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Assessing Housing Needs in Fairfax County

APRIL 2026

Executive Summary

Fairfax County's strong employment base, high-performing schools, and quality of life have made it one of the region's most desirable communities, driving sustained housing demand. However, rising housing costs and stagnant wages increasingly limit who can live in the County.

Ensuring there is a healthy number of homes for residents across income levels is essential to sustaining the region's economic competitiveness. Building more homes will expand the County's tax base, keep and create jobs, and allow families, young professionals, and seniors to remain in their community.

This report provides a comprehensive analysis of Fairfax County's housing market, demographic shifts, supply dynamics, affordability challenges, and future housing needs through 2035.

Rents and home prices have outpaced income growth for a decade. At the same time, housing production has slowed, driving shortages that threaten the County's long-term affordability, workforce stability, and economic competitiveness.

Housing costs are rising faster than incomes. Real renter incomes have grown only 2%, while rents grew 5% over the same period. A household needs roughly \$100,000 annually to afford typical rent – well above what many essential workers earn.

Lower-income households face the most severe affordability gaps. About 87% of renters earning less than \$75,000 spend more than 30% of their income. Single parents and seniors face the greatest strain.

Homeownership is increasingly out of reach for local renters. Median home value reached \$770,000 in 2025 – far above what the median renter can afford (~\$386,000). Almost half of homebuyers paid a down payment of 20% or more, typically over \$100,000.

New housing supply lags job and population growth.

The County's new jobs to homes ratio stands at about 2:3, exceeding the healthy 1.5:1 benchmark. Failing to add new homes may limit the number of employees that choose to live in Fairfax.

Rental supply grew just 5% between 2013 and 2023, roughly half the regional pace.

Most of the new rental homes have been concentrated in buildings with 50+ units. In fact, these home types have increased by 63% since 2010, adding about 15,000 new rental homes.

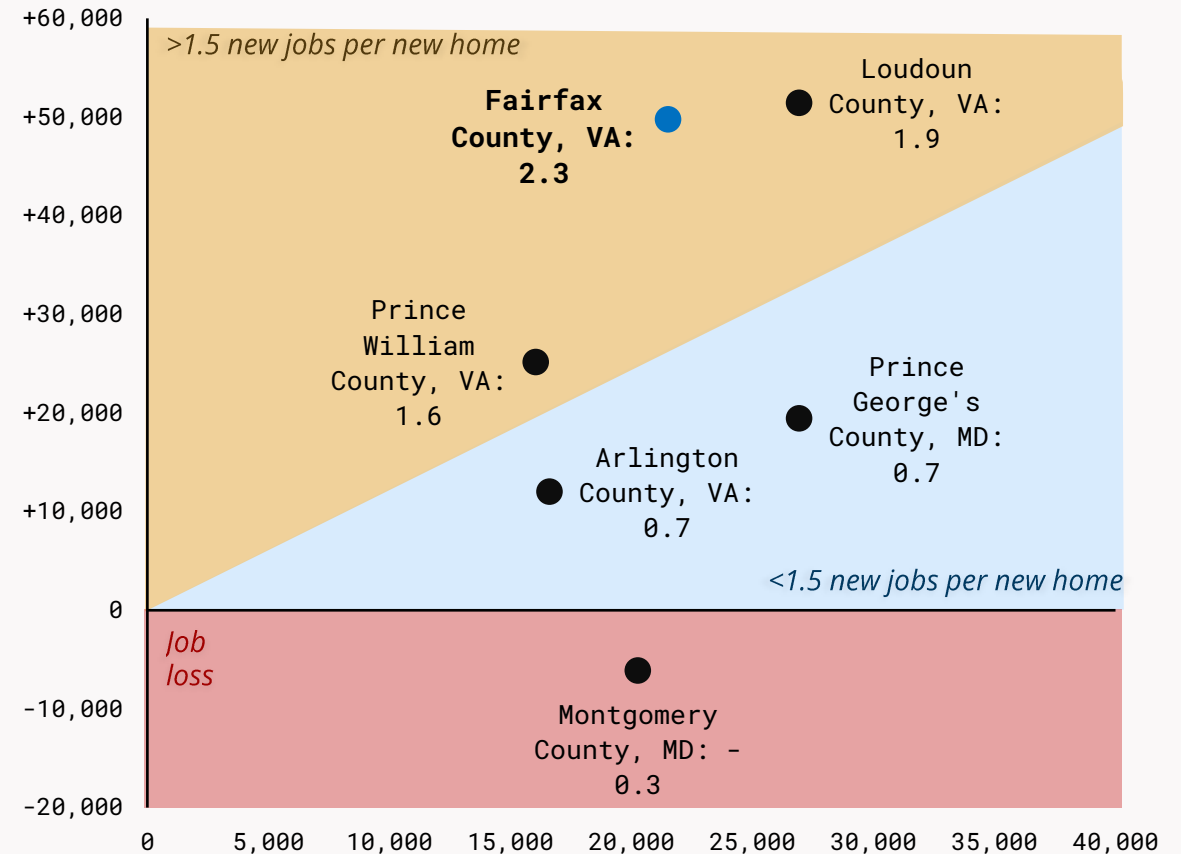
New homeownership supply favors smaller, multifamily options.

Since 2013, the County has added 3,000 new townhomes and 6,300 more condos, even as single-family homes still comprise two-thirds of owner-occupied units.

Future housing needs will far outpace current production trends.

By 2035, the County is projected to add 62,000 workers and between 45,000 and 184,000 new residents, growth that will increase demand across income levels. To accommodate this expansion and restore a healthy vacancy rate, the County will need an estimated 41,000 to 95,000 new homes by 2035. Meeting this need will require roughly doubling the pace of housing production compared to the past decade.

Net Jobs per New Home Permitted, 2015-2025

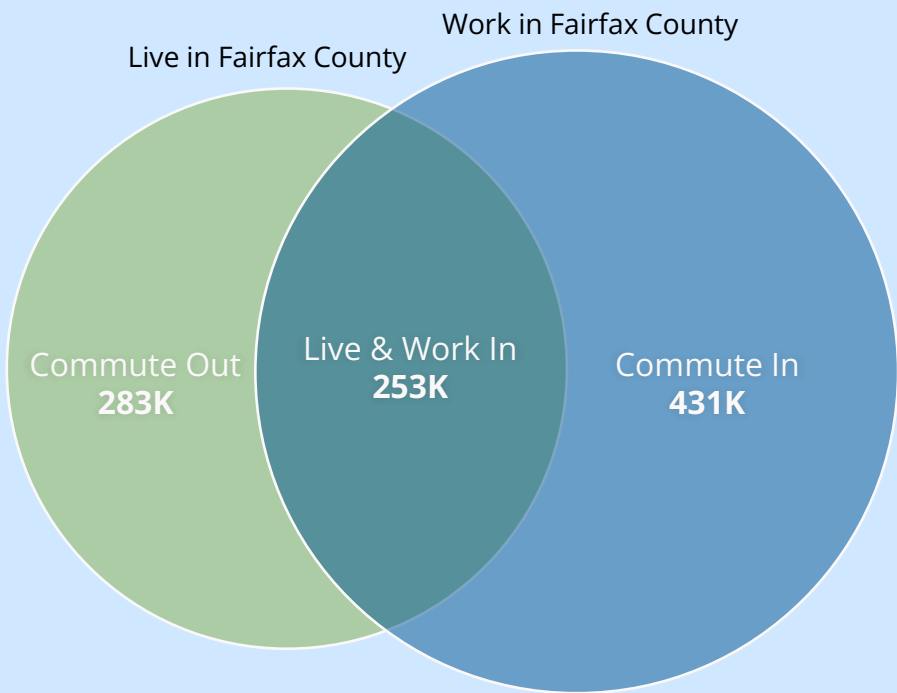


Sources: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), June 2025 net of June 2015, and U.S. Department of Housing and Urban Development (HUD), State of the Cities Data Systems (SOCDS), Building Permits Survey (BPS), new housing unit permits from July 2015 through June 2025.

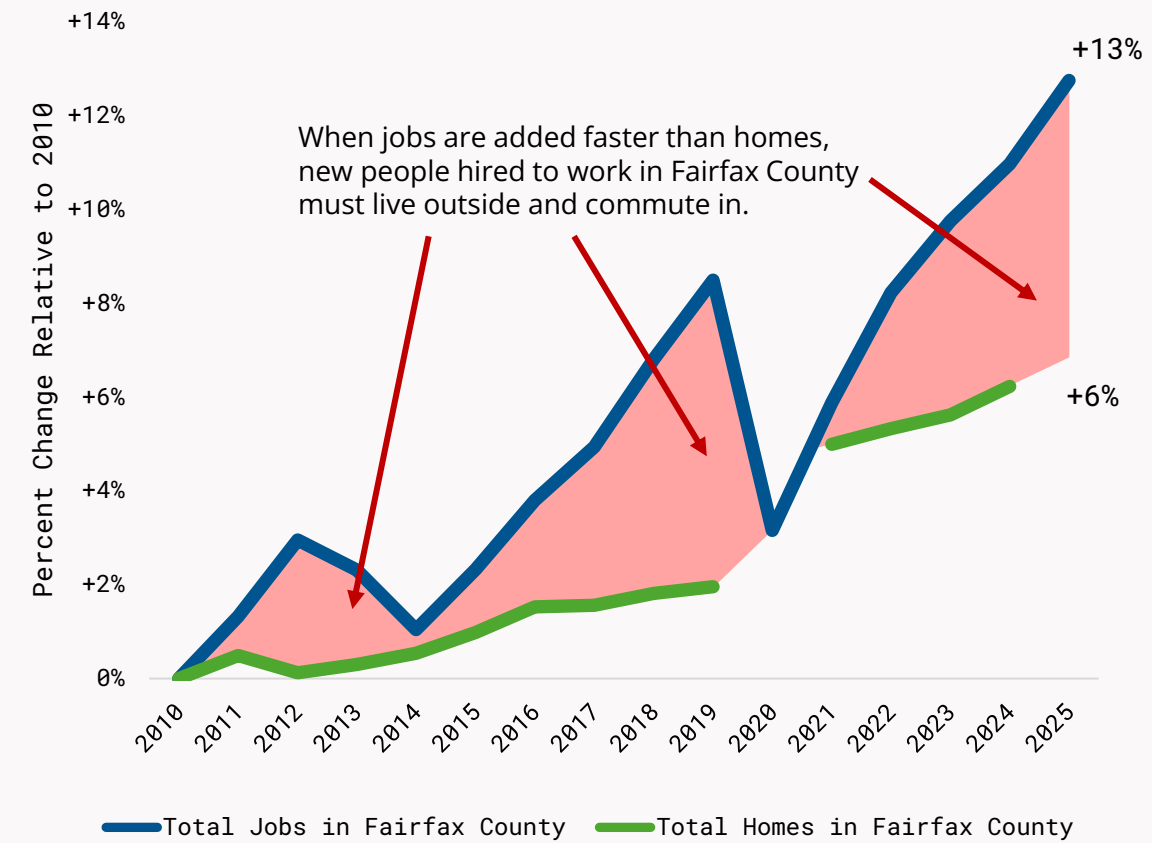
Note: BPS data accounts for all housing permits.

Adding new jobs faster than new homes forces workers to commute from outside Fairfax County.

From 2010 to 2025, Fairfax County added 73K jobs (+13%) but only built about 25K (+6%) new homes. As a result, the County brings in 148K more commuters from surrounding counties than it sends out, including a net of 55K commuters from Prince William County and 43K from Loudoun County. In contrast, Fairfax County sends a net 48K commuters to Washington, DC, and another 12K to Arlington County.



Percent Change in Total Jobs vs. Total Homes



Sources: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), 2010-2024 annual and September 2025. U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates, 2010-2024. U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES), 2023.

Low- and moderate-wage jobs are among those contributing most to Fairfax County's employment growth.

The County added tens of thousands of new workers employed in low- and moderate-wage occupations, like home health aides, food delivery drivers, and warehouse stockers. However, these occupations pay much less than the median wage of \$114K—and less than other fast-growing occupations like managers and computer scientists.

Many new jobs do not pay enough for workers to afford rent in the County.

A household would need to make at least \$100K to afford Fairfax County's typical market-rate rent of \$2,500. The County's fastest-growing occupations include several for which even a two-worker household would struggle to afford rent. The mismatch in worker wages and rent prices forces many to new workers to seek housing outside the County.

Major Occupation Groups With the Largest Net Employment Growth, 2014-2024

Major Occupation Group	Net Growth (Percent Growth)	Average Annual Salary (2024)	Rent Affordable (2024)	Can Afford Fairfax County Market Rent?
Educators & Librarians	+24K (+237%)	\$63.5K	\$1,590	No
Managers	+21K (+64%)	\$161.7K	\$4,040	Yes
Business and Finance Professionals	+19K (+41%)	\$104.0K	\$2,600	Yes
Healthcare Support Workers	+13K (+110%)	\$41.1K	\$1,030	No
Transport Workers and Material Movers	+13K (+53%)	\$46.0K	\$1,150	No
Healthcare Practitioners and Technicians	+11K (+42%)	\$99.8K	\$2,500	Yes
Computer Scientists and Statisticians	+8K (+21%)	\$131.9K	\$3,300	Yes

Sources: Occupational employment counts are derived by using the US Bureau of Labor Statistics Employment Projections (EP) program's National Employment Matrix to distribute county-level employment by industry from the Quarterly Census of Employment and Wages (QCEW) across major occupation groups present in each industry. Occupational average salaries use DC Metro Area averages from the Occupational Employment and Wage Statistics (OEWS). Rent affordability is compared to the Zillow Observed Rent Index (Smoothed): All Homes Multifamily Time Series.

Note: Major occupation group names have been simplified in this table.

1.

RENTAL MARKET TRENDS

How has Fairfax County's rental market changed?

FAIRFAX COUNTY HOUSEHOLDS EARNING LESS THAN \$98,000 A YEAR FACE A SEVERE RENTAL SHORTAGE.

THE COUNTY IS SHORT AN ESTIMATED 13,800 RENTAL HOMES AFFORDABLE FOR HOUSEHOLDS AT OR BELOW 60% AMI (\$98,350 FOR A 4-PERSON HOUSEHOLD OR \$78,700 FOR 2-PERSON HOUSEHOLD).

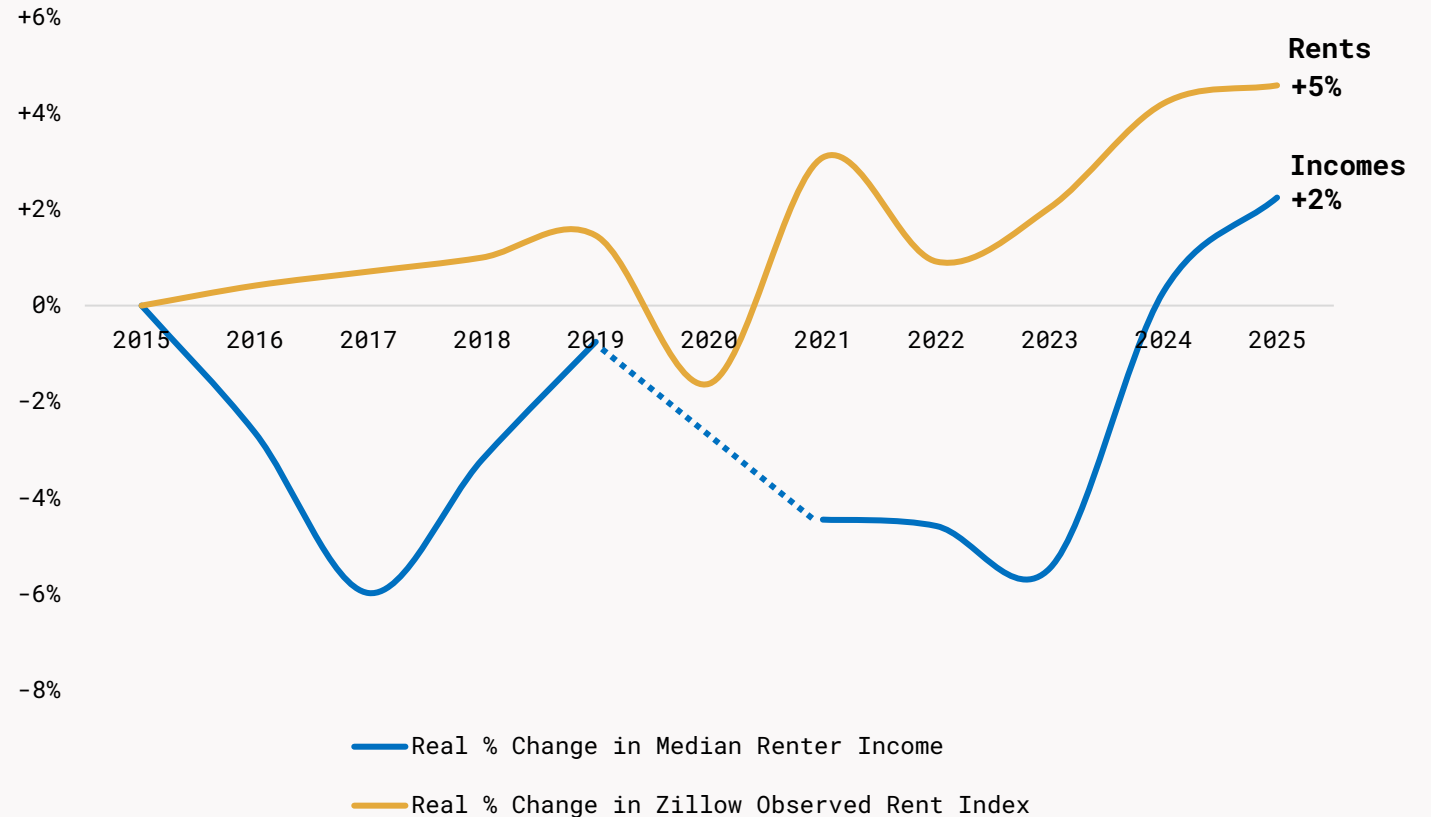
INCOMES ARE NOT KEEPING PACE WITH RISING RENTS

The median income of Fairfax County renters has not kept pace with rising rent prices since 2015.

When adjusting for inflation, real household incomes fell during much of the past decade before rising in recent years to reach a 2% increase. In contrast, rent prices have grown 5% over the past decade in real terms.

Although the median renter earning about \$106K in 2025 can afford the typical market-rate rent of about \$2,500 spending no more than 30% of their income on rent, the fast upward growth in rent prices relative to incomes raises concerns.

Inflation-Adjusted Real Change in Rent vs. Median Renter Household Income, 2015-2025



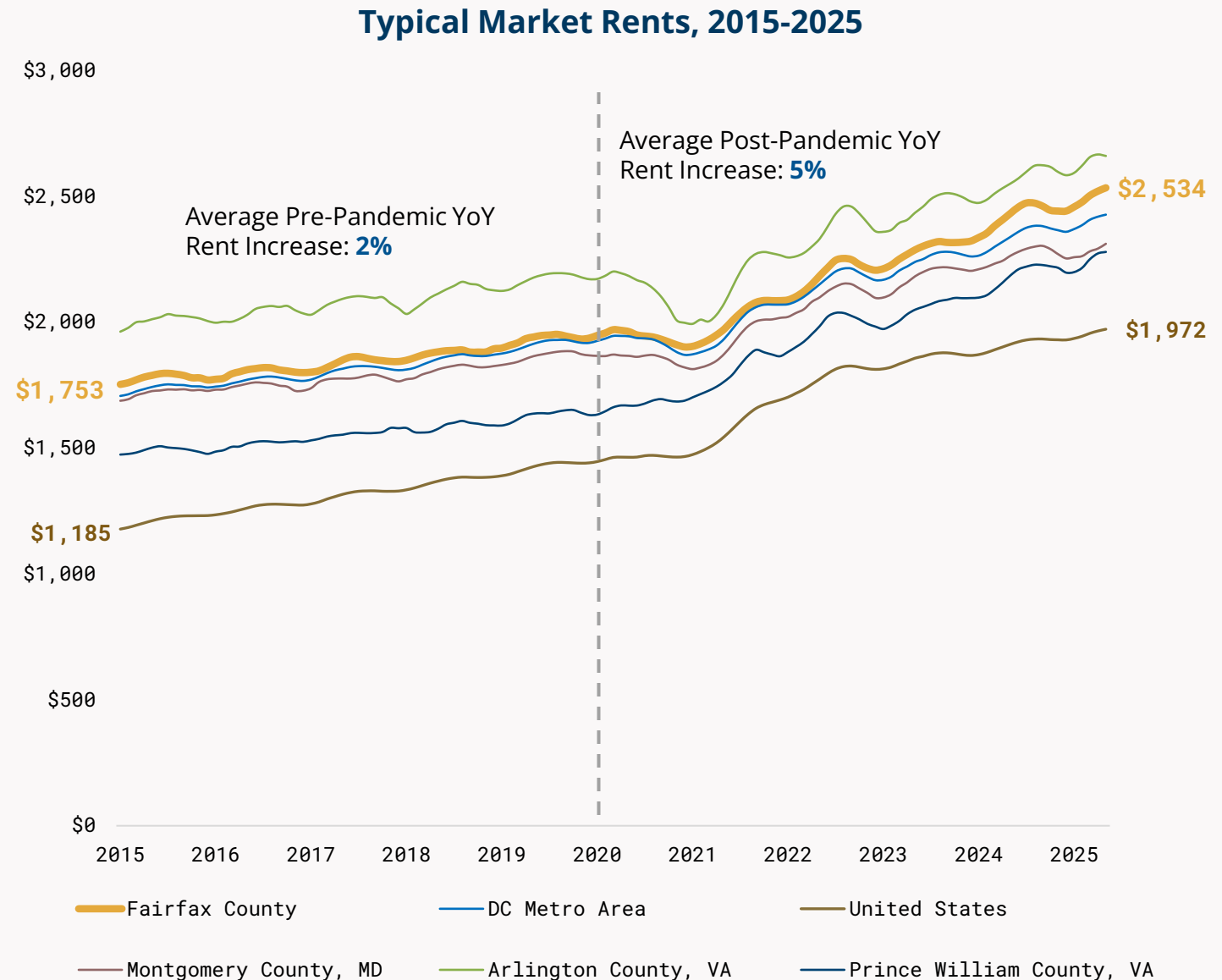
Sources: Median income from ACS, 1-Year Estimates, projected to the latest year based on a combination of the national Employment Cost Index (ECI) and local income trends. Median income and Zillow typical rent were inflation-adjusted to 2025 dollars using CPI-U.

RENTS HAVE SURGED POST PANDEMIC

Prior to the pandemic, rents in Fairfax County largely mirrored rates in the DC metro area but have since surged to some of the highest in the region. As a result, the County's **market-rate rents have increased by 44% since 2015**.

Post pandemic, macroeconomic trends, such as interest rate hikes and construction supply chain shocks, have interacted with local housing constraints, creating a surge in rent prices.

On average, **annual rent increases have shifted from 2% pre-pandemic, to 5% annually in the years since 2020**.



RENTING IN FAIRFAX COUNTY REQUIRES A HIGH INCOME

To afford Fairfax County's typical market-rate rent of \$2,500, **a household would need to make at least \$100,000.**

Across the DC Metro Area only the top 30% of workers earn this much on their own and could afford to rent in Fairfax County without another worker in their household.

Lower-wage workers would need at least a second worker in their household to afford typical rents.

Affordability of Fairfax County Rent by Metro Area Salary Percentile, 2024

DC Metro Area Salary Percentile	Annual Salary	Rent Affordable	Can Afford Fairfax County Market Rent?	Occupation Examples
90th Percentile	\$172.6K	\$4,310	Yes	Lawyers, GS-15
75th Percentile	\$119.0K	\$2,980	Yes	Computer Scientists, Engineers, GS-13
50th Percentile (Median)	\$68.4K	\$1,710	No	Public Safety Recruits, Construction Workers, GS-8
25th Percentile	\$43.9K	\$1,100	No	Starter Nurses, Office Administrators, GS-4
10th Percentile	\$35.4K	\$880	No	Cooks, Retail Clerks, Custodians, GS-2

Sources: U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics (OEWS), U.S. Office of Personnel Management, General Schedule for Locality Pay in Washington-Baltimore-Arlington area, and Zillow Research, Zillow Observed Rent Index (Smoothed): All Homes Multifamily Time Series.

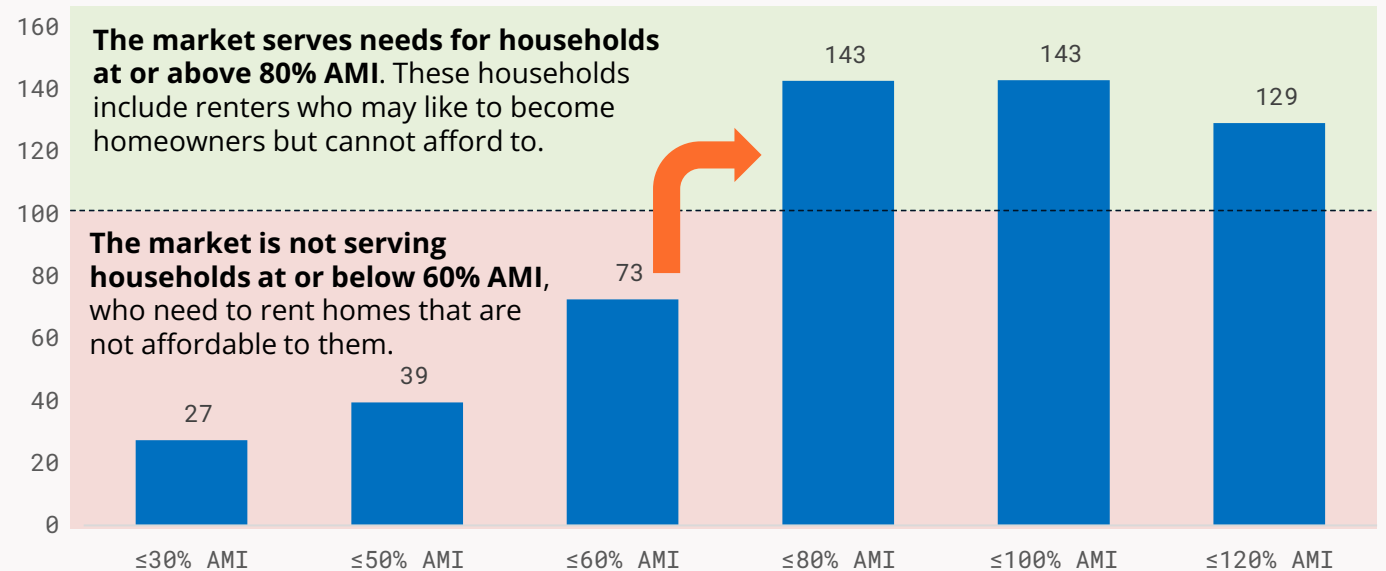
Note: GS Grade salaries assume Step 1. Actual Step 1 salaries are slightly lower or higher than listed annual percentile income.

TOO FEW HOMES AFFORDABLE FOR <60% AMI HOUSEHOLDS

The County is short an estimated 13,800 rental homes affordable for households at or below 60% AMI (\$98,350 for a 4-person household or \$78,700 for 2-person household). The lack of affordable rental homes often drives lower AMI households to homes out of their price range, creating cost burden.

The market serves households at or above 80% AMI. Over time, some of these units may become affordable to lower income renters, but without greater intervention, a need for deeper affordability will persist.

Affordable Rental Homes per 100 Renter Households (AMI), 2023



Source: U.S. Census Bureau, Public-Use Microdata Sample (PUMS), 5-Year Estimates.

As depicted above, households who lack affordable options (supply gap) often must choose to rent units at higher prices (excess supply).

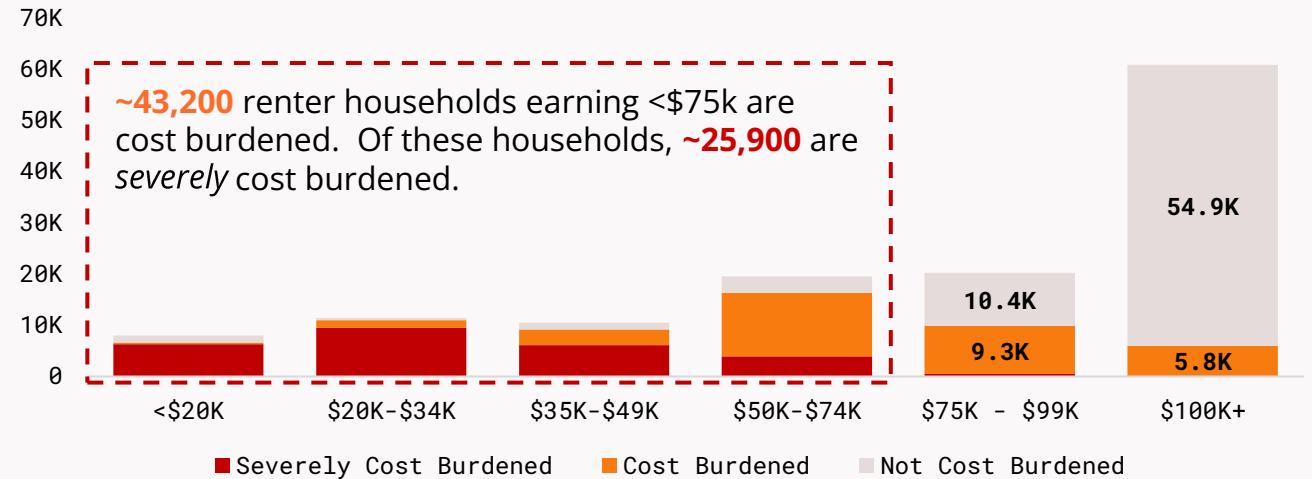
LOWEST INCOME RENTERS ARE COST BURDENED

Fairfax County has **59,000 cost-burdened renter households** spending more than 30% of their income on rent and utilities – for an **overall cost-burden rate of 45%**.

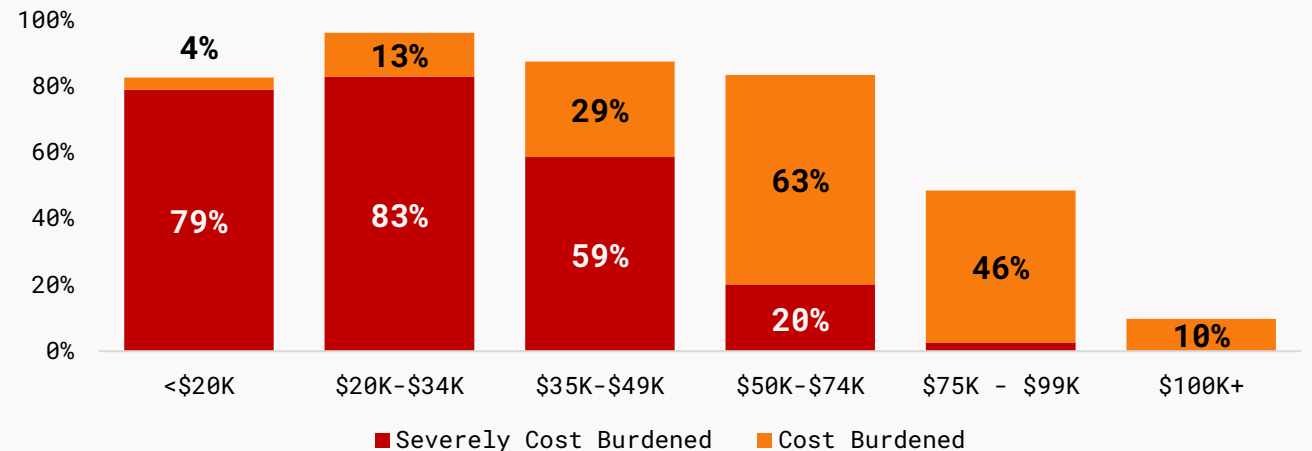
But **lower-income households are disproportionately impacted**: among renters earning less than \$75,000 per year, 87% are cost-burdened and spend at least 30% of their income on rent and utilities.

Further, 52% of households earning under \$75,000 spent over 50% of their income on rent and utilities, making them severely cost-burdened.

Renter Households by Household Income and Cost Burden Status, 2023



Renter Cost Burden Rate by Household Income, 2023



Source: U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates.
 Note: Renters with no income and rent data are excluded from calculations.

2.

HOMEOWNERSHIP TRENDS

How has Fairfax County's homeownership market changed?

THE HOMEOWNERSHIP GAP IS WIDENING.

HIGH INTEREST RATES, STAGNANT WAGES, LACK OF HOUSING SUPPLY, AND SIGNIFICANT APPRECIATION IN EXISTING HOME VALUES COMPOUND TO MAKE HOMEOWNERSHIP OUT OF REACH FOR HOUSEHOLDS EARNING LESS THAN \$230,000.

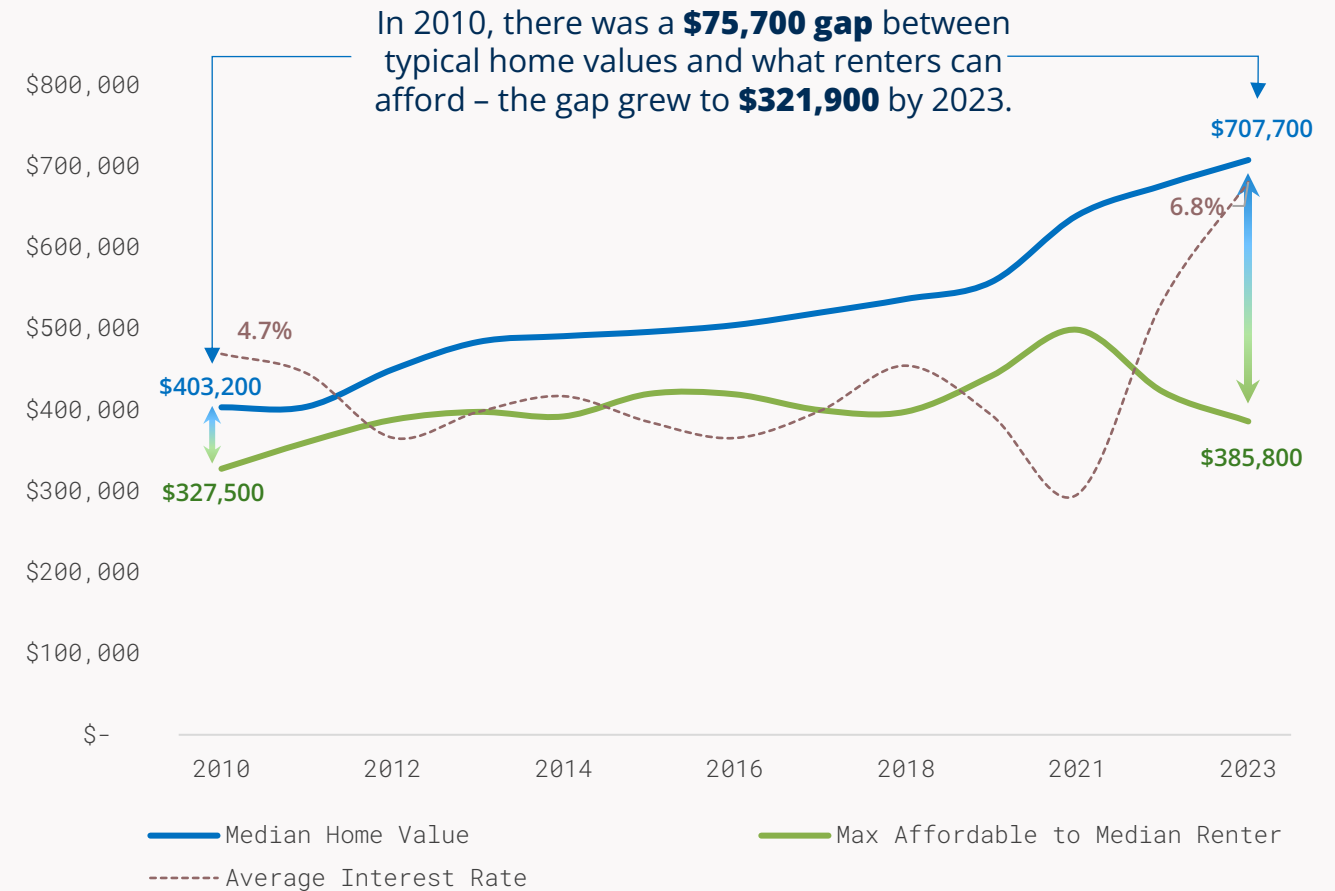
HOMEOWNERSHIP AFFORDABILITY GAP WIDENING

Renters aspiring to buy a home have a **harder time than ever**. High interest rates, stagnant wages, lack of supply, and significant appreciation in existing home values compound to make homeownership **out of reach for households earning less than \$230,000**.

The difference between the County's median home value and the maximum price a renter household can afford is over 3 times higher in 2023 than it was in 2010.

Purchasing power is further dampened by interest rates, which remain above pre-2020 averages.

Home Value v. Interest Rates v. Max Affordability by Tenure, 2010-2023



Sources: Zillow Research, Zillow Home Value Index (ZHVI), All Homes Time Series; FRED, MORTGAGE30US; U.S. Census Bureau, American Community Survey (ACS), 1 Year Estimates.

Notes: To align with ACS data, Zillow home values are the December value for each year; the ACS did not produce 1 Year Estimates for 2020. HR&A has calculated the affordable home price based on 30% of the annual median renter household income from the ACS, accounting for the national annual average 30-year fixed mortgage rate from Freddie Mac provided by the Federal Reserve Bank of St. Louis (FRED); effective property tax rates calculated from ACS median property taxes and median home values; and an assumed 20% down payment.

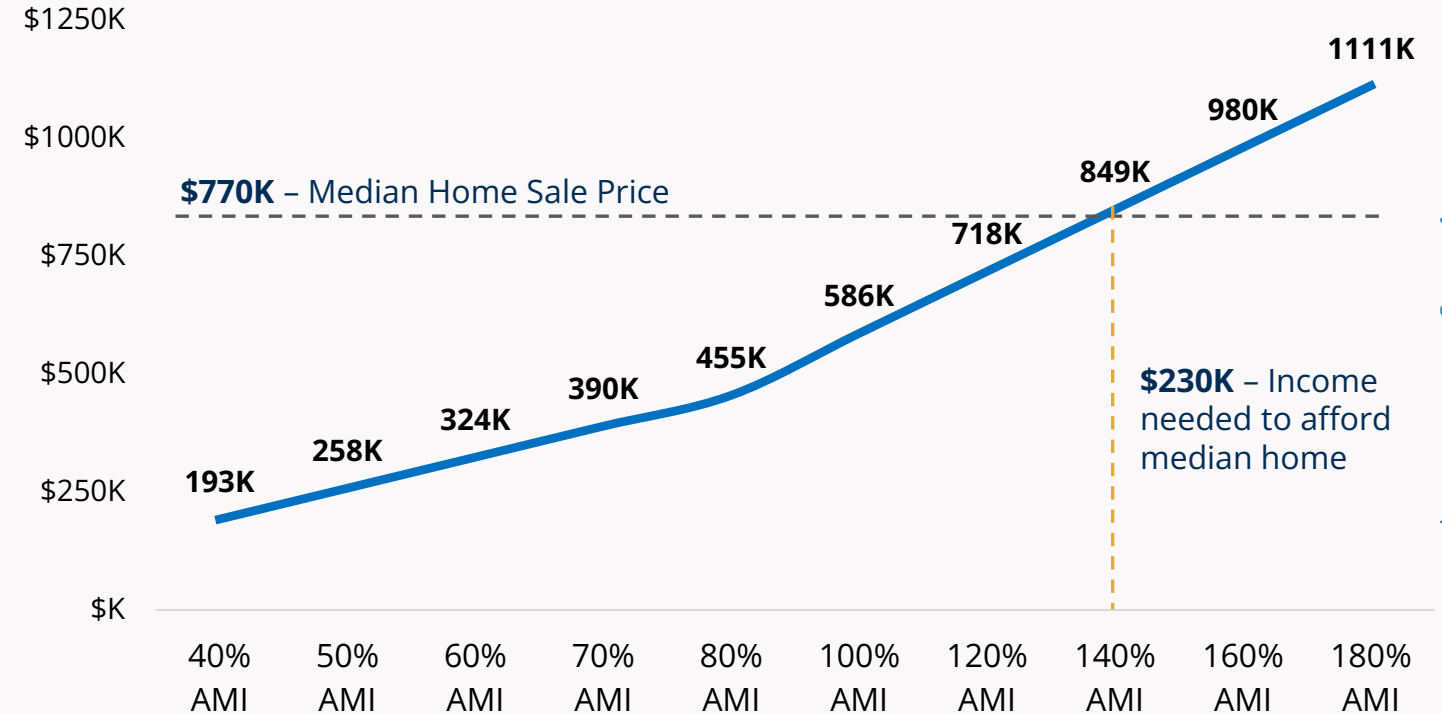
RISING HOME PRICES CONSTRAIN PURCHASING POWER

In 2025, the median home sales price in Fairfax County reached **\$770,000**. A family of four would need a household income of at least **\$230K** to afford the median home.

By contrast, the median income of a family of four who rents is **\$101K**. This household could only afford a home priced **\$365K**.

Of all sales in Fairfax County since 2022, the median renter household of four can only afford to purchase less than **20% of all homes sold**, with steep competition for each home sold.

What is the maximum home price a 4-person household can afford in Fairfax County?



	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	100% AMI	120% AMI	140% AMI	160% AMI	180% AMI
Income	\$65K	\$81K	\$98K	\$114K	\$131K	\$163K	\$196K	\$229K	\$262K	\$295K
# of HHS (2024)	16,300*	19,800	59,700			22,000	4,100	1,800**	2,400**	

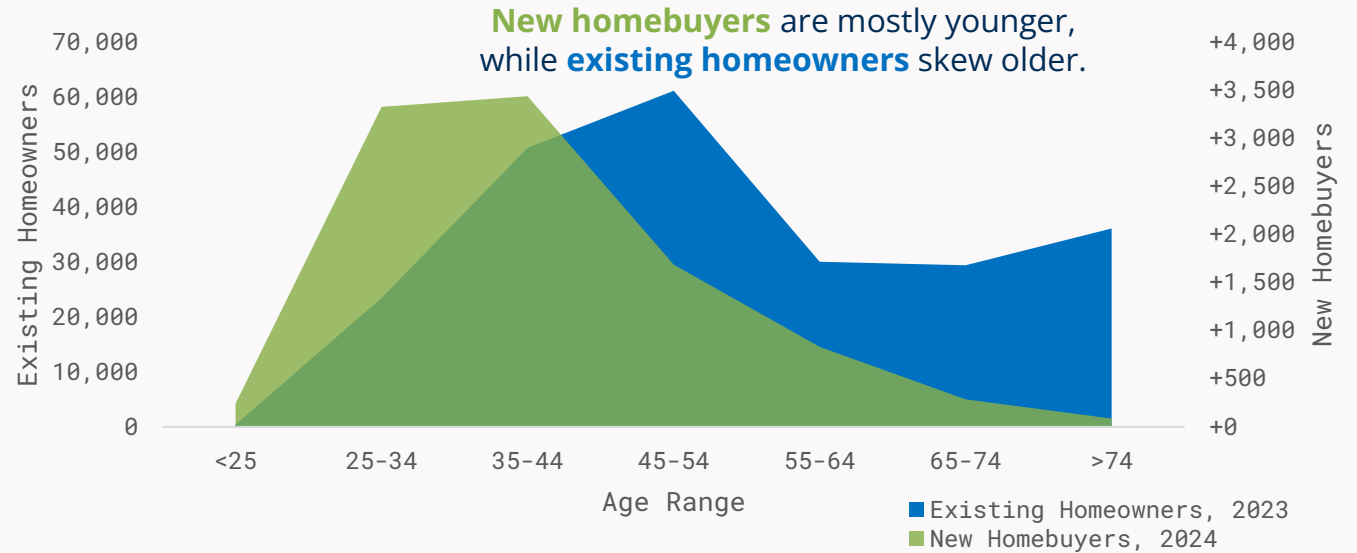
Source: Fairfax County WDU/ADU Program Income Limits, HR&A Calculation, U.S. Census Bureau, American Community Survey (ACS) Estimates. *Due to data cutoffs, includes households earning less than 50% AMI but more than 40%. **Reflects slight double counting across 150% AMI households due to data cutoffs. Actual incomes may vary based on household sizes. Maximum affordable home price rounded to nearest hundredth. Price assumes 10% downpayment, 1.12% property tax rate, and 30-year fixed mortgage at 6.35%. Assumes \$108/month in homeowners' insurance and with a \$400/month condo/HOA fee based on comparable homes listed on Zillow as of September 2025. Home burden ratio of 35% in alignment with ADU program terms.

NEW HOMEOWNERS ARE YOUNGER, FIRST-TIME BUYERS

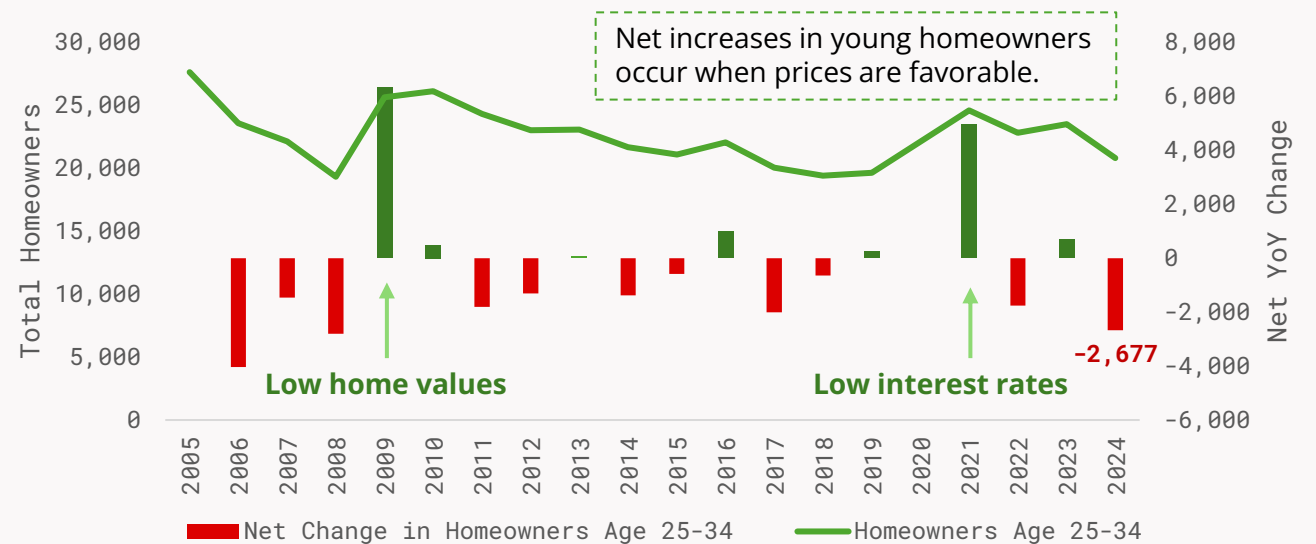
Fairfax County's homeowner population skews older: 51% of homeowners were 55 or older in 2023, while **buyers aged 25-34 have made up just 7-10% of all homeowners since 2010.**

Younger households drive most new purchases but don't stay in the County: 34% of new buyers in 2024 were 25-34, and another 35% were 35-44. Despite welcoming roughly 3,300 new homebuyers aged 25-34 that year, the County experienced a net loss of about 2,700 in that cohort, meaning **younger owners are aging up or moving away faster than first-time buyers can replace them.**

Existing Homeowner Ages v. New Homebuyer Ages, 2023-2024



Younger Homeownership (Age 25-34) Over Time



Sources: U.S. Census Bureau, American Community Survey (ACS), 1 Year Estimates, 2023; Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register, 2024.

Note: Home purchase mortgages are restricted to single-family (1-4 unit), site-built, first-lien, owner-occupied, non-reverse, non-open-end, and non-commercial loan originations.

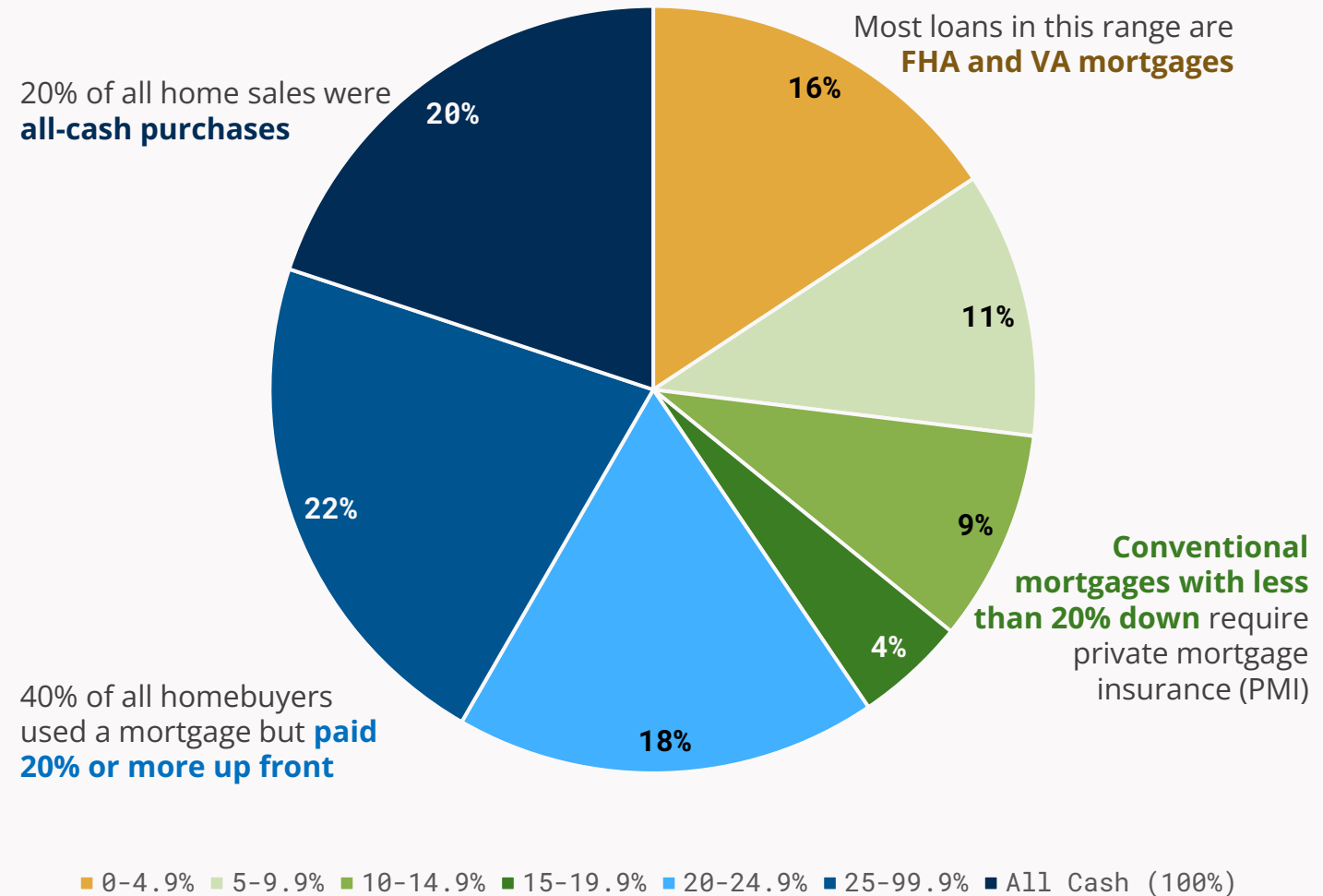
BUYING IN COUNTY REQUIRES HIGH UPFRONT PAYMENTS

About **40%** of homebuyers in Fairfax County are putting **20% or more** of the purchase price toward their down payment – typically well over \$100,000 for the down payment alone, not including additional closing costs.

An additional **20%** of home sales were **all-cash purchases** with no mortgage or down payment involved.

For the median renter household, a competitive down payment of 20% would require **saving 10% of their annual pre-tax income for 15 years** in a simple savings account with no interest.

Home Purchase Transactions by Down Payment Percentage, 2022-2024



Source: Property transaction data from ATTOM, restricted to parcels with 1-4 estimated housing units, according to the County of Fairfax.

ADULTS WHO DON'T OWN BY AGE 55 HAVE LOWER INCOMES

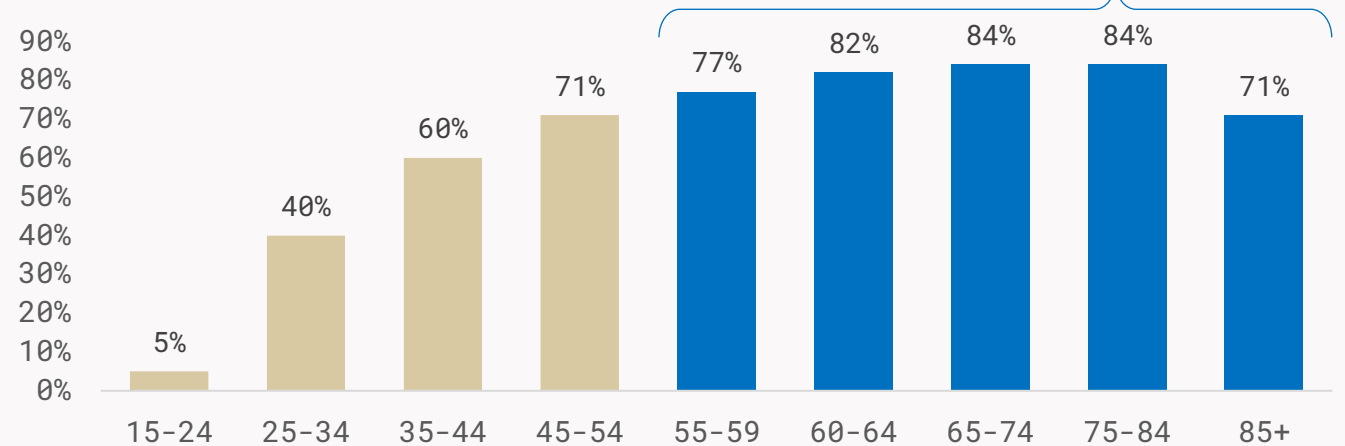
Beyond 55 years old, about 80% of older households own their home.

However, **older households who don't become homeowners by age 55 are more likely to have low incomes.**

In particular, **half of senior renter households were Very Low Income** (earning at or below 50% of AMI), compared to only 28% of non-seniors. About 20% of renters aged 55-61 and 35% of those above 62 years old are Extremely Low Income, earning less than 30% of AMI.

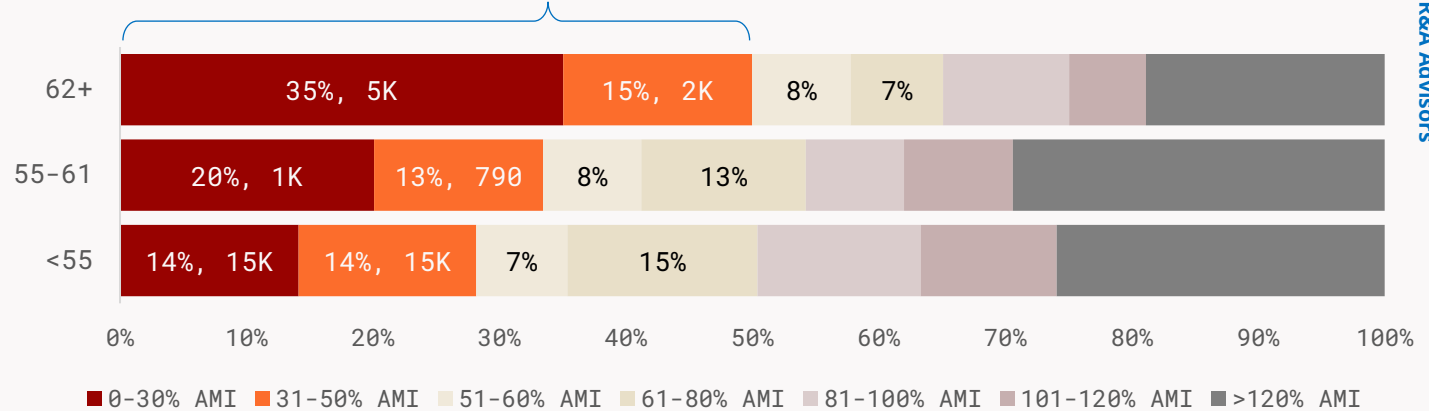
Homeownership Rate by Householder Age, 2023

80% of households older than 55 own their homes.



Income Distribution of Renter Households by Minimum Age of Household Members, 2023

Renters 55+ are more likely to be low-income but they represent a smaller group overall: roughly **9,000**, compared to **30,000** renters under 55.



Sources: U.S. Census Bureau, American Community Survey 1 Year Estimates, 2023; Public Use Microdata Sample (PUMS) 5 Year Estimates, 2019-2023.

Note: Household incomes are in 2023 dollars. AMI levels are based on 2023 thresholds to align with PUMS data.

*Senior renter households refers to renter households where all household members were 62 years and older. Non-seniors are renter households where the minimum age of household members was below 55 years old.

3.

HOUSING SUPPLY NEEDS

What are Fairfax County's future housing needs?

FROM 2015 TO 2025, FAIRFAX COUNTY ADDED 2.3 NEW JOBS PER NEW HOME. FAIRFAX COUNTY WILL NEED TO ADD 41K-95K NEW HOMES (ACROSS ALL INCOME BANDS) BY 2035 TO KEEP PACE WITH JOB CREATION.

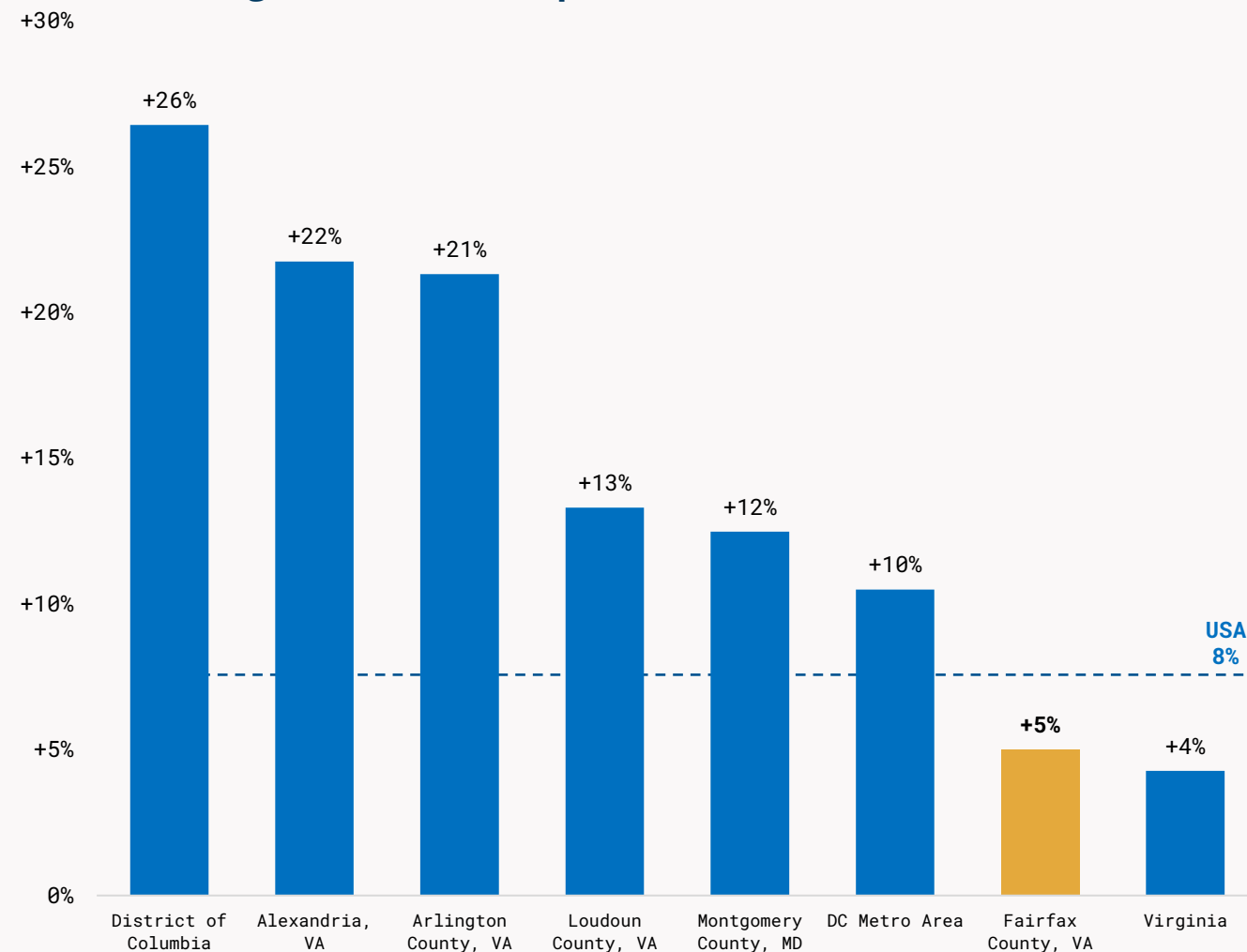
COUNTY GREW RENTAL SUPPLY AT HALF REGION'S RATE

Fairfax County's new rental housing production has lagged behind its peers, contributing to higher rents.

Between 2013 to 2023, **Fairfax rental housing supply grew only 5%**. By comparison, Arlington County's renter-occupied home supply grew by 21% and D.C.'s grew by 26%.

A low rate of new renter homes has ripple effects across the housing market, leading to surging rental costs for fewer units which only higher-income households can afford.

Percent Change in Renter-Occupied Homes, 2013-2023



Source: U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates.

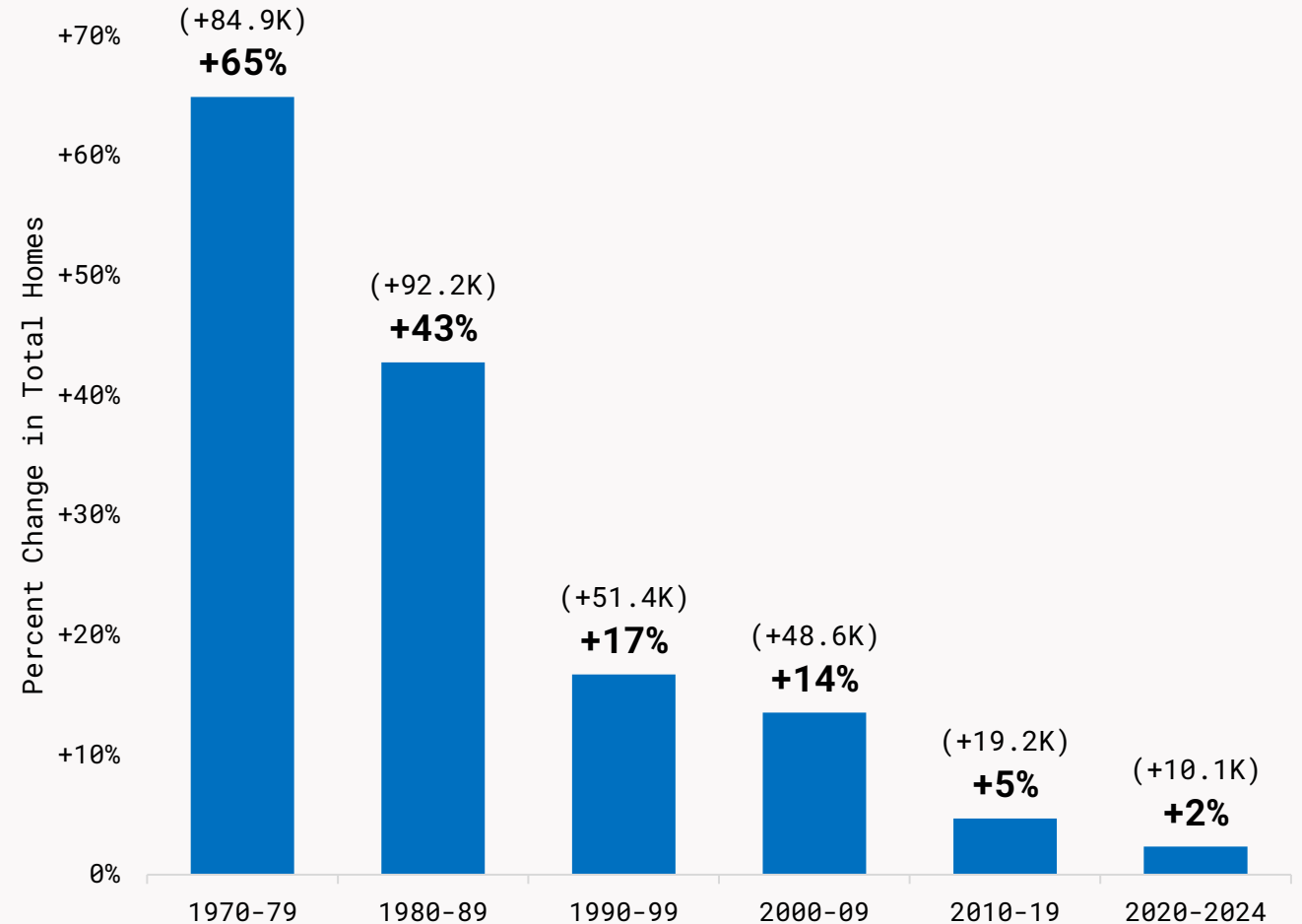
PACE OF BUILDING HAS COLLAPSED

Building many new homes helped fuel Fairfax County's rapid economic growth in the 1970s and 1980s. But the County has produced far less housing in the decades since then.

As measured by the percent change in total homes decade-over-decade, **the rate of new construction fell by more than half from the 1980s to 1990s—and fell by more than half again during the Great Recession.**

The slowdown in home construction, even since the 1990s and 2000s, hinders Fairfax County's continued economic growth.

Home Supply Growth by Decade



Sources: Decadal census data accessed from IPUMS NHGIS for 1970-2020, and Address Count Listing File data from U.S. Census Bureau for 2024.

Note: Data accounts for all housing units, excluding group quarters. The pace of housing supply growth for 2020-24 is about on par with the previous decade (2010-19).

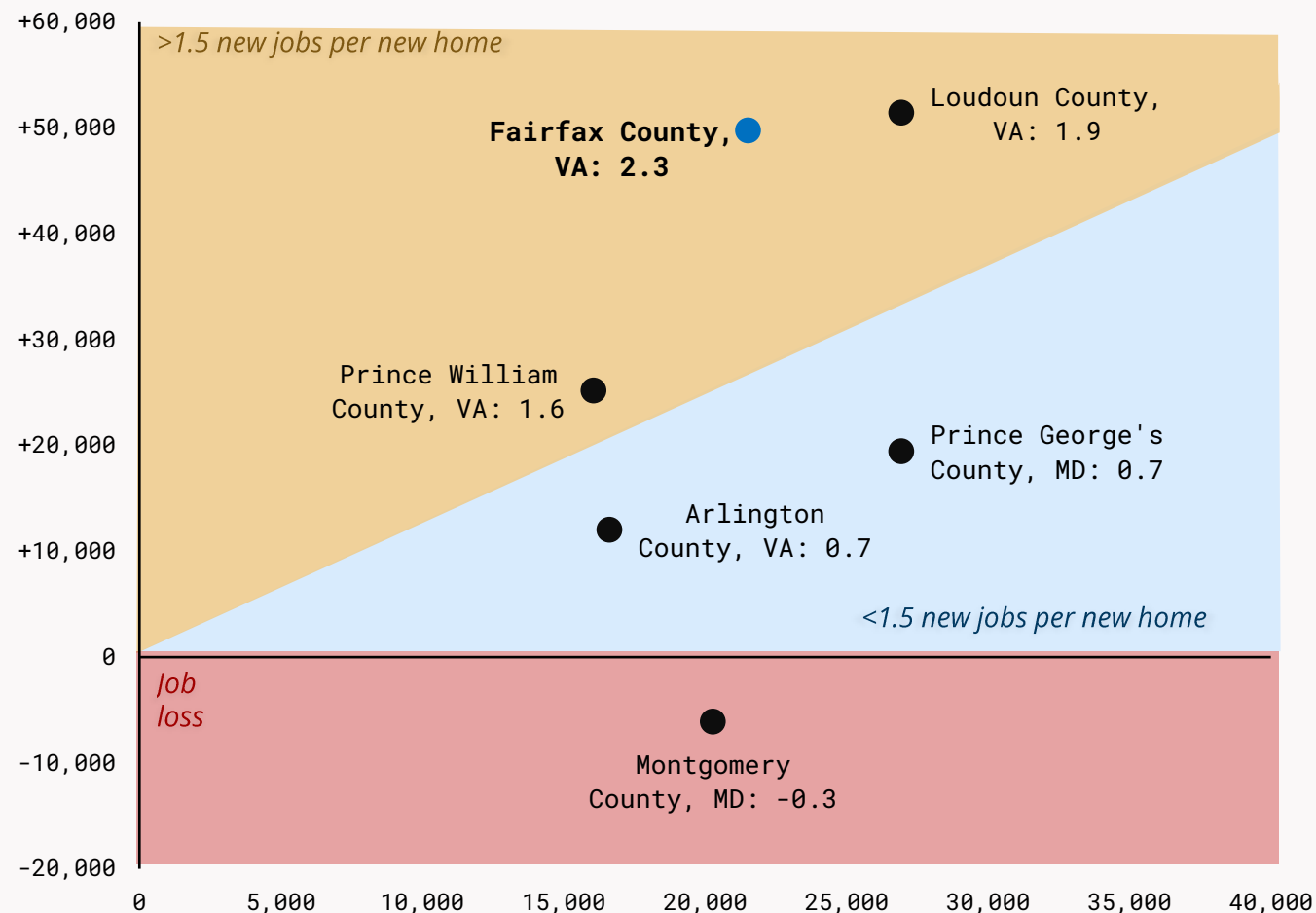
HOMEBUILDING FALLS SHORT OF NEW WORKERS' NEEDS

Housing production has not kept pace with employment growth, pushing workers to live farther away and commute longer. **From 2015 to 2025, Fairfax County added 50,000 jobs but permitted only 22,000 homes, or 2.3 new jobs per new home.**

In the DC Metro Area, Fairfax was the only county to exceed two new jobs per new home ratio. By comparison, healthy housing markets typically sustain closer to 1.5 jobs per home.

While federal budget cuts in 2025 resulted in job losses across the region, supply shortages continue to outpace job growth.

Net Jobs per New Home Permitted, 2015-2025



Sources: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), June 2025 net of June 2015, and U.S. Department of Housing and Urban Development (HUD), State of the Cities Data Systems (SOCDS), Building Permits Survey (BPS), new housing unit permits from July 2015 through June 2025.

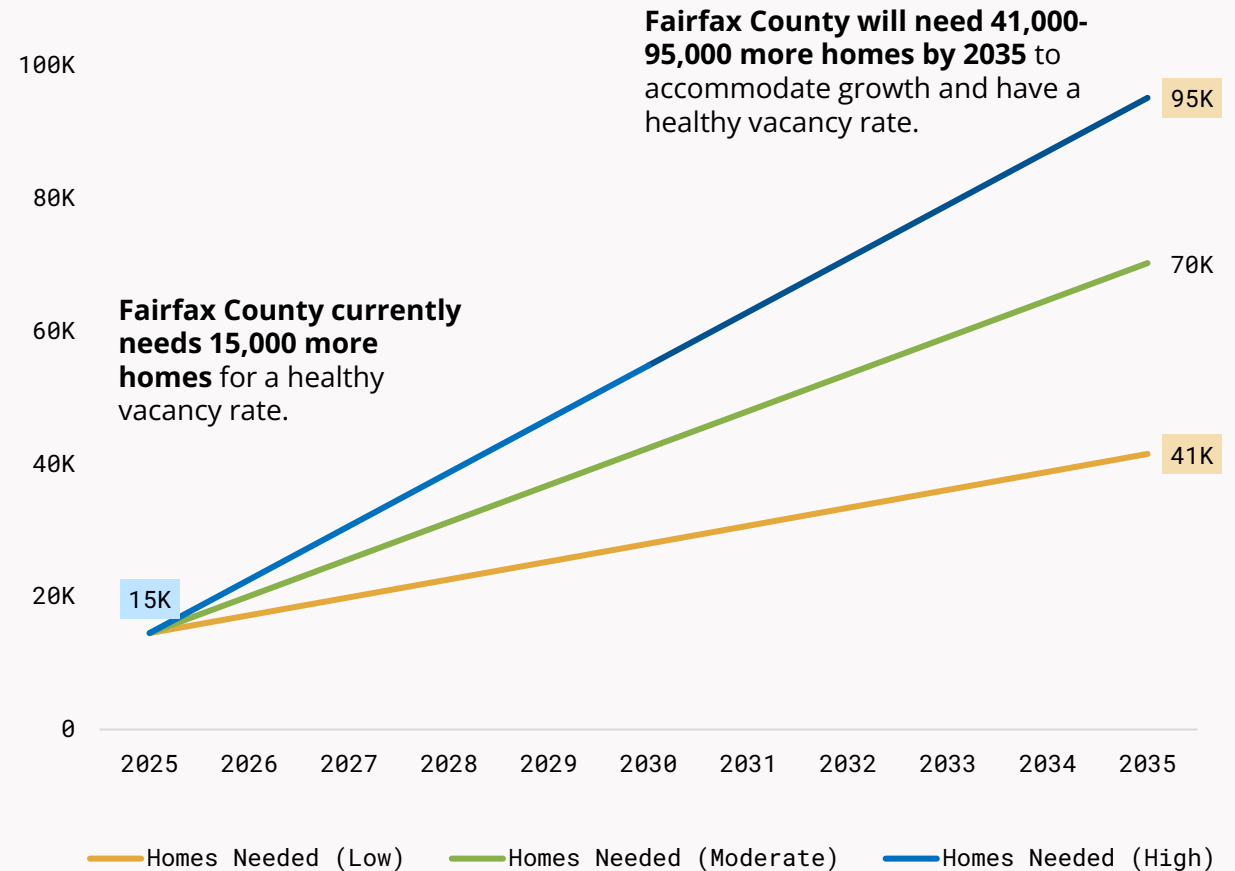
Note: BPS data accounts for all housing permits and does not indicate which permits are rental homes and which are for-sale homes.

FAIRFAX COUNTY WILL NEED 41K-95K NEW HOMES BY 2035

A healthy housing market needs about 5% of all homes to be vacant and available. These available homes allow households to move for jobs, start families, or otherwise relocate. At present, **Fairfax County needs 15K more homes to achieve a healthy 5% vacancy rate.**

To account for projected demand from new households, **Fairfax County will require 41K-95K total new homes by 2035**, including current need and accounting for a 5% target vacancy rate for projected future households.

New Homes Needed by 2035



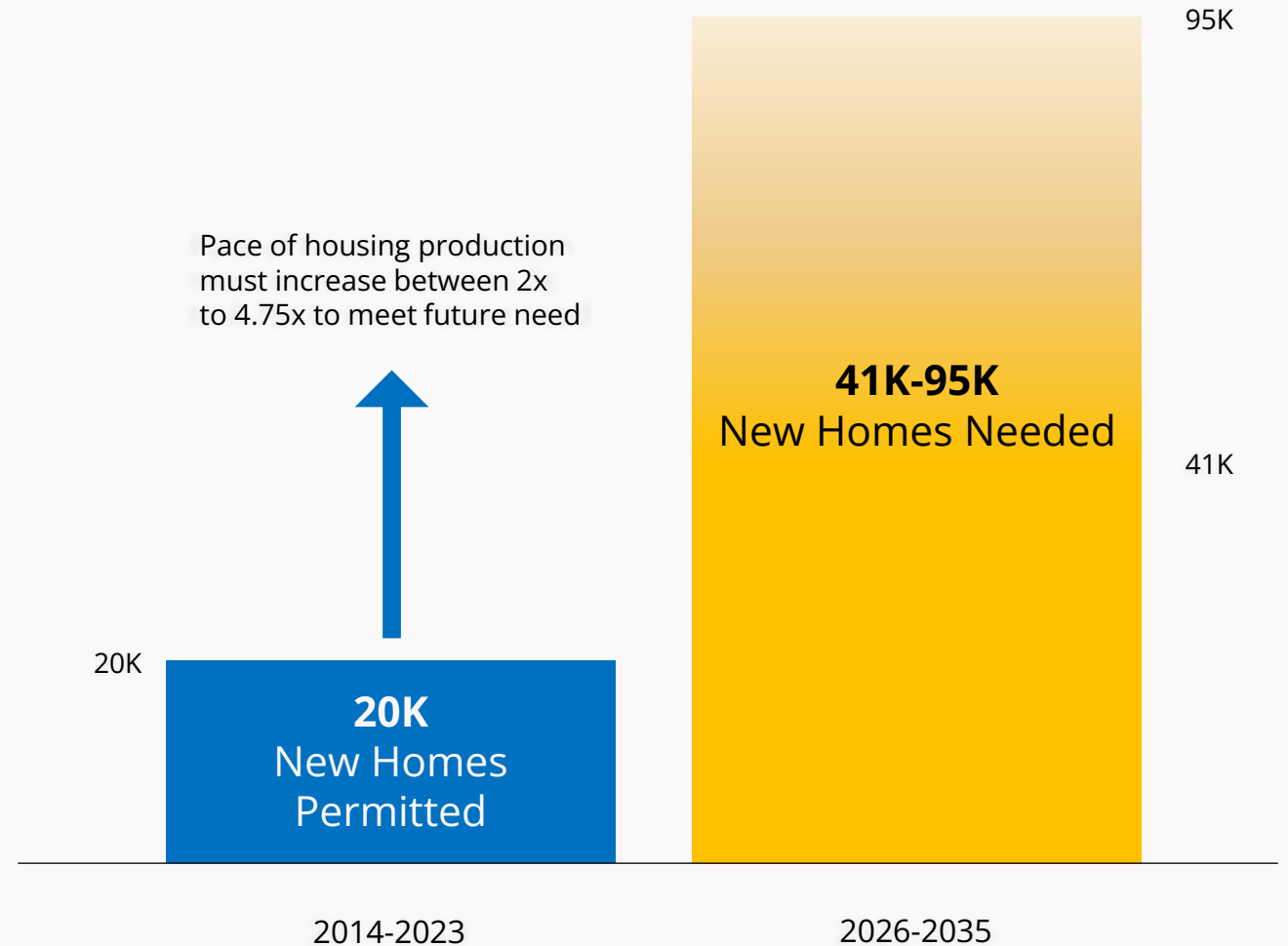
Sources: HR&A analysis of American Community Survey (ACS) 1-Year Estimates and HR&A household projections.

Note: Assumes a target vacant availability rate of 5%. The new homes needed are the additional homes needed so that vacant and available (i.e., for rent and for sale) homes equal 5% of the sum of occupied homes (i.e., total households or projected total households) plus vacant and available homes.

FAIRFAX COUNTY MUST DOUBLE PRODUCTION TO MEET FUTURE NEED

Fairfax County permitted about 20K new homes from 2014 through 2023. **The County will need to double its pace of production to build the 41K to 95K new homes needed by 2035.**

Failing to increase new home production could inhibit economic growth in Fairfax County and cause rents and home prices to continue rising faster than households can afford to pay, forcing more households to be burdened by housing costs or leave.



Sources: Building Permits Survey (BPS) accessed via the State of the Cities Data Systems (SOCDS), and HR&A analysis of household projections.

Note: The total homes needed by 2035 assumes a target vacant availability rate of 5% relative to projected total households.

Sources & Credits

Fairfax County Department of Housing and Community Development

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Data Sources

- Building Permits Survey (BPS)
- Employment Cost Index (ECI)
- Fairfax County WDU/ADU Program Income Limits
- Federal Financial Institutions Examination Council (FFIEC)
- Federal Reserve Bank of St. Louis (FRED)
- Home Mortgage Disclosure Act (HMDA)
- LEHD Origin-Destination Employment Statistics (LODES)
- Public-Use Microdata Sample (PUMS), 5-Year Estimates
- State of the Cities Data Systems (SOCDS)
- State of the Cities Data Systems (SOCDS)
- U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics (OEWS)
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