



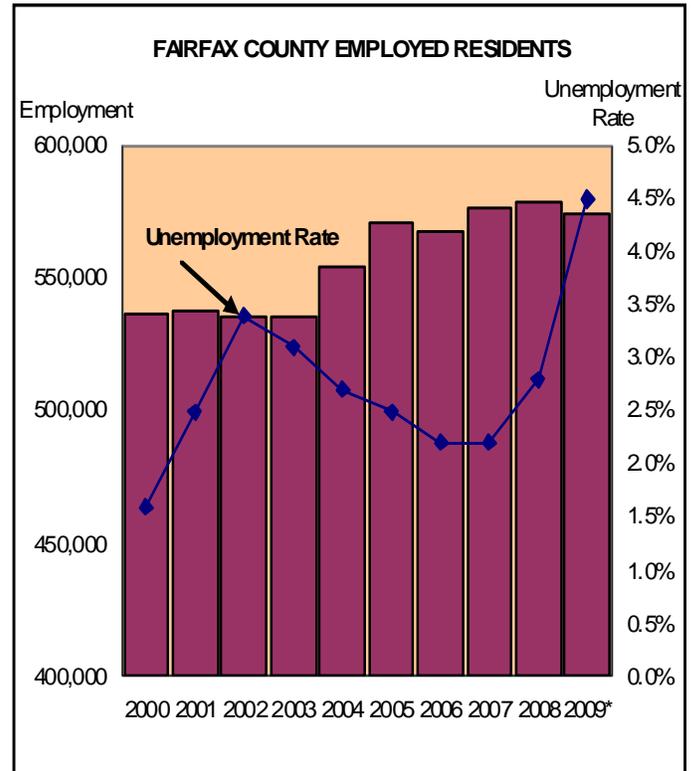
ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

SEPTEMBER 2009

IN THIS ISSUE:

- The unemployment rate in Fairfax County fell from 4.9 percent in July to 4.5 percent in August. (See page 1)
- September Sales Tax receipts for Fairfax County, which represent retail purchases made in July, were down 2.0 percent compared to September 2008. (See page 2)
- The Consumer Confidence Index, which had improved in August, declined slightly in September. (See page 2)
- The number of properties owned by lending institutions in Fairfax County at the end of August was 969, marking the second time in 16 months that this number has been below 1,000. (See page 2)
- The median price of existing single family homes sold through August 2009 declined 1.9 percent compared to the median price in 2008; existing townhomes' median price dropped 1.5 percent. (See page 3)
- Through August, the volume of existing single family home sales increased 2.0 percent compared to the same period last year. The volume of existing townhome sales fell 9.3 percent. (See page 4)
- Homes that sold in August 2009 were on the market for an average of 61 days compared to 89 days for homes sold in August 2008. (See page 4)
- In August, there was a 3.8 month supply of homes for sale in the County, down from the 5.4 month supply a year ago. (See page 5)



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

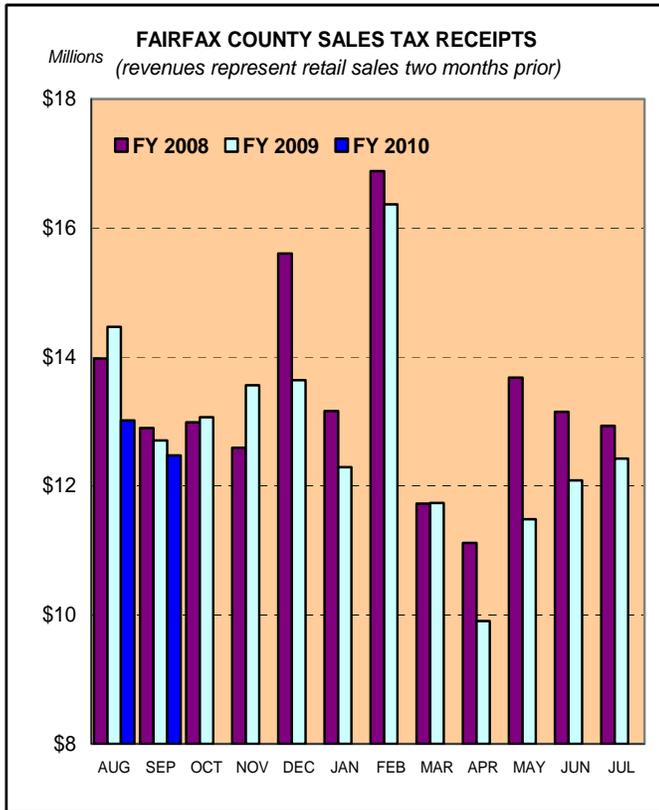
Employment

Unemployment across Fairfax County fell from 4.9 percent in July to 4.5 percent in August. Compared to a year ago, the County's current unemployment rate has risen by 1.4 percentage points.

Virginia's unemployment rate was 6.5 percent in August, down from 6.9 percent in July. This marks the second consecutive month of decline. Virginia's unemployment rate is the fifth-lowest in the nation. Northern Virginia again had the state's lowest metropolitan area jobless rate, with unemployment falling from 5.1 percent in July to 4.7 percent in August.

The U.S. unemployment rate increased from 9.4 percent in July to 9.7 percent in August. Nonfarm payroll employment in August fell by 216,000 over the month. According to the Bureau of Labor Statistics, since the recession started in December 2007, 7.4 million jobs have been lost, and the unemployment rate has grown by 4.8 percentage points.

Sales Tax Receipts



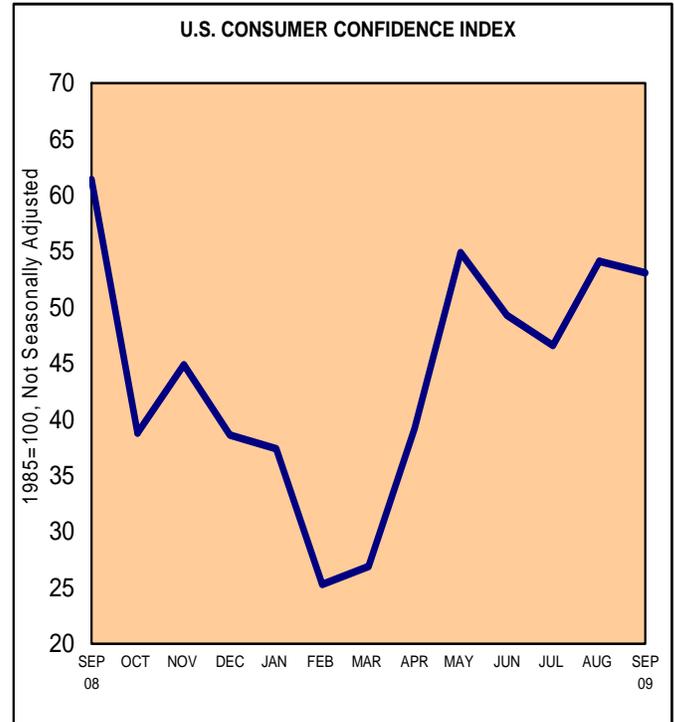
Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget.

Sales Tax receipts distributed to Fairfax County in September, which represent retail purchases made in July, were \$12.5 million, down 2.0 percent from September 2008. This level of receipts is after adjustments for transfers between Fairfax County and other local jurisdictions to rectify incorrect filings by retailers over the past three years. Without the adjustments, September receipts would have decreased 1.4 percent from September 2008.

National Economic Indicators

- Boosted by cash-for-clunkers and higher gasoline prices, overall retail sales in August increased 2.7 percent, following a 0.2 percent drop the previous month. On a monthly over-the-year basis, retail sales in August were down 5.3 percent, improving from down 8.5 percent in July.
- Housing starts in August rebounded from a month ago, increasing 1.5 percent from a month ago. Building permits also posted a gain, increasing 2.7 percent in August, after dipping 1.1 percent in July. However, the August pace for permits on an annualized basis is down 34.2 percent from a year ago.
- The U.S. Consumer Price Index for All Urban consumers (CPI-U) increased 0.4 percent in August after no change in July. Outside of energy, core CPI inflation remained steady.

Consumer Confidence Index



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

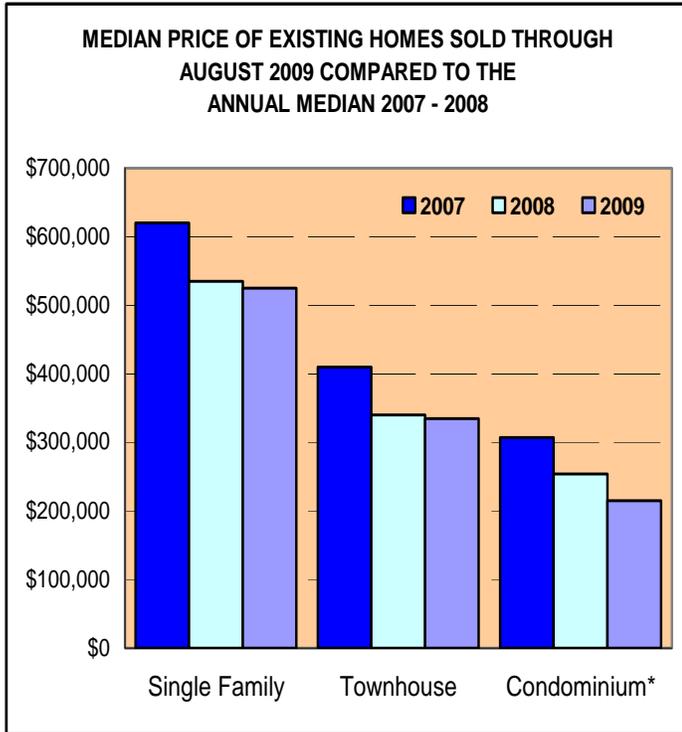
The Consumer Confidence Index declined slightly in September after improving in August. The Index stands at 53.1 (1985=100), down from 54.5 in August. The Present Situation Index decreased to 22.7 from 25.4 last month; the Expectations Index declined modestly from 73.8 in August to 73.3 in September. Lynn Franco, Director of the Conference Board's Consumer Research Center, said that "While not as pessimistic as earlier this year, consumers remain quite apprehensive about the short-term outlook and their incomes. With the holiday season quickly approaching, this is not very encouraging news."

HOUSING MARKET

Foreclosures in Fairfax County

Based on data from the Department of Tax Administration, the number of county-wide net remaining foreclosures in Fairfax County stayed below 1,000 in August. A total of 969 properties were still owned by lending institutions at the end of August. While up 48 properties over July, the August figure is substantially below the September 2008 peak of 2,257.

Existing Home Sales Prices



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.

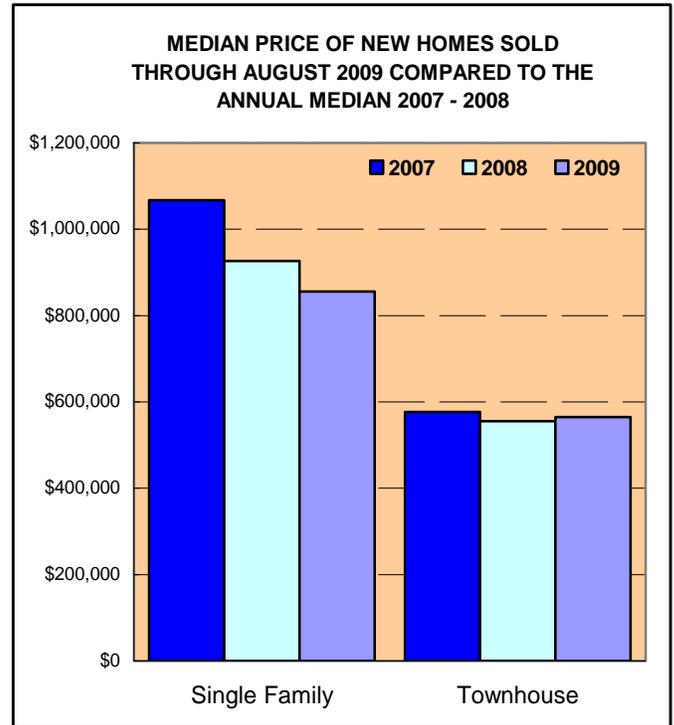
In August, the median sales price of existing (previously owned) single family homes was \$524,900, a 1.9 percent decline from the 2008 median sales price of \$535,000. The median sales price for existing townhouses sold through August fell 1.5 percent to \$340,000 from the 2008 median of \$335,000.

The median sales price of all condominiums, existing and new, that sold through August fell 15.4 percent to \$215,000 from the 2008 median of \$254,000.

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. To read more about Fairfax County tax assessments, please visit: www.fairfaxcounty.gov/dta/tax_assessment.htm

New Home Sales Prices

The median sales price of new single-family homes that sold through August decreased 7.7 percent to \$855,299 from the 2008 median of \$926,498. The median sales price for new townhouses during August increased to \$565,275, a 1.8 percent increase compared to the 2008 median of \$555,288. For data regarding all condominium sales prices, 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.

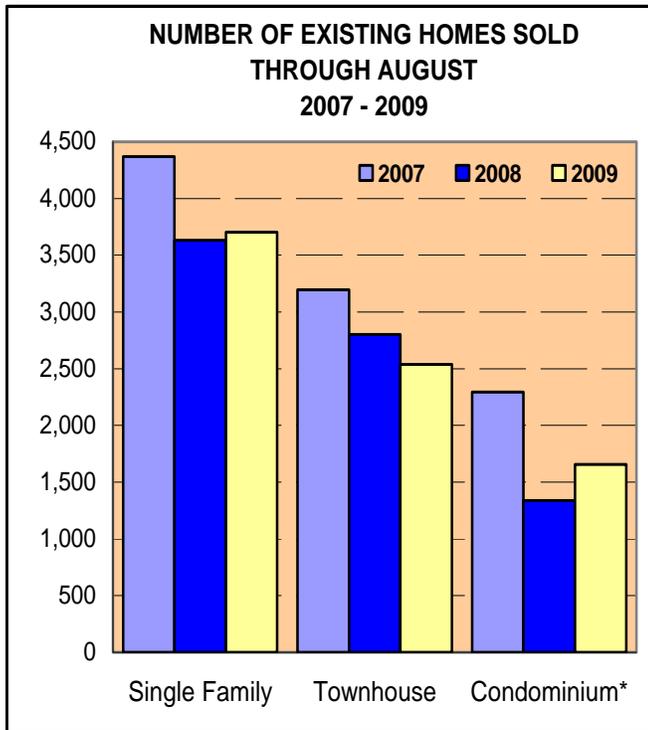
PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD THROUGH AUGUST 2009 COMPARED TO SALES IN 2008

	Existing Sales	New Sales
Single Family	(1.9)	(7.7)
Townhouse	(1.5)	1.8
Condominium*	(15.4)	

*Condominium data include sales of existing and new units.

Existing Home Sales Volume

Sales of existing single family homes through August were 3,702, an increase of 2.0 percent compared to the 3,630 homes sold during the same period of 2008. Compared to August 2008, the number of townhouses sold in the first eight months of 2009 decreased from 2,800 to 2,539, or 9.3 percent. In addition, the total number of existing and new condominiums sold through August increased to 1,657 from the 1,336 units sold through August 2008, a 24.0 percent increase.

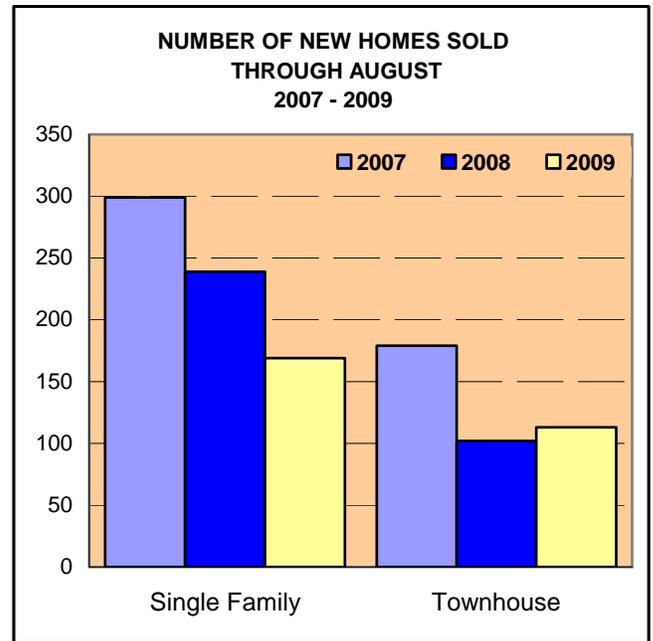


Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget. *Condominium data include sales of existing and new units.

New Home Sales Volume

During the first eight months of 2009, the number of new single family homes sold fell to 169, a decline of 29.3 percent compared to the 239 homes that sold in the same period a year ago. From January to August, the volume of new townhome sales increased 10.8 percent to 113 from the 102 homes sold in Fairfax County in the same period last year.

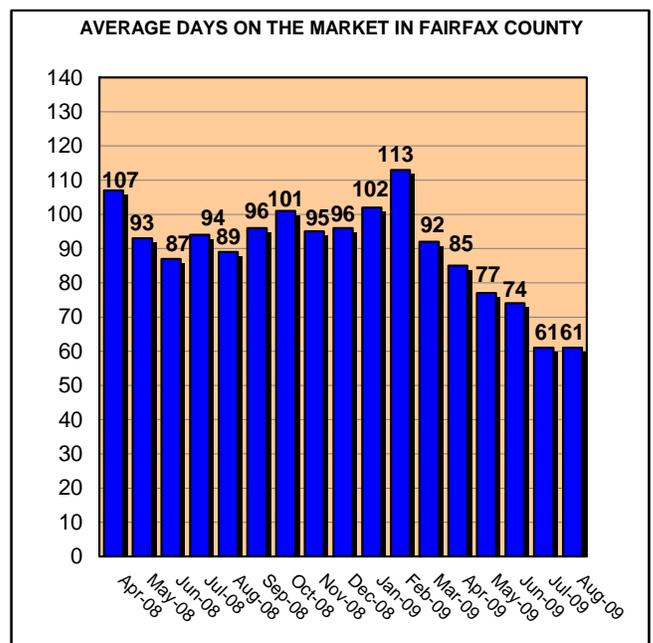
For data regarding all condominium sales volume, refer to the "Existing Home Sales Volume" section.



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

Average Days on the Market in Fairfax County

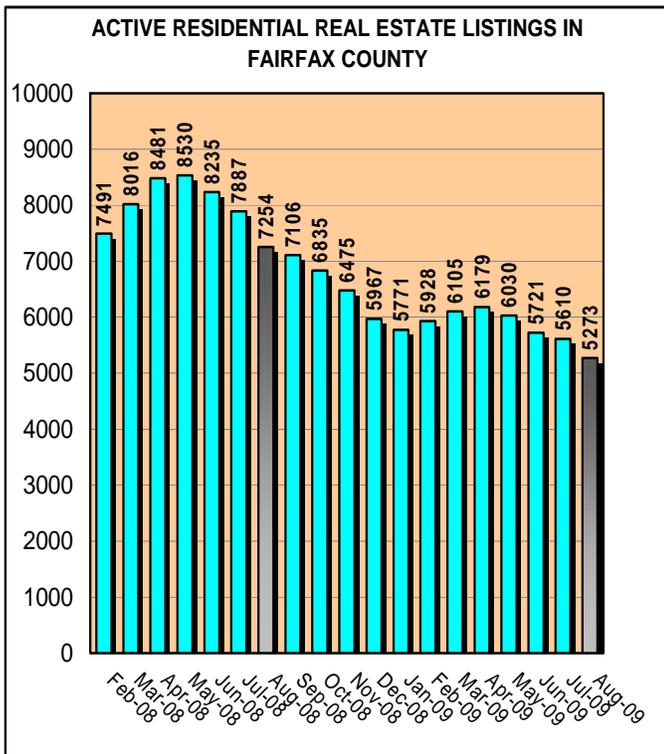
In August, the homes that sold in Fairfax County stayed on the market for an average of 61 days, a decrease of 28 days compared to the 89-day average in August 2008. This is the 10th consecutive month that it has taken less time to sell a home compared to the corresponding month the prior year.



Source: Metropolitan Regional Information Systems, Inc.

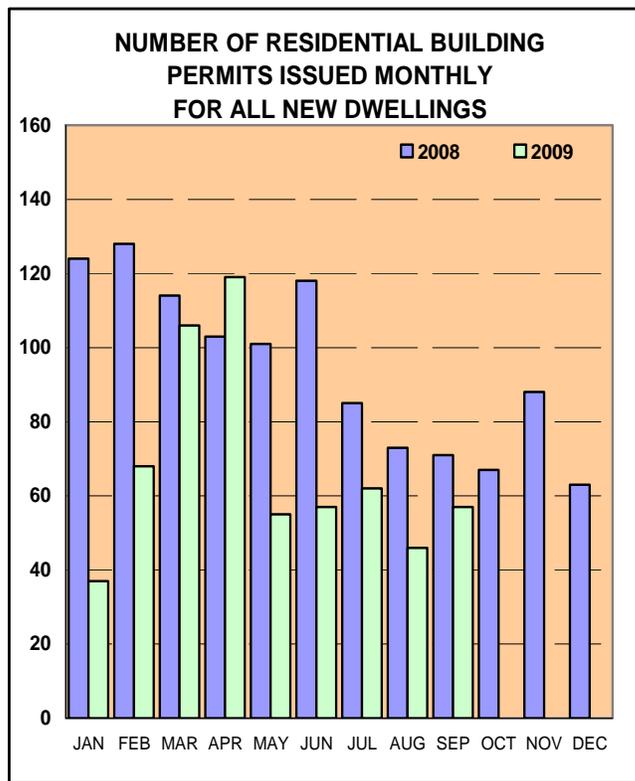
Inventory of Homes for Sale in Fairfax County

In August 2009, the number of active listings in the County was 5,273, a drop of 27.3 percent over the 7,254 listed in August 2008. Based on the August 2009 listings and the current sales rate, there is a 3.8 month supply of homes for sale in the County, down from the 5.4 month supply a year ago.



Source: Metropolitan Regional Information Systems, Inc.

Residential Building Permits



Source: Fairfax County Department of Public Works and Environmental Services. Compiled by the Department of Management and Budget.

A total of 57 new single family residential building permits were issued by Fairfax County in September 2009, compared to the 71 issued in the same month last year. New single family permits issued in the first nine months of 2009 total 607, a decrease of 33.8 percent from the 917 permits issued in the same period of 2008.

In September 2009, 652 residential repair and alteration permits were issued, a decrease of 14.3 percent over September 2008, when 761 permits were issued. Year-to-date, the number of residential repair and alteration permits issued has decreased 13.0 percent over the same period last year.

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

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