
2021 Missoula Housing Report Mid-Year Update

Missoula – The Missoula Organization of REALTORS® (MOR) [Five Valleys Housing Market Data Dashboards](#) reflects data through June 2021. The ongoing tightening of the housing market and low inventory of rental units continues for the ninth consecutive quarter.

Demand –

- Limited supply has resulted in buyers bidding average sales price over the average list price by 104.13%.
- Average days on market for all housing has fallen 44.2% to 86 days year over year.
- Rental vacancy for all rental types remains low, averaging 1.6%

Supply of homes for sale continues to be very tight based upon a metric known as absorption rate (calculated by dividing the total number of available homes in the market by the number sold in the last month) with June ending at 0.69 months (about 3 weeks) of listed supply across all price points. A normal range is a supply of housing to support three to nine months of demand. The estimated supply gap at this point in time, using the mid-point of a normal range and current sales, is a deficit of 535 homes.

Supply –

- Active listings have declined 70% year over year to 107 at the end of June.
- Currently of the twelve neighborhoods tracked, five have supplies below one month and the remaining seven are two months or less.
- The lowest inventories are currently South Hills (0.55), Downtown/Northside (0.63) and Target Range/Big Flat (0.67)

Sales –

- Missoula saw a new high in median sales price of \$430,000 through June 2021, a 22.9% increase from year-end 2020. “Median” describes the point at which half of the sales are above that price and half are below.
- Supply shortages of existing homes and limited number of new construction units are contributing factors in the continued increase in median sales price.

Community progress

- Since our last update both the city and county have continued to work on process improvements. Through June, the city has approved permits for 778 housing units, a 41% increase over the entire year of 2020. In Missoula County final plat approved thru June has increased by 27.3% year over year, creating 144 lots.
- Community wide debate continues around renters, home providers, has the number of past due rents increased and is Missoula seeing or evictions than before pre-pandemic?

These are just several areas of focus for MOR, as we continue our collaboration with business and community leaders to develop and implement solutions to encourage housing at all price points.

The Missoula Organization of REALTORS® (MOR) is a trade association, representing over 880 members in four western counties of Montana, dedicated to advocating for equal housing opportunities and private property rights. Chartered in 1947, MOR is committed to helping build a better Missoula and surrounding areas by providing superior service to members and the community. missoularealestate.com

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