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Texas' population has grown rapidly in the last five years. From 2000 to 2005, the state added more than two million, or 9.6 percent. In that half-decade, Texas had the second largest numerical increase (after California) and the seventh fastest rate of percentage growth. Texas is now home to 22.9 million.

Many of the population patterns of the 1990s (when Texas had the second largest numerical increase, the eighth fastest percentage increase and growth in all but 68 of its 254 counties) appear to be continuing. But important changes merit the attention of real estate professionals.

Recently released county census estimates as of July 1, 2005, suggest that Texas' urban and suburban counties continue to dominate the state's growth while many rural counties are declining. Such data also suggest that the relative role of the three sources of growth — natural increase, domestic migration and international immigration — varies substantially among counties.

Between the April 2000 census date and the July 2005 county census estimate date, Harris County's population increased by more than 292,000, the fifth largest county-level increase in the nation. Only Maricopa County (Phoenix),

Los Angeles County, Riverside County (Riverside, Calif.), and Clark County (Las Vegas) grew more.

Two other Texas counties, Tarrant (more than 174,000) and Collin (nearly 168,000) had increases of more than 150,000. Four Texas counties increased by more than 100,000 — Bexar (more than 125,000); Denton (nearly 122,000); Fort Bend (more than 109,000); and Hidalgo (nearly 109,000).

Other Texas counties with more than 40,000 new residents were Dallas (nearly 86,000); Montgomery (more than 84,000); Williamson (more than 83,000); Travis (nearly 76,000); Cameron (more than 43,000); and El Paso (nearly 42,000). Eighteen Texas counties increased by more than 20,000 and 28 by more than 10,000.

The ten counties with the largest numerical increases accounted for more than 67 percent of all Texas 2000–05 population growth, while 20 counties accounted for 85 percent of the state's net population growth.

Meanwhile, 101 counties (nearly all of them rural) lost population. The largest urban-county declines were in Wichita County, which lost nearly 5,800, and Jefferson County, which lost nearly 4,500.

With a population of nearly 3.7 million, Harris continues to be the state's largest county. Dallas follows at 2.3 million. Tarrant has 1.6 million and Bexar 1.5 million. Travis County residents number more than 888,000, and El Paso has nearly 722,000. The least populated counties continue to be Loving, with 62 residents, and King, with 307. Eight counties had fewer than 1,000 residents in 2005.

Texas' suburban counties are showing particularly rapid percentage increases. Of the nation's 30 fastest growing counties from 2000–05, six were in Texas. Rockwall was the third fastest growing at 46.1 percent, and Collin 14th at 34.1 percent. Williamson was 16th with an increase of 33.4 percent and Fort Bend 23rd with a jump of 30.8 percent. Montgomery's 28.7 percent increase was 27th highest, and Denton was 29th at 28.1 percent.

All of Texas' 14 fastest growing counties (in percentage terms) were suburban, and all increased by 20 percent or more.

At the other end of the growth chart, the ten counties with 2000–05 declines of more than 10 percent were all rural, with many in the Panhandle and West Texas (Stonewall, King, Throckmorton,

Cochran, Culberson, Reeves, Knox, Borden, Upton and Reagan).

The source of population growth continues to be important to understanding patterns of change across the state. In many counties, the 2000–05 period, like the 1990s, saw high levels of domestic migration (persons moving to or from a county from other Texas counties or other parts of the United States). In 19 of the 20 counties with the largest numerical increases, domestic migration accounted for more than 50 percent of population growth while in all eight counties with population decreases of more than 1,000, net domestic outmigration accounted for a majority of the decline.

Counties with the largest population increases attributable to domestic migration were Collins (nearly 168,000 including 110,000 domestic migrants), Denton (nearly 122,000 including more than 78,000 domestic migrants) and Fort Bend (109,000 including nearly 78,000 domestic migrants). Of the central-city counties, the largest recipients of domestic migrants were Tarrant County, which gained nearly 34,000; Bexar County, with more than 23,000; Hidalgo County, with more than 14,000 and Smith County, which welcomed more than 7,000.

For several large central-city counties and many rural ones, however, the dominant pattern was one of net domestic outmigration. Dallas County lost more than 210,000 domestic migrants. Harris County lost more than 183,000, and nearly 37,000 left El Paso County. Travis dropped nearly 20,000, Jefferson lost nearly 12,000, and Nueces and Wichita Counties each lost more than 10,000.

Patterns of net outmigration of domestic migrants were extensive. Of Texas' 254 counties, 103 had net domestic immigration while 151 recorded

domestic outmigration in 2000–05. Domestic immigration was the largest source of growth in 76 of the 153 counties with population growth, while net domestic outmigration was evident in 97 of the 101 counties with declining populations.

Immigration's increased role in Texas population growth was evident in these estimates. Harris County received more than 183,000 immigrants from other countries; Dallas County had nearly

Texas counties posting 2000–05 population growth but added people in 90 of the 101 counties with population decline (while other factors such as domestic outmigration subtracted people).

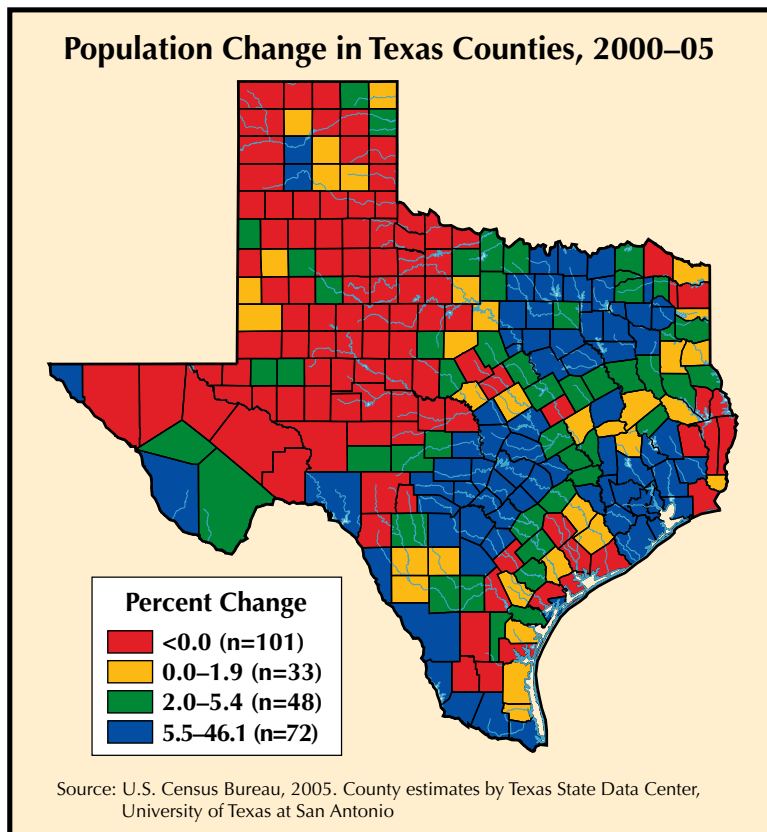
Natural increase continues to play a major role in population change. In 62 of the 153 Texas counties with population increases, natural increase was the largest contributor to growth. Natural increase was negative (more deaths than births) in 30

counties. Of the 103 counties with population decline, 42 had negative rates of natural increase, meaning that in these counties the decline was partly the result of a decline in births relative to deaths. Seventy-two Texas counties had more deaths than births; a majority of these are in the Panhandle and West Texas.

Overall, Texas grew rapidly in the first five years of this decade. Many counties exhibit patterns of growth through domestic migration often associated with expanding real estate markets. Suburban and large urban counties continue to lead such growth, while many rural counties in Texas struggle to maintain growth. Such data suggest that while Texas continues to be a growing market for real estate products, careful consideration of local

market conditions will be essential to success. ♦

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146,000. Tarrant County posted nearly 50,000 and Travis County more than 41,000.

Overall, 241 Texas counties showed at least some growth resulting from immigration. The biggest impact of immigration was to reduce population loss. Immigration was the major source of population growth in only 15 of the 153

THE TAKEAWAY

The Texas population increased by 9.6 percent since 2000. Growth is concentrated in urban and suburban areas. The most rapidly expanding real estate markets are in areas with extensive domestic migration.



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