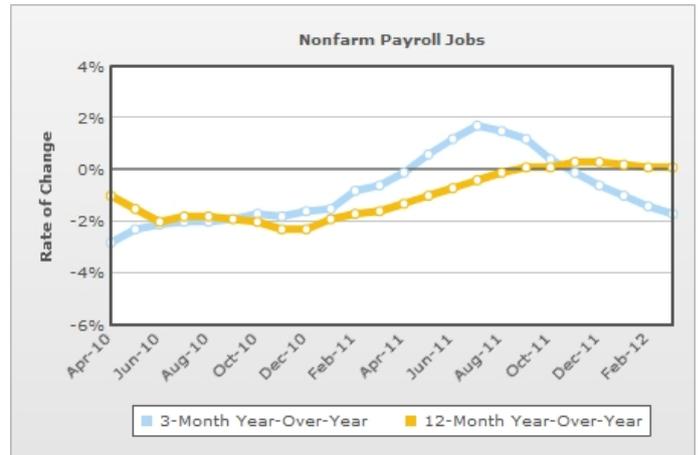
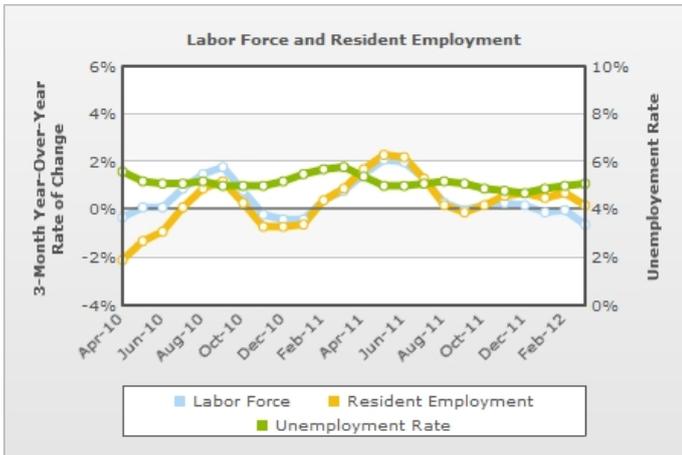


Billings, MT CBSA

Prepared by: PD&R / Economic & Market Analysis Division (EMAD)
Rocky Mountain Regional Office

Created on: June 19, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics

Data Source: U.S. Bureau of Labor Statistics

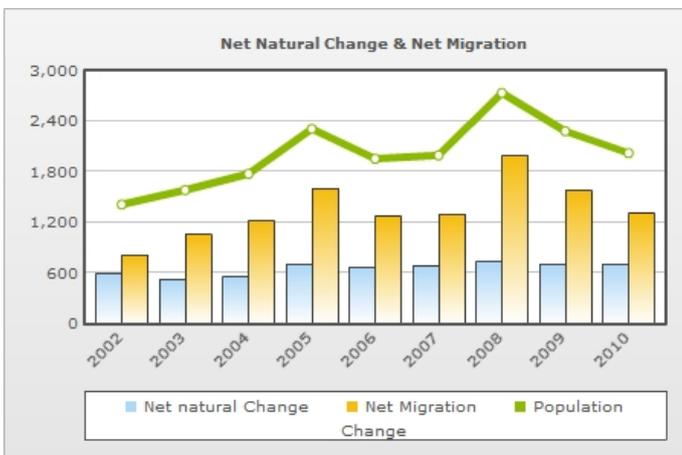
	3-Month Average			3-Month Year-Over-Year Change			
	April 2010	April 2011	April 2012	to April 2011		to April 2012	
	Number	Percent	Number	Percent	Number	Percent	Percent
Labor Force	86,685	87,953	87,010	1,268	1.5	-943	-1.1
Resident Employment	81,824	83,222	82,833	1,398	1.7	-389	-0.5
Unemployment Rate (%)	5.6	5.4	4.8	n/a	n/a	n/a	n/a
Nonfarm Payroll Jobs	77,433	77,367	76,033	-66	-0.1	-1,334	-1.7

Data Source: U.S. Bureau of Labor Statistics

POPULATION & HOUSEHOLDS

	Decennial Census				ACS & Population Estimates Program						
	April 2000	April 2010	Average Annual Change 2000 to 2010		July 2008	July 2009	July 2010	2008 to 2009		2009 to 2010	
			Number	Percent				Number	Percent	Number	Percent
Population	138,904	158,050	1,915	1.3	154,220	156,498	158,517	2,278	1.5	2,019	1.3
Households	56,149	65,243	909	1.5	60,295	61,426	65,861	1,131	1.9	4,435	7.2

Data Source: 1 - 2000 Census; 2010 Census; U.S. Census Bureau Population Estimates
2 - 2000 Census; 2010 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)

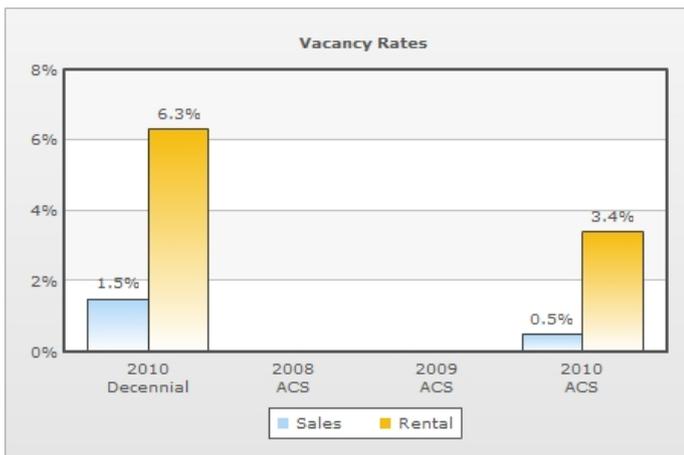


Data Source: U.S. Census Bureau Population Estimates

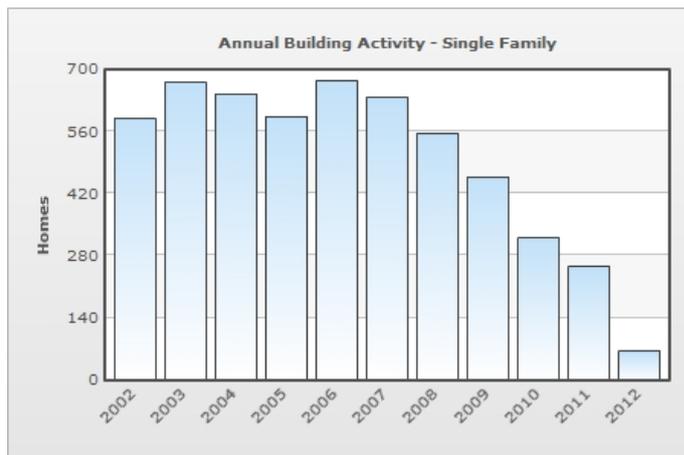
Economic Trends and Population and Household Trends

The Billings metropolitan area consists of Carbon and Yellowstone Counties in south-central Montana. Billings serves a large region as a hub for business services, trade, education, and health care. Major employers include the Billings Clinic Health System, Avitus Group, Stillwater Mining Company, and First Interstate Bank. Nonfarm payrolls averaged 75,200 jobs in the first quarter of 2012, down 1,300 jobs, or 1.7-percent, compared with a year earlier. Although payrolls increased in sectors such as professional and business services and education and health services, these gains were more than offset by job losses in sectors such as leisure and hospitality, trade, transportation and utilities, and government. The unemployment rate averaged 5.1 percent during the first quarter of 2012, down from 5.8 percent a year earlier. While resident employment increased only slightly, the area labor force declined by 0.6 percent. As of April 1, 2012, the population of the metropolitan area is estimated at nearly 162,000, an increase of approximately 1,900, or 1.2 percent, a year since 2010. While net natural change (resident births minus deaths) has remained stable, at more than 650 a year, net in-migration has slowed in the past 2 years, averaging less than 1,000 a year, compared with more than 1,200 a year from 2004 through 2010. The number of households is estimated at 68,000, an increase of 1,100, or 1.7 percent, a year since 2010.

Notes: 1 - Values in chart reflect July year-to-year changes
2 - Net Migration includes residual population change



Data Source: 2010 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)

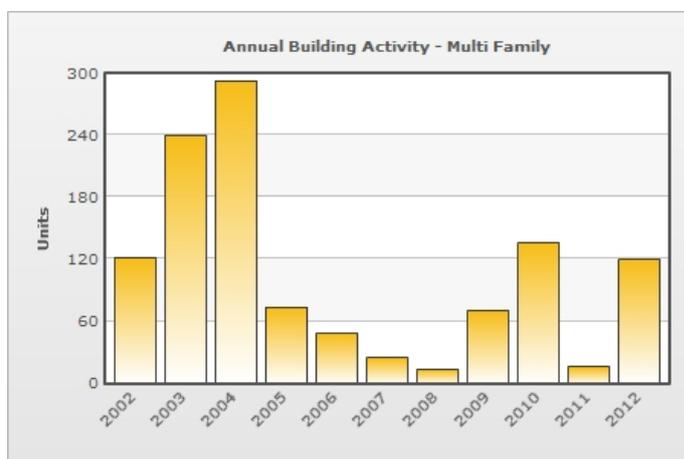


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2012 is preliminary, through April 2012

Housing Inventory by Tenure				
	2010 Decennial	2008 ACS	2009 ACS	2010 ACS
Total Housing Units	70,384	64,756	65,348	70,567
Occupied	65,243	60,295	61,426	65,861
Owners	45,000	41,271	43,228	45,947
% Owners	69.0	68.4	70.4	69.8
Renters	20,243	19,024	18,198	19,914
% Renters	31.0	31.6	29.6	30.2
Total Vacant	5,141	4,461	3,922	4,706
Available for Sale	673	n/a	n/a	248
Available for Rent	1,361	n/a	n/a	692
Other Vacant	3,107	n/a	n/a	3,766

Data Source: 2010 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2012 is preliminary, through April 2012

Housing Market Conditions Summary

The home sales market in the Billings area is somewhat soft, but there are signs of improvement. Based on data from Hanley Wood, LLC, in the first quarter of 2012, approximately 410 existing single-family homes were sold in the metropolitan area, up 32 percent from a year earlier. Recent volume is below the peak of 2005 through 2009, however, when quarterly sales averaged nearly 650 homes. Existing home prices averaged about \$200,300 in the first quarter of 2012, up 3 percent from a year ago. Based on data from Core Logic, Inc. mortgages 90 days or more delinquent, in foreclosure, or REO (Real Estate Owned) represented 2.4 percent of all home loans in the area in March 2012, virtually unchanged from a year earlier. Homebuilding has increased in recent months, but remains below its peak. Based on preliminary data, during first quarter 2012, nearly 70 single-family homes were permitted, up 27 percent from a year earlier. From 2002 through 2008, single-family construction averaged more than 600 homes a year. The Billings rental market is balanced-to-tight, a result of steady household growth and limited building activity. The rental vacancy rate is estimated at 5.5 percent, down from 6.3 percent in April 2010. Approximately 120 multifamily units were permitted in first quarter 2012, based on preliminary data. By contrast, virtually no multifamily units were permitted during first quarter 2011. Multifamily construction averaged only about 50 units a year from 2008 through 2011.

Rental Housing Supply	
Under Construction	120
In Planning	0

Data Source: Estimates by analyst

Note: Units in Planning have not been permitted, but are expected to be completed within 3 years

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