



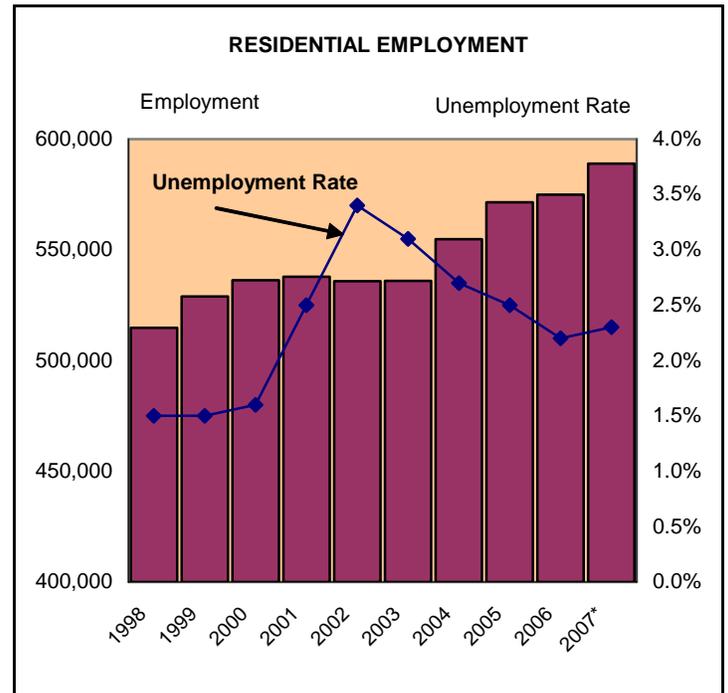
ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

AUGUST 2007

IN THIS ISSUE:

- The June 2007 unemployment rate in Fairfax County declined a slight 0.1 percentage point to 2.3 percent. The number of employed County residents has increased 11,874 since June 2006. (See page 1)
- Sales Tax receipts in Fairfax County for August 2007 were \$14.0 million, a slight 0.4 percent decrease from August 2006. (See page 2)
- The median value of existing single family homes and townhouses sold in the County in 2007 through July fell 1.3 percent and 1.2 percent, respectively, from those sold during all of 2006. (See page 3)
- Homes that sold in August 2007 were on the market for an average of 78 days compared to 67 days for homes sold in August 2006. (See page 5)
- The number of active residential real estate listings in Fairfax County has remained relatively stable over the last four months but is down from last year. (See page 5)
- The August 2007 Consumer Confidence Index posted a loss of 6.9 points from the previous month. The decline was attributed to softening in business and labor market conditions. (See page 6)



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

Employment

In June 2007, the number of employed Fairfax County residents expanded over the previous year. As reported by the Virginia Employment Commission (VEC), the number of Fairfax County residents holding jobs was 588,881 in June 2007, an increase of 11,874 residents, or 2.1 percent, over June 2006. During this period, the unemployment rate in Fairfax County decreased slightly from 2.4 in June 2006 to 2.3 in June 2007.

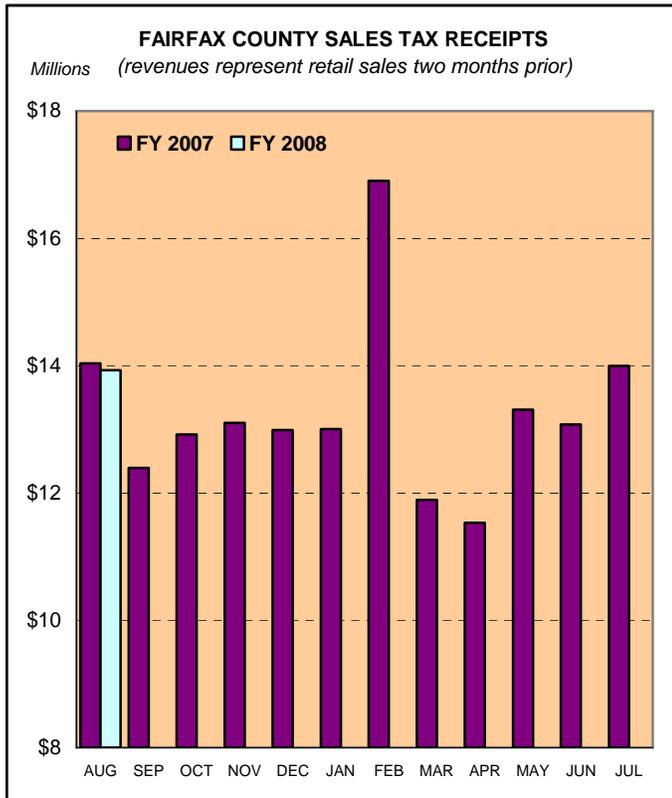
The June 2007 Virginia unemployment rate was 3.2 percent. The rate was unchanged from the level reported in June 2006. On the national level, the June 2006 unemployment rate was 4.5 percent, a 0.1 percentage point improvement over the prior year.

The *Fairfax County Economic Indicators* is on the Web and can be accessed at:

<http://www.fairfaxcounty.gov/comm/economic/economic.htm>



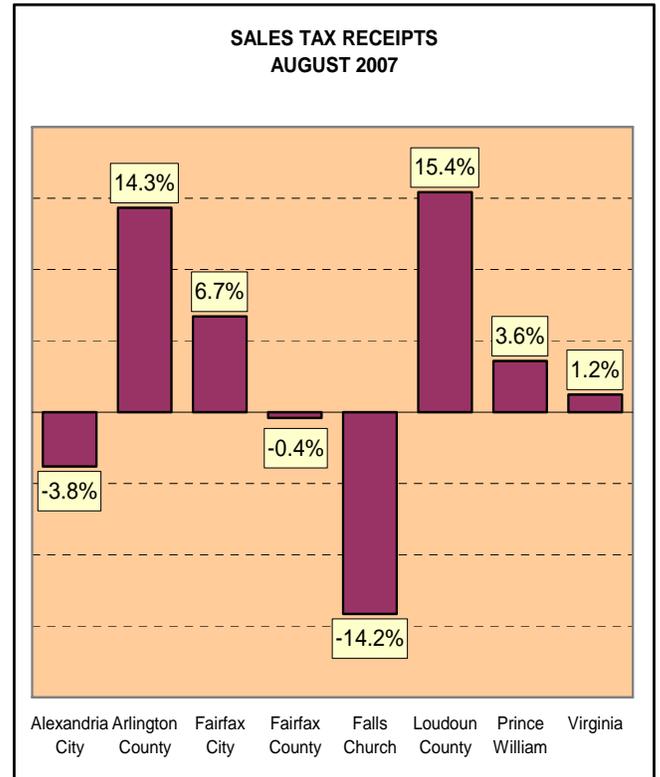
Retail Sales



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

Fairfax County Sales Tax Receipts

August Sales Tax receipts in Fairfax County, representing retail purchases made in June, were \$14.0 million, a decrease of \$60,000, or 0.4 percent, from August 2006. August receipts represent the first month of Fairfax County's Sales Tax collections FY 2008.



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

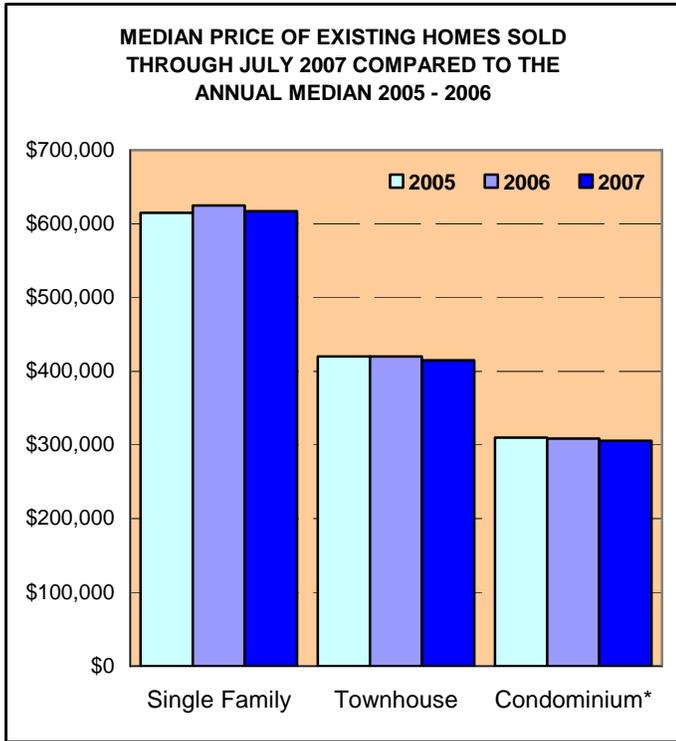
Neighboring Jurisdictions

During August 2007, Sales Tax receipts grew 15.4 percent in Loudoun County; 14.3 percent in Arlington County; 6.7 percent in Fairfax City; and 3.6 percent in Prince William County. During this same period, Sales Tax receipts decreased 3.8 percent in Alexandria and 14.2 percent Falls Church. Statewide local Sales Tax receipts gained 1.2 percent in August 2007 compared to August 2006.

National Retail Sales

According to the Commerce Department, seasonally adjusted preliminary July 2007 retail sales for the U.S. rose 3.2 over July 2006. Food service and drinking place sales increased 8.0 percent over last year while retail trade sales were up 2.7 percent. Compared to last year; however, both automobile dealer and gasoline station sales experienced decreases of 1.6 and 0.9 percent, respectively.

Housing Market



Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget. *Condominium data include sales of existing and new units.

Existing Home Sales Prices

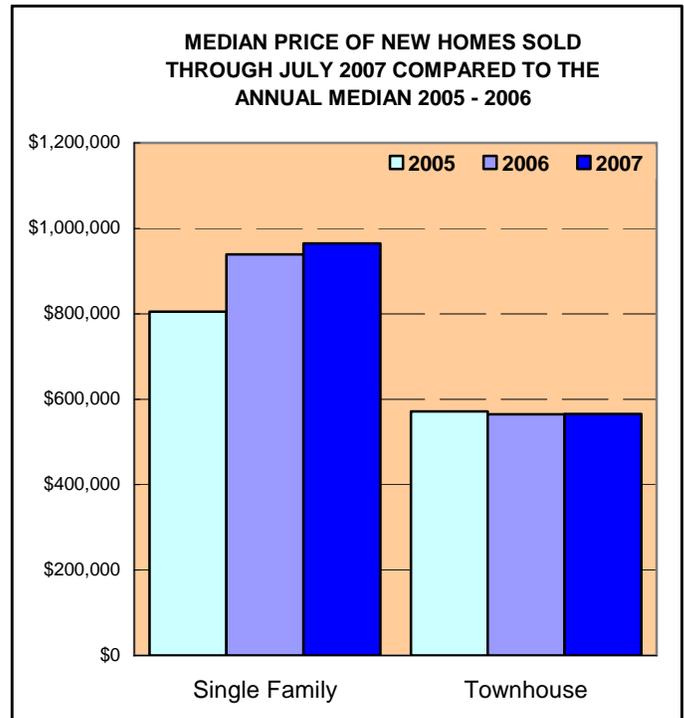
Both existing (previously owned) single family homes and townhouses in Fairfax County experienced a decline in median sales price from January through July 2007 compared to the 2006 median sales price. For existing single family homes, the median sales price decreased 1.3 percent to \$617,000, as compared to the 2006 median price of \$625,000. The median sales price for existing townhomes sold during the first seven months of 2007 fell to \$415,000 from the 2006 median of \$420,000 reflecting a loss of 1.2 percent.

Through July 2007, the median sales price of all condominiums, existing and new, decreased 1.0 percent to \$306,000 from the 2006 median of \$309,000.

PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD DURING 2006 COMPARED TO SALES IN JANUARY THROUGH JULY 2007

	Existing Sales	New Sales
Single Family	(1.3)	2.8
Townhouse	(1.2)	0.2
Condominium*	(1.0)	

*Condominium data include sales of existing and new units.



Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget.

New Home Sales Prices

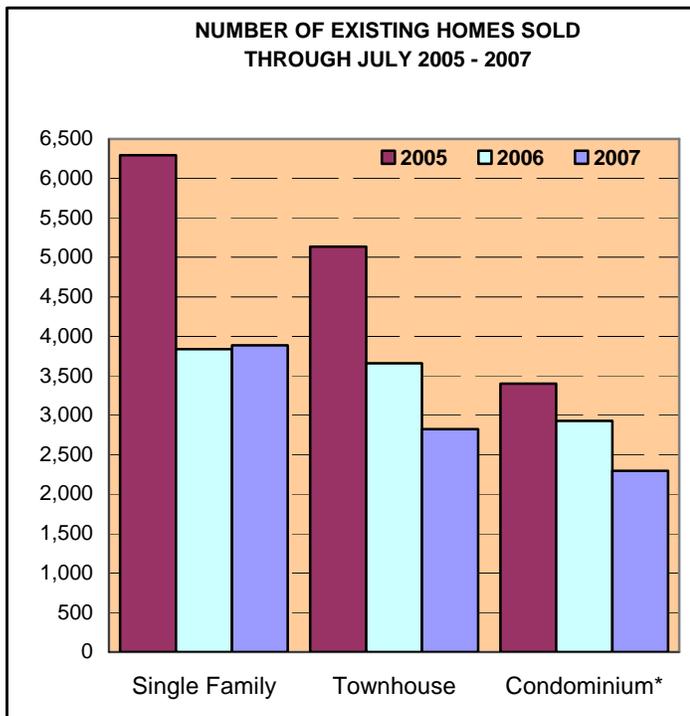
The median sales prices of new single family homes and townhouses sold during the first seven months of 2007 posted modest gains compared to the 2006 median. The median sales price for new single-family homes sold through July 2007 increased to \$965,200 over the 2006 median of \$938,768, a gain of 2.8 percent. The median sales price of new townhomes sold through July 2007 remained relatively flat by increasing a slight 0.2 percent to \$565,702 over the 2006 median of \$564,440. For data regarding all condominium sales prices, refer to the "Existing Home Sales Volume" section.

Changes in selling prices, coupled with the volume of sales, are generally considered reasonable indicators of the County's real estate market. Median selling price increases do not translate directly into assessment adjustments, however, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. Changes in median selling prices are comparisons to the prices of homes sold during the prior year, and the type of homes sold (i.e., model, size, age, location, etc.) varies from one year to the next. The key factor in real estate assessments is not the change in the median sale price, but the relationship of assessments to selling prices within neighborhoods. To read more about Fairfax County tax assessments, please visit:

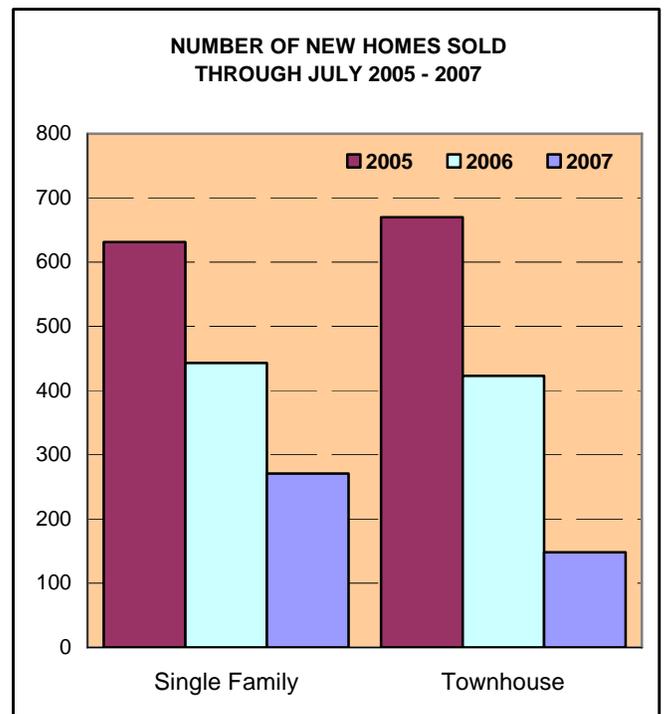
www.fairfaxcounty.gov/dta/tax_assessment.htm

New Home Sales Volume

The sales volume of newly constructed single family and townhomes fell significantly during the first seven months of 2007. Sales of new single family homes decreased 38.8 percent through July 2007, to 271 from the 443 single family homes purchased during the same period of 2006. In addition, the number of new townhouses sold declined 65.0 percent from the 443 units sold during the first seven months of 2006 to 148 units sold through July 2007. For data regarding all condominium sales volume, refer to the "Existing Home Sales Volume" section.



Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget. *Condominium data include sales of existing and new units.



Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget.

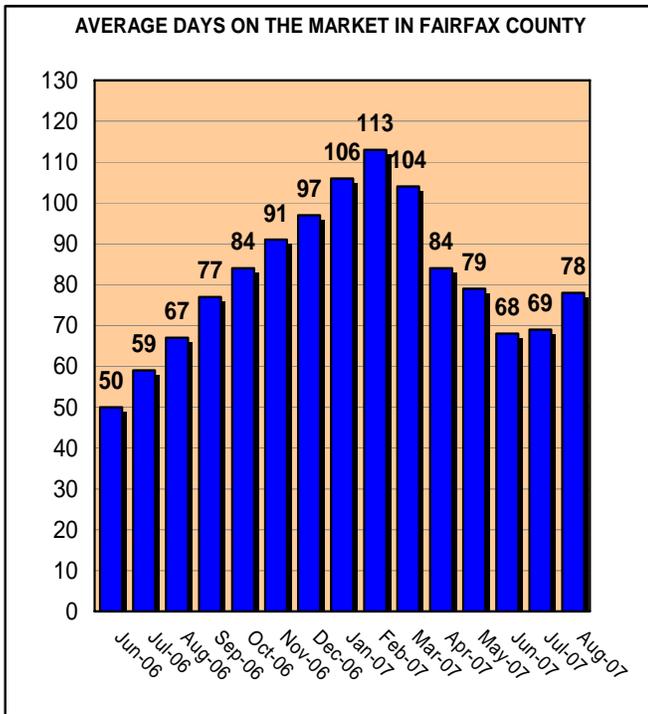
Existing Home Sales Volume

The number of existing single family homes sold through July 2007 rose from 3,836 to 3,885, reflecting growth of 1.3 percent over the first seven months of 2006. In contrast, through July 2007, the sales volume of existing townhomes fell 22.8 to 2,824 from the 3,658 sold during the same period of 2006. The number of all (existing and new) condominium sales reported through the first seven months 2007 declined 21.6 percent to 2,295 from the 2,926 sales occurring over the same period of 2006.

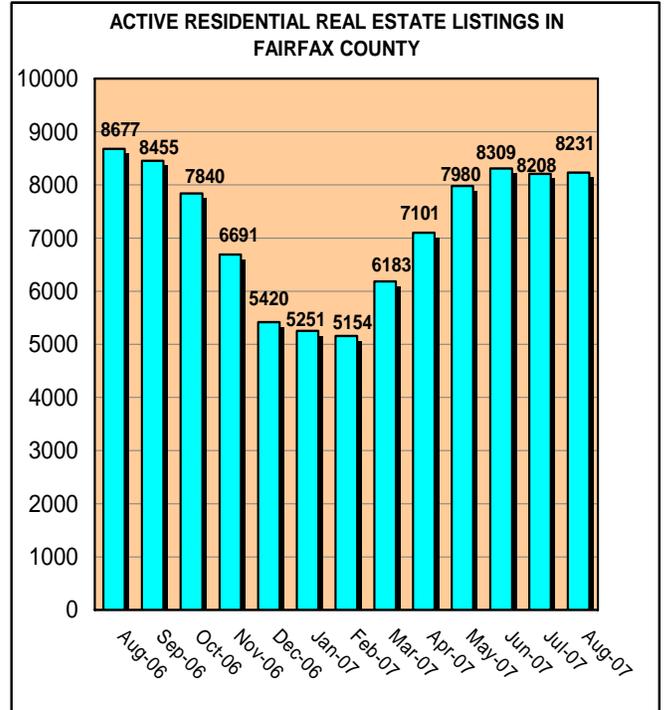
Average Days on the Market in Fairfax County

In August, the homes that sold in Fairfax County were on the market for 78 days, up from the 69 day average in July. The average number of days to sell a home declined in each month from February through June, a usual occurrence during the spring each year. Compared to the same month last year, the average time on the market rose from 67 days in August 2006. August 2007 is the 27th consecutive month that the average days on the market has been higher than the same month of the prior year.

In August, homes sold for an average of 94.4 percent of their asking price up from 93.6 percent in August 2006.



Source: Metropolitan Regional Information Systems Inc. (MRIS)



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Inventory of Homes for Sale in Fairfax County

The inventory of homes for sale has been relatively stable over the last four months. In August, there were 8,231 active listing in the County. The number of listings represents a decrease of 5.1 percent from August 2006 when there were 8,677 homes for sale. Based on the current rate of home sales in August, there is a 6.7 month supply of existing homes available.

Pending Home Sales

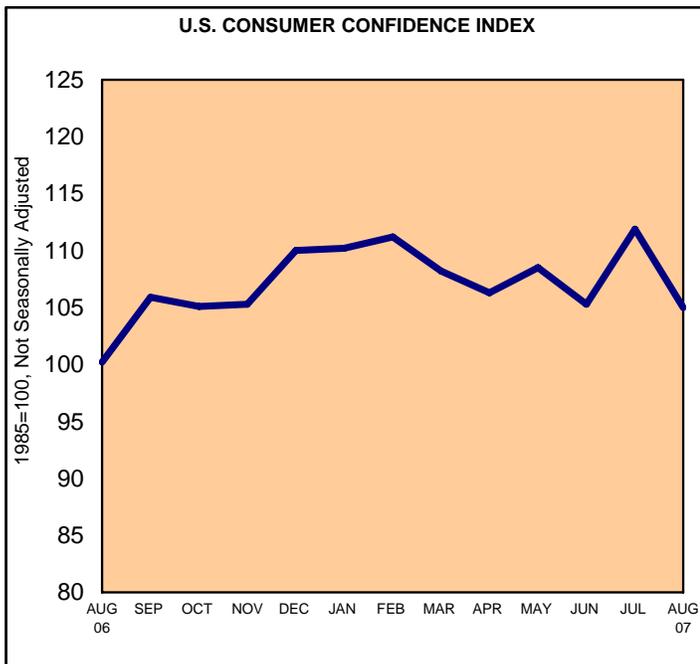
The number of pending home sales at the end of August was at its lowest monthly level in over seven years. According to the Metropolitan Regional Information Systems, Inc., there were 975 properties that were marked as pending in August. This compares to 1,206 in July and 1,314 in August 2006.

Consumer Confidence Index

The Conference Board reports that the national Consumer Confidence Index decreased 6.9 points in August 2007. The Index is 105.0, compared to the revised level of 111.9 reported in July 2007. The index has been negative in four out of the last six months.

The Consumer Confidence Index is composed of two separate indices: the Present Situation Index and the Expectations Index. In August 2007, the Present Situation Index fell to 130.3 from 138.3, a steep loss of 8.0 points from the previous month. Similarly, the Expectations Index decreased to 88.2 from the 94.4 reported in July.

According to Lynn Franco, Director of the Conference Board's Consumer Research Center, "A softening in business conditions and labor market conditions has curbed consumers' confidence this month. In addition, the volatility in financial markets and continued sub-prime housing woes may have played a role in dampening consumers' spirits."



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

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