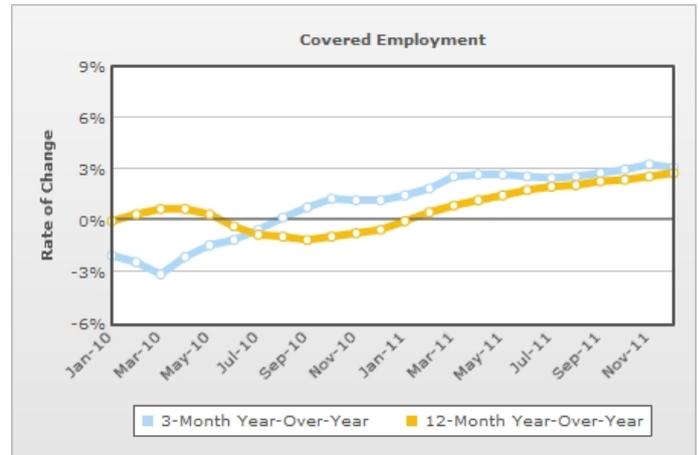
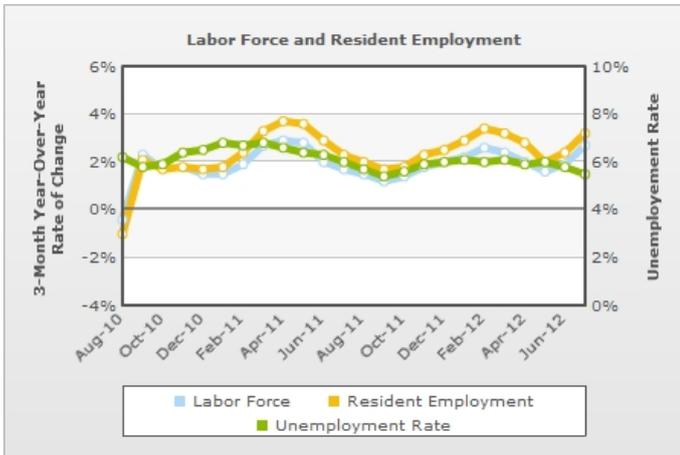


Gallatin County, MT

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

Created on: October 1, 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			
	July 2010	July 2011	July 2012	July 2010 to July 2011		July 2011 to July 2012	
	Number	Percent	Number	Number	Percent	Number	Percent
Labor Force	49,239	50,074	51,403	835	1.7	1,329	2.7
Resident Employment	46,017	47,091	48,599	1,074	2.3	1,508	3.2
Unemployment Rate (%)	6.5	6	5.5	n/a	n/a	n/a	n/a

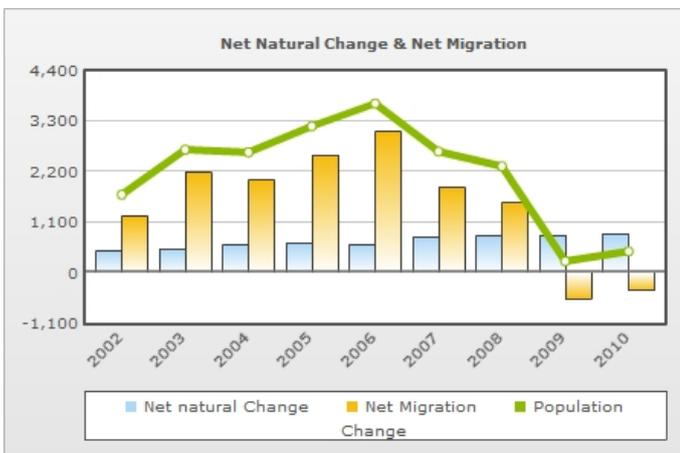
	December 2009	December 2010	December 2011	December 2009 to December 2010		December 2010 to December 2011	
	Number	Percent	Number	Number	Percent	Number	Percent
Covered Employment	42,352	42,878	44,219	526	1.2	1,341	3.1

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	67,831	89,513	2,168	3.2	88,932	89,187	89,658	255	0.3	471	0.5
Households	26,323	36,550	1,023	3.9	34,221	33,860	35,344	-361	-1.1	1,484	4.4

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

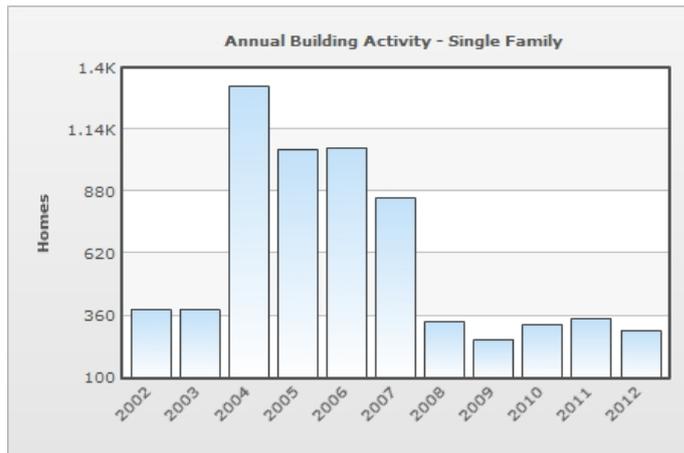
Economic Trends and Population and Household Trends

The Bozeman micropolitan area, consisting of Gallatin County in southwestern Montana, is the home of Montana State University (MSU), with fall 2012 enrollment of 14,700 students. MSU is the leading employer, with nearly 3,600 employees. Also, number of high-tech companies are located in the area. Tourism is an important industry because Bozeman is near several wilderness areas, including Yellowstone National Park. Resident employment averaged 48,600 during the 3 months ending July 2012, up 3.2-percent from a year earlier. In 2011, the largest job gains occurred in the education and health services, leisure and hospitality, and professional and business services sectors, which grew 6.0, 3.2 and 3.9 percent, respectively. The only declining sector was financial activities, which decreased 0.5 percent. The unemployment rate averaged 5.5 percent during the 3 months ending July 2012, down from 6.0 percent a year earlier. From 2000 to 2010, Gallatin County had the fastest population growth in the state, with increases averaging 3.2 percent a year. As of July 1, 2012, the population of the county is estimated at 92,000, reflecting an average increase since 2010 of approximately 1,100 people, or 1.2 percent, a year. Net in-migration averaged nearly 500 a year since 2010, while net natural change (births minus deaths) averaged nearly 600 a year. Currently, the number of households in the area is estimated at 37,500, an average increase of about 425, or 1.2 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)

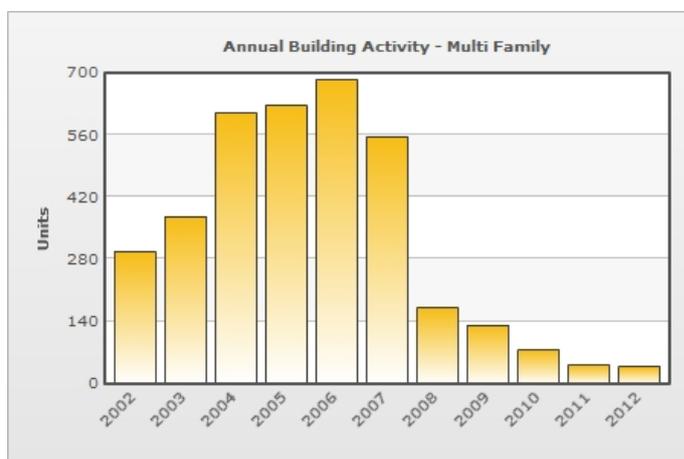


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2012 is preliminary, through July 2012

Housing Inventory by Tenure				
	2010 Decennial	2008 ACS	2009 ACS	2010 ACS
Total Housing Units	42,289	39,399	38,449	41,330
Occupied	36,550	34,221	33,860	35,344
Owners	22,285	21,190	21,047	22,148
% Owners	61.0	61.9	62.2	62.7
Renters	14,265	13,031	12,813	13,196
% Renters	39.0	38.1	37.8	37.3
Total Vacant	5,739	5,178	4,589	5,986
Available for Sale	683	796	804	290
Available for Rent	1,403	719	518	943
Other Vacant	3,653	3,663	3,267	4,753

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 July 2012

Housing Market Conditions Summary

The home sales market in the Bozeman area is somewhat soft, but conditions have improved from a year ago. According to the Gallatin Association of Realtors, approximately 425 homes sold in the second quarter of 2012, up 7.1 percent from a year ago. The average home sales price increased 2.4 percent during the same period, to about \$279,700, while the average number of days on market declined from 124 to 106. Single-family homebuilding is down from its peak, but increased during the past year, based on preliminary permits data. In second quarter 2012, approximately 160 single-family homes were permitted, up 21 percent from a year ago. By comparison, single-family construction averaged nearly 1,075 homes a year from 2004 through 2007. Multifamily construction has declined steadily in the past 5 years. Based on preliminary data, approximately 20 multifamily units were permitted in second quarter 2012, compared with fewer than 5 units in second quarter 2011. By contrast, from 2004 through 2007, multifamily construction averaged more than 600 units a year. The Bozeman rental market is tight, a result of rising demand, including growth in MSU enrollment during the past 3 years, combined with a lack of new construction. The vacancy rate is estimated at less than 3.5 percent. However, some large projects are planned, including the 480-unit Stadium View Student Apartments, expected to come online in fall 2014, and a 190-unit market-rate project in the preliminary stages of planning.

Rental Housing Supply	
Under Construction	20
In Planning	700

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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