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- The June unemployment rate in Fairfax County increased to 4.5 percent, up from 4.3 percent in May. (See page 1)
- Sales tax receipts in July, representing retail purchases made in May, were up 3.9 percent compared to July 2010. (See page 2)
- The Consumer Confidence Index, which had decreased in June, increased in July. (See page 2)
- Subprime loans that were seriously delinquent (90 or more days past due) dropped from 16.4 percent in the first quarter of 2010 to 11.7 percent in the first quarter of 2011. Subprime loans comprise an estimated 5.7 percent of all loans in Fairfax County. (See page 2)
- The median price of existing single family homes sold through June 2011 decreased 0.7 percent compared to the median price in 2010; the median price of existing townhomes increased 1.2 percent. (See page 3)
- Through June 2011, the volume of sales of existing single family declined 5.4 percent, while that of townhomes dropped 19.1 percent, compared to the same period of 2010. (See page 4)

Employment

The June unemployment rate in Fairfax County increased to 4.5 percent, up from 4.3 percent in May. The number of unemployed residents increased from 25,886 to 27,338. Statewide, only Arlington County at 3.9 percent, and Loudoun County at 4.4 percent have lower unemployment rates than Fairfax County. Last June, Fairfax County’s unemployment rate was 5.1 percent.

The unemployment rate across Virginia increased from 5.9 percent in May to 6.3 percent in June, but was 0.7 percentage points below the June 2010 level of 7.0 percent.

The U.S. unemployment rate increased slightly to 9.2 percent in June, up from 9.1 percent in May. There were 14.1 million unemployed persons in June. Total nonfarm payroll employment increased by only 18,000. From February through April, total nonfarm payroll employment growth averaged 215,000 per month, but it has remained essentially flat in the past two months.
Sales Tax Receipts

Sales Tax receipts distributed to Fairfax County in July, representing retail purchases made in May, were $12.8 million, an increase of 3.9 percent over July 2010. July represents the last monthly collection of the County’s FY 2011 Sales Tax. In FY 2011, actual Sales Tax receipts were $154.8 million, up 3.5 percent over FY 2010 receipts of $149.5 million. Sales Tax receipts had not posted an annual increase since FY 2008.

Consumer Confidence Index

The Consumer Confidence Index, which had declined in June, posted a modest increase in July. The index stands at 59.5 (1985=100), up from 57.6 in June. While the present situation component decreased, the expectations component improved slightly. Lynn Franco, Director of the Conference Board’s Consumer Research Center, said that, while consumers’ short-term outlook improved, “Consumers’ appraisal of current business and employment conditions, however, was less favorable as concerns about the labor market continue to weigh on consumers’ attitudes. Overall, consumers remain apprehensive about the future, but some of the concern expressed last month has abated.”

HOUSING MARKET

Mortgage Delinquencies

Mortgage delinquency statistics for Fairfax County for the first quarter of 2011 remained relatively stable compared to the fourth quarter of 2010, but have improved in nearly all categories compared to a year ago. Based on data recently released by the Federal Reserve Bank of Richmond, the percentage of prime mortgage loans in the County that were seriously delinquent (90 or more days past due) fell from 2.6 percent in the first quarter of 2010 to 1.6 percent in the first quarter of 2011. During this period, subprime loans that were seriously delinquent dropped from 16.4 percent to 11.7 percent. Subprime loans comprise an estimated 5.7 percent of all loans in Fairfax County. However, the percentage of subprime mortgage loans in foreclosure rose to 10.8 percent in the first quarter of 2011 compared to 9.4 percent during the same time last year. The percentage of prime loans in foreclosure in Fairfax County remained at 1.5 percent. At the end of the first quarter of 2011, the percent of homes owned by the lender, referred to as Real Estate Owned (REO) was 0.4 percent for prime loans and 2.9 percent for subprime loans, down from 0.5 percent and 3.3 percent, respectively.
Existing Home Sales Prices

Through June, the median sales price of existing (previously owned) single family homes was $549,950, a 0.7 percent decrease from the 2010 median sales price of $553,700. The median sales price for existing townhouses sold through June was $349,000, a 1.2 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 six 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 June was $865,062, an increase of 4.1 percent compared to the 2010 median of $831,000. The median sales price for new townhouses sold through June decreased to $566,751, a 2.2 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.

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 Volume

Through June, the number of existing single family homes sold in Fairfax County decreased 5.4 percent to 2,988 from the 3,158 homes sold during the same period last year. Compared to 2010, the number of townhouses sold through the first six months of 2011 decreased 19.1 percent, from 2,253 to 1,823. The total number of existing and new condominiums sold through June fell 34.2 percent to 1,082 from 1,644 in 2010.

![Number of Existing Homes Sold Through June 2009-2011](image)

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 June in Fairfax County dropped to 126 from the 187 new homes sold in the first six months of last year, a 32.6 percent decline. Through June 2011, there were 49 new townhome sales, a drop of 26.9 percent from the 67 sold in the first six months of last year.

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

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Average Days on the Market in Fairfax County

June marked the ninth consecutive month that the average days on the market increased compared to the same month the prior year. Fairfax County homes that sold in June had been on the market for an average of 44 days, up slightly from the 41-day average in June 2010.

![Average Days on the Market in Fairfax County](image)

Source: Metropolitan Regional Information Systems, Inc.