

# Real Estate Market Overview 2005\*

## Lubbock

Located in the Texas Panhandle, Lubbock is the center of a 26-county trading area in the South Plains. The agricultural industry is the center of Lubbock's economy, with cotton as the primary crop. The state's ninth largest city proclaims itself the Chrysanthemum Capital of the World and prides itself on the beautiful October blooms. Lubbock is also the home of Buddy Holly, one of the greatest legends of rock music. The City of Lubbock's land area encompasses 115 square miles; Lubbock County spans more than 900 square miles. Texas Tech University is a key driver in the local economy.

Quick Facts	
<b>Land Area</b>	1,799 square miles
<b>Population Density (2000)</b>	138.8 people per square mile
<b>Counties</b>	Crosby, Lubbock
Area Cities and Towns	
Abernathy, Broadway, Cap Rock, Crosbyton, Hurlwood, Idalou, Lubbock, Posey, New Deal, Ransom Canyon, Shallowater, Slaton, Wolfforth	

\*This report's MSA data reflects either 1999 or 2003 MSA definitions based on data availability. Use of 2003 definition is noted where applicable.



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## Lubbock Market Overview 2005 Demographics

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**Lubbock MSA Population**

Year	Population	Percent change
1990	222,636	-0.1
1991	225,598	1.3
1992	227,237	0.7
1993	231,275	1.8
1994	235,617	1.9
1995	238,423	1.2
1996	239,740	0.6
1997	240,278	0.2
1998	239,602	-0.3
1999	240,776	0.5
2000	242,628	0.8
2001	245,677	1.3
2002	247,303	0.7
2003	250,016	1.1
2004	251,018	0.4

Source: U.S. Census Bureau

**County Population Growth**

County	1990 Population	2004 Population	Growth 1990 - 2004 (in percent)
Crosby	7,304	6,645	-9.0
Lubbock	222,636	251,018	12.7

Source: U.S. Census Bureau (2003 definition)

**Texas Metropolitan Area Population Change, 1990 - 2004**

<b>Metropolitan Area</b>	<b>1990 Population</b>	<b>2004 Population</b>	<b>Percent Change</b>
McAllen-Edinburg-Mission	383,545	658,248	71.6
Austin-San Marcos	846,227	1,412,271	66.9
Laredo	133,239	219,464	64.7
Dallas	2,676,248	3,886,553	45.2
Brownsville-Harlingen-San Benito	260,120	371,825	42.9
Brazoria County	191,707	271,130	41.4
Houston	3,321,911	4,587,092	38.1
Fort Worth-Arlington	1,361,034	1,878,334	38.0
<b>Texas</b>	<b>16,986,335</b>	<b>22,490,022</b>	<b>32.4</b>
San Antonio	1,324,749	1,722,117	30.0
Bryan-College Station	121,862	156,275	28.2
Killeen-Temple	255,299	325,398	27.5
Galveston-Texas City	217,396	271,743	25.0
Tyler	151,309	186,414	23.2
Sherman-Denison	95,019	115,933	22.0
Amarillo	187,514	227,472	21.3
El Paso	591,610	713,126	20.5
Waco	189,123	222,439	17.6
Victoria	74,361	85,777	15.4
<b>Lubbock</b>	<b>222,636</b>	<b>251,018</b>	<b>12.7</b>
Longview-Marshall	193,801	215,159	11.0
Texarkana	120,132	132,716	10.5
Corpus Christi	349,894	385,700	10.2
Odessa-Midland	225,545	244,832	8.6
Beaumont-Port Arthur	361,218	383,443	6.2
San Angelo	98,458	103,772	5.4
Wichita Falls	130,351	136,595	4.8
Abilene	119,655	125,108	4.6

Source: U.S. Census Bureau

**Lubbock MSA Projected Population**

<b>Year</b>	<b>Texas State Data Center (Scenario 0.5)</b>	<b>Texas Water Development Board</b>
2005	251,443	-
2010	259,231	261,695
2015	265,691	-
2020	270,924	279,223

Source: Texas State Data Center and Texas Water Development Board

**Household Composition**

	<b>Lubbock MSA</b>	<b>Texas</b>
Average household size (2000)	2.52	2.74
Population younger than 18 (2000, in percent)	25.7	28.2
Population 65 and older (2000, in percent)	11.0	9.9

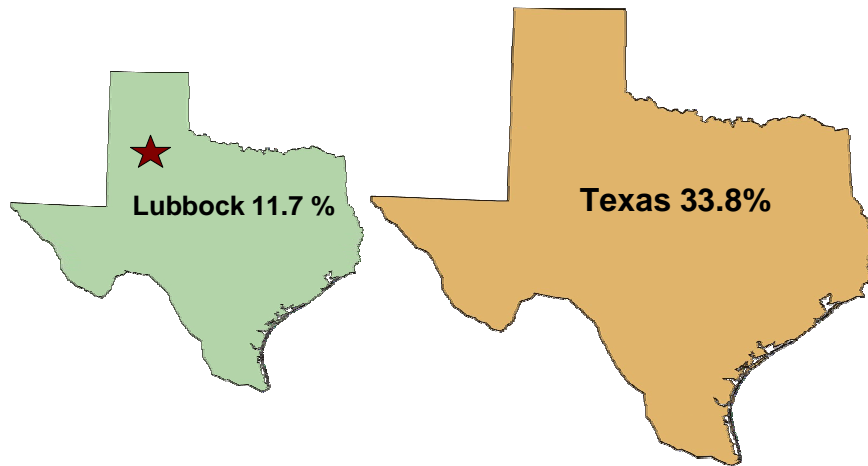
Source: U.S. Census Bureau

**Distribution by Race and Hispanic or Latino Origin, 2000 (in percent)**

	<b>Lubbock MSA</b>	<b>Texas</b>
White	74.3	71.0
Black	7.7	11.5
Asian	1.3	2.7
American Indian	0.6	0.6
Other	14.1	11.7
Two or more races	2.0	2.5
Hispanic (of any race)	27.5	32.0

Source: U.S. Census Bureau

**Projected Population Growth, 2000 – 2020  
(in percent)**



Source: Texas State Data Center (Scenario 0.5)

## Lubbock Market Overview 2005 Education

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### Educational Attainment, Persons Age 25 and Older (in percent)

Level of Education	Crosby County	Lubbock County	Texas
High school graduate	30.5	25.3	24.8
Some college, no degree	18.4	24.2	22.4
Associate's degree	2.3	4.6	5.2
Bachelor's degree	7.4	16.0	15.6
Graduate or professional degree	3.1	8.4	7.6

Source: U.S. Census Bureau 2000 Census (2003 definition)

### Educational Level, Persons Age 25 and Older 2000 (in percent)

Level of Education	Lubbock MSA	Texas
High School Graduate or Higher	78.4	79.2
Bachelor's Degree or Higher	24.4	23.9

Source: U.S. Census Bureau 2000

### Local College and University Enrollment

School	Fall 1999	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004
Texas Tech University	24,249	24,199	25,416	27,569	28,549	28,325
Wayland Baptist University	480	524	634	647	649	681
Lubbock Christian University	1,463	1,617	1,818	1,847	1,933	1,973

Source: Texas Higher Education Coordinating Board

### Local College and University Enrollment

School	Spring 1999	Spring 2000	Spring 2001	Spring 2002	Spring 2003	Spring 2004
Texas Tech University	-	22,078	22,790	24,101	25,752	26,357
Wayland Baptist University	-	-	-	-	678	761
Lubbock Christian University	-	-	-	-	1,830	1,787

Source: Texas Higher Education Coordinating Board

## Lubbock Market Overview 2005 Employment

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### Top Ten Employers

Employer	Sector	Employees
Texas Tech University	Education	11,728*
Covenant Medical Hospital	Health care	4,310
Lubbock Independent School District	Education	3,504
University Medical Center	Hospital	2,310
United Supermarkets (Corporate HQ)	Supermarkets	2,156
City of Lubbock	Government	2,109
Texas Tech Health Sciences Center	Health care and education	2,010
Cingular	Wireless communication	1,750
Convergys	Call center	1,450
Lubbock County	Government	1,200

\*As of Nov-2004

Source: City of Lubbock/Business Development July-2004

### Top Ten Private Employers

Employer	Sector	Employees
Covenant Medical Hospital	Health care	4,310
University Medical Center	Hospital	2,310
United Supermarkets (Corporate HQ)	Supermarkets	2,156
Cingular	Wireless communication	1,750
Convergys	Call center	1,450
Wal-Mart	Retail	1,050
Tyco Fire Protection	Manufacturing	525
G Boren Services	Consulting	516
SBC/Southwestern Bell	Communications	500
State National Bank of West Texas	Banking	500

Source: City of Lubbock/Business Development July-2004

**Employment Growth by Industry**

	<b>Lubbock MSA</b>	<b>Texas</b>
Employment growth 2004 (in percent)	1.9	1.3
Unemployment rate 2004 (in percent)	4.7	6.1
New jobs in 2004	2400	120,600
<b><u>Employment growth by sector 2004 (in percent)</u></b>		
Total Nonfarm	1.9	1.3
Natural Resources, Mining, and Construction	-1.9	-
Natural Resources and Mining	-	3.2
Construction	-	-1.0
Manufacturing	0.0	-0.2
Trade, Transportation and Utilities	1.6	1.2
Information	0.0	-1.1
Financial Activities	0.0	1.7
Professional and Business Services	12.2	1.7
Educational and Health Services	3.4	2.1
Leisure and Hospitality	-0.7	2.1
Government	1.4	1.5

All estimates are subject to revision March-2005

Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

**Texas Metropolitan Area Employment Change, 1990-2004**

<b>Metropolitan Area</b>	<b>1990 Employment</b>	<b>2004 Employment</b>	<b>Percent Change</b>
McAllen-Edinburg-Mission	128,092	231,224	80.5
Austin-Round Rock	452,961	738,706	63.1
Laredo	48,588	77,898	60.3
Killeen-Temple-Fort Hood	93,215	137,634	47.7
Brownsville-Harlingen	90,534	130,457	44.1
College Station-Bryan	69,738	97,038	39.1
San Antonio	620,868	833,331	34.2
Dallas-Fort Worth-Arlington	2,163,142	2,790,815	29.0
<b>Texas</b>	<b>8,071,312</b>	<b>10,362,982</b>	<b>28.4</b>
Amarillo	96,512	122,770	27.2
Tyler	70,712	89,186	26.1
Houston-Baytown-Sugar Land	1,926,731	2,411,653	25.2
Sherman-Denison	43,644	53,651	22.9
<b>Lubbock</b>	<b>110,510</b>	<b>134,203</b>	<b>21.4</b>
Waco	86,033	104,444	21.4
Midland	51,435	61,405	19.4
Abilene	64,278	76,330	18.7
Corpus Christi	156,681	184,573	17.8
Victoria	44,880	52,847	17.8
El Paso	228,522	267,419	17.0
Longview	80,290	93,867	16.9
Wichita Falls	61,226	70,608	15.3
San Angelo	44,183	50,604	14.5
Texarkana	51,476	57,743	12.2
Odessa	52,585	57,944	10.2
Beaumont-Port Arthur	156,860	164,663	5.0

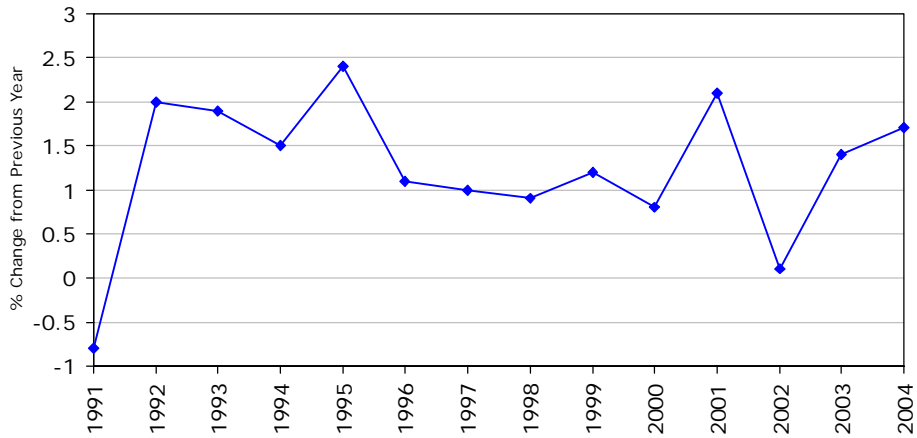
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

**Lubbock MSA Employment**

<b>Year</b>	<b>Employment</b>	<b>Percent Change</b>
1990	107,823	-
1991	106,944	-0.8
1992	109,107	2.0
1993	111,211	1.9
1994	112,865	1.5
1995	115,588	2.4
1996	116,843	1.1
1997	117,981	1.0
1998	119,067	0.9
1999	120,475	1.2
2000	121,482	0.8
2001	124,046	2.1
2002	124,228	0.1
2003	125,969	1.4
2004	128,110	1.7

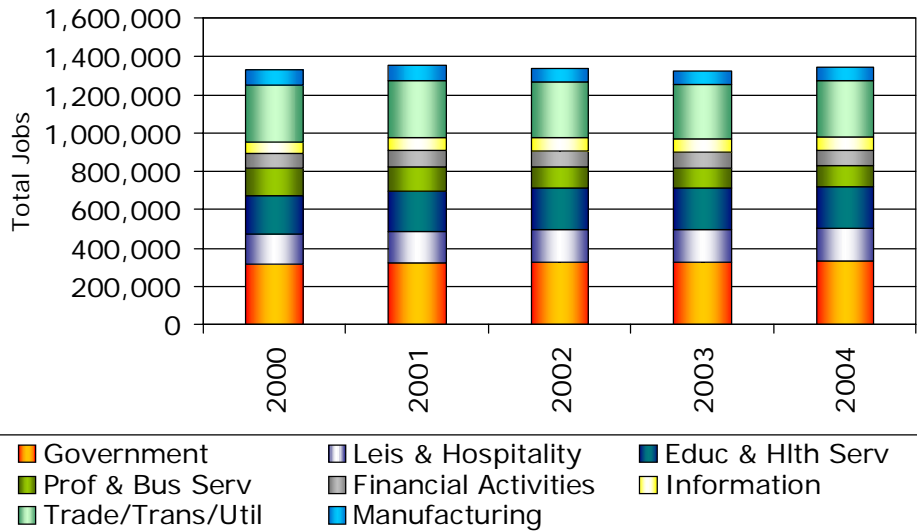
Source: U.S. Bureau of Labor Statistics

**Employment Growth  
Lubbock MSA**



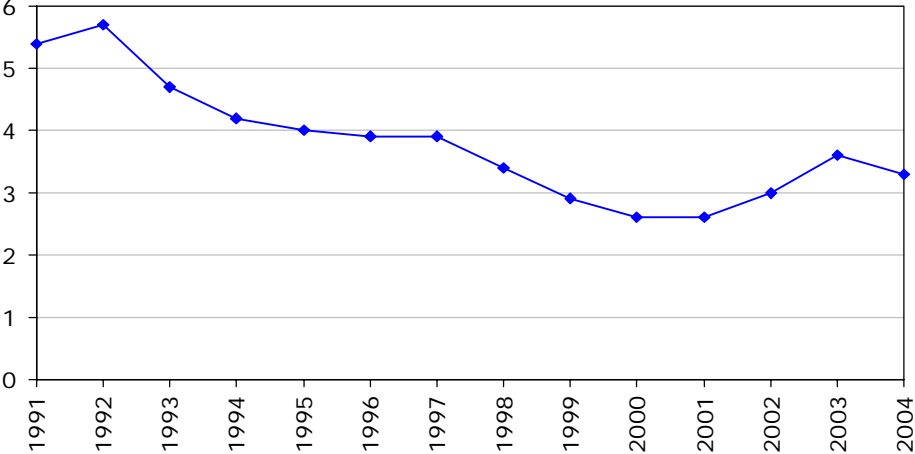
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

**Distribution of Employment in Major Categories**



Source: Texas Workforce Commission Feb-2005

Lubbock MSA Unemployment Rate  
(in percent)



Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

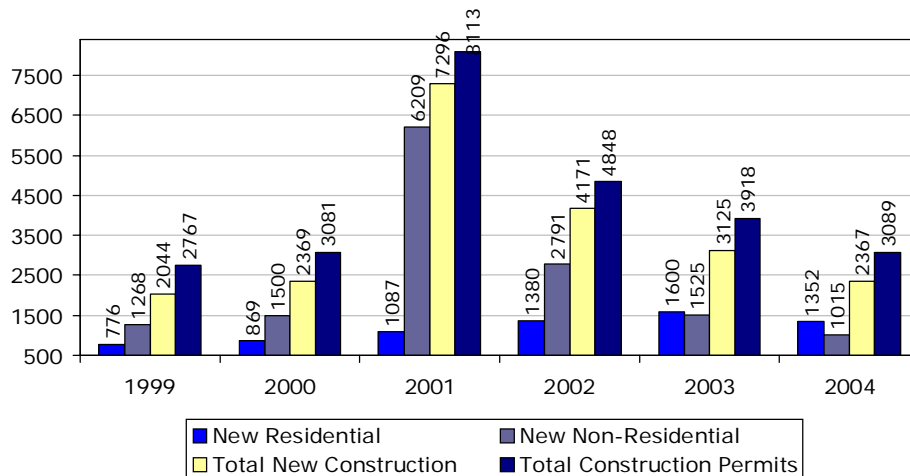
## Lubbock Market Overview 2005 Economy

### Lubbock MSA Gross Retail Sales

Year	Total Sales	Sales per Capita
1990	1,992,574,987	\$8,950
1991	2,025,534,906	8,979
1992	2,164,498,327	9,525
1993	2,384,586,292	10,311
1994	2,593,219,245	11,006
1995	2,622,155,767	10,998
1996	2,890,485,329	12,057
1997	2,932,249,795	12,204
1998	3,105,577,300	12,961
1999	3,231,720,427	13,422
2000	3,327,906,181	13,716
2001	3,385,564,935	13,781
2002	3,486,455,861	14,098
2003	3,529,619,130	14,118
2004	3,694,576,622	14,718
<b>State Average 2004: \$14,546</b>		

Source: Texas Comptroller's Office

### Lubbock Building Permits



Source: City of Lubbock, Building Inspection Department

## Lubbock Market Overview 2005 Infrastructure

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### Lubbock Airline Boardings

Airport	1999	2000	2001	2002	2003	2004
Lubbock International Airport						
Enplaned	570,452	578,976	536,670	513,096	514,250	541,549
Deplaned	568,616	558,903	507,136	505,136	509,725	534,782
<b>Total</b>	1,139,068	1,137,879	1,043,806	1,018,232	1,023,975	1,076,331

Source: Lubbock International Airport

## Lubbock Market Overview 2005 Multifamily

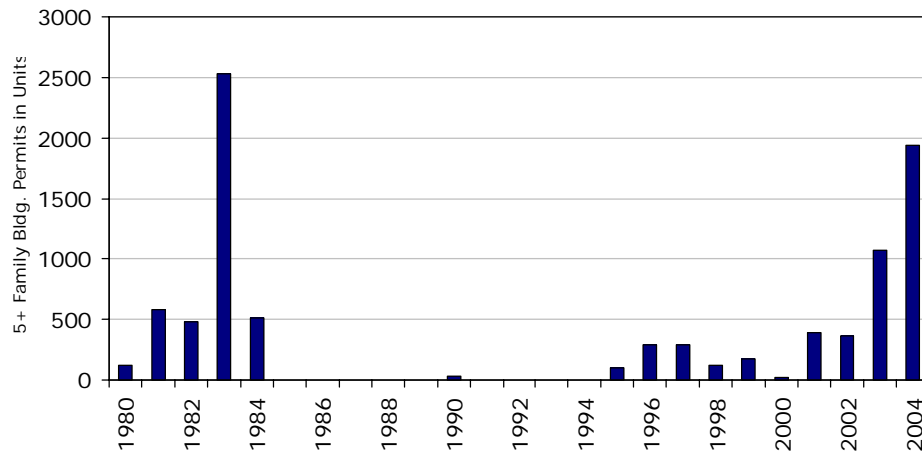
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**Lubbock Apartment Statistics 2004**

	Lubbock	Texas Metro Average
Average rent per square foot	\$0.68	\$0.79
Average rent for units built since 2000	\$0.71	\$0.92
Average occupancy (in percent)	93.3	91.5
Average occupancy for units built since 2000 (in percent)	90.3	92.4

Source: Apartment MarketData Research Jan-2005

**Lubbock MSA Multifamily Building Permits**



Source: U.S. Census Bureau and Real Estate Center at Texas A&M University

## Lubbock Market Overview 2005 Housing

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### Housing Affordability - Fourth Quarter 2004

	Percent of Households That Can Afford Median- priced Home	THAI*	THAI for First-time Homebuyers
Lubbock MSA	52	1.03	0.88
Texas MLS Total	50	0.99	0.91
U.S. Total	49	0.99	0.72

\* The THAI is the ratio of median household income to the income required to buy the median-priced home using currently available mortgage financing. Standard financing is a 30-year loan covering 80 percent of the cost of the home. A THAI of 1.00 indicates that the median household income is just enough to qualify for a loan sufficient to purchase the median-priced home.

Source: Real Estate Center at Texas A&M University

### Price Distribution of MLS Homes Sold, Lubbock, 2004

(in percent)

Price Range	1998	1999	2000	2001	2002	2003	2004
\$29,999 or less	4.8	4.1	3.6	3.2	4.0	2.8	2.4
30,000 - 39,999	4.8	6.5	4.4	3.6	3.4	2.9	2.2
40,000 - 49,999	10.2	9.2	7.5	6.8	5.7	4.0	3.3
50,000 - 59,999	11.0	9.6	8.9	9.6	8.0	6.3	5.8
60,000 - 69,999	12.4	11.6	12.0	11.3	9.2	8.3	8.0
70,000 - 79,999	12.9	11.3	11.2	10.9	11.2	10.9	10.2
80,000 - 89,999	10.5	11.2	11.1	11.7	10.5	10.5	11.0
90,000 - 99,999	5.7	6.4	6.6	8.1	8.4	9.4	10.5
100,000 - 119,999	8.1	7.4	9.1	8.4	8.2	10.7	12.7
120,000 - 139,999	6.3	7.1	7.4	7.8	8.3	7.9	8.2
140,000 - 159,999	3.7	4.3	4.7	5.2	5.5	7.1	6.2
160,000 - 179,999	2.1	2.7	3.3	3.3	4.6	4.0	3.9
180,000 - 199,999	2.0	2.1	2.7	2.5	3.1	3.7	2.7
200,000 - 249,999	2.7	2.6	3.3	3.6	4.3	4.7	5.8
250,000 - 299,999	1.0	1.8	2.5	2.1	2.4	3.0	3.0
300,000 - 399,999	1.0	1.4	1.2	1.2	2.2	2.8	2.9
400,000 - 499,999	0.3	0.3	0.2	0.4	0.6	0.7	0.6
500,000 and more	0.3	0.3	0.4	0.4	0.3	0.4	0.6

Source: Real Estate Center at Texas A&M University

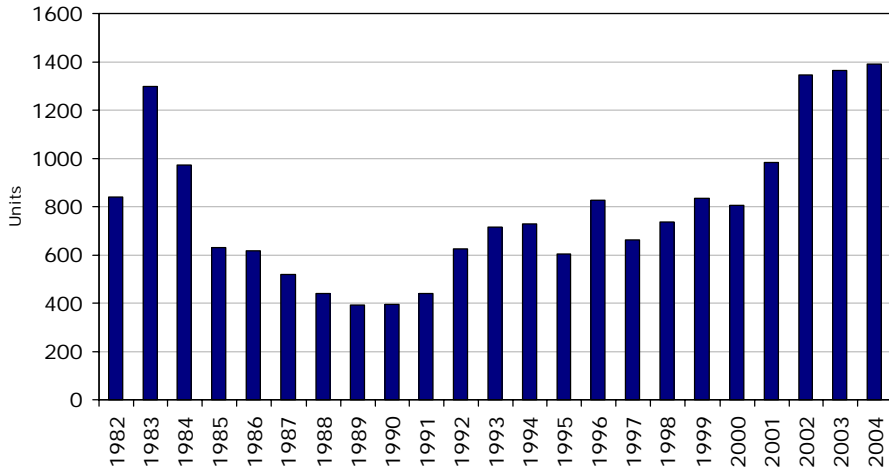
**Property Tax Rates, 2004**  
**County, Major City, Major School District**

Taxing Entity*	Tax Rate per \$100 Valuation
City of Lubbock	0.46
Lubbock County	0.26
Lubbock ISD	1.61
<b>Total</b>	<b>\$2.32</b>

\* Only the typical taxing entities are listed. However, there are numerous numbers of taxing entities that need to be taken into account for an actual tax rate calculation.

**Source: Lubbock Central Appraisal District**

**Lubbock MSA Single-Family Building Permits**

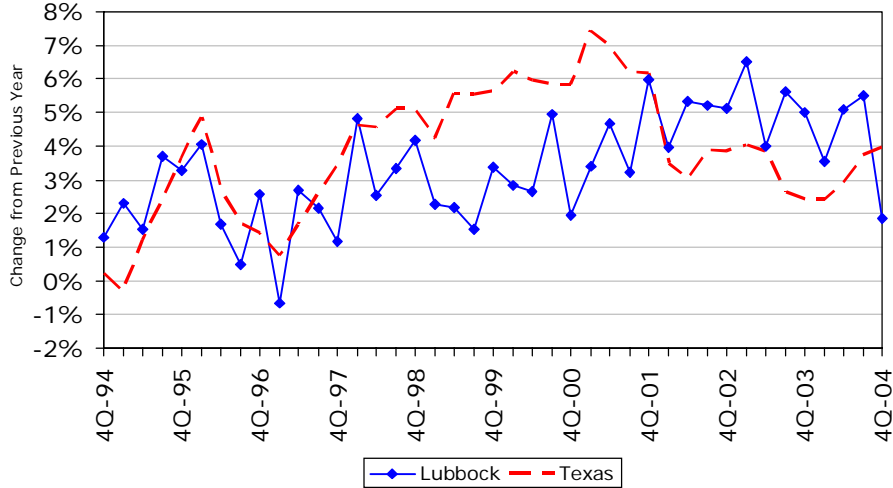


**Source: U.S. Census Bureau and Real Estate Center at Texas A&M University**

### Home Price Appreciation Lubbock MSA \*

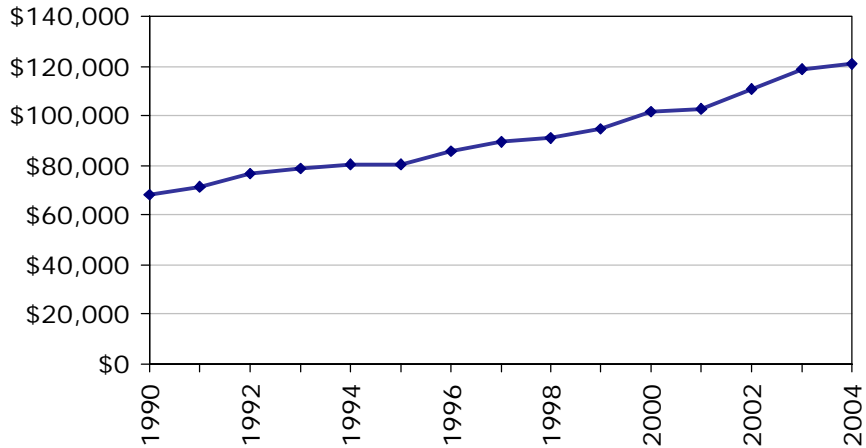
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae since January 1975.

\*According to new 2003 MSA definition, including Crosby, Lubbock Counties



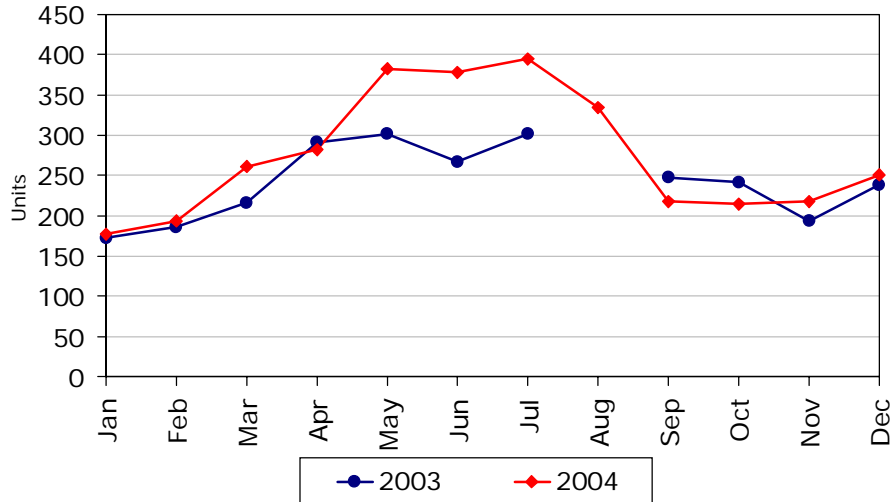
Source: Office of Federal Housing Enterprise Oversight

### Average Sales Price of Single-Family Home Lubbock Area



Source: Real Estate Center at Texas A&M University

**Single-Family Home Sales Volume  
Lubbock Area**

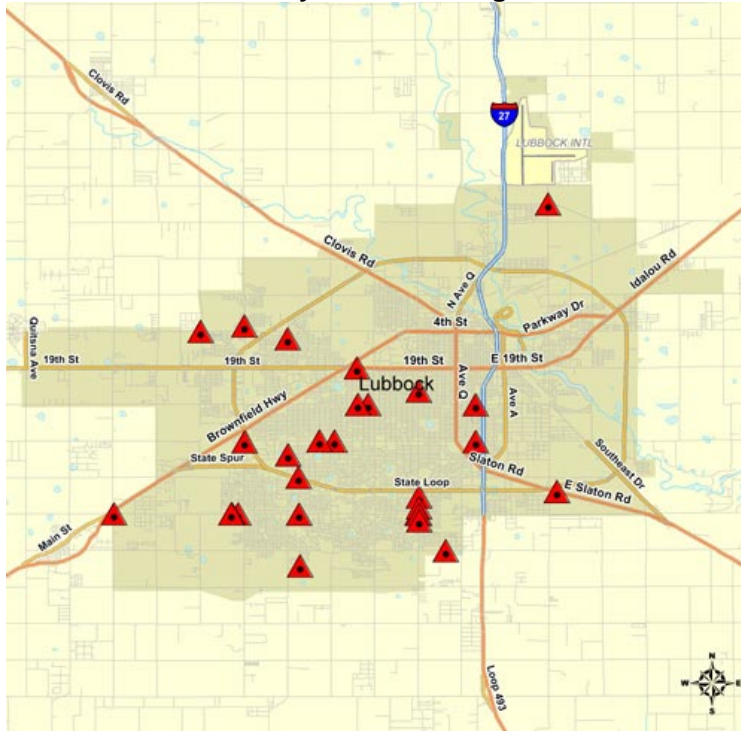


Source: Real Estate Center at Texas A&M University

# Lubbock Market Overview 2005

## Retail

Lubbock City Retail Building Permits



Lubbock City Building Permit Office

# Lubbock Market Overview 2005 Hotel

### Hotel Occupancy and Rental Rates

	2003*		2004	
	Lubbock	Texas	Lubbock	Texas
# Rooms 000's	3.5	320.2	3.5	329.2
Average daily rate	\$59.27	\$68.80	\$58.93	\$70.62
Occupancy rate (in percent)	60.2	54.2	61.9	55.2

\* 2003 and later data according to new MSA definition including Crosby, Lubbock Counties

Source: Office of the Governor Economic Development and Tourism and Source Strategies, Inc. of San Antonio

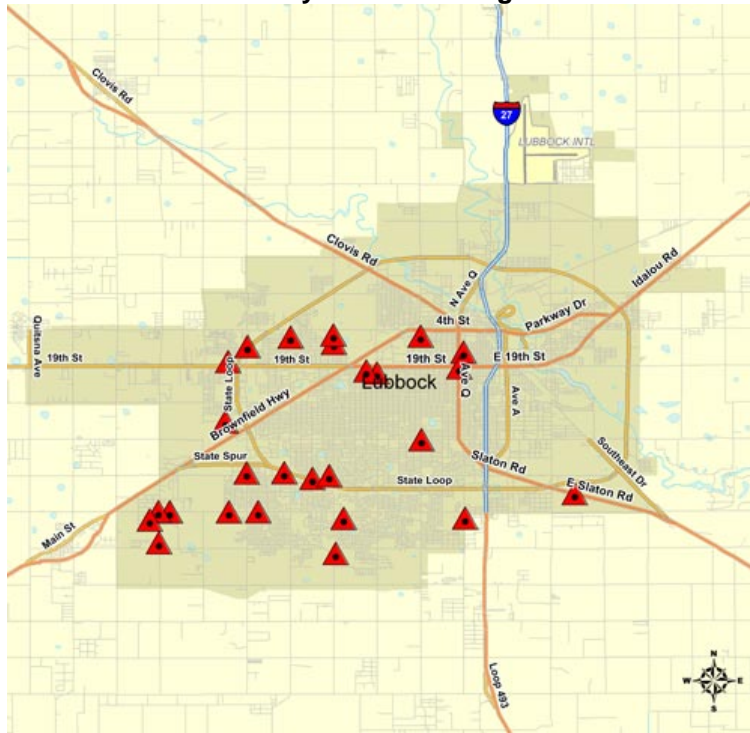
### Lubbock City Hotel Building Permits



Lubbock City Building Permit Office

# Lubbock Market Overview 2005 Office

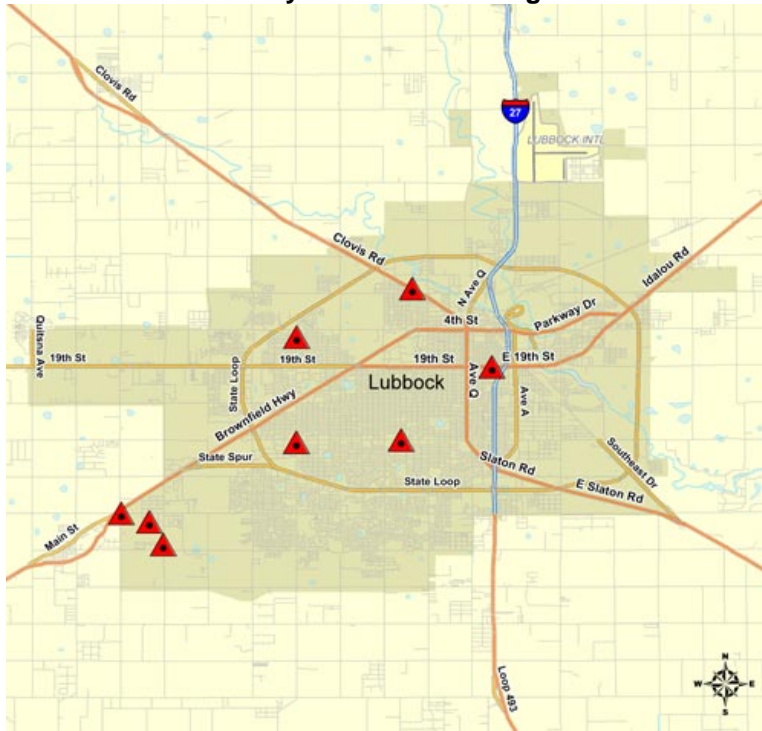
Lubbock City Office Building Permits



Lubbock City Building Permit Office

# Lubbock Market Overview 2005 Industrial

Lubbock City Industrial Building Permits



Lubbock City Building Permit Office



This annual report is created free of charge by the Real Estate Center at Texas A&M University. We strive to provide the most accurate, up-to-date, and insightful data to paint a detailed picture of Texas' Metropolitan Statistical Area's. The Center also provides numerous publications, resources, and data on building permits, employment, population, and home sales at <http://recenter.tamu.edu>.

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