



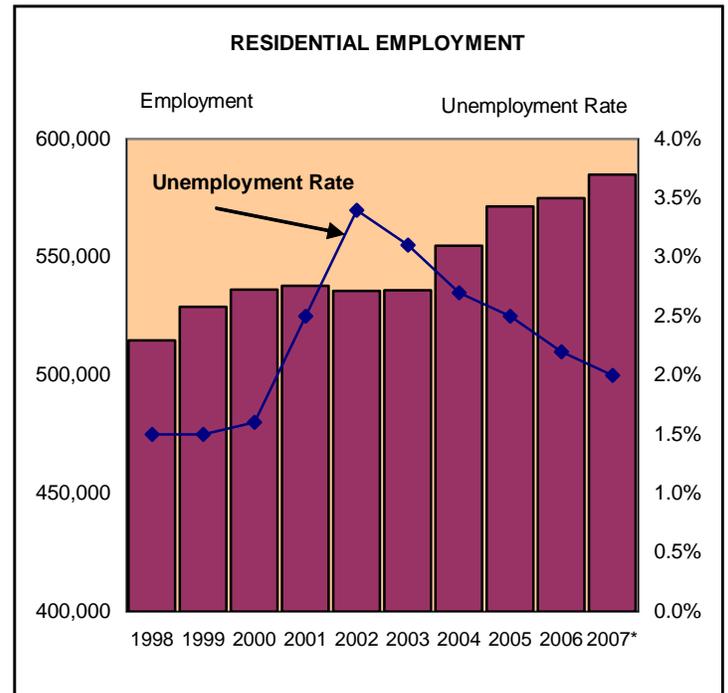
# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

JULY 2007

## IN THIS ISSUE:

- The May 2007 unemployment rate in Fairfax County was 2.0 percent, a 0.1 percentage point decrease from the level reported one year ago. (See page 1)
- July 2007 Sales Tax receipts in Fairfax County were \$14.0 million, an increase of 6.9 percent over July 2006. Sales Tax receipts were up 4.3 percent in FY 2007. (See page 2)
- The sales prices of existing single family homes sold during the first half of 2007 have fallen 2.4 percent from the median value of existing single family homes sold during all of 2006. (See pages 3 and 4)
- The number of new single family homes and townhouses sold during the first half of 2007 has declined 38 percent and 69 percent, respectively. (See pages 3 and 4)
- The July 2007 Consumer Confidence Index posted its highest level in almost six years. (See page 5)



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

## Employment

As reported by the Virginia Employment Commission (VEC), the number of Fairfax County residents holding jobs in May 2007 was 584,934, representing an increase of 11,464 residents, or 2.0 percent, over May 2006. During this period, the unemployment rate in the County fell a slight 0.1 percentage point to 2.0 percent from the 2.1 percent reported one year ago. The May 2007 unemployment rate was unchanged from April.

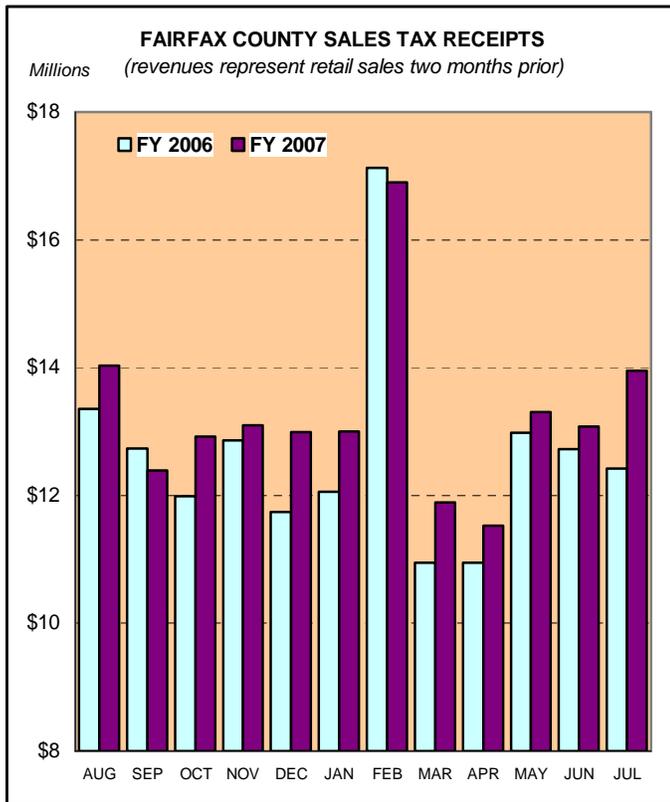
In Virginia, the May 2007 unemployment rate was 2.8 percent, representing no change from the May 2006 level. Nationally, the unemployment rate in May was 4.5 percent — 0.1 percentage point lower than the 4.6 percent reported for May 2006.



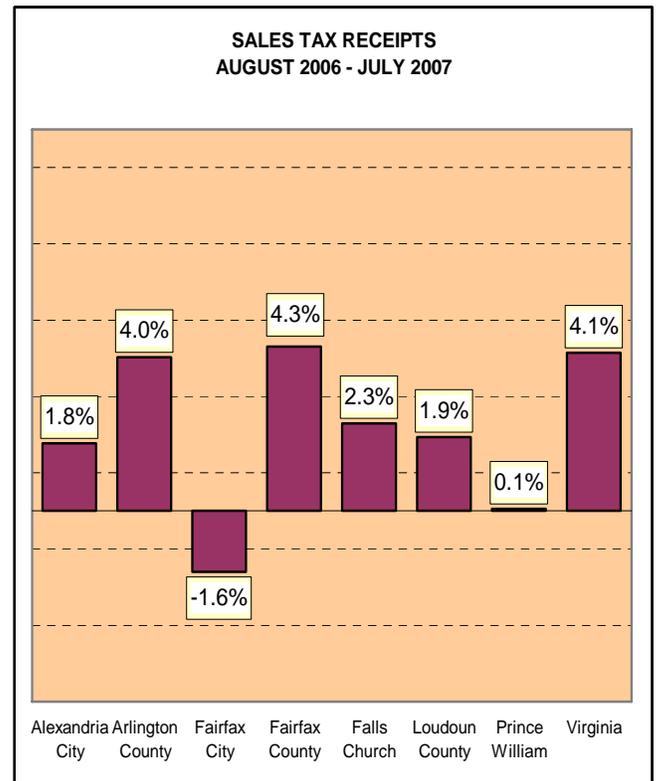
The Fairfax County Economic Indicators is on the Web and can be accessed at:

<http://www.fairfaxcounty.gov/comm/economic/economic.htm>

# Retail Sales



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



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

## Fairfax County Sales Tax Receipts

July 2007 Sales Tax receipts for Fairfax County, representing retail purchases made in May, were \$14.0 million, an increase of 6.9 percent over July 2006. Fairfax County's year-end FY 2007 Sales Tax receipts were \$159.1 million, up 4.3 percent over the FY 2006 level.

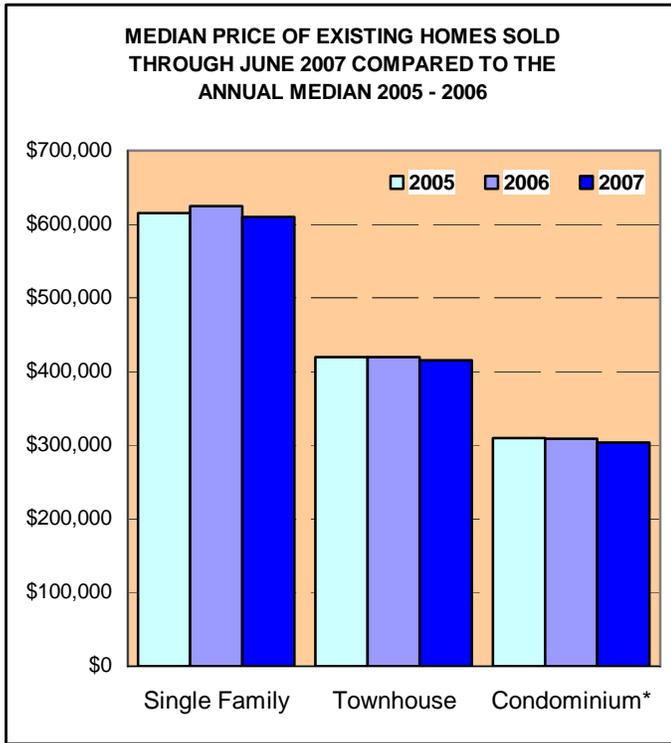
## Neighboring Jurisdictions

During the period that coincides with Fairfax County's fiscal year 2007 (August 2006 to July 2007), the other Northern Virginia localities experienced differing growth rates in Sales Tax receipts. During this period Sales Tax receipts were up 4.0 percent in Arlington County; 2.3 percent in Falls Church; 1.9 percent in Loudoun County; 1.8 percent in Alexandria; and a slight 0.1 percent in Prince William County. During this same period, Sales Tax receipts fell 1.6 percent in Fairfax City. Statewide local Sales Tax receipts rose 4.1 percent during the 12 months ending July 2007.

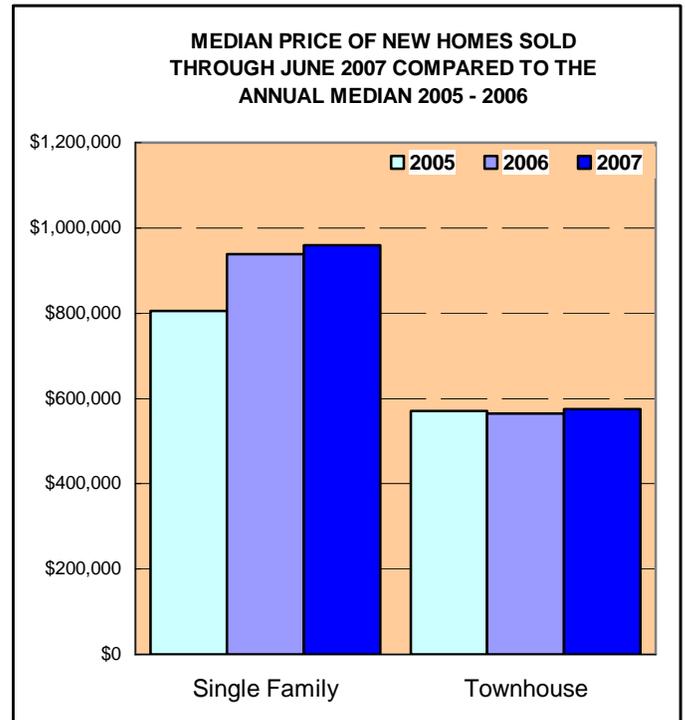
## National Retail Sales

According to the Commerce Department, seasonally adjusted preliminary June 2007 retail sales for the U.S. decreased 0.9 percent from the previous month. However, the June 2007 national retail sales estimate rose 3.8 percent over June 2006. Compared to last year, both gasoline station and automobile dealer sales experienced modest gains of 2.0 and 1.9 percent, respectively. Conversely, furniture and home furnishing store sales decreased 1.8 percent from last year.

# Housing Market



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.

## Existing Home Sales Prices

The median sales price of both existing (previously owned) single family homes and townhouses in Fairfax County experienced declines during the first half of calendar year 2007 compared to the 2006 median price. For existing single family homes, the median sales price fell 2.4 percent to \$610,000, as compared to the 2006 median price of \$625,000. The median sales price for existing townhouses sold through the first six months of 2007 decreased to \$415,000 from the 2006 median of \$420,000, reflecting a loss of 1.2 percent.

The median sales price of all condominiums, existing and new, dropped 1.8 percent to \$303,395 through June 2007 from the 2006 median of \$309,000.

## New Home Sales Prices

New home sales prices have increased modestly during the first half of 2007. Through June, the median sales price for new single family homes increased 2.3 percent to \$960,000 over the 2006 median of \$938,768. In addition, during the first half of 2007, the median sales price for new townhouses rose 1.9 percent to \$575,000 from the 2006 median of \$564,440. For data regarding all condominium sales prices, refer to the "Existing Home Sales Volume" section.

### PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD DURING 2006 COMPARED TO SALES THROUGH JUNE 2007

	Existing Sales	New Sales
Single Family	(2.4)	2.3
Townhouse	(1.2)	1.9
Condominium*	(1.8)	

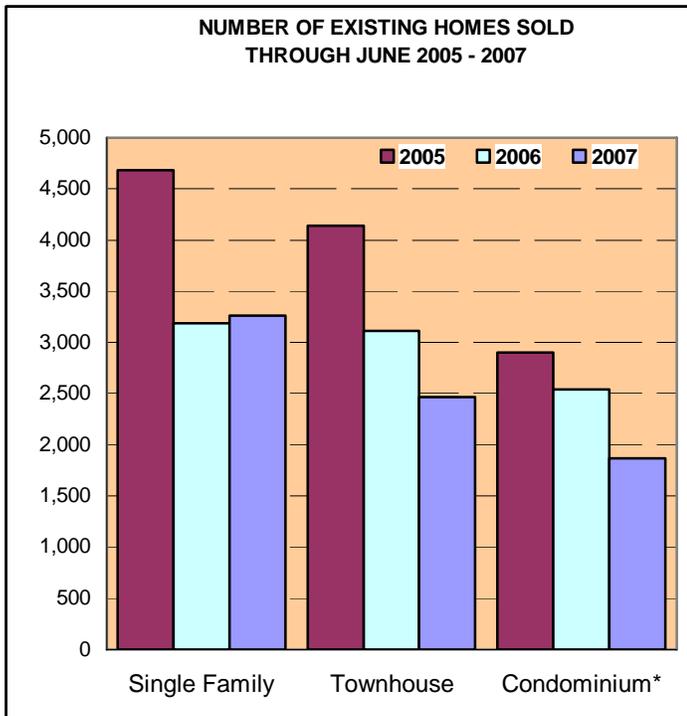
\*Condominium data include sales of existing and new units.

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:

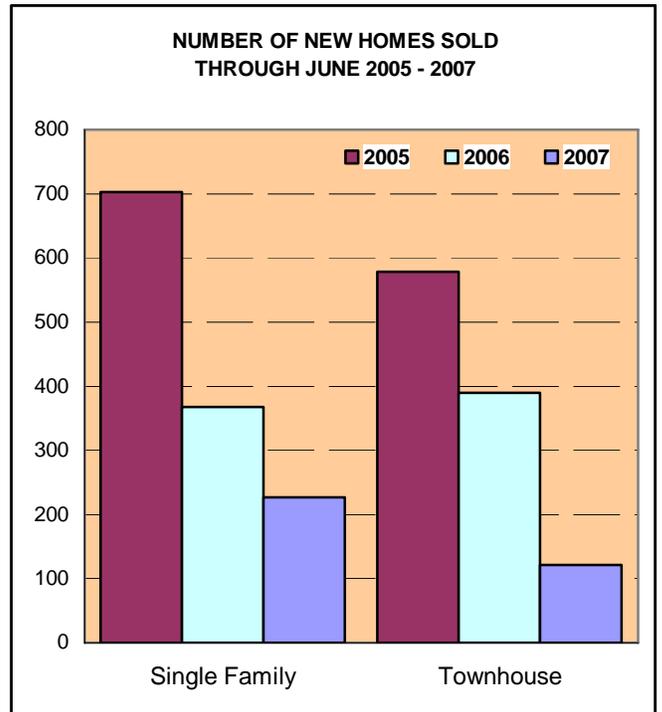
[www.fairfaxcounty.gov/dta/tax\\_assessment.htm](http://www.fairfaxcounty.gov/dta/tax_assessment.htm)

## New Home Sales Volume

The number of new townhouses sold through June 2006 has fallen nearly 69 percent. During the first half of 2007, 121 new townhouses were sold compared to the 390 sold during the same period of 2006. Sales volume of new single family houses also decreased considerably, dropping 38.3 percent during this same period from 368 to 227 units. For data regarding all condominium sales volume, 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.

## Existing Home Sales Volume

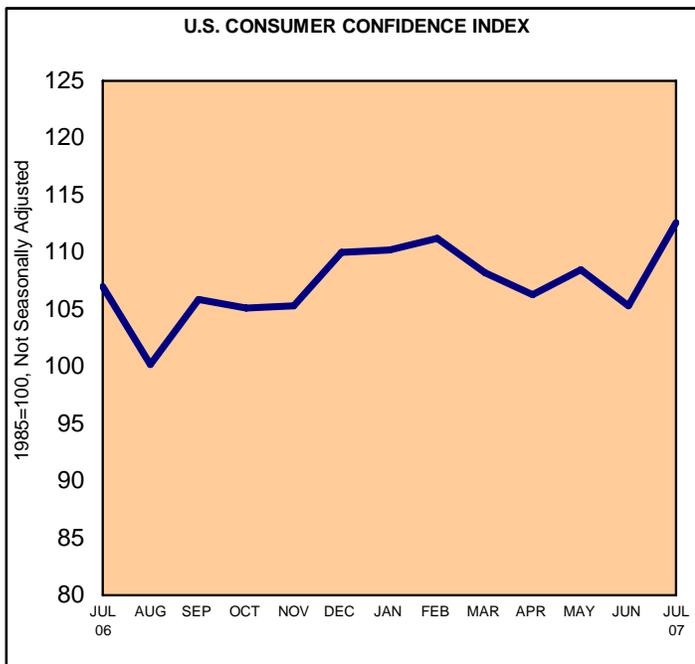
The volume of sales of existing single family homes increased to 3,262 from 3,187, signifying a modest gain of 2.4 percent over the first six months of 2006. In contrast, the sales volume of existing townhouses through June 2007 fell to 2,466 from 3,115, a decrease of 20.8 percent. The number of all (existing and new) condominium sales reported through June 2007 declined 26.6 percent to 1,866 from the 2,542 sales occurring over the same period of 2006.

## Consumer Confidence Index

The Conference Board reports that the Consumer Confidence Index posted an increase in July 2007 after falling the previous month. The Index currently stands at 112.6, up from 105.3 in June.

The Consumer Confidence Index is composed of two separate indices: the Present Situation Index and the Expectations Index. In July 2007, the Present Situation Index was 139.2, representing a robust gain of 9.3 points over the previous month. Likewise, the Expectations Index improved in July, increasing 6.0 points to 94.8.

According to Lynn Franco, Director of the Conference Board's Consumer Research Center, "The rebound in Consumer Confidence has catapulted the Index to its highest reading in nearly six years. An improvement in business conditions and the job market has lifted consumers' spirits in July."



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

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