McALLEN
CHAMBER OF COMMERCE

Economic **Pulse**

McAllen Area

April 2026 REPORT

MCALLEN AREA

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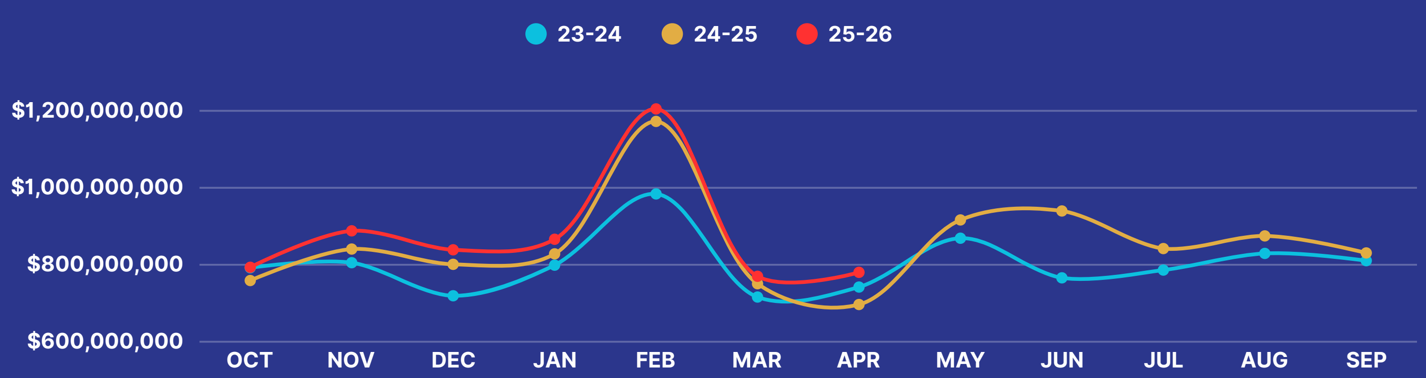
Let's break down the data analysis to explore the **economic impact on McAllen, Texas**, specifically focusing on the role of McAllen as a border town and the broader implications for its local economy.

Sales & Consumer

1 RETAIL SALES

Retail sales indicate consumer spending, confidence, and economic momentum. Growth drives businesses and jobs, while declines suggest caution.

Trailing Twelve Months:	TTM %	April 2026	YoY %
FY24-25: $9,910,554,966 FY25-26: $10,543,329,083	6.38%	$780,355,845	12.00%

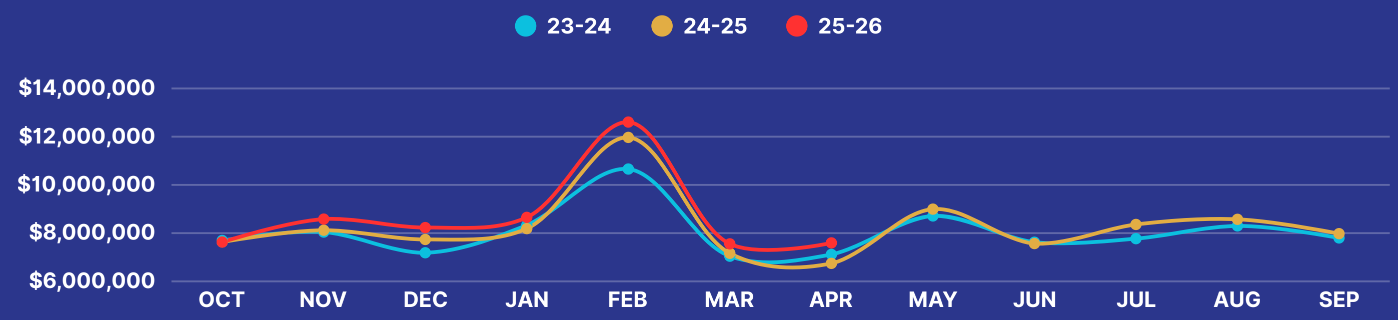


Retail sales in the McAllen MSA reached $770,102,726 in April 2026, up 2.7% from $750,736,218 in April 2025. Consistent, positive retail sales growth at this scale — approaching $800 million in a single month — affirms McAllen's status as one of Texas's premier retail destinations and a genuinely binational commercial hub. This figure encompasses spending across McAllen, Edinburg, Mission, and Pharr, and reflects the collective economic strength of a metro area that punches well above its population weight due to cross-border consumer demand and a growing professional class.

2 SALES TAX RECEIPTS

Reflection on consumer spending, one of the strongest indicators of local economic activity. They offer timely insights into retail performance, business confidence, and the health of the regional economy.

Trailing Twelve Months:	TTM %	April 2026	YoY %
FY24-25: $97,765,524 FY25-26: $102,326,436	4.67%	$7,595,424	12.60%



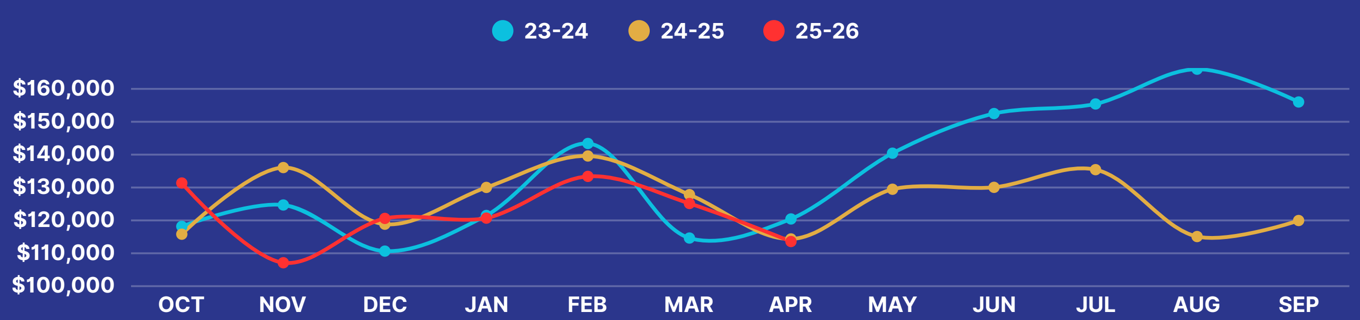
Sales tax receipts for April 2026 totaled $7,595,424, up 12.6% year-over-year from $6,745,203 in April 2025. This is the strongest year-over-year sales tax growth rate recorded in recent months and reflects robust consumer activity during a period that typically benefits from spring shopping, Easter-related cross-border traffic, and increased regional business spending. McAllen's continued ability to grow its tax base at this pace — fueled by both local demand and Mexican consumer activity — positions the city well to fund infrastructure, public safety, and quality-of-life improvements heading into the summer months.

Tourism & Service Sector

3 MIXED BEVERAGE TAX RECEIPTS

Mixed beverage tax receipts indicate economic activity, especially in hospitality and tourism. Higher receipts reflect increased consumer spending, while declines can signal downturns or shifts in behavior.

Trailing Twelve Months:	TTM %	April 2026	YoY:
FY24-25: $1,652,871 FY25-26: $1,481,910	-10.34%	$113,577	-0.69%

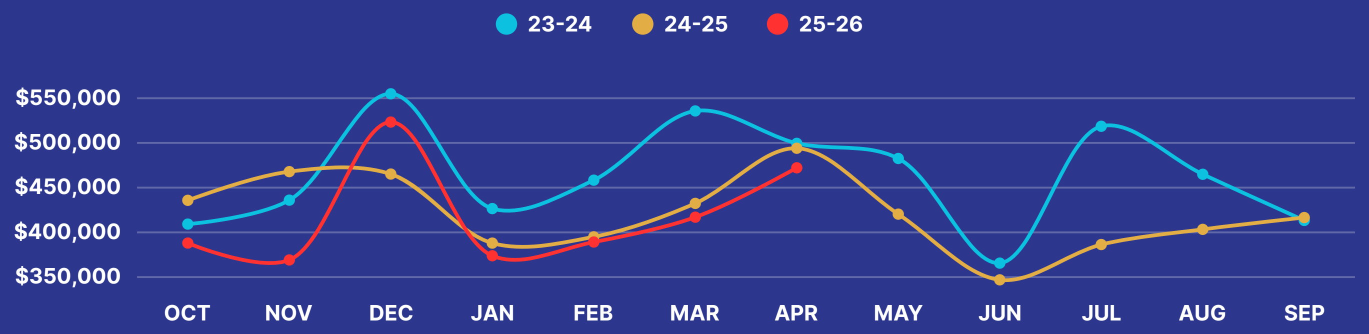


Mixed beverage tax receipts came in at $113,577 in April 2026, down 0.7% from $114,363 in April 2025. This is essentially a flat result and suggests that McAllen's hospitality and dining sector held its own compared to last April despite any broader headwinds affecting the food and beverage industry. With spring festival season, outdoor dining, and tourism-related events picking up in April, local restaurant and bar operators should feel encouraged, and continued investment in McAllen's downtown entertainment district and cultural programming can help sustain and grow this revenue stream.

4 LOADING TAX RECEIPTS

Signals tourist activity, and a reflection of McAllen's economy through positive correlation between spending in hotels, restaurants, and local businesses.

Trailing Twelve Months:	TTM %:	April 2026	YoY:
FY24-25: $5,323,449 FY25-26: $4,906,260	-7.84%	$472,197	-4.42%



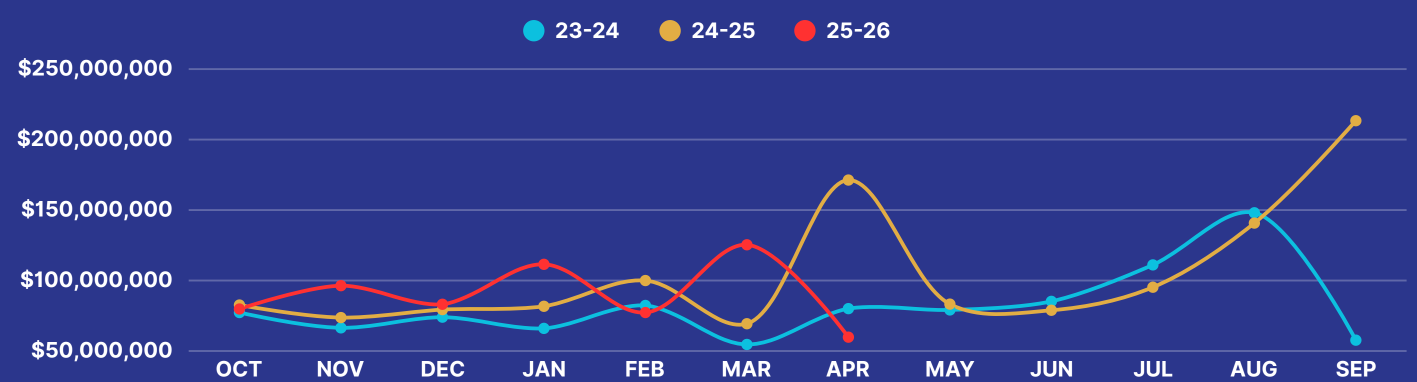
Lodging tax receipts reached $472,197 in April 2026, down 4.4% from $494,056 in April 2025. April is historically one of McAllen's stronger lodging months due to spring conferences, leisure travel, and medical tourism, so this modest decline warrants attention, though it remains well above pre-pandemic baselines. Targeted outreach to group travel planners, healthcare referral networks in Mexico, and convention organizers will be essential to recovering this ground; McAllen's value proposition as an affordable, binational destination continues to be one of its strongest marketing assets.

Construction & Housing

5 VALUE OF ALL CONSTRUCTION PERMITS

A reflection of the level of investment in the local economy. It also indicates investor confidence and future economic activity.

Trailing Twelve Months:	TTM %	April 2026	YoY %
FY24-25: $1,139,316,511 FY25-26: $1,244,883,382	9.27%	$59,827,766	-65.07%

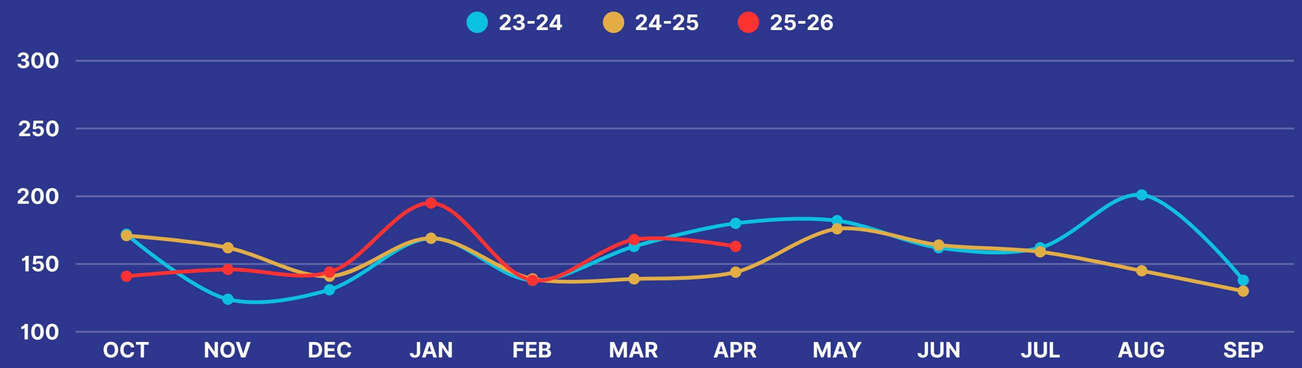


The value of all construction permits in the McAllen MSA totaled $59,827,766 in April 2026, down 65.1% from $171,292,233 in April 2025. This sharp decline follows an exceptionally elevated April 2025 figure that was almost certainly driven by one or more large-scale commercial or industrial projects, making year-over-year comparison particularly challenging this month. The April 2026 value is more in line with the typical monthly range seen in 2023 and early 2024, and should not be interpreted as a collapse in construction activity — rather, it reflects the normalization following an outlier month.

6 NEW HOME PERMITS

New Home Permits reflect consumer confidence, demand for housing, and potential future growth in construction and related industries.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: 1,906 FY25-26: 1,869	-1.94%	163	13.19%

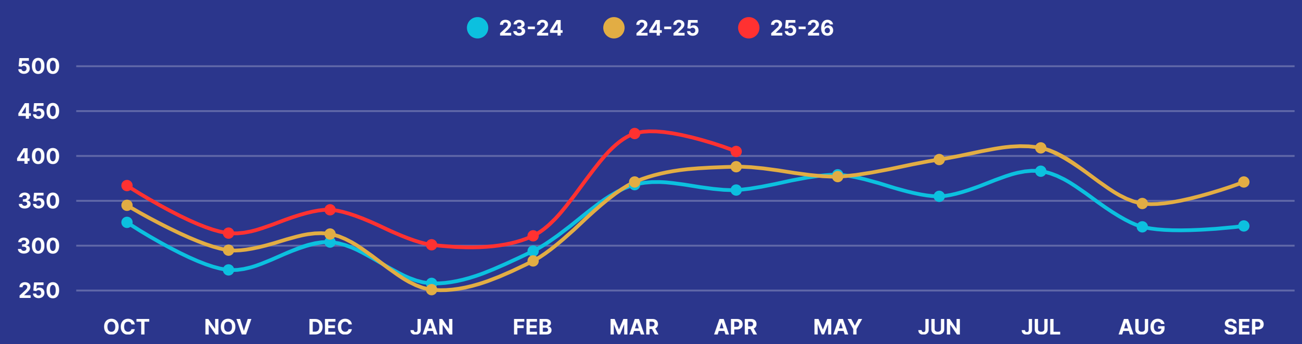


New home permits in the McAllen MSA totaled 163 in April 2026, up 13.2% from 144 in April 2025. Two consecutive months of double-digit year-over-year permit growth — following March's 20.9% increase — strongly suggests that residential builders have real confidence in the RGV's sustained demand for new housing. This pipeline activity will translate into construction employment, materials procurement, and eventually new household formation and property tax revenues, making permit growth one of the most consequential leading indicators for the region's broader economic health.

7 HOME SALES

The average home sale price signals wealth,inflation, and buying power. Rising pricesboost homeowner equity, while declinesmay indicate economic slowdowns.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: 4,006 FY25-26: 4,358	8.79%	405	4.38%

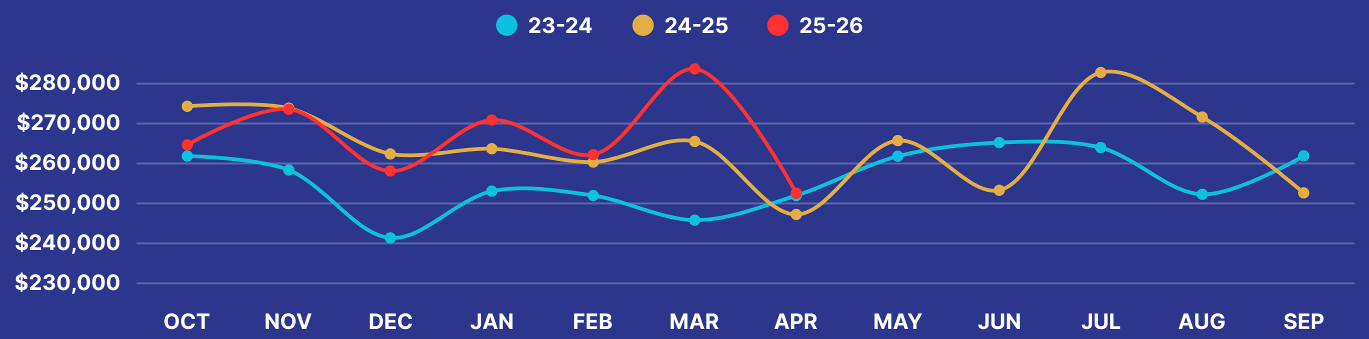


Home sales in Hidalgo County totaled 405 in April 2026, up 4.4% from 388 in April 2025. April continues the positive trend in residential real estate transactions, building on March's strong performance and confirming that the spring buying season in Hidalgo County is running ahead of last year's pace. For a market that serves a growing population with diverse housing needs — from first-time buyers using FHA loans to move-up buyers and Mexican nationals purchasing U.S. investment properties — this sustained transaction growth is a healthy sign for the entire real estate services ecosystem.

8 AVERAGE HOME SALES PRICE

The average home sale price signals wealth,inflation, and buying power. Rising pricesboost homeowner equity, while declinesmay indicate economic slowdowns.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: $262,717 FY25-26: $265,951	1.23%	$252,559	2.15%

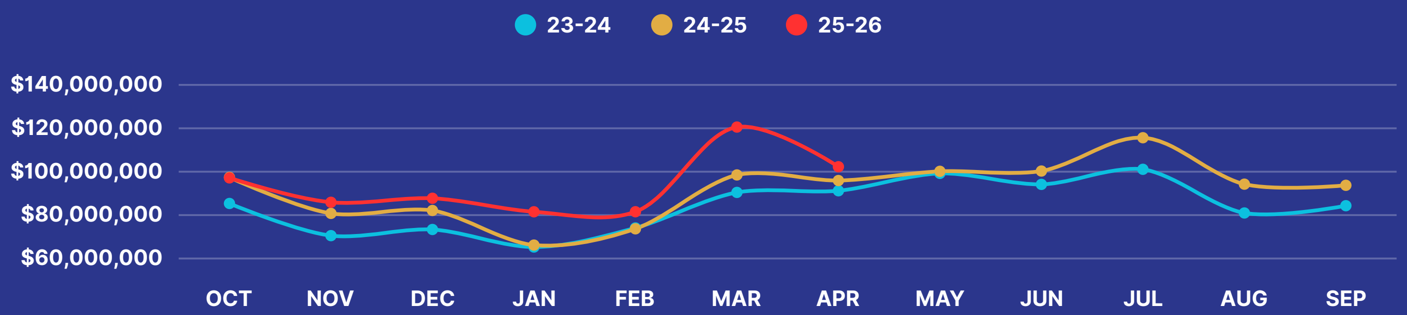


The average home sales price reached $252,559 in April 2026, up 2.1% from $247,242 in April 2025. Price appreciation remained modest and healthy in April, avoiding the runaway escalation that has priced out buyers in other Texas metros while still delivering meaningful equity gains for existing homeowners. McAllen's housing market continues to strike a relatively balanced posture between affordability and appreciation, and policymakers should remain vigilant about maintaining adequate housing supply to preserve this balance as the market absorbs increased demand from in-migration and household formation.

9 DOLLAR VOLUME RESIDENTIAL REAL ESTATE SALES

Provides a clear picture of both housing demand and overall economic confidence in the region. It captures the total investment flowing into the local housing market, reflecting broader trends in wealth, lending activity, and growth.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: $1,054,417,098 FY25-26: $1,159,730,994	9.99%	$102,286,449	6.63%



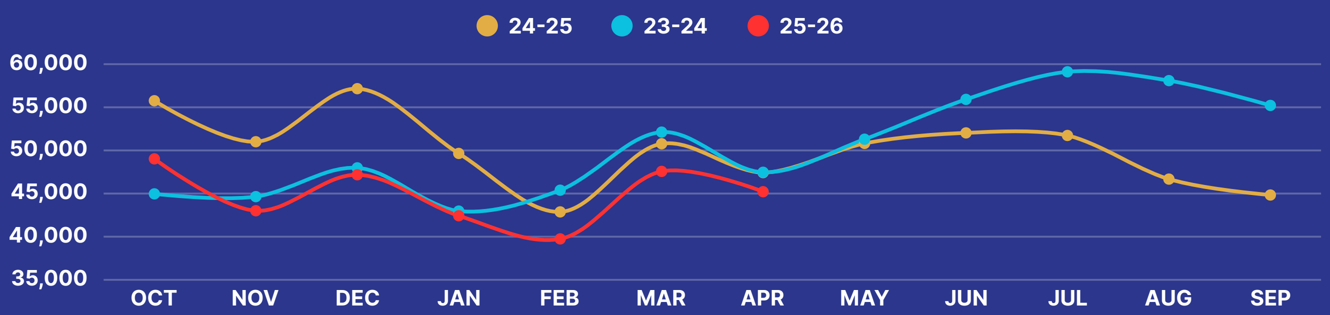
Total residential real estate dollar volume reached $102,286,449 in April 2026, up 6.6% from $95,930,154 in April 2025. Crossing the $100 million threshold in residential real estate volume for April is a milestone that reflects the growing scale and depth of McAllen's housing market. This figure supports a broad range of industries including mortgage lending, title insurance, home inspection, interior design, and home improvement retail, all of which benefit directly from a healthy and growing transaction environment.

Transportation

10 MFE ENPLANEMENT DATA

- More flights, new routes, or better services offered by airlines can attract more passengers. Hosting large events.
- Conventions, or conferences can temporarily boost enplanements as attendees fly in and out of McAllen.
- Growth in local businesses or the arrival of new companies can lead to more business travel, increasing enplanements

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: 634,311 FY25-26: 560,262	-11.67%	$45,215	-4.67%

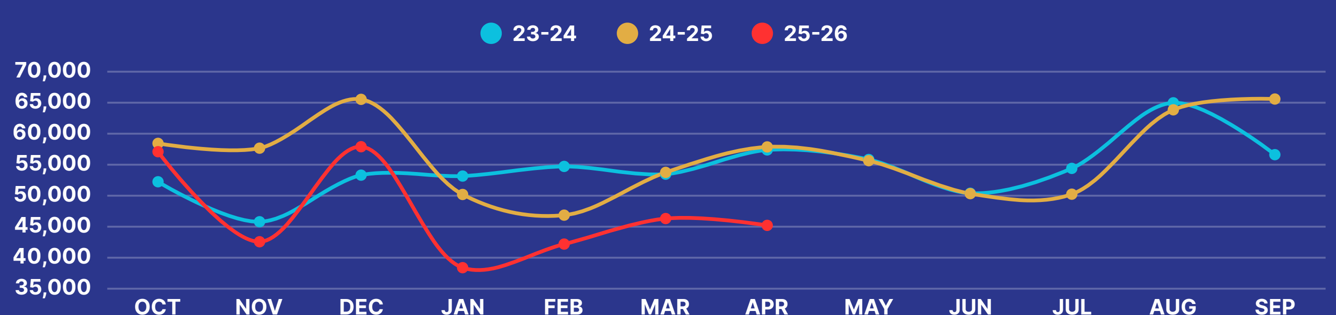


McAllen International Airport recorded 45,215 enplanements in April 2026, down 4.7% from April 2025. While the decline is modest, continued efforts to attract new routes, strengthen airline partnerships, and grow passenger demand will be important to supporting future air service growth.

11 METRO RIDERSHIP

Provides insights into public transportation usage patterns, helping to identify trends in commuter behavior and demand. This information enables better planning and resource allocation to improve service efficiency, accessibility, and overall rider experience.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: 672,588 FY25-26: 613,681	-8.76%	43,530	-24.78%



Metro McAllen recorded 43,530 riders in April 2026, down 24.8% from 57,869 in April 2025. This significant decline suggests factors beyond normal seasonal variation and highlights the need to evaluate service levels, rider demand, and commuting patterns to better understand and address the decrease.

Cross-Border Commerce

BRIDGE CROSSINGS

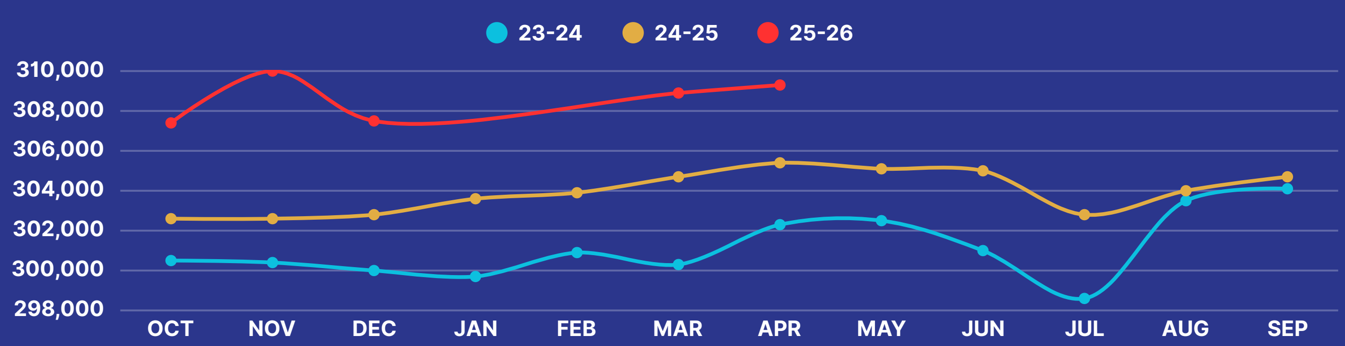
Category	April	YoY Change	TTM Change
Southbound Personal Vehicle Crossings	364,965	▲ 11.28%	▼ 8.17%
Northbound Personal Vehicle Crossings	390,390	▲ 20.83%	▼ 6.82%
Northbound Personal Vehicle Passenger Crossings	798,293	▲ 20.61%	▼ 7.86%
Northbound Bus Crossings	838	▼ 15.38%	▼ 24.78%
Northbound Bus Passenger Crossings	15,773	▼ 11.36%	▼ 24.64%
Northbound Truck Crossings	57,952	▲ 0.58%	▲ 1.32%

Labor Market

12 NON-FARM PAYROLL

A key measure of job growth and economic activity across all major sectors, offering a broad view of employment health. Tracking these numbers helps assess business expansion and labor market strength.

Trailing Twelve Months	TTM %	April 2026	YoY %
2023 - 2024: 302,942 2024 - 2026: 307,067	1.36%	$309,300	1.28%

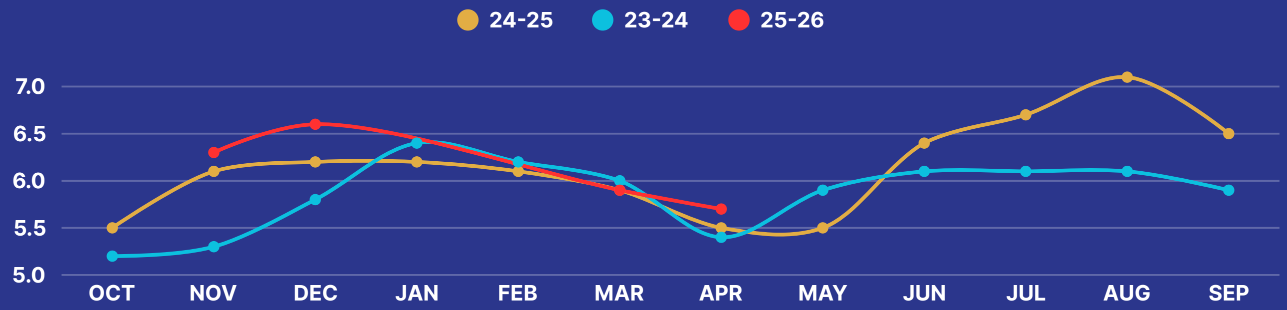


Total nonfarm payroll employment in the McAllen MSA reached 309,300 jobs in April 2026, an increase of 3,900 jobs (1.3%) from April 2025. Growth continues to be driven by healthcare, logistics, retail, and education, reflecting a steadily expanding labor market.

13 UNEMPLOYMENT RATE

Moderate unemployment promotes labor market flexibility and productivity.

Trailing Twelve Months	TTM %	April 2026	YoY %
2023 - 2024: 5.98% 2024 - 2026: 5.86%	-1.95%	5.7%	1.79%



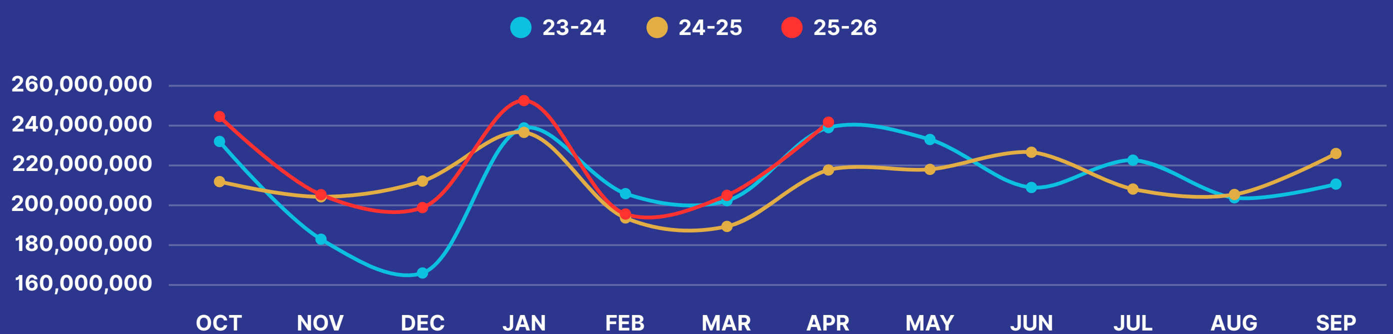
The McAllen MSA unemployment rate was 5.7% in April 2026, up slightly from 5.6% in April 2025. Despite the small increase, year-over-year payroll growth suggests the change reflects a larger labor force rather than job losses. Continued investment in workforce development and employer partnerships will be key to sustaining long-term employment growth.

Consumer Sentiment

14 DOLLARS SPENT ON AUTO PURCHASES

Home sales reflect economic healthby indicating consumer confidence,job stability, and credit access.Strong sales drive relatedindustries, while declines signaluncertainty.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: $2,544,728,300 FY25-26: $2,657,617,445	4.44%	$241,746,763	11.03%

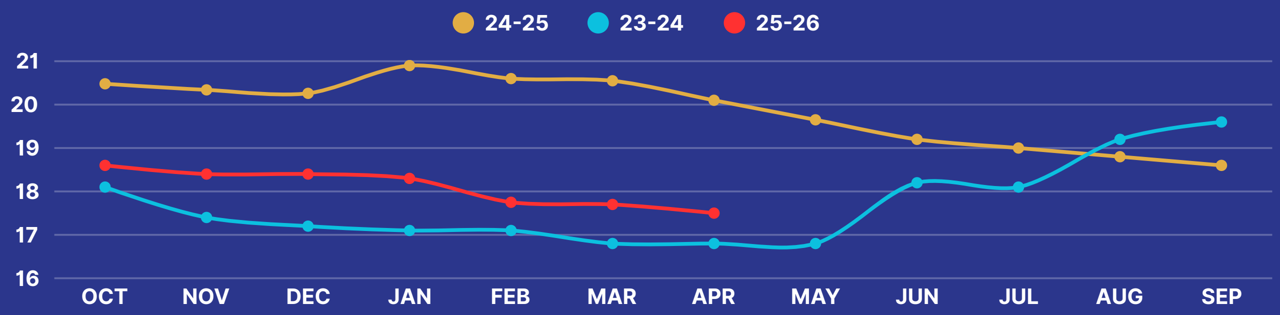


Auto purchase spending in April 2026 totaled $241,746,763, up 11.0% from $217,726,837 in April 2025. This is a standout performance for McAllen's auto sector and one of the stronger months of recent quarters. The surge likely reflects multiple converging factors: an influx of cross-border buyers taking advantage of the stronger peso, pent-up demand from consumers who delayed purchases earlier in the year, and seasonal incentive programs from dealers. Local dealerships and auto finance providers should be encouraged by this data, which affirms McAllen's position as one of the most active vehicle markets in South Texas.

15 PESO EXCHANGE RATE

Monitoring the peso exchange rate is essential for border economies where cross-border commerce and consumer spending are deeply tied to the strength of the Mexican peso. Fluctuations in the exchange rate can signal broader economic shifts and influence regional trade dynamics.

Trailing Twelve Months	TTM %	April 2026	YoY %
FY24-25: $19.60 FY25-26: $18.50	-5.63%	$17.50	-12.94%



The peso exchange rate stood at 17.50 MXN per USD in April 2026, compared to 20.10 in April 2025 — a 12.9% appreciation of the peso year-over-year. The continued strength of the peso relative to where it stood a year ago is one of the most consequential economic tailwinds for McAllen's economy right now, and its impact is clearly visible in the dramatic April 2026 surges in northbound bridge crossings, retail sales, and auto purchases. Businesses that have not yet adapted their marketing, staffing, and inventory strategies to serve the elevated cross-border consumer demand enabled by this favorable exchange rate are leaving meaningful revenue on the table.

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