



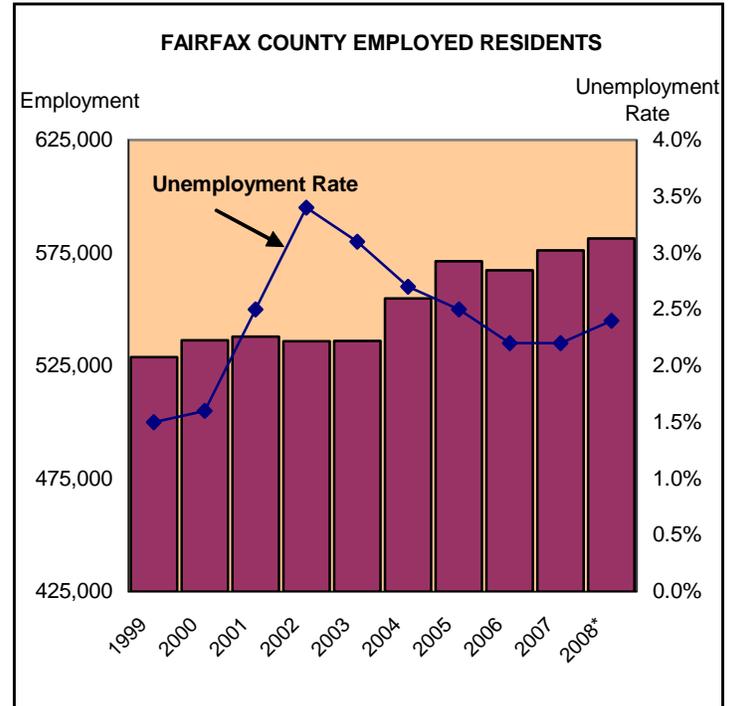
# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

JUNE 2008

## IN THIS ISSUE:

- The April 2008 unemployment rate was 2.4 percent down from 2.7 percent in March but up from 2.0 percent a year ago. (See page 1)
- June 2008 Sales Tax receipts for Fairfax County were \$13.1 million, a slight increase of 0.5 percent over June 2007. Sales Tax receipts are up 1.8 percent, fiscal year-to-date. (See page 2)
- The Consumer Confidence Index fell for the sixth successive month. See page 2)
- The price of existing single family homes sold during the first five months of 2008 fell over 11 percent from the median value of existing single family homes sold during all of 2007. (See pages 3 and 4)
- Homes that sold in May 2008 were on the market for an average of 93 days compared to 79 days for homes sold in May 2007. (See page 5)
- The number of active residential real estate listings in Fairfax County increased 6.9 percent in May 2008 compared to the previous year. (See page 6)



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 April 2008 expanded by 2,995 residents, or 0.5 percent, over the March 2007 level to 581,456. The unemployment rate fell from 2.7 percent in March to 2.4 percent in April. Compared to April 2007, the unemployment rate has risen 0.4 percentage points from 2.0 percent.

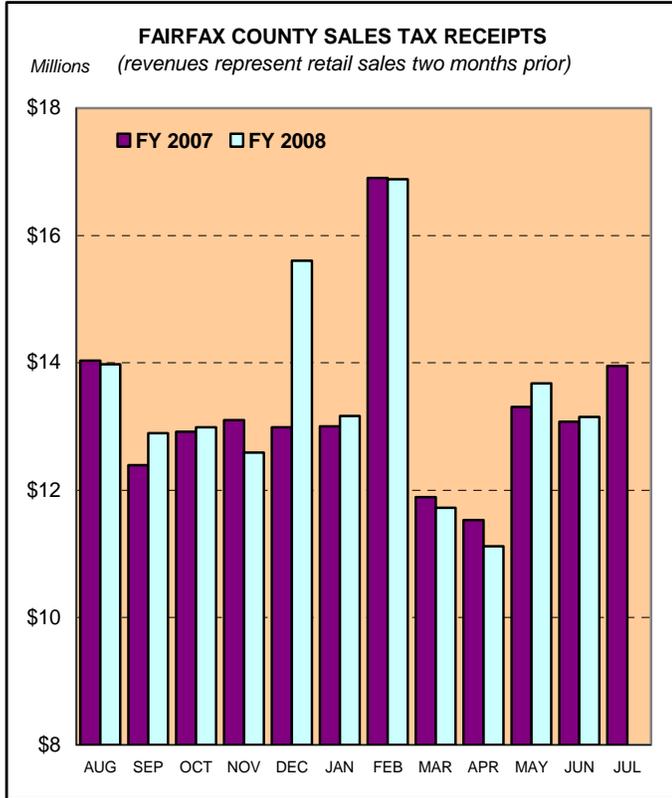
The April 2008 unemployment rate in Virginia was 3.3 percent, an increase of 0.6 percentage points over the April 2007 level. On the national level, the unemployment rate in April was 5.0 percent, up half a percentage point over the prior year.



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

[http://www.fairfaxcounty.gov/economic/economic\\_indicators.htm](http://www.fairfaxcounty.gov/economic/economic_indicators.htm)

## Sales Tax Receipts

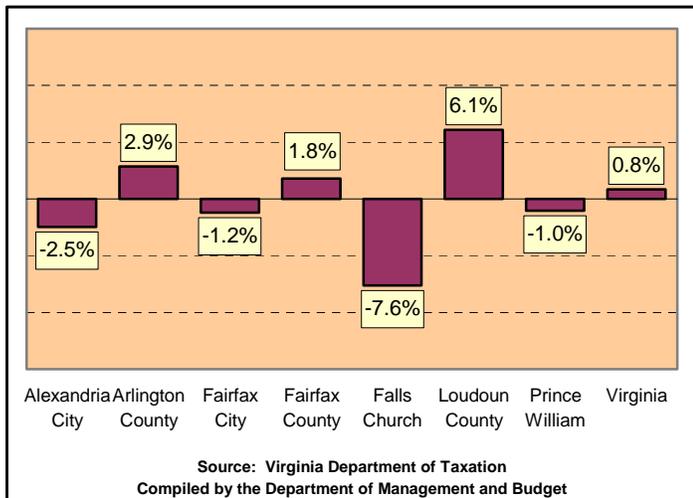


Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget.

## Fairfax County Sales Tax Receipts

June 2008 Sales Tax receipts for Fairfax County, representing retail purchases made in April, grew 0.5 percent over the June 2007 level to \$13.1 million. Through the first 11 months of FY 2008, Sales Tax receipts have risen 1.8 percent over the same period in FY 2007 to \$147.8 million.

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

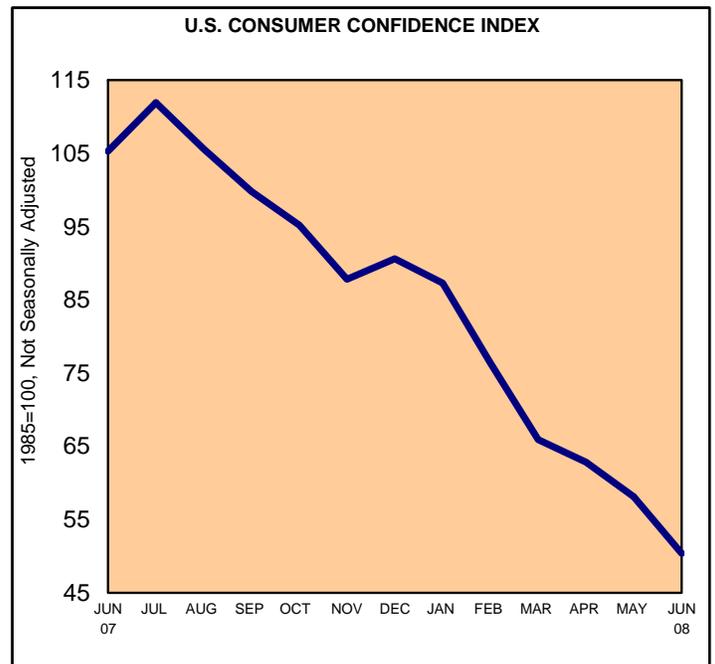


## Consumer Confidence Index

The Consumer Confidence Index fell for the sixth consecutive month in June 2008, dropping to 50.4 from the May level of 58.1. According to Lynn Franco, Director of the Conference Board's Consumer Research Center, "this month's Consumer Confidence Index is the fifth lowest reading ever. Consumers' assessment of present-day conditions continues to grow more negative and suggests the economy remains stuck in low gear."

The Consumer Confidence Index is composed of two separate indices: the Expectations Index and the Present Situation Index. In June 2008, the Expectations Index decreased 6.3 points to 41.0 from the May level. In addition, the Present Situation Index was 64.5 in June, a decline of 9.7 points from the May 2008 level of 74.2.

As Franco noted, "Looking ahead, consumers' economic outlook is so bleak that the Expectations Index has reached a new all-time low. Perhaps the silver lining to this otherwise dismal report is that Consumer Confidence may be nearing a bottom."

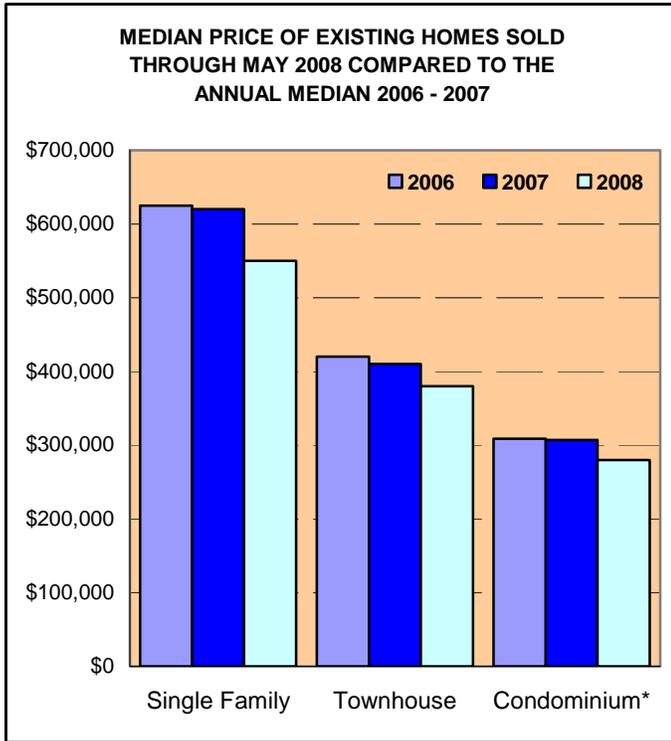


Source: The Conference Board. Compiled by the Fairfax County Department of Management and Budget

## National Retail Sales

According to the Commerce Department, seasonally adjusted Advance May 2008 retail sales for the U.S. increased 2.5 percent over the prior year. Compared to the previous year, gasoline station sales rose nearly 14 percent in March 2008 while sales from automobile dealers and furniture and home furnishing stores fell 8.0 percent and 4.9 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

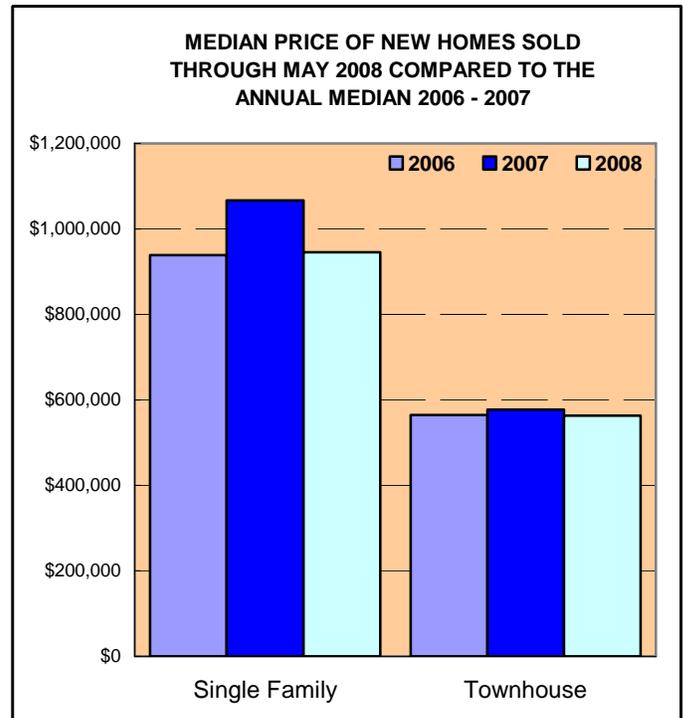
The median sales price of both existing (previously owned) single family homes and townhouses in Fairfax County declined during the first five months of calendar year 2008 compared to the 2007 median price. The median sales price of existing single family homes sold through May 2008 was \$550,000, a sharp 11.3 percent decrease from the 2007 median price of \$620,000. The median sales price for existing townhouses sold in the first five months of 2008 fell 7.3 percent to \$379,900 from the 2007 median of \$410,000.

The median sales price of all condominiums sold, existing and new, through May 2008 decreased 8.8 percent to \$279,900 from the 2007 median of \$307,000.

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

	Existing Sales	New Sales
Single Family	(11.3)	(11.4)
Townhouse	(7.3)	(2.4)
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 single family homes that sold in Fairfax County during the first five months of 2008 has experienced a double-digit decrease. The median sales price of new single-family homes that sold in January through May 2008 fell to \$945,355 from the 2007 median of \$1,067,000, a loss of 11.4 percent. In addition, the median sales price for townhouses sold in the first five months of 2008 dropped 2.4 percent to \$563,315 from the 2007 median of \$577,044. For data regarding all condominium sales prices, refer to the "Existing Home Sales Volume" section.

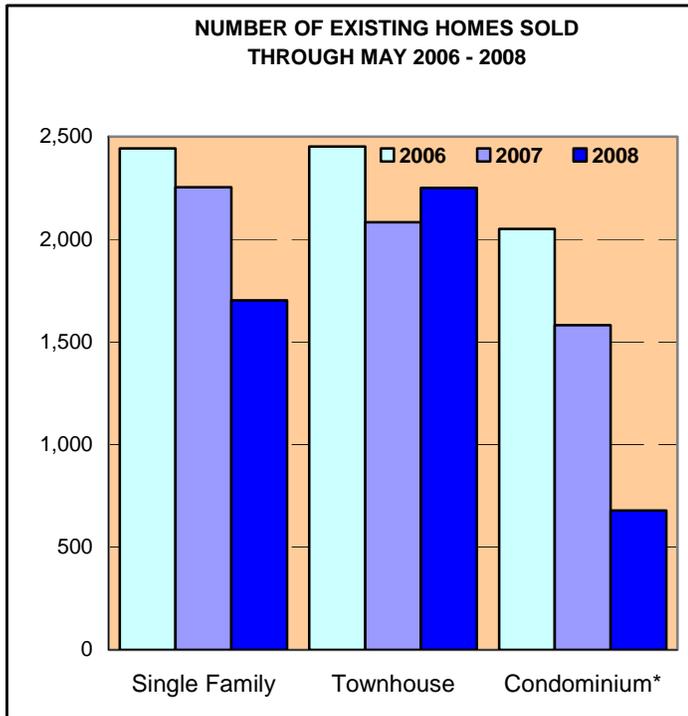
Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Median selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. The key 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](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)

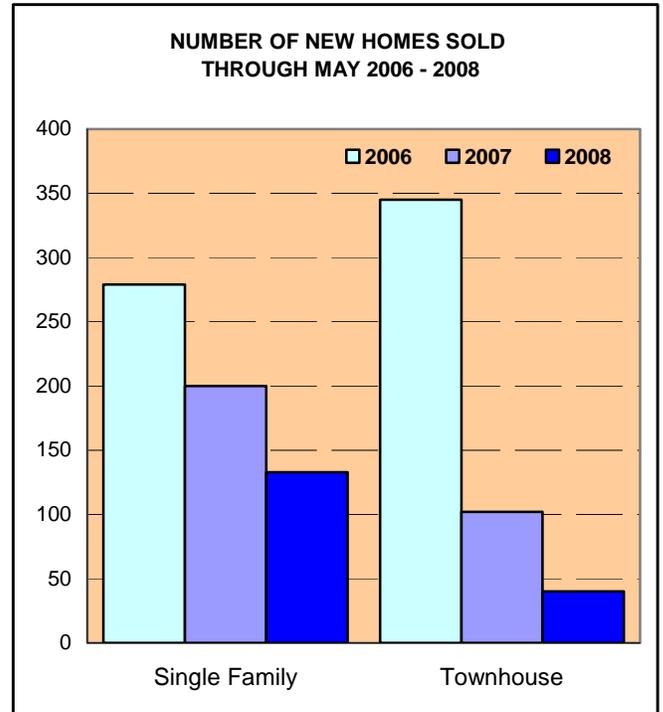
## New Home Sales Volume

During the first five 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 200 to 133 through May 2008, reflecting a decline of 67 homes sold or 33.5 percent. Also, sales volume of new townhouses posted a steep decline, falling nearly 61 percent during this period from 102 to 40 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. \*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.

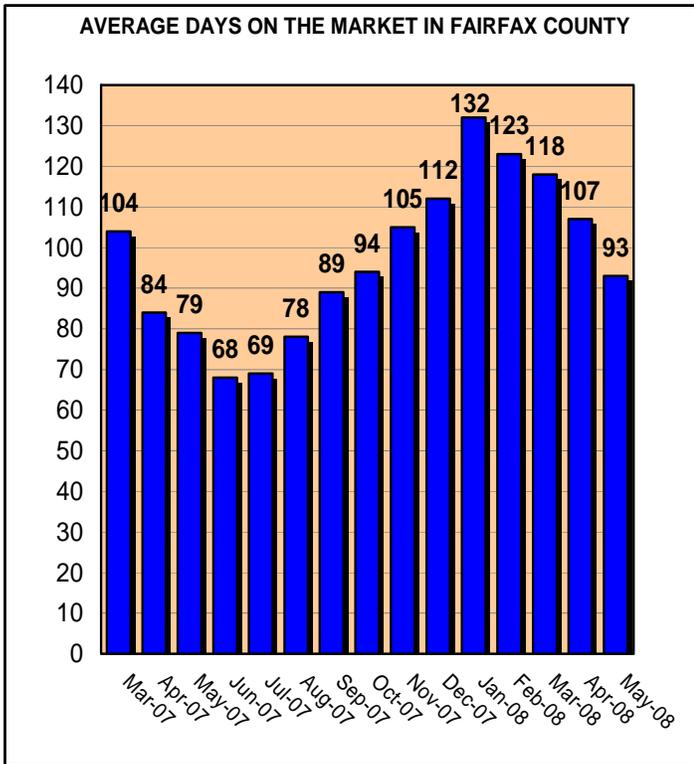
## Existing Home Sales Volume

Sales of existing single family homes through May 2008 dropped to 1,703, reflecting a loss of 551 homes, or 24.5 percent, from the same period of 2007. Through the first five months of 2008, the number of sales of existing townhouses decreased over 45 percent to 1,140 from the 2,084 units sold during the first five months of 2007. In addition, the total number of existing and new condominiums sold from January through May declined 57.1 percent to 679 from the 1,582 sold during the same period of 2007.

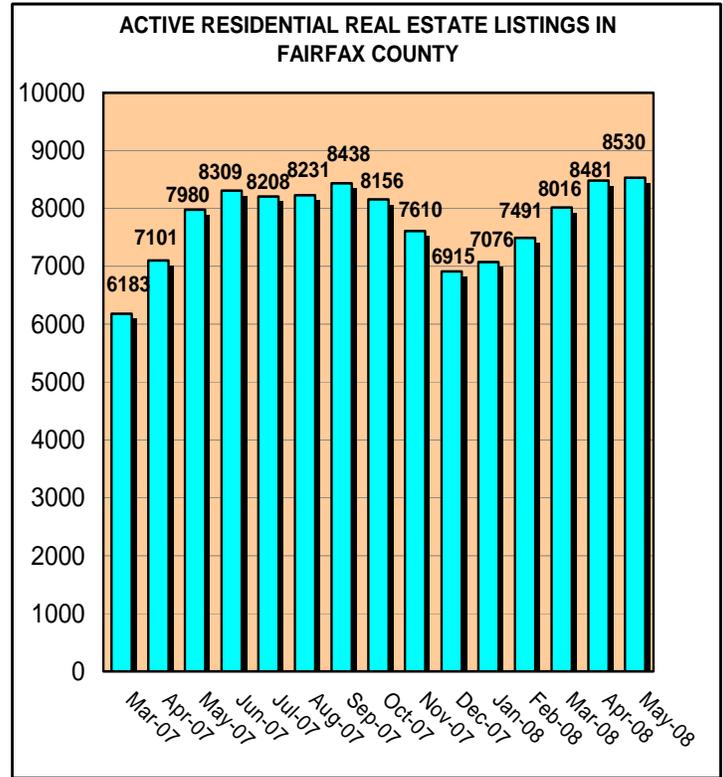
## Average Days on the Market in Fairfax County

In May, the homes that sold in Fairfax County were on the market for 93 days, down from the 107 day average in April. The average number of days to sell a home has declined in each month from January through May, a normal trend during the spring each year. However; compared to the same month last year, the average time on the market rose 14 days over the 79 day average in May 2007. May 2008 also marks the 36th consecutive month that the average days on the market has been higher than the same month of the prior year.

In May, homes sold for an average of 92.1 percent of their asking price down from 95.3 percent in May 2007.



Source: Metropolitan Regional Information Systems, Inc.



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## Inventory of Homes for Sale in Fairfax County

The inventory of homes for sale has continued to increase over the last five months as the market shifts into the spring and summer buying season. In Fairfax, there were 8,530 active listing in the County. The number of listings represents an increase of 6.9 percent over May 2007 when there were 7,980 homes for sale. Based on the current rate of home sales in May, there is a 6.7 month supply of existing homes available.

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