Ravalli County appears to be coming out of the Great Recession, albeit slowly. The real estate market has stabilized with the number of residential real estate sales in 2012 increasing over 2011 levels. Prices are about the same, but days on market increased slightly over 2011 levels.

The weak real estate market is affecting Ravalli County household mobility. The latest American Community Survey data show that 14 percent of Ravalli County households live in a different house compared to one year ago. In 2007, 20 percent of households changed homes. In 2010, the latest data available, more people from Ravalli County moved to Missoula County than the reverse. Migration between Missoula and Ravalli counties is influenced by gasoline prices and comparative real estate prices.

Housing construction, a mainstay of the Ravalli County economy in the past decade, continues to lag, with employment levels about half what they were in 2007. A return to 2007 levels is not in the foreseeable future.

Metal manufacturing, including small arms manufacturing, is the largest manufacturing sector, replacing the wood products industry. Recovery in the wood products industry, primarily log home manufacturing, depends on a recovery in the national housing market. Wood supply remains a concern, but poor markets for building materials dominate the decline.

Glaxo-Smith-Kline, a major pharmaceutical company and the U.S. Center for Disease Control’s Rocky Mountain Lab, employs medical researchers with average annual wages more than double the county average of $23,000 per year. If the national housing market rebounds, Ravalli County’s nonfarm earnings should increase about 2.2 percent per year through 2016.