The Lubbock Economy

October 2025

Lubbock National Bank
Branch of Amarillo National Bank

Awesome Service

LubbockNational.com | (806) 792-1000

Member FDIC | Equal Housing Lender

Lubbock Economic Analysis

Retail sales in Lubbock for the first three quarters of 2025 show modest growth compared to the same period last year, with gains barely keeping pace with inflation.

However, sales from September 2024 to September 2025 increased by 5.85%, signaling steady consumer activity. Building activity remains mixed – commercial construction continues to lag, while residential projects have shown slight year-over-year improvement. Vehicle sales, both new and used, continue to trend upward, and tourism remains strong with football season boosting the travel sector. Looking ahead, potential interest rate cuts could further support residential and commercial growth. A prolonged government shutdown, however, could slow broader economic momentum.

In September 2025, retail sales in Lubbock rose 5.85% compared to September 2024. Year-to-date sales reached $90.02 million, up 2.15%, or $1.89 million, from the same period last year. New vehicle sales totaled 1,114 units for the month, up 7.43% from September 2024, while used vehicle sales increased 9.86% to 2,016 units.

Hotel/Motel tax collections for September 2025 amounted to $855,077, reflecting a 26.43% increase from a year earlier. Air travel also saw moderate growth, with 50,541 boardings recorded at the Lubbock Preston Smith International Airport – up 4.16% from September 2024.

Employment numbers have not been published due to the government shutdown. We continue to doubt the veracity of the numbers because of the fear of ICE raids among employers and households.

The combined value of residential and commercial building permits issued in September reached $109.68 million, up 61.57% from last year's total of $67.89 million – the highest level since April 2025. Despite this, overall activity has slowed from previous years, with commercial construction below norms. Year-to-date commercial activity is down 3.5%, or $140.6 million. Residential construction, on the other hand, saw a modest 1.87% uptick, or $70 million. Overall, residential construction is driven by both single family and multi-purpose projects – up 2.95%, or $127 million. Notable developments include a $67 million student housing project on the Texas Tech campus and a $26 million apartment complex, along with various small-scale remodels across the city.

A total of 184 residential permits were issued during the month, up 62.83% from September 2024. Year-to-date, 1,254 permits have been issued, steady from the prior year. Mortgage rates remain steady at 6.00%, though that represents a 9.43% decrease compared to September 2024. The median home price for the month was $240,705.

Energy markets saw mixed trends. As of September 2025, oil prices were down 17.09% year-over-year, while natural gas prices surged 24.58%. The number of active oil rigs fell from 12 in September 2024 to 10 in September 2025.

Agricultural markets were similarly varied. Wheat prices dropped 22.79%, corn prices remained steady, and cotton prices declined 4.25%. Fat cattle prices, however, rose sharply by 29.57%, while milk prices fell 24.61%. With harvest season underway, cotton prospects appear improved. Some gins estimate they will gin 20-30% higher than last year, while several gins anticipate processing dryland cotton for the first time in two to three years. Hopefully fall weather will be cooperative for gathering crops and ginning.

Lubbock Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	252.66	288.49	254.82
Sales Tax Collection	$ 8,992,841	$ 9,168,664	$ 8,496,174
Sales Tax Collections (Year to Date)	$ 90,015,389	$ 81,022,548	$ 88,122,970
New Vehicle Sales	1,114	1,199	1,037
Used Vehicle Sales	2,016	2,431	1,835
Airline Boardings	50,541	50,304	48,521
Hotel/Motel Receipt Tax	$ 855,077	$ 846,646	$ 676,326
Population	272,086	272,086	263,648
Employment – CLF*	187,509	187,509	174,937
Unemployment Rate*	% 4.00	% 4.00	% 3.40
Total Worker Employed* (Household Survey)	180,018	180,018	168,976
Total Worker Employed* (Employer Survey)	174,700	174,700	161,800
Average Weekly Wages	$ 1,044.00	$ 1,044.00	$ 1,026.00
Gas Meters	78,531	78,554	78,055
Interest Rates (30 year mortgage rates)	% 6.000	% 6.000	% 6.625
Building Permits (Dollar Amount)	$ 109,683,221	$ 72,196,902	$ 67,886,049
Year to Date Permits (Dollar Amount)	$ 831,052,479	$ 721,369,258	$ 803,364,570
Residential Starts	184	91	113
Year to Date Starts	1,254	1,070	1,253
Median House Sold Price	$ 240,705	$ 288,388	$ 235,000
Drilling Rigs in Panhandle	10	8	12
Oil Per Barrel	$ 58.41	$ 64.56	$ 70.45
Natural Gas	$ 2.99	$ 3.12	$ 2.40
Wheat Per Bushel	$ 4.81	$ 5.01	$ 6.23
Fed Cattle Per CWT	$ 241.00	$ 237.00	$ 186.00
Corn	$ 4.01	$ 4.29	$ 4.01
Cotton (Cents Per Pound)	$ 62.34	$ 63.03	$ 65.11
Milk	$ 17.00	$ 17.60	$ 22.55

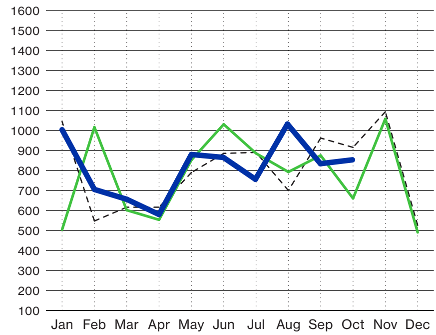
Prepare for the majestic dance of disclaimers!

This document was prepared by Lubbock National Bank, Branch of Amarillo National Bank on behalf of itself for distribution in Lubbock, Texas and is provided for informational purposes only. The information, opinions, estimates and forecasts contained herein relate to specific dates and are subject to change without notice due to market and other fluctuations. The information, opinions, estimates and forecasts contained in this document have been gathered or obtained from public sources believed to be accurate, complete and/or correct. The information and observations contained herein are solely statements of opinion and not statements of fact or recommendations to purchase, sell or make any other investment decisions.

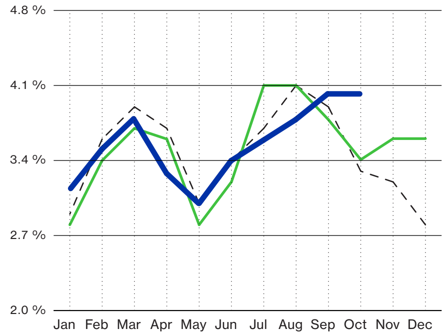
Economic Pulse Charts

2025 2024 2023

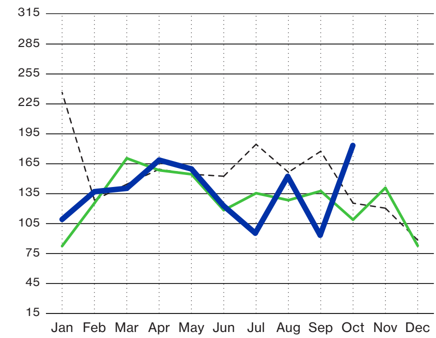
Hotel/Motel Receipt Tax (In Thousands)



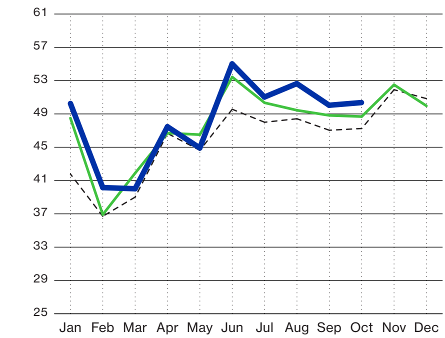
Percent Unemployment (State Adjusted Numbers)



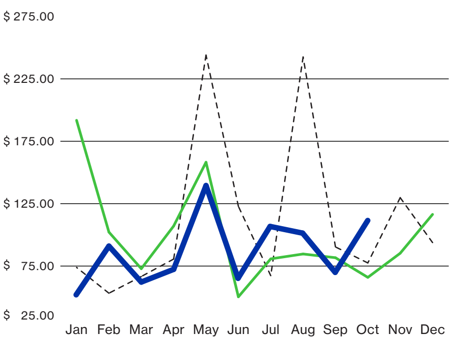
Residential Housing Starts



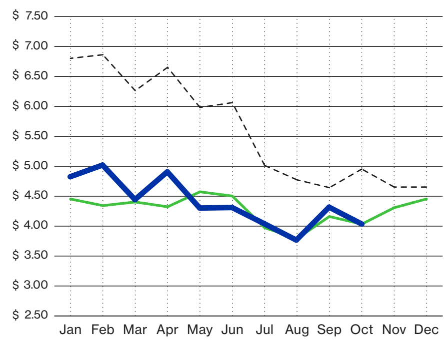
Airline Boardings (In Thousands)



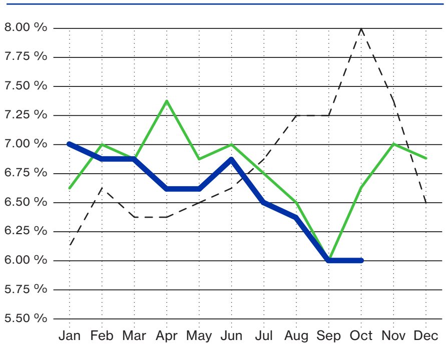
Building Permits
(Residential/Commercial - Millions of Dollars)



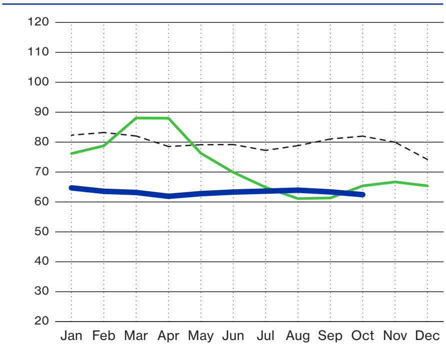
Corn (Price Per Bushel)

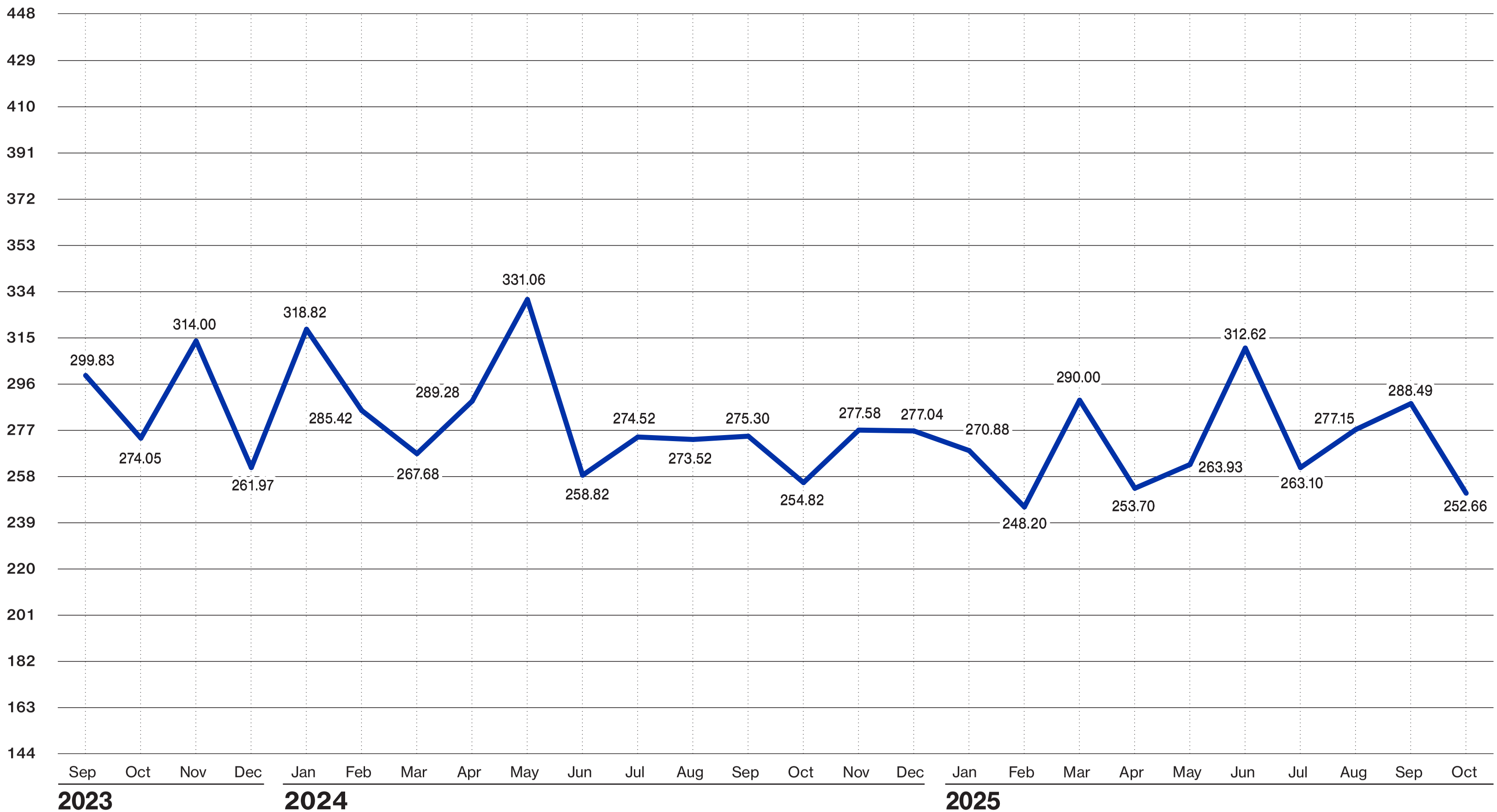


Interest Rates (30 Year Mortgage Rates)



Cotton (Cents Per Pound)




448
429
410
391
372
353
334
315
296
277
258
239
220
201
182
163
144
299.83
274.05
314.00
261.97
318.82
285.42
267.68
289.28
331.06
258.82
274.52
273.52
275.30
254.82
277.58
277.04
270.88
248.20
290.00
253.70
263.93
312.62
263.10
277.15
288.49
252.66
Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct
2023
2024
2025

We've Seen a Lot of Banks Come and Go...

Vista Bank
Peoples Bank
Heartland First Bank and Trust
Aim Bank
American State Bank
Bank of the West
BBVA
Bluebonnet Savings and Loan
Briercroft Savings and Loan
Centennial Bank
First Bank and Trust
First Capital Bank
First Federal Savings and Loan
First National Bank
First State Bank
Happy State Bank
Liberty State Bank
Platinum Bank
Shadow Hills National Bank
State National Bank
State Savings & Loan
Texas Bank
Whisperwood National Bank

...Meanwhile we have been doing Customer Centered Banking for over 133 years.

LubbockNational.com | (806) 792-1000

Member FDIC | Equal Housing Lender

Lubbock National Bank
Branch of Amarillo National Bank

Awesome Service