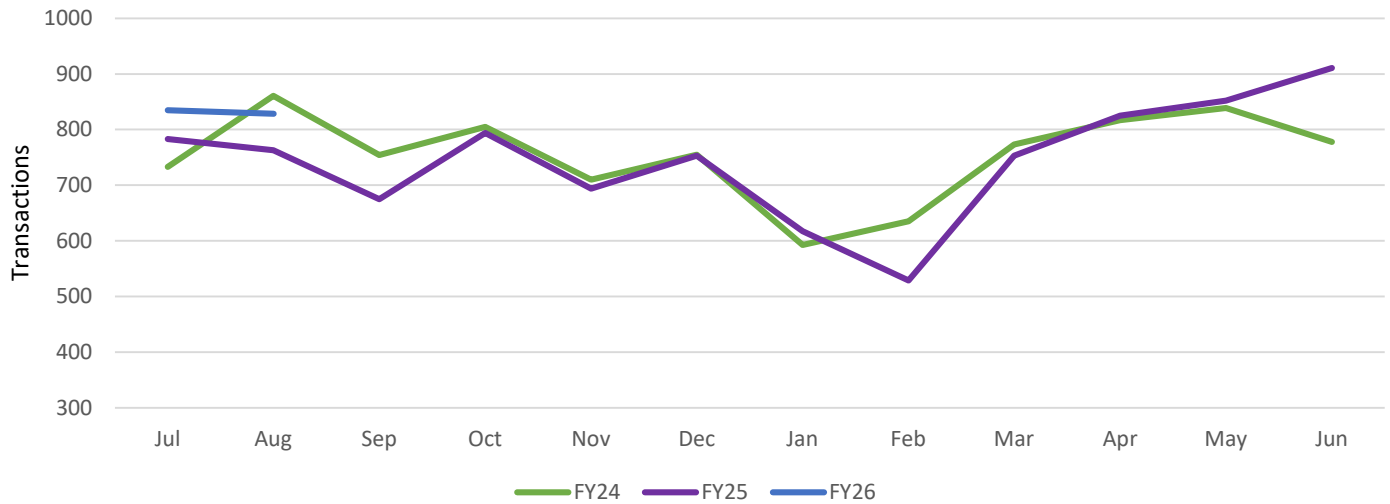


**Average Days on the Housing Market and Median Sale Price** provides a benchmark of the state of the housing market in Henrico. An increase in the time spent on market may indicate a slowing of the housing market, while a decrease may indicate acceleration. Median Sales Price tracks the middle value 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 August totaled \$389,900, a \$28,850 decrease from July. Average Days on the Housing Market increased from 22 in July to 23 in August.**

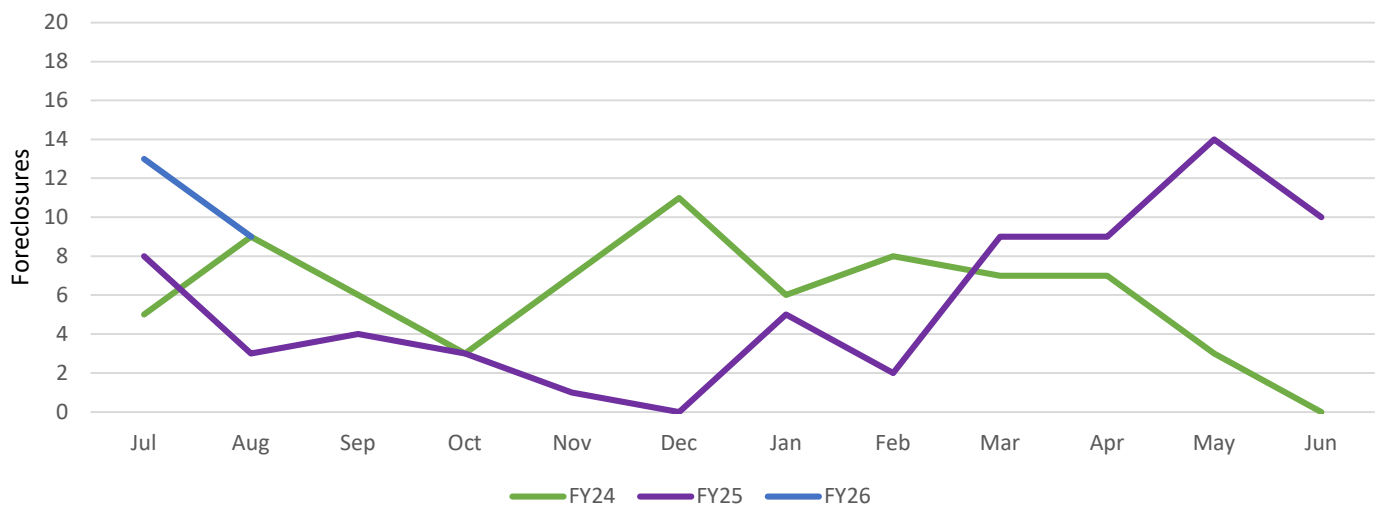


### Henrico Metrics

#### Residential Transactions



#### Residential Foreclosures

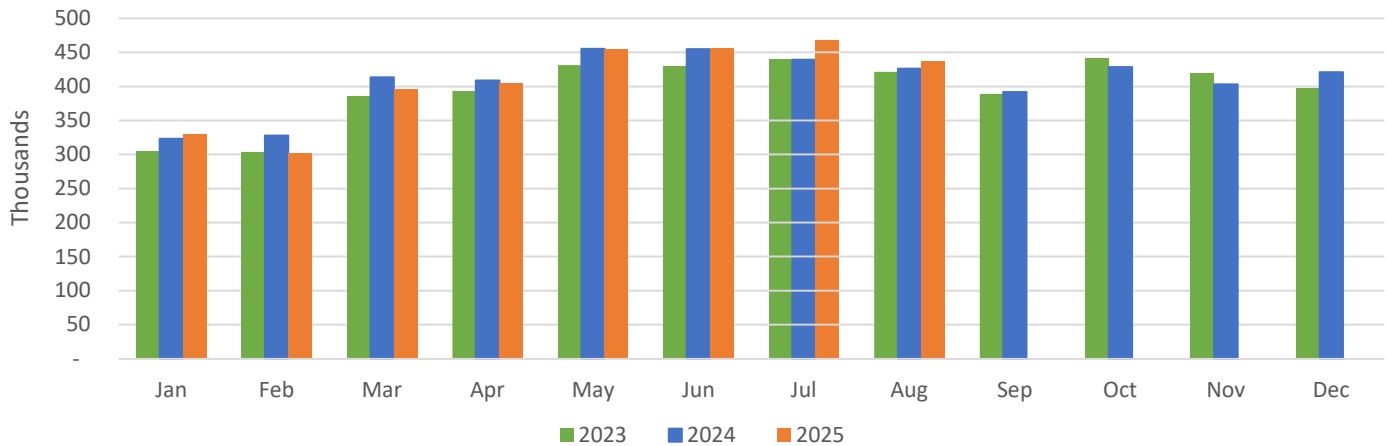


**Transactions & Foreclosures** data represents Henrico’s completed residential sales and reports residential foreclosures. These provide a snapshot of Henrico’s housing market. Consistency in transactions represents a healthy and growing market. **A total of 829 residential transactions were recorded in August FY26, 66 more than the previous fiscal year and 6 less than the month prior. There were 9 foreclosures reported in August FY26.**



## 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. **August 2025 recorded a total passenger count of 437,346, a 2.6% increase compared to August 2024<sup>6</sup>.**

<sup>6</sup> Richmond International Airport; <https://flyrichmond.com/airport-information/>