Montana’s Housing Market
National Conditions
Change in Home Prices
2006 – 2011

Data from FreddieMac
2011 Statistics

Existing Homes
4.26 Million
$164,500

New Construction
607,000
$212,000
Foreclosure Rates
Dec 2011

Data from Realtytrac

1-in-500 or more
1-in-501 to 1-in-1,000
Shadow Inventory

14 Million Units
Regional Conditions
Number of Sales in 2011

- 40,300 (4% increase)
- 20,700 (+1%)
- 9,700 (+15%)
- 12,100 (-3%)
- 15,600 (+9%)

Center for Applied Economic Research
12-Month Price Change

-2.7%
-8.6%
+2.9%
-0.1%
+5.4%
Foreclosures and Delinquencies

- North Dakota: 4% in Foreclosure, 1% 30-Days Delinquent
- South Dakota: 5% in Foreclosure, 2% 30-Days Delinquent
- Wyoming: 6% in Foreclosure, 3% 30-Days Delinquent
- Montana: 7% in Foreclosure, 4% 30-Days Delinquent
- Idaho: 10% in Foreclosure, 6% 30-Days Delinquent
Distressed Sales Reduce
Price Growth

-6% -4% -2% 0% 2% 4% 6%

Wyoming
South Dakota
North Dakota
Montana
National Average
Idaho

Excluding Distressed Sales
All SFHs
Metro Area Prices

-4%  -1%  -1%

1%  6%  0%

-13%
% Change in Number of Sales

-1%  -10%
-5%  +12%
-0%  -5%

Center for Applied Economic Research
MSU Billings
Median Prices (in $ 1,000s)

$183
$207
$147
$181
$238
$191
$183

Median Prices (in $ 1,000s)

-9%
-4.5%
-3.2%
0.3%
3.3%
1.4%
Higher Prices
Fewer Sales

Missoula

Cascade

Lower Prices
Fewer Sales

Gallatin

Yellowstone
Lewis & Clark

Flathead

Higher Prices
More Sales

Lower Prices
More Sales

10%

0%

-10%

-15%

15%
MT Housing Starts

From Peak

- Silver Bow -25%
- Yellowstone, L&C -50%
- Missoula, Flathead -60%
- Many Other Counties -80%
2012 Conditions

- Incomes Flat
- Limited Wealth
- Abundant Debt
- Shadow Inventories
- Consumer Confidence
2012 Forecast

Overall
Lower Prices
Flat Sales
Higher Rents
More Construction
Montana’s Rental Markets
# Apartment Rent

<table>
<thead>
<tr>
<th>City</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3+ Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butte</td>
<td>$437</td>
<td>$556</td>
<td>$650</td>
</tr>
<tr>
<td>Billings</td>
<td>$448</td>
<td>$638</td>
<td>$837</td>
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<tr>
<td>Great Falls</td>
<td>$454</td>
<td>$654</td>
<td>$875</td>
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<tr>
<td>Helena</td>
<td>$488</td>
<td>$699</td>
<td>$1,036</td>
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<tr>
<td>Bozeman</td>
<td>$489</td>
<td>$641</td>
<td>$1,123</td>
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<tr>
<td>Kalispell</td>
<td>$501</td>
<td>$626</td>
<td>$817</td>
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<tr>
<td>Missoula</td>
<td>$626</td>
<td>$694</td>
<td>$747</td>
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## House Rent

<table>
<thead>
<tr>
<th>City</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3+ Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butte</td>
<td>$530</td>
<td>$680</td>
<td>$868</td>
</tr>
<tr>
<td>Billings</td>
<td>$604</td>
<td>$880</td>
<td>$1,313</td>
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<tr>
<td>Great Falls</td>
<td>$450</td>
<td>$875</td>
<td>$1,250</td>
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<tr>
<td>Helena</td>
<td>$510</td>
<td>$873</td>
<td>$1,030</td>
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<tr>
<td>Bozeman</td>
<td>$1,042</td>
<td>$1,377</td>
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<tr>
<td>Kalispell</td>
<td>$838</td>
<td></td>
<td>$1,002</td>
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<tr>
<td>Missoula</td>
<td>$1,028</td>
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<td>$1,419</td>
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# Premium for Renting a House

<table>
<thead>
<tr>
<th>City</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3+ Bedroom</th>
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</thead>
<tbody>
<tr>
<td>Butte</td>
<td>+21%</td>
<td>+22%</td>
<td>+34%</td>
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<tr>
<td>Billings</td>
<td>+35%</td>
<td>+38%</td>
<td>+57%</td>
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<tr>
<td>Great Falls</td>
<td>-1%</td>
<td>+34%</td>
<td>+43%</td>
</tr>
<tr>
<td>Helena</td>
<td>+5%</td>
<td>+25%</td>
<td>-1%</td>
</tr>
<tr>
<td>Bozeman</td>
<td>+63%</td>
<td></td>
<td>+23%</td>
</tr>
<tr>
<td>Kalispell</td>
<td>+34%</td>
<td></td>
<td>+23%</td>
</tr>
<tr>
<td>Missoula</td>
<td>+48%</td>
<td></td>
<td>+90%</td>
</tr>
<tr>
<td>City</td>
<td>1 BR House vs. 2 BR Apt</td>
<td>2 BR House vs. 3 BR Apt</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
<td></td>
</tr>
<tr>
<td>Butte</td>
<td>-5%</td>
<td>+5%</td>
<td></td>
</tr>
<tr>
<td>Billings</td>
<td>-5%</td>
<td>+5%</td>
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</tr>
<tr>
<td>Great Falls</td>
<td>-31%</td>
<td>0%</td>
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</tr>
<tr>
<td>Helena</td>
<td>-27%</td>
<td>-16%</td>
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<tr>
<td>Kalispell</td>
<td></td>
<td>+3%</td>
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</tr>
<tr>
<td>Missoula</td>
<td></td>
<td>+38%</td>
<td></td>
</tr>
</tbody>
</table>
Thank You

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