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- The unemployment rate in Fairfax County was 4.2 percent in January. (See page 1)
- March Sales Tax receipts for Fairfax County, which represent retail purchases made in January, were up 0.1 percent compared to March 2008. (See page 2)
- The Consumer Confidence Index, which had fallen to a record low in February, stayed flat in March. (See page 2)
- The median price of existing single family homes sold through February 2009 declined 15.9 percent compared to the median price in 2008, while that of existing townhomes dropped 16.1 percent. (See page 3).
- Through February, the volume of existing single family home sales rose 21.7 percent over the same period last year. The volume of new townhome sales rose 19.1 percent. (See page 3)
- Homes that sold in February 2009 were on the market for an average of 113 days compared to 123 days for homes sold in February 2008. (See page 4)

Employment

In January, Fairfax County’s unemployment rate was 4.2 percent, up from 3.4 in December. This is 1.5 percentage points higher than the unemployment rate of 2.7 percent reported a year ago in January 2008.

Virginia’s seasonally unadjusted unemployment rate rose 1.3 percentage points from 5.1 percent (revised) in December 2008 to 6.4 percent in January 2009. Northern Virginia continued to have the lowest metropolitan area jobless rate in Virginia with unemployment increasing from 3.8 percent (revised) in December to 4.6 percent in January.

The U.S. unemployment rate in January rose to 7.6 percent from 7.2 percent in December. Nonfarm payroll employment in January fell by 598,000 over the month. Since the start of the recession in December 2007, payroll employment has declined by 3.6 million.
Sales Tax Receipts

Sales Tax receipts in Fairfax County for March, representing retail purchases made in January, were $11.7 million, up 0.1 percent over March 2008. For the first eight months of FY 2009, Sales Tax receipts are down 1.8 percent from the same period last year.

National Economic Indicators

According to the Federal Reserve, the U.S economy deteriorated further in January and February in almost all corners of the country.

- Home prices in 20 U.S. cities, as measured by the S&P Case-Shiller Index, declined 19.0 percent in January from a year earlier, as foreclosures rose and demand plummeted. The index in January was at its lowest level since late 2003.
- Housing starts in February made a significant comeback after January's record low number. According to the Commerce Department, homebuilders broke ground on 22.2 percent more homes in February than in the prior month.
- Building permits, an indicator of future projects, rebounded in February, posting a 3.0 percent increase over the prior month.

Consumer Confidence Index

The Consumer Confidence Index, which had fallen to a record low in February, stayed relatively flat in March. The Index now stands at 26.0 (1985=100), compared to 25.3 in February. The Present Situation Index declined to 21.5 from 22.3 last month, suggesting that the state of the economy remains weak and that more job losses are coming. The Expectations Index increased slightly from 27.3 to 28.9. Lynn Franco, Director of the Conference Board's Consumer Research Center, said that "...consumers remain extremely pessimistic about the short term future and do not foresee a turnaround in economic conditions over the coming six months."

Consumer Price Index

The U.S. Consumer Price Index for All Urban consumers (CPI-U) in February 2009 was only 0.2 percent higher than in February 2008. In January 2009, the Washington Area CPI-U, which is released every other month, rose 1.0 percent over the same period last year. The annual increase in the Washington Area's CPI-U for all of 2008 was 4.5 percent.
Housing Market

Existing Home Sales Prices

In February, the median sales price of existing (previously owned) single family homes was $449,900, a 15.9 percent decline from the 2008 median sales price of $535,000. The median sales price for existing townhouses sold through February fell 16.2 percent to $285,000 from the 2008 median of $340,000.

The median sales price of all condominiums, existing and new, that sold through February fell 14.1 percent to $218,875 from the 2008 median of $254,000.

New Home Sales Prices

The median sales price of new single-family homes that sold through February decreased 4.5 percent to $884,548 from the 2008 median of $926,498. The median sales price for new townhouses during February increased to $660,000, an 18.9 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.

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/pta/tax_assessment.htm
Existing Home Sales Volume

Through February, the volume of existing single family home sales rose 21.7 percent to 517 from the 425 homes sold through the same month last year. Compared to February 2008, the number of townhouses sold in the first two months of 2009 increased from 324 to 504, or 55.6 percent. In addition, the total number of existing and new condominiums sold through February increased to 292 from the 193 units sold through February 2008, a 51.3 percent increase.

New Home Sales Volume

Through February 2009, 32 new single family homes sold, a decline of 33.3 percent from the 48 units sold during the same month last year. Through February, the volume of new townhome sales rose 19.1 percent to 25 from the 21 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.

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