



# ECONOMIC INDICATORS®

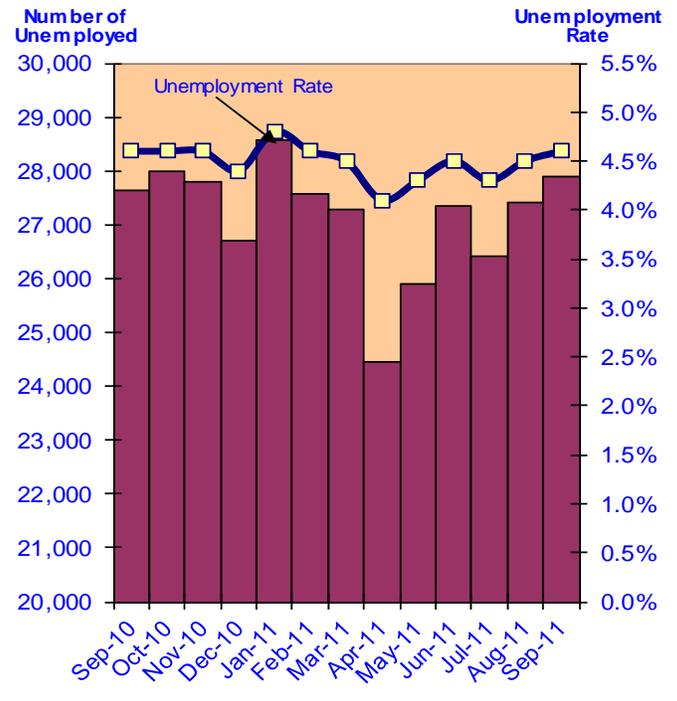
FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

OCTOBER 2011

## IN THIS ISSUE:

- The September unemployment rate in Fairfax County increased to 4.6 percent, up from 4.5 percent in August. (See page 1)
- In October, the Consumer Confidence Index decreased from the previous month and is back to levels last seen during the 2008-2009 recession. (See page 2)
- The number of net foreclosures in Fairfax County increased for a fourth consecutive month in September, but is below last year's level. (See page 2)
- The median price of existing single family homes sold through September 2011 increased 1.1 percent compared to the median price in 2010; the median price of existing townhomes increased 1.4 percent. (See page 3)
- Through September 2011, the volume of sales of existing single family declined 3.2 percent, while that of townhomes dropped 13.4 percent, compared to the same period of 2010. (See page 4)

## FAIRFAX COUNTY UNEMPLOYMENT DATA



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

## Employment

The September unemployment rate in Fairfax County increased to 4.6 percent, up from 4.5 percent in August. The number of unemployed residents increased from 27,371 to 27,904. This level of unemployment is unchanged compared to last September. Statewide, only Arlington County at 3.8 percent, and Loudoun County at 4.4 percent had lower unemployment rates than Fairfax County.

The unemployment rate across Virginia decreased from 6.5 percent in August to 6.4 percent in September, and was 0.1 percentage points below the September 2010 level of 6.5 percent.

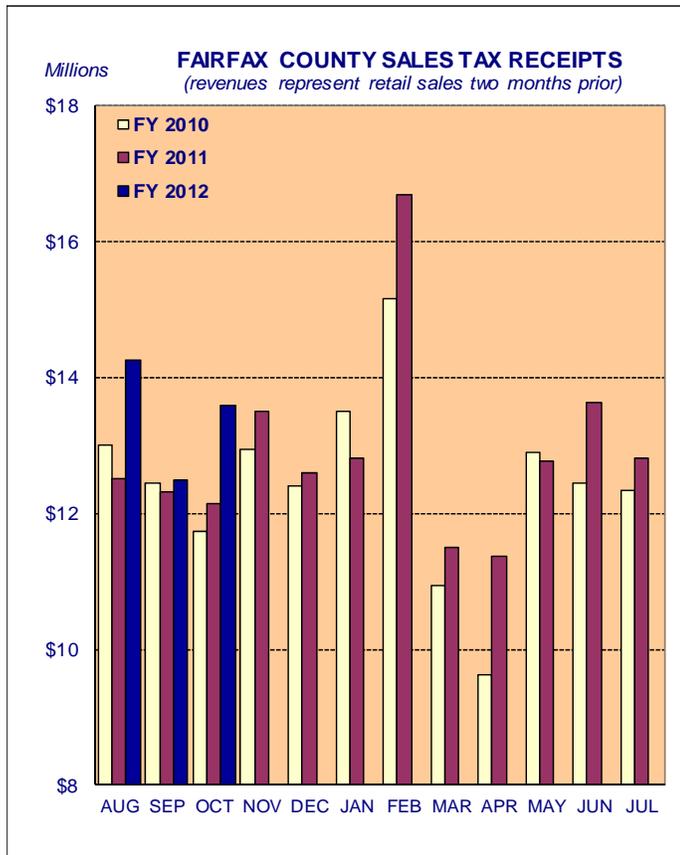
The U.S. unemployment rate in September held for a third month at 9.1 percent and total nonfarm payroll employment increased by 103,000. The Bureau of Labor Statistics noted that the increase in employment partially reflected the return to payrolls of about 45,000 telecommunications workers who had been on strike in August. There were 14.0 million unemployed persons in September.



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.

Sales Tax receipts distributed to Fairfax County in October, representing retail purchases made in August, were \$13.6 million, an increase of 11.9 percent over October 2010. Sales Tax receipts for the first three months of FY 2012 have increased 9.1 percent compared to the same period of FY 2011.

## NATIONAL INDICATORS

### Negative Equity Report

Based on nationwide data released by CoreLogic, 22.1 percent of all residential properties with a mortgage were in negative equity in the third quarter of 2011, down slightly from 22.5 percent in the second quarter. Including those that were near negative equity, the figure was 27.1 percent, down from 27.5 in the previous quarter. Negative equity, also referred to as “underwater”, is a situation in which the borrower owes more on their mortgage than the home is worth. Near negative equity is defined as mortgages within 5.0 percent of being “underwater”. Mark Fleming, chief economist with CoreLogic said that, “negative equity remains very high”, which “is holding back the recovery of the housing market and the broader economy.”

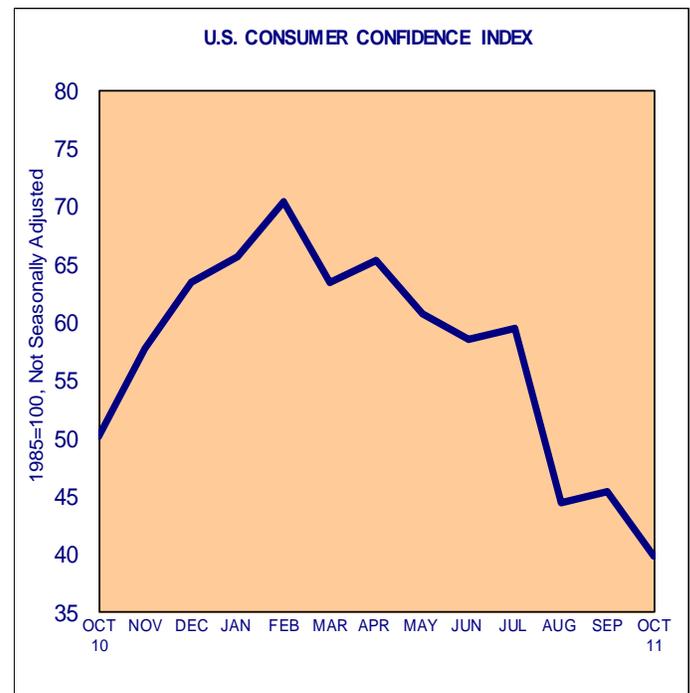
### Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 2.0 percent in the third quarter of 2011, according to the revised estimate released by the

Bureau of Economic Analysis (BEA). In the advance estimate, BEA reported that the increase in real GDP was 2.5 percent. During the second quarter of 2011, the economy grew at an annual rate of 1.3 percent.

## Consumer Confidence Index

In October, the Consumer Confidence Index decreased to 39.8 (1985=100), down from 46.4 in September. Both the present situation and the expectations components decreased. It should be noted that a level above 90 indicates the economy is on solid footing and above 100 signals strong growth. Lynn Franco, Director of the Conference Board’s Consumer Research Center, said that, “Consumer confidence is now back to levels last seen during the 2008-2009 recession. Consumer expectations, which had improved in September, gave back all of the gain and then some, as concerns about business conditions, the labor market and income prospects increased.”



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

## HOUSING MARKET

### Foreclosures in Fairfax County

September marked the fourth consecutive month in which the number of net foreclosures in Fairfax County increased. Based on data from the Department of Tax Administration, the number of county-wide net remaining foreclosures in September was 746, up from 734 in August. The net increase of 12 properties in September reflects 83 new foreclosures offset with 71 properties that were sold by the lender. Compared to a year ago, net remaining foreclosures were down 127 properties, or 14.5 percent.

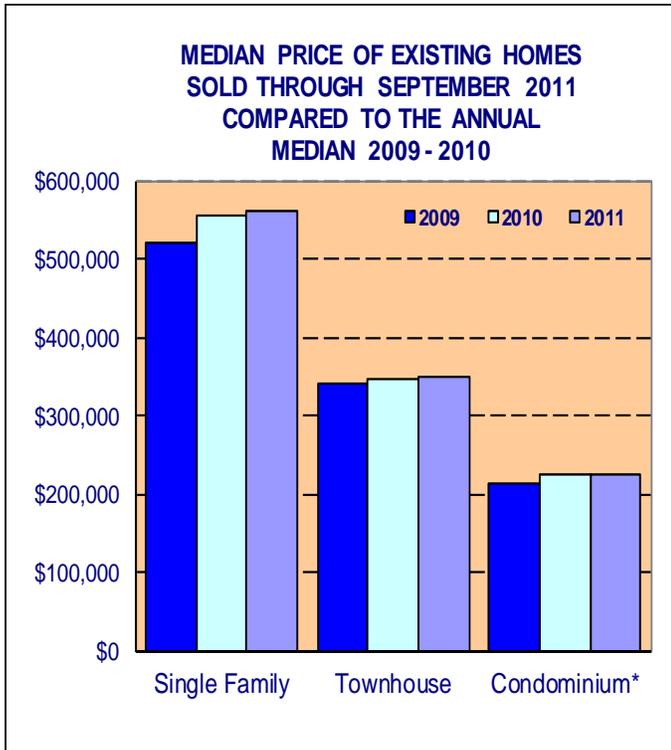
## Existing Home Sales Prices

Through September, the median sales price of existing (previously owned) single family homes was \$560,000, a 1.1 percent increase over the 2010 median sales price of \$553,700. The median sales price for existing townhouses sold through September was \$350,000, a 1.4 percent increase over the 2010 median sales price of \$345,000.

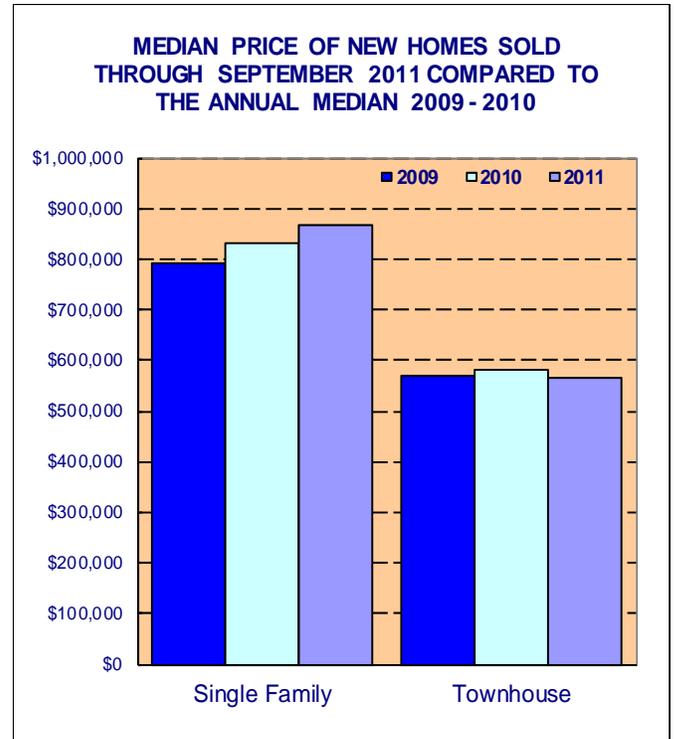
The median sales price of all condominiums, existing and new, that sold in the first nine months of 2011 was \$225,000, the same as the 2010 median.

## New Home Sales Prices

The median sales price of new single-family homes that sold through September was \$867,257, an increase of 4.4 percent compared to the 2010 median of \$831,000. The median sales price for new townhouses sold through September decreased to \$564,786, a 2.6 percent decline compared to the 2010 median of \$579,632. 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. \*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.

### PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD THROUGH SEPTEMBER 2011 COMPARED TO SALES IN 2010

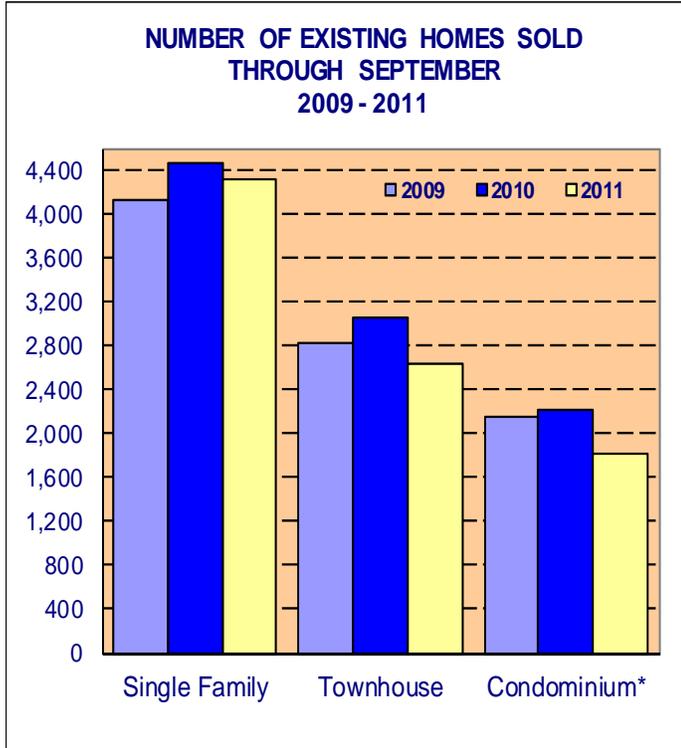
	Existing Sales	New Sales
Single Family	1.1	4.4
Townhouse	1.4	(2.6)
Condominium*	0.0	

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

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](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)

## Existing Home Sales Volume

Through September, the number of existing single family homes sold in Fairfax County decreased 3.2 percent to 4,314 from the 4,456 homes sold during the same period last year. Compared to 2010, the number of townhouses sold through the first nine months of 2011 decreased 13.4 percent, from 3,053 to 2,644. The total number of existing and new condominiums sold through September fell 18.3 percent to 1,819 from 2,225 in 2010.



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

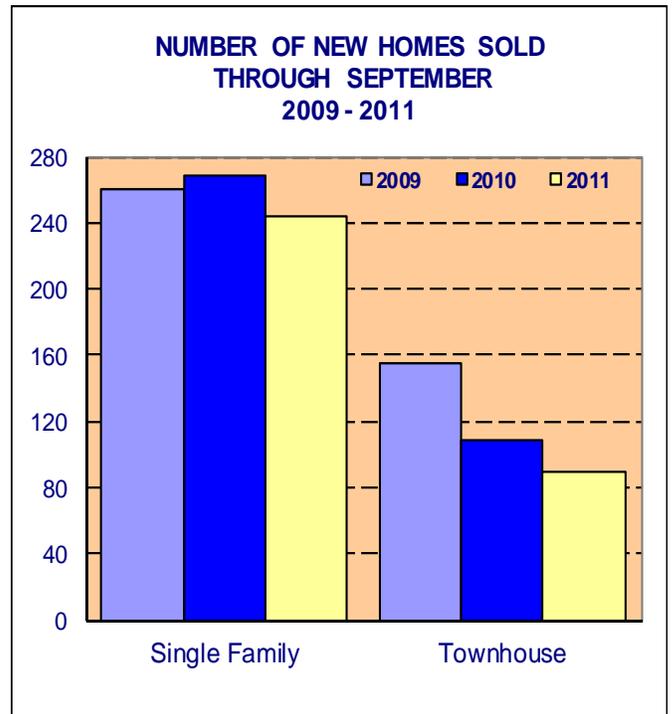
The number of new single family homes sold through September in Fairfax County dropped to 244 from the 268 new homes sold in the first nine months of last year, a 9.0 percent decline. Through September 2011, there were 90 new townhome sales, a drop of 17.4 percent from the 109 sold in the first nine months of last year.

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

Inquiries regarding this publication 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)**

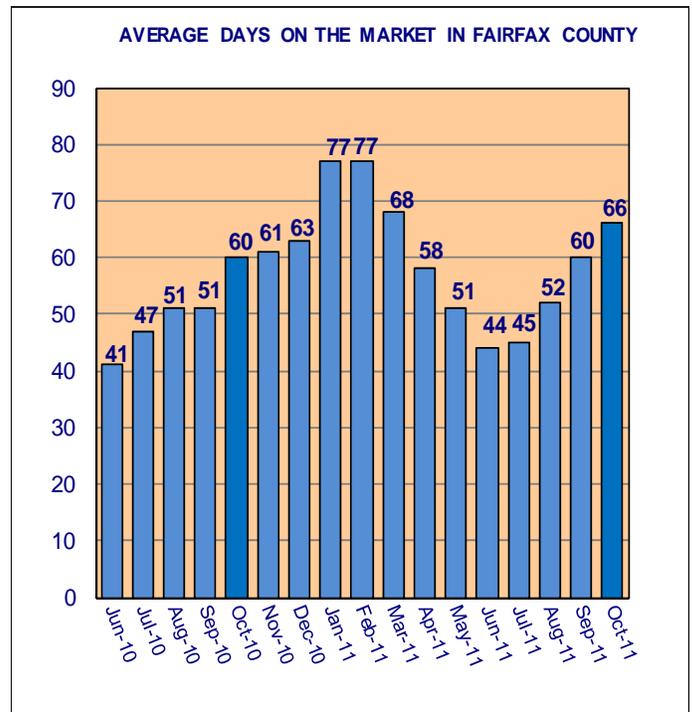
Staff: Susan Datta, CFO; Marcia Wilds, Revenue and Economic Analysis Coordinator; Albena Assenova, Budget Analyst.



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

The average days on the market in October 2011 increased compared to the same month the prior year. Fairfax County homes that sold in October had been on the market for an average of 66 days, up from the 60-day average in October 2010.



Source: Metropolitan Regional Information Systems, Inc.