IN THIS ISSUE:

- The unemployment rate in Fairfax County was 4.7 percent in March, the same as in February. (See page 1)

- May Sales Tax receipts for Fairfax County, which represent retail purchases made in March, were down 16.0 percent compared to May 2008. (See page 2)

- The Consumer Confidence Index, which had increased only slightly in April, posted a significant improvement in May. (See page 2)

- The median price of existing single family homes sold through April 2009 declined 10.3 percent compared to the median price in 2008; existing townhomes' median price also dropped 10.3 percent. (See page 3)

- Through April, the volume of existing single family home sales rose 4.1 percent over the same period last year. The volume of existing townhome sales fell 2.8 percent. (See page 3)

- Homes that sold in April 2009 were on the market for an average of 85 days compared to 107 days for homes sold in April 2008. (See page 4)

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

http://www.fairfaxcounty.gov/economic/economic_indicators.htm
Sales Tax Receipts

Sales Tax receipts distributed to Fairfax County in May were $11.5 million, down 16.0 percent from May 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. A net increase of approximately $2.2 million has been distributed to Fairfax County during FY 2009 as a result of these adjustments. The May distribution is the second month this fiscal year that the adjustment was a net reduction. Without the adjustment, May receipts, representing retail purchases made in March, would have been $11.9 million, a decrease of 13.1 percent from May 2008.

Year-to-date in FY 2009, actual Sales Tax distributions are down 4.0 percent from the same period last year. Absent the net increase of $2.2 million from locality transfers, Sales Tax receipts would be down 5.6 percent from the same period of FY 2008.

National Economic Indicators

- Real gross domestic product (GDP) decreased at an annual rate of 5.7 percent in the first quarter of 2009, according to revised estimates released by the Bureau of Economic Analysis. In the fourth quarter of 2008, real GDP decreased 6.3 percent.

- Home prices in 20 U.S. cities, as measured by the S&P Case-Shiller Index, fell at a record annual rate in the first quarter, dropping 19.1 percent, the most in the 21-year history of the Case-Shiller index.

- Housing starts in April plummeted to a new record low going back to 1959. Starts dropped 12.8 percent in April, following an 8.5 percent decline in March. Building permits declined 3.3 percent in April, after a decline of 7.1 percent the month before.
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 through April has dropped once again to a net total of 1,347. In March, a total of 1,566 properties were still owned by lending institutions. Though still elevated well beyond prior years, this marks the seventh consecutive monthly decline.

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

Existing Home Sales Prices

In April, the median sales price of existing (previously owned) single family homes was $480,000, a 10.3 percent decline from the 2008 median sales price of $535,000. The median sales price for existing townhouses sold through April fell 10.3 percent as well to $305,000 from the 2008 median of $340,000.

The median sales price of all condominiums, existing and new, that sold through April fell 9.4 percent to $230,000 from the 2008 median of $254,000.

New Home Sales Prices

The median sales price of new single-family homes that sold through April decreased 5.6 percent to $875,000 from the 2008 median of $926,498. The median sales price for new townhouses during April increased to $560,930, a 1.0 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. *Condominium data include sales of existing and new units.
Existing Home Sales Volume

Through April, the volume of existing single family home sales rose 4.1 percent to 1,261 from the 1,211 homes sold through the same month last year. Compared to April 2008, the number of townhouses sold in the first four months of 2009 decreased slightly from 1,045 to 1,016, or 2.8 percent. In addition, the total number of existing and new condominiums sold through April increased to 559 from the 543 units sold through April 2008, a 2.9 percent increase.

New Home Sales Volume

Through April 2009, 83 new single family homes sold, a decline of 19.4 percent from the 103 units sold through the same month last year. Year-to-date through April, the volume of new townhome sales rose 35.1 percent to 50 from the 37 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.

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, Director; Marcia Wilds, Revenue and Economic Analysis Coordinator, Albena Assenova, Budget Analyst.

Average Days on the Market in Fairfax County

In April, the homes that sold in Fairfax County stayed on the market for an average of 85 days, a decrease of 22 days compared to the 107-day average in April 2008. This marks the sixth consecutive month that this indicator has improved after 41 consecutive months in which it took longer to sell a home compared to the corresponding month the prior year.