

# HUD PD&R Regional Reports

## Region 8: Rocky Mountain



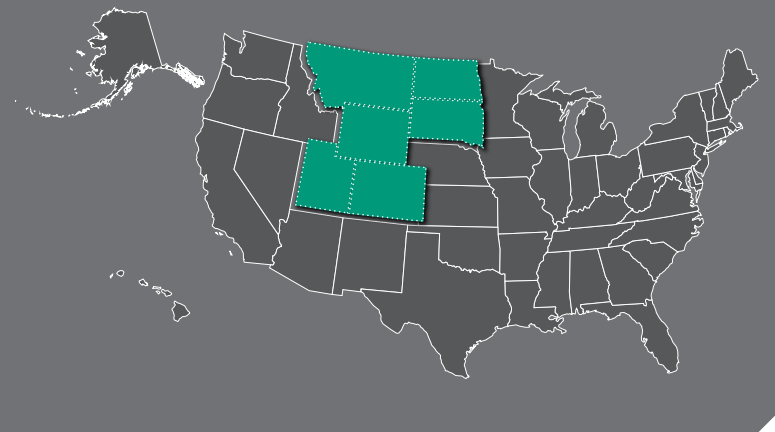
### Quick Facts About Region 8

Colorado Springs, Colorado

By [Katharine Jones](#) | 1st Quarter 2025

- **Sales market conditions—**  
First quarter 2025: mixed (slightly tight to slightly soft)  
Fourth quarter 2024: mixed (balanced to slightly soft)  
First quarter 2024: mixed (balanced to slightly soft)

- **Apartment market conditions—**  
First quarter 2025: mixed (balanced to soft)  
Fourth quarter 2024: mixed (balanced to soft)  
First quarter 2024: mixed (slightly tight to soft)



### Overview

Economic conditions in the Rocky Mountain region were stable as of the first quarter of 2025, but job growth slowed from a year earlier. Nonfarm payrolls rose by 60,900 jobs, or 1.0 percent, year over year, slower than the 1.6-percent increase as of the first quarter of 2024. By comparison, as of the first quarter of 2025, nonfarm payrolls nationwide were up 1.6 percent compared with the same period a year ago. The largest and fastest statewide job gain as of the first quarter of 2025 was in Utah, where nonfarm payrolls rose by 31,900 jobs, or 1.8 percent, from a year earlier, accounting for 52 percent of the job growth in the region. Sales market conditions were mixed, ranging from slightly tight to slightly soft. Relatively high mortgage interest rates limited sales demand, and the inventory of homes for sale in the region increased. Apartment market conditions ranged from balanced to soft as of the first quarter of 2025. Apartment vacancy rates increased year over year in six of the nine metropolitan areas highlighted in this report. A significant number of new units were completed during the past 12 months, which outpaced the number of units absorbed and contributed to an increase in the regionwide vacancy rate. The average rent

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declined in eight of the nine metropolitan areas and increased in one metropolitan area. The average rent declined 2 percent across the region compared with a 1-percent increase nationally (CoStar Group).

- The population in the region increased 1.1 percent from 2023 to 2024 to 12.91 million, outpacing the 1.0-percent growth nationally (U.S. Census Bureau population estimates as of July 1). The population increased in every state in the region, and net in-migration accounted for at least 59 percent of the population growth in each state.
- During the 12 months ending February 2025, home sales in the region increased 3 percent to approximately 207,800

homes sold, and the average home sales price increased 3 percent to \$615,000 (Zonda). By comparison, nationwide home sales decreased 1 percent year over year, and the average home price increased 6 percent to \$484,100.

- Among the metropolitan areas highlighted in this report, Casper had the lowest apartment vacancy rate as of the first quarter of 2025 at 4.3 percent, and the average rent decreased 3 percent to \$1,101 (CoStar Group). Bozeman—a recently designated metropolitan area—had the highest apartment vacancy rate at 18.2 percent as of the first quarter of 2025, and the average rent decreased 4 percent year over year to \$2,139, the highest rent in the region.

## Economic Conditions

As of the first quarter of 2025, nonfarm payrolls in the Rocky Mountain region averaged 6.42 million, representing an increase of 60,900 jobs, or 1.0 percent, from the first quarter of 2024. Regional job growth was slower than the 1.3-percent year-over-year job gain nationally. Each state in the region added jobs in the past year, ranging from a 0.4-percent increase in Colorado to a 1.8-percent rise in Utah. Eight of the 11 nonfarm payroll sectors added jobs as of the first quarter of 2025, with the largest gain of 27,100 jobs, or 2.5 percent, occurring in the government sector. Virtually all the government sector growth—99 percent—occurred in the state government and the local government subsectors, which added a combined 26,800 jobs. Strong growth also occurred in the education and health services sector, adding 22,200 jobs, or 2.5 percent, year

over year, and virtually all the gains were in the healthcare and social assistance subsector. During the past year, numerous private medical facilities were completed throughout the region, including several medical centers in the Denver metropolitan area. In addition, Sanford Health opened clinics in the Bismarck, Fargo, and Sioux Falls metropolitan areas. Overall, job growth in the region slowed from a year ago, when the number of jobs rose 1.6 percent. Job growth slowed year over year in Colorado, Montana, North Dakota, and South Dakota but accelerated slightly in Utah and Wyoming.

The unemployment rate for the region averaged 4.0 percent as of the first quarter of 2025, up from the 3.5-percent rate as of the first quarter of 2024. Unemployment rates rose in five of

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**As of the first quarter of 2025, 8 of the 11 payroll sectors contributed to year-over-year job growth in the Rocky Mountain region.**

	First Quarter		Year-Over-Year Change	
	2024 (Thousands)	2025 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	6,357.1	6,418.0	60.9	1.0
Goods-Producing Sectors	898.0	907.5	9.5	1.1
Mining, Logging, & Construction	492.4	499.8	7.4	1.5
Manufacturing	405.7	407.7	2.0	0.5
Service-Providing Sectors	5,459.1	5,510.5	51.4	0.9
Wholesale & Retail Trade	892.3	886.4	-5.9	-0.7
Transportation & Utilities	261.0	266.0	5.0	1.9
Information	136.2	134.0	-2.2	-1.6
Financial Activities	366.4	367.0	0.6	0.2
Professional & Business Services	877.6	875.8	-1.8	-0.2
Education & Health Services	885.9	908.1	22.2	2.5
Leisure & Hospitality	711.7	717.7	6.0	0.8
Other Services	245.0	245.5	0.5	0.2
Government	1,083.0	1,110.1	27.1	2.5

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics



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the six states in the region, with the largest percentage-point increase from 4.0 to 4.9 percent in Colorado. The rate fell in Montana from 3.6 to 3.2 percent. South Dakota had the lowest unemployment rate in the nation at 2.0 percent, which was up slightly from 1.9 percent a year earlier. Unemployment rates in the remaining three states in the region increased year over year to 3.1 percent in North Dakota, 3.2 percent in Utah, and 3.9 percent in Wyoming. Colorado was the only state in the region where the unemployment rate exceeded the national rate of 4.4 percent, up from 4.1 percent a year ago.

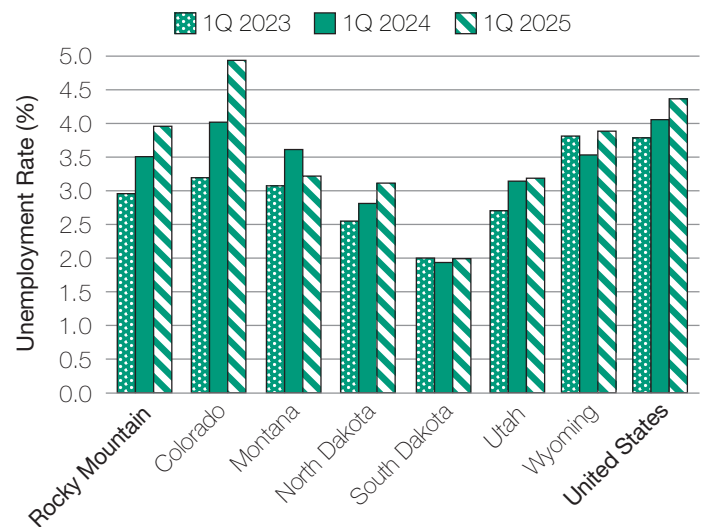
As of the first quarter of 2025—

- Year-over-year job growth was the strongest numerically and percentage-wise in Utah, up by 31,900 jobs, or 1.8 percent, to 1.76 million, accounting for 52 percent of regionwide job gains. All metropolitan areas in the state contributed to job gains, led by the Salt Lake City metropolitan area, where the 12,200 jobs added accounted for 38 percent of statewide growth.
- Nonfarm payrolls in Colorado rose by 11,200 jobs, or 0.4 percent, from a year earlier to 2.95 million. Approximately 43 percent of the job growth occurred in the Colorado Springs, Grand Junction, and Greeley metropolitan areas, adding a combined 4,825 jobs and more than offsetting the declines of 1,875 and 1,150 jobs in the Fort Collins and Denver metropolitan areas, respectively.
- In South Dakota, nonfarm payrolls increased year over year by 6,000 jobs, or 1.3 percent, to 462,900 jobs. Job gains in the Rapid City and Sioux Falls metropolitan areas accounted for 60 percent of statewide gains. In Wyoming, the number of jobs increased by 4,000, or 1.4 percent, to 290,400, and although jobs increased modestly in both the Casper and Cheyenne

metropolitan areas, approximately 92 percent of statewide growth occurred in nonmetropolitan areas of the state.

- Nonfarm payrolls in Montana rose by 3,000 jobs, or 0.6 percent, year over year, and combined gains in the Helena and Missoula metropolitan areas contributed 50 percent of the increase. In North Dakota, payrolls increased by 4,800 jobs, or 1.1 percent, and the 1,225 and 1,200 jobs added in the Grand Forks and Bismarck metropolitan areas, respectively, accounted for a combined 51 percent of statewide growth.

**Five of the six states in the Rocky Mountain region had lower unemployment rates than the national rate as of the first quarter of 2025.**



1Q = first quarter.

Source: U.S. Bureau of Labor Statistics

## Population

The population in the Rocky Mountain region accounted for approximately 4 percent of the national population in 2024. The rate of population growth in the region has exceeded the rate for the nation since 2022. From 2023 to 2024, the population of the region rose to approximately 12.91 million (Census Bureau population estimates as of July 1). The 1.1-percent increase was slightly faster than the 1.0-percent increase for the nation and the third fastest rate of growth in the 10 HUD-defined regions. From 2022 to 2023, the population in the region increased 1.0 percent. Net in-migration accounted for nearly two-thirds of the population growth from 2022 to 2023. Net in-migration increased to 91,650 people from 2023 to 2024, up from 84,700 people the previous year. An increase in international net in-migration to the region, which rose from approximately 61,600 to nearly 74,900 people, more

than offset a slowdown in domestic net in-migration from 23,150 to 16,750 people. Population growth occurred in every state in the region. In each state, net in-migration accounted for 59 percent or more of the population growth. Net natural increase also contributed to population growth and rose to nearly 47,000 people from 2023 to 2024, up from approximately 46,750 people from 2022 to 2023, because an increase in births more than offset a slight rise in deaths during the period.

From July 1, 2023, to July 1, 2024—

- Utah had both the largest numerical and fastest population growth in the region, up by 60,400 people, or 1.8 percent, to a population of 3.50 million. Net natural increase slowed, but net in-migration accelerated from a year earlier.

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## Population growth in the Rocky Mountain region outpaced national growth from 2022 to 2024, led by strong increases in Utah.

	Population Estimate (as of July 1)			Percentage Change	
	2022	2023	2024	2022 to 2023	2023 to 2024
<b>United States</b>	334,017,321	336,806,231	340,110,988	0.8	1.0
Rocky Mountain Region	12,636,799	12,768,282	12,907,194	1.0	1.1
Colorado	5,850,935	5,901,339	5,957,493	0.9	1.0
Montana	1,122,095	1,131,302	1,137,233	0.8	0.5
North Dakota	781,057	789,047	796,568	1.0	1.0
South Dakota	909,723	918,305	924,669	0.9	0.7
Utah	3,391,011	3,443,222	3,503,613	1.5	1.8
Wyoming	581,978	585,067	587,618	0.5	0.4

Source: U.S. Census Bureau

- Colorado was the most populous state in the region, with 5.96 million people, up by 56,150, or 1.0 percent, from 2022 to 2023. Population growth in the state accelerated slightly from the 0.9-percent increase a year earlier because of gains in both net natural increase and net in-migration.
- Population growth moderated in both Montana and South Dakota. The respective population growth rates slowed to 0.5 and 0.7 percent, down from 0.8 and 0.9 percent a year earlier, largely because declines in net in-migration exceeded 36 percent in each state.
- The populations of North Dakota and Wyoming rose to 796,568 and 587,618, representing respective increases of 1.0 and 0.4 percent. Population growth was stable in North Dakota year over year, whereas the rate of population growth in Wyoming slowed slightly from 0.5 percent a year earlier, primarily because net in-migration decreased from 2,775 to 2,150 people a year.

## Sales Market Conditions

Sales market conditions in the Rocky Mountain region were mixed as of the first quarter of 2025, ranging from slightly tight to slightly soft and compared with conditions ranging from balanced to slightly soft a year ago. Mortgage interest rates stayed elevated, and the inventory of homes for sale increased. The 30-year, fixed-rate mortgage rate in the United States averaged 6.8 percent during the first quarter of 2025, up slightly from an average of 6.7 percent in the first quarter of 2024 and much higher than the 2.9-percent average rate in the first quarter of 2021 (Freddie Mac). The inventory of homes available for sale in the region rose from 34,600 homes in March 2024 to 43,100 in March 2025 (Redfin, a national real estate brokerage). The 20-percent increase regionally outpaced the 15-percent rise nationally. The inventory of homes for sale is the highest level for March since 2016. For-sale inventory rose in five of the six states in the region during the past year, ranging from a 5-percent increase to 1,575 homes in Wyoming to a 24-percent rise to 22,550 homes in Colorado. In North Dakota, the inventory declined 27 percent to 870 homes for sale.

Regionwide, home sales and prices increased year over year during the past 12 months. The number of home sales increased 3 percent to approximately 207,800 homes sold

during the 12 months ending February 2025, a reversal from the 20-percent decline during the 12 months ending February 2024 (Zonda). The average home price increased 3 percent to \$615,000 during the most recent period, similar to the 4-percent growth during the previous 12 months. Home sales increased in five of the six states in the region, ranging from less than 1 percent in North Dakota to 10,850 homes sold to 8 percent in Wyoming to 10,550 homes sold. Other year-over-year increases ranged from 1 percent in South Dakota to 7 percent in Wyoming. In South Dakota, home sales declined 9 percent to 4,025 homes sold. Home prices increased in all states in the region during the 12 months ending February 2025. By comparison, home sales decreased 1 percent nationally, and the average home price increased 6 percent year over year. The average home price in the region was 27 percent higher than the average home price in the nation of \$484,100.

Home sales increased in six of the nine metropolitan areas cited in this report during the 12 months ending February 2025, with year-over-year increases ranging from 1 percent in Denver and Ogden to 8 percent in Boulder. In the three metropolitan areas with declining sales, the decreases ranged from 1 percent in Colorado Springs to 8 percent in Fargo.

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Home sales prices increased throughout most of the Rocky Mountain region during the past year compared with a year earlier.

	12 Months Ending	Number of Homes Sold				Price		
		2024	2025	Percent Change	Average	2024 (\$)	2025 (\$)	Percent Change
Colorado	February	105,500	106,700	1	AVG	647,800	668,500	3
Boulder	February	4,625	4,975	8	AVG	896,200	899,500	< 1
Colorado Springs	February	14,300	14,225	-1	AVG	510,600	525,700	3
Denver	February	50,450	51,000	1	AVG	662,500	677,300	2
Montana	February	14,850	15,450	4	AVG	551,300	584,500	6
Bozeman	February	2,150	2,275	6	AVG	838,700	907,400	8
North Dakota	February	10,800	10,850	< 1	AVG	316,300	333,500	5
Fargo	February	3,025	2,775	-8	AVG	347,000	368,800	6
South Dakota	February	4,400	4,025	-9	AVG	351,500	353,400	1
Sioux Falls	February	3,170	3,080	-3	AVG	359,700	359,100	< -1
Utah	February	57,250	60,200	5	AVG	603,500	620,400	3
Ogden	February	9,750	9,800	1	AVG	507,200	508,400	< 1
Salt Lake City	February	18,400	19,250	5	AVG	577,000	583,500	1
Wyoming	February	9,800	10,550	8	AVG	444,600	477,700	7
Casper	February	1,600	1,700	6	AVG	307,200	324,400	6

AVG = average.

Notes: All figures are rounded. Sales and prices include new and existing single-family homes, townhomes, and condominiums.

Source: Zonda

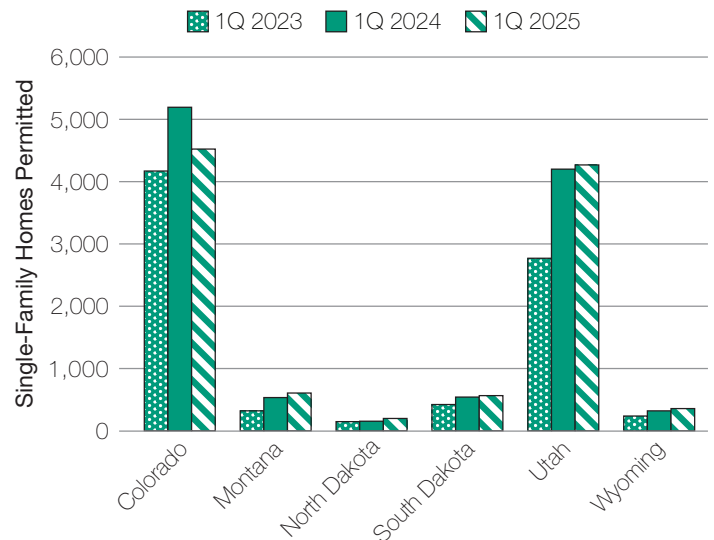
The changes in home sales diverged from the previous 12-month period, when all areas had declining sales ranging from 11 percent in Boulder to 26 percent in Colorado Springs. Average home prices decreased less than 1 percent in Sioux Falls and increased in the other metropolitan areas, ranging from less than 1 percent in Boulder and Ogden to 8 percent in Bozeman. By comparison, during the 12 months ending February 2024, changes in home prices among the cited metropolitan areas ranged from a 1-percent decline in Boulder, Casper, Colorado Springs, Denver, and Fargo to an 8-percent increase in Ogden and Salt Lake City.

Single-family home permitting declined in the region in the past year because a decrease in building permits in Colorado more than offset increases in the other five states in the region. As of the first quarter of 2025, the number of single-family homes permitted in the region decreased 4 percent year over year to 10,500 compared with a 36-percent year-over-year increase as of the first quarter of 2024 (preliminary data). Nationally, single-family home permitting also decreased 4 percent year over year as of the first quarter of 2025.

As of the first quarter of 2025 (preliminary data)—

- The greatest statewide number of homes permitted in the region was 4,525 in Colorado, representing a 13-percent decrease from the 5,200 homes permitted in the state a year ago. A 17-percent decrease in the Denver metropolitan area to 2,000 homes permitted led the statewide decline.

Single-family home permitting decreased year over year in the Rocky Mountain region as of the first quarter of 2025, with declines in Colorado more than offsetting increases in the other five states.



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

- Single-family permitting in Utah increased 2 percent from a year earlier to 4,275 homes. Respective increases in the Provo metropolitan area and the Utah portion of the Logan

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metropolitan area to 1,400 and 210 homes permitted more than offset a 17-percent decline in the St. George metropolitan area to 550 homes permitted.

- Single-family permitting in Montana and Wyoming each rose 13 percent year over year to 600 and 350 homes permitted, respectively. In Montana, building permit activity tripled in the Missoula metropolitan area to 100 homes permitted, accounting for most of the statewide increase and in Wyoming, the growth was primarily in the Cheyenne and Casper metropolitan areas, which increased to 80 and 40 homes permitted, respectively.
- Single-family permitting increased 29 percent in North Dakota to 200 homes permitted, with respective gains

of 40, 80, and 10 homes permitted in the Bismarck metropolitan area and the North Dakota portions of the Fargo and Grand Forks metropolitan areas, accounting for two-thirds of the statewide increase.

- In South Dakota, permitting increased 4 percent from a year earlier to 550 homes, and a 24-percent increase in the Rapid City metropolitan area to 200 homes permitted offset the 21-percent decline in Sioux Falls to 160 homes permitted; gains also occurred in the South Dakota portion of the Sioux City metropolitan area and nonmetropolitan areas of the state.

## Apartment Market Conditions

Apartment market conditions in the Rocky Mountain region ranged from balanced to soft as of the first quarter of 2025, compared with soft to slightly tight conditions a year ago. The regionwide vacancy rate increased from 9.7 percent as of the first quarter of 2024 to 10.6 percent as of the first quarter of 2025, compared with a national increase from 7.8 to 8.1 percent (CoStar Group). The number of completions outpaced absorption, contributing to the increase in the regionwide vacancy rate. However, absorption of new units was very strong in the region during the 12 months ending March 2025, increasing 23 percent to 31,900 units from a year earlier. Approximately 42,950 new apartment units were completed throughout the region, up 9 percent from 39,400 units during the 12 months ending March 2024. The elevated number of units in lease up contributed to increased vacancy rates in six of the nine highlighted metropolitan areas during the past year. The largest increase in the vacancy rate occurred in the Bozeman metropolitan area, where the rate rose from 11.7

to 18.2 percent, partly because 1,175 units were completed during the past 12 months compared with 560 units being absorbed. Apartment completions in the metropolitan area were down 10 percent from 1,325 units a year earlier but are much higher than the average of 470 units annually from 2020 through 2022. In the Denver metropolitan area, the vacancy rate rose 2.3 percentage points to 11.5 percent, following the completion of approximately 17,650 new units outpacing absorption of 8,750 units. The two metropolitan areas in the region that had declining vacancy rates as of the first quarter of 2025 had absorption outpacing completions compared with a year earlier. The largest vacancy-rate decline of 2.5 percentage points was in the Ogden metropolitan area, where apartment market conditions moved from soft to slightly soft. In the remaining metropolitan areas, vacancy rate changes ranged from a decline of 1.3 percentage points in Sioux Falls to an increase of 1.0 percentage point in Colorado Springs.

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### Elevated vacancy rates contributed to declining rents in several metropolitan areas in the Rocky Mountain region as of the first quarter of 2025.

	Market Condition	Vacancy Rate			Average Monthly Rent		
		1Q 2024 (%)	1Q 2025 (%)	Percentage Point Change	1Q 2024 (\$)	1Q 2025 (\$)	Percent Change
Boulder	Slightly Soft	9.0	9.7	0.7	2,040	2,009	-2
Bozeman	Soft	11.7	18.2	6.5	2,222	2,139	-4
Casper	Balanced	4.1	4.3	0.2	1,139	1,101	-3
Colorado Springs	Soft	12.1	13.1	1.0	1,524	1,486	-3
Denver	Soft	9.1	11.5	2.3	1,901	1,843	-3
Fargo	Balanced	6.5	7.5	0.9	1,050	1,069	2
Ogden	Slightly Soft	13.1	10.6	-2.5	1,508	1,482	-2
Salt Lake City	Slightly Soft	10.8	10.8	0.0	1,633	1,618	-1
Sioux Falls	Soft	12.8	11.5	-1.3	1,107	1,100	-1

1Q = first quarter.

Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group



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Because of the rising apartment vacancy rate in the region, the average rent declined 2 percent year over year to \$1,626 as of the first quarter of 2025, contrasting with a 1-percent annual increase as of the first quarter of 2024. The average rent decreased in eight of the metropolitan areas, including in Bozeman, which had the steepest rent decline in the region of 4 percent to \$2,139, the highest average rent of the metropolitan areas. Fargo was the only metropolitan area where the rent increased in the region, up 2 percent year over year to \$1,069. By comparison, the average rent in the nation increased 1 percent year over year to \$1,757.

Multifamily permitting fell throughout much of the region as of the first quarter of 2025, largely because developers continued to slow production in response to soft apartment market conditions in several major metropolitan areas. A total of 6,100 multifamily units were permitted in the region during the first quarter of 2025, reflecting a decrease of 2 percent from a year ago, with the declines concentrated in Colorado, South Dakota, and Wyoming. The 5-percent decline in multifamily permits nationwide outpaced the decline in the region during the same period and decelerated from the 43-percent annual decline in the region a year earlier.

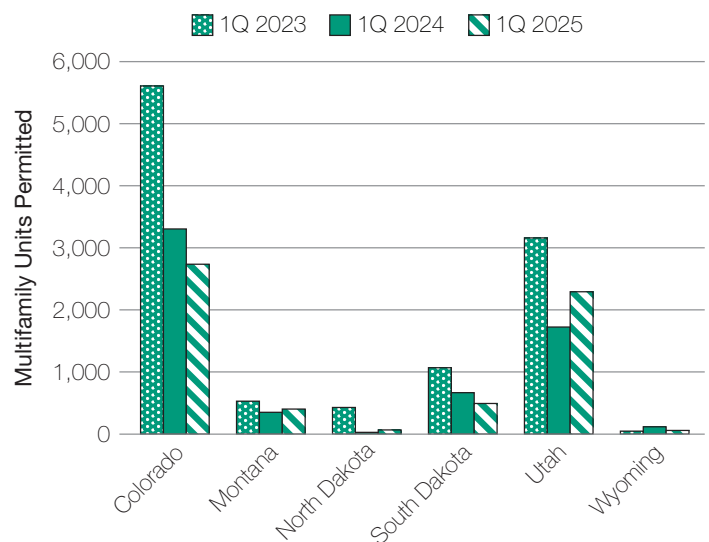
As of the first quarter of 2025 (preliminary data)—

- A total of 2,750 multifamily units were permitted in Colorado, the highest figure among states in the region, but that number reflected a decrease of 570 units, or 17 percent, from the statewide total a year ago. The sharp decline in the state resulted primarily from a 25-percent decrease in the Denver metropolitan area to 1,375 units.
- In South Dakota, permitting decreased 27 percent to 500 units, with declines in all metropolitan areas in the state. In Wyoming, permitting decreased 47 percent to 75 multifamily units; declines in nonmetropolitan areas of the state more than offset the 40 units permitted in Cheyenne, up from 10 units a year ago.
- The number of units permitted in Utah increased to 2,300, up 33 percent from 1,725 units during the first quarter of

2024. Building permit activity more than doubled in the Provo and Salt Lake City metropolitan areas to 460 and 1,300 units, respectively, more than offsetting declines in the Ogden and St. George metropolitan areas to 250 and 30 units, respectively.

- In Montana, the number of multifamily units permitted rose 15 percent to 400 units, with increases in Billings and Missoula to 50 and 120 units, respectively, more than offsetting declines in the other metropolitan areas of the state. Multifamily permitting in North Dakota more than doubled year over year from 30 to 75 units, with the North Dakota portion of the Fargo metropolitan area more than offsetting a decline in the Bismarck metropolitan area.

**Multifamily permitting in the Rocky Mountain region decreased in Colorado, South Dakota, and Wyoming, contributing to a regionwide decline as of the first quarter of 2025 compared with a year earlier.**



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

## Terminology Definitions and Notes

### A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. A property is stabilized once it reaches an occupancy rate of 90 percent or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Home Sales/Home Sales Prices	Includes new and existing single-family home, townhome, and condominium sales. Existing home sales include regular resales and real estate owned sales. Regular resales are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party and include short sales.
Net Natural Increase	Resident births are greater than resident deaths.

### B. Notes on Geography

1.	The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.
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