

# THE ECONOMY AT A GLANCE

## HOUSTON



GREATER HOUSTON  
PARTNERSHIP.  
Making Houston Greater.

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## WHO WE ARE

Each fall, the U.S. Census Bureau releases new American Community Survey (ACS) estimates, showing how the nation's demographic, social, economic, and housing characteristics have changed relative to the previous year. The '24 data, released in September, includes estimates for Houston and other major metro areas. In this issue of *Glance*, the Partnership examines some of the ways the region has changed over the past decade. Subsequent editions of *Glance* will look at the same ACS data in greater detail, comparing Houston to its peer metropolitan areas.

### Race and Ethnicity

Houston, already one of the nation's most ethnically and racially diverse metros, has grown even more diverse over the past decade. Since '14, the region's Hispanic or Latino population has increased by nearly 700,000, while non-Hispanic Black and Asian populations have added over 200,000 residents each. The non-Hispanic white population has declined slightly, though part of this change may be due to the growing number of residents who now identify with more than one race—a group that has nearly tripled during the same period.

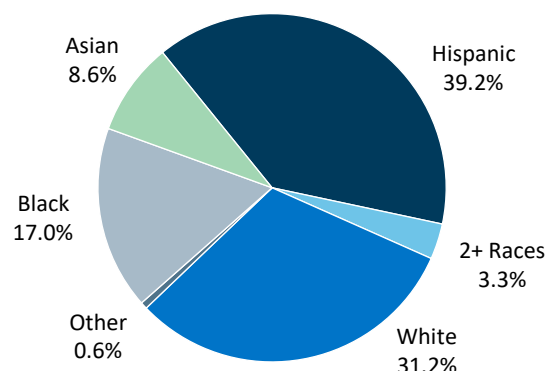
### CHANGE IN METRO HOUSTON RACE/ETHNICITY PROFILE

Race/Ethnicity	Residents		Change, '14-'24	
	'24	'14	Count	%
Hispanic	3,054,446	2,356,245	698,201	29.6
Non-Hispanic	4,741,736	4,133,935	607,801	14.7
White	2,432,498	2,452,709	-20,211	-0.8
Black	1,327,870	1,092,194	235,676	21.6
Asian	673,450	471,037	202,413	43.0
Other Race	49,700	27,393	22,307	81.4
2+ Races	258,218	90,602	167,616	185.0
<b>TOTAL</b>	<b>7,796,182</b>	<b>6,490,180</b>	<b>1,306,002</b>	<b>20.1</b>

Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

Hispanic or Latino residents make up the largest racial/ethnic group in the region, followed closely by non-Hispanic white residents. But, as has been the case since the late '90s, no single group constitutes a majority.

### METRO HOUSTON RACE/ETHNIC COMPOSITION

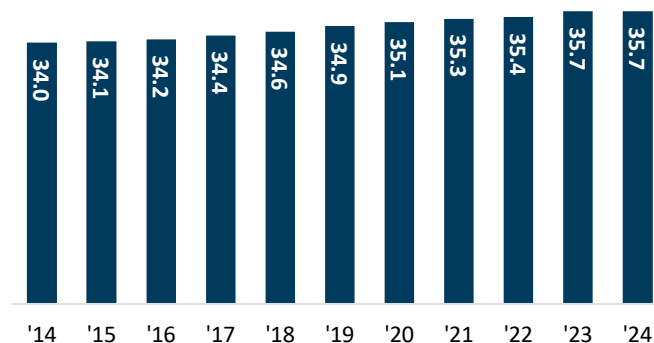


Note: The Hispanic category includes Hispanic or Latino persons of any race. All other categories represent non-Hispanic populations.  
Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

### Age

Houston continues to be younger than the nation as a whole, with a median age of 35.7 years old compared to the U.S. median of 39.1. The region's population is aging, but at a gradual pace. The median age has increased by one year and eight months since '14 – but it held steady between '23 and '24.

### METRO HOUSTON MEDIAN AGE



Note: Value for '20 is estimated since ACS was withheld that year.  
Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

Improved healthcare technology and declines in harmful behaviors such as smoking have extended life expectancies and helped expand Houston’s senior population. A decade ago, residents aged 65 and older made up about 1 in 10 Houstonians, but last year they accounted for roughly 1 in 8.

CHANGE IN METRO HOUSTON AGE PROFILE

Age Group	Residents		Change, '14-'24	
	'24	'14	Count	%
0-19 Years	2,186,023	1,919,128	266,895	13.9
20-34 Years	1,626,547	1,434,115	192,432	13.4
35-54 Years	2,147,823	1,778,473	369,350	20.8
55-64 Years	831,014	719,872	111,142	15.4
65+ Years	1,004,775	638,592	366,183	57.3
TOTAL	7,796,182	6,490,180	1,306,002	20.1

Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

Relatively high birth rates and an influx of families with young children ensure that Houston’s population of minors and young adults continues to grow. Residents under 20 years old are the region’s largest age cohort (followed closely by the 35-54 group), representing 28 percent of the overall population. Their number has increased by over a quarter of a million during the previous 10 years.

Educational Attainment

Houstonians are achieving higher levels of education to meet the demands of an increasingly technical workforce. Among residents aged 25 and older, more than 85 percent are high school graduates, up from 82 percent in '14. Nearly two-thirds have some college experience, with marked growth among those holding an associate’s degree or higher (44.5 percent in '24 vs. 37.2 percent in '14) and those holding a bachelor’s degree or higher (37.3 percent in '24 vs. 31.0 percent in '14).

HIGHEST LEVEL OF EDUCATIONAL ATTAINMENT, METRO HOUSTONIANS 25 YEARS AND OLDER

Highest Level of Education	% in '24	% in '14
Less than 9 <sup>th</sup> grade	7.9	9.5
9 <sup>th</sup> to 12 <sup>th</sup> grade, no diploma	6.7	8.5
High school graduate	22.6	22.9
Some college, no degree	18.3	21.9
Associate’s degree	7.3	6.2
Bachelor’s degree	23.0	19.8
Graduate or professional degree	14.3	11.2
High school graduate or higher	85.4	82.0
Some college or higher	62.8	59.1
Associate’s degree or higher	44.5	37.2
Bachelor’s degree or higher	37.3	31.0

Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

Foreign-Born Population

More than 1 in 4 Houstonians was born outside the United States. In '24, 25.4 percent of the metro area’s residents were in a foreign country, up from 23.1 percent in '14. Nationwide, the share of foreign-born residents in '24 was significantly lower at 14.8 percent.

Houston added more than 480,000 foreign-born residents over the decade, with international migration representing the region’s largest source of population growth. Metro Houston’s foreign-born population now exceeds the total populations of 12 states (Alaska, Delaware, Hawaii, Maine, Montana, New Hampshire, North Dakota, Rhode Island, South Dakota, Vermont, West Virginia, Wyoming) and the District of Columbia.

PLACE OF BIRTH, METRO HOUSTON RESIDENTS

Origin	'24		'14	
	Count	%	Count	%
Foreign Born	1,979,300	25.4	1,498,072	23.1
Native Born	5,816,882	74.6	4,992,108	76.9
TOTAL	7,796,182	100.0	6,490,180	100.0

Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

Houston’s foreign-born residents come from all corners of the globe. Just under half (48.5 percent) come from Central America (defined by the Census Bureau to include Mexico), 24.9 percent come from Asia, 8.6 percent from South America, 7.0 percent from Africa, 6.0 percent from the Caribbean, 3.9 percent from Europe, 1.0 percent from North America, and 0.2 percent from Oceania.

TOP 20 COUNTRIES OF ORIGIN, HOUSTON FOREIGN-BORN POPULATION

Country		Residents	Country		Residents
1	Mexico	603,414	11	Philippines	49,323
2	El Salvador	140,231	12	Colombia	45,780
3	Honduras	126,477	13	Pakistan	36,293
4	India	103,989	14	U.K.	20,542
5	Vietnam	103,521	15	Nicaragua	19,916
6	Cuba	81,514	16	Canada	19,632
7	Nigeria	80,528	17	Brazil	16,212
8	China	77,322	18	Korea	14,292
9	Venezuela	74,962	19	Iran	12,227
10	Guatemala	60,592	20	Jamaica	11,406

Source: Partnership analysis of U.S. Census Bureau 1-year ACS data

The three Central American countries of Mexico, El Salvador, and Honduras are the most common places of birth for the region’s foreign-born population, but the Asian countries of India and Vietnam are not far behind, with over 100,000 residents each. Despite their prominence, these five countries account for just 13.8 percent of Houston’s foreign-born residents.

## SAVE THE DATE

On Wednesday, October 22, the Greater Houston Partnership will host an Economy Series webinar sponsored by Fifth-Third Bank. The Partnership's Senior Vice President of Research, Holly Heard, will present her insights on recent economic and demographic trends shaping the Houston region and what they portend for the year ahead. To register for the event, go to the corresponding [events page](#) on the Partnership's website.

## KEY ECONOMIC INDICATORS

*Clicking on the hyperlinks below will provide additional details on that indicator.*



**Home Sales** — Brokers closed on 60,065 single-family homes year-to-date through August '25, according to the Houston Association of Realtors (HAR). This represents a 4.6 percent increase compared to the same period in '24. Inventories of homes on the market dropped for the first time in '25 but remained near July's all-time high. Mortgage rates continued to decline to their lowest level since October '24, while prices show signs of easing.



**Industrial** — The demand for industrial and warehouse space in Houston has fluctuated over the past few years. The vacancy rate reached a five-year low of 5.0 percent in Q4/22 amid strong absorption and record construction. As new supply continued to outpace demand, vacancy climbed, setting a new high of 7.4 percent in Q3/25 (compared with the prior peak of 7.3 percent in Q2/24).



**Office** — The Houston office market logged 663,137 square feet of net absorption in Q3/25, marking the third consecutive quarter of positive demand and building momentum following the 436,120 square feet absorbed in Q2/25. This improvement comes after a prolonged period of volatility. For the full year of '24, the market registered negative 1.0 million square feet of absorption. Despite this recent rebound, the longer-term trend remains uneven, with Houston recording negative absorption in four of the past five years and six of the last ten, signaling that more space was vacated than occupied during those periods.



**Purchasing Managers Index** — Houston's economy expanded at a steady pace in August, according to the most recent Houston Purchasing Managers Index (PMI) prepared by the Institute for Supply Management-Houston. The overall PMI, which measures broad economic activity according to a survey of supply chain executives, was 52.8 in August,

almost unchanged from 52.3 in July and above the break-even point of 45, indicating economic expansion. Manufacturing slipped from slight expansion to slight contraction, while non-manufacturing expanded at its fastest pace this year.



**Retail** — Houston's retail market remains a steady performer among the city's commercial real estate sectors, supported by ongoing population and job growth. The vacancy rate held steady at 5.6 percent in Q3/25, unchanged from the prior quarter. Leasing activity improved, with net absorption coming in at 821,439 square feet, up from 245,000 square feet in Q2/25. Average rents increased to \$20.51 per square foot, continuing their upward trend. Construction activity eased to 2.6 million square feet underway, reflecting a more cautious development environment.



**Unemployment** — Metro Houston's unemployment rate increased in August, rising to 5.0 percent from 4.5 percent in July, according to data published by the Texas Workforce Commission. Some of this increase reflects an expansion in the labor force, as the region netted over 10,000 individuals who began searching for work or working their first job during the month. Houston's unemployment rate came in above the national rate of 4.5 percent and the statewide rate of 4.7 percent.



**Vehicle Sales** — Houston-area dealers sold 382,381 new cars, trucks, and SUVs in the 12 months ending August '25, according to TexAuto Facts, published by InfoNation Inc. This represents a 10.1 percent increase in sales over the same period last year. Truck and SUV sales were up 12.8 percent, and car sales were almost flat, up 0.5 percent.

*Colin Baker, Margaret Barrientos, Holly Heard, Clara Richardson, and Leta Wauson contributed to this issue of Houston: The Economy at a Glance.*

### STAY UP TO DATE

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Interested in becoming a member of the Greater Houston Partnership? Call Member Engagement at 713-844-3683 or click [here](#) to learn more.

The Partnership also posts short videos with the latest U.S. and local economic trends. You can find those videos on the Partnership's [LinkedIn](#) page.

## HOUSTON MSA NONFARM PAYROLL EMPLOYMENT

	August '25	July '25	August '24	Change From		% Change From	
				July '25	August '24	July '25	August '24
<b>Total Nonfarm Payroll Jobs</b>	<b>3,453,700</b>	<b>3,453,600</b>	<b>3,426,200</b>	<b>100</b>	<b>27,500</b>	<b>0.0</b>	<b>0.8</b>
Total Private	3,010,500	3,014,600	2,987,300	-4,100	23,200	-0.1	0.8
Goods Producing	556,100	556,500	552,800	-400	3,300	-0.1	0.6
Service Providing	2,897,600	2,897,100	2,873,400	500	24,200	0.0	0.8
Private Service Providing	2,454,400	2,458,100	2,434,500	-3,700	19,900	-0.2	0.8
Mining & Logging	80,800	81,000	77,400	-200	3,400	-0.2	4.4
Oil & Gas Extraction	38,500	38,600	37,400	-100	1,100	-0.3	2.9
Support Activities for Mining	40,800	40,900	38,600	-100	2,200	-0.2	5.7
Construction	237,100	235,200	234,500	1,900	2,600	0.8	1.1
Manufacturing	238,200	240,300	240,900	-2,100	-2,700	-0.9	-1.1
Durable Goods Manufacturing	147,900	148,900	150,000	-1,000	-2,100	-0.7	-1.4
Nondurable Goods Manufacturing	90,300	91,400	90,900	-1,100	-600	-1.2	-0.7
Wholesale Trade	181,900	181,900	178,800	0	3,100	0.0	1.7
Retail Trade	321,700	322,200	322,400	-500	-700	-0.2	-0.2
Transportation, Warehousing & Utilities	198,100	197,100	193,700	1,000	4,400	0.5	2.3
Utilities	25,100	24,900	24,300	200	800	0.8	3.3
Air Transportation	22,100	22,100	21,400	0	700	0.0	3.3
Truck Transportation	31,500	31,400	30,800	100	700	0.3	2.3
Pipeline Transportation	14,500	14,500	13,900	0	600	0.0	4.3
Information	29,100	29,500	29,800	-400	-700	-1.4	-2.3
Telecommunications	10,700	10,600	11,000	100	-300	0.9	-2.7
Finance & Insurance	118,100	118,500	116,800	-400	1,300	-0.3	1.1
Real Estate & Rental & Leasing	63,800	64,200	63,100	-400	700	-0.6	1.1
Professional & Business Services	555,000	557,400	568,100	-2,400	-13,100	-0.4	-2.3
Professional, Scientific & Technical Services	281,000	282,900	282,400	-1,900	-1,400	-0.7	-0.5
Legal Services	33,400	34,000	33,200	-600	200	-1.8	0.6
Accounting, Tax Preparation & Bookkeeping	27,300	27,700	27,700	-400	-400	-1.4	-1.4
Architectural, Engineering & Related Services	79,900	79,600	77,600	300	2,300	0.4	3.0
Computer Systems Design & Related Services	42,200	42,400	44,600	-200	-2,400	-0.5	-5.4
Admin & Support, Waste Mgt & Remediation	228,300	228,000	238,100	300	-9,800	0.1	-4.1
Administrative & Support Services	215,400	215,000	225,200	400	-9,800	0.2	-4.4
Employment Services	74,800	74,900	79,900	-100	-5,100	-0.1	-6.4
Private Educational Services	71,500	71,800	71,500	-300	0	-0.4	0.0
Health Care & Social Assistance	403,000	399,900	389,800	3,100	13,200	0.8	3.4
Arts, Entertainment & Recreation	43,800	44,700	42,600	-900	1,200	-2.0	2.8
Accommodation & Food Services	330,900	332,600	324,900	-1,700	6,000	-0.5	1.8
Other Services	137,500	138,300	133,000	-800	4,500	-0.6	3.4
Government	443,200	439,000	438,900	4,200	4,300	1.0	1.0
Federal Government	36,400	37,000	37,200	-600	-800	-1.6	-2.2
State Government	101,000	100,100	97,500	900	3,500	0.9	3.6
State Government Educational Services	53,700	52,900	52,400	800	1,300	1.5	2.5
Local Government	305,800	301,900	304,200	3,900	1,600	1.3	0.5
Local Government Educational Services	201,800	198,000	203,000	3,800	-1,200	1.9	-0.6

Source: Texas Workforce Commission