San Angelo Quarterly Economic Review

Q2 2026

San Angelo Chamber of Commerce Economic Development

SARMA San Angelo Regional Manufacturers Alliance — Est. 2017 — San Angelo Chamber of Commerce

City of San Angelo Texas Development Corporation

Tom Green County The State of Texas

To our investors, employers, and community partners:

San Angelo's Q2 2026 economic indicators reflect a community preparing for growth. The local labor force increased to 62,422, non-farm employment reached 54,200 jobs, and manufacturing employment grew to 4,500 jobs. Residential construction, hotel occupancy, and year-over-year sales tax revenue also showed positive momentum. These results reinforce San Angelo's role as a regional center for business, employment, education, healthcare, retail, and visitor activity, while highlighting the need for continued coordination to capture future opportunities.

The San Angelo Chamber of Commerce's economic development efforts focus on creating the conditions that support business recruitment, expansion, and retention. Working alongside the City of San Angelo, Tom Green County, and the City of San Angelo Development Corporation, the Chamber is advancing a coordinated approach to site readiness, infrastructure, workforce availability, industry outreach, and the promotion of San Angelo as a competitive location for investment. These partnerships strengthen the community's ability to respond to prospects while supporting existing employers.

Workforce development remains central to this strategy. The Chamber collaborates with employers, education and training providers, workforce partners, and regional organizations to identify talent needs and strengthen pathways into high-demand careers. This work connects businesses to training resources, supports technical and skilled-trades education, and aligns workforce programs with industry needs. A growing labor force and increased employment in Q2 reinforce the importance of this work.

Manufacturing is a key part of San Angelo's economic base, with employment increasing to 4,500 jobs during the quarter. The San Angelo Regional Manufacturers Alliance can further strengthen the sector by giving manufacturers a forum to address shared workforce, supply-chain, training, and operational needs. Stronger coordination among manufacturers, educators, workforce providers, and economic-development partners can support existing firms and improve San Angelo's competitiveness for future industrial investment.

The Chamber's coordination with its Destination Marketing Organization also links economic development with visitor and community activity. Strong hotel occupancy, improving airport travel, and sales tax growth demonstrate how tourism, events, business travel, and consumer spending contribute to the wider economy. Aligning recruitment, workforce, business-development, and destination-marketing efforts helps San Angelo present a consistent story: a community with a capable workforce, room to grow, an affordable quality of life, and partners prepared to support investment.

Michael Looney
Vice President of Economic Development
San Angelo Chamber of Commerce

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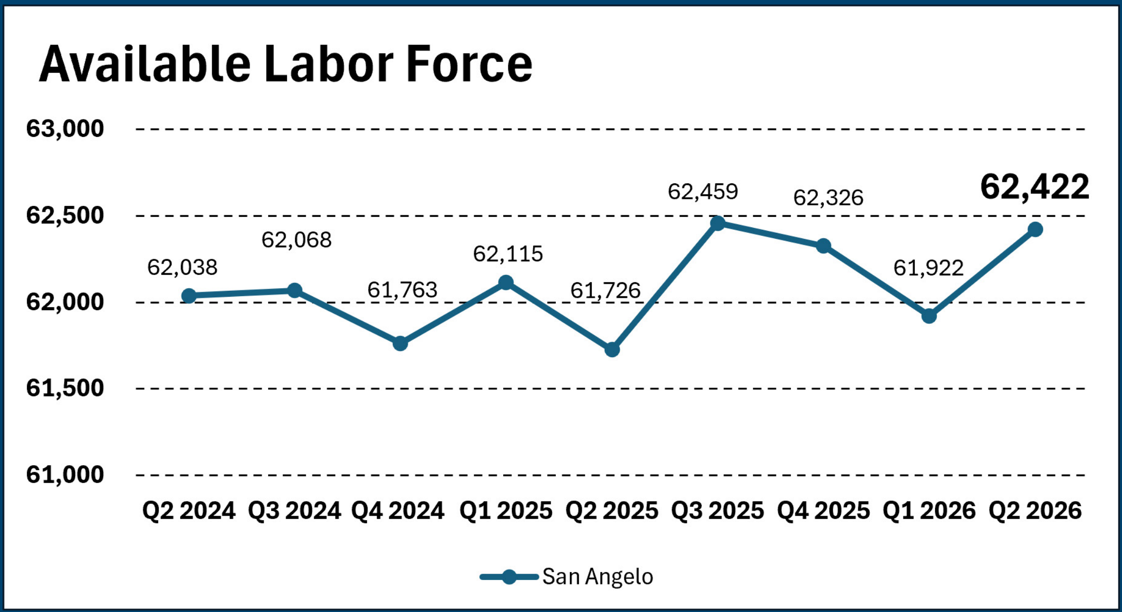
Employment Data

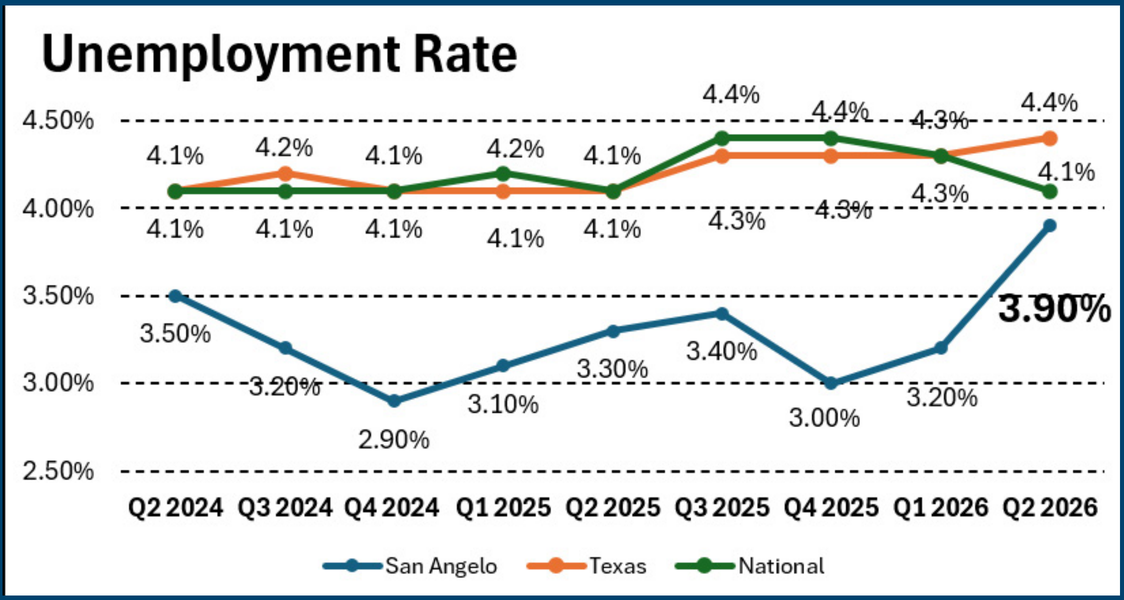


Change (last quarter)

0.81%

Change (YoY)

1.13%

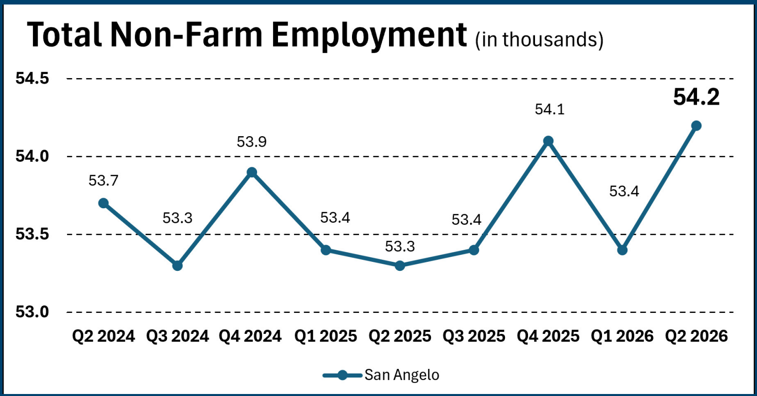


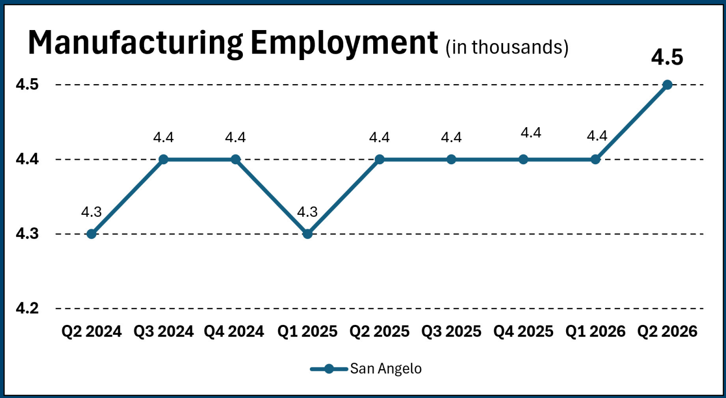
Change (last quarter)

21.88%

Change (YoY)

18.18%





Source: U.S. Bureau of Labor Statistics

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Employment Data Analysis and Outlook

Labor Force

San Angelo's civilian labor force grew to 62,422 in Q2 2026, an increase of 500 people, or 0.8 percent, from the prior quarter and 696 people, or 1.1 percent, from Q2 2025. This growth expands the pool of workers available to local employers and reflects continued engagement in the regional economy. Workforce Solutions of the Concho Valley, Howard College, area school districts, employers, and economic-development partners remain important in converting this available talent into skilled workers through job-matching services, career exploration, technical education, and employer-led training. Continued coordination among these partners will be essential to ensure labor-force growth translates into career opportunities and supports local business expansion.

Unemployment

San Angelo's unemployment rate increased from 3.2 percent in Q1 to 3.9 percent in Q2 2026, but remained below Texas at 4.4 percent and the national rate of 4.1 percent. The increase coincided with labor-force growth, suggesting more residents may be entering or re-entering the job market. Local workforce initiatives can help connect job seekers with employer needs through job placement, career counseling, skills training, and services for veterans and other priority populations. Employer participation remains important to align available workers with high-demand occupations.

Non-Farm Employment

Total non-farm employment increased to 54,200 jobs in Q2 2026, up 800 jobs from the prior quarter and 900 jobs from Q2 2025. The 1.5 percent quarterly increase and 1.7 percent annual increase signal continued employer demand and broad-based economic activity across the San Angelo area. Reaching the highest non-farm employment level in the reporting period, the quarter demonstrates a resilient local job base despite a more competitive and dynamic labor market.

Manufacturing Employment

Manufacturing employment increased to 4,500 jobs in Q2 2026, up 100 jobs from both the prior quarter and Q2 2025. The sector's 2.3 percent quarterly and annual growth underscores its importance as a source of skilled, value-added employment and a foundation for San Angelo's industrial recruitment strategy. Local partners are supporting this talent pipeline through a $24,961 Skills Development Fund grant awarded to train 37 new and incumbent Long Industries workers in advanced flux-core welding with Howard College. This employer-driven training strengthens career pathways and helps manufacturers maintain the specialized workforce needed to compete and grow.

Outlook

San Angelo enters the second half of 2026 with positive indicators in labor-force participation, overall employment, and manufacturing employment. The community's growing pool of available workers, combined with an expanding non-farm job base and unemployment below state and national levels, provides a favorable foundation for business retention, expansion, and recruitment efforts. Maintaining this momentum will require continued alignment among employers, workforce partners, education providers, and economic-development organizations to connect residents with career opportunities and ensure the region is prepared for future growth.

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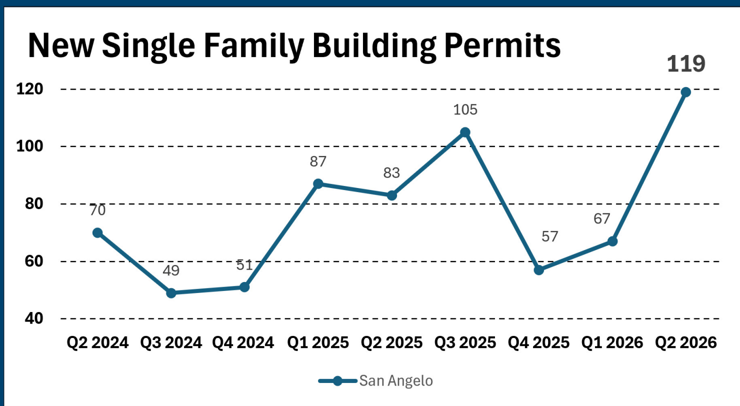
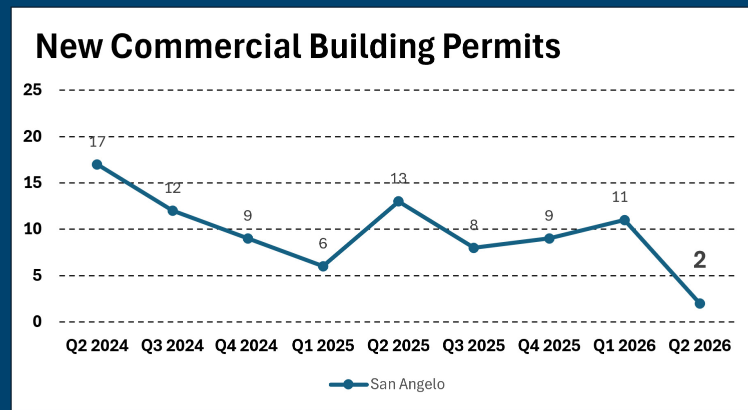
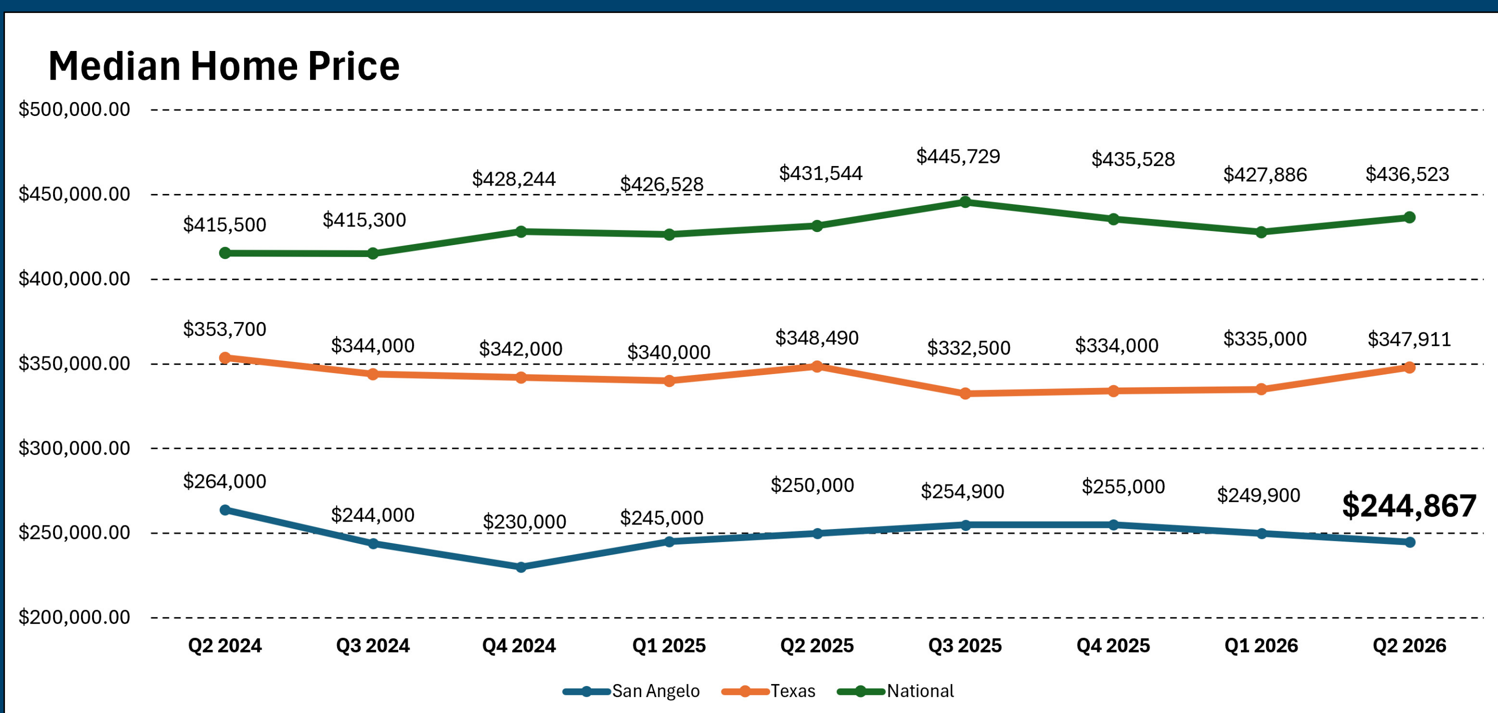
Real Estate Data





Change (last quarter)	Change (YoY)	Change (last quarter)	Change (YoY)
↑ 77.61%	↑ 43.37%	↓ -81.82%	↓ -84.62%



*Correction in historical data due to a consolidation and reconciliation of data sources.

	Change (last quarter)	Change (YoY)
San Angelo	↓ -2.01%	↓ -2.05%
Texas	↑ 3.85%	↓ -0.17%
National	↑ 2.02%	↑ 1.15%

Source: City of San Angelo, Redfin.com

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Real Estate Data Analysis and Outlook

New Single Family Permits

San Angelo recorded 119 new single-family residential building permits in Q2 2026, an increase of 52 permits, or 77.61 percent, from Q1 2026. Permit activity also rose 43.37 percent from the 83 permits issued in Q2 2025. This represents the strongest quarterly residential permitting level in the reporting period and indicates renewed momentum in local home construction. Continued housing development is important to accommodating workforce growth, providing options for current and future residents, and supporting the community's ability to attract employees and businesses. Sustained construction activity will depend on continued availability of land, infrastructure capacity, construction labor, and housing products at a range of price points.

New Commercial Building Permits

San Angelo issued two new commercial building permits in Q2 2026, compared with 11 permits in Q1 2026 and 13 permits during Q2 2025. This represents an 81.82 percent decline from the prior quarter and an 84.62 percent decline year over year. The quarterly change should be viewed cautiously, as many factors can significantly influence quarterly totals. Commercial permitting remains an important indicator of private investment and future capacity for retail, office, industrial, service, and other business activity. Continued attention to site readiness, infrastructure, development processes, and available commercial properties will help position San Angelo to respond when new investment opportunities arise.

Median Home Price

San Angelo's average home value was $244,867.00 in Q2 2026, down 2.01 percent from Q1 2026 and 2.05 percent from the same quarter last year. Local home values remained well below the Texas median home price of $347,911.00 and the national median of $436,523.00, preserving a notable affordability advantage for residents, employers, and prospective newcomers. This relative affordability can support talent attraction and retention by helping households manage housing costs while maintaining access to employment, education, and community amenities. As demand and new construction activity evolve, local leaders will need to monitor housing supply, price trends, and the availability of attainable options across the market.

Outlook

San Angelo's housing outlook is supported by strong single-family permitting, a comparatively affordable home market, and continued employment growth. The 77.61 percent quarterly increase in residential permits suggests confidence in future demand and may help expand housing choices for a growing workforce. At the same time, the 81.82 percent quarterly decline in commercial permitting highlights the need to maintain an inventory of ready sites, suitable buildings, and infrastructure capable of supporting future private investment. Continued collaboration among developers, builders, employers, local governments, utility providers, education partners, and economic-development organizations will be important to align housing supply with workforce needs and support sustainable growth.


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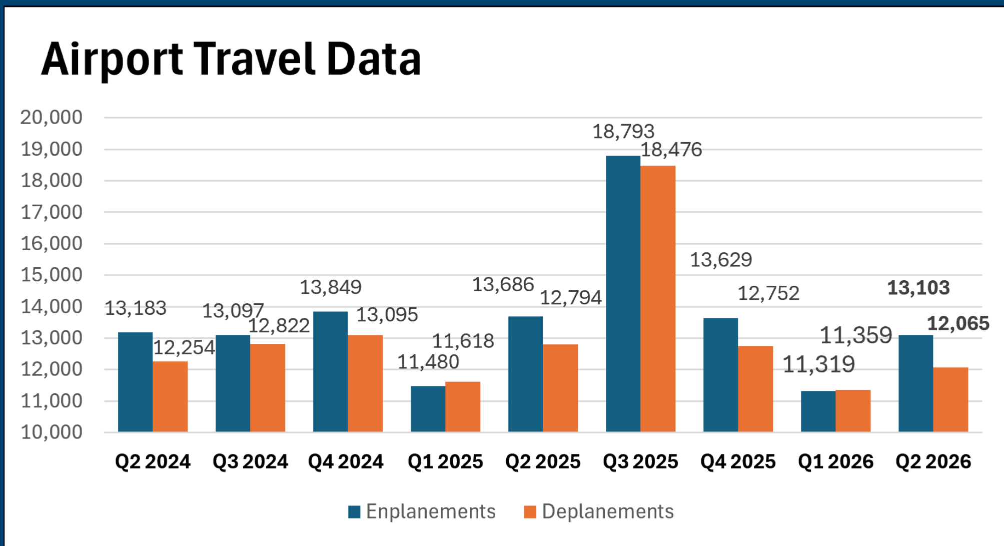
Travel and Tax Data



Change (last quarter)

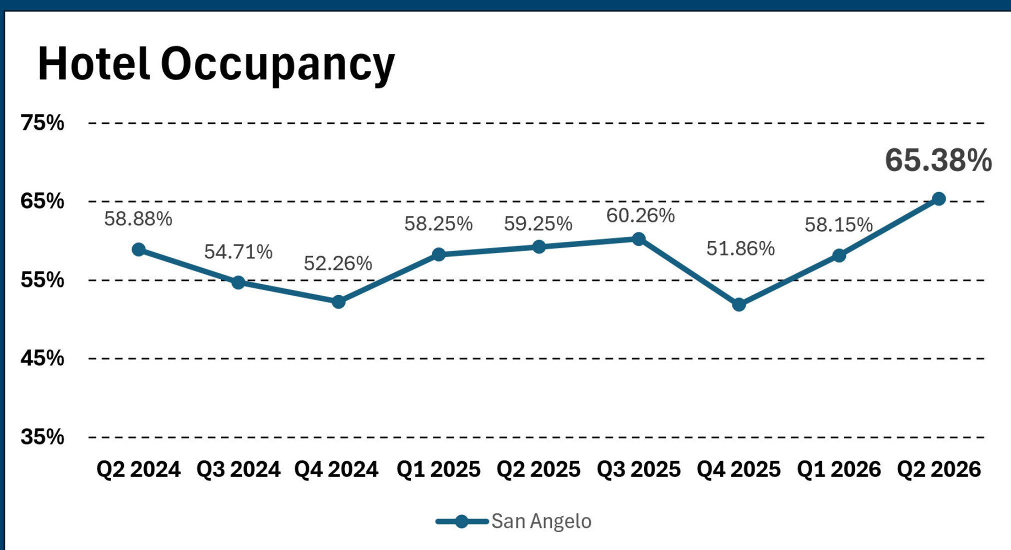
Enplanements ↑ 15.76%

Deplanements ↑ 6.22%

Change (YoY)

Enplanements ↓ -4.26%

Deplanements ↓ -5.70%

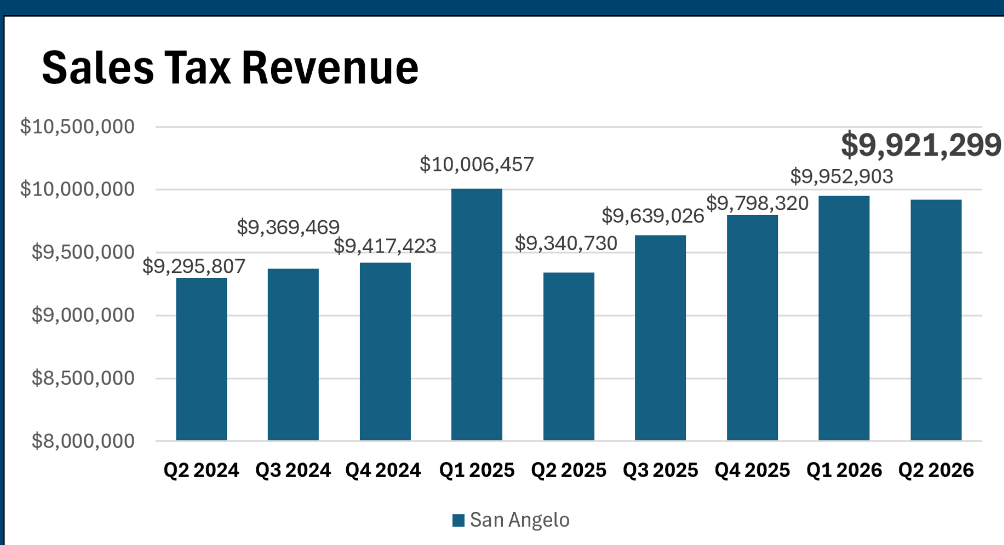


Change (last quarter)

↑ 12.43%

Change (YoY)

↑ 10.35%



Change (last quarter)

↓ -0.32%

Change (YoY)

↑ 6.22%

Source: City of San Angelo, San Angelo Chamber of Commerce DMO, Texas Open Data Portal

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Q2 2026 Travel and Tax Data Analysis and Outlook

Airport Travel

Airport activity improved from the previous quarter in Q2 2026, with enplanements rising to 13,103 passengers, a 15.76 percent increase from Q1. Deplanements increased 6.22 percent to 12,065 passengers. Compared with Q2 2025, enplanements declined 4.26 percent and deplanements declined 5.70 percent. The quarter-over-quarter increase reflects improved seasonal travel activity and supports the airport's role in connecting San Angelo businesses, residents, visitors, and military personnel to regional and national markets. Continued air-service reliability and convenient connections remain important assets for business recruitment, visitor activity, workforce mobility, and the community's overall competitiveness.

Hotel Occupancy

Hotel occupancy reached 65.38 percent in Q2 2026, increasing 12.43 percent from Q1 and 10.35 percent from Q2 2025. This was the strongest occupancy rate in the reporting period and indicates healthy demand from visitors, business travelers, events, and other overnight activity. Strong hotel performance supports local hospitality businesses while also generating broader economic benefits for restaurants, retailers, entertainment venues, and other visitor-serving establishments. Continued attention to tourism promotion, event development, convention and sports travel, and business recruitment can help sustain visitor demand and strengthen the local hospitality sector.

Sales Tax Revenue

San Angelo generated $9,921,298.50 in sales tax revenue during Q2 2026, a slight 0.32 percent decrease from Q1 but a 6.22 percent increase from Q2 2025. The year-over-year gain indicates continued resilience in taxable sales and consumer spending across the local economy. Sales tax performance provides a useful measure of activity in retail, dining, services, and other consumer-facing sectors, while also supporting public services and quality-of-life investments. Maintaining a diverse retail and service base, encouraging local spending, and supporting small-business growth will remain important to sustaining this revenue stream.

Outlook

San Angelo enters the second half of 2026 with improving quarterly travel activity, strong hotel occupancy, and sales tax collections above the prior year. The increase in airport passenger traffic and lodging demand suggests positive momentum in visitor activity, while year-over-year sales tax growth points to continued local economic resilience. Future performance will depend on seasonal travel patterns, business conditions, consumer confidence, local events, and broader regional economic trends. Continued collaboration among hospitality businesses, retailers, the airport, tourism partners, and economic-development organizations can help build on these strengths and support visitor spending, business activity, and community growth.

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