

Virginia

ECONOMIC & HOUSING MARKET OUTLOOK

ECONOMIC OUTLOOK



2025: -0.3% (-13K JOBS)
2026: 0.0% (00K JOBS)

TOTAL JOBS YEAR-OVER-YEAR JOB CHANGE



2025: 4.0%
2026: 4.2%

UNEMPLOYMENT RATE (Q4)

The labor market in Virginia has experienced a slowdown since January due to layoffs in the federal government sector and the adjacent professional/business services sector. Total jobs in Virginia are projected to remain flat in 2026. Virginia's unemployment rate has inched up since the beginning of the year, while remaining lower than that for the U.S., and we expect it to continue increasing. We expect unemployment to rise to 4.2% by the end of 2026.

HOUSING MARKET OUTLOOK



HOME SALES

2025: -0.3%
2026: +5.1%
ANNUAL CHANGE



MEDIAN HOME PRICE

2025: +3.4%
2026: +2.1%
ANNUAL CHANGE



**NEW HOUSING
STARTS**

2025: -0.3%
2026: -1.1%
ANNUAL CHANGE



**30-YR MORTGAGE
RATE (DEC AVG)**

2025: 6.30%
2026: 6.00%

Home sales in Virginia are expected to stay flat in 2025, but falling mortgage rates and rising inventory should drive stronger activity in 2026—especially in smaller metros and Richmond. Northern Virginia and Hampton Roads may see slower growth due to federal workforce cuts. Home prices will continue climbing, though at a more moderate pace, with rates projected near 6% by the end of 2026.