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George Mason University



Washington Area Economy: Performance and Outlook

Metropolitan Washington Council of Governments

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George Mason University

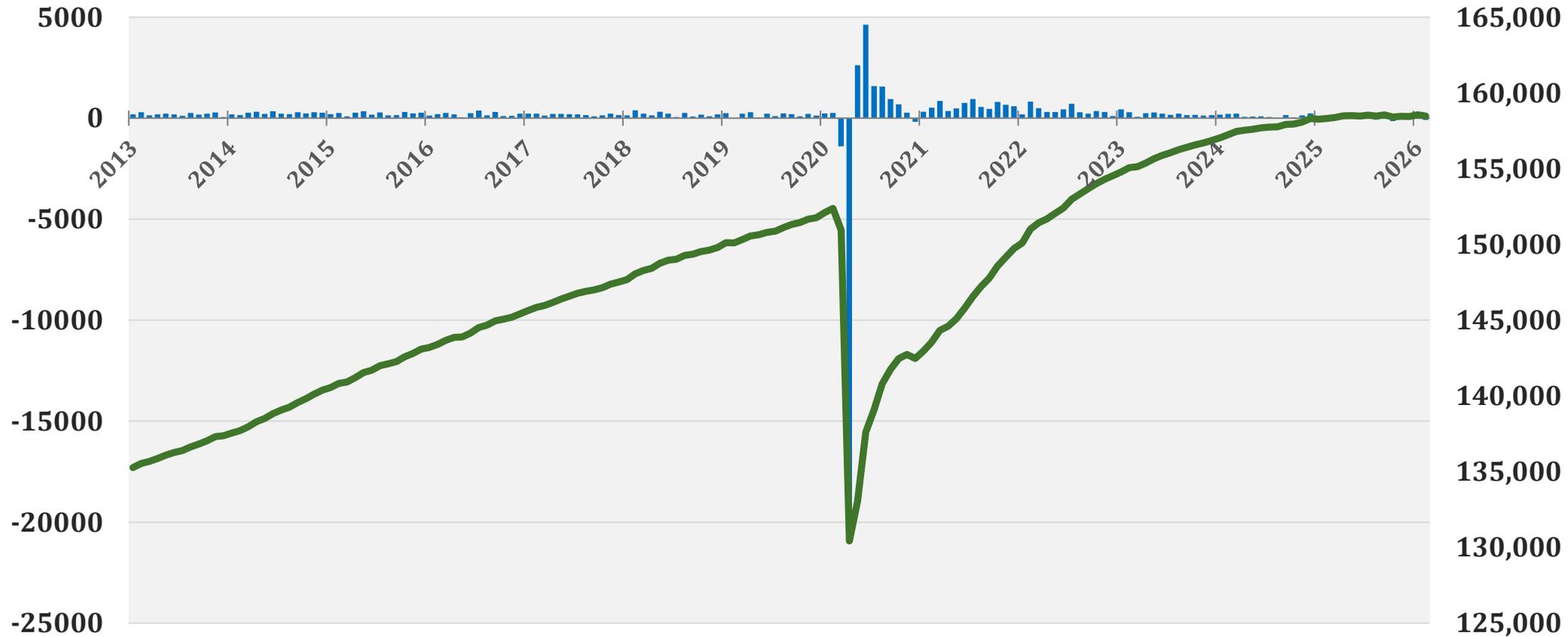
March 10th, 2026



U.S. Payroll Jobs

1-mo. change
(in thousands)

total payroll jobs
(in thousands)



Since 2025
(12 mo. Δ)
+156k

Jan 26 -
Feb 26
(1 mo. Δ)
-92k

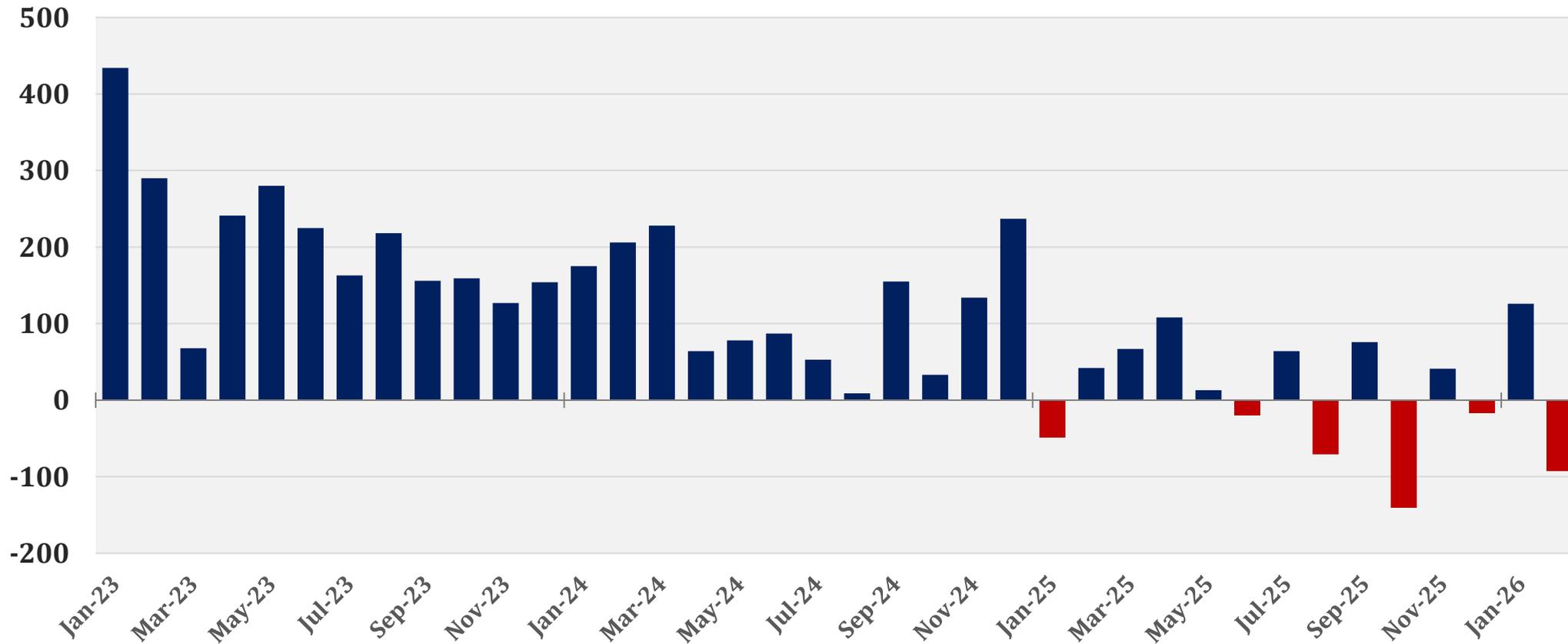


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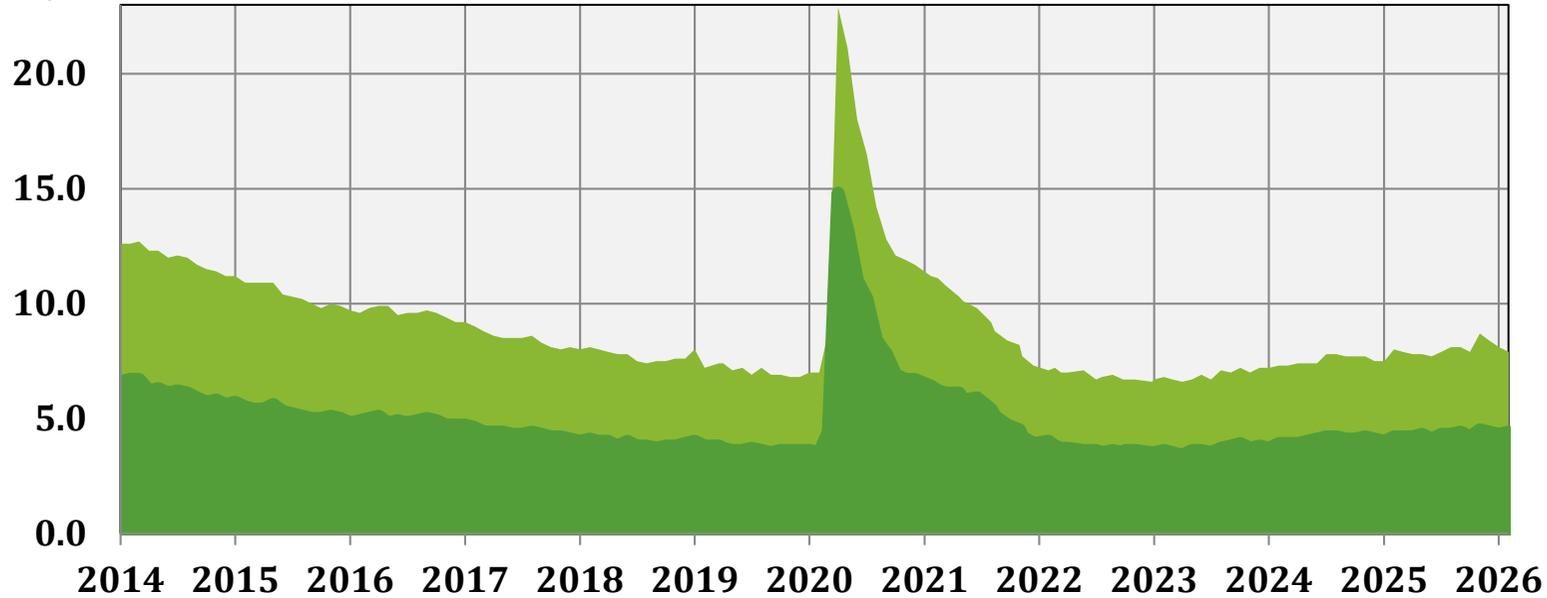


U. S. Unemployment



U-6

UR



← Feb 7.9%

← Feb 4.4%

12 mo change:
 U-6 -0.1%
 UR 0.2%
 LFPR -0.5%

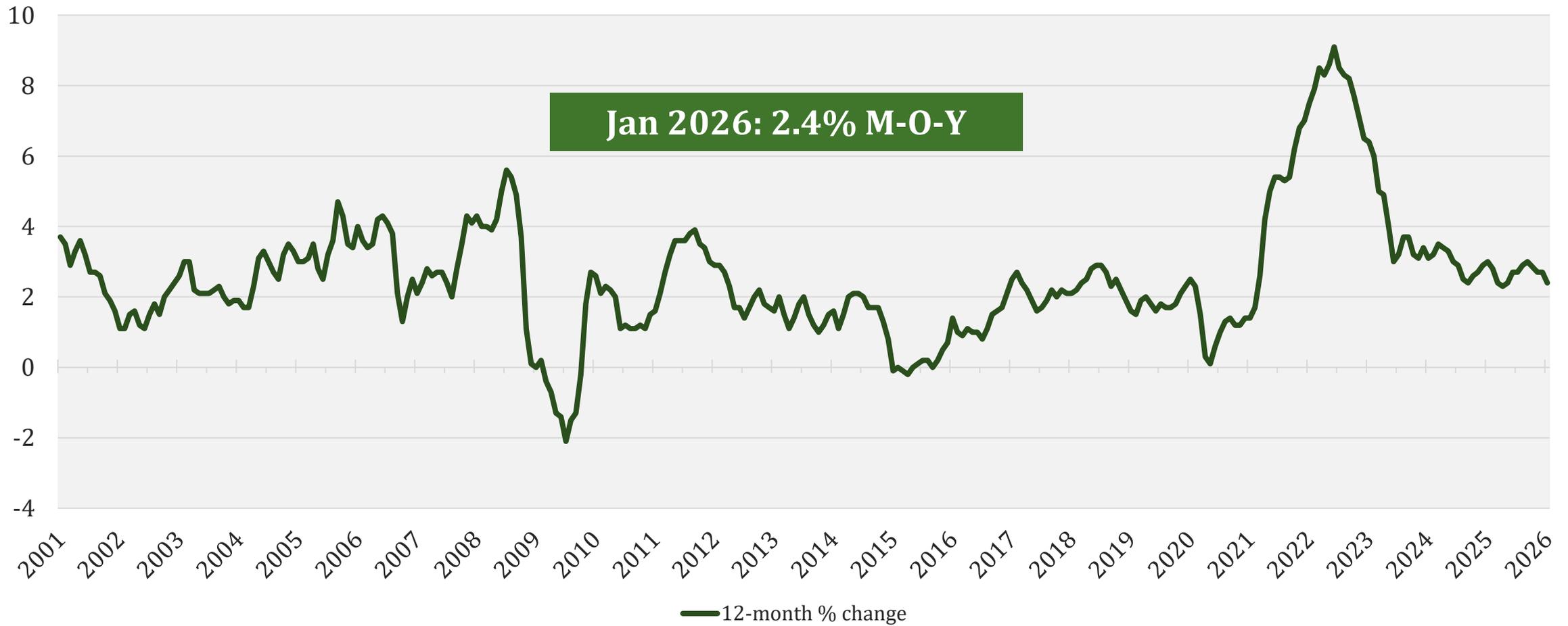
LFPR



← Feb 62%



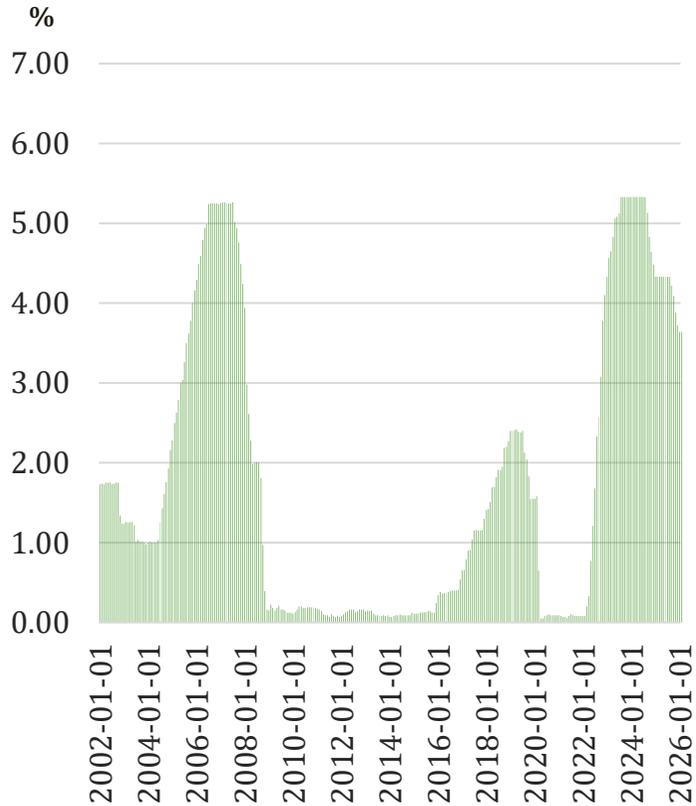
Monthly Consumer Prices 2001 - 2026





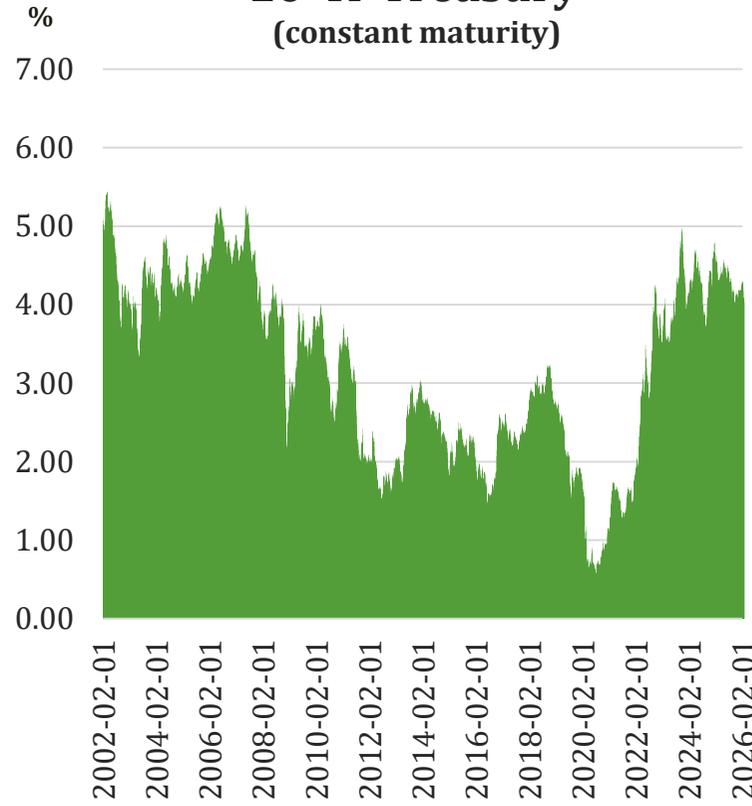
Interest Rates 2001 - 2026

Fed Funds



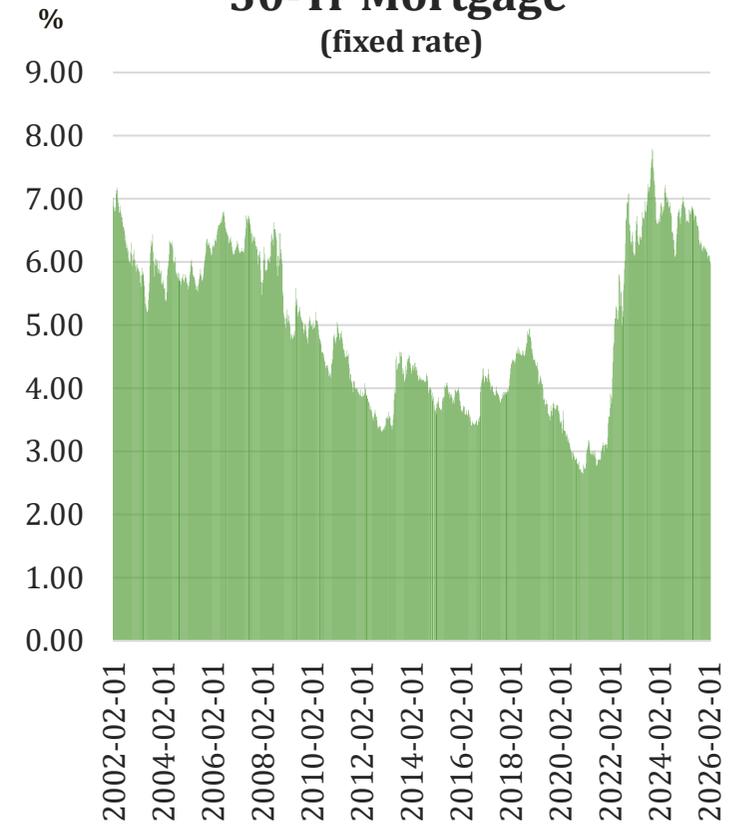
2/26: 3.64 2/25: 4.33

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



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The Washington Economy



GDP: U.S. & DC Metro

2001 - 2023 (Billions, \$2017)



Compound
Growth Rate

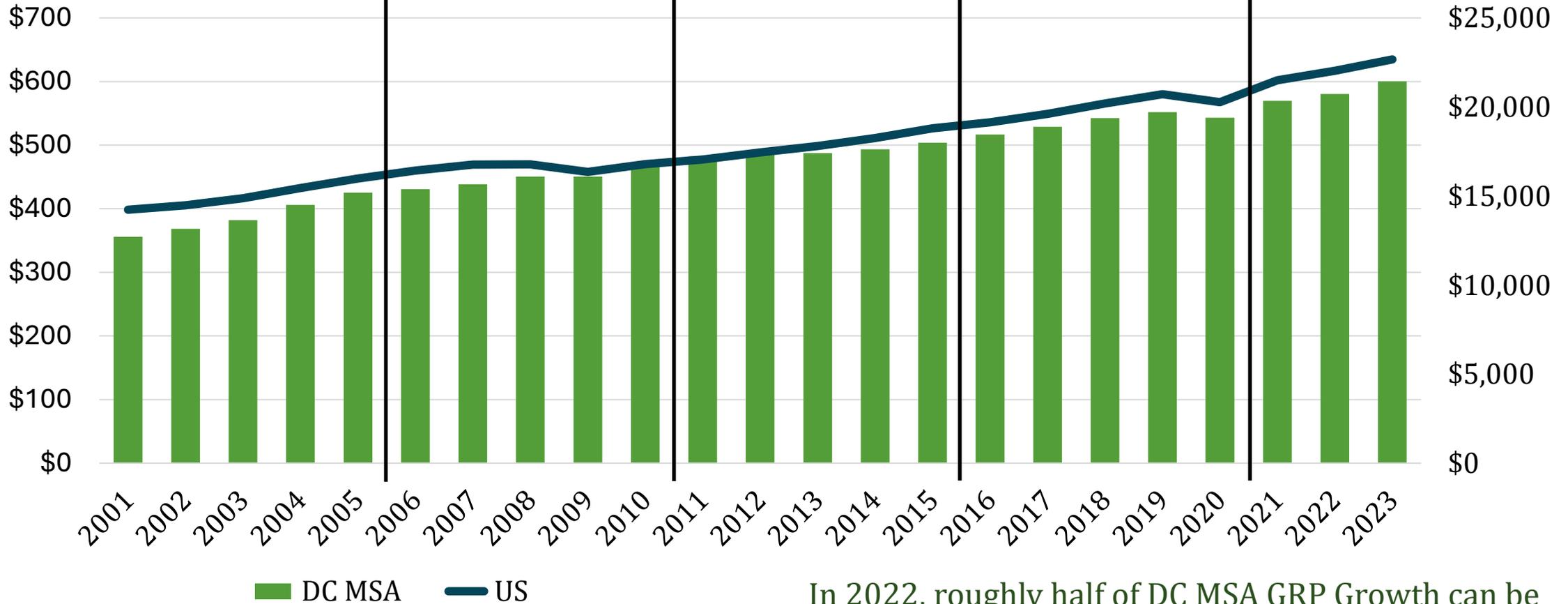
DC 4.5%
US 3.0%

2.4%
0.5%

1.1%
2.5%

1.3%
1.4%

3.3%
3.8%



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

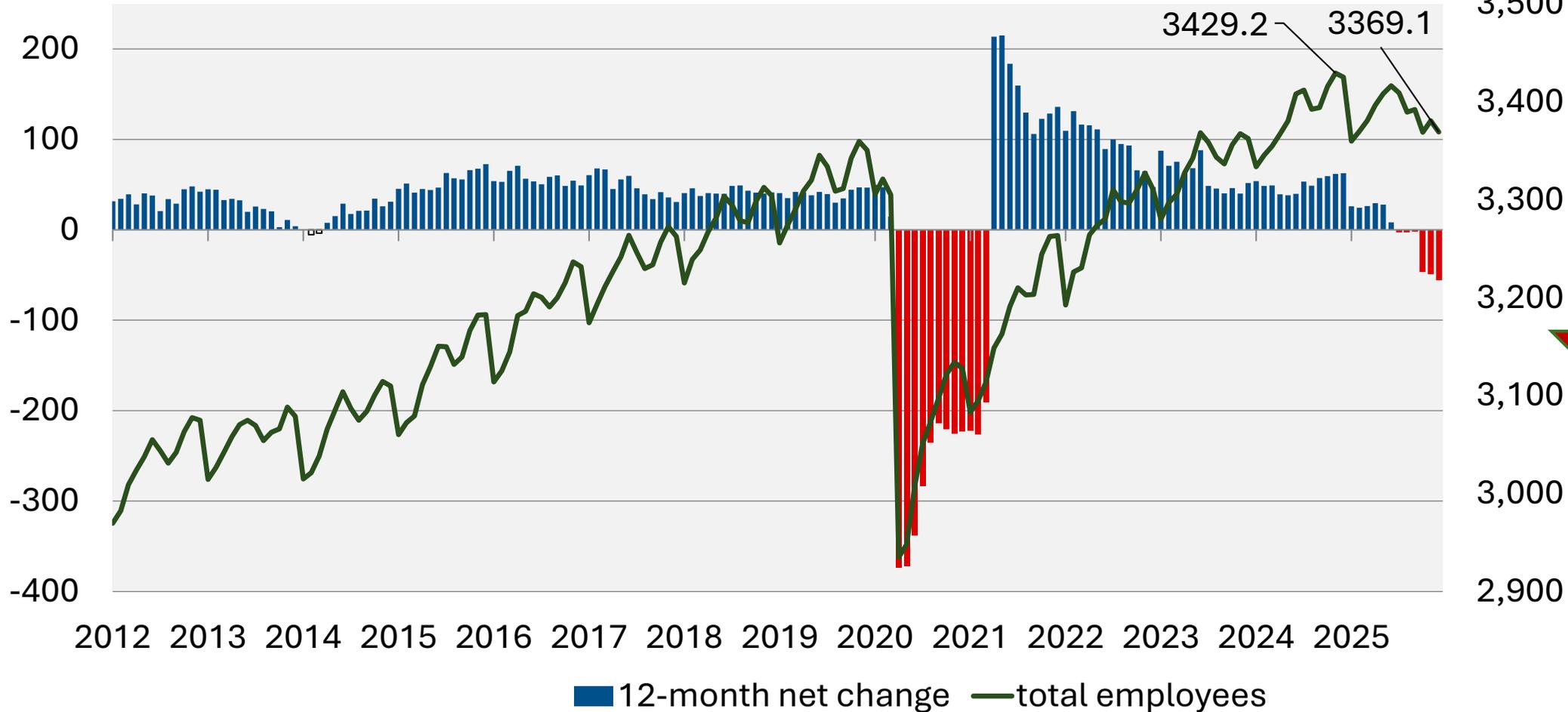


Annual Job Change Washington MSA (2012-2025)



thousands

thousands



Dec 24

Dec 25

-55.9k

Dec 2025

Total: 3.37M



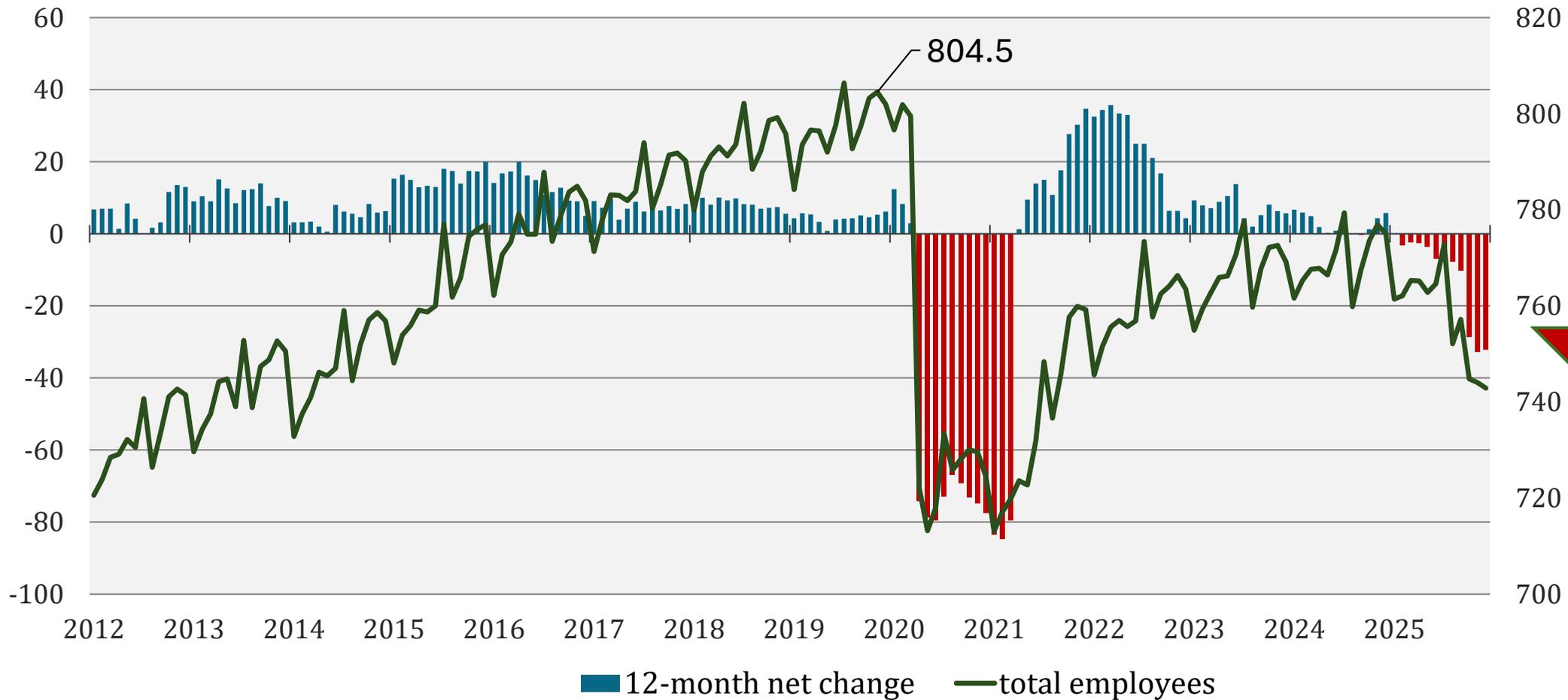
Annual Job Change

District of Columbia (2012-2025)



thousands

thousands



Dec 24
-
Dec 25
-32.1 k

Dec 2025
Total: 743k

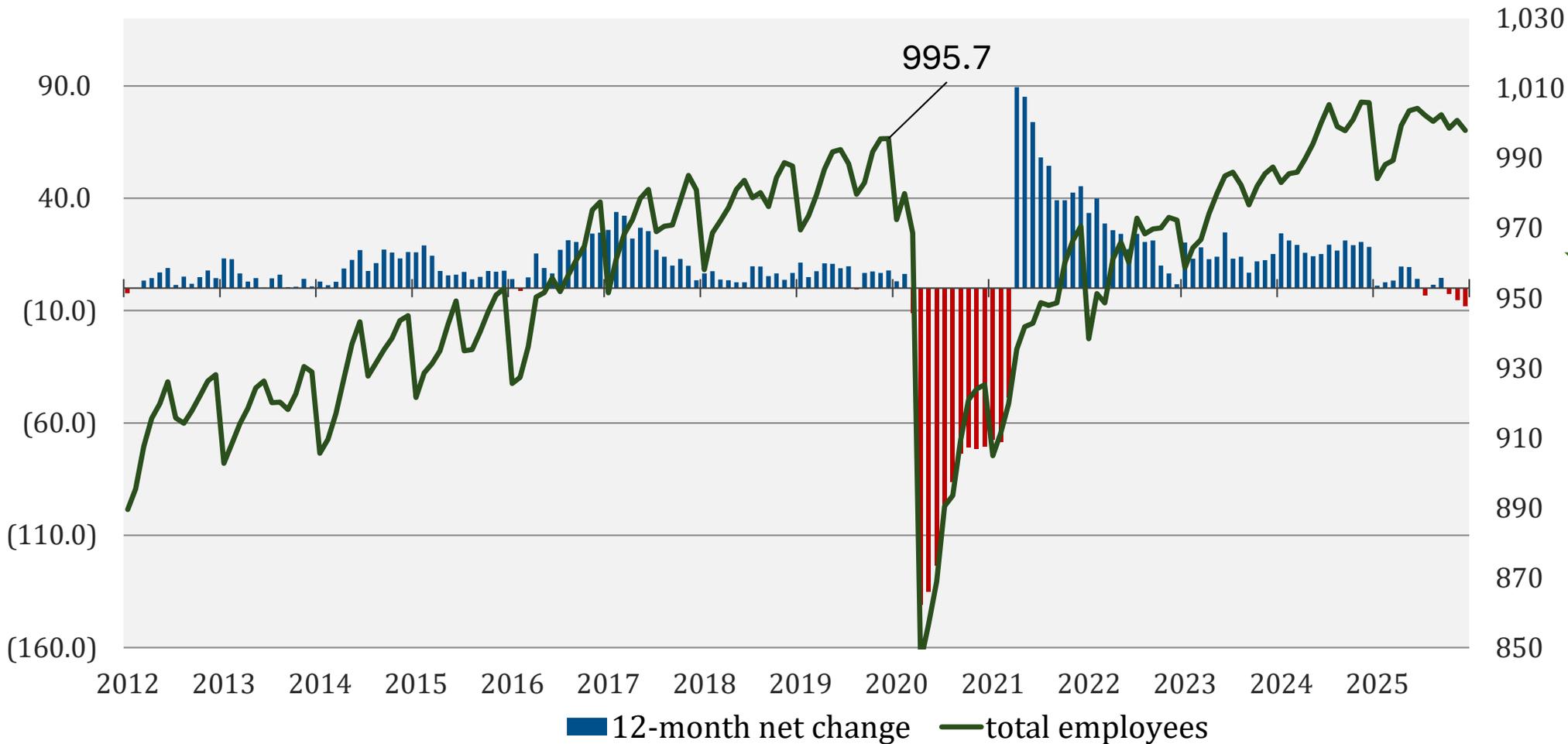


Annual Job Change Suburban Maryland (2012-2025)



thousands

thousands



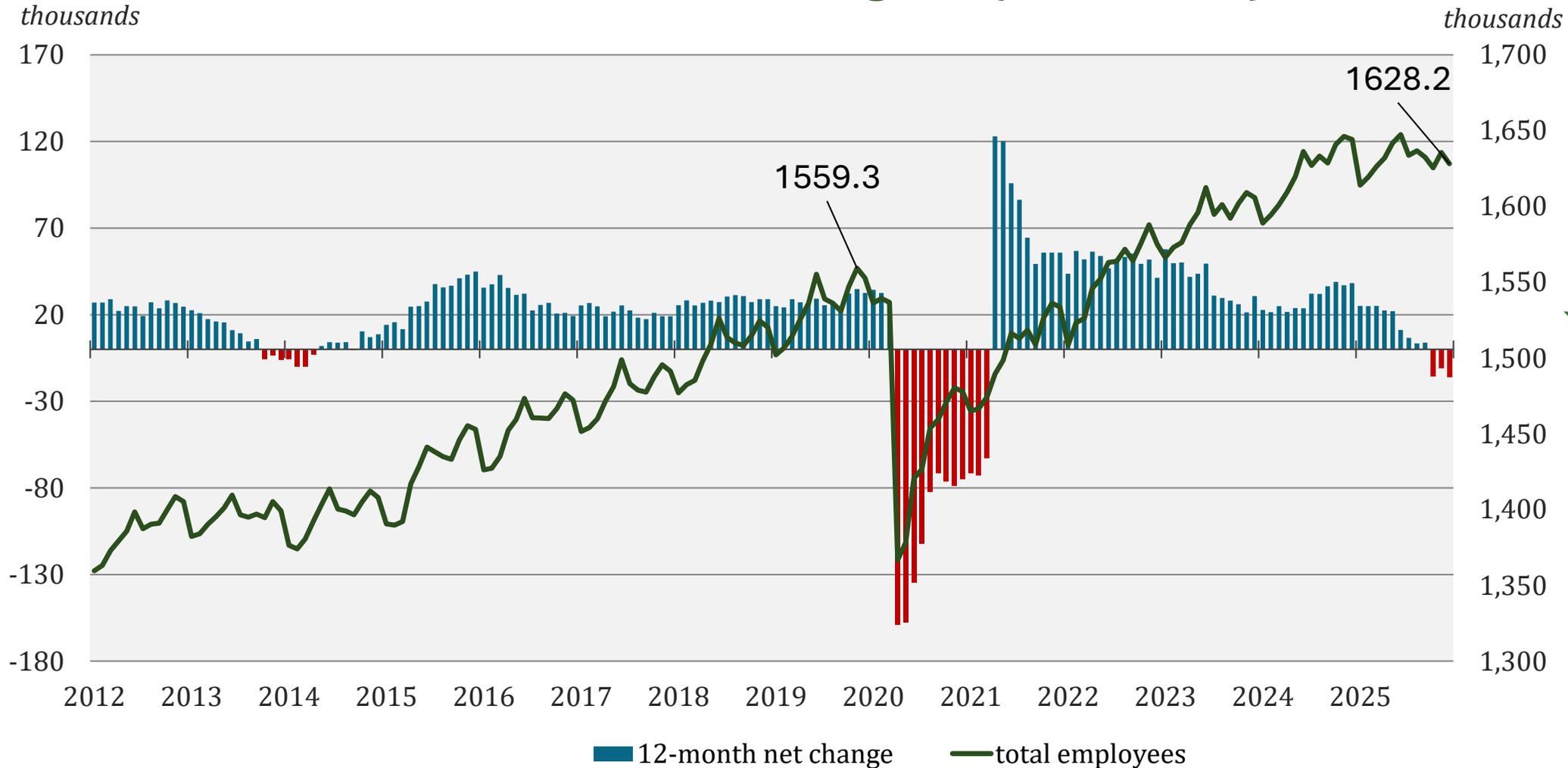
Dec 24
-
Dec 25
-7.9k

Dec 2025
Total: 998k

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



Annual Job Change Northern Virginia (2012-2025)





Job Change by Sector Washington MSA

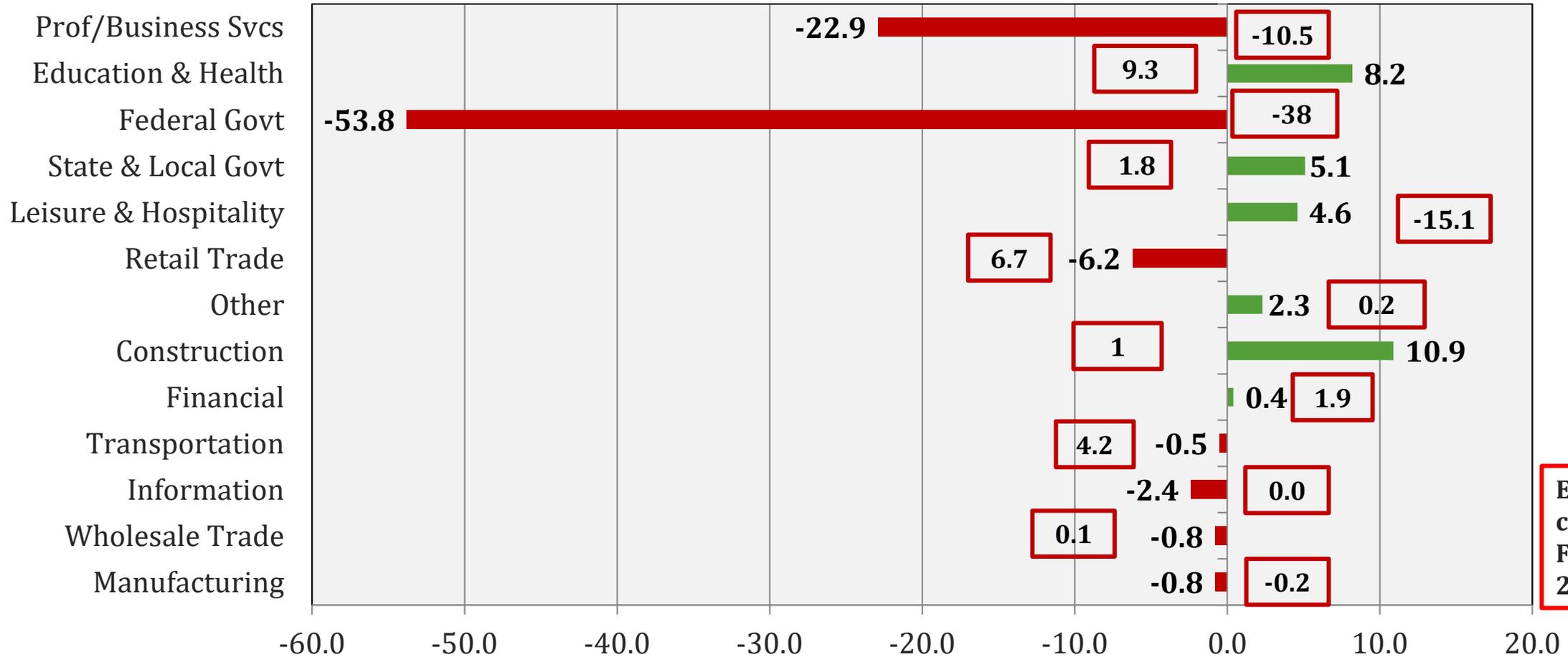
Dec 2024 - Dec 2025



(000s)

(Ranked by Size in 2024)

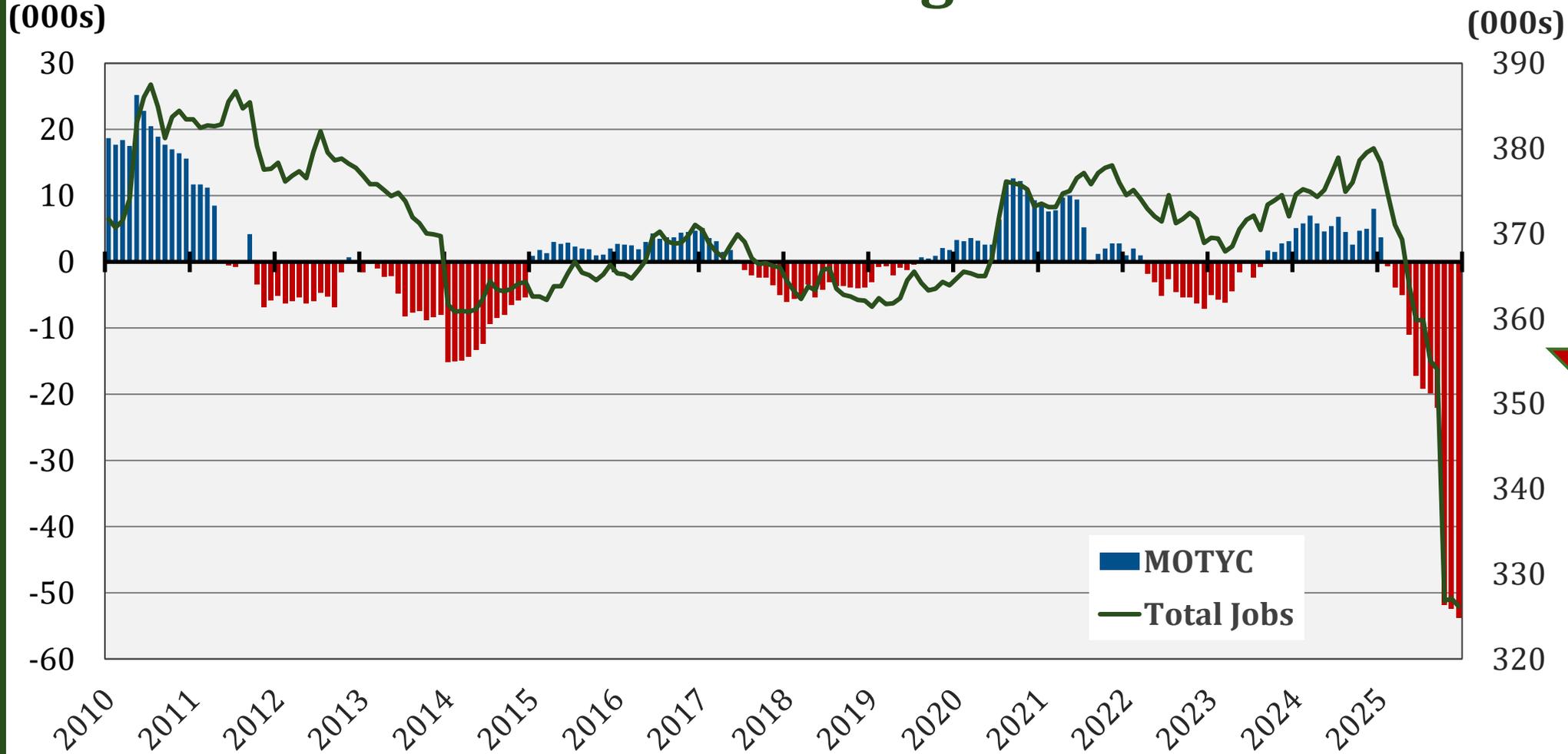
Total = -55.9k



Employment
change since
February
2020



Federal Government Washington MSA

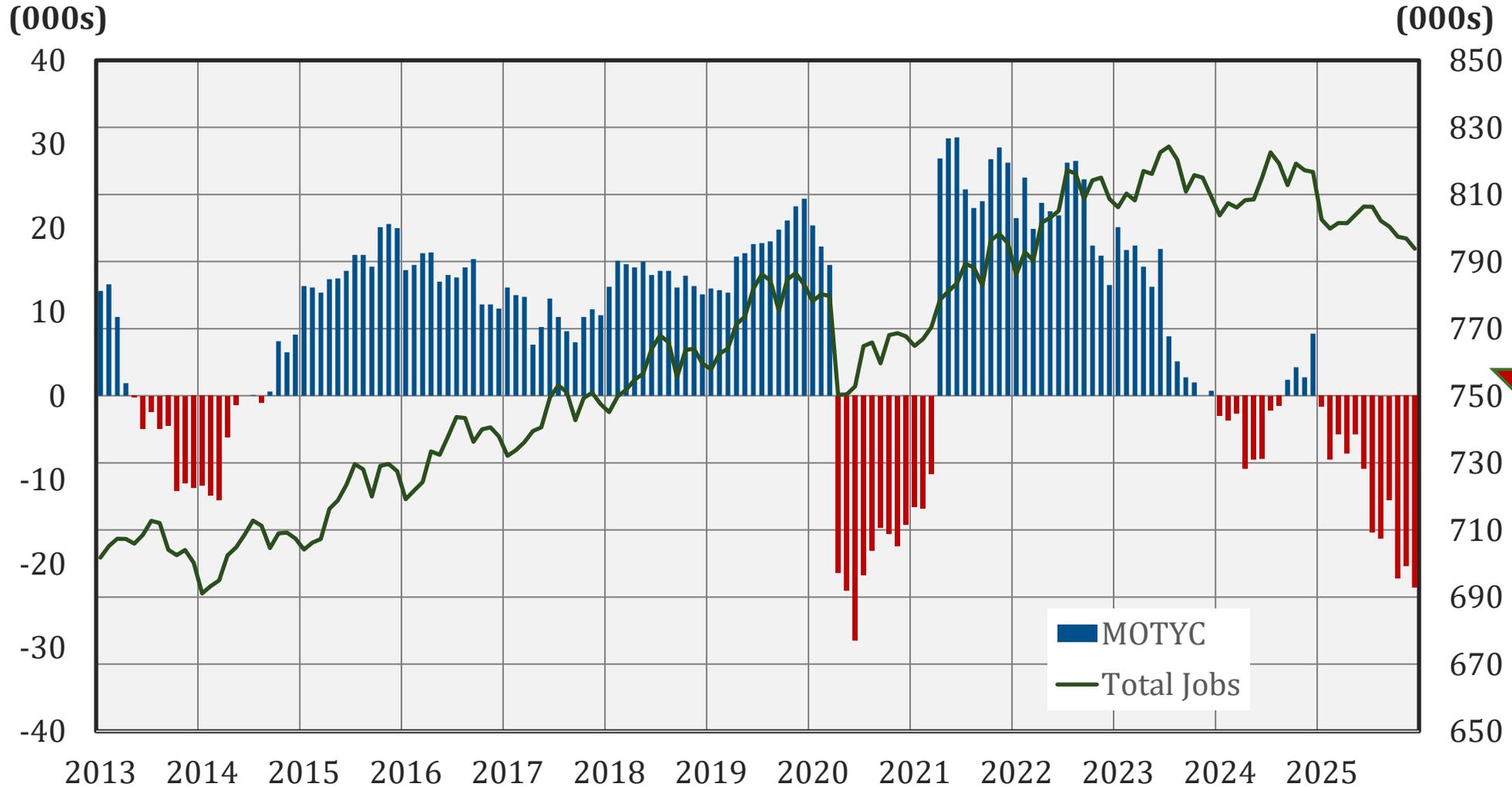


Dec 24
-
Dec 25
-54k

Dec 2025
Total: 326 k



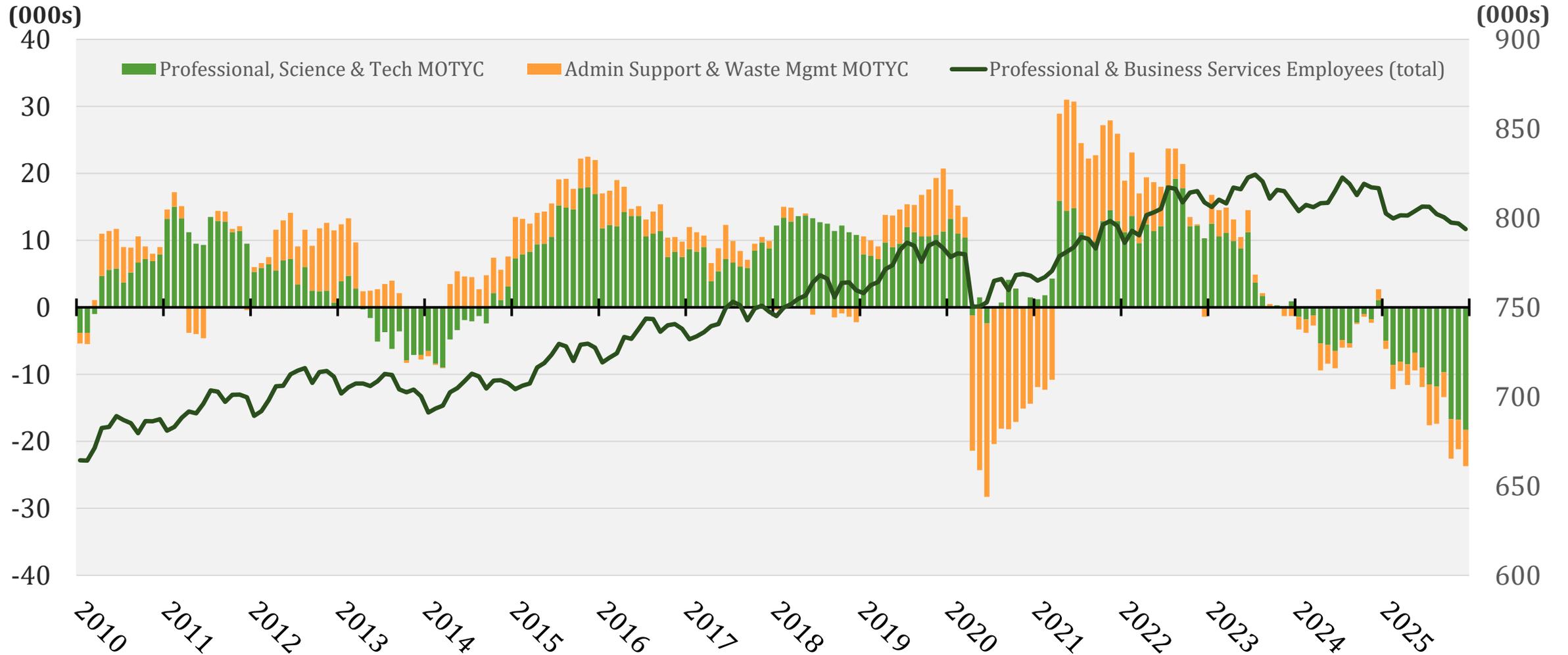
Professional & Business Services Washington MSA



Dec 24
-
Dec 25
-22.9k

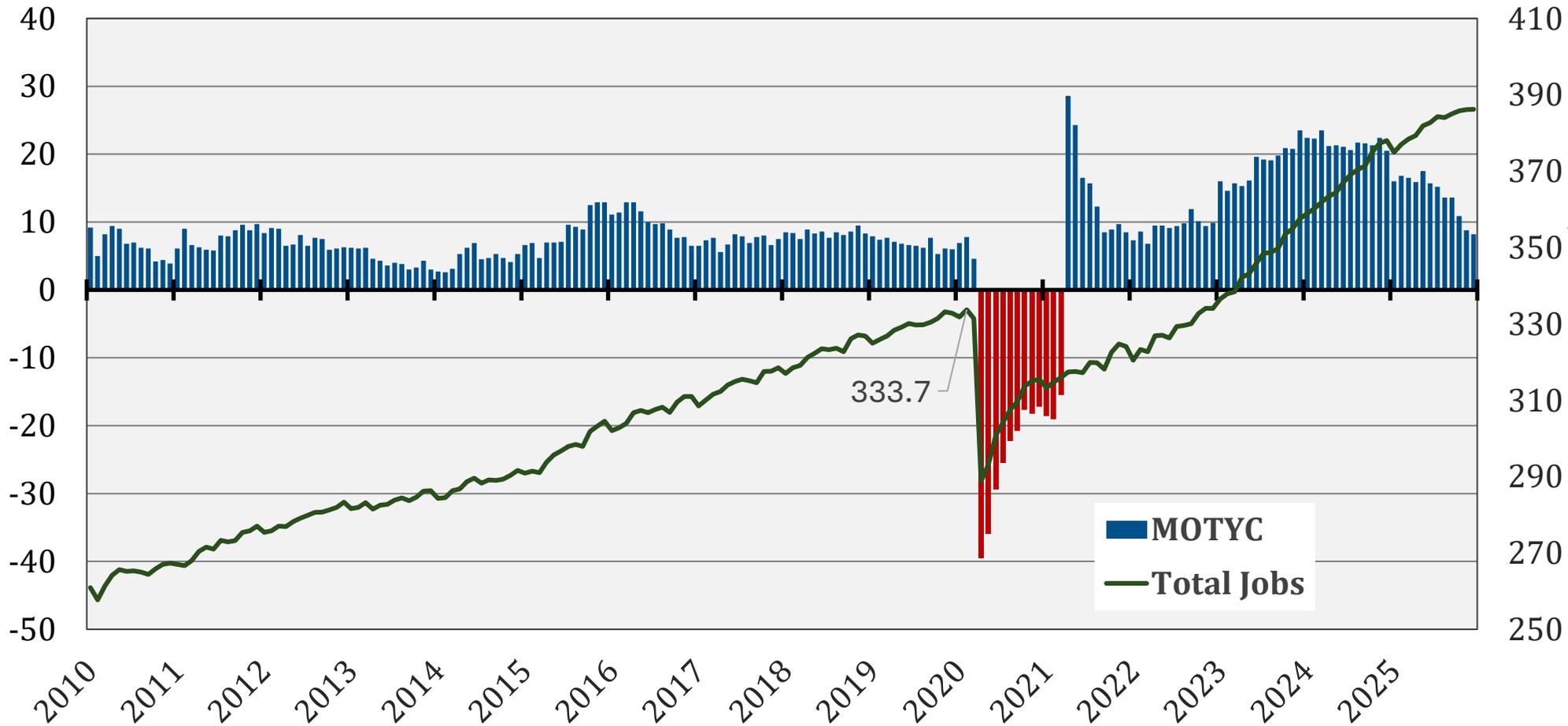


Professional & Business Services Washington MSA





Healthcare Washington MSA



Dec 24
-
Dec 25
+8.2k

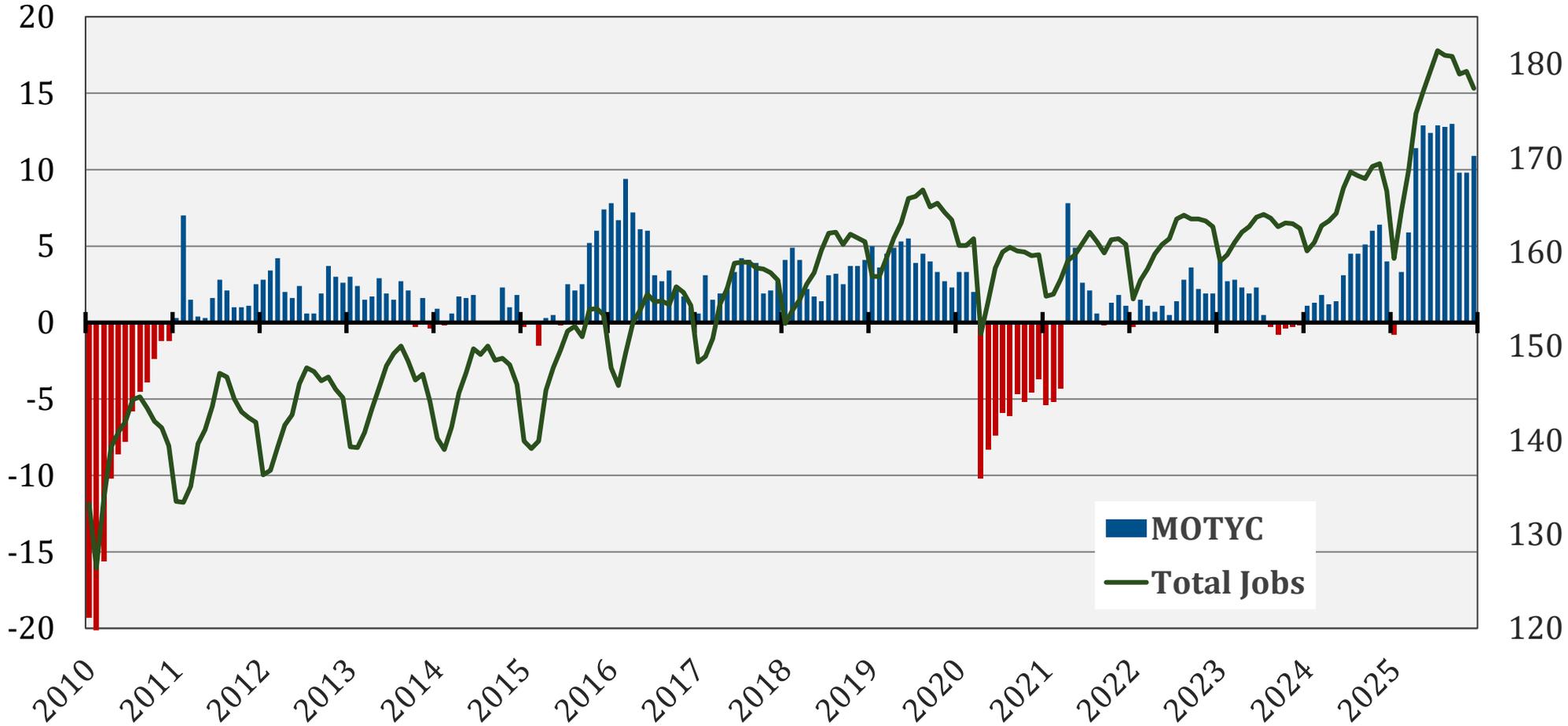
**Dec 2025
Total: 386 k**



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Construction Washington MSA

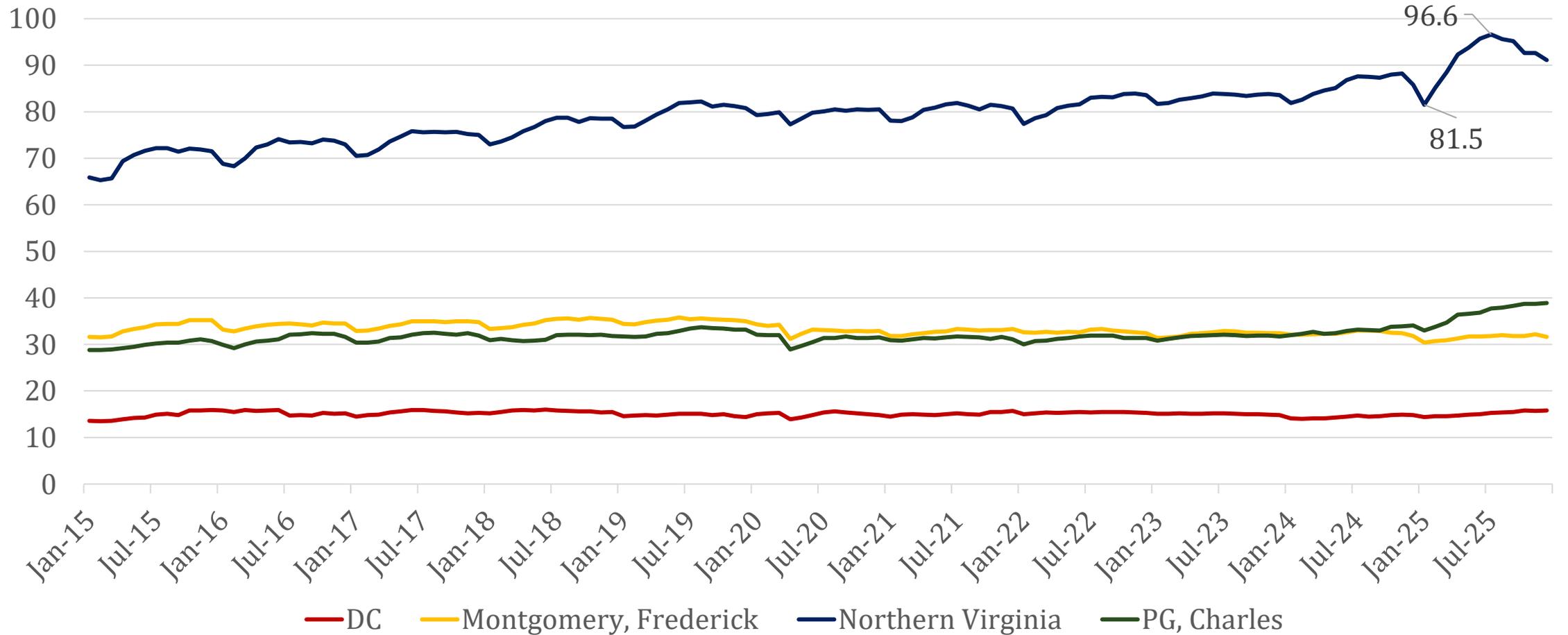


Dec 24
-
Dec 25
+10.9k

**Dec 2025
Total: 326 k**

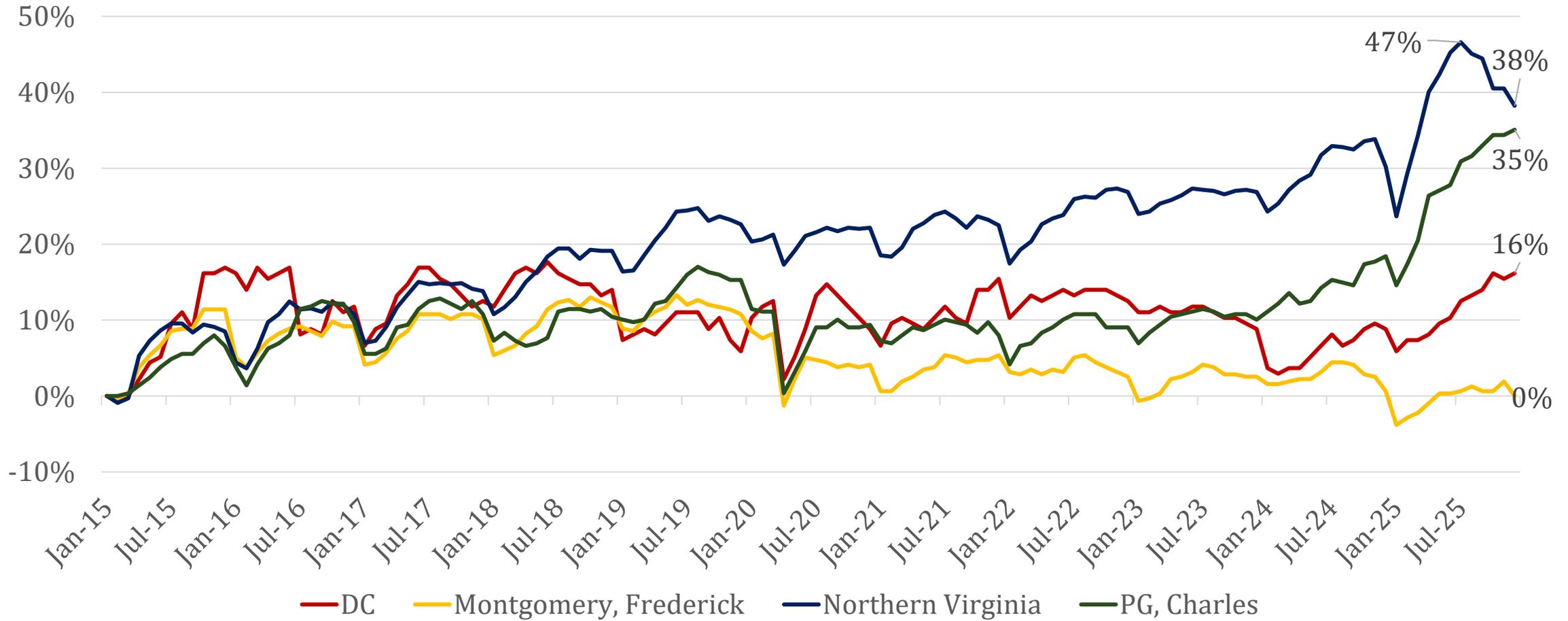


Construction DC Metro Sub Regions

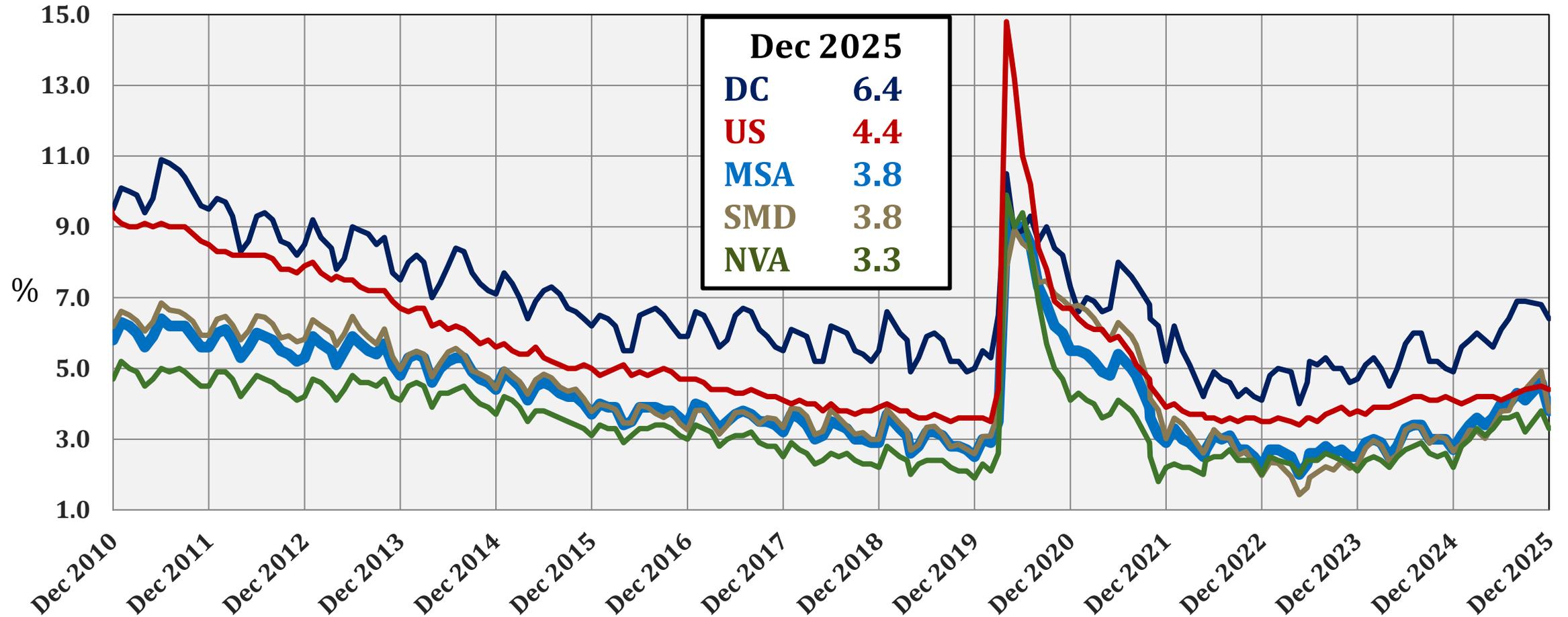




Construction DC Metro Sub Regions - Indexed



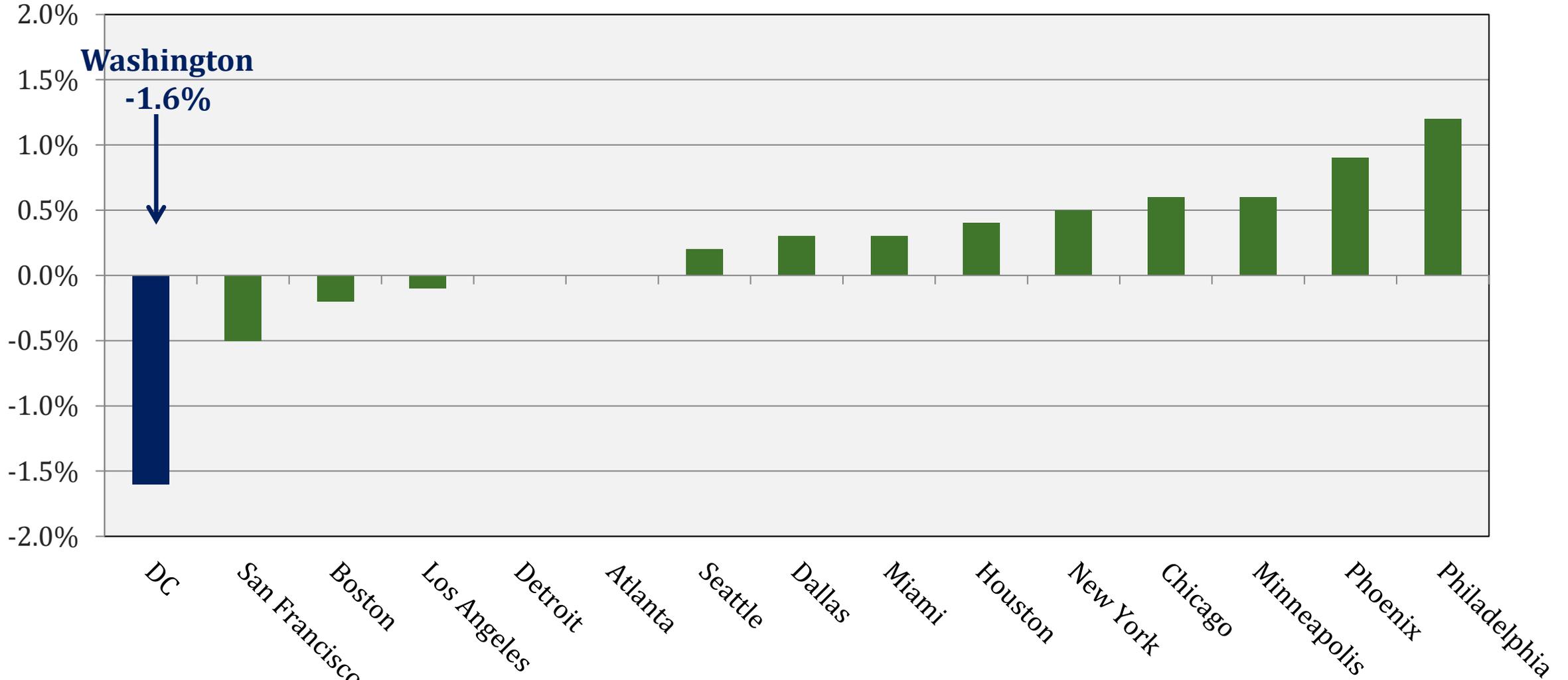
Unemployment Rates in the WMSA By Sub-State Area



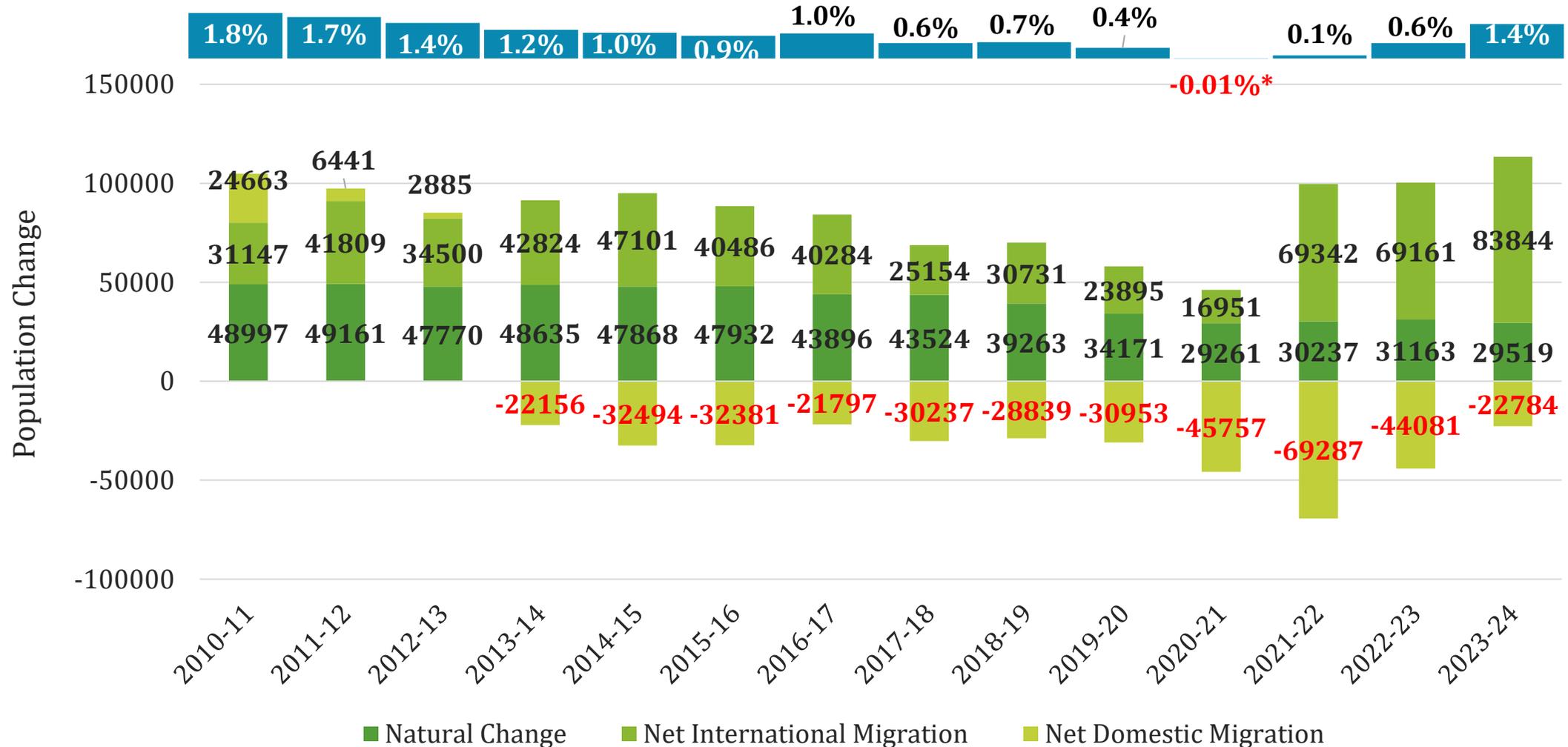


15 Largest Job Markets: Job Change

Dec 2024 – Dec 2025



Elements of Population Change Washington MSA



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



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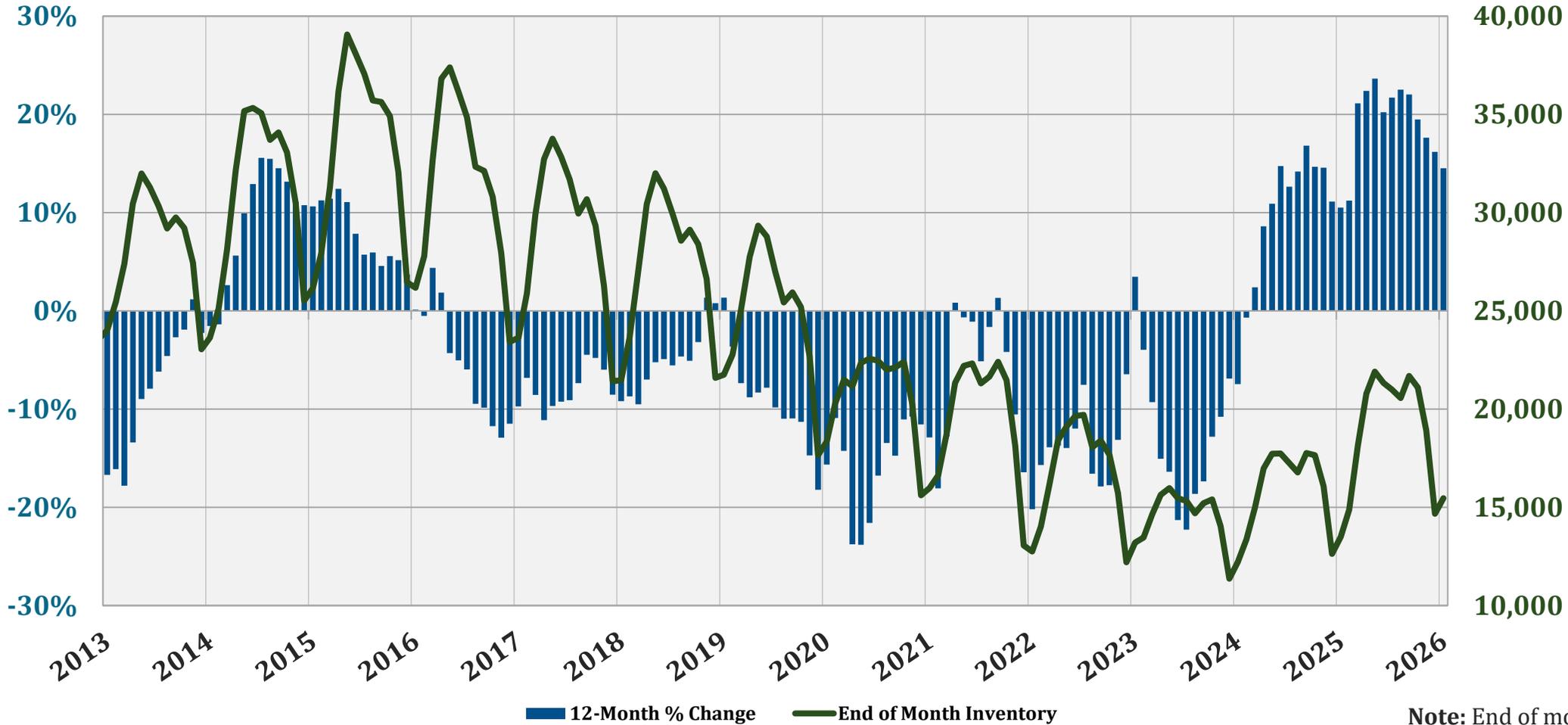
Real Estate Market Trends



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Inventories of Existing Homes

Washington MSA MOTYC (2013-2025)



Jan 25
-
Jan 26

14.5%

**EOM
inventory**

Jan 2025
13,499 units

Jan 2026
15,460 units

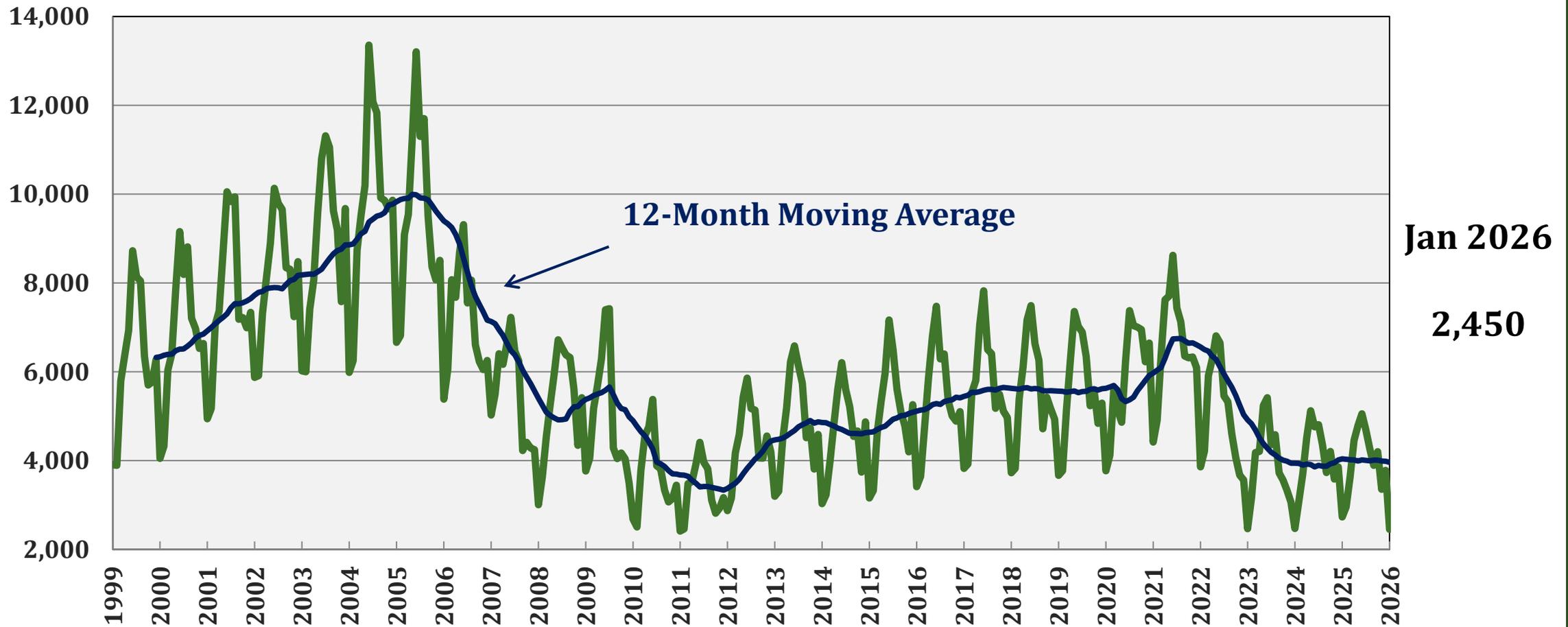
Note: End of month inventory includes:
(1) All Pending Listings and (2) Active Listings.



Existing Home Sales

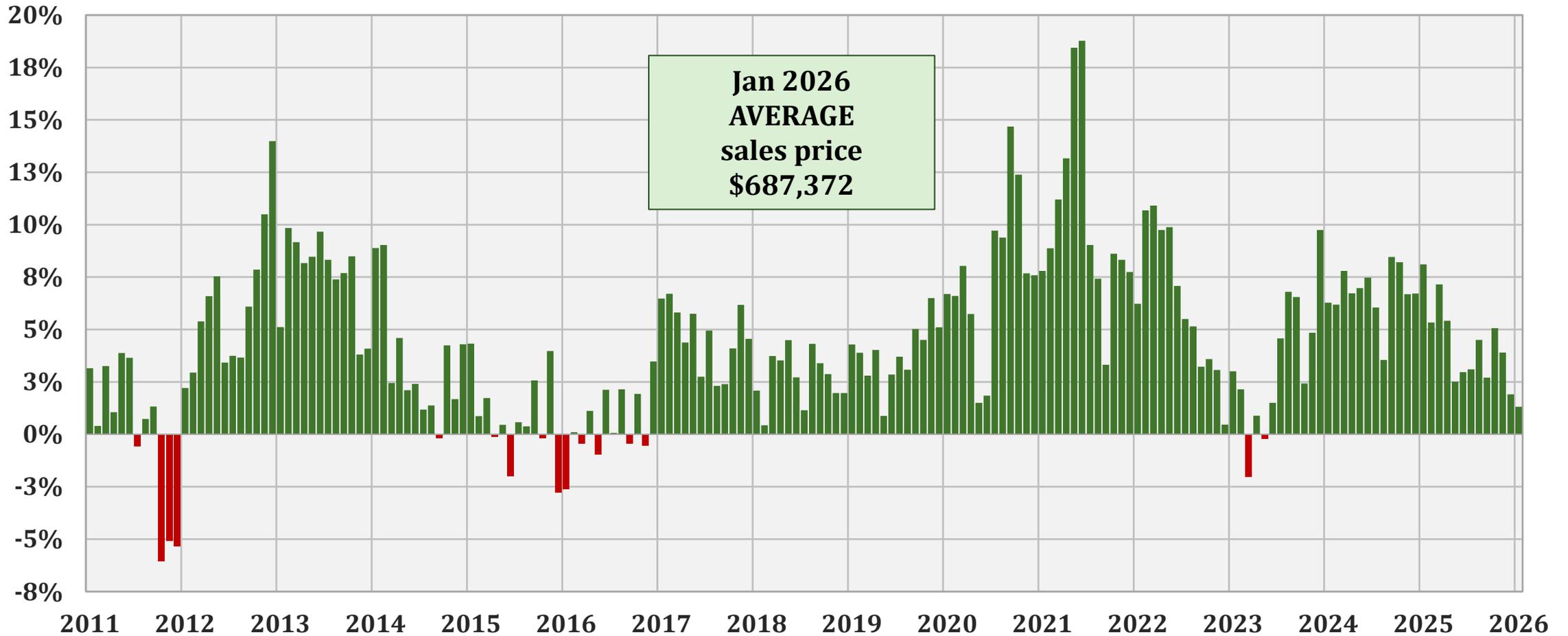
Washington MSA (DC Metro Region)

1999 - 2026



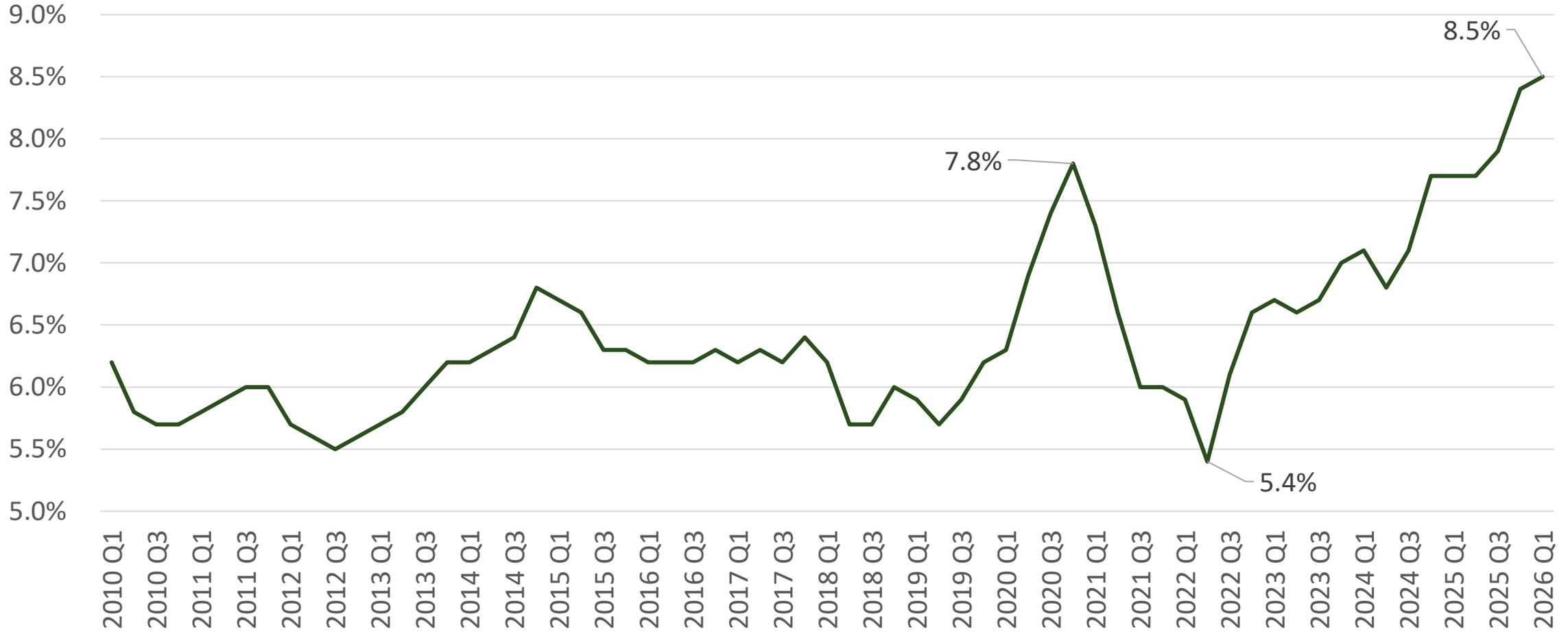


Average Sales Price Month-Over-Year % Change Washington MSA

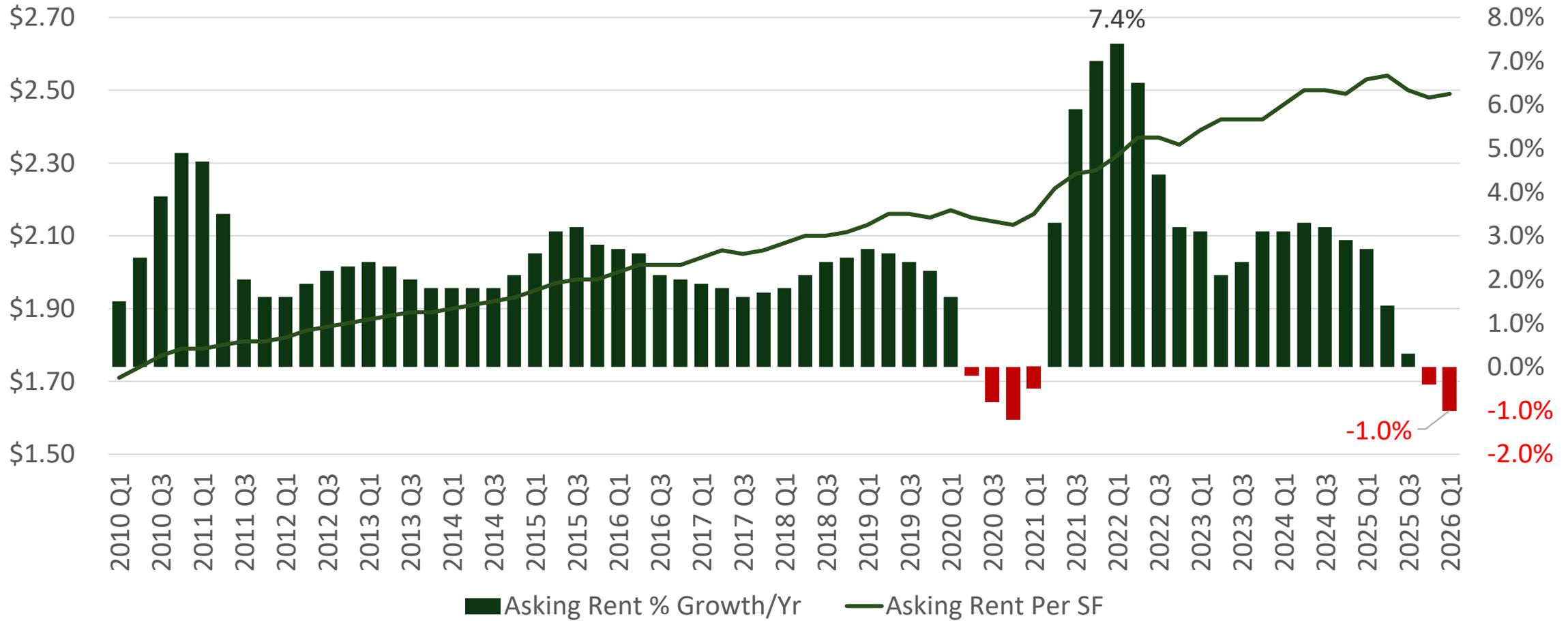




Multi-Family Vacancy Washington MSA

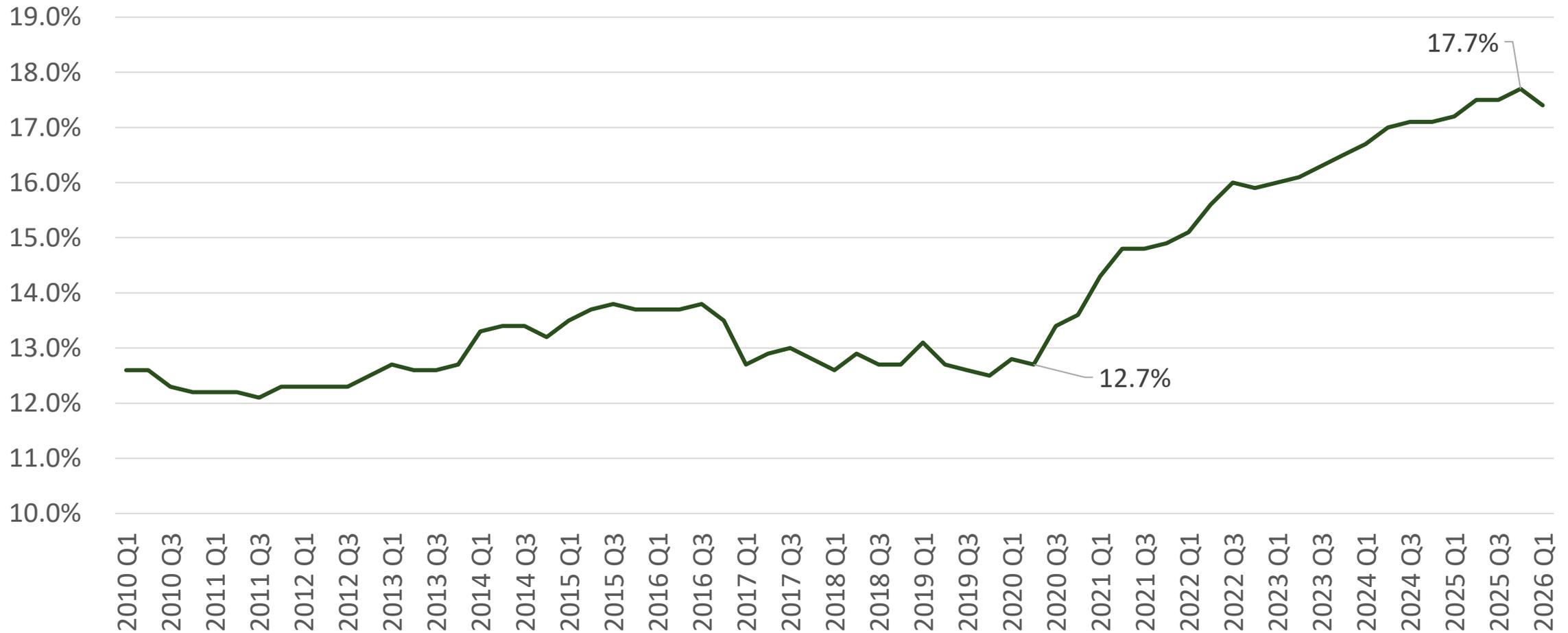


Multi-Family Asking Rent, % Change Washington MSA



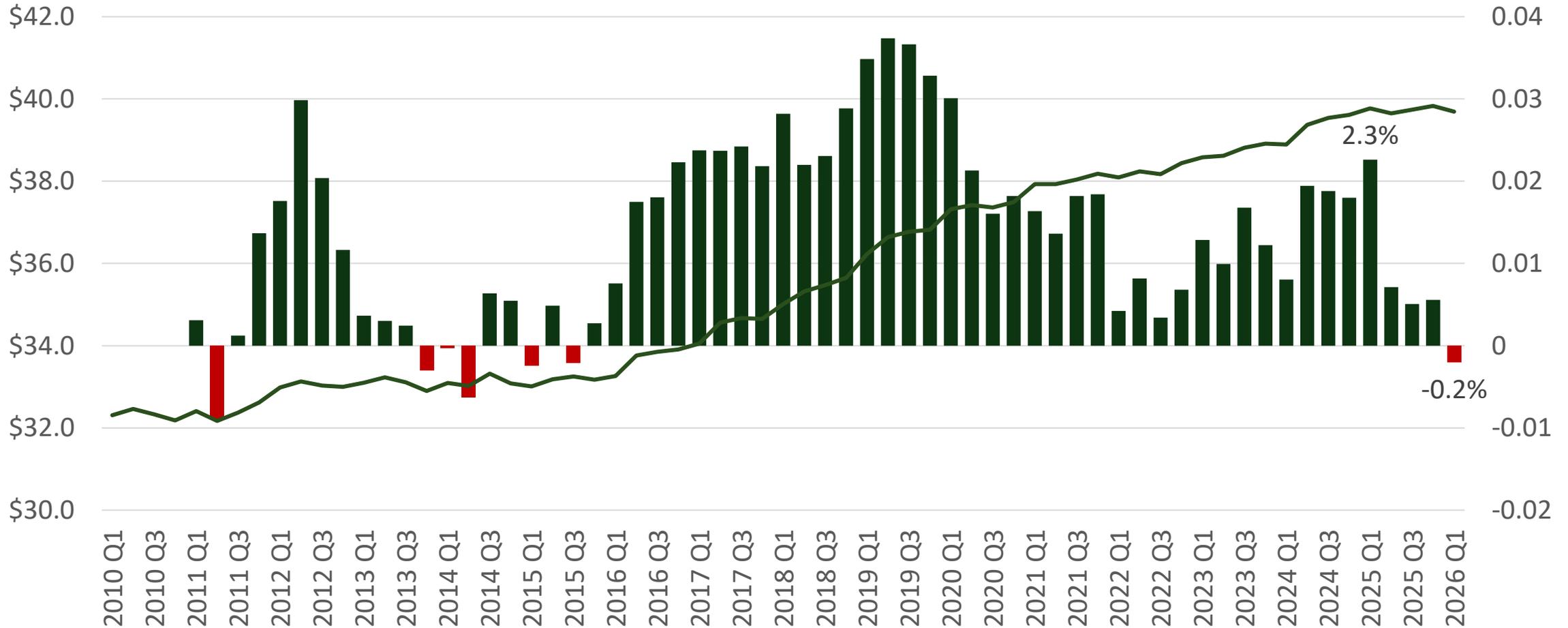


Office Vacancy - % Washington MSA



Office – Base Rent, % Change

Washington MSA





Summary



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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