



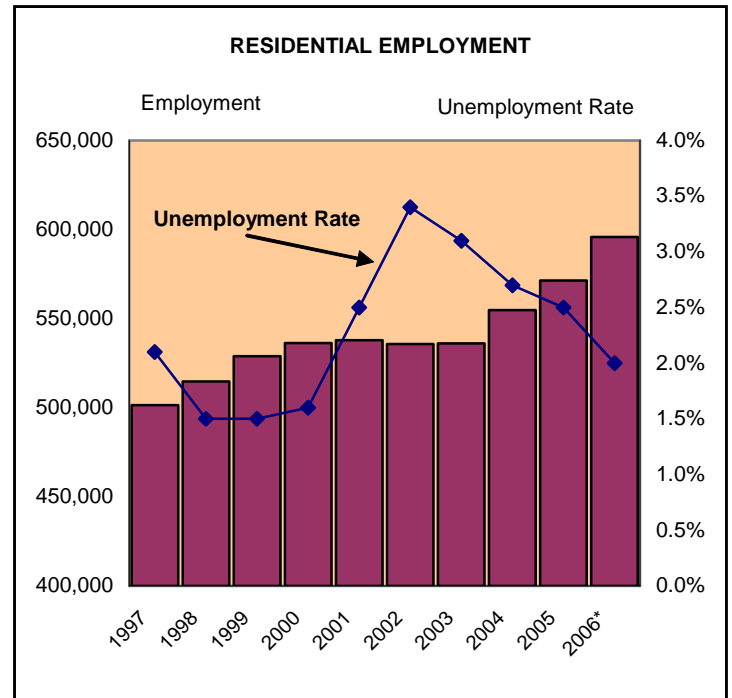
# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

JANUARY 2007

## IN THIS ISSUE:

- The unemployment rate in Fairfax County for November fell 0.3 percentage points to 2.0 percent from the November 2005 level; while the number of employed County residents increased 19,030 during this same period. **(See page 1)**
- Sales Tax receipts in Fairfax County for the first half of FY 2007 rose 5.0 percent over the prior fiscal year. In addition, January 2007 marks the second consecutive month Sales Tax receipts have increased over 7 percent. **(See page 2)**
- The number of existing single family homes sold during calendar year 2006 fell 35.9 percent; while, the median value of these homes gained 1.6 percent over existing single family homes sold during 2005. **(See page 3)**
- The number of new single family homes and townhouses sold during 2006 posted steep declines from 2005. In 2006, the number of new single family homes and townhouses sold in the County fell 48.8 percent and 61.3 percent, respectively. **(See page 4)**



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 November 2006 was 595,913, a gain of 19,030 residents, or 3.3 percent, over November 2005. During this time, the unemployment rate in Fairfax County declined 0.3 percentage points to 2.0 percent.

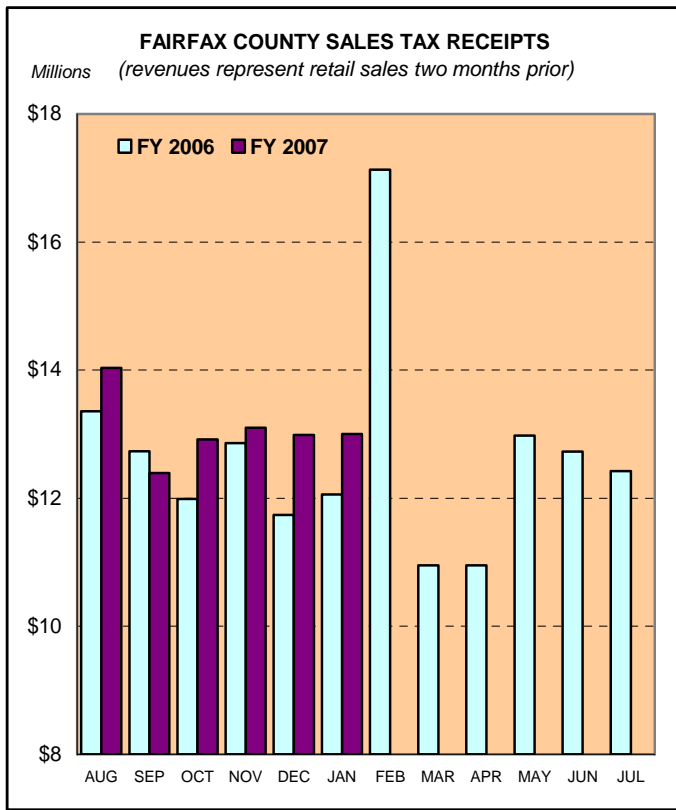
The November 2006 unemployment rate in Virginia improved 0.4 percentage points to 2.8 percent from the November 2005 rate of 3.2 percent. On the national level, the unemployment rate in November dropped half a percentage point to 4.5 percent from the November 2005 level.



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

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

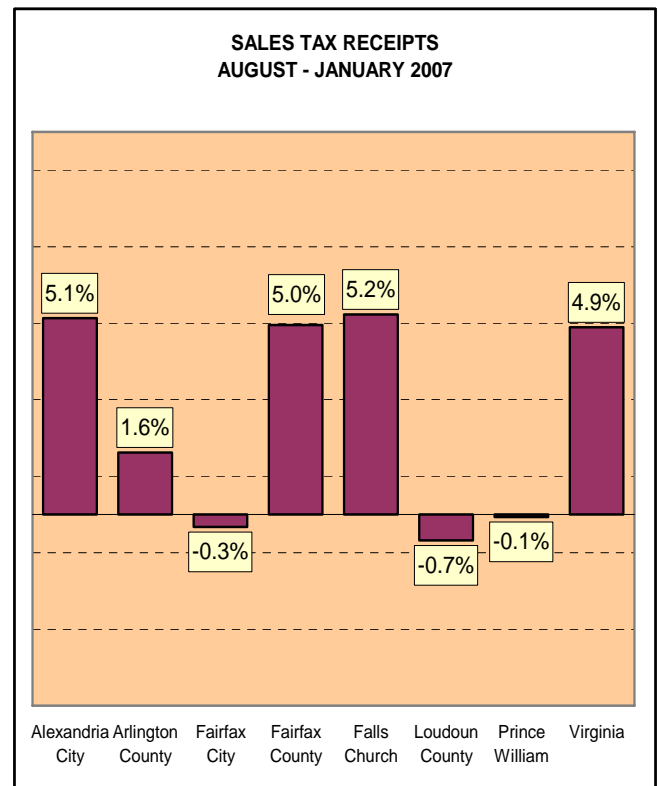
## Retail Sales



Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget. Note: Sales Tax distributions to localities were based on estimates from September through November 2005 (FY 2006) with an adjustment made in December; therefore, receipts for September through December in FY 2006 should not be used to determine an actual trend.

### Fairfax County Sales Tax Receipts

January 2007 Sales Tax receipts for Fairfax County, representing retail purchases made in November, were \$13.0 million, a gain of 7.9 percent over January 2006. Fairfax County Sales Tax collections for first half of FY 2007 total 78.4 million, signifying growth of 5.0 percent over the same period of FY 2006.



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

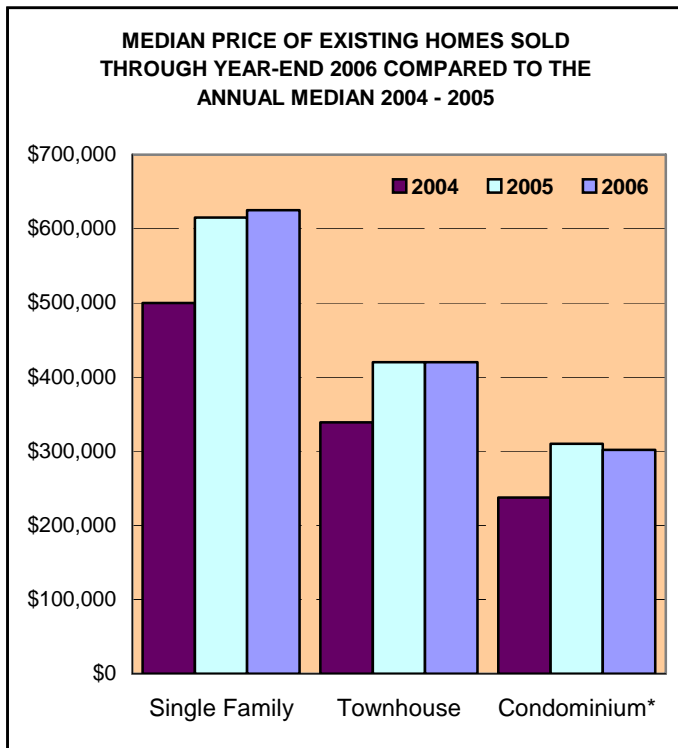
### Neighboring Jurisdictions

Based on information provided by the Virginia Department of Taxation, Sales Tax receipts in Northern Virginia localities varied widely during the first half of FY 2007. Sales Tax receipts are up 1.6 percent in Arlington, 5.2 percent in Falls Church; 5.1 percent in Alexandria; and 5.0 percent in Fairfax County. However, during the same period, Sales Tax receipts are down 0.7 percent in Loudoun County; 0.3 percent in Fairfax City; and 0.1 percent in Prince William County. For the period August 2006 through January 2007, statewide Sales Tax receipts increased 4.9 percent over the same period a year ago.

### National Retail Sales

According to the Commerce Department, seasonally adjusted preliminary November 2006 retail sales for the U.S. grew 5.6 percent over November 2005. Compared to the prior year, sales from electronics and appliance stores and motor vehicle dealers increased 8.6 and 6.4 percent, respectively. Conversely, gasoline station sales decreased 2.3 percent.

# Housing Market

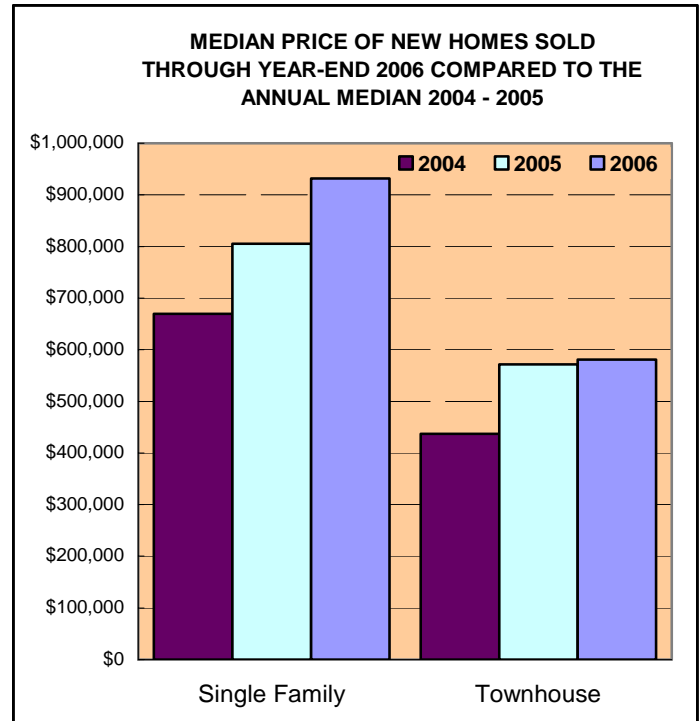


Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget. \*Condominium data include sales of existing and new units.

## Existing Home Sales Prices

The median sales price of existing (previously owned) single family homes in Fairfax County posted little growth during calendar year 2006 compared to the 2005 median price. The median sales price for existing single family homes sold through year-end 2006 rose 1.6 percent to \$625,000 over the 2005 median of \$615,000. The median sales price of existing townhouses sold during calendar year 2006 was \$420,000 and represents no change from the 2005 median sales price.

The median sales price of all condominiums sold, existing and new, during calendar year 2006 decreased 2.6 percent to \$302,000 from the 2005 median of \$310,000.



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

## New Home Sales Prices

The median sales price for new single family homes posted a gain of 15.7 over the 2005 median of \$805,250 to a median sales price of \$931,710 through year-end 2006. The increase in the median price of new homes may be a result of the type of homes sold this year compared to last year in terms of size, age and location. Because the number of new single family homes sold in 2006 dropped nearly 49 percent from 2005, the impact of the mix of homes is likely magnified. In addition, the increase in the prices of new single family homes is a reflection of rising construction costs. Therefore, changes in the sales price of existing single family homes is a better gauge of the overall residential housing market.

The median sales price for new townhouses gained 1.6 percent through the 12 months of 2006, growing to \$580,870 over the 2005 median of \$571,600.

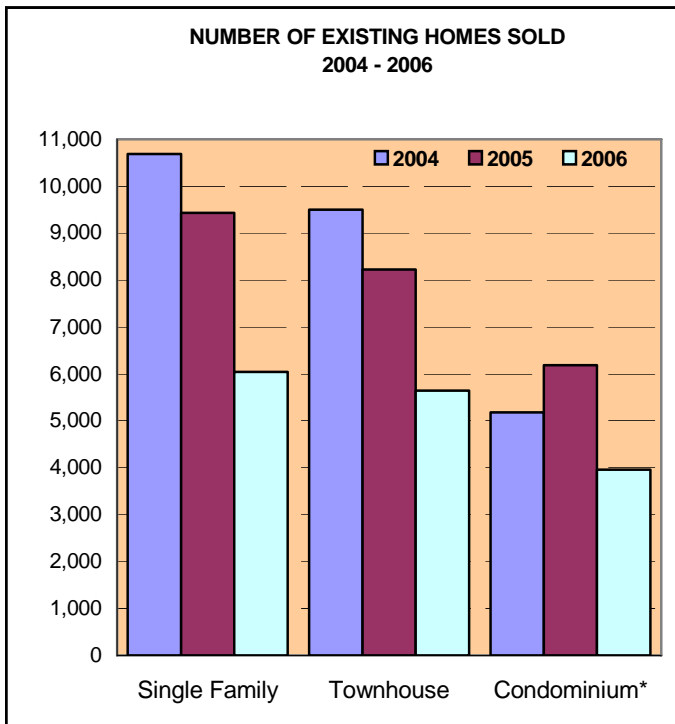
### PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD DURING 2005 COMPARED TO SALES THROUGH YEAR-END 2006

	Existing Sales	New Sales
Single Family	1.6	15.7
Townhouse	0.0	1.6
Condominium*	(2.6)	

\*Condominium data include sales of existing and new units.

A note on tax assessments and home sales: 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, since the mix of homes sold is not necessarily reflective of the County's entire housing stock 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.co.fairfax.va.us/dta/tax\\_assessment.htm](http://www.co.fairfax.va.us/dta/tax_assessment.htm)



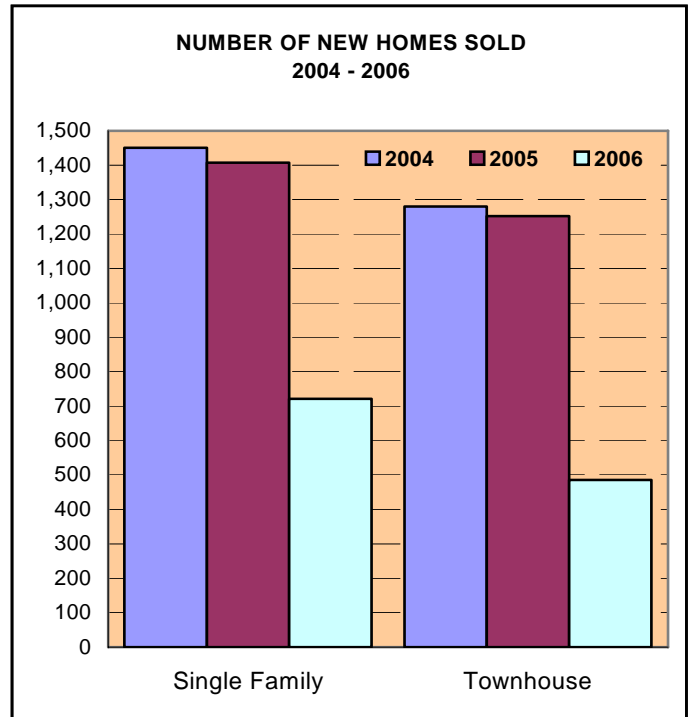
Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget. \*Condominium data include the sales volume of existing and new units.

### Existing Home Sales Volume

The number of existing single family homes and townhomes sold during calendar year 2006 declined substantially compared to the last two years. Existing single family homes sales dropped to 6,043 in 2006 from 9,431 in 2005, a decrease of 35.9 percent. The number of existing single family homes sold in 2006 fell over 43 percent when compared to the number sold in 2004 of 10,687.

The sales volume of existing townhouses fell 31.4 percent from 8,228 in 2005 to 5,641 in 2006. In 2004, 9,503 existing townhomes were sold.

Condominium sales (existing and new) fell 36.0 percent in 2006 to 3,959 from the 6,189 sales occurring during calendar year 2005.



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

### New Home Sales Volume

In calendar year 2006, 721 new single family homes were sold compared to the 1,407 sold during 2005, signifying a steep decline of 48.8 percent. The volume of new townhouse sales also plummeted in 2006, falling over 61 percent from the 1,252 units sold in 2005 to 485 units. For data regarding all condominium sales volume, refer to the "Existing Home Sales Volume" section.

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**Fairfax, Virginia 22035-0074**  
**(703) 324-2391 or 1-800-828-1120 (TDD)**

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