



Montana's Housing Market

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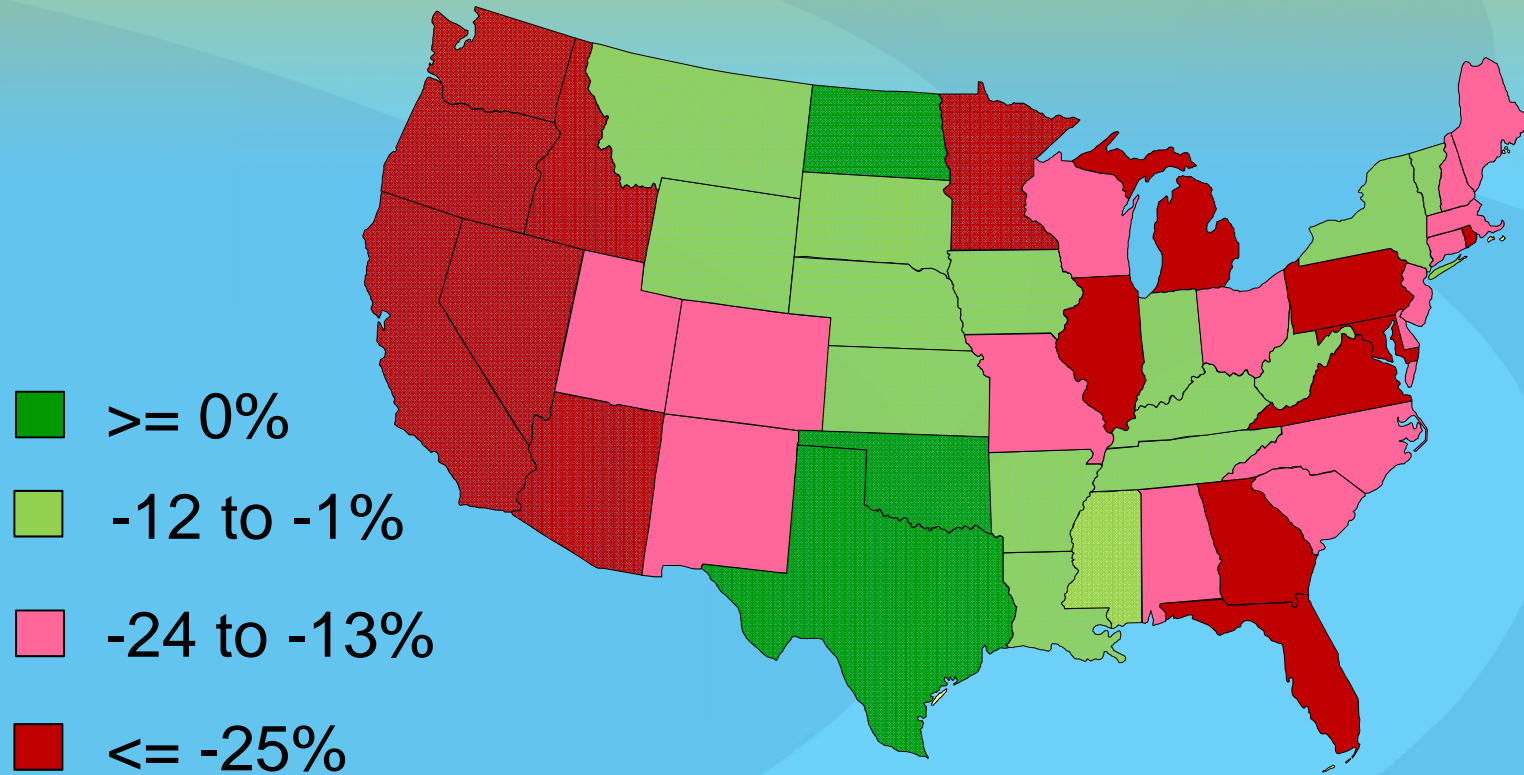
National Conditions



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Change in Home Prices 2006 – 2011



Data from
FreddieMac

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2011 Statistics



**Existing
Homes**

4.26 Million

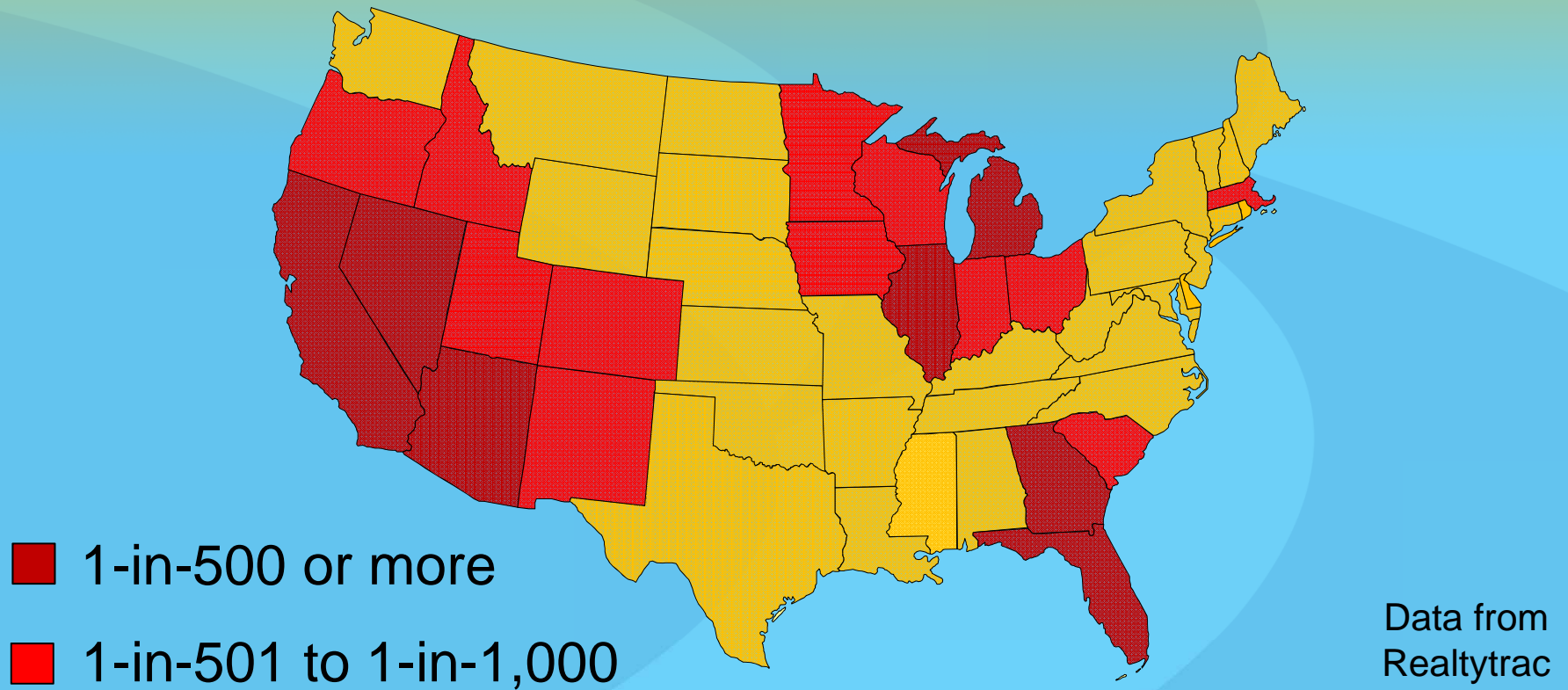
\$164,500

**New
Construction**

607,000

\$212,000

Foreclosure Rates Dec 2011



Shadow Inventory



14 Million Units

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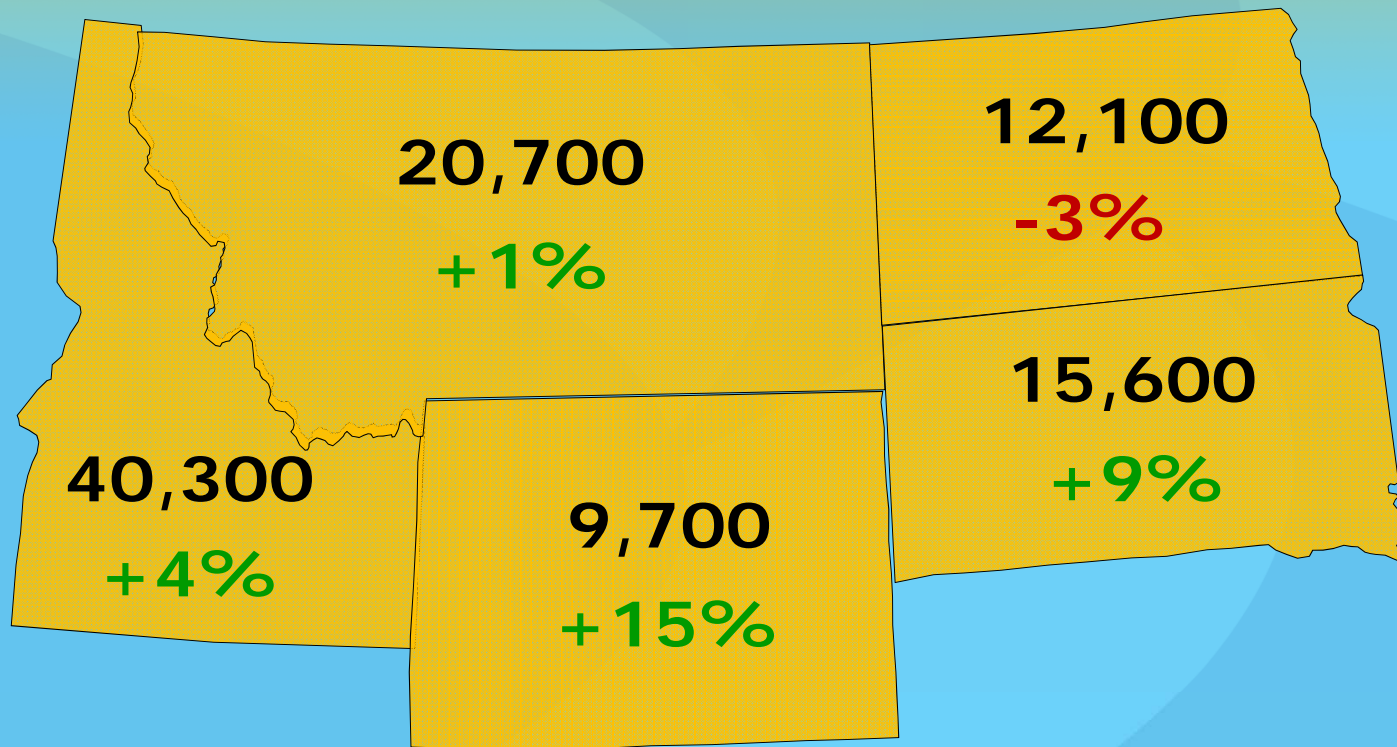
Regional Conditions



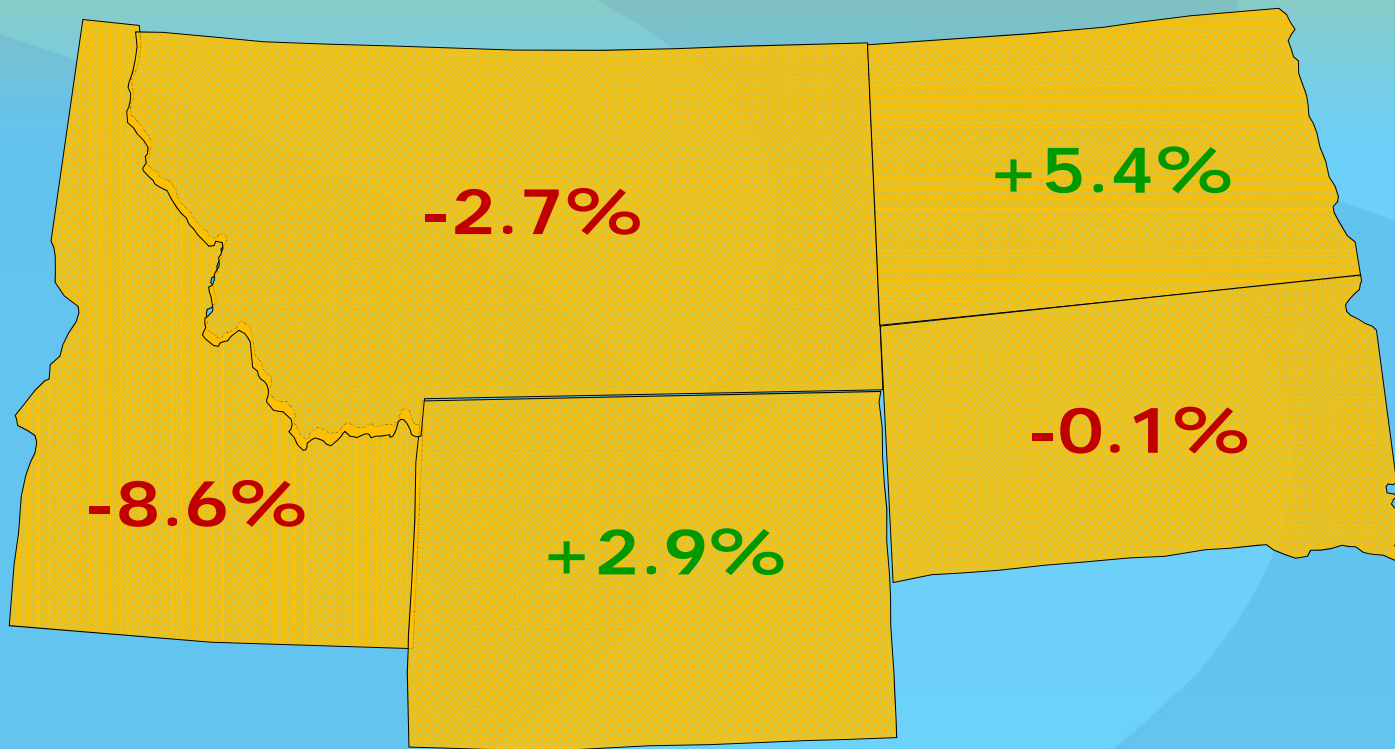
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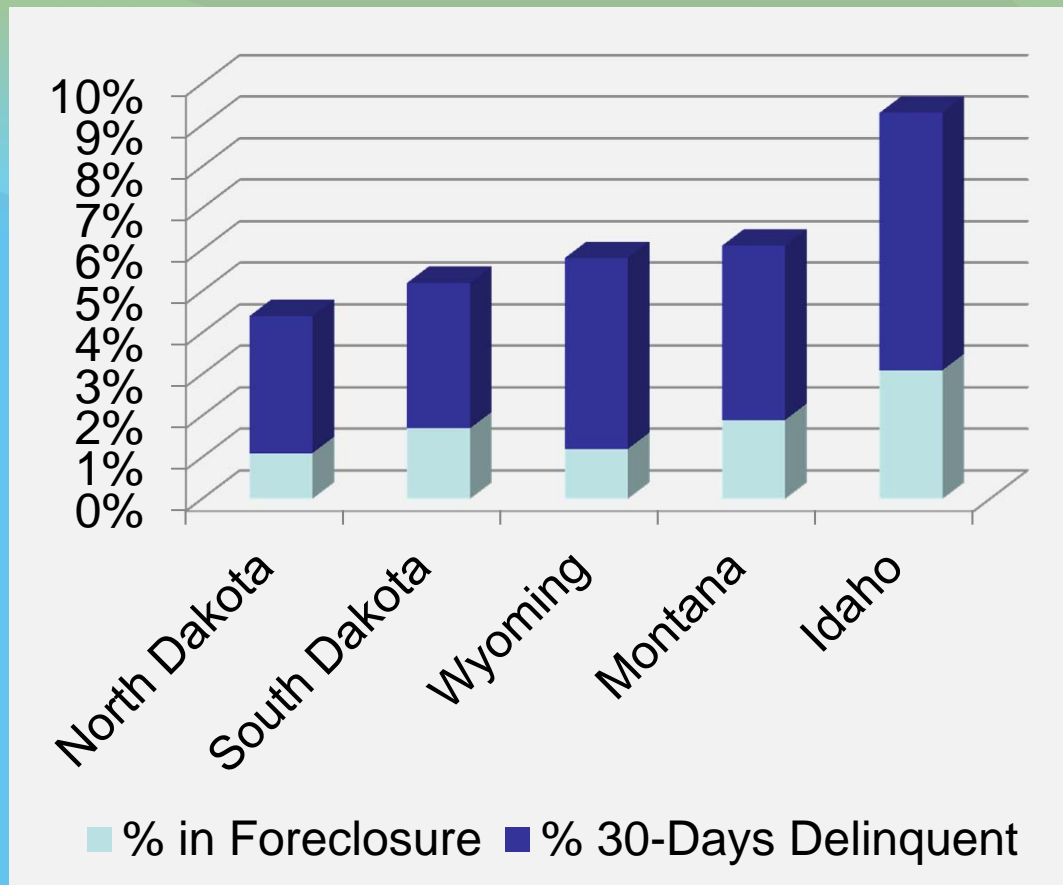
Number of Sales in 2011



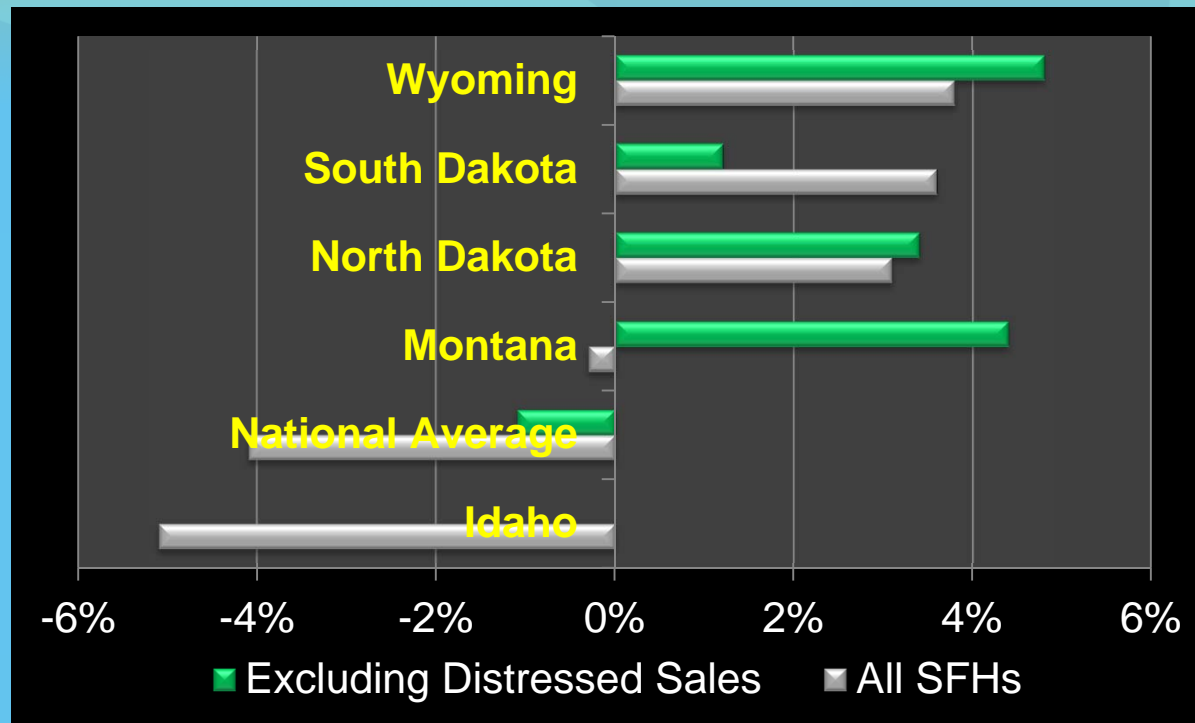
12-Month Price Change



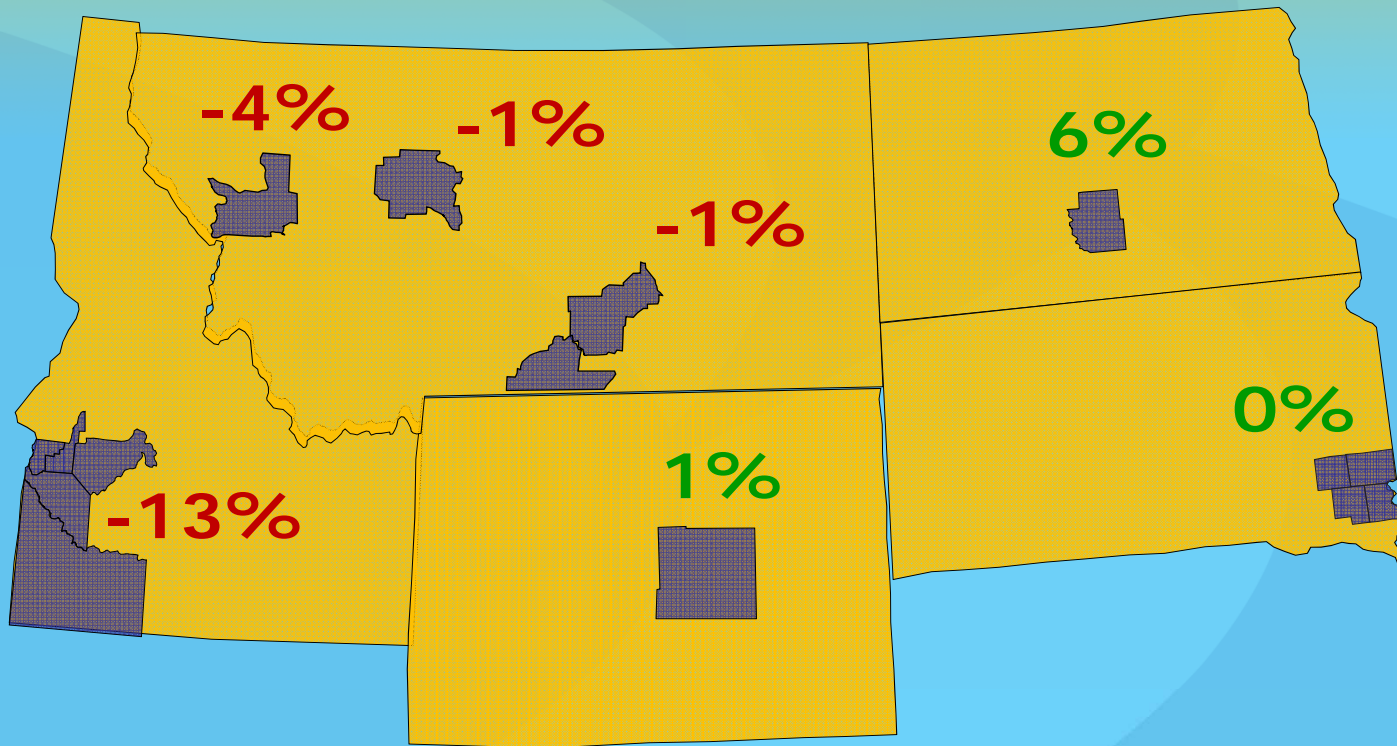
Foreclosures and Delinquencies



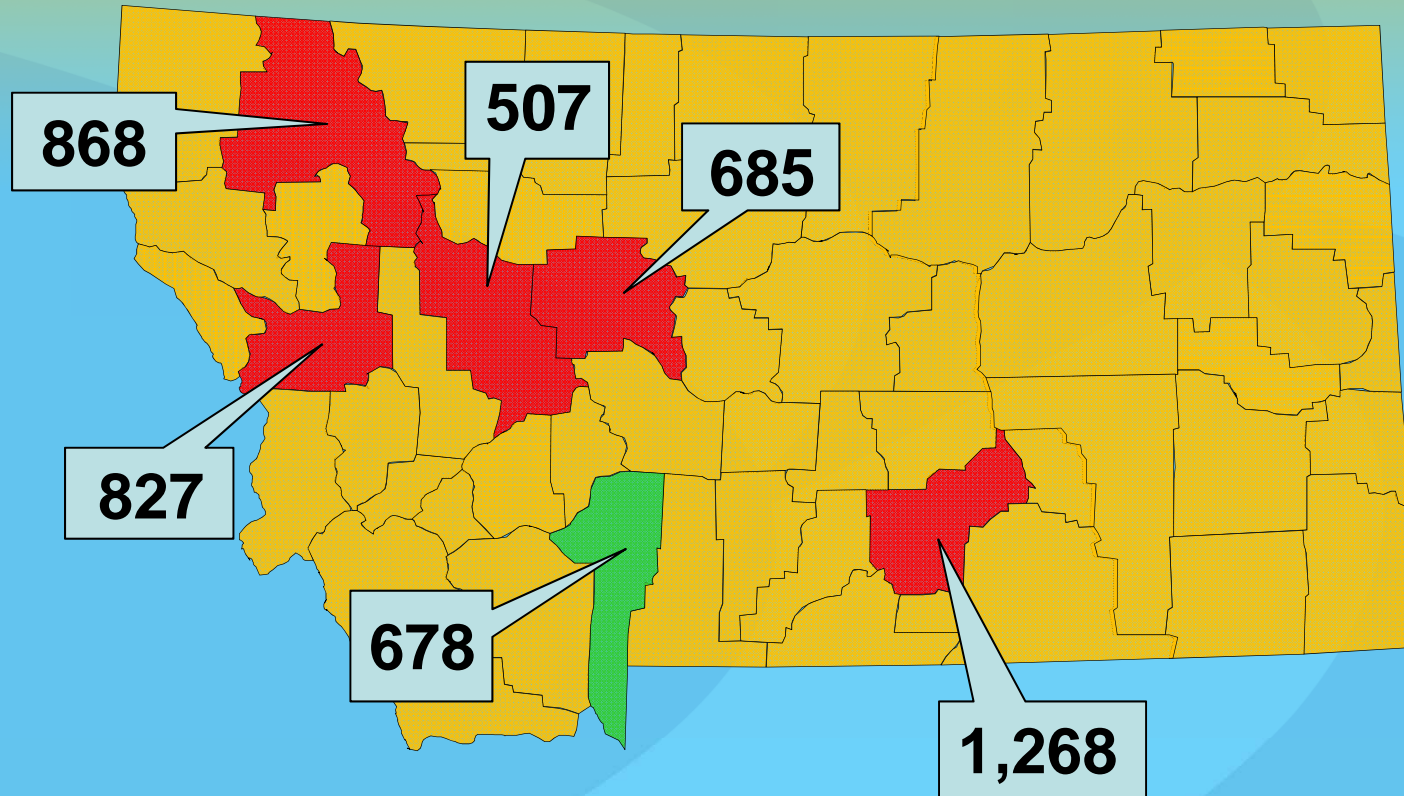
Distressed Sales Reduce Price Growth



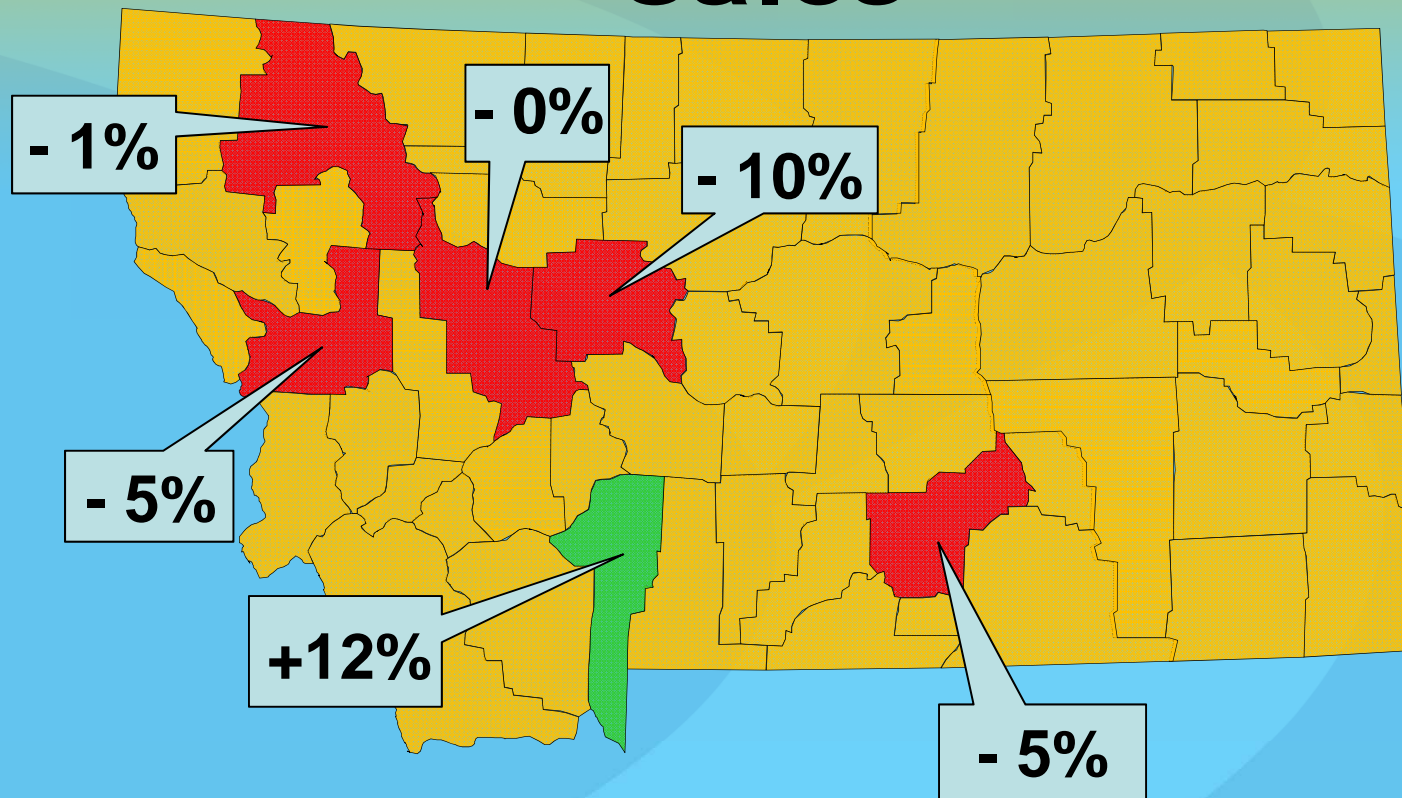
Metro Area Prices



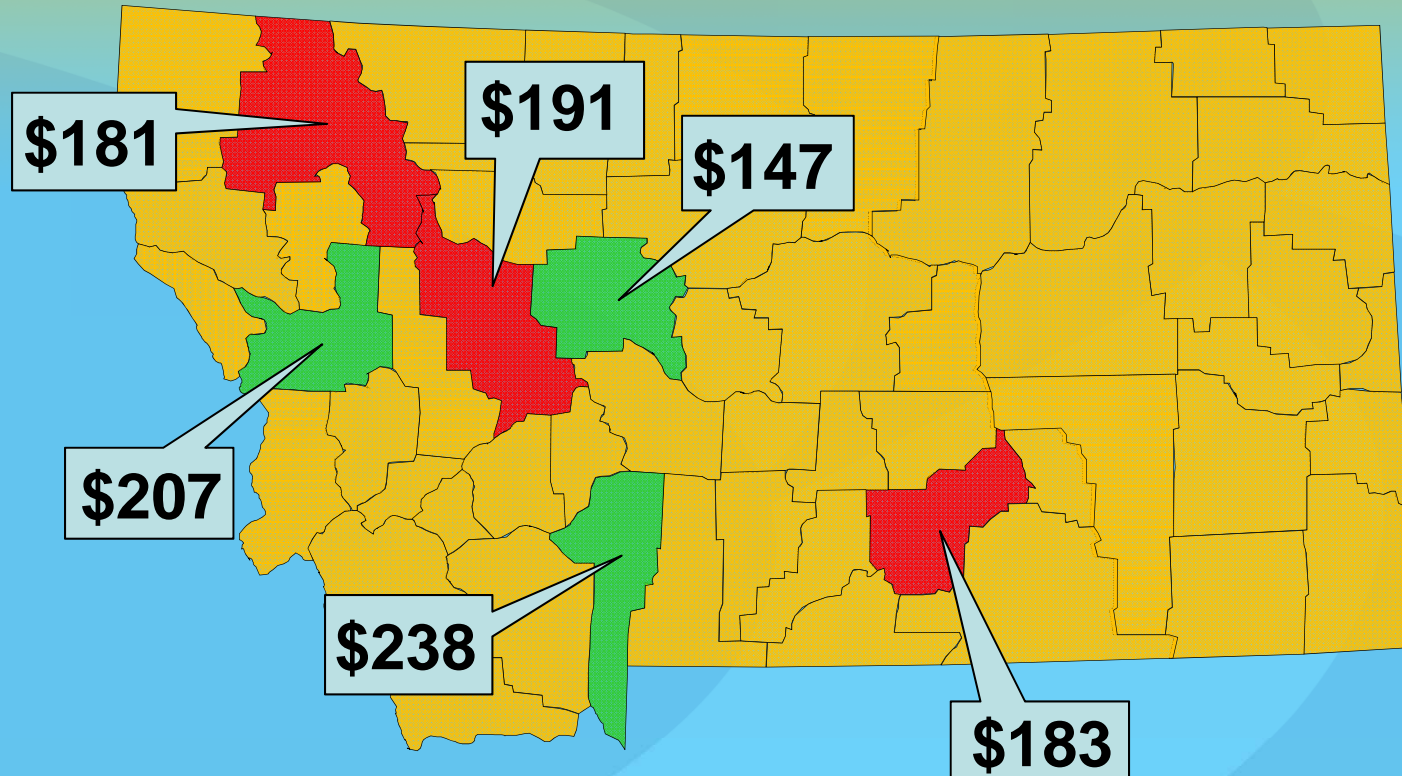
Number of Sales



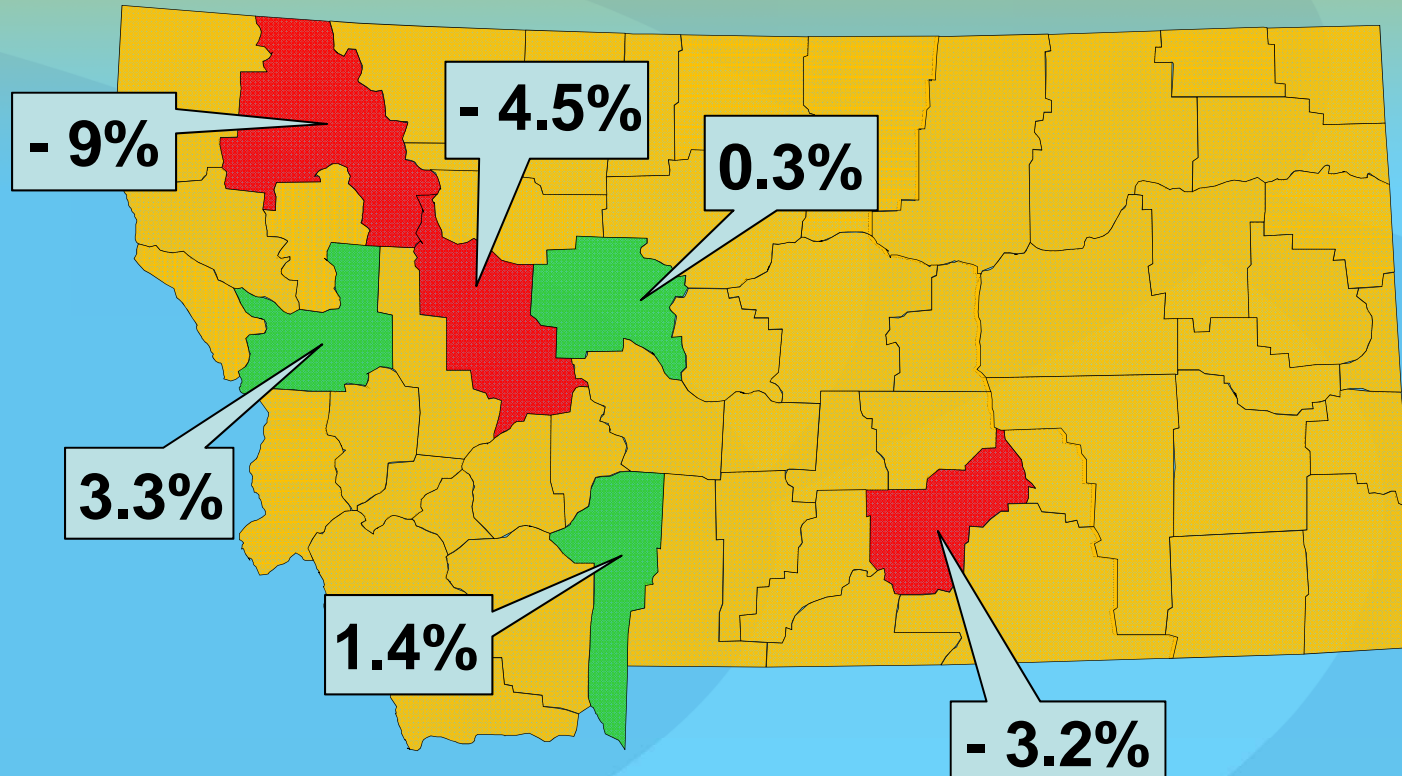
% Change in Number of Sales

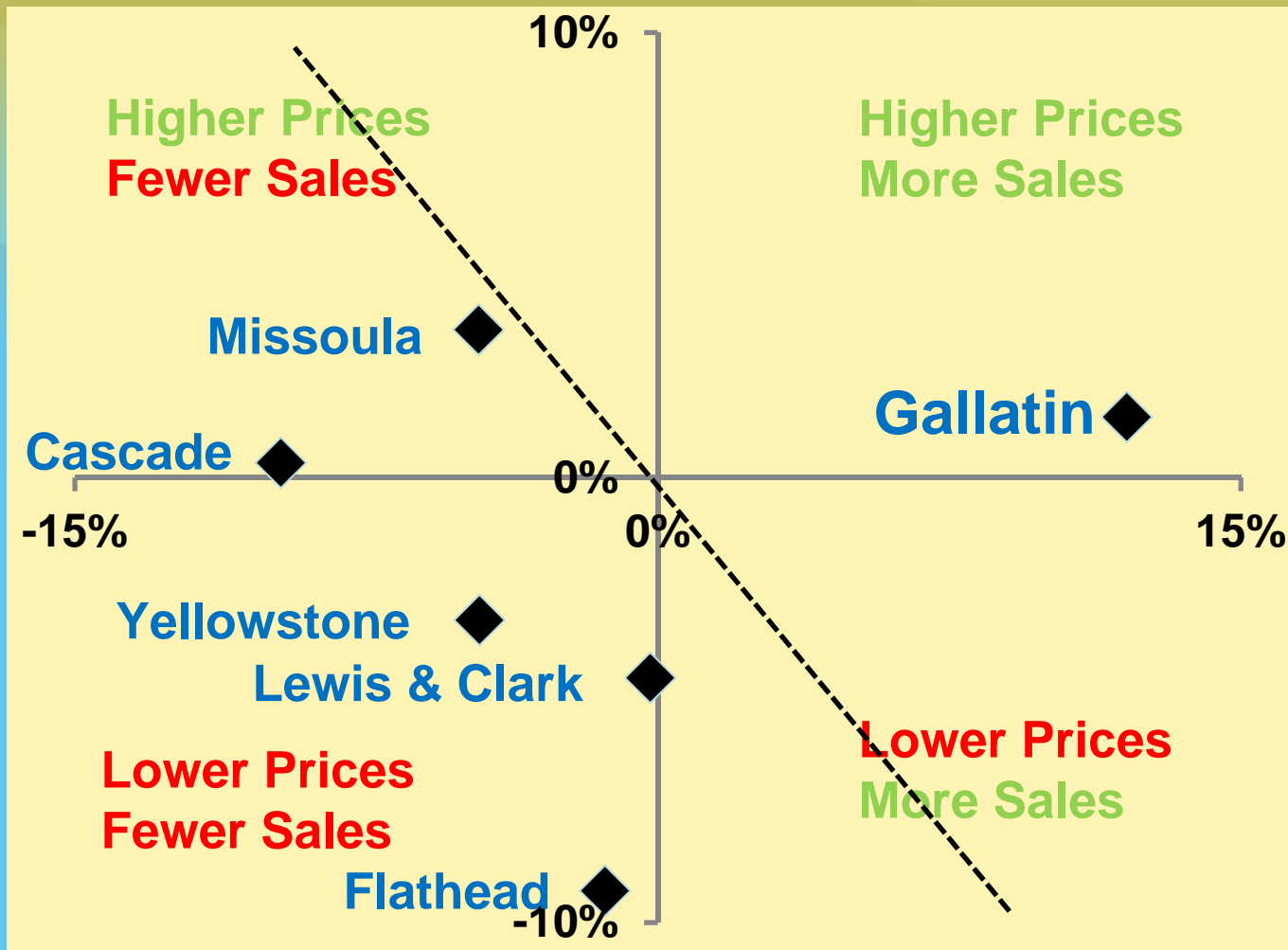


Median Prices (in \$ 1,000s)



Median Prices (in \$ 1,000s)





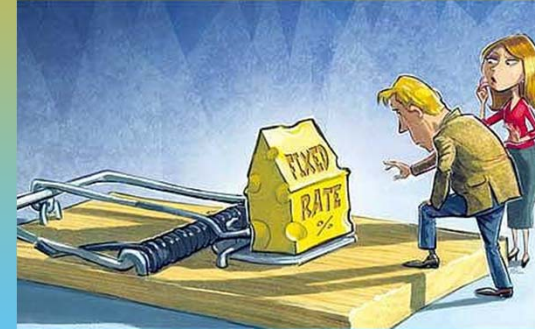
MT Housing Starts



- | | 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



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Apartment Rent

	1 Bedroom	2 Bedroom	3+ Bedroom
Butte	\$ 437	\$ 556	\$ 650
Billings	\$ 448	\$ 638	\$ 837
Great Falls	\$ 454	\$ 654	\$ 875
Helena	\$ 488	\$ 699	\$ 1,036
Bozeman	\$ 489	\$ 641	\$ 1,123
Kalispell	\$ 501	\$ 626	\$ 817
Missoula	\$ 626	\$ 694	\$ 747

House Rent

	1 Bedroom	2 Bedroom	3+ Bedroom
Butte	\$ 530	\$ 680	\$ 868
Billings	\$ 604	\$ 880	\$ 1,313
Great Falls	\$ 450	\$ 875	\$ 1,250
Helena	\$ 510	\$ 873	\$ 1,030
Bozeman		\$ 1,042	\$ 1,377
Kalispell		\$ 838	\$ 1,002
Missoula		\$ 1,028	\$ 1,419

Premium for Renting a House

	1 Bedroom	2 Bedroom	3+ Bedroom
Butte	+21%	+22%	+34%
Billings	+35%	+38%	+57%
Great Falls	-1%	+34%	+43%
Helena	+5%	+25%	-1%
Bozeman		+63%	+23%
Kalispell		+34%	+23%
Missoula		+48%	+90%

Premium: 2 BR House vs. 3 BR Apt.

	1 BR House vs. 2 BR Apt	2 BR House vs. 3 BR Apt
Butte	-5%	+5%
Billings	-5%	+5%
Great Falls	-31%	0%
Helena	-27%	-16%
Bozeman		-7%
Kalispell		+3%
Missoula		+38%

Thank You

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