# The Lubbock Economy

## October 2026

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# Lubbock Economic Analysis

## Lubbock's economy continues to expand with strong growth in retail sales and tourism, despite slow sales of new and used vehicles.

Construction is slowing, wages are up, and employment remains steady in the Lubbock market. Continued pressure from gas and diesel prices is pushing inflation higher, which could affect economic growth through increased costs of goods and possible interest rate increases.

YTD retail sales are up 8%, while September 2026 sales also increased 8% compared with September 2025. New vehicle sales decreased by 15% from this time last year and used vehicle sales declined slightly.

Hotel and motel tax collections increased 17% in September 2026 compared with September 2025, driven in part by three Texas Tech home football games during the month.

Employment numbers in Lubbock remained flat compared with September 2025. The unemployment rate remained steady at 3.70%, while wages rose 9% over the same period.

30-year mortgage rates have climbed to 7.5%, continuing to weigh heavily on residential permitting activity, which is down 16% from the same period last year. Median home prices declined 20% compared with the same last year.

Residential building activity, including multifamily and apartment projects, is down 25% year over year, while single-family activity is down 13%.

Total building activity is down $49 million, or 6%, compared with last year. Commercial building activity is up $89 million, or 33%, while residential activity is down $138 million, or 25%.

YTD energy markets saw an increase, with oil prices going up 62% while natural gas prices increased 7%. The September 2026 oil rig count rose to 14, compared with 10 rigs in September 2025.

Agricultural commodity prices were mixed, with cotton and wheat prices increasing 26% and 35%, respectively, while milk prices declined 11%. Recent rains and cooler temperatures have benefited the ag sector as cotton harvesting begins. Good weather remains important for the harvest, though rain is always welcome. In 2025, estimated cotton production across 42 counties totaled 2.5 million bales. Lynn, Floyd, Lubbock, Hale, and Dawson were the top five producing counties.

# Lubbock Economic Pulse

| Economic Components | Current Month | Last Month | One Year Ago |
|---|---|---|---|
| Index (Base Jan. 88 @ 100) | 291.29 | 265.08 | 252.66 |
| | | | |
| Sales Tax Collection | $ 9,715,440 | $ 9,443,486 | $ 8,992,841 |
| Sales Tax Collections (Year to Date) | $ 96,798,819 | $ 87,083,379 | $ 90,015,389 |
| | | | |
| New Vehicle Sales | 950 | 1,129 | 1,114 |
| Used Vehicle Sales | 2,001 | 1,948 | 2,016 |
| | | | |
| Airline Boardings | 54,203 | 50,076 | 50,541 |
| Hotel/Motel Receipt Tax | $ 1,003,882 | $ 843,167 | $ 855,077 |
| | | | |
| Population | 272,086 | 272,086 | 272,086 |
| Employment – CLF* | 188,237 | 188,118 | 187,755 |
| Unemployment Rate* | % 3.70 | % 3.90 | % 3.70 |
| Total Workers Employed* (Household Survey) | 181,273 | 180,704 | 180,816 |
| Total Workers Employed* (Employers Survey) | 175,700 | 176,400 | 174,700 |
| Average Weekly Wages | $ 1,143.00 | $ 1,143.00 | $ 1,044.00 |
| | | | |
| Gas Meters | 79,088 | 79,364 | 78,531 |
| | | | |
| Interest Rates (30 year mortgage rates) | % 7.500 | % 7.125 | % 6.000 |
| Building Permits (Dollar Amount) | $ 56,527,675 | $ 88,608,758 | $ 109,683,221 |
| Year to Date Permits (Dollar Amount) | $ 781,297,381 | $ 724,769,706 | $ 831,052,479 |
| Residential Starts | 155 | 132 | 184 |
| Year to Date Starts | 1,178 | 1,023 | 1,254 |
| Median House Sold Price | $ 244,990 | $ 243,000 | $ 240,705 |
| | | | |
| Drilling Rigs in Panhandle | 14 | 14 | 10 |
| Oil Per Barrel | $ 94.86 | $ 104.71 | $ 58.41 |
| Natural Gas | $ 3.20 | $ 2.93 | $ 2.99 |
| Wheat Per Bushel | $ 6.49 | $ 6.62 | $ 4.81 |
| Fed Cattle Per CWT | $ 220.50 | $ 223.45 | $ 241.00 |
| Corn | $ 4.81 | $ 5.41 | $ 4.01 |
| Cotton (Cents Per Pound) | $ 78.26 | $ 76.69 | $ 62.34 |
| Milk | $ 15.05 | $ 16.25 | $ 17.00 |

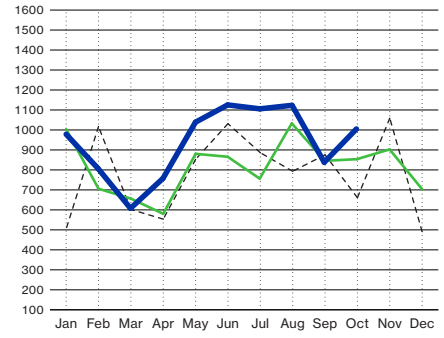
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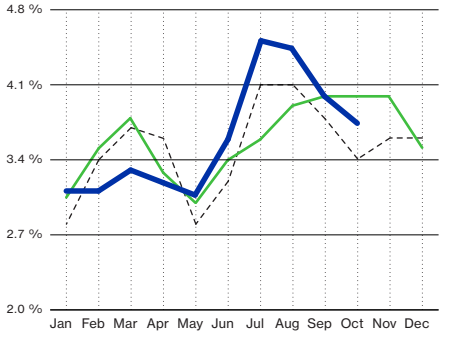
# Economic Pulse Charts

2026 2025 2024

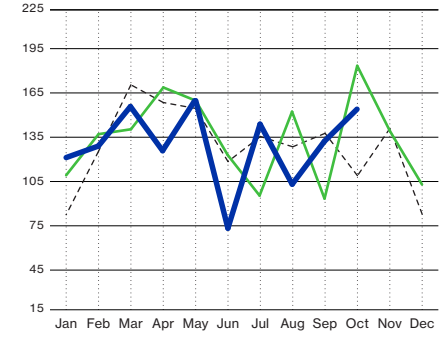
## Hotel/Motel Receipt Tax (In Thousands)



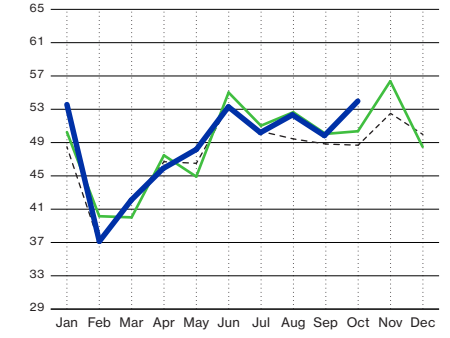

## Percent Unemployment (State Adjusted Numbers)



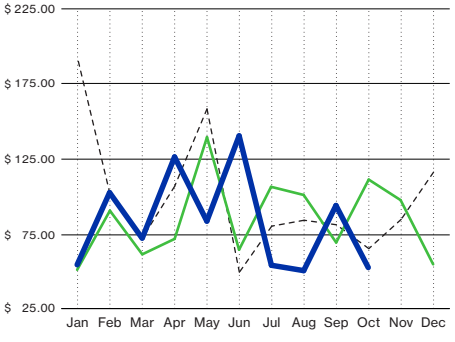

## Residential Housing Starts



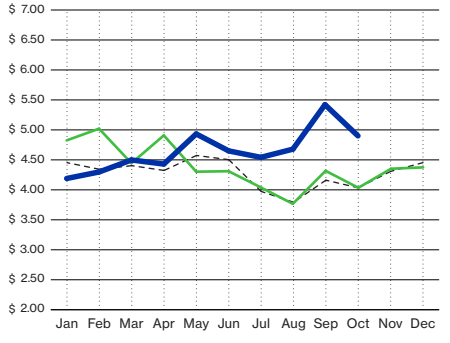

## Airline Boardings (In Thousands)



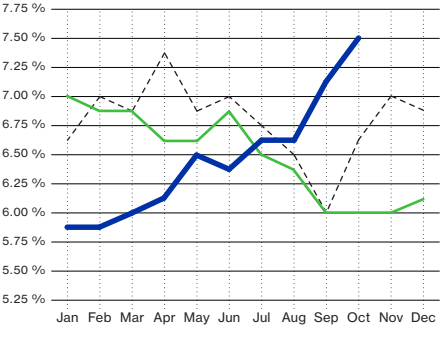

## Building Permits
(Residential/Commercial - Millions of Dollars)



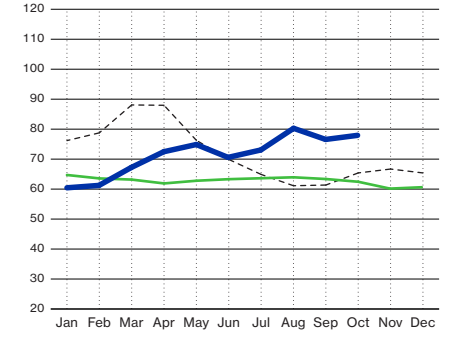

## Corn (Price Per Bushel)




## Interest Rates (30 Year Mortgage Rates)

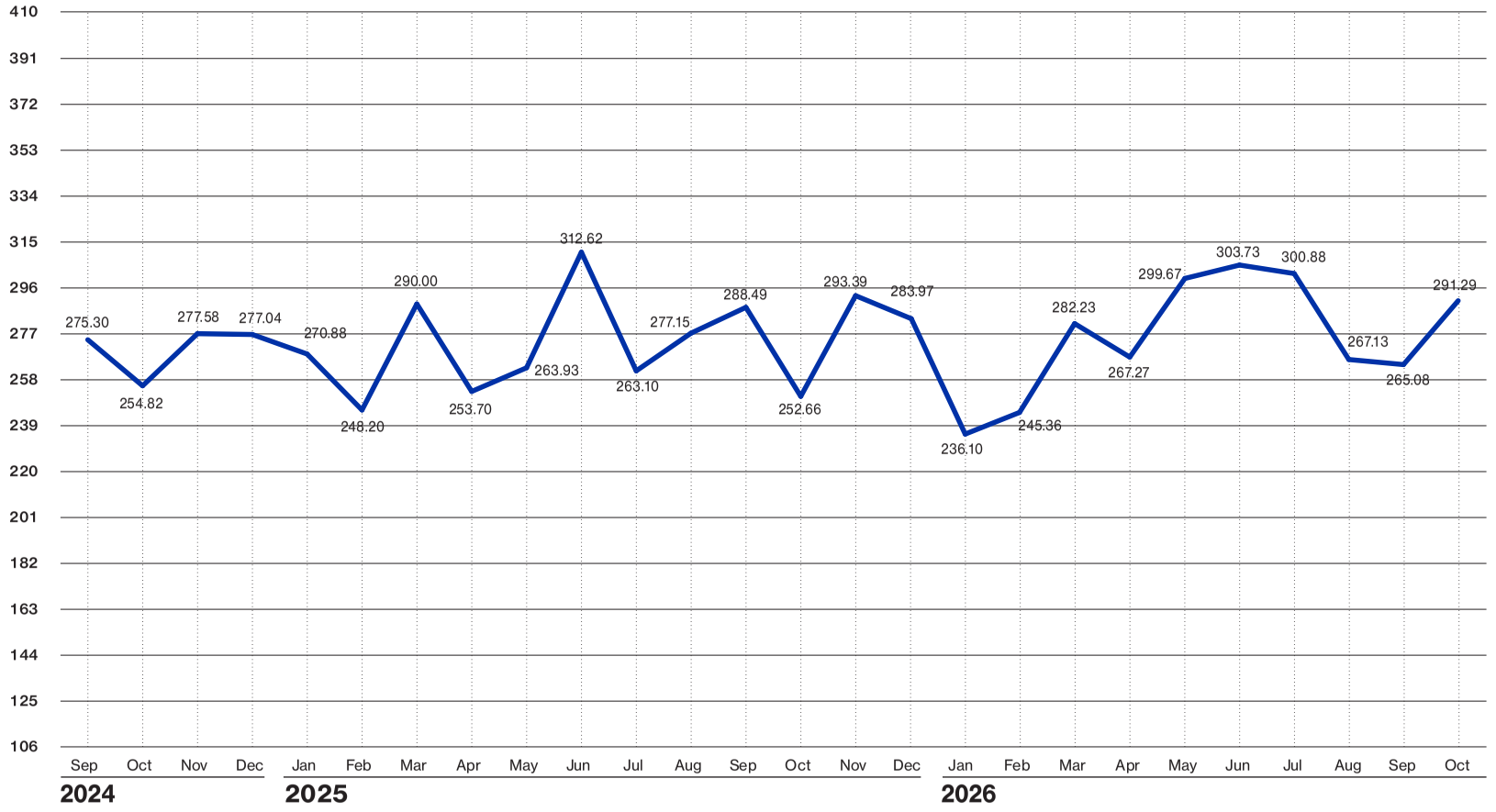



## Cotton (Cents Per Pound)



# Lubbock Economic Pulse | October 2026

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