THE ECONOMY AT A GLANCE
HOUSTON

GREATER HOUSTON PARTNERSHIP
Making Houston Greater.

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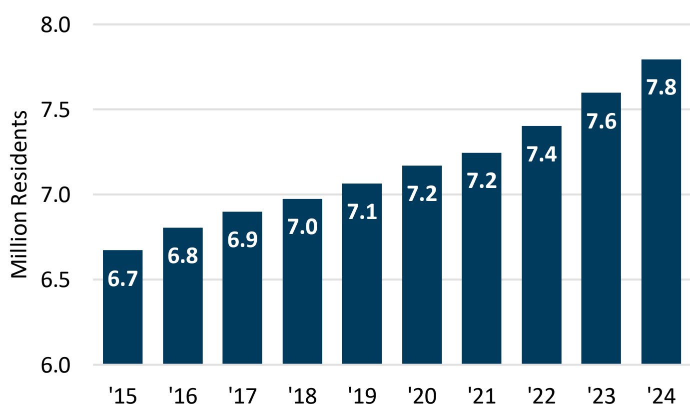
POPULATION GROWTH

Metro Houston added nearly 200,000 residents in ’24, bringing its population to 7.8 million people. That’s Houston’s largest increase on record and equates to a new resident every 2.7 minutes. Last year continued a trend of brisk growth, with the region adding over one million people during the previous decade. Population in the 10-county region now exceeds that of 37 states, along with Puerto Rico and the District of Columbia.

METRO HOUSTON POPULATION BY YEAR



Note: Reflects population as of July 1st of the given year
Source: U.S. Census Bureau

Houston ranked second in the number of residents added in ‘24 behind New York City. It added more residents than Los Angeles, Chicago, and Dallas/Fort Worth, even though they each have larger populations.

At 2.5 percent, Houston also had the second-highest population growth rate among major metros, trailing only Orlando. It grew more than twice as quickly as the U.S. overall. While all of the top 20 largest metros recorded population increases, only Houston, Dallas/Fort Worth, Miami, and Orlando saw their populations grow at a rate above 2.0 percent.

TOP 20 MOST POPULOUS U.S. METROS RANKED BY RESIDENTS ADDED IN ‘24

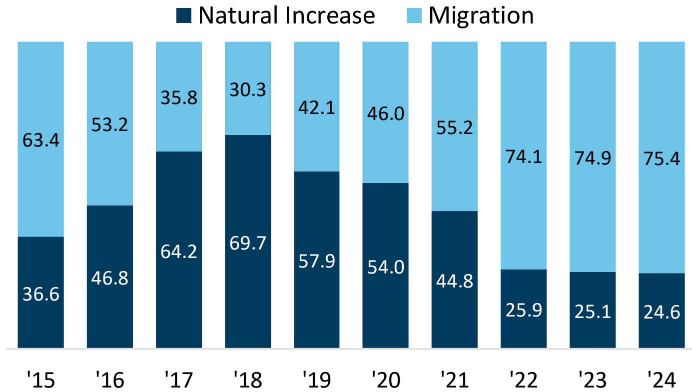
Rank	Metro	Population on 7/1/24	Change, '23 - '24 #	Change, '23 - '24 %
1	New York	19,940,274	213,403	1.1
2	**Houston**	**7,796,182**	**198,171**	**2.5**
3	Dallas	8,344,032	177,922	2.1
4	Miami	6,457,988	123,471	1.9
5	Washington	6,436,489	90,608	1.4
6	Phoenix	5,186,958	84,938	1.6
7	Orlando	2,940,513	75,969	2.6
8	Atlanta	6,411,149	75,134	1.2
9	Chicago	9,408,576	70,762	0.8
10	Seattle	4,145,494	66,666	1.6
11	Boston	5,025,517	58,251	1.2
12	Tampa	3,424,560	50,482	1.5
13	Philadelphia	6,330,422	49,520	0.8
14	Los Angeles	12,927,614	41,214	0.3
15	Riverside	4,744,214	39,860	0.8
16	San Francisco	4,648,486	39,041	0.8
17	Minneapolis	3,757,952	35,476	0.9
18	Denver	3,052,498	31,748	1.0
19	Detroit	4,400,578	30,988	0.7
20	San Diego	3,298,799	12,909	0.4
	U.S. OVERALL	**340,110,988**	**3,304,757**	**1.0**

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

Sources of Population Growth

Houston’s gains came from two sources—natural increase and net migration. Natural increase reflects births minus deaths in the region. Net migration includes people who moved into Houston minus those who moved out. Three-quarters of Houston’s gains came from migration and one-quarter from natural increase. The ratio has been stable over the last three years. But, over the long term, it does shift with the business cycle. Migration accounts for a larger share of growth when the region’s economy booms (as it has since the COVID-19 recovery) and a smaller share when it slows (like in '17 and '18).

SHARE OF METRO POPULATION GAINS OVER TIME (%)



Note: Reflects 12-month change for years ending on July 1st
Source: Partnership analysis of U.S. Census Bureau data

Net Migration

Metro Houston ranked first in net migration among all U.S. metros in '24. Each of the top 20 largest metros had positive migration in '24, *i.e.,* more residents moving into them than out of them.

NET MIGRATION IN '24
TOP 20 MOST POPULOUS METROS

Metro	Gain/Loss	Metro	Gain/Loss
Houston	**149,543**	Atlanta	48,363
New York	141,105	Boston	47,995
Dallas	127,252	Philadelphia	39,849
Miami	111,924	Detroit	28,721
Phoenix	70,197	San Francisco	27,770
Orlando	67,579	Riverside	22,270
Washington	61,060	Minneapolis	22,165
Tampa	53,836	Denver	20,118
Seattle	52,366	Los Angeles	7,660
Chicago	51,231	San Diego	292

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

Net migration has two components, *domestic* and *international*. Domestic reflects the population moving within the United States; international reflects residents arriving from abroad. International migration includes ex-pat U.S. workers called home from overseas, foreign workers assigned to multinational companies in Houston, military personnel redeployed stateside, international students enrolling at local universities, temporary workers on H1-B and H2-B visas, refugees placed in the city by relief agencies, and migrants (documented and undocumented) who left their homelands for better lives in America.

Only seven major metros gained residents via domestic migration. The other 13 saw more residents move out than move in from elsewhere in the U.S. Metro Houston performed well, ranking second for domestic migration behind Dallas/Fort Worth.

DOMESTIC MIGRATION IN '24
TOP 20 MOST POPULOUS METROS

Metro	Gain/Loss	Metro	Gain/Loss
Dallas	24,550	Detroit	-11,626
Houston	**21,408**	Philadelphia	-12,769
Phoenix	21,364	Boston	-22,736
Tampa	10,544	Washington	-22,784
Riverside	1,249	San Diego	-23,934
Orlando	779	San Francisco	-39,938
Minneapolis	467	Chicago	-45,217
Atlanta	-1,328	Miami	-101,303
Denver	-2,635	Los Angeles	-122,349
Seattle	-11,483	New York	-146,888

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

Houston ranked fourth for international migration, behind New York, Miami, and Los Angeles. All 20 of the nation's major metros benefited from international migration.

INTERNATIONAL MIGRATION IN '24
TOP 20 MOST POPULOUS METROS

Metro	Gain/Loss	Metro	Gain/Loss
New York	287,993	Seattle	63,849
Miami	213,227	Philadelphia	52,618
Los Angeles	130,009	Atlanta	49,691
Houston	**128,135**	Phoenix	48,833
Dallas	102,702	Tampa	43,292
Chicago	96,448	Detroit	40,347
Washington	83,844	San Diego	24,226
Boston	70,731	Denver	22,753
San Francisco	67,708	Minneapolis	21,698
Orlando	66,800	Riverside	21,021

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

International migration was the largest component of Houston's population growth for the third consecutive year, accounting for 85.7 percent of net migration and 64.7 percent of overall population gains. International migration remains essential to Houston's growing economy. According to the *2023 American Community Survey* (latest demographic data available):

- 24.8 percent of the metro population is foreign-born,
- 30.6 percent of the civilian labor force is foreign-born,
- The foreign-born unemployment rate is 3.0 percent compared to the native-born rate of 3.8 percent,

- Foreign-born residents work in the combined professional, scientific, management, administrative, and waste management sector at a higher rate than native-born Houstonians (15.0 percent vs 13.9 percent).

Natural Increase

Metro Houston ranked third, behind New York and Dallas-Fort Worth, in residents gained through natural increase. Houston logged approximately 96,000 births and 47,000 deaths over the 12 months ending July 1, 2024. That reflects a flat birth rate and a slight downturn in the number of deaths from the previous year, influenced by the continued waning of the COVID-19 pandemic. Only one major metro, Tampa, with its large retiree population, saw a negative natural change.

NATURAL POPULATION CHANGE IN '24
TOP 20 MOST POPULOUS METROS

Metro	Gain/Loss	Metro	Gain/Loss
New York	72,316	Minneapolis	13,345
Dallas	51,145	San Diego	12,667
Houston	**48,866**	Miami	11,892
Los Angeles	33,387	Denver	11,537
Washington	29,519	San Francisco	11,169
Atlanta	26,916	Boston	10,111
Chicago	19,388	Philadelphia	9,790
Riverside	17,405	Orlando	8,336
Phoenix	14,548	Detroit	2,249
Seattle	14,172	Tampa	-3,180

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

A Closer Look at Houston

Harris County led the nation in population growth last year, adding 105,852 residents. Miami-Dade County in Florida ranked second with 64,211 new residents. Montgomery County ranked ninth with 34,268, while Fort Bend County was thirteenth with 31,314.

Harris County's top ranking doesn't tell the full story, however. It lost 31,165 residents to domestic out-migration last year. That was the fifth-largest loss in the nation. If not for the high number of people moving to Harris County from abroad—101,126—the county would have plummeted in the growth rankings, taking the broader metro with it.

Still, Harris County represents a large majority (64.3 percent) of the metro area's population. Fort Bend and Montgomery Counties make up 12.3 and 9.6 percent respectively, while the remaining seven counties combine for 13.8 percent.

POPULATION GROWTH BY COUNTY

County	Population in '24	Change	
		Residents	%
Harris	5,009,302	105,852	2.1
Fort Bend	958,434	31,314	3.3
Montgomery	749,613	34,268	4.6
Brazoria	413,224	11,802	2.9
Galveston	367,407	4,821	1.3
Liberty	115,042	5,870	5.1
Chambers	56,179	1,986	3.5
Waller	65,109	1,173	1.8
Austin	32,546	885	2.7
San Jacinto	29,326	200	0.7
Total	**7,796,182**	**198,171**	**2.5**

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

Every county in the metro area gained population in '24. Fort Bend, Montgomery, Brazoria, Liberty, Chambers, and Austin grew faster than the metro region overall due to high migration. Harris, Galveston, Waller, and San Jacinto grew slower.

COMPONENTS OF POPULATION GROWTH BY COUNTY

County	Net Change	Natural Increase	Migration
Harris	105,852	35,833	69,961
Fort Bend	31,314	5,174	26,236
Montgomery	34,268	3,956	30,399
Brazoria	11,802	2,021	9,809
Galveston	4,821	642	4,185
Liberty	5,870	549	5,385
Chambers	1,986	328	1,669
Waller	1,173	350	822
Austin	885	1	889
San Jacinto	200	12	188
Total	**198,171**	**48,866**	**149,543**

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

The region's population continues shifting to the suburbs. In '04, Harris County represented 70.7 percent of the region's population – now it accounts for less than two-thirds (64.6 percent). For the ninth consecutive year, domestic migration was negative for Harris County in '24. Nearly 32,000 more people moved out of Harris than moved in from elsewhere in the U.S. Harris has lost over 254,000 residents to domestic outmigration over the past nine years.

International migration more than offset residents leaving for other parts of the U.S. Four out of every five international migrants coming to metro Houston last year settled in Harris County. Over the past decade, more than 417,000 people have migrated to the county from abroad.

Since ’16, domestic migration to Brazoria, Fort Bend, and Montgomery has topped 275,000. This includes residents moving to the suburbs from Harris and people moving to those counties from other parts of the U.S.

SUBCOMPONENTS OF POPULATION GROWTH

County	Natural Increase		Migration	
	Births	Deaths	International	Domestic
Harris	65,668	29,835	101,126	-31,165
Fort Bend	9,629	4,455	15,769	10,467
Montgomery	8,596	4,640	6,480	23,919
Brazoria	4,815	2,794	2,427	7,382
Galveston	3,892	3,250	1,425	2,760
Liberty	1,528	979	322	5,063
Chambers	668	340	235	1,434
Waller	776	426	247	575
Austin	355	354	84	805
San Jacinto	353	341	20	168
Total	**96,280**	**47,414**	**128,135**	**21,408**

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

Elsewhere in Texas

All 25 of Texas’ metro areas added population last year. Houston added the most residents and grew at the fastest rate among metros with over 200,000 residents. Dallas/Fort Worth and Austin had slightly slower growth rates, while San Antonio lagged further behind.

POPULATION GROWTH IN MAJOR TEXAS METROS

Metro	Population on 7/1/24	Change, '23 - '24	
		#	%
Dallas	8,344,032	177,922	2.1
Houston	**7,796,182**	**198,171**	**2.5**
San Antonio	2,763,006	47,297	1.7
Austin	2,550,637	58,019	2.3
McAllen	914,820	12,377	1.4
El Paso	879,392	1,073	0.1
Killeen	509,487	6,483	1.3
Corpus Christi	450,187	1,421	0.3
Brownsville	431,874	3,366	0.8
Beaumont	398,733	1,257	0.3
Lubbock	367,109	5,388	1.5
Waco	307,123	1,693	0.6
Longview	295,490	1,259	0.4
College Station	287,462	3,302	1.1

Note: Reflects 12-month change for year ending on July 1, 2024
Source: Partnership analysis of U.S. Census Bureau data

BENCHMARK REVISIONS

Metro Houston created 51,800 jobs in ’24, according to the benchmark revisions released by the Texas Workforce Commission (TWC). The agency, which surveys employers throughout the year for its monthly reports, originally estimated 57,800 jobs for the region in ’24. The revisions indicate Houston’s economy grew at a slower pace last year than previously thought.

The benchmark revisions are the product of an annual review that TWC starts each fall, culminating with the release of updated employment data in March. The job reports that TWC releases throughout the year are based on a sample of area employers responding to the Commission’s survey. The revised job counts are based on unemployment insurance premiums paid by employers and, therefore, provide a more accurate picture.

Despite growth being more tepid than earlier estimates, most sectors added jobs in ’24. The greatest gains were in government (mostly education), health care, hospitality, manufacturing, and professional services. A few sectors shed jobs: real estate and leasing (-2,500), information (-2,400), finance and accounting (-2,200), and administrative services (-1,600).

METRO HOUSTON JOB GAINS AND LOSSES IN ‘24

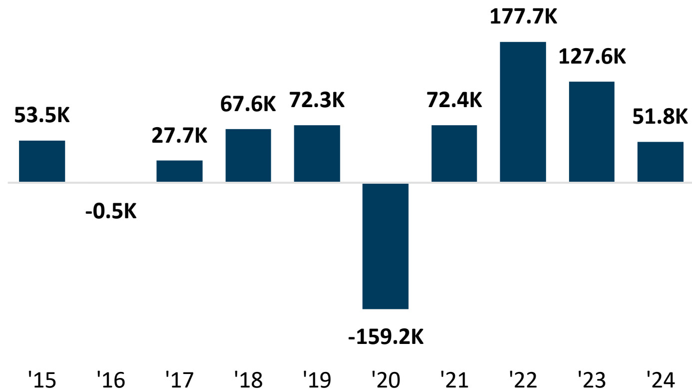
Sector	Gains/Losses
Total Nonfarm	**51,800**
Mining and Logging	1,400
Construction	1,300
Manufacturing	6,100
Durable Goods	4,500
Non-Durable Goods	1,600
Wholesale Trade	2,100
Retail Trade	1,800
Transportation, Warehousing, Utilities	0
Information	-2,400
Financial Activities	-4,800
Finance and Insurance	-2,200
Real Estate and Rental and Leasing	-2,500
Professional and Business Services	5,600
Professional, Scientific, Technical Services	0
Administrative and Support Services	-1,600
Private Educational Services	0
Health Care and Social Assistance	9,800
Leisure and Hospitality	6,600
Arts, Entertainment, and Recreation	1,900
Accommodation	900
Food Services and Drinking Places	3,800
Other Services	6,800
Government	13,500
Federal Government	2,800
State Government	3,900
Local Government	6,800

Source: Partnership analysis of Texas Workforce Commission data

Houston job growth moderated in ’24 after being exceptional in the preceding two years. Between ’22 and

’23, Houston’s economy added 305,300 jobs. The high rates of growth during that time were due in part to the economy recovering jobs lost during the COVID-19 pandemic. Those rates of growth were not sustainable, so the slower rate in ’24 reflects an economy normalizing after years of volatility with high peaks and low valleys.

METRO HOUSTON ANNUAL JOB GAINS AND LOSSES



Source: Partnership analysis of Texas Workforce Commission data

The revisions also provide insight into how well Houston performed in ’24 compared to its peer metros. Bureau of Labor Statistics data show that Houston ranked third in the number of jobs added, trailing New York and Miami. At 1.5 percent, its job growth rate was behind Orlando, Miami, Phoenix, and Dallas/Fort Worth.

TOP 20 MOST POPULOUS U.S. METROS RANKED BY JOBS ADDED IN ‘24

Rank	Metro	Change, '23 - '24 #	Change, '23 - '24 %
1	New York	148,300	1.5
2	Miami	53,400	1.8
3	**Houston**	**51,800**	**1.5**
4	Los Angeles	51,000	0.8
5	Atlanta	44,300	1.4
6	Phoenix	39,200	1.6
7	Orlando	33,800	2.3
8	Riverside	19,400	1.2
9	Tampa	18,100	1.2
10	Chicago	16,000	0.3
11	Denver	10,700	0.7
12	San Diego	7,600	0.5
13	Dallas	4,900	1.6
14	Boston	3,900	0.1
15	Seattle	1,200	0.7
16	Washington	-200	-0.3
17	Philadelphia	-2,500	-1.4
18	Minneapolis	-2,900	-1.4
19	Detroit	-4,900	-1.9
20	San Francisco	-17,900	-0.7

Source: Partnership analysis of U.S. Bureau of Labor Statistics data

Key Economic Indicators

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

Industrial Market — 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, driven by strong absorption and record construction activity. Since then, vacancy has gradually increased, peaking at 7.4 percent in Q2/24 as new supply continued to outpace demand. As of Q1/25, the vacancy rate stands at 6.8 percent, still elevated compared to the ‘22 low, but below last year's peak.

Inflation — Inflation in the U.S. cooled in March ahead of large-scale changes to trade policy. Prices, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 2.4 percent year-over-year in March, a steep drop from the 2.8 percent increase recorded in February. Core inflation, which excludes the volatile food and energy categories, also cooled with prices increasing at the slower annual rate of 2.8 percent in March compared to 3.1 percent in February.

Office Market — The Houston office market logged 260,703 square feet of net absorption in Q1/25, a sharp increase from the 730,867 square feet of negative net absorption logged in Q1/24. For the full year of ’24, net absorption was negative 1.3 million square feet. This pattern of fluctuating absorption has been a recurring trend for Houston, with negative net absorption recorded in four of the past five years and six of the last ten. Negative net absorption means more space was vacated than occupied.

Purchasing Managers Index (PMI) — Economic growth in the Houston area slowed in March, 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 49.7 in January, a slight decrease from 50.0 in February, and above the neutral point of 45 indicating expansion in the overall Houston economy. Manufacturing contracted with a PMI of 47.2, while non-manufacturing grew moderately with a PMI of 50.2.

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

HOUSTON MSA NONFARM PAYROLL EMPLOYMENT (000)

	February '25	January '25	February '24	Change from January '25	Change from February '24	% Change from January '25	% Change from February '24
Total Nonfarm Payroll Jobs	**3,452.6**	**3,437.4**	**3,410.6**	**15.2**	**42.0**	**0.4**	**1.2**
Total Private	**2,982.5**	**2,976.7**	**2,949.7**	**5.8**	**32.8**	**0.2**	**1.1**
Goods Producing	**552.5**	**549.6**	**548.6**	**2.9**	**3.9**	**0.5**	**0.7**
Service Providing	**2,900.1**	**2,887.8**	**2,862.0**	**12.3**	**38.1**	**0.4**	**1.3**
Private Service Providing	**2,430.0**	**2,427.1**	**2,401.1**	**2.9**	**28.9**	**0.1**	**1.2**
Mining & Logging	79.8	80.0	78.5	-0.2	1.3	-0.3	1.7
Oil & Gas Extraction	37.9	37.9	36.6	0.0	1.3	0.0	3.6
Support Activities for Mining	40.5	40.6	40.1	-0.1	0.4	-0.2	1.0
Construction	234.2	230.2	232.4	4.0	1.8	1.7	0.8
Manufacturing	238.5	239.4	237.7	-0.9	0.8	-0.4	0.3
Durable Goods Manufacturing	147.8	148.5	147.9	-0.7	-0.1	-0.5	-0.1
Nondurable Goods Manufacturing	90.7	90.9	89.8	-0.2	0.9	-0.2	1.0
Wholesale Trade	181.4	180.0	177.6	1.4	3.8	0.8	2.1
Retail Trade	319.9	322.0	318.9	-2.1	1.0	-0.7	0.3
Transportation, Warehousing & Utilities	198.4	198.2	193.9	0.2	4.5	0.1	2.3
Utilities	24.7	24.6	23.6	0.1	1.1	0.4	4.7
Air Transportation	21.7	21.5	22.2	0.2	-0.5	0.9	-2.3
Truck Transportation	31.2	30.9	30.3	0.3	0.9	1.0	3.0
Pipeline Transportation	14.3	14.2	13.5	0.1	0.8	0.7	5.9
Information	29.3	29.6	30.3	-0.3	-1.0	-1.0	-3.3
Telecommunications	10.5	10.5	11.3	0.0	-0.8	0.0	-7.1
Finance & Insurance	117.4	117.2	117.5	0.2	-0.1	0.2	-0.1
Real Estate & Rental & Leasing	64.1	64.4	64.3	-0.3	-0.2	-0.5	-0.3
Professional & Business Services	560.9	562.2	556.6	-1.3	4.3	-0.2	0.8
Professional, Scientific & Technical Services	285.7	287.1	279.6	-1.4	6.1	-0.5	2.2
Legal Services	33.6	33.8	32.2	-0.2	1.4	-0.6	4.3
Accounting, Tax Preparation & Bookkeeping	28.9	28.7	29.8	0.2	-0.9	0.7	-3.0
Architectural, Engineering & Related Services	79.2	79.1	74.8	0.1	4.4	0.1	5.9
Computer Systems Design & Related Services	43.0	43.2	43.4	-0.2	-0.4	-0.5	-0.9
Admin & Support, Waste Mgt & Remediation	228.2	228.0	229.9	0.2	-1.7	0.1	-0.7
Administrative & Support Services	215.7	215.5	217.3	0.2	-1.6	0.1	-0.7
Employment Services	77.5	77.0	78.5	0.5	-1.0	0.6	-1.3
Private Educational Services	72.9	71.3	72.2	1.6	0.7	2.2	1.0
Health Care & Social Assistance	390.5	390.9	383.8	-0.4	6.7	-0.1	1.7
Arts, Entertainment & Recreation	40.9	39.9	38.0	1.0	2.9	2.5	7.6
Accommodation & Food Services	319.9	316.6	317.5	3.3	2.4	1.0	0.8
Other Services	134.4	134.8	130.5	-0.4	3.9	-0.3	3.0
Government	470.1	460.7	460.9	9.4	9.2	2.0	2.0
Federal Government	37.6	37.7	36.0	-0.1	1.6	-0.3	4.4
State Government	100.7	99.9	97.2	0.8	3.5	0.8	3.6
State Government Educational Services	54.6	54.0	53.3	0.6	1.3	1.1	2.4
Local Government	331.8	323.1	327.7	8.7	4.1	2.7	1.3
Local Government Educational Services	227.4	220.2	227.7	7.2	-0.3	3.3	-0.1

Source: Texas Workforce Commission