Washington Area Economy: Performance and Outlook

Metropolitan Washington Council of Governments

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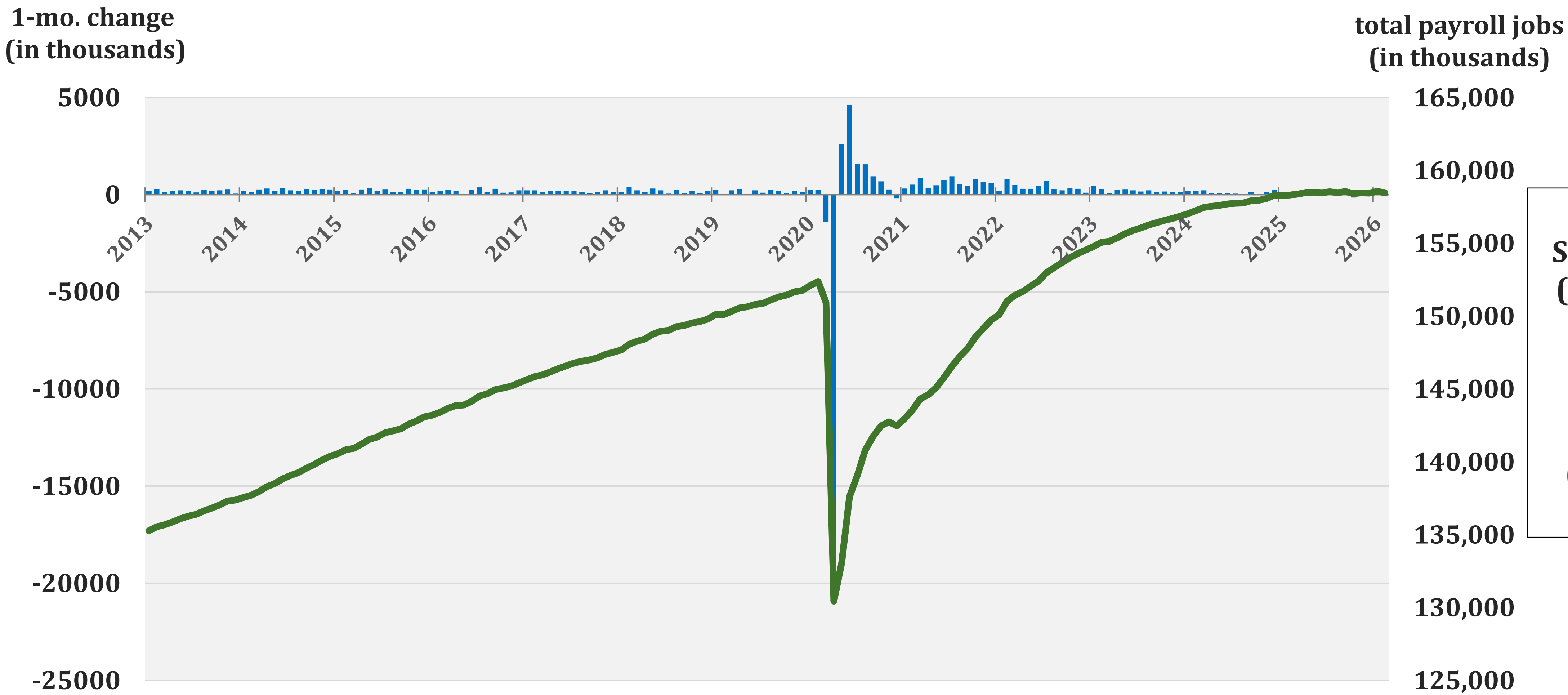
Center for Regional Analysis / Stephen S. Fuller Institute
Schar School of Policy and Government
George Mason University

March 10th, 2026

U.S. Payroll Jobs

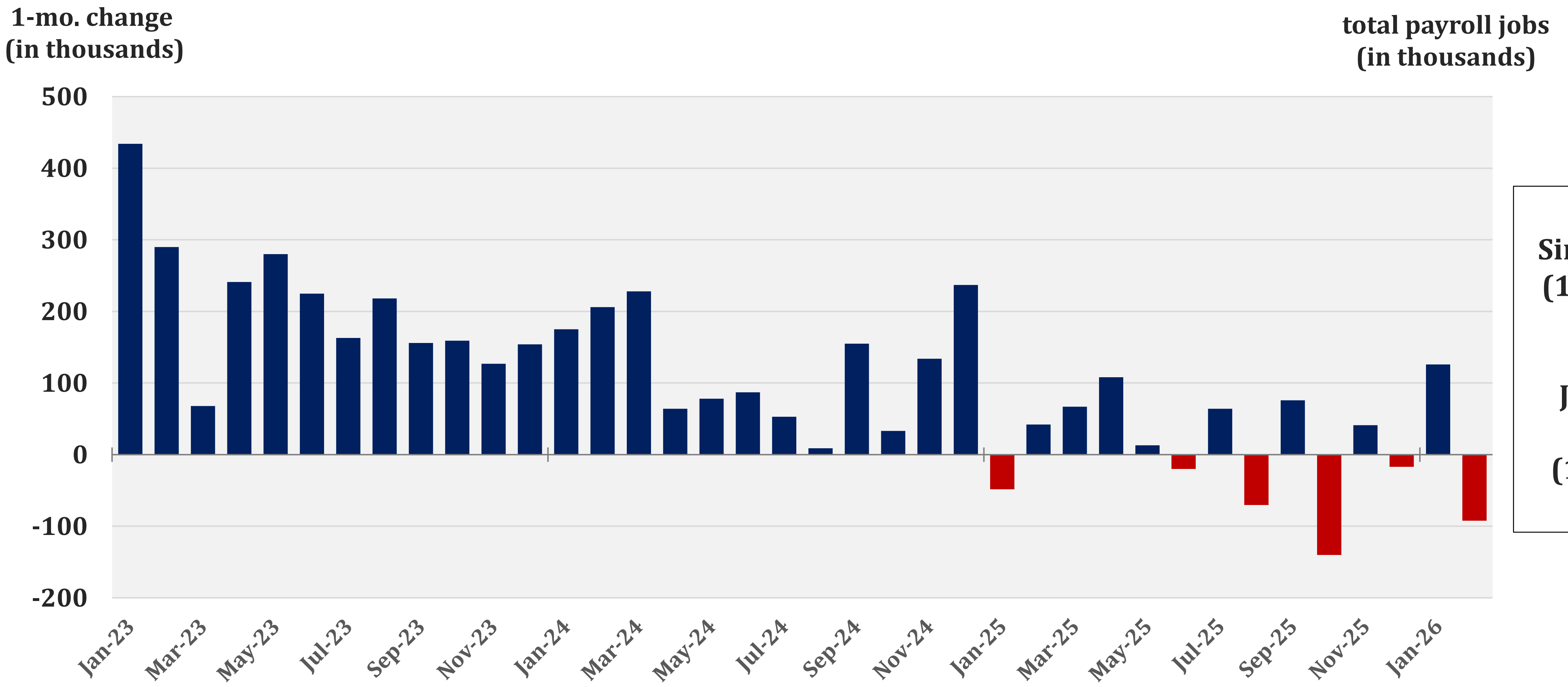


Since 2025
(12 mo. Δ)
+156k

Jan 26 –
Feb 26
(1 mo. Δ)
-92k

Source: Bureau of Labor Statistics (Seasonally Adjusted), GMU Center for Regional Analysis

U.S. Payroll Jobs



Since 2025
(12 mo. Δ)
+156k

Jan 26 –
Feb 26
(1 mo. Δ)
-92k

Source: Bureau of Labor Statistics (Seasonally Adjusted), GMU Center for Regional Analysis

U. S. Unemployment

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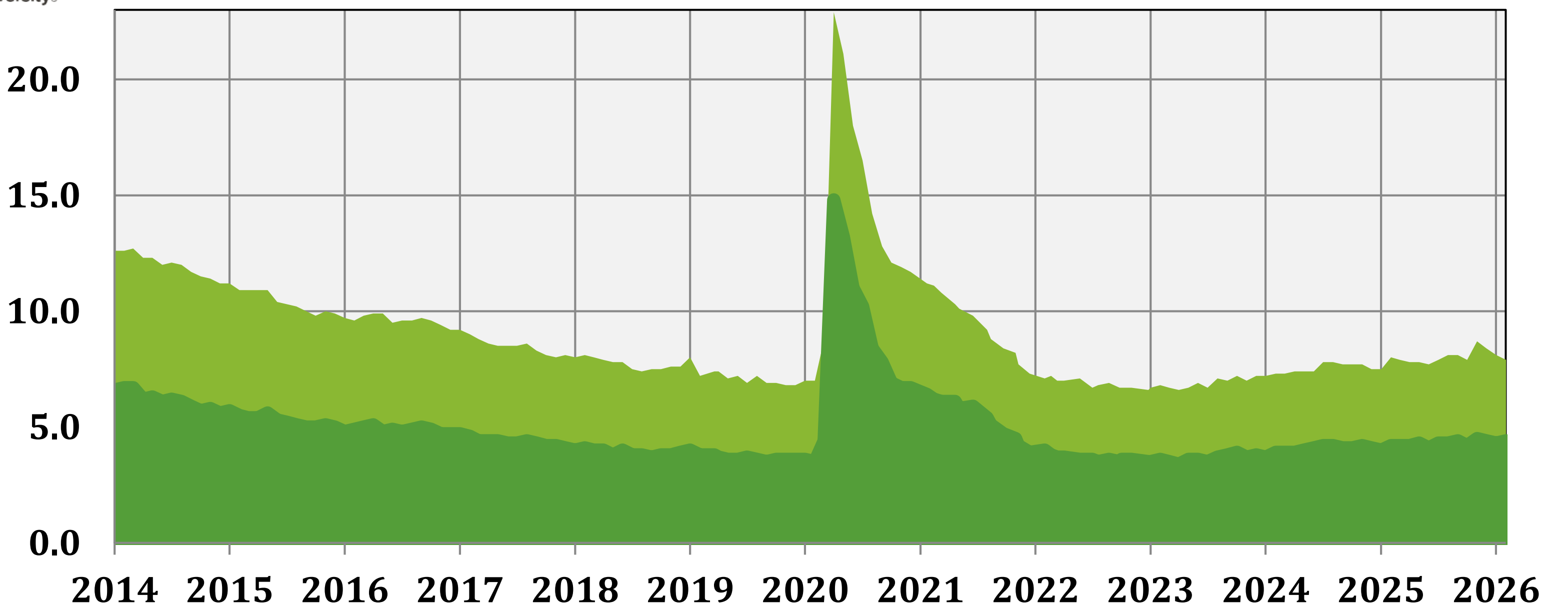
U-6

UR



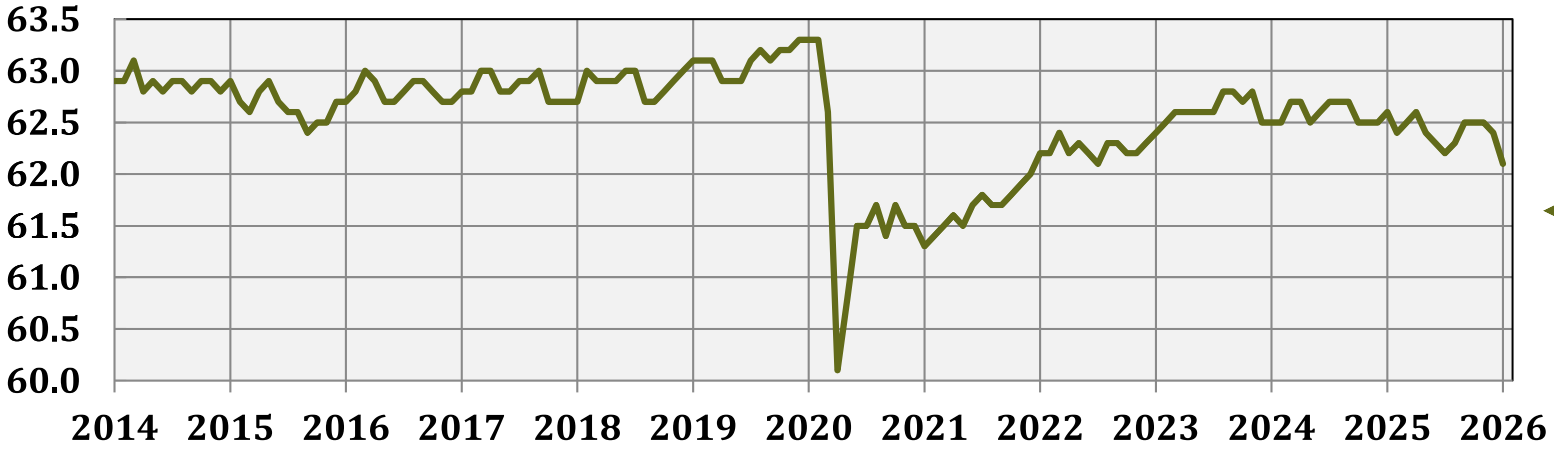
Feb 7.9%

Feb 4.4%

12 mo change:

U-6 -0.1%
UR 0.2%
LFPR -0.5%

LFPR



Feb 62%

Source: Bureau of Labor Statistics (Seasonally Adjusted), GMU Center for Regional Analysis

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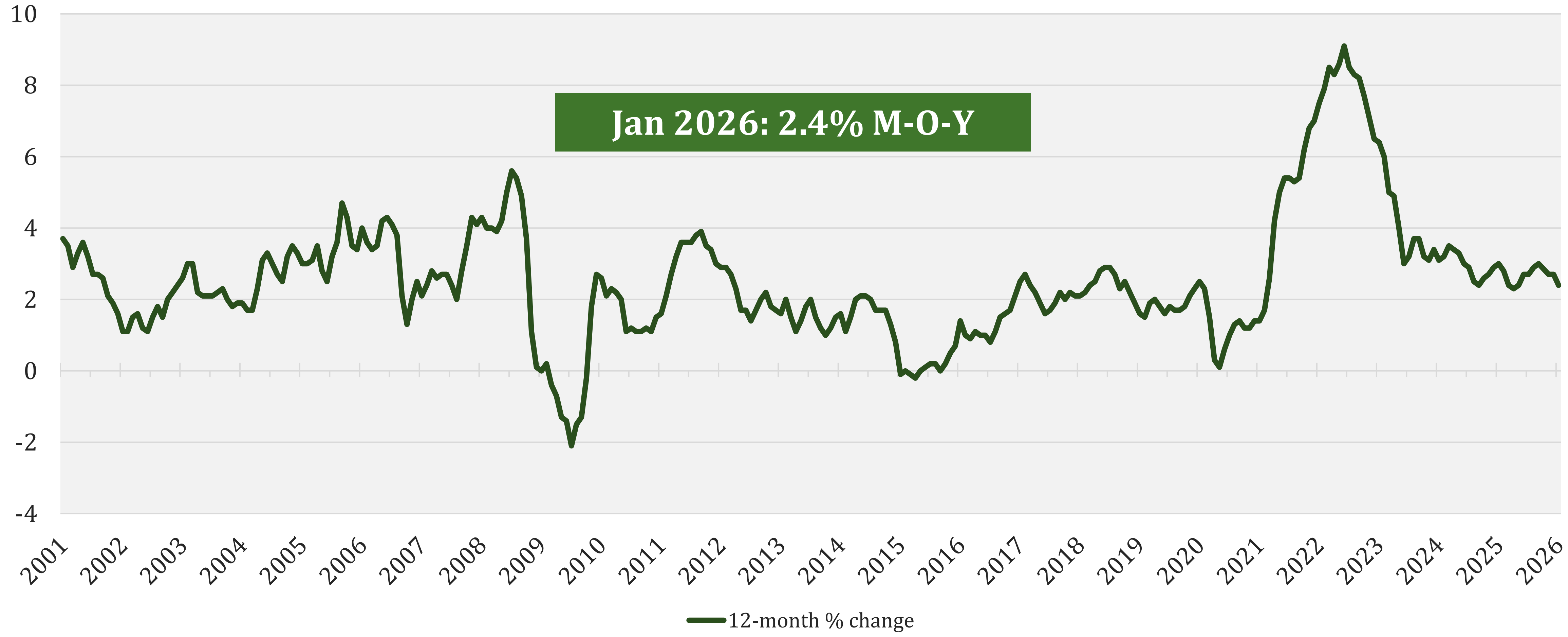
Monthly Consumer Prices
2001 – 2026



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Source: Bureau of Labor Statistics, GMU Center for Regional Analysis

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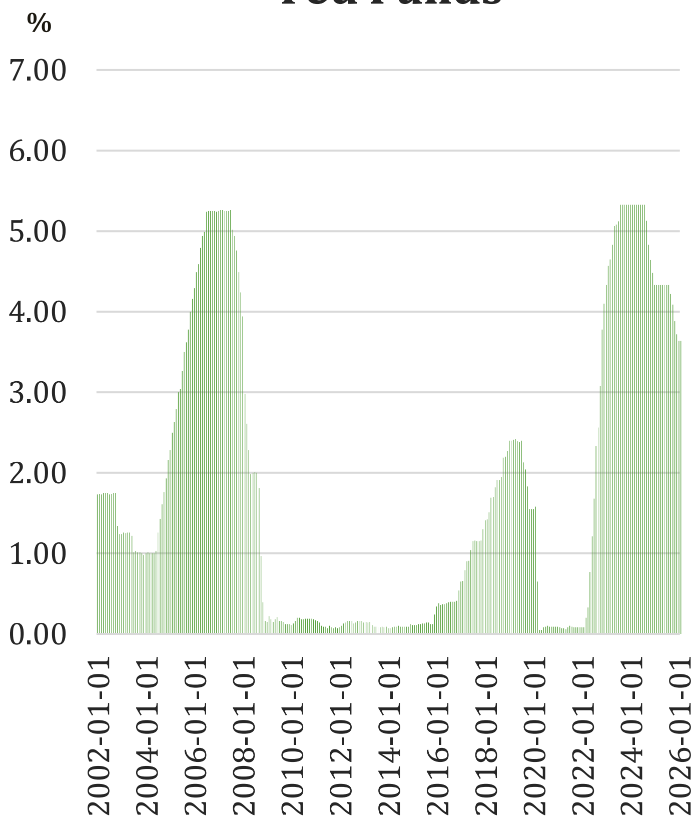
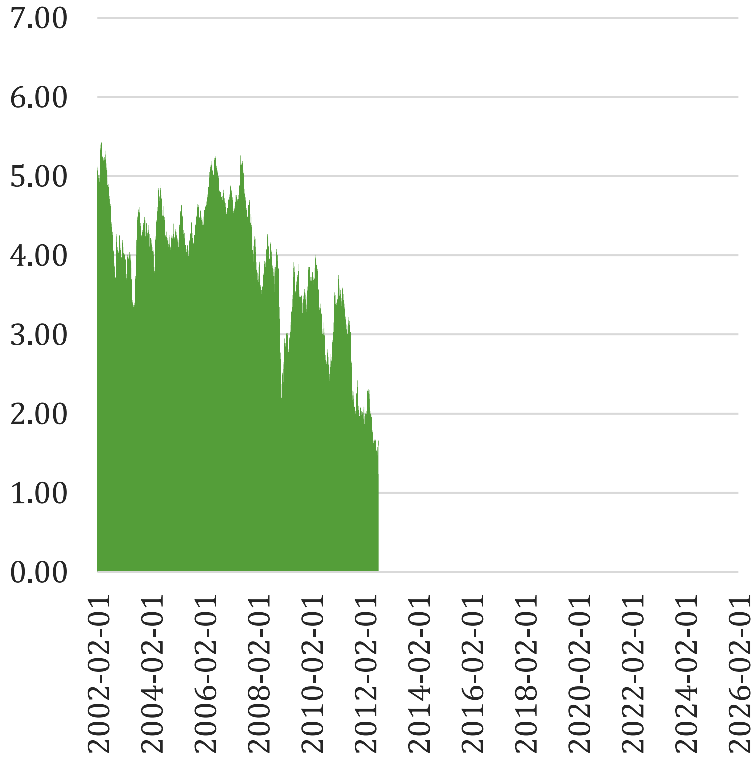
Interest Rates
2001 - 2026

Fed Funds



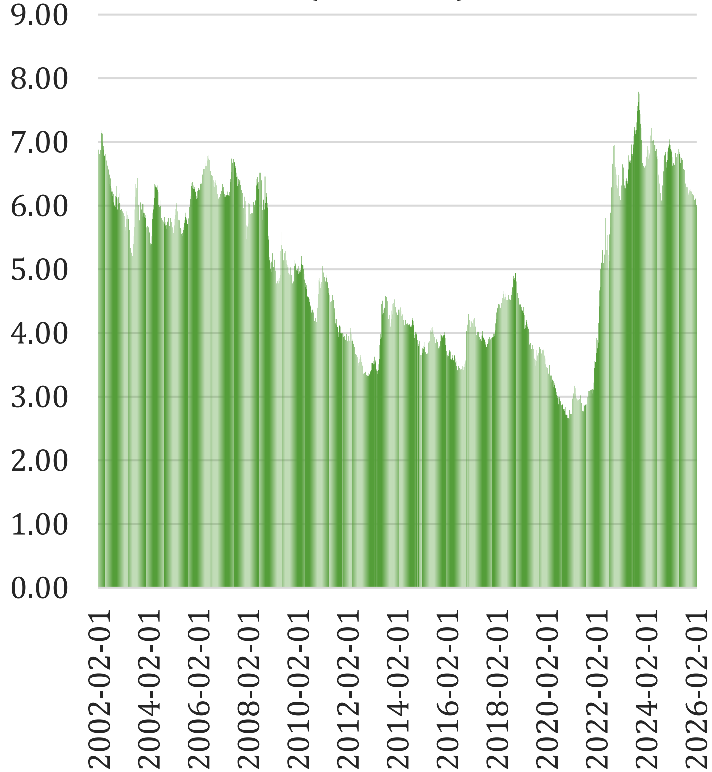
2/26: 3.64 2/25: 4.33

10-Yr Treasury
(constant maturity)



2/26: 4.13 2/25: 4.45

30-Yr Mortgage
(fixed rate)



2/26: 5.98 2/25: 6.84

Source: Federal Reserve Bank of St. Louis, GMU Center for Regional Analysis

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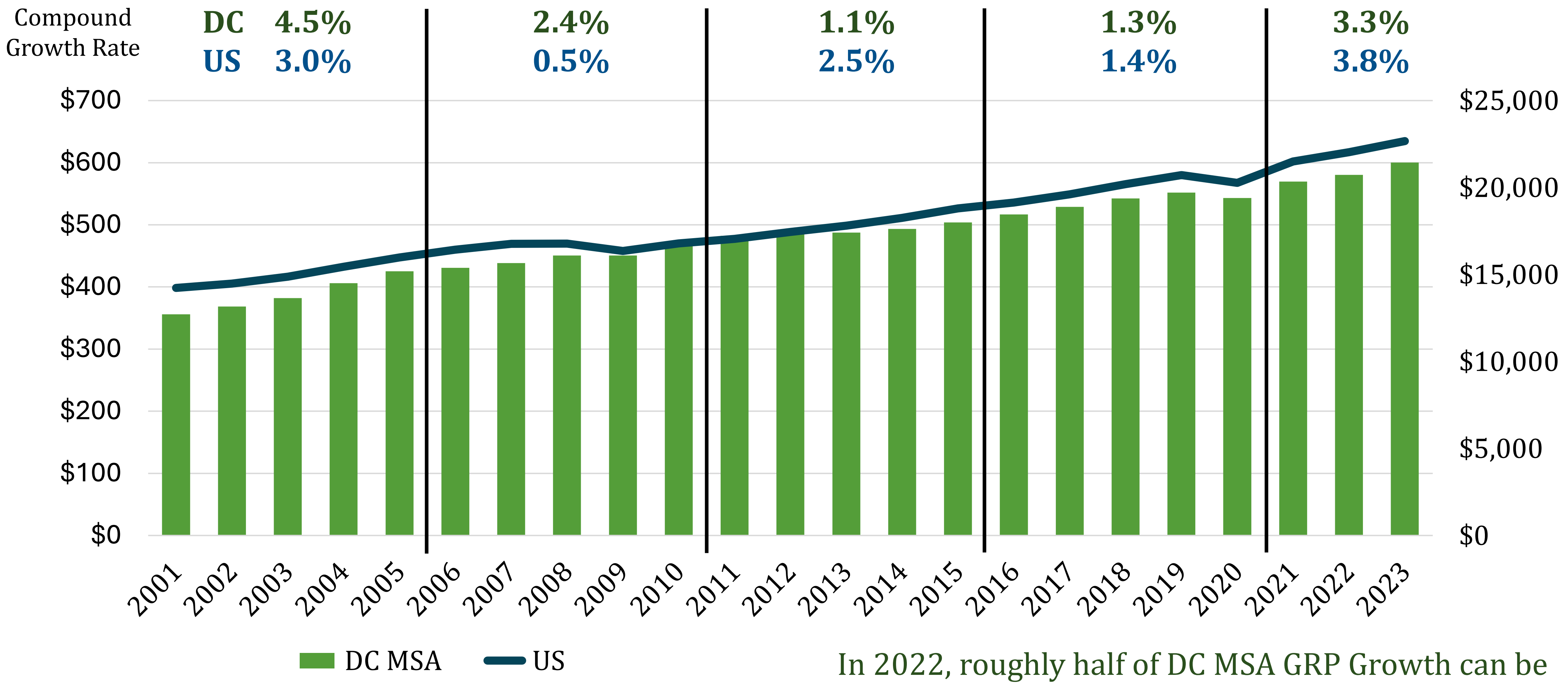
The Washington Economy

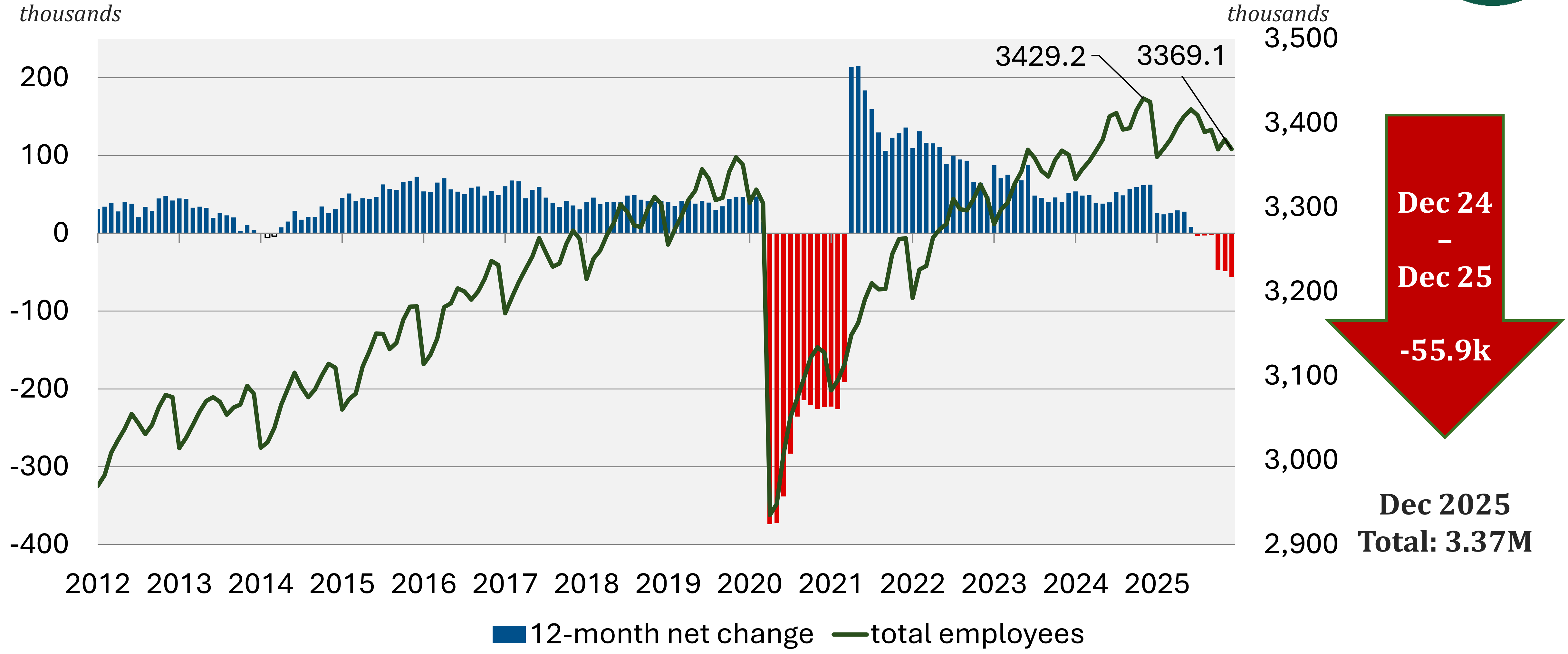
GDP: U.S. & DC Metro
2001 - 2023 (Billions, $2017)



In 2022, roughly half of DC MSA GRP Growth can be attributed to data centers built that year in Loudoun

Source: Bureau of Economic Analysis (2017 Dollars), GMU Center for Regional Analysis

Annual Job Change
Washington MSA (2012-2025)

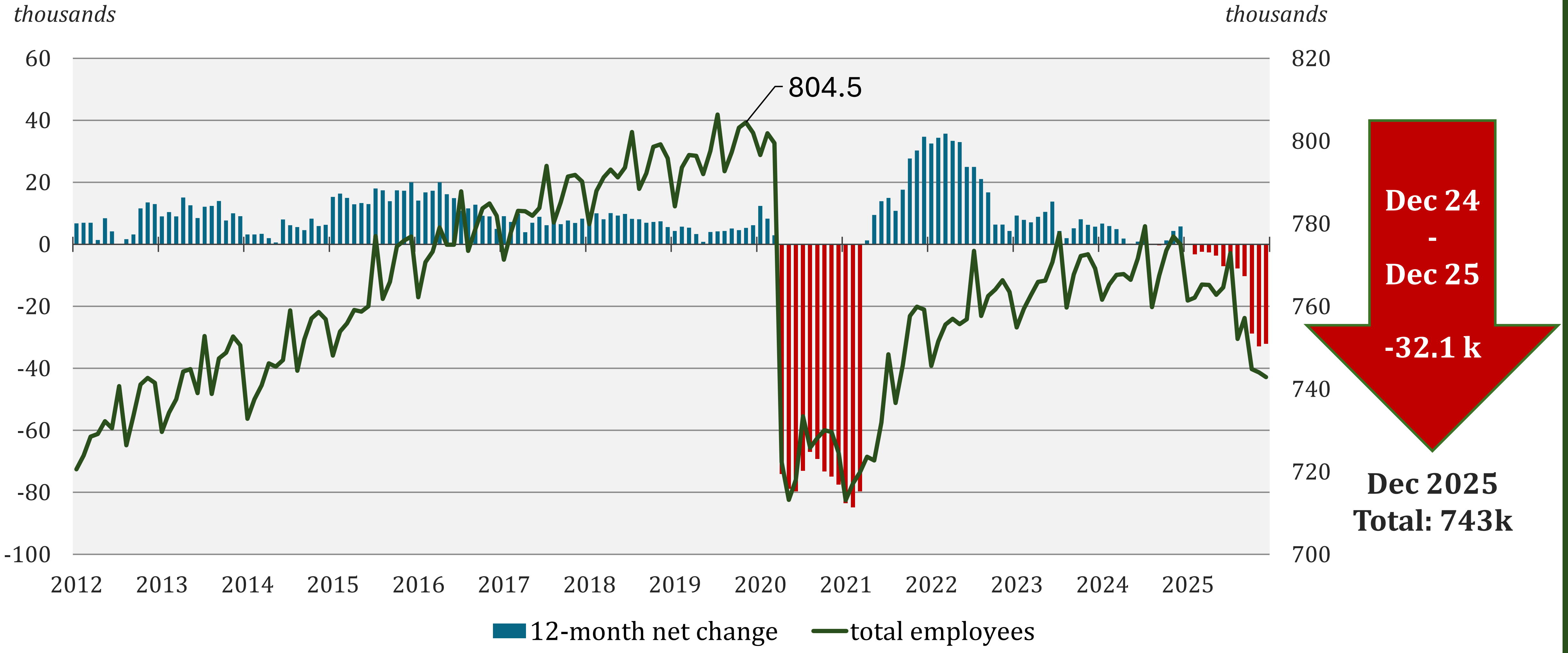


Dec 2025
Total: 3.37M

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Annual Job Change

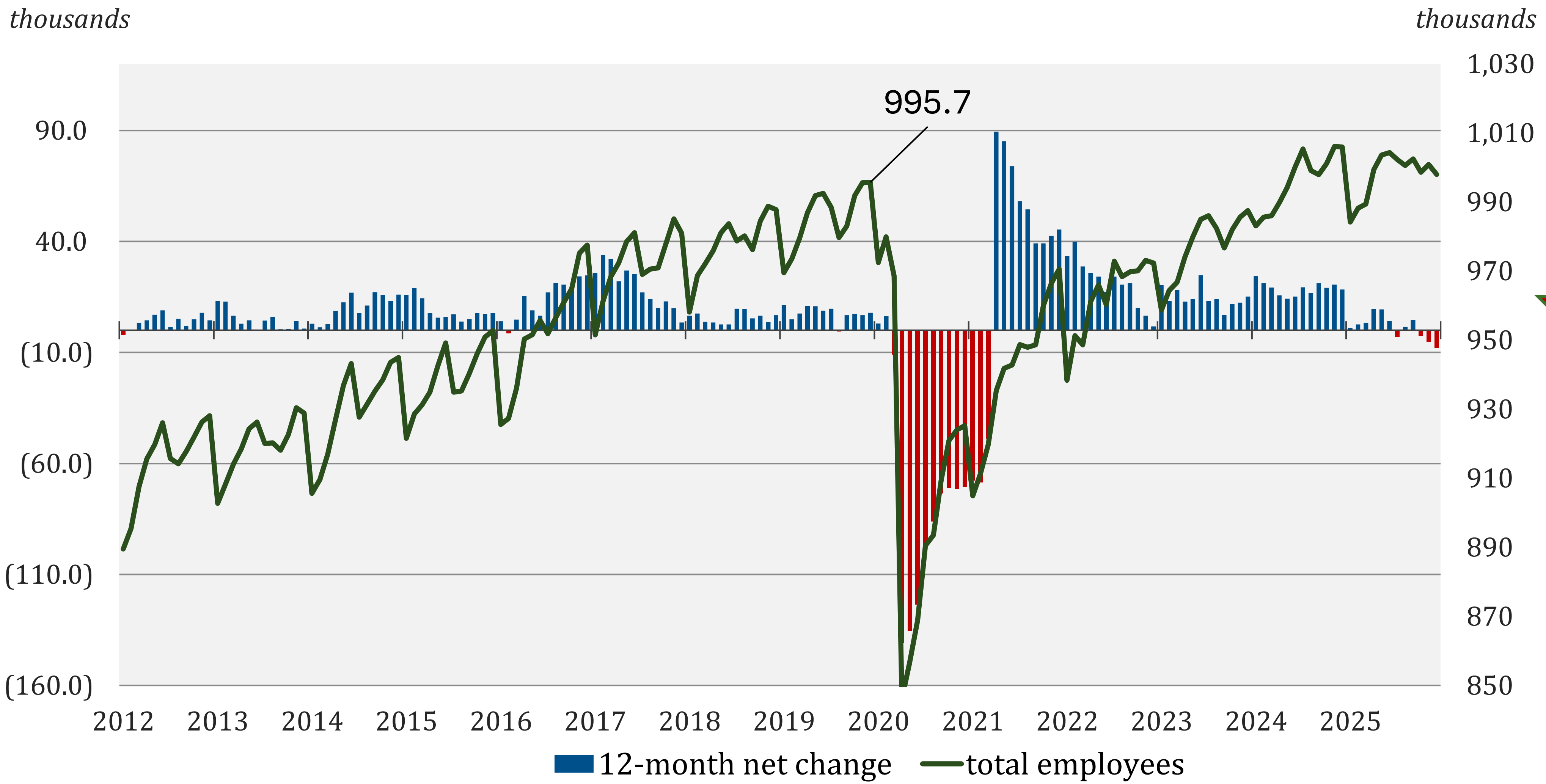
District of Columbia (2012-2025)



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Annual Job Change

Suburban Maryland (2012-2025)



Dec 24
-
Dec 25

-7.9k

Dec 2025
Total: 998k

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Annual Job Change

Northern Virginia (2012-2025)

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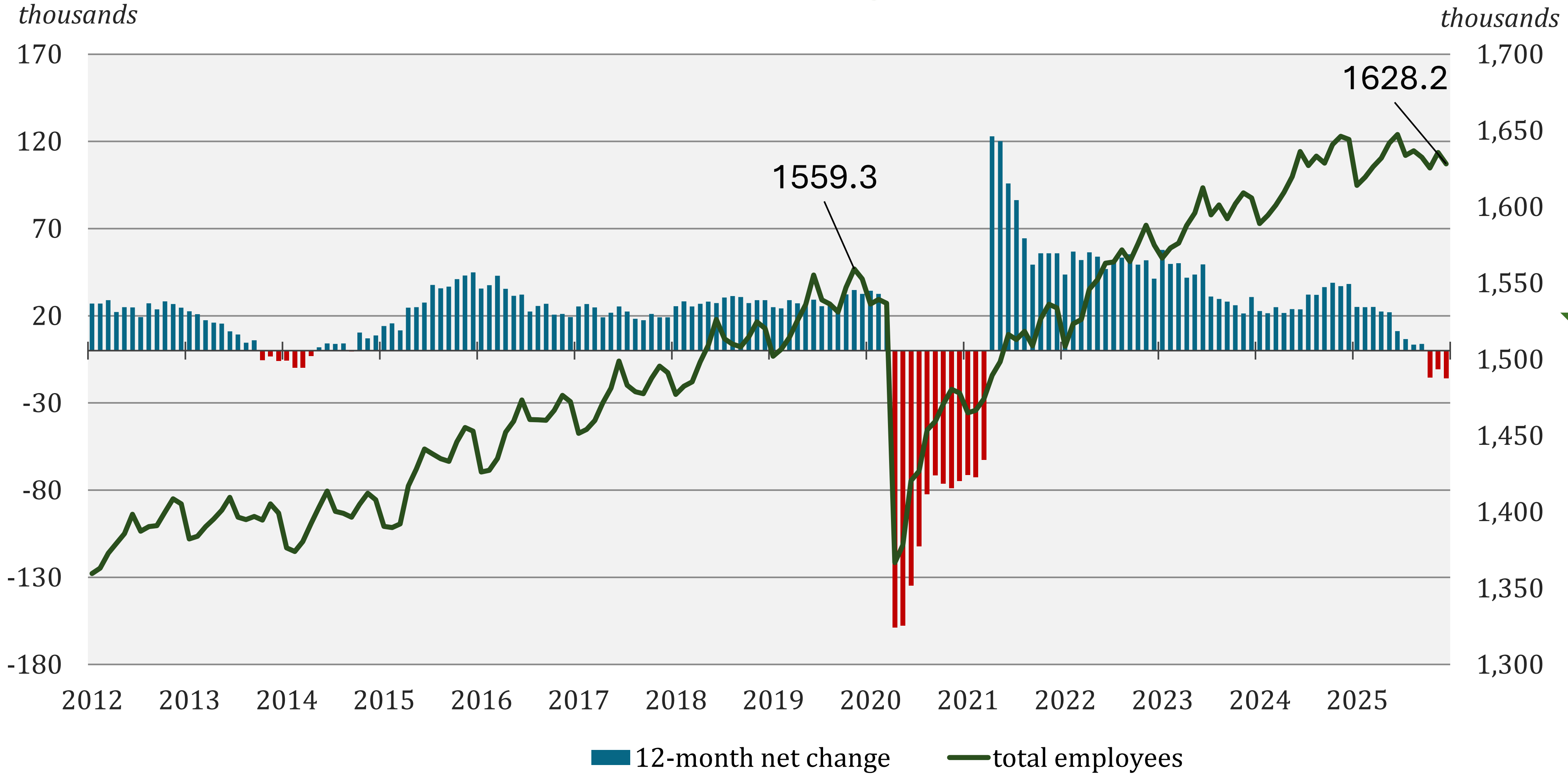


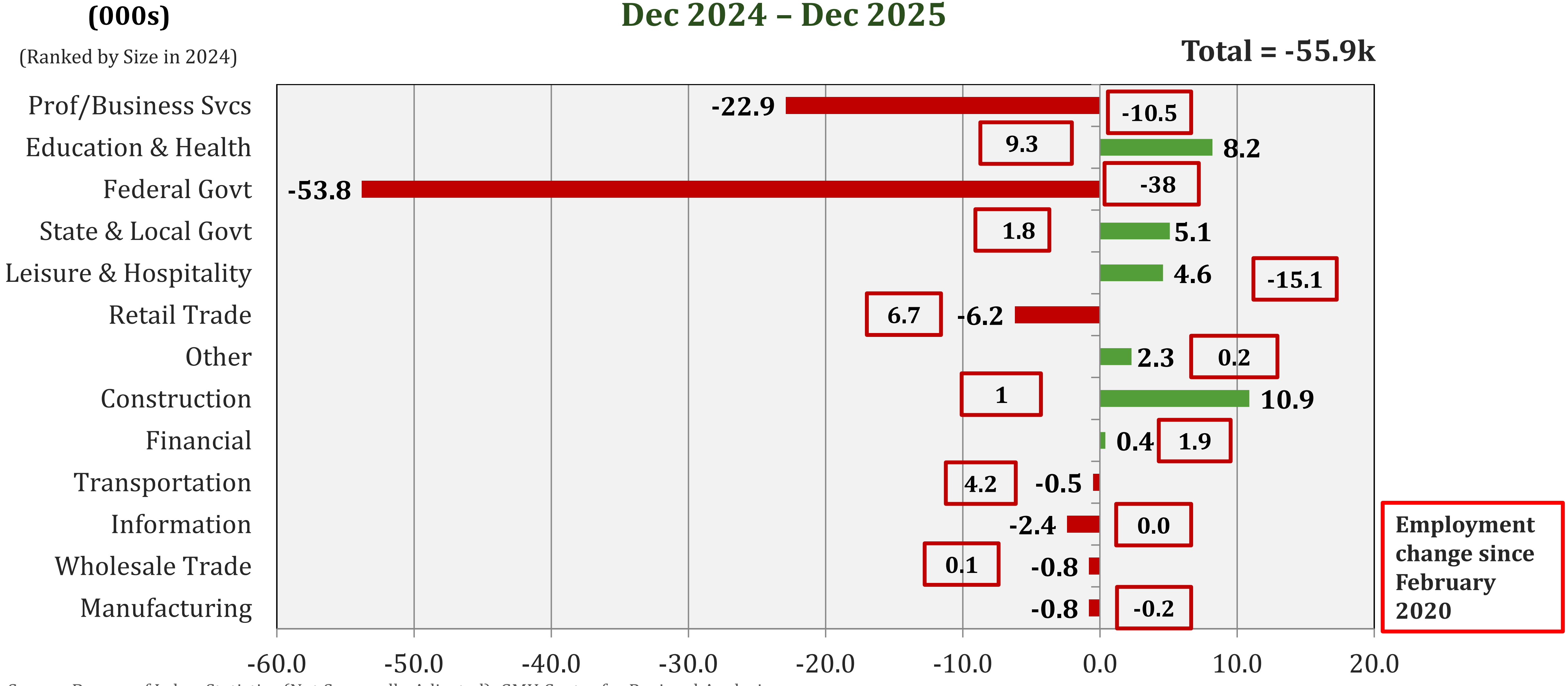
Dec 24 - Dec 25

-15.9k

Dec 2025 Total: 1.6M

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis UPDATED CODES

Job Change by Sector
Washington MSA
Dec 2024 – Dec 2025



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

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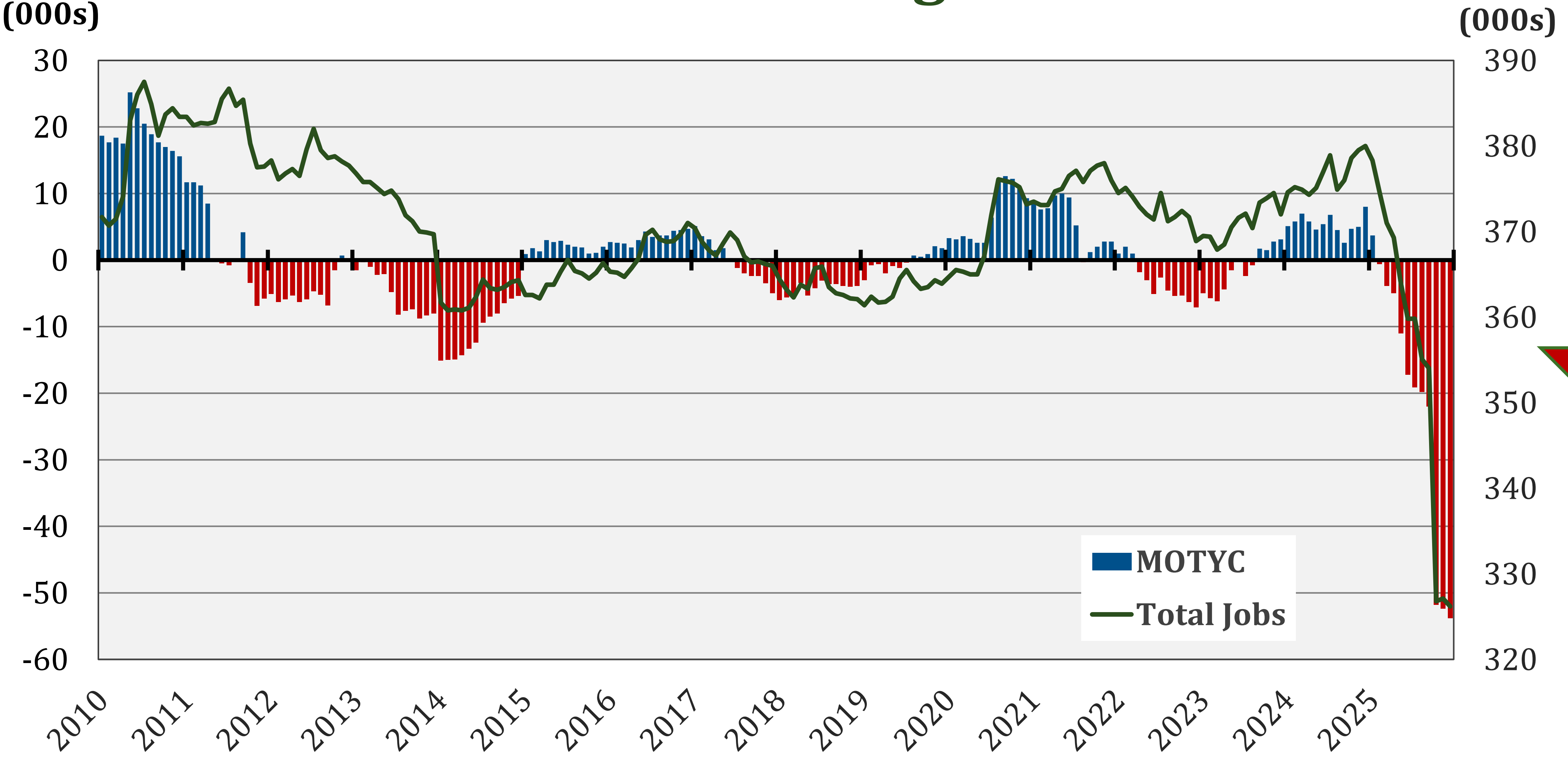
Federal Government
Washington MSA

Center for Regional Analysis



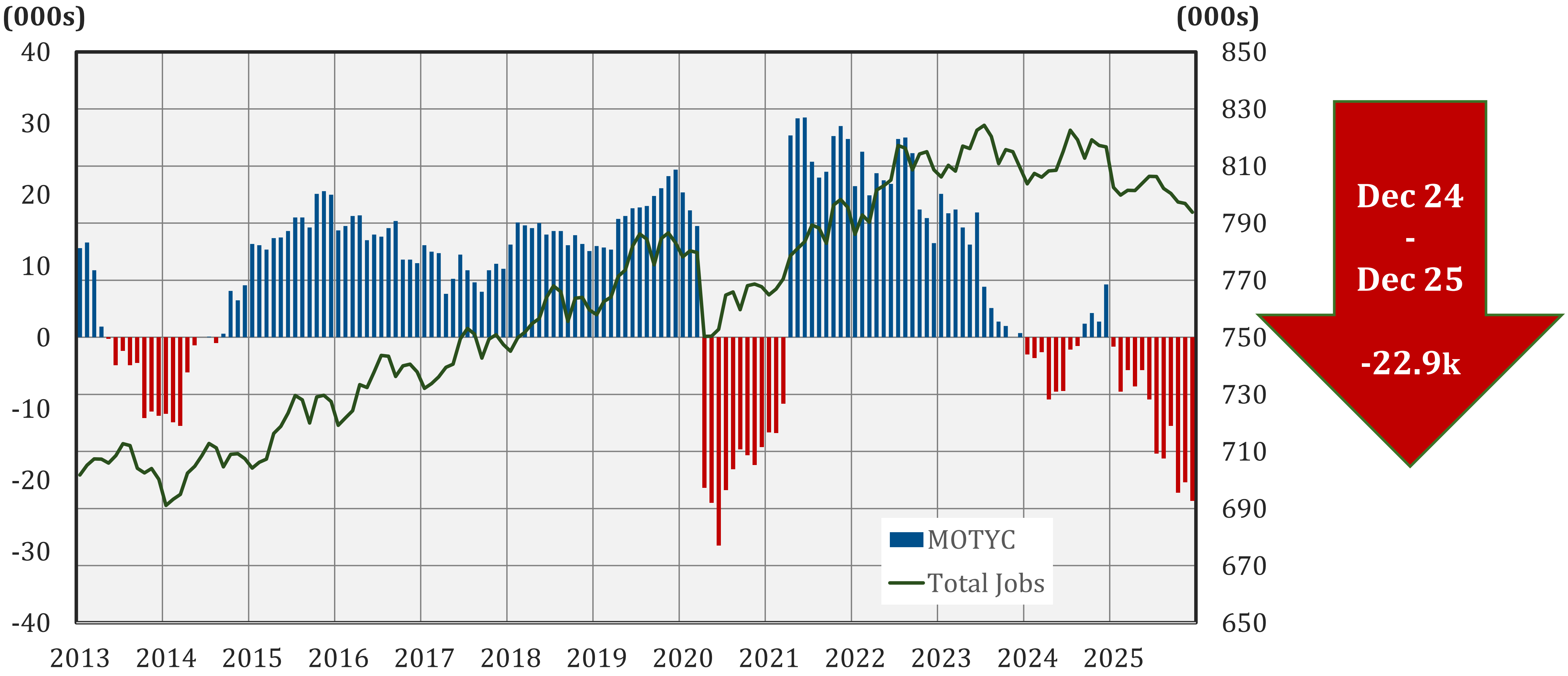
Dec 24 - Dec 25

-54k

Dec 2025
Total: 326 k

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Professional & Business Services Washington MSA



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Professional & Business Services
Washington MSA

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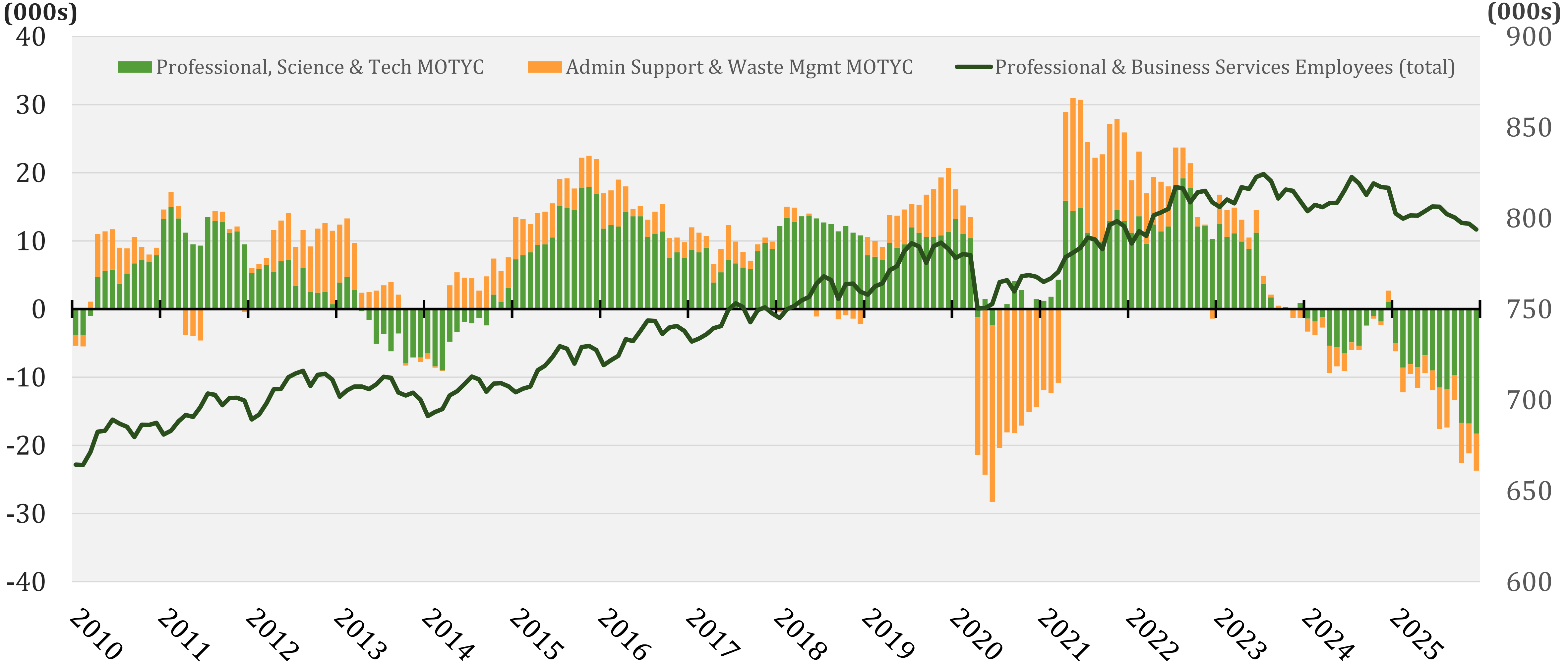

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

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Healthcare
Washington MSA

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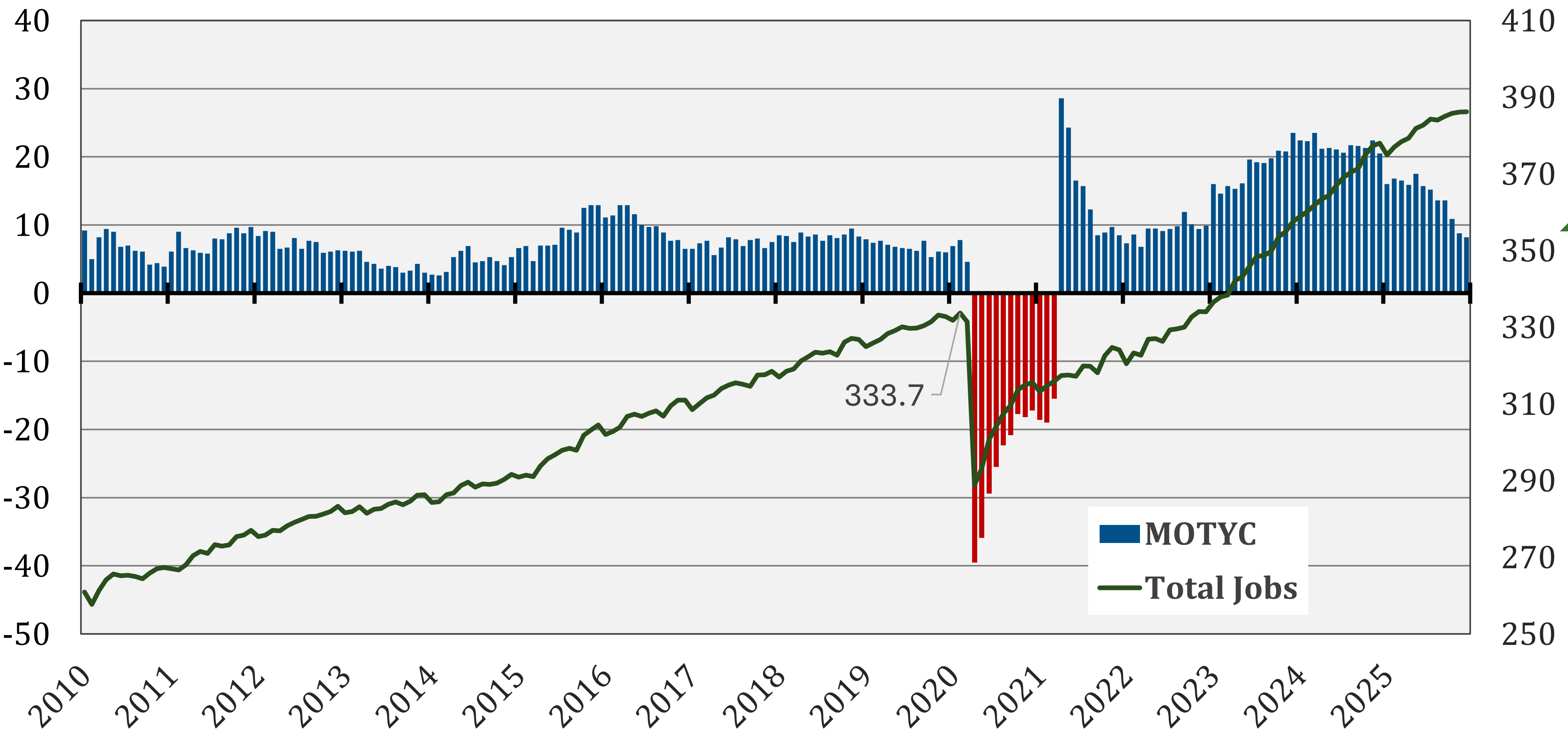

Dec 24 - Dec 25

+8.2k

Dec 2025
Total: 386 k

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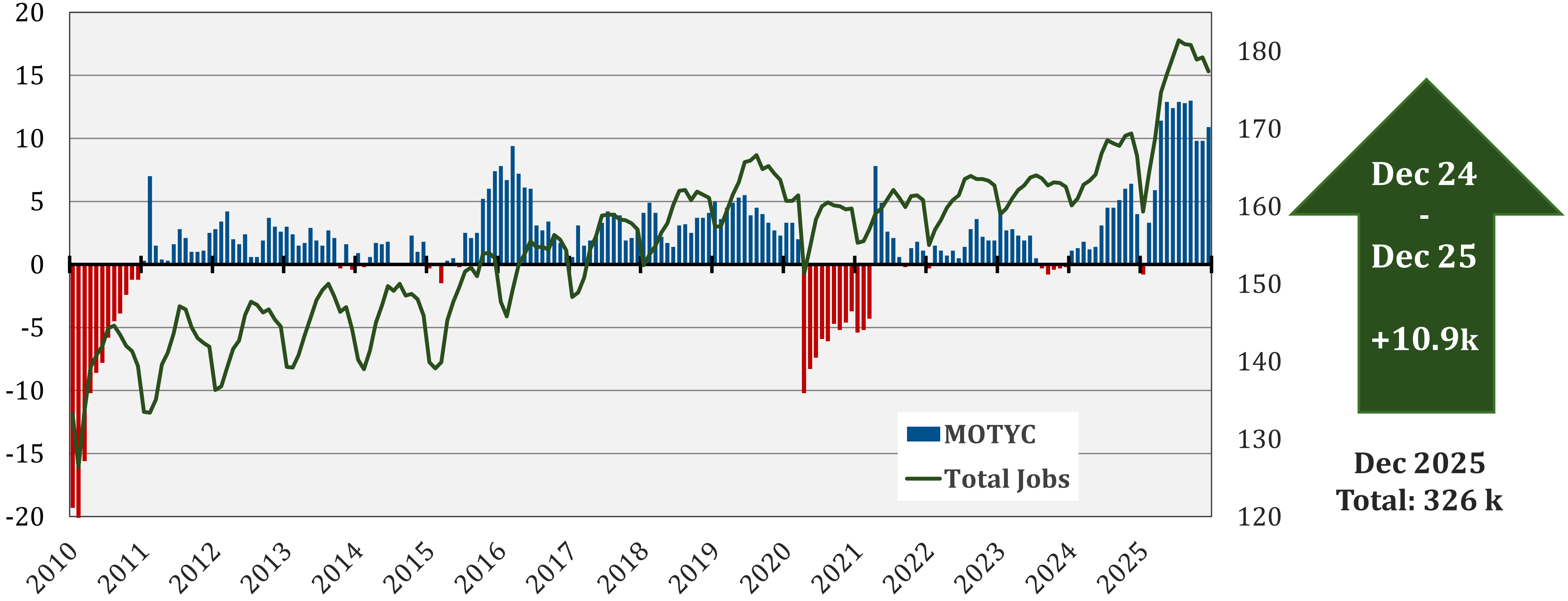
Construction
Washington MSA



Dec 2025
Total: 326 k

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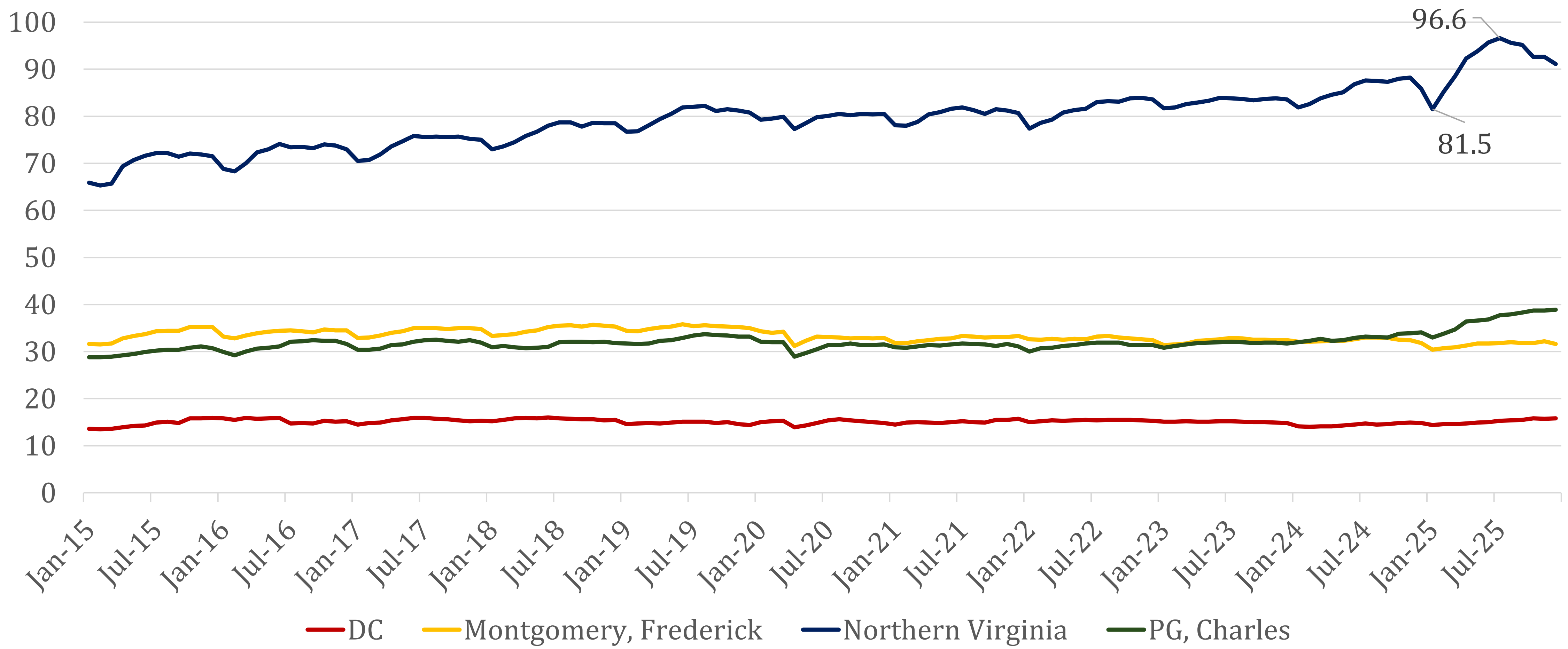
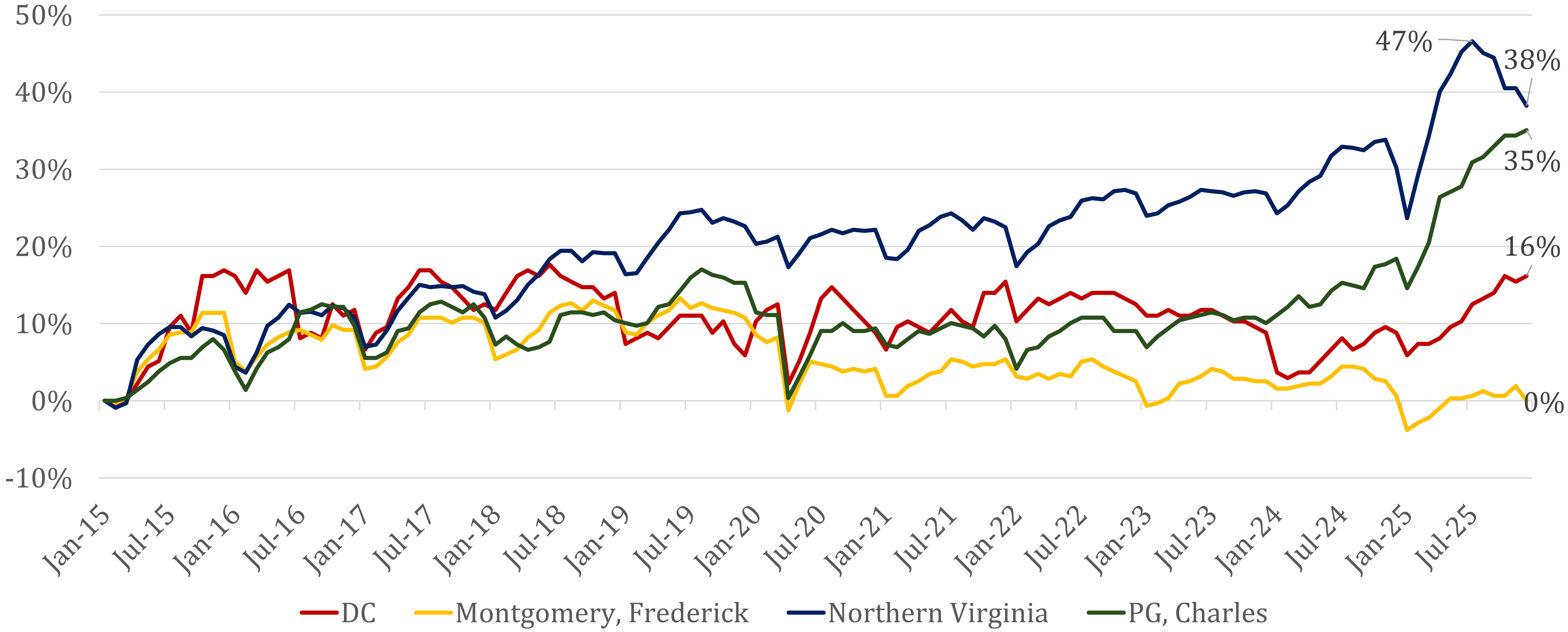
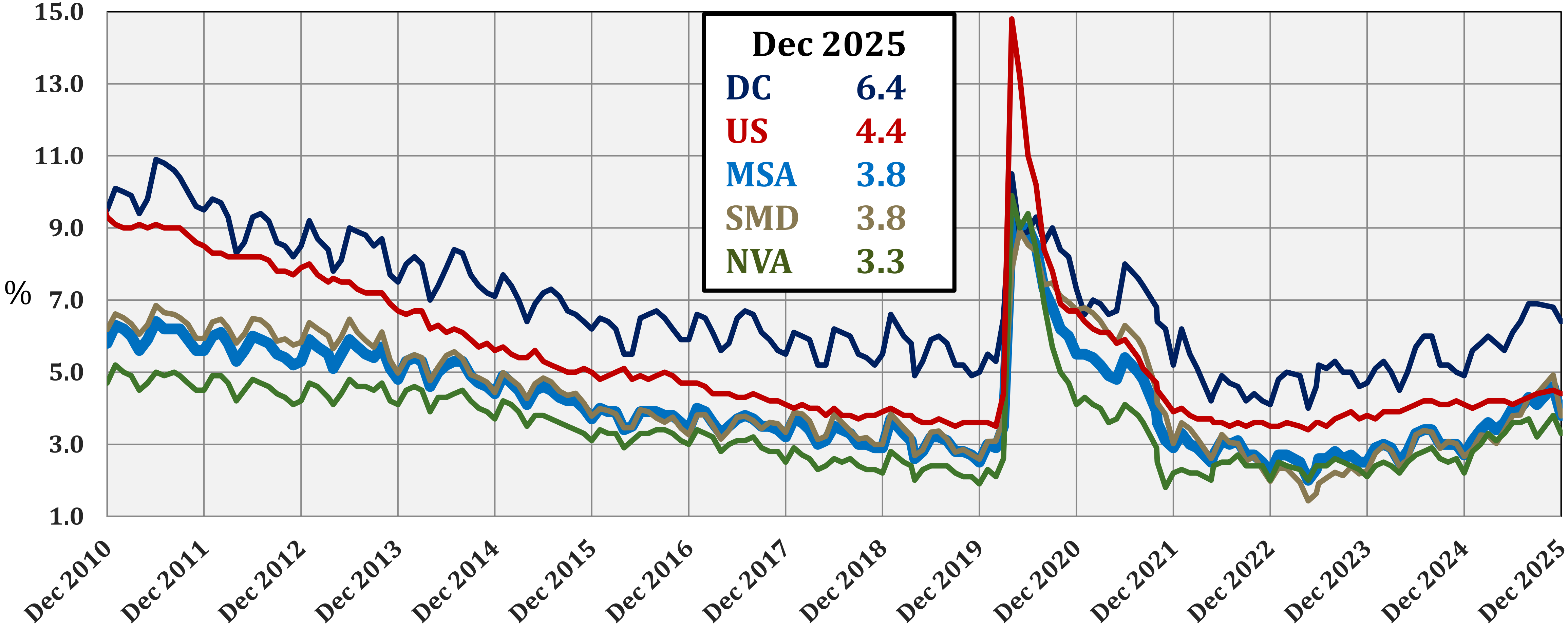
Construction
DC Metro Sub Regions



Construction
DC Metro Sub Regions - Indexed



Unemployment Rates in the WMSA
By Sub-State Area



Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US – Seasonally Adjusted)

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15 Largest Job Markets: Job Change
Dec 2024 – Dec 2025

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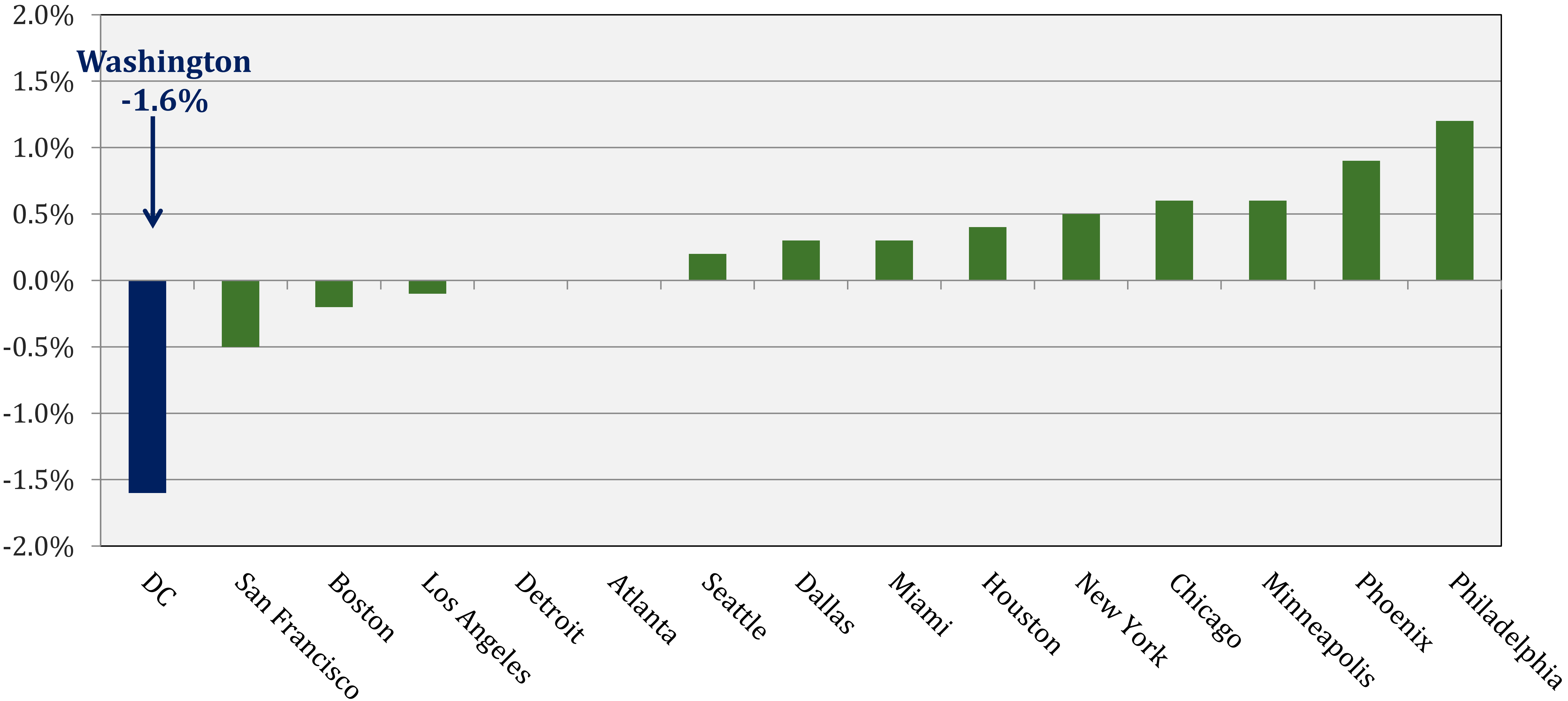

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

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Elements of Population Change

Washington MSA

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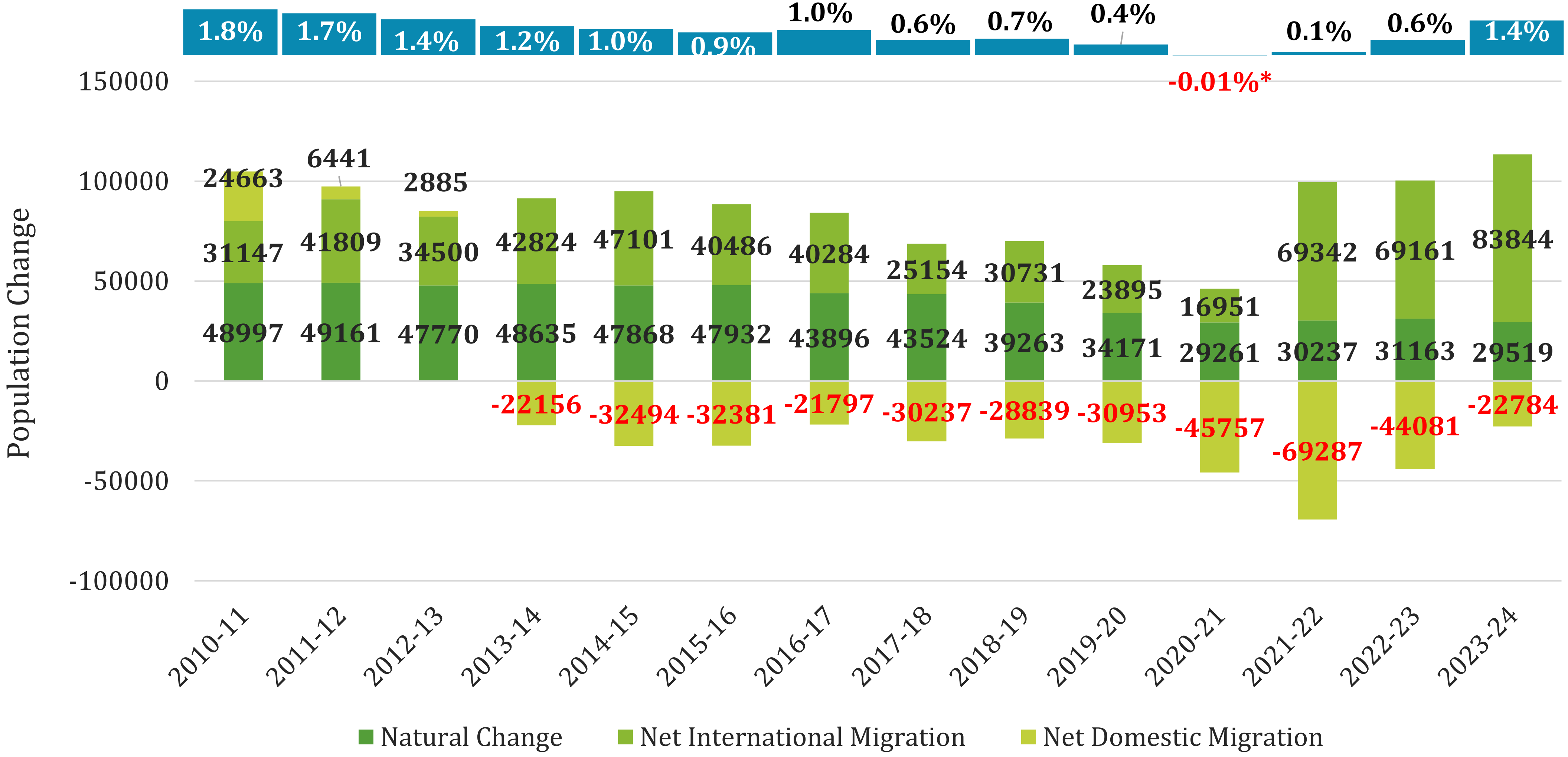

Source: U. S. Census Bureau, Population Estimates Program . *PEP Vintage 2020 used for 2020 population estimate.

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Real Estate Market Trends

Inventories of Existing Homes

Washington MSA MOTYC (2013-2025)

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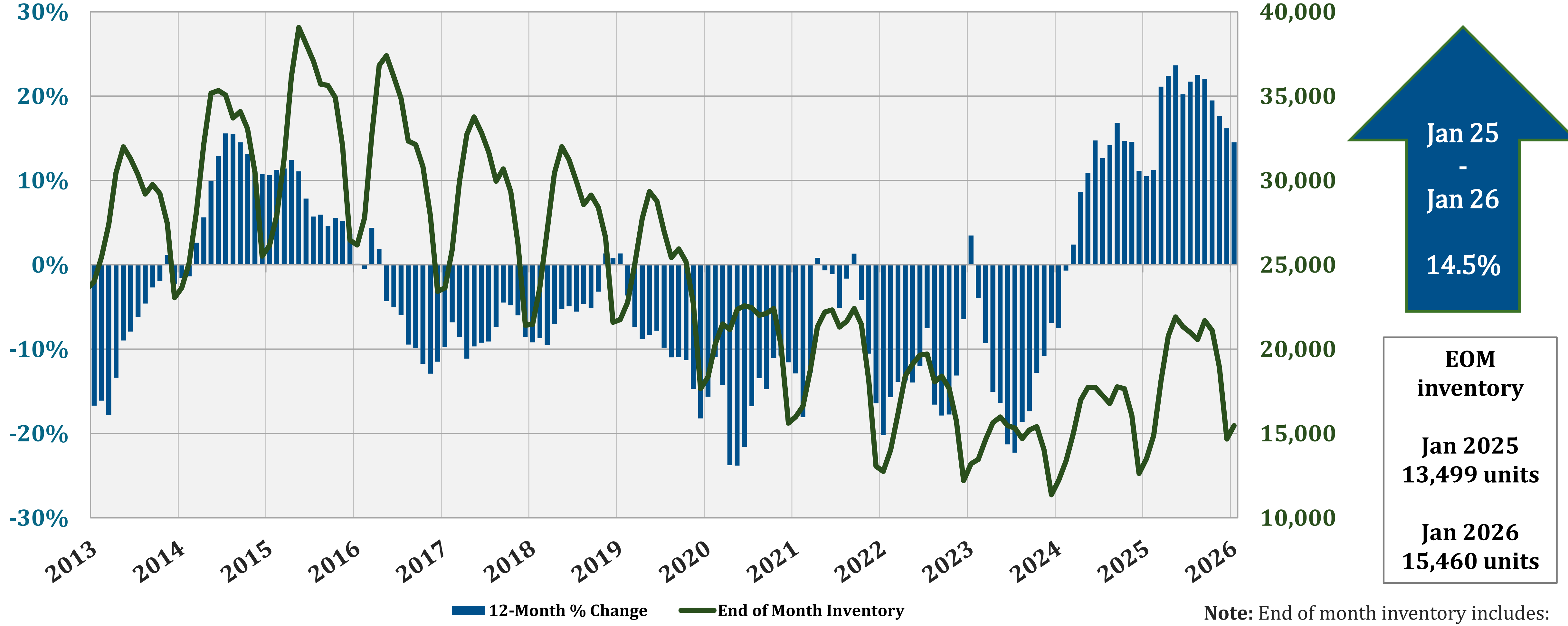


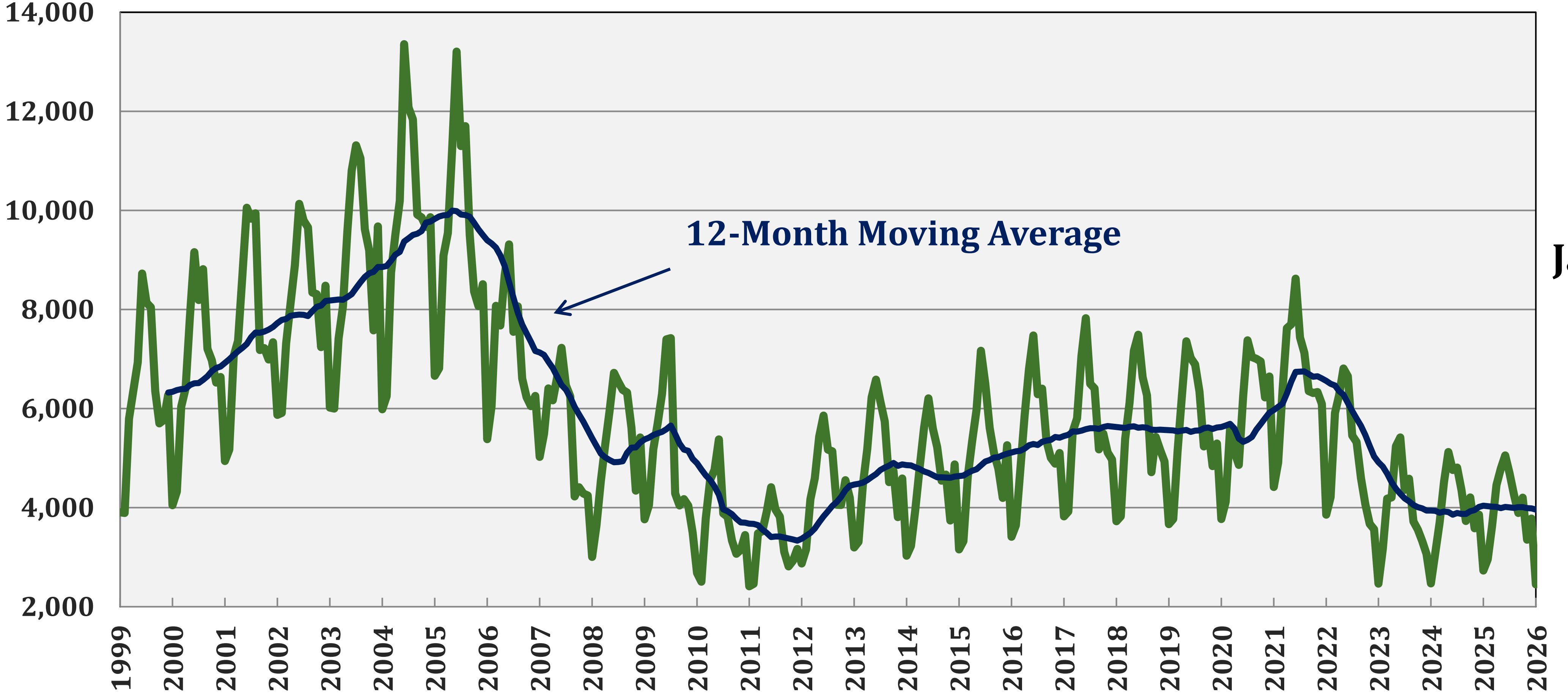
Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

Note: End of month inventory includes: (1) All Pending Listings and (2) Active Listings.

Existing Home Sales

Washington MSA (DC Metro Region)

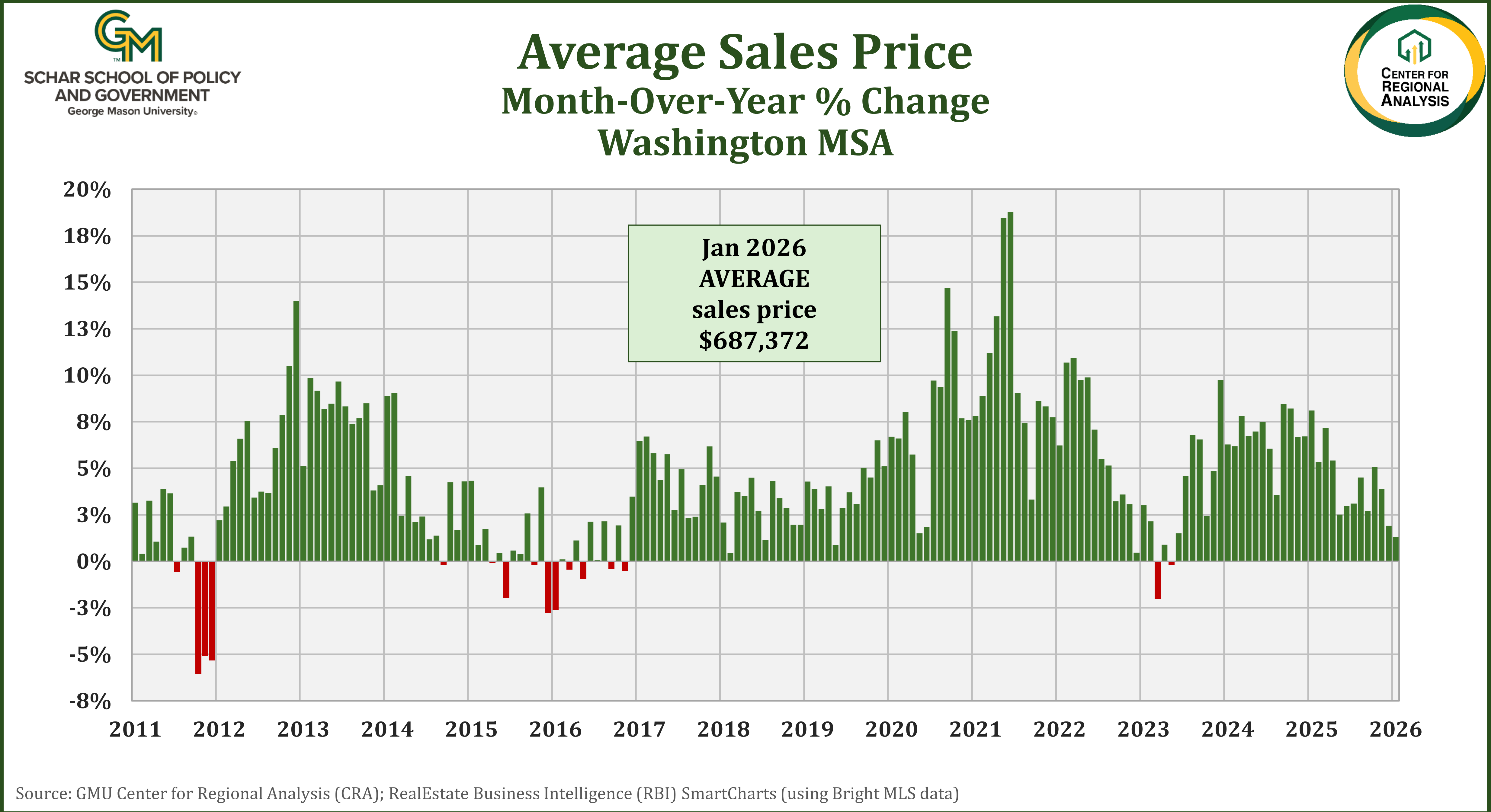
1999 – 2026



Jan 2026

2,450

Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)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Average Sales Price
Month-Over-Year % Change
Washington MSA
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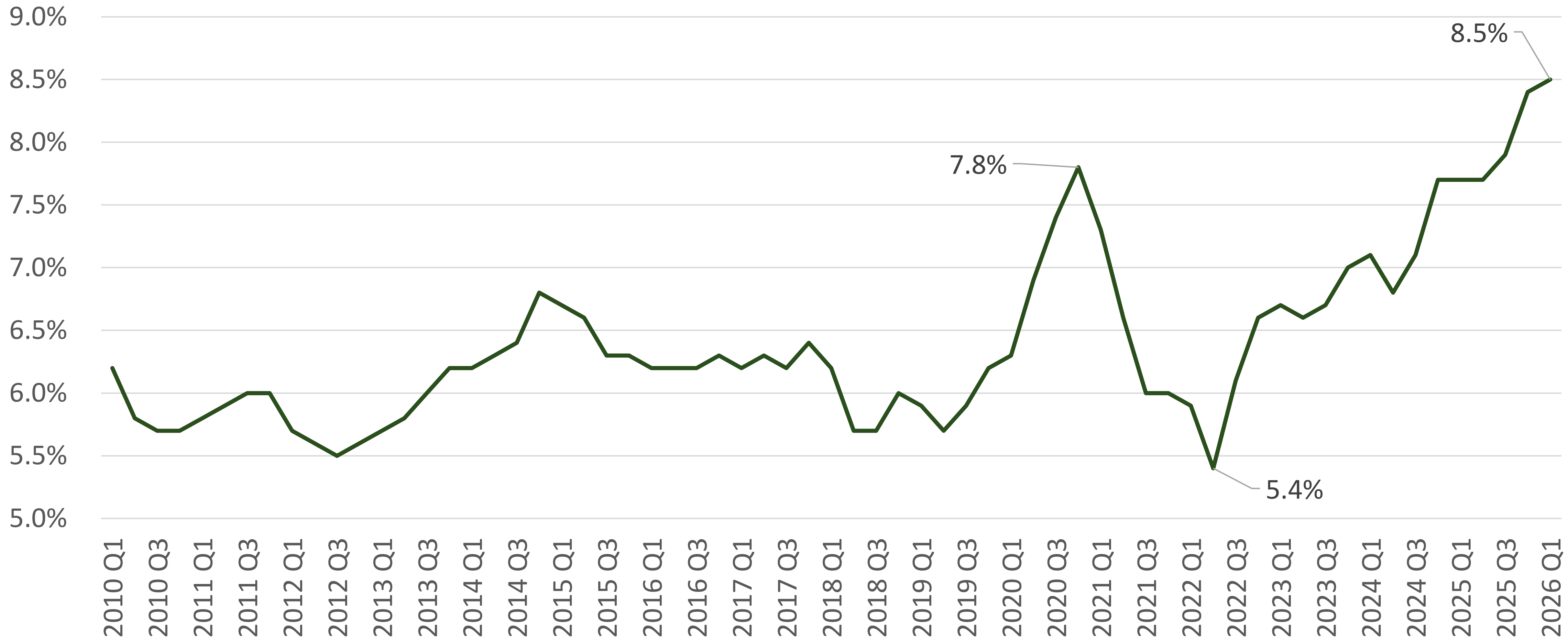
Jan 2026
AVERAGE
sales price
$687,372
20%
18%
15%
13%
10%
8%
5%
3%
0%
-3%
-5%
-8%
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Source: GMU Center for Regional Analysis (CRA); RealEstate Business Intelligence (RBI) SmartCharts (using Bright MLS data)

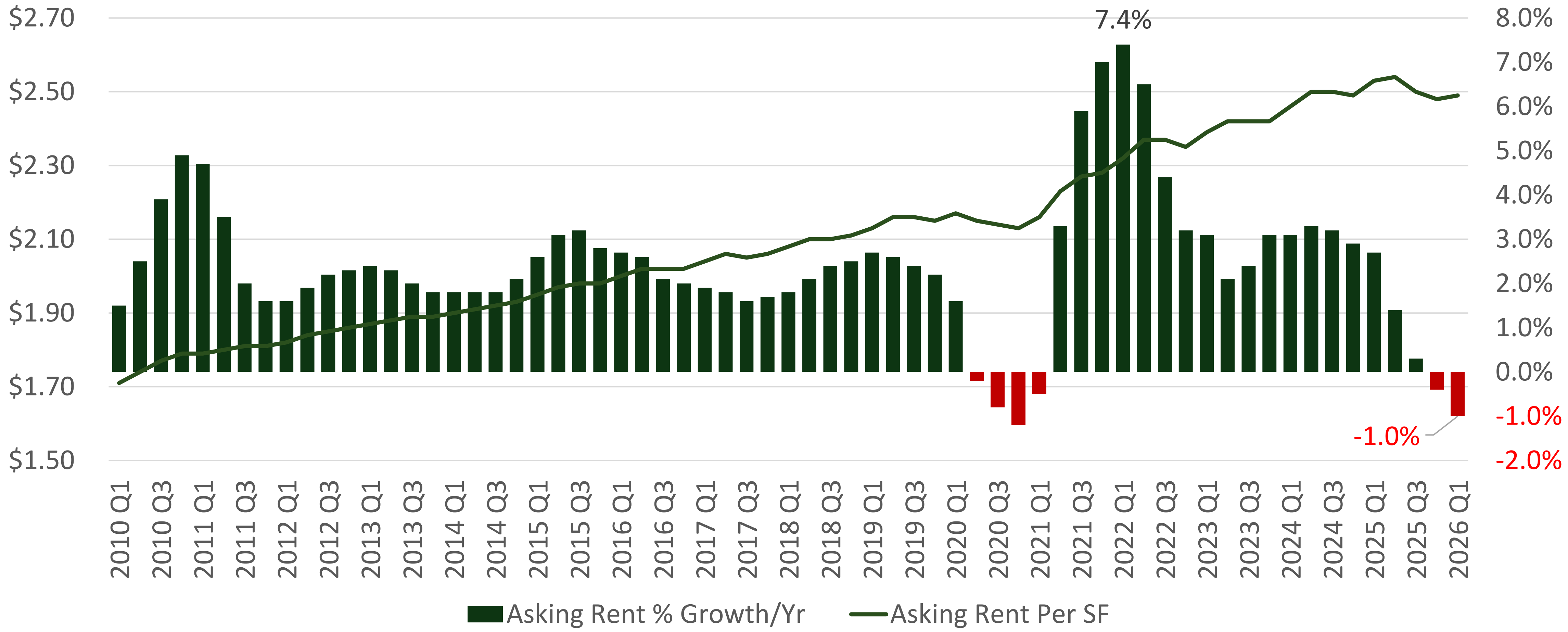
Multi-Family Vacancy

Washington MSA



Source: GMU Center for Regional Analysis (CRA); CoStar

Multi-Family Asking Rent, % Change
Washington MSA



Source: GMU Center for Regional Analysis (CRA); CoStar

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Office Vacancy – %

Washington MSA

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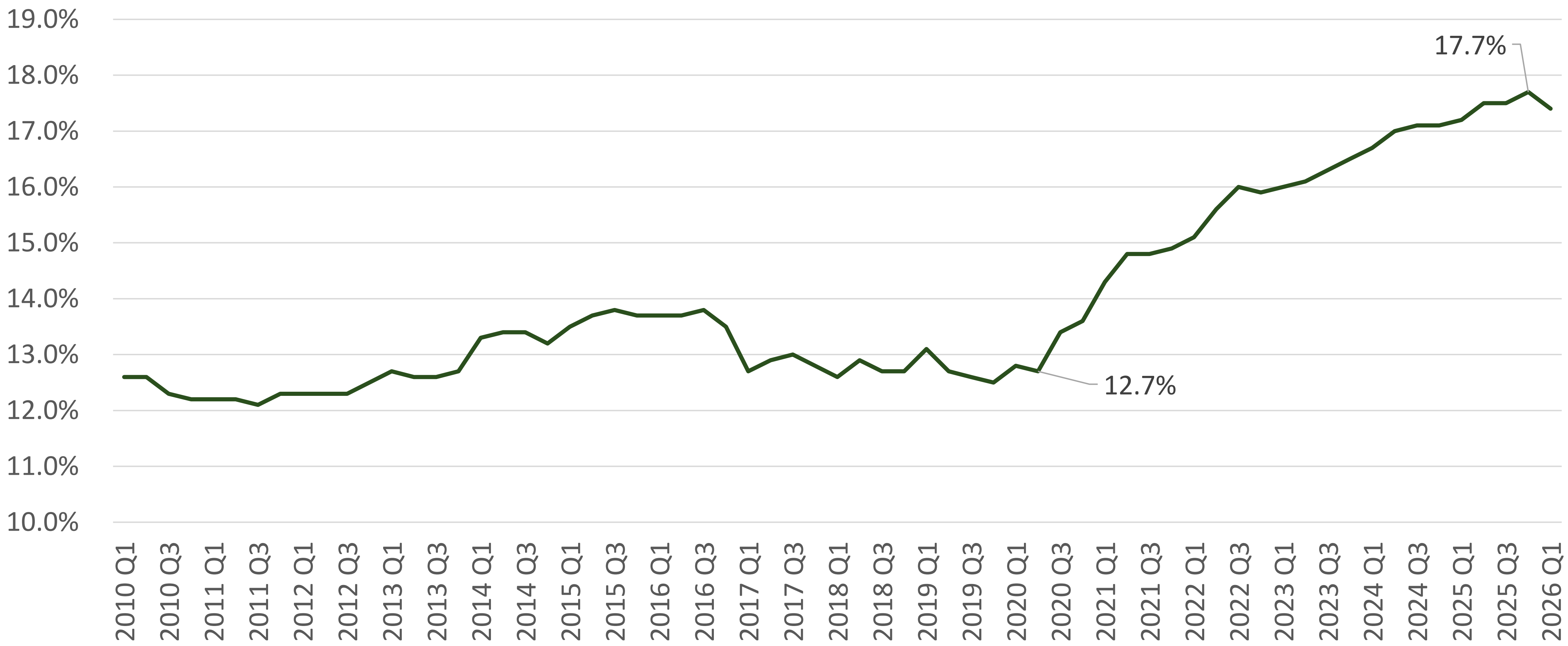

Source: GMU Center for Regional Analysis (CRA); CoStar

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Office – Base Rent, % Change
Washington MSA

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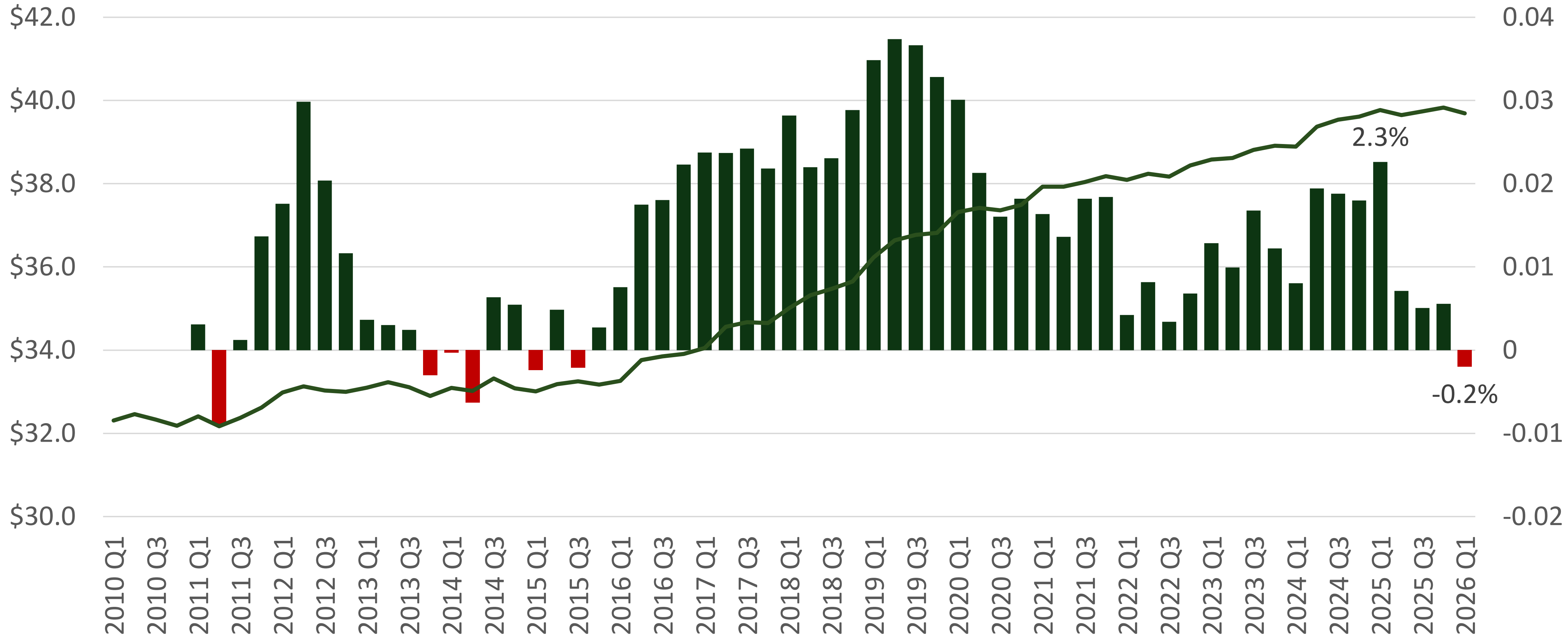

Source: GMU Center for Regional Analysis (CRA); CoStar

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Summary

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National

- Price growth likely remains a too high for feds to reduce rates soon.

Regional Economy

- Metro job growth stalled, then sharply contracted with federal buy-outs.
- Declines in Prof. Sci. Tech jobs since 2024 have accelerated.
- Construction and Health Care holding up the region’s job growth (lower wage).

Regional Real Estate

- *For-Sale Residential*
  - Rising inventory, but level terms still below pre-pandemic.
  - Home sale growth contracted (lower demand, mortgage lock)
  - Price growth has slowed
- *Multi-Family*
  - Vacancy rates highest since 2010.
  - Rent growth has turned to declines
- *Office*
  - Vacancy rate highest since 2010, but maybe peaked?

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