



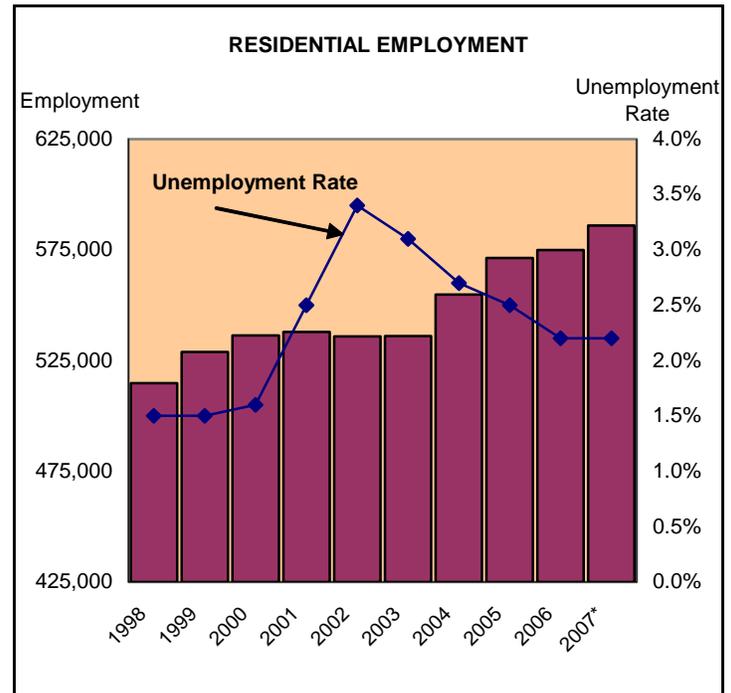
ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

MARCH 2008

IN THIS ISSUE:

- The January 2008 unemployment rate in Fairfax County was 2.7 percent, a 0.5 percentage point increase over the level reported one year ago. **(See page 1)**
- March 2008 Sales Tax receipts for Fairfax County declined 1.4 percent from the March 2007 level to \$11.7 million. Fiscal year-to-date, Sales Tax receipts are up 2.4 percent. **(See page 2)**
- The Consumer Confidence Index has decreased for the third consecutive month and remains at a 5-year low. **See page 2)**
- Existing single family homes sold during the first two months of 2008 fell nearly 13 percent from the median value of existing single family homes sold during all of 2007. **(See page 3)**
- The number of new single family homes and townhouses sold through February decrease sharply from the same period of 2007. **(See page 4)**
- Transient Occupancy tax collections in Fairfax County increased 10.7 percent during the final quarter of 2007 and were up 6.3 percent for all of 2007 over the previous year. **(See page 5)**

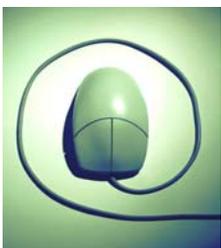


Source: Virginia Employment Commission. Compiled by the Fairfax County Department of Management and Budget.

Employment

As reported by the Virginia Employment Commission (VEC), the number of Fairfax County residents holding jobs in January 2007 was 574,755, a decrease of 2,534 residents, or 0.4 percent, from January 2007. During this period, the unemployment rate in Fairfax County rose to 2.7 percent over the 2.2 percent reported one year ago.

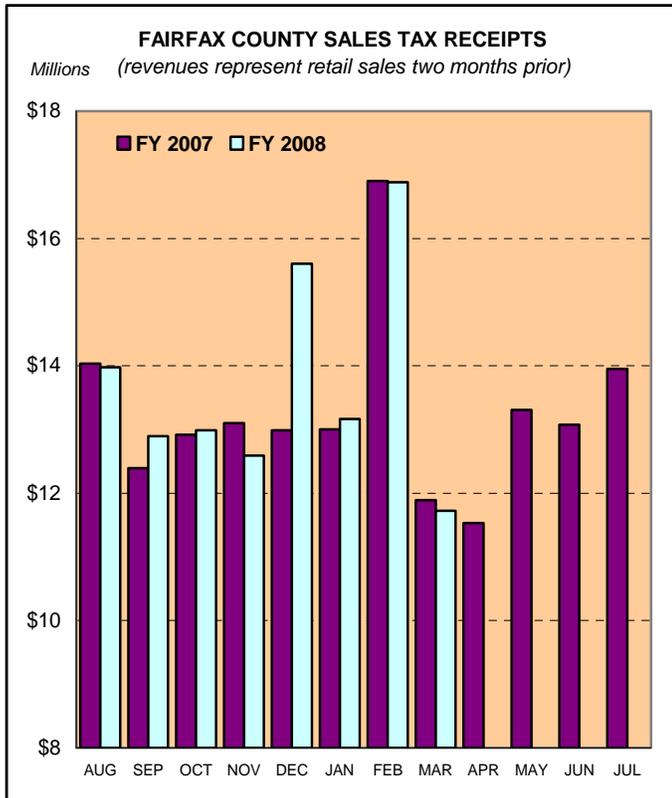
The January 2008 unemployment rate in Virginia was 3.8 percent, an increase of 0.6 percentage points over the January 2007 level of 3.2 percent. On the national level, the unemployment rate in January was 4.9 percent, up from 4.6 percent one year ago.



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

http://www.fairfaxcounty.gov/economic/economic_indicators.htm

Sales Tax Receipts

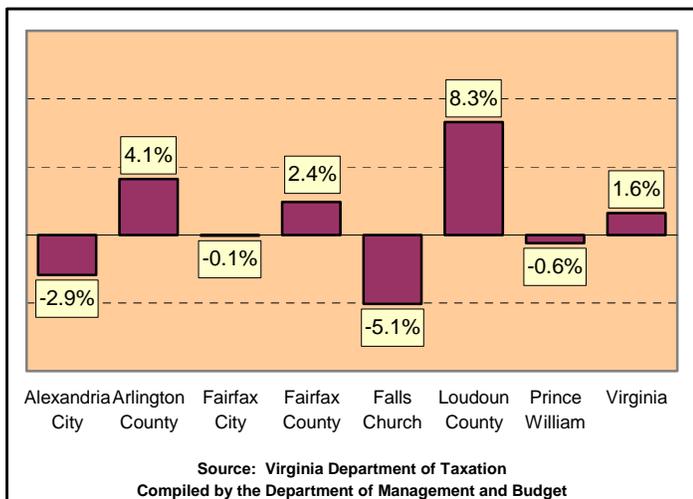


Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget.

Fairfax County Sales Tax Receipts

March Sales Tax receipts for Fairfax County, representing retail purchases made in January, were \$11.7 million, a decrease of 1.4 percent from March 2007. Fiscal year-to-date, Sales Tax receipts are \$109.8 million and are up 2.4 percent over the same period in FY 2007.

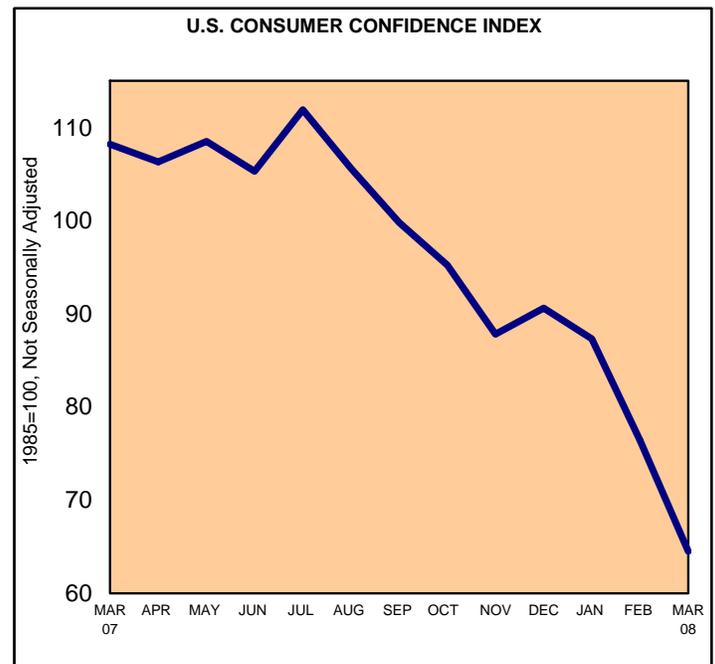
Growth in Sales Tax receipts for August through March in other jurisdictions is shown below.



Consumer Confidence Index

The Consumer Confidence Index decreased for the third consecutive month in March 2008, falling to 64.5. The Consumer Confidence Index is composed of two separate indices: the Expectations Index and the Present Situation Index. In March 2008, the Expectations Index dropped to 47.9 from the 58.0 reported in February. Also, the Present Situation Index declined nearly 15 points to 89.2 in March.

According to Lynn Franco, Director of the Conference Board's Consumer Research Center, "Consumers' confidence in the state of the economy continues to fade and the Index remains at a five-year low."

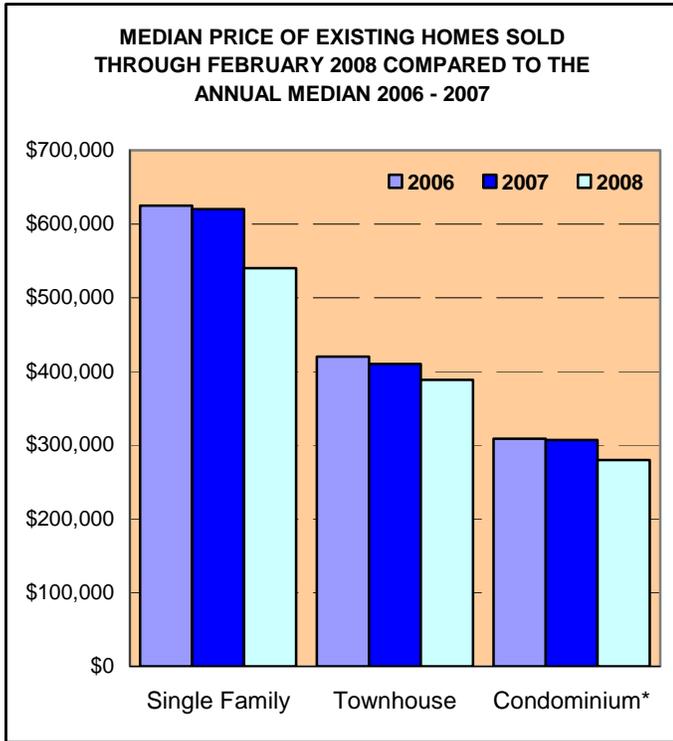


Source: The Conference Board. Compiled by the Fairfax County Department of Management and Budget

National Retail Sales

According to the Commerce Department, seasonally adjusted Advance February 2008 retail sales for the U.S. grew 2.6 percent over the previous year. Compared to last year, gasoline station sales rose 20.2 percent in February 2008. In contrast, sales from automobile dealers and furniture and home furnishing stores fell 4.7 percent and 4.3 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

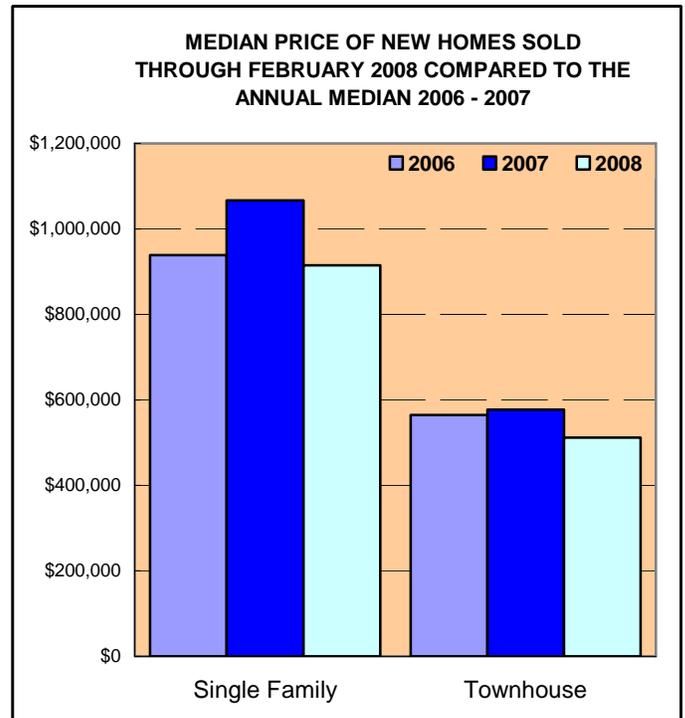
The median sales price of both existing (previously owned) single family homes and townhouses in Fairfax County declined during the first two months of calendar year 2008 compared to the 2007 median price. The median sales price of existing single family homes sold through February 2008 was \$540,000, a steep 12.9 percent decrease from the 2007 median price of \$620,000. The median sales price for existing townhouses sold in the first two months of 2008 dropped 5.2 percent to \$388,500 from the 2007 median of \$410,000.

The median sales price of all condominiums sold, existing and new, through February 2008 decreased 8.8 percent to \$280,000 from the 2007 median of \$307,000.

PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD DURING 2007 COMPARED TO SALES THROUGH FEBRUARY 2008

	Existing Sales	New Sales
Single Family	(12.9)	(14.2)
Townhouse	(5.2)	(11.3)
Condominium*	(8.8)	

*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 sales price of new homes that sold in Fairfax County during the first two months of 2008 has experienced double-digit decreases. The median sales price of new single-family homes that sold in January and February 2008 fell to \$915,254 from the 2007 median of \$1,067,000, a loss of 14.2 percent. In addition, the median sales price for townhouses sold in the first two months of 2008 dropped 11.3 percent to \$511,704 from the 2007 median of \$577,044. For data regarding all condominium sales prices, refer to the "Existing Home Sales Volume" section.

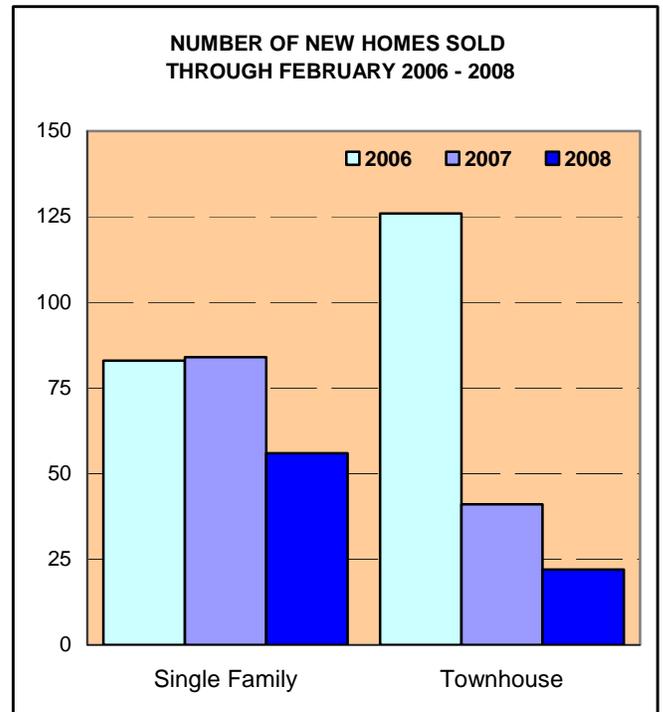
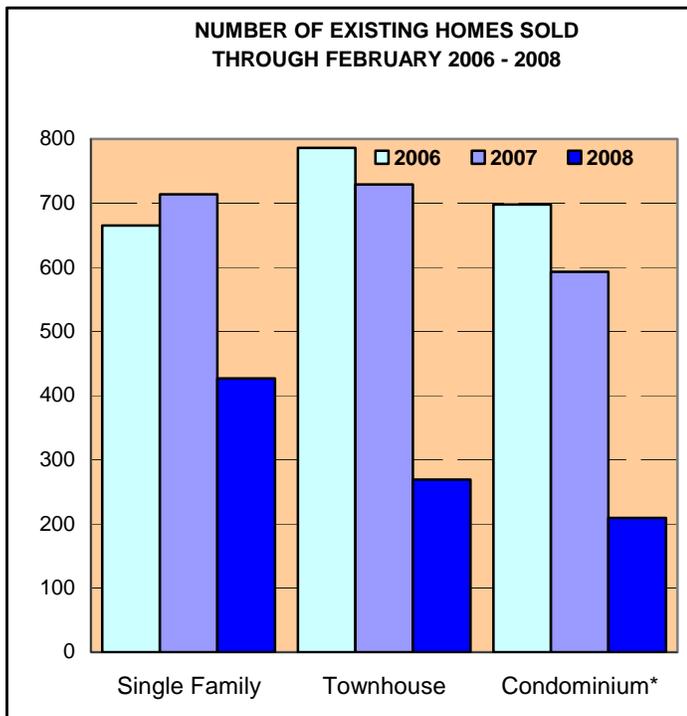
Changes in selling prices, coupled with the volume of sales, are generally considered reasonable indicators of the County's real estate market. Median selling price increases do not translate directly into assessment adjustments, however, since the mix of homes sold is not necessarily reflective of the 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

During the first two months of 2008, both the number of new single family homes and townhouses sold decreased significantly. The number of new single family homes sold fell from 84 to 56 through February 2008, reflecting a decline of 28 homes sold or 33.3 percent. Also, sales volume of new townhouses posted a precipitous decline, falling 46.3 percent during this period from 41 to 22 units

For data regarding all condominium sales volume, refer to the "Existing Home Sales Volume" section.



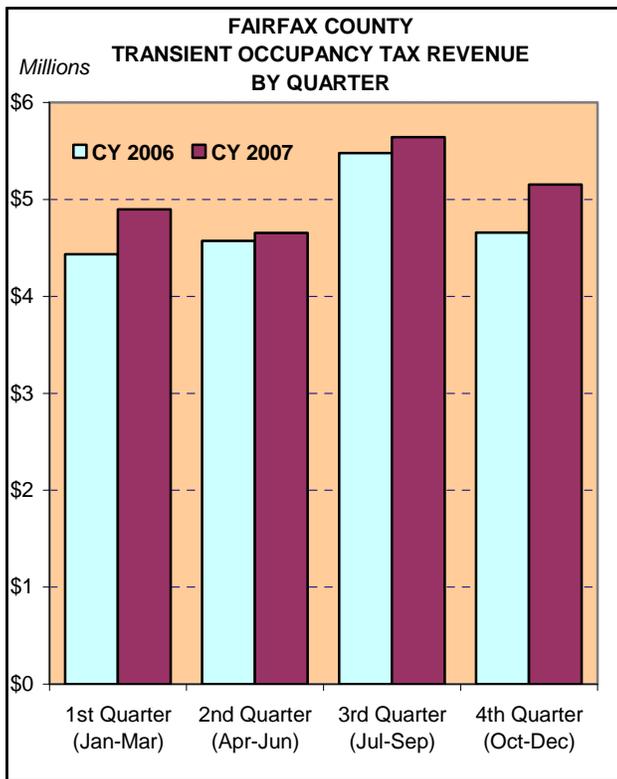
Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget.

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 Volume

Sales of existing single family homes through February 2008 dropped to 427, reflecting a loss of 287 homes, or 40.2 percent, from the same period of 2007. Through the first two months of 2008, the number of sales of existing townhouses decreased 63.1 percent to 269 from the 729 units sold during the first two months of 2007. In addition, the total number of existing and new condominiums sold during January and February declined nearly 65 percent to 209 from the 593 sold during the same period of 2007.

Transient Occupancy Tax



Compiled by the Fairfax County Department of Management and Budget

Transient Occupancy Tax collections in Fairfax County were \$5.2 million during the fourth quarter of 2007, representing growth of 10.7 percent over the same period of 2006. For calendar year 2007, total Transient Occupancy tax receipts were \$20.4 million, an increase of 6.3 percent over 2006.

Inquiries should be directed to:
The Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035-0074
(703) 324-2391 or 1-800-828-1120 (TDD)

Staff: Susan Datta, Director; Marcia Wilds, Revenue and Economic Analysis Coordinator; John Garneski, Budget Analyst.