IN THIS ISSUE:

- The unemployment rate in Fairfax County for November increased 0.1 percentage point to 2.1 percent over the November 2006 level. (See page 1)

- Sales Tax receipts in Fairfax County for the first half of FY 2008 rose 3.5 percent over the prior fiscal year. (See page 2)

- The number of existing single family homes sold during calendar year 2007 fell 12.7 percent; while, the median value of these homes declined 0.8 percent from existing single family homes sold during 2007. (See page 3)

- The number of new single family homes and townhouses sold in the County decreased 38.2 percent and 47.9 percent, respectively, in 2007. (See page 4)

- In December 2007, the number of active residential real estate listings in Fairfax County increased 27.6 percent in the last twelve months. (See page 5)

- The Consumer Confidence Index has fallen on a monthly basis in five of the last six months. (See page 6)

Employment

As reported by the Virginia Employment Commission (VEC), the number of Fairfax County residents holding jobs in November 2007 was 587,730, a gain of 7,138 residents, or 1.2 percent, over November 2006. During this time, the unemployment rate in Fairfax County increased a slight 0.1 percentage point to 2.1 percent.

The November 2007 unemployment rate in Virginia rose 0.2 percentage points to 3.0 percent over the November 2006 rate of 2.8 percent. On the national level, the unemployment rate in November increased 0.2 percentage points to 4.7 percent over the November 2006 level.
Sales Tax Receipts

![FAIRFAX COUNTY SALES TAX RECEIPTS chart]

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

Fairfax County Sales Tax Receipts

January 2008 Sales Tax receipts for Fairfax County, representing retail purchases made in November increased 1.2 percent over the January 2007 level to $13.2 million. Fairfax County Sales Tax collections for the first half of FY 2008 total $81.2 million, representing growth of 3.5 percent over the same period of FY 2007.

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

![National Retail Sales chart]

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

Consumer Confidence Index

The January 2008 Consumer Confidence Index fell 2.7 points to 87.9. According to the Conference Board, the January decline is attributable to consumers’ negative outlook concerning current business conditions and the job market.

The Consumer Confidence Index is composed of two separate indices: the Present Situation Index and the Expectations Index. In January 2008, the Present Situation Index was 69.6, which represents a drop of 6.2 points from the level reached in December. Conversely, the Expectations Index improved to 115.3 over the 112.9 reported in December.

According to Lynn Franco, Director of the Conference Board’s Consumer Research Center, “Consumers are quite downbeat about the short-term future and a greater proportion expect business conditions and employment to deteriorate further in the months ahead. In addition, the percentage of consumers anticipating an improvement in their earnings has declined and could potentially impact spending decisions.”

National Retail Sales

According to the Commerce Department, seasonally adjusted Advance December 2007 retail sales for the U.S. grew 4.1 percent over the previous year. Compared to last year, gasoline station sales rose 18.5 percent in December 2007. In contrast, sales from department stores and building supply stores fell 2.3 percent and 3.4 percent, respectively.
Housing Market

The median sales price of existing (previously owned) single family homes in Fairfax County fell during calendar year 2007 compared to the 2006 median price. The median sales price for existing single family homes sold through year-end 2007 decreased 0.8 percent to $620,000 from the 2006 median of $625,000. The median sales price of existing townhouses sold during calendar year 2007 was $410,000 and represents a decline of 2.4 percent from the 2006 median sales price.

The median sales price of all condominiums sold, existing and new, during calendar year 2007 decreased 0.7 percent to $306,900 from the 2006 median of $309,000. The median sales price for all condominiums in the County fell for the second consecutive year in 2007.

Existing Home Sales Prices

New Home Sales Prices

The median sales price of new single family homes sold during 2007 was $1,063,500, an increase of 13.3 percent compared to the 2006 median of $938,768.

The sales price of new townhouses rose 2.3 percent to $577,246 over the 2006 median of $564,440. 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](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)

**New Home Sales Volume**

During 2007, the number of newly constructed homes also fell substantially. The sales volume of new single family homes dropped 38.2 percent from the 815 homes sold in 2006 to 504 purchased during 2007. The number of new townhouses sold decreased a steep 47.9 percent from the 591 units sold during 2006 to 308 units sold in 2007. For data regarding condominium sales volume, refer to the “Existing Home Sales Volume” section.

**Existing Home Sales Volume**

The number of all types of existing (previously owned) homes sold fell during calendar year 2007. Existing single family homes sold through December totaled 5,281, representing a 12.7 percent decrease from the 6,046 sold during 2006. In addition, sales volume of existing townhouses declined 26.0 percent from the 5,890 sold in 2006 to 4,356 in 2007. The number of existing condominiums sold from January through December 2007 dropped 30.8 percent to 3,249 from the 4,696 units sold during the same period of 2006.
Average Days on the Market in Fairfax County

In the last twelve months, the average number of days that a house is on the market before being sold has continued to increase. The Metropolitan Regional Information Systems Inc. reported that the average days on the market for active residential real estate listings rose from 97 days in December 2006 to 112 days in December 2007, representing a gain of 15 days or 15.5 percent. December 2007 is the 30th consecutive month that the average days on the market has increased over the same month of the prior year.

In December, homes sold for an average of 90.7 percent of their asking price, down from 93.5 percent in December 2006.

Inventory of Homes for Sale in Fairfax County

In December 2007, the number of active listings in the County was 6,915, a gain of 27.6 percent over the 5,420 listed in December 2006. However, the number of active listings in 2007 stabilized over the year as there were, on average, approximately 7,300 homes for sale in each month of 2006 and 2007. Based on the December 2007 listing and the current sales rate, there is over an eight month supply of homes for sale in the County.

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