

HUD PD&R Regional Reports

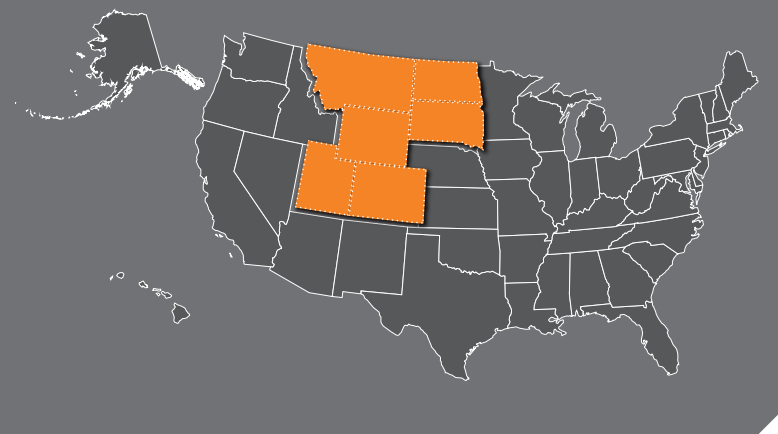
Region 8: Rocky Mountain



Salt Lake City, Utah

Quick Facts About Region 8

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



Overview

Job growth slowed in the Rocky Mountain region as of the second quarter of 2025, but economic conditions were stable. Nonfarm payrolls rose by 64,800 jobs, or 1.0 percent, year over year, slower than the 1.2-percent increase as of the second quarter of 2024. By comparison, nonfarm payrolls nationwide were up 1.1 percent as of the second quarter of 2025, following a 1.4-percent increase a year ago. Within the region, the largest and fastest statewide job gain as of the second quarter of 2025 was in Utah, where nonfarm payrolls rose by 37,900 jobs, or 2.2 percent, from a year earlier, accounting for 58 percent of the regionwide growth. Sales market conditions were mixed, ranging from balanced to slightly soft. Relatively high mortgage interest rates continued to limit sales demand, and the inventory of homes for sale in the region increased. Apartment market conditions were also mixed as of the second quarter of 2025, ranging from balanced to soft. Apartment vacancy rates decreased year over year in six of the nine metropolitan areas highlighted in this report but exceeded the national rate of 8.1 percent in seven of the nine. The number of apartment units completed in the region slowed during the past year but

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continued to exceed absorption, contributing to an increase in the regionwide vacancy rate. The average rent declined in eight of the nine metropolitan areas and increased in one metropolitan area. Regionwide, the average rent declined 2 percent compared with a 1-percent increase nationally (CoStar Group).

- During the second quarter of 2025, state unemployment rates in the region ranged from 1.9 percent in South Dakota to 4.6 percent in Colorado. By comparison, the rate for the nation was 4.1 percent.
- The number of new and existing homes sold in the region fell 4 percent to 204,700 during the 12 months ending

May 2025, slower than the 8-percent decline nationally. The average home sales price in the region rose 3 percent to \$561,200, compared with a 7-percent increase to \$441,100 for the nation.

- Among the apartment markets highlighted in this report, vacancy rates ranged from 3.2 percent in Casper to 21.2 percent in Bozeman, which also had the highest rent, \$2,171. The only rent increase during the past year, 2 percent, was in Fargo, which also had the lowest average rent, \$1,081 (CoStar Group).

Economic Conditions

Nonfarm payrolls in the Rocky Mountain region averaged 6.53 million as of the second quarter of 2025, up by 64,800 jobs, or 1.0 percent, from the second quarter of 2025, following a 1.2-percent increase a year ago. By comparison, the number of jobs in the nation rose 1.1 percent as of the second quarter of 2025 and 1.4 percent as of the second quarter of 2024. Each state in the region added jobs in the past year, ranging from a 0.1-percent increase in Montana to a 2.2-percent gain in Utah. Job growth slowed year over year in Colorado, Montana, North Dakota, and South Dakota but accelerated in both Utah and Wyoming. Nine of the 11 nonfarm payroll sectors added jobs regionwide as of the second quarter of 2025, with the largest gain of 26,100 jobs, or 2.9 percent, in the education and health services sector. The sector benefited significantly

from the completion of several large private medical facilities during the past year, including the \$680 million Intermountain Health Lutheran Hospital, which opened in Wheat Ridge, Colorado, in mid-2024, and a \$470 million Altru Health System facility in Grand Forks, North Dakota, which opened in January 2025. Strong growth also occurred in the government sector, which added 25,000 jobs, or 2.3 percent, entirely because of gains in the state and the local government subsectors. The two subsectors added a combined 27,000 jobs, but a decline of 2,000 jobs in the federal government subsector partially offset that gain.

The unemployment rate for the region averaged 3.7 percent as of the second quarter of 2025, up from 3.4 percent a year

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Year-over-year job growth occurred in 9 of the 11 nonfarm payroll sectors in the Rocky Mountain region as of the second quarter of 2025.

	Second Quarter		Year-Over-Year Change	
	2024 (Thousands)	2025 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	6,462.6	6,527.4	64.8	1.0
Goods-Producing Sectors	932.7	937.6	4.9	0.5
Mining, Logging, & Construction	523.9	528.6	4.7	0.9
Manufacturing	408.8	409.0	0.2	0.1
Service-Providing Sectors	5,529.9	5,589.8	59.9	1.1
Wholesale & Retail Trade	900.0	892.2	-7.8	-0.9
Transportation & Utilities	259.7	260.7	1.0	0.4
Information	134.2	136.9	2.7	2.0
Financial Activities	367.6	368.0	0.4	0.1
Professional & Business Services	895.3	895.8	0.5	0.1
Education & Health Services	886.2	912.3	26.1	2.9
Leisure & Hospitality	735.1	749.7	14.6	2.0
Other Services	250.1	247.6	-2.5	-1.0
Government	1,101.7	1,126.7	25.0	2.3

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

Source: U.S. Bureau of Labor Statistics



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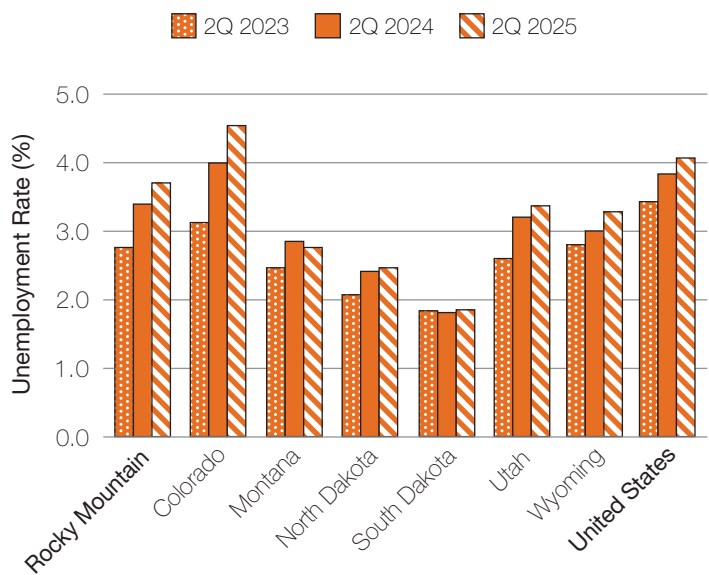
ago. Unemployment rates rose in five of the six states in the region, with the largest percentage-point increase, from 4.0 to 4.6 percent, in Colorado. The rate declined slightly in Montana from 2.9 to 2.8 percent. The 1.9-percent unemployment rate in South Dakota was up slightly from 1.8 percent as of the second quarter of 2024 but remained the lowest statewide figure in the nation. Unemployment rates in the remaining three states in the region increased year over year to 2.5 percent in North Dakota, 3.4 percent in Utah, and 3.3 percent in Wyoming. Colorado was the only state in the region where the unemployment rate exceeded the rate for the nation, which rose to 4.1 percent, up from 3.8 percent a year ago.

As of the second quarter of 2025—

- Utah had both the largest and fastest year-over-year job growth in the region, with nonfarm payrolls rising by 37,900 jobs, or 2.2 percent, to 1.78 million jobs, accounting for 58 percent of regionwide job growth. All metropolitan areas in the state added jobs, led by an increase of 17,800 jobs in the Salt Lake City metropolitan area, accounting for 47 percent of the statewide gain.
- Nonfarm payrolls in Colorado rose by 14,800 jobs, or 0.5 percent, from a year earlier to 2.99 million jobs. Gains occurred in four of the seven metropolitan areas in the state, including increases of 3,900 and 3,500 jobs, or 0.2 and 1.1 percent, in Denver and Colorado Springs, respectively. Fort Collins had the most significant decline, 1,600 jobs, or 0.8 percent.
- Statewide job growth in Wyoming accelerated to 4,000 jobs, or 1.4 percent, after a gain of 2,400 jobs, or 0.8 percent, a year ago. A gain of 500 jobs, or 1.0 percent, in the Cheyenne metropolitan area accentuated a combined increase of 3,500 jobs, or 1.7 percent, in the nonmetropolitan areas of the state.

- Nonfarm payrolls in South Dakota and North Dakota rose by 4,200 and 3,700 jobs, or 0.9 and 0.8 percent, respectively, with nonmetropolitan areas combining to account for more than 58 percent of the statewide gain in South Dakota, and the Bismarck and Grand Forks metropolitan areas accounting for a combined 57 percent of the growth in North Dakota. The net addition of 300 jobs, or 0.1 percent, in Montana included modest gains in the Billings, Helena, and Missoula metropolitan areas and losses in Bozeman and Great Falls.

As of the second quarter of 2025, Colorado was the only state in the Rocky Mountain region with a higher unemployment rate than the nation.



2Q = second quarter.

Source: U.S. Bureau of Labor Statistics

Sales Market Conditions

Sales market conditions in the Rocky Mountain region were mixed as of the second quarter of 2025, ranging from balanced to slightly soft, similar to conditions a year ago. Relatively high mortgage interest rates limited sales demand, and the inventory of homes for sale continued to increase. The 30-year, fixed-rate mortgage rate in the United States averaged 6.8 percent during June 2025, down slightly from an average of 6.9 percent in June 2024 but more than double the June low of 3.0 percent in 2021 (Freddie Mac). The inventory of homes available for sale in the region rose from 32,800 homes in June 2023 to 42,200 homes in June 2024 and to 52,000 homes in June 2025 (Redfin, a national real estate brokerage). The 23-percent increase regionally in the past year outpaced the 9-percent increase nationally, and the regionwide inventory of homes for sale was the highest level in June since at least 2012.

For-sale inventory rose in five of the six states in the region during the past year, ranging from a 6-percent increase to 1,200 homes in North Dakota to 26-percent increases to 32,200 and 14,450 homes in Colorado and Utah, respectively. The available inventory in South Dakota declined less than 1 percent.

The number of homes sold in the region decreased year over year during the past 12 months, whereas home prices increased modestly. The number of home sales declined 4 percent to approximately 204,700 during the 12 months ending May 2025, following a 10-percent decline during the 12 months ending May 2024 (Cotality, with adjustments by the analyst). The average home price increased 3 percent to \$561,200 during the most recent period, following a 1-percent increase during the previous 12 months. Home sales decreased in each of the six states in

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Home sales declined throughout much of the Rocky Mountain region during the past year, and home sales price changes were relatively modest in most markets.

	12 Months Ending	Number of Homes Sold				Price		
		2024	2025	Percent Change	Average	2024 (\$)	2025 (\$)	Percent Change
Colorado	May	102,500	101,400	-1	AVG	\$618,900	\$633,800	2
Boulder	May	4,875	4,850	-1	AVG	\$850,500	\$859,900	1
Colorado Springs	May	13,400	13,250	-1	AVG	\$506,800	\$524,400	3
Denver	May	49,200	48,550	-1	AVG	\$654,200	\$668,200	2
Montana	May	18,850	18,050	-4	AVG	\$473,700	\$487,700	3
Bozeman	May	2,325	2,350	1	AVG	\$725,300	\$704,800	-3
North Dakota	May	12,850	12,200	-5	AVG	\$260,700	\$277,400	6
Fargo	May	4,050	3,850	-5	AVG	\$306,100	\$329,700	8
South Dakota	May	7,250	6,400	-12	AVG	\$306,200	\$306,800	<1
Sioux Falls	May	2,700	2,425	-10	AVG	\$307,700	\$311,800	1
Utah	May	60,700	56,200	-7	AVG	\$558,300	\$571,900	2
Ogden	May	10,200	9,425	-8	AVG	\$500,600	\$515,900	3
Salt Lake City	May	19,450	18,400	-5	AVG	\$561,300	\$577,900	3
Wyoming	May	10,550	10,400	-1	AVG	\$392,500	\$415,500	6
Casper	May	1,800	1,825	-7	AVG	\$302,800	\$320,000	2

AVG = average.

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

Source: Cotality, with adjustments by the analyst

the region, ranging from 1-percent declines in Colorado and Wyoming to 101,400 and 10,400 homes sold, respectively, to a 12-percent decline in South Dakota to 6,400 homes sold. Home prices rose in all states in the region during the 12 months ending May 2025, ranging from a less than 1-percent increase in South Dakota to 6-percent growth in both North Dakota and Wyoming. By comparison, home sales decreased 8 percent nationally, and the average home price increased 7 percent year over year. The average home price for the region, \$561,200, was 27 percent higher than the average home price in the nation, \$441,100. Within the region, statewide home prices ranged from \$277,400 in North Dakota to \$633,800 in Colorado. Three of the six states, Colorado, Montana, and Utah, had higher average home prices than the national figure.

Home sales decreased in eight of the nine metropolitan areas cited in this report during the 12 months ending May 2025, with year-over-year declines ranging from 1 percent in Boulder, Denver, and Colorado Springs to 10 percent in Sioux Falls. Bozeman, where home sales rose 1 percent, was the only metropolitan area where the number of sales increased. Home sales also declined in eight of the nine metropolitan areas during the 12 months ending May 2024, ranging from a 22-percent decline in Colorado Springs to a 3-percent decline in Salt Lake City. The only increase, 1 percent, was in Boulder. Average home prices increased in all but one of the metropolitan areas during the 12 months ending May 2025, ranging from 1-percent increases in Boulder and

Sioux Falls to an 8-percent increase in Fargo. The 3-percent decline in Bozeman was the only year-over-year decrease. By comparison, during the 12 months ending May 2025, changes in home prices among the cited metropolitan areas ranged from a 2-percent decline in Ogden to 3-percent increases in both Bozeman and Sioux Falls. Average home prices for the highlighted metropolitan areas ranged from \$311,800 in Sioux Falls to \$859,900 in Boulder during the 12 months ending May 2025. Prices exceeded the national figure in six of the nine metropolitan areas.

Rising levels of available inventory in the region put downward pressure on new home construction, and the number of single-family homes permitted decreased during the past year. Declines in four of the six states contributed to an 8-percent decrease to 12,700 homes permitted in the region during the second quarter of 2025, after gains in five of the six states resulted in an 11-percent regionwide increase a year ago (preliminary data). Nationally, single-family home permitting decreased 7 percent year over year as of the second quarter of 2025, following a rise of 6 percent a year ago.

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

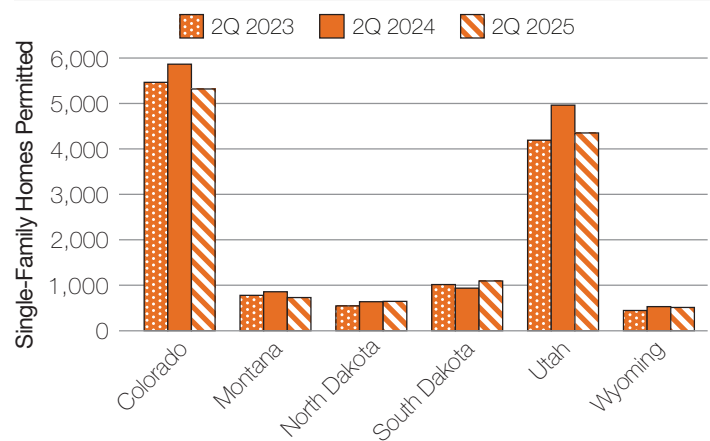
- The 5,325 homes permitted in Colorado represented a 9-percent decrease from 5,875 homes a year ago but was the highest statewide total in the region. Declines occurred throughout much of the state, including a 12-percent decrease in the Denver metropolitan area to 2,275 homes permitted.

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- The fastest declines in single-family permitting were in Montana, where the total of 740 homes permitted decreased 14 percent from the second quarter of 2024, and in Utah, where the number of homes permitted decreased 13 percent from a year earlier to 4,350. A 29-percent decline to 210 homes permitted in the Bozeman metropolitan area contributed significantly to the reduction in Montana. Declines of 20 and 17 percent to 690 and 480 homes in the Salt Lake City and Ogden metropolitan areas, respectively, drove the statewide decline in Utah.
- Single-family permitting declined 4 percent in Wyoming to 520 homes permitted. Permitting in the Cheyenne metropolitan area declined 33 percent to 80 homes permitted, but a 25-percent increase to 85 homes in Casper partially offset that decline.
- The 17-percent increase to 1,100 homes permitted in South Dakota and the 2-percent increase to 650 homes permitted in North Dakota were the only statewide increases in the region. Single-family permitting rose in each of the metropolitan areas in South Dakota, led by a 26-percent increase to 420 homes in Sioux Falls. The modest increase in North Dakota resulted

Easing sales market conditions contributed to a decline in single-family home permitting activity in the Rocky Mountain region in the past year.



2Q = second quarter.

Note: Based on preliminary data.

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

from a 36-percent increase to 130 homes permitted in the Bismarck metropolitan area, partially offset by a 5-percent decrease to 320 homes permitted in Fargo.

Apartment Market Conditions

Apartment market conditions in the Rocky Mountain region ranged from balanced to soft as of the second quarter of 2025, compared with slightly tight to soft conditions a year ago. The regionwide vacancy rate rose to 10.7 percent as of the second quarter of 2025, up from 10.2 percent as of the second quarter of 2024 (CoStar Group). By comparison, the national vacancy rate was 8.1 percent as of the second quarter of 2025, up slightly from 8.0 percent a year ago. Absorption of apartment units in the region accelerated 7 percent to 31,700 units during the 12 months ending June 2025 but lagged behind the number of new apartment unit completions, which fell 12 percent to 38,650 units. Vacancy rates declined in six of the nine highlighted metropolitan areas during the past year but were notably high throughout much of the region. The Bozeman metropolitan area has had the highest vacancy rate of the highlighted markets since the second quarter of 2023, largely because of an approximately 29-percent expansion of the apartment inventory during the period (CoStar Group). The vacancy rate in the metropolitan area was 21.2 percent as of the second quarter of 2025, higher than both the 15.6-percent rate in the second quarter of 2024 and the 19.8-percent rate in the second quarter of 2023. Vacancy rates also exceeded the national rate in six of the remaining eight metropolitan areas as of the second quarter of 2025, including Denver and Salt Lake City, where the respective vacancy rates were

11.5 and 11.4 percent, up from 9.8 and 11.1 percent a year ago. The largest vacancy rate declines in the region were in Sioux Falls, where the rate decreased from 13.5 percent to 11.4 percent, and in Ogden, where the 9.9-percent rate was down from 11.6 percent a year ago. The lowest vacancy rate in the region, 3.2 percent, was in the Casper metropolitan area, where new apartment development has been extremely limited since the late 2010s.

High apartment vacancy rates contributed to declining rents throughout the region during the past year. Regionwide, the average rent declined 2 percent year over year to \$1,642 as of the second quarter of 2025, following a 1-percent annual increase as of the second quarter of 2024. Average rents decreased in eight of the nine highlighted metropolitan areas, with the sharpest decline in Bozeman. The average rent in the metropolitan area, \$2,171, was down 7 percent from a year ago but was the highest in the region. In seven of the remaining eight metropolitan areas, rent declines ranged from a less than 1-percent decrease in Sioux Falls to 3-percent declines in Casper, Colorado Springs, and Denver. Fargo was the only metropolitan area in the region where the average rent increased, up 2 percent year over year to \$1,081. By comparison, the average rent in the nation increased 1 percent year over year to \$1,774.

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Apartment vacancy rates were notably high throughout much of the Rocky Mountain region during the second quarter of 2025, contributing to declining rents in eight of the nine highlighted markets.

	Market Condition	Vacancy Rate			Average Monthly Rent		
		2Q 2024 (%)	2Q 2025 (%)	Percentage Point Change	2Q 2024 (\$)	2Q 2025 (\$)	Percent Change
Boulder	Slightly Soft	10.0	9.1	-0.9	2,101	2,056	-2
Bozeman	Soft	15.6	21.2	5.6	2,324	2,171	-7
Casper	Balanced	4.2	3.2	-1.0	1,141	1,111	-3
Colorado Springs	Soft	13.4	12.9	-0.5	1,545	1,498	-3
Denver	Soft	9.8	11.5	1.7	1,920	1,858	-3
Fargo	Balanced	6.3	5.8	-0.5	1,060	1,081	2
Ogden	Slightly Soft	11.6	9.9	-1.7	1,518	1,501	-1
Salt Lake City	Soft	11.1	11.4	0.3	1,648	1,630	-1
Sioux Falls	Soft	13.5	11.4	-2.1	1,120	1,118	<-1

2Q = second quarter.

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

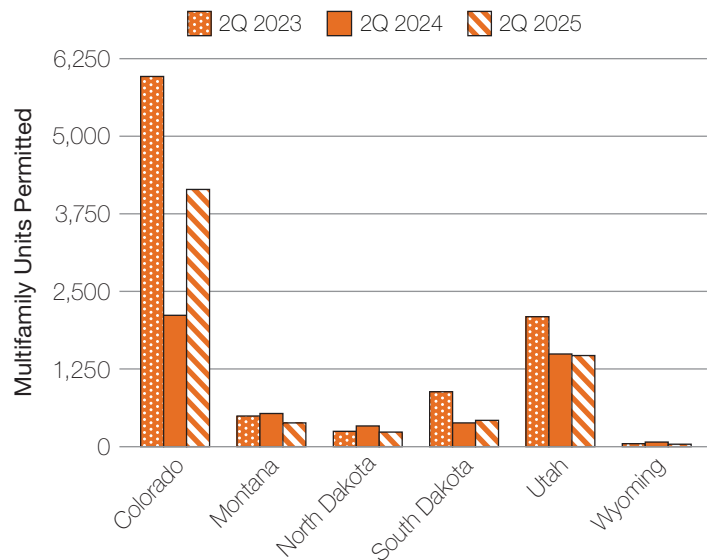
Despite soft apartment conditions in several major markets, multifamily permitting rose sharply in the Rocky Mountain region during the past year, entirely because of significant increases in Colorado and South Dakota. A total of 6,725 multifamily units were permitted in the region during the second quarter of 2025, reflecting an increase of 35 percent from a year ago, when multifamily permitting fell 49 percent. By comparison, the number of units permitted rose 8 percent nationwide as of the second quarter of 2025, following a 14-percent decrease as of the second quarter of 2024.

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

- A total of 4,150 multifamily units were permitted in Colorado, nearly double the 2,125 units permitted a year ago. The sharp statewide increase was largely due to a more than two-fold increase, from 1,300 to 2,750 units permitted, in the Denver metropolitan area, where developers were largely undeterred by soft apartment market conditions.
- In Utah, the number of multifamily units permitted declined 2 percent to 1,475. A decrease of 27 percent to 770 units combined in the Ogden, Salt Lake City, and St. George metropolitan areas was partially offset by a more than two-fold increase to 470 units in the Provo metropolitan area.
- The level of multifamily home permitting rose 13 percent to 430 units in South Dakota. In the Rapid City metropolitan area, the number of multifamily permits more than doubled to 50 units, accounting for much of the statewide increase.
- Multifamily permitting fell sharply in the remaining three states in the region, led by a 44-percent decrease to

45 units in Wyoming, which included a 33-percent decline to 30 units in the Cheyenne metropolitan area. The respective reductions of 29 and 28 percent in North Dakota and Montana to 240 and 390 units partially resulted from 39- and 98-percent declines to 200 and 5 units, respectively, in Fargo and Missoula.

As of the second quarter of 2025, the number of multifamily units permitted in the Rocky Mountain region was up significantly from a year ago, largely because of a sharp increase in Colorado.



2Q = second 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.
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.
Existing Home Sales	Includes resales, short sales, and real estate owned sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Rental Market/Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Resales	These 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.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

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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