



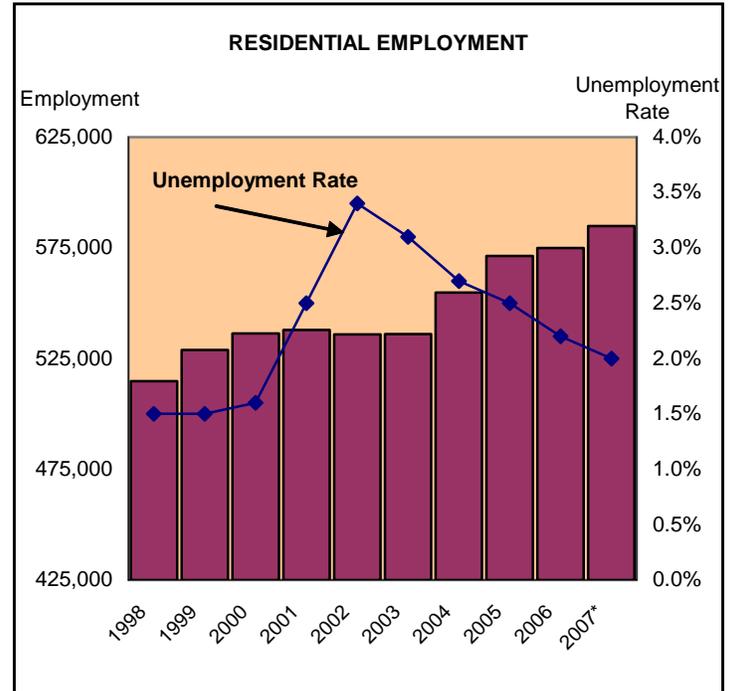
ECONOMIC INDICATORS®

FAIRFAX COUNTY
DEPARTMENT OF MANAGEMENT AND BUDGET

OCTOBER 2007

IN THIS ISSUE:

- The unemployment rate in Fairfax County fell to 2.0 percent in September 2007. (See page 1)
- October Sales Tax receipts in Fairfax County's rose a slight 0.5 percent and are up just 1.3 percent for the first three months of FY 2008. (See page 2)
- The median sales price of existing single family homes from January through September 2007 was \$620,000, down 0.8 percent from the 2006 median of \$625,000. (See page 3)
- The Consumer Confidence Index fell for the third consecutive month in October and now stands at 95.6. (See page 5)
- Transient Occupancy tax collections in Fairfax County were up 3.0 percent during the third quarter of 2007 and are up 4.9 percent for the calendar year. (See page 5)



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

Employment

A total of 584,808 Fairfax County residents were employed during the month of September with 11,662 seeking work. The resulting unemployment rate was just 2.0 percent down from the 2.2 percent rate recorded in August. The number of employed Fairfax County residents rose 8,681 from September 2006 when the unemployment rate was 2.2 percent. Data from the Virginia Employment Commission (VEC) indicate that the reduction in the unemployment rate is due to strong employment growth in high-tech and government contracting. The unemployment rate in Virginia fell 0.3 points to 2.8 percent in September 2007.

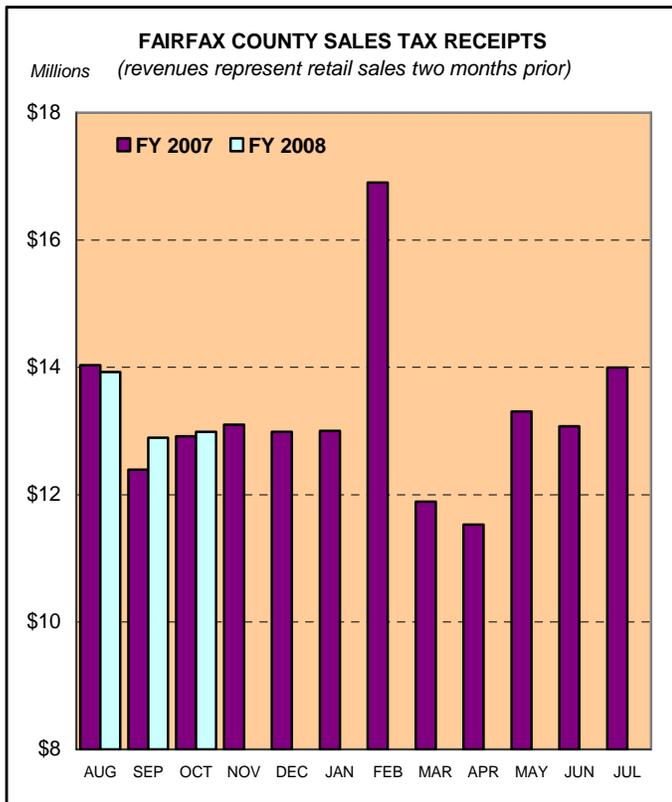
On the national level, the September 2007 unemployment rate was 4.7 percent, a 0.1 percentage point increase over last September.



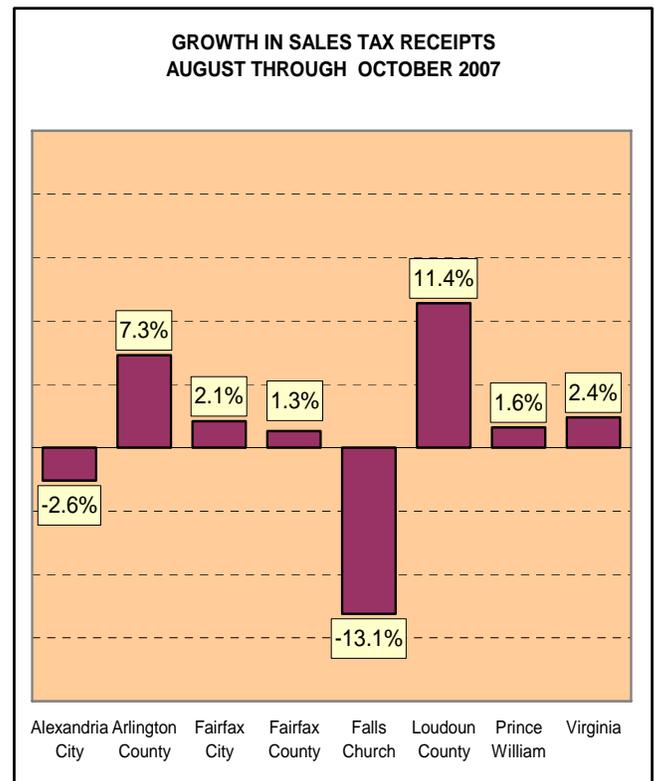
The *Fairfax County Economic Indicators* is on the Web and can be accessed at:

<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

October Sales Tax receipts in Fairfax County, reflecting retail purchases made in August were \$13.0 million, a slight 0.5 percent increase over October 2006. During the first three months of fiscal year 2008, Fairfax County's Sales Tax collections total \$39.9 million, a 1.3 percent increase over the same period of FY 2007.

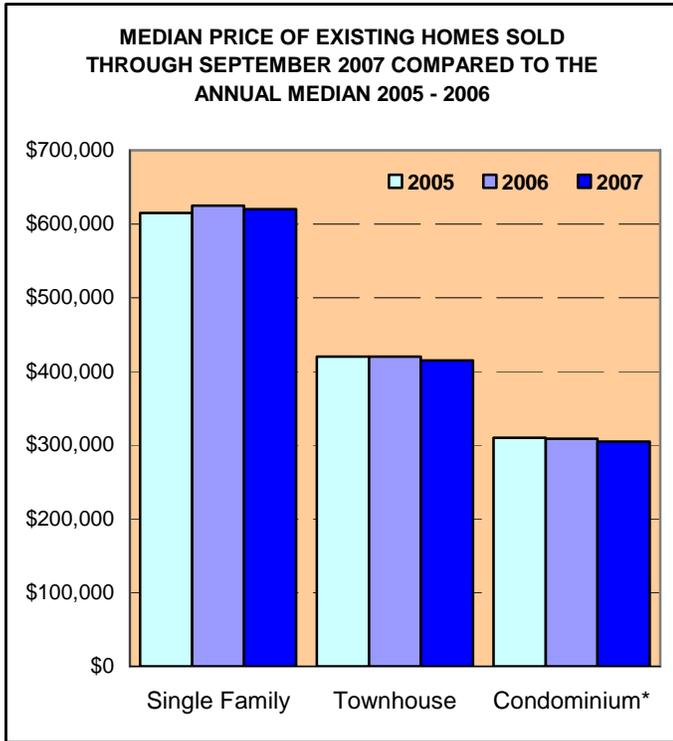
Neighboring Jurisdictions

Sales Tax collections from August through October 2007 have increased 11.4 percent in Loudoun County; 7.3 percent in Arlington County; 2.1 percent in Fairfax City; and 1.6 percent in Prince William County. During this same period, Sales Tax receipts have declined 2.6 percent in Alexandria and 13.1 percent in Falls Church. Statewide local Sales Tax receipts rose 2.4 percent during the period August through October 2007 compared to the same period of 2006.

National Retail Sales

According to the Commerce Department, seasonally adjusted Advance September 2007 retail sales for the U.S. rose 5.0 percent over September 2006. Sales at clothing stores were down 0.2 percent while grocery store sales increased 7.0 percent over last year. Retail sales at gasoline stations fell 2.6 percent.

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.

Existing Home Sales Prices

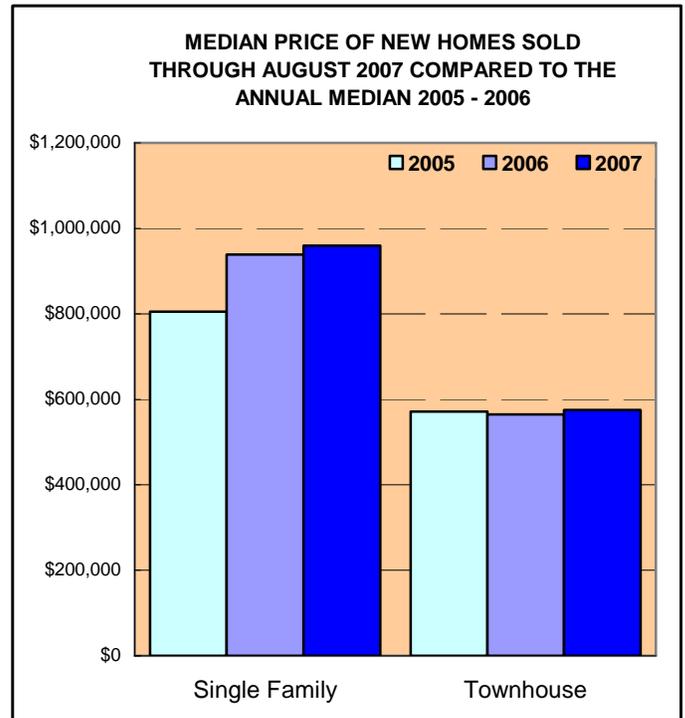
Both existing (previously owned) single family homes and townhouses in Fairfax County experienced a decline in median sales price from January through September 2007 compared to the 2006 median sales price. For existing single family homes, the median sales price decreased 0.8 percent to \$620,000, as compared to the 2006 median price of \$625,000. The median sales price for existing townhomes sold during the first nine months of 2007 fell to \$415,000 from the 2006 median of \$420,000 reflecting a loss of 1.2 percent.

Through September 2007, the median sales price of all condominiums, existing and new, decreased 1.3 percent to \$305,092 from the 2006 median of \$309,000.

PERCENTAGE CHANGE IN MEDIAN PRICE OF HOMES SOLD DURING 2006 COMPARED TO YTD SALES (JANUARY THROUGH SEPTEMBER 2007)

	Existing Sales	New Sales
Single Family	(0.8)	2.3
Townhouse	(1.2)	1.9
Condominium*	(1.3)	

*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.

New Home Sales Prices

The median sales prices of new single family homes sold during the first nine months of 2007 was \$960,000, an increase of 2.3 percent compared to the 2006 median of \$938,768.

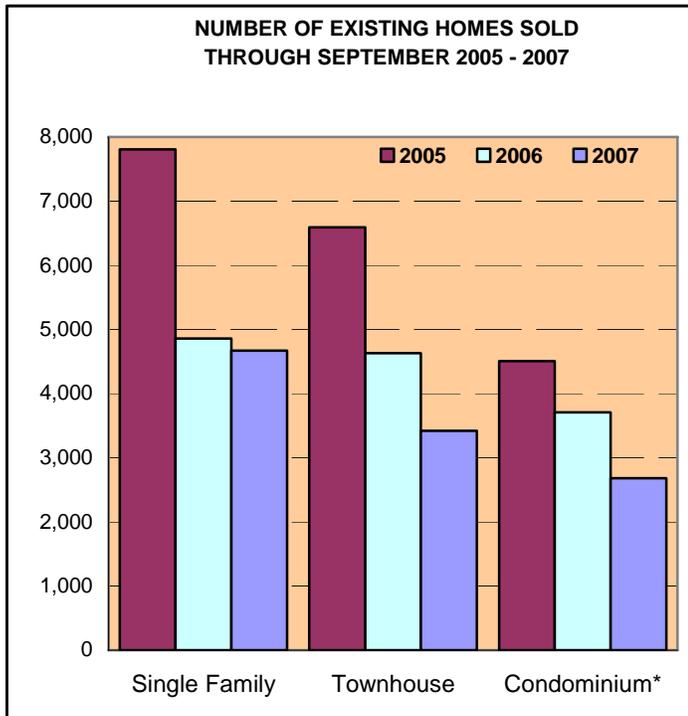
The sales price of new townhomes has increased 1.9 percent from the 2006 median of \$564,440 to a median price of \$575,000 during the first nine months of 2007. For data regarding all condominium sales prices, refer to the "Existing Home Sales Volume" section.

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

New Home Sales Volume

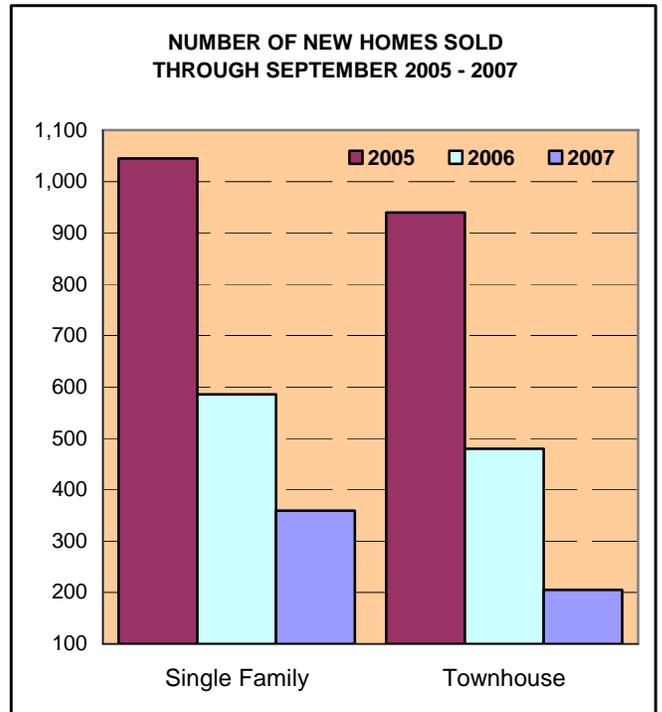
The sales volume of newly constructed single family and townhomes has fallen significantly during the nine months of 2007. Sales of new single family homes from January through September 2007 total 359, a decline of 38.7 percent from the 586 sold during the same period of 2006. In addition, the number of new townhouses sold has declined 57.3 percent from the 480 units sold during the first nine months of 2006 to 205 units sold thus far this year. 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.

Existing Home Sales Volume

The number of existing single family homes sold through September 2007 total 4,670, down 3.9 percent from the 4,858 sold during the first nine months of 2006. The sales volume of existing townhomes has fallen 26.2 percent to 3,419, from the 4,631 sold during the same period of 2006. The number of all (existing and new) condominiums sold during the first nine months of 2007 declined 27.7 percent to 2,680 from 3,708 last year.



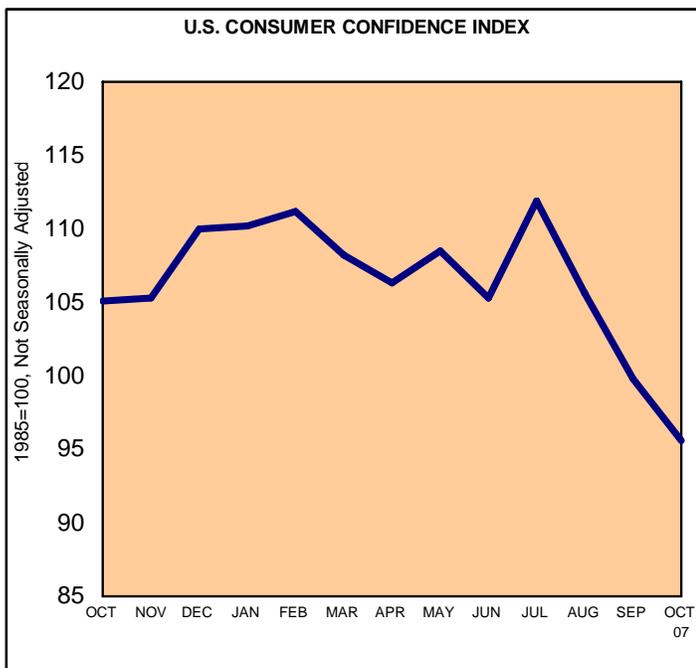
Source: Fairfax County Department of Tax Administration. Compiled by the Fairfax County Department of Management and Budget.

Consumer Confidence Index

The Conference Board's Consumer Confidence Index decreased in October for the third consecutive month. The Index stands at 95.6.

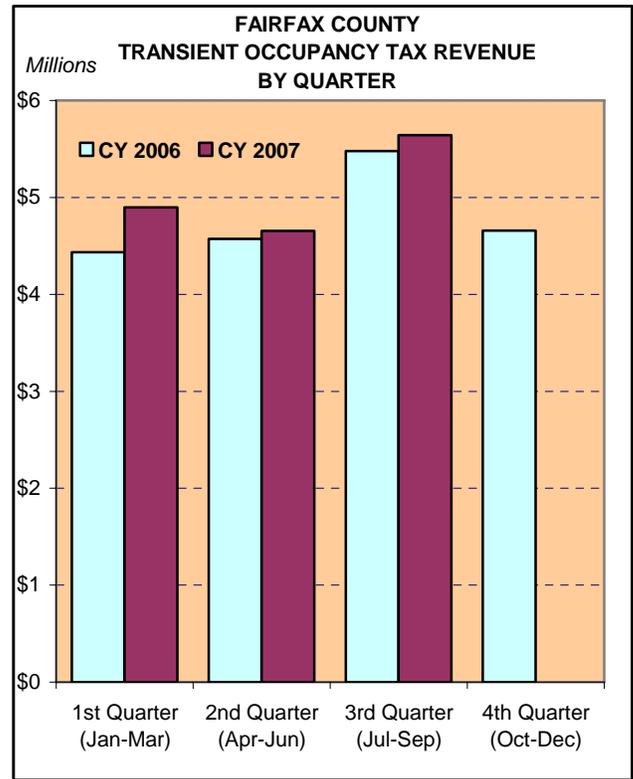
Both components of the overall Consumer Confidence Index fell in October. The Present Situation Index fell to 118.8 in October from 121.2 the previous month. Similarly, the Expectations Index decreased to 80.1, a loss of nearly 5 points from September.

According to Lynn Franco, Director of the Conference Board's Consumer Research Center, "Further weakening in business conditions has, yet again, tempered consumers' assessment of current-day conditions and may very well be a prelude to lackluster job growth in the months ahead. In addition, consumers are growing more pessimistic about the short-term future and their rather bleak outlook suggests a less than stellar ending to this year."



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

Transient Occupancy Tax



Transient Occupancy Tax collections in Fairfax County were \$5.6 million during the third quarter of 2007, an increase of 3.0 percent over the third quarter 2006. For the calendar year, Transient Occupancy tax receipts total \$15.2 million and are up 4.9 percent over the same period of 2006.

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