

728.1
:308
F22
Billings
Mont.
1970
c.2

Analysis of the
BILLINGS, MONTANA
HOUSING MARKET

as of December 1, 1970

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

MAR 30 1971

**LIBRARY
WASHINGTON, D.C. 20410**

**A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411**

March 1971

FHA Housing Market Analysis

Billings, Montana, as of December 1, 1970

Foreword

This analysis has been prepared for the assistance and guidance of the Federal Housing Administration in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - BILLINGS, MONTANA
AS OF DECEMBER 1, 1970

The Billings Housing Market Area (HMA) is defined as Yellowstone County, Montana.^{1/} This definition conforms to that of the Bureau of the Budget for the Billings Standard Metropolitan Statistical Area. The HMA, located in south-central Montana, had an estimated population of 87,750 on December 1, 1970, making it the most populous county in the state.

The economy of the Billings HMA has maintained a consistent pattern of growth during the last several years as the importance of Billings as a regional trade and service center for southeastern Montana and northern Wyoming has increased. Inflation and reduced rates of new residential construction during this period of growth have brought about a considerable tightening of the local housing market, particularly in the availability of sales housing. However, an expected increased availability of mortgage credit, a greater reliance on subsidized housing programs, and higher rates of conventional housing production should result in an increase in housing production during the forecast period from December 1, 1970 to December 1, 1972.

Anticipated Housing Demand

The demand for new, nonsubsidized housing in the Billings Housing Market Area is based upon the anticipated net increase in the number of households during the forecast period (December 1, 1970 to December 1, 1972). Consideration has also been given to such factors as the current number of housing units vacant and available for occupancy, present levels of construction activity, expected demolitions and other losses from the housing inventory,

^{1/} Use of this more inclusive definition of the HMA in the current report precludes meaningful comparison with the previous FHA analysis of Billings dated April 1, 1965 in which the HMA was defined as the Billings Urbanized Area.

and current family and renter-household incomes. It is concluded that there will be an annual demand for 300 units of new, nonsubsidized, permanent housing in the HMA during the two-year period ending December 1, 1972. Housing marketed to meet this annual demand would be most readily absorbed if offered as 225 single-family houses and 75 units in multifamily structures. Additionally, an estimated 150 households will be accommodated yearly during the forecast period in mobile homes. The distribution of demand for single-family houses by price classes is presented in table I. Demand for multifamily units will be principally for one-bedroom units in the gross rent range of about \$150 to \$180 a month and for two-bedroom units in the monthly gross rent range of about \$170 to \$200.

The estimated annual demand for 225 units of nonsubsidized single-family housing exceeds the rate of construction in recent years. Although this demand estimate seems to be justified in view of the current relatively low homeowner vacancy rate and the continuing growth of local employment, the absorption of both single-family and multifamily units should be observed carefully to avoid over production. This caution is applicable also to the production of subsidized housing. The projected demand for nonsubsidized multifamily housing units is about the same as the average rate of construction of such units during the last several years and reflects the favorable market acceptance of new rental units in the HMA in recent months.

The demand estimates discussed in this analysis are not intended to be predictions of short-term construction activity. Rather, they are suggestive of construction levels which would promote an orderly housing market consistent with trends evident in the Billings HMA as of December 1, 1970.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through a number of different programs administered by FHA: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236 and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established income but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirements are concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to

be eligible for rent supplement. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the Billings, Montana HMA, the total occupancy potential is estimated to be 350 units annually. Future approvals under each program should take into account any intervening approvals under other programs which serve the same families and households. The annual occupancy potentials^{1/} for subsidized housing discussed below are based upon 1970 incomes, the occupancy of substandard housing, estimates of the elderly population, estimated income limits, and on available market experience.^{2/}

Rental Housing Under the Public Housing and Rent-Supplement Programs.

These two programs serve households in essentially the same low-income group. The principal differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Billings HMA, the annual occupancy potential for public housing is estimated at 130 units for families and 90 units for the elderly. About 30 percent of the elderly also are eligible for housing under Section 236 (see table II). In the case of the somewhat more restrictive rent-supplement program, the potential for families would be about 90 units and the potential among the elderly would be 90 units.

There are no public housing units existing or proposed in the HMA at present. Approximately 100 households (non-elderly and elderly) are currently receiving rent supplements in housing units provided in the HMA under the provisions of Section 221(d)(3). An additional 65 households will be receiving rent supplements by February 1971 as new Section 221(d)(3) units at Ponderosa Acres are completed and occupied.

Rental Housing Under Section 236.^{3/} Moderately priced rental units can be provided under Section 236. With exception income limits, there is an annual occupancy potential for 155 units of Section 236 housing in the HMA,

^{1/} The occupancy potential referred to in this analysis have been calculated to reflect the strength of the market in view of existing vacancy. The successful attainment of the calculated potentials for subsidized housing may well depend upon construction in suitably accessible locations, as well as a distribution of rents and sales prices over the complete range attainable for housing under the specified programs.

^{2/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

^{3/} Interest reduction payments may also be made for cooperative housing projects. Occupancy requirements under Section 236 are identical for tenants and cooperative owner-occupants.

including 100 units for families and 55 units designed specifically for elderly occupants. If regular income limits are used, these potentials would be reduced to about 65 units for families and 40 units for the elderly. About 45 percent of the elderly eligible under Section 236 also would qualify for public housing. It should be noted that in terms of eligibility, the Section 236 potential for families and the Section 235 potential draw from essentially the same population and are therefore not additive.

As of December 1, 1970 there were no Section 236 housing units available in the HMA, although 20 units for families were under construction. Two proposals for a total of approximately 200 units designed primarily for families have been received by the HUD Area Office in Helena. The provision of the Section 236 housing units presently under construction or proposed would exceed the 236 potential for families during the two-year forecast period ending December 1, 1972. However, limited production of Section 236 units specifically designed for elderly couples and individuals or of family units at locations south or southwest of the central business district near established concentrations of minority population might be justified.

Sales Housing Under Section 235. Sales housing can be provided for families with low or moderate incomes under Section 235. It is estimated that, using exception income limits, the Billings HMA could absorb about 100 units under this program during each of the next two years. It should be noted that approximately one-third of these families are five- or more-person households. Under regular income limits, the annual potential for Section 235 housing would be reduced to about 65 units. All of the families in the potential for Section 235 housing also are eligible under Section 236, and vice versa, but the two are not additive. Sixty-five Section 221(d)(3) BMIR units presently in the initial rent-up stage (Ponderosa Acres) could reduce the potential during the first year of the projection period.

For the nine-month period ending September 30, 1970 a total of 92 units had been insured under Section 235 in the Billings HMA, including 75 new units and 17 existing units. Houses insured under the program have typically been two-bedroom units priced to sell at \$19,000 in scattered locations within relatively built-up areas south and west of downtown Billings. Approximately half of the buyers consist of young couples with one or two children, while another one-third of the buyers are females serving as the primary head of household. Earlier neighborhood resistance to the provision of such units has been ameliorated through scattered site development; the maximum concentration of units in one location is seven houses. Such volume limitations have thus far inhibited the application of modular building techniques, the latter being emphasized by local builders only for public housing units located on nearby Indian reservations.

Sales Market

The market for new and existing sales housing has generally improved since April 1960, as evidenced by the decline in the overall homeowner vacancy rate to 0.8 percent in December 1970. However, at least 40 percent

of the approximately 150 units available for sale as of December 1, 1970 lack one or more plumbing facilities, thereby effectively reducing the number of units actually available for occupancy to fewer than 100 units (a homeowner vacancy rate of less than 0.6 percent).

Sharp reductions in the annual rate of new construction since 1966 account for this tightening of the market; new starts^{1/} averaged 425 units annually during the period 1960 through 1965, but have averaged only 180 units annually for the period 1966 to November 1970.

Higher construction costs and interest rates in recent years have helped to increase the average price of new single-family houses in the HMA (as reported by periodic surveys of new construction activity by the Federal Housing Administration) by an average of 6.3 percent annually since 1965. Currently, the average price of new homes offered in subdivisions is \$24,500. Median family income, on the other hand, has increased an average of only 3.0 percent a year since 1965. The combination of higher prices and lower rates of new construction has effectively excluded from market participation a significant number of low- and moderate-income households. Only through the provision of new houses financed under Section 235, begun during 1969 and greatly accelerated during 1970, has the satisfaction of the housing needs of these households been approached.

The most recent FHA survey of new construction activity revealed that of 140 houses completed in 22 selected subdivisions during 1969, only 40 were speculatively built and of these, only six (15 percent) remained unsold at the end of the year. As the market has tightened in recent years, the proportion of units remaining unsold at the end of each year has declined considerably; for the period 1962 through 1966 the proportion averaged 50 percent while for the years 1967 through 1969 it was only 18 percent. The FHA survey further revealed that of the total completions, more than 45 percent were priced above \$25,000. In comparison, of the units completed during the year 1962 fewer than 15 percent were priced above \$25,000.

Existing single-family houses available for sale in the HMA generally are located west of central Billings, within the city limits. More than half of these units are priced above \$20,000, those below this price are generally undesirable because of location or condition. As reported in the 1970 census, the median value of units classified as owner-occupied was \$17,200, an increase of \$2,500 (17 percent) since April 1960.

Rental Market

The market for nonsubsidized rental housing in the HMA has improved slightly since 1960; the renter vacancy rate declined from 6.5 percent in April 1960 to 5.6 percent in December 1970. A higher rate of new construction

^{1/} Includes units authorized by building permits and estimates by the Billings City and County Planning Commission of unreported building activity outside the Billings City limits.

in the last half of the decade (in contrast to the trend in single-family unit construction) has permitted the maintenance of a relatively balanced market. Approximately 200 of the 600 units currently available for rent in the HMA are lacking one or more plumbing facilities, an increase of about 50 units since 1960. Available vacant units consist of older single-family houses located near the central business district and southwest of the city center and occasional vacancies in small multifamily structures scattered west of downtown. Local property managers report vacancy rates generally less than three percent among units in newer multifamily structures. Shelter rents for units in new structures range between about \$125 to \$140 for one-bedroom units, \$150 to \$180 for two-bedroom units, and \$200 to \$250 for three-bedroom units. There are few efficiency or four-bedroom apartment units in the housing inventory of the HMA. Available single-family houses rent for \$100 to \$120 in the poorer units and from \$175 to \$200 for larger units in the more desirable locations.

Approximately 15 percent of the renter-occupied units in the current housing inventory renting for less than \$80 a month lack one or more plumbing facilities. As reported by the 1970 census, the median monthly contract rent for units classified as renter-occupied was \$80, an increase of \$16 (25 percent) since April 1960. Proposals for approximately 100 to 125 units of conventionally-financed new multifamily housing are presently being prepared by area builders and developers. Generally, the emphasis is on the provision of units at rents of \$150 to \$250 for two-bedroom units.

Mobile Home Market

Shipments of new mobile homes to the HMA have accelerated during the last several years. It is estimated that the net increase in the number of mobile homes in the HMA has averaged 150 annually since 1965. Although there are a number of mobile home parks in the area, only two are of comparable quality to the 122-space project financed under the provisions of Section 207-M which is currently under construction. There are few, if any, vacancies among the approximately 150 spaces located in the two existing parks. Monthly rentals for the spaces range from \$59 to \$65, excluding electricity. The extensive amenities and professional management practices offered at one park have generated considerable appeal and a waiting list is reported. At least 130 additional conventionally-financed spaces of similar quality are being proposed for the area within the next several months, including the provision of a limited number of sites for modular-type units.

Economic, Demographic, and Housing Factors

Employment. The total civilian work force for the Billings HMA averaged 35,700 persons during the twelve-month period ending in October 1970. A total of 33,700 of these persons were employed and 2,000 (5.6 percent) were unemployed. Unemployment in the HMA has increased somewhat since the comparable twelve-month period ending in October 1969 (see table III) due, at least in part, to the in-migration of persons formerly employed on the West Coast (particularly the Seattle area) seeking new employment in the Billings area.

During the twelve-month period ending in October 1970, nonagricultural wage and salary employment averaged 27,900, an increase of 300 jobs from the comparable period ending October 1969. The stabilization, or in some cases reductions, of employment levels in a number of local industries in recent months (particularly those associated with construction, transportation, and manufacturing) have been offset by employment growth in the trade, service, and government sectors of the economy. The growth in these sectors reflects the increasing significance of Billings as a regional trade and services center for southeastern Montana and the northern portion of Wyoming. Although food and petroleum processing activities continue to engage a significant proportion of area employees, manufacturing employment has stabilized during the last several years; no new major employers have located in the HMA nor have there been any large work force reductions or expansions by any single employer.

Local sources indicate that little if any new employment in the Billings HMA will be generated as a result of the construction of the ABM System now proceeding in north central Montana. The center of project activity is Conrad, Montana, more than 250 miles northwest of Billings.

During the two-year forecast period (December 1, 1970 to December 1, 1972) it is expected that nonagricultural wage and salary employment will continue to increase at a rate comparable to that of the last twenty-four months, that is, at about 350 jobs annually. No major additions or reductions in manufacturing employment are expected, although continued growth of employment in trade, services, and government is expected.

Income

As of December 1, 1970, the estimated median annual income of all families in the Billings HMA was \$8,750, after deducting federal income tax. Renter households of two or more persons had an estimated median annual after-tax income of \$7,475. In 1965, the revised median after-tax incomes for all families and for renter households were \$7,425 and \$6,250, respectively. The increase in family income averaged 3.0 percent annually between 1965 and 1970. Distributions of all families and renter households by after-tax income are presented in table IV.

Demographic Factors. The population of the Billings HMA was an estimated 87,750 persons on December 1, 1970,^{1/} an increase of 820 persons annually (0.9 percent) since the April 1, 1960 Census (see table V). Of this total, an estimated 62,000 persons reside within the present city limits of Billings (an increase of over 9,000 since 1960) and 25,750 persons reside in the remainder of Yellowstone County (a decline of 415 since 1960). Population growth in Billings City is the result mostly of a consistent policy of annexation of suburban fringe areas prior to their development.

^{1/} The April 1, 1970 census reported a final population count of 87,367 for the Billings HMA, including 61,581 persons within the city of Billings and 25,786 persons in the remainder of Yellowstone County.

According to the April 1, 1970 Census, 9,035 persons now reside in areas that have been annexed by Billings during the last decade, although at the time of such annexation these areas were sparsely populated. Only a modest population loss was recorded for that portion of the HMA outside the Billings City limits, despite the annexation of growth areas into Billings.

In view of the expected increase in employment during the two-year forecast period, it is estimated that the population of the HMA will increase by 875 persons (1.0 percent) annually, to a total of 89,500 persons by December 1, 1972.

There were an estimated 27,750 households in the HMA as of December 1, 1970, including 20,175 in the city of Billings and 7,575 in the remainder of the HMA. Since April 1960, the number of households in the HMA has increased about 3,850, an average gain of approximately 360 (1.4 percent) annually. Based on the projected increase in population and employment in the area during the forecast period, it is estimated that the number of households in the HMA will total 28,450 by December 1, 1972, an average annual increase of 350 (1.2 percent) over the current total.

Housing Factors. The housing inventory in the Billings HMA totaled 29,250 units on December 1, 1970, including 17,650 owner-occupied units, 10,100 renter-occupied units and 1,500 vacant units (see table VII). The increase in the housing inventory of about 3,400 units since April 1960 resulted from the construction of approximately 4,250 units, the addition of 750 mobile homes, and the loss of approximately 1,600 units through fire, demolition and other causes. There were about 175 housing units under construction in December 1970, of which 125 were single-family houses and 50 were units in multifamily structures. The multifamily units under construction were mostly in tri-plexes and four-plexes at various sites on the west side of Billings.

The current production rate of single-family housing in the HMA is only slightly above that of 1969, but is substantially below the annual volume in the 1960-1965 period (see table VI).^{1/} During the first 10 months of 1970, 142 single-family houses were authorized or started, 75 of which were insured under Section 235. In 1969, 120 single-family houses, none of them subsidized, were started. During the 1966-1968 period the annual number was about 200 houses, but in the 1960-1965 period, an average of 425 houses a year were authorized or started.

Most of the single-family houses built in the HMA since 1960 have been located in small subdivisions on the urban fringe areas of Billings west and northeast of the downtown area. The larger, more expensive units have

^{1/} Includes units authorized by building permits in Billings and estimates of units started within 4½ miles of the city.

been built on the westside beneath the rimrocks while the smaller units have been placed on less desirable sites south and southwest of downtown in the direction of the river, railroad tracks, and Interstate 90. Some attempt to effect large-scale residential development of the area northeast of the city core has been made during the decade, but with only limited success. The area of greatest convenience and desirability for residential use remains the area west of downtown. Industrial and transportation uses to the east, southwest, and south have inhibited development in these directions since the city's inception.

New starts for nonassisted units in multifamily structures during the last half of the decade were double the rate for the first half of the decade; starts averaged 40 units annually from 1960 through 1964 and 85 units annually from 1965 through 1970. However, the rate of nonassisted multifamily unit production in the area during 1970 is about half that of 1969, about 135 units were authorized during 1969 (excluding 201 units of Section 221(d)(3) housing) while in the first ten months of 1970 fewer than 70 units had been authorized.

Units built in multifamily structures generally have been in two- to four-unit structures located west of downtown Billings near the major east and west arterials leading into the central business district. Of the multifamily units authorized by building permits since 1960, excluding units insured under Section 221(d)(3), nearly sixty percent have been in two- to four-unit structures. The larger multifamily structures are typically of six, eight, or twelve units each.

There were about 750 vacant nondilapidated, nonseasonal housing units available in the HMA as of December 1, 1970. About 150 were available for sale and 600 were for rent, indicating homeowner and vacancy rates of 0.8 and 5.6 percent, respectively. Both homeowner and renter vacancy rates have declined since April 1960 when they were 1.4 and 6.5 percent, respectively (see table VII). Improvement in vacancy rates is largely the result of reduced rates of new construction since 1966. An estimated 60 units available for sale and 190 units available for rent are lacking one or more plumbing facilities.

Table I

Estimated Annual Demand for Nonsubsidized Single-family Houses
Billings, Montana, Housing Market Area
December 1, 1970 to December 1, 1972.

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$20,000	25	11
\$20,000 - 22,499	35	16
22,500 - 24,999	50	22
25,000 - 29,999	50	22
30,000 - 34,999	35	16
35,000 and over	<u>30</u>	<u>13</u>
Total	225	100

Source: Estimated by Housing Market Analyst.

Table II

Estimated Annual Occupancy Potential for Subsidized Rental Housing
Billings, Montana, Housing Market Area
December 1, 1970-December 1, 1972

	<u>Section 236a/ exclusively</u>	<u>Eligible for both programs</u>	<u>Public housing exclusively</u>	<u>Total for both programs</u>
A. <u>Families</u>				
1 bedroom	15	0	25	40
2 bedrooms	40	0	50	90
3 bedrooms	30	0	30	60
4+ bedrooms	<u>15</u>	<u>0</u>	<u>25</u>	<u>40</u>
Total	100	0	<u>130^{c/}</u>	230
B. <u>Elderly</u>				
Efficiency	20	20	55	95
1 bedroom	<u>10</u>	<u>5</u>	<u>10</u>	<u>25</u>
Total	<u>30^{b/}</u>	<u>25^{d/}</u>	<u>65^{d/}</u>	120

a/ Estimates are based on exception income limits.

b/ Applications and commitments under Section 202 are being converted to Section 236.

c/ About two-thirds of these families also are eligible under the rent supplement program.

d/ All of these elderly couples and individuals also are eligible for rent supplements.

Table III

Civilian Work Force Components
Billings, Montana, Housing Market Area, 1960-1970
 (annual averages, in thousands)

	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969a/</u>	12 months ending Oct.	
											<u>1969a/</u>	<u>1970a/</u>
Civilian work force	N.A.	N.A.	<u>33.1</u>	<u>32.1</u>	<u>33.2</u>	<u>33.3</u>	<u>33.7</u>	<u>34.3</u>	<u>34.7</u>	<u>35.1</u>	<u>35.0</u>	<u>35.7</u>
Unemployment	N.A.	N.A.	1.7	1.6	1.7	1.7	1.7	1.6	1.6	1.6	1.6	2.0
Percent of work force	N.A.	N.A.	5.1%	5.0%	5.1%	5.1%	5.0%	4.7%	4.6%	4.6%	4.6%	5.6%
Employment	N.A.	N.A.	<u>31.4</u>	<u>30.5</u>	<u>31.5</u>	<u>31.6</u>	<u>32.0</u>	<u>32.7</u>	<u>33.1</u>	<u>33.5</u>	<u>33.4</u>	<u>33.7</u>
Nonagri. wage & salary	<u>24.1</u>	<u>23.5</u>	<u>22.8</u>	<u>23.7</u>	<u>24.6</u>	<u>25.0</u>	<u>25.7</u>	<u>26.8</u>	<u>27.3</u>	<u>27.7</u>	<u>27.6</u>	<u>27.9</u>
Manufacturing	3.2	2.9	2.5	2.8	3.0	2.9	3.0	3.0	3.0	2.8	2.8	2.8
Nonmanufacturing	<u>20.9</u>	<u>20.6</u>	<u>20.3</u>	<u>20.9</u>	<u>21.6</u>	<u>22.1</u>	<u>22.7</u>	<u>23.8</u>	<u>24.3</u>	<u>24.9</u>	<u>24.8</u>	<u>25.1</u>
Construction	1.7	1.5	1.3	1.6	1.8	1.7	1.5	1.9	1.6	1.3	1.3	1.2
Trans. & public util.	3.0	2.8	2.6	2.6	2.6	2.5	2.7	2.9	2.8	2.8	2.8	2.7
Trade	7.5	7.4	7.3	7.4	7.4	7.8	8.0	8.1	8.5	8.8	8.8	8.8
Fin., ins., real estate	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.4	1.4	1.5	1.5	1.5
Services	4.2	4.1	4.1	4.3	4.5	4.6	4.8	5.0	5.3	5.6	5.5	5.8
Government	3.1	3.4	3.6	3.6	3.8	4.0	4.2	4.5	4.7	4.9	4.9	5.1
Other nonagricultural ^{b/}	N.A.	N.A.	6.7	4.9	5.1	4.8	4.3	4.0	4.1	4.1	4.1	4.0
Agriculture	N.A.	N.A.	1.9	1.9	1.8	1.8	2.0	1.9	1.7	1.7	1.7	1.8

a/ Preliminary.

b/ Includes the self-employed, domestics, and unpaid family workers.

Source: Employment Security Commission of Montana, Helena, Montana.

Table IV

Estimated Percentage Distribution of All Families and Renter Households^{a/}
by Income, After Deduction of Federal Income Tax
Billings, Montana, Housing Market Area, 1965 and 1970

<u>Annual income</u> <u>after-tax</u>	<u>1965^{b/}</u>		<u>1970</u>	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{a/}</u>	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{a/}</u>
Under \$3,000	8	11	7	8
\$3,000 - 3,999	5	9	3	6
4,000 - 4,999	8	11	5	8
5,000 - 5,999	10	14	7	10
6,000 - 6,999	13	14	9	11
7,000 - 7,999	12	11	10	13
8,000 - 8,999	10	8	11	10
9,000 - 9,999	8	7	9	8
10,000 - 12,499	14	9	17	14
12,500 - 14,999	6	3	10	7
15,000 and over	<u>6</u>	<u>3</u>	<u>12</u>	<u>5</u>
Total	100	100	100	100
Median income	\$7,425	\$6,250	\$8,750	\$7,475

^{a/} Excludes one-person households.

^{b/} Revised.

Source: Estimated by Housing Market Analyst.

Table V

Population and Household Trends
Billings, Montana, Housing Market Area
April 1960-December 1970

	<u>April</u> <u>1960</u>	<u>April</u> <u>1970</u>	<u>December</u> <u>1970</u>	<u>December</u> <u>1972</u>	<u>Average annual change</u>			
					<u>April 1960-Dec. 1970</u> <u>Number</u>	<u>Percent^{a/}</u>	<u>Dec. 1970-Dec. 1972</u> <u>Number</u>	<u>Percent^{a/}</u>
<u>Population</u>								
HMA total	<u>79,016</u>	<u>87,367</u>	<u>87,750</u>	<u>89,500</u>	<u>820</u>	0.9	<u>875</u>	1.0
Billings	<u>52,851</u>	<u>61,581</u>	<u>62,000</u>	<u>64,000</u>	<u>860</u>	1.5	<u>1,000</u>	1.6
Remainder of HMA	<u>26,165</u>	<u>25,786</u>	<u>25,750</u>	<u>25,500</u>	<u>-40</u>	-0.2	<u>-125</u>	-0.5
<u>Households</u>								
HMA total	<u>23,900</u>	<u>27,641</u>	<u>27,750</u>	<u>28,450</u>	<u>360</u>	1.4	<u>350</u>	1.2
Billings	<u>16,715</u>	<u>20,036</u>	<u>20,175</u>	<u>20,950</u>	<u>325</u>	1.7	<u>390</u>	1.9
Remainder of HMA	<u>7,185</u>	<u>7,605</u>	<u>7,575</u>	<u>7,500</u>	<u>35</u>	0.5	<u>-40</u>	-0.5

a/ Derived through use of a formula designed to calculate the percentage rate of change on a compound basis.

Sources: 1960 and 1970 Censuses of Population and Housing and estimates by Housing Market Analyst.

Table VI

Residential Construction Trends
Billings, Montana, Housing Market Area
January 1960 through October 1970

<u>Year</u>	<u>Total units</u>		<u>Units in permit issuing places^{a/}</u>		<u>Units in non-permit issuing places^{b/}</u>	
	<u>Single-family</u>	<u>Multifamily</u>	<u>Single-family</u>	<u>Multifamily</u>	<u>Single-family</u>	<u>Multifamily</u>
1960	404	26	339	26	65	0
1961	497	44	422	42	75	2
1962	455	50	375	46	80	4
1963	374	31	298	29	76	2
1964	379	54	285	52	94	2
1965	443	109	301	99	142	10
1966	205	97	170	97	35	0
1967	198	37	144	37	54	0
1968	209	66	134	66	75	0
1969	120	355 ^{c/}	76	335 ^{c/}	44	0
1970(Jan.-Oct.)	142 ^{d/}	67 ^{e/}	142 ^{d/}	67 ^{e/}	NA	NA

^{a/} Units for which building permits were issued.

^{b/} Housing starts within 4.5 miles of the Billings City limits. Estimated by Billings City and County Planning Commission.

^{c/} Includes 201 units of Section 221(d)(3) housing.

^{d/} Includes 75 units insured in 1970 under Section 235.

^{e/} Includes 20 units of Section 236 housing.

Sources: U.S. Bureau of the Census; local permit-issuing authorities; estimates by the Billings City-County Planning Commission.

Table VII

Components of the Housing Inventory
Billings, Montana, Housing Market Area
April 1960 to December 1970

	<u>April 1960</u>	<u>April 1970</u>	<u>December 1970</u>
Total housing inventory	<u>25,833</u>	<u>29,169</u>	<u>29,250</u>
Total occupied units	<u>23,900</u>	<u>27,641</u>	<u>27,750</u>
Owner-occupied	14,818	17,564	17,650
Percent of all occupied	62.0	63.5	63.6
Renter-occupied	9,082	10,077	10,100
Percent of all occupied	38.0	36.5	36.4
Vacant housing units	<u>1,933</u>	<u>1,528</u>	<u>1,500</u>
Available vacant	<u>842</u>	<u>798</u>	<u>750</u>
For sale	206	176	150
Homeowner vacancy rate	1.4	1.0	0.8
For rent	636	622	600
Renter vacancy rate	6.5	5.8	5.6
Other vacant ^{a/}	1,091	730	750

^{a/} Includes vacant seasonal units, dilapidated units, units rented or sold awaiting occupancy, and units held off the market for other reasons.

Sources: 1960 and 1970 Censuses of Housing and estimates by Housing Market Analyst.