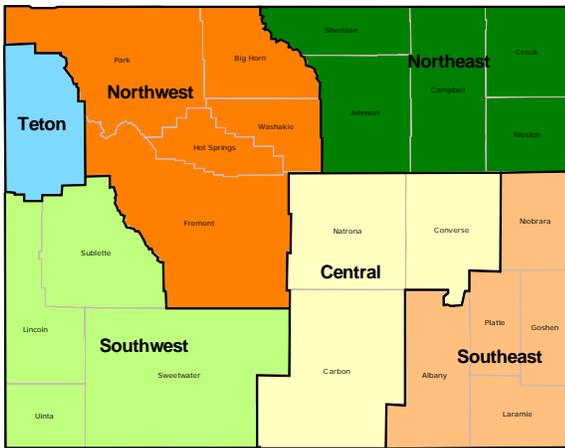


WYOMING PROFILE OF DEMOGRAPHICS, ECONOMICS AND HOUSING

SOUTHWEST REGION SUMMARY: ENDING DECEMBER 31, 2009

INTRODUCTION

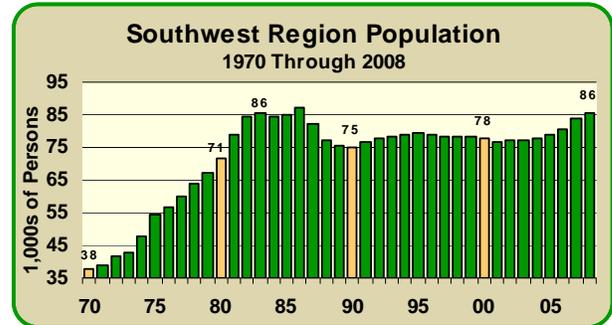
The *Wyoming Profile*, sponsored by the Wyoming Housing Database Partnership, is undertaken semi-annually. The objective is to provide current, quality information about factors influencing the development, production, use, rehabilitation, demand and need for housing and related services in Wyoming's local communities. This regional summary, focusing on the Southwest Region, is one of six publications that inspect a group of counties in the state, as shown in the map presented below. The Southwest Region is comprised of Lincoln, Sweetwater, Sublette and Uinta counties. It excludes Teton County.



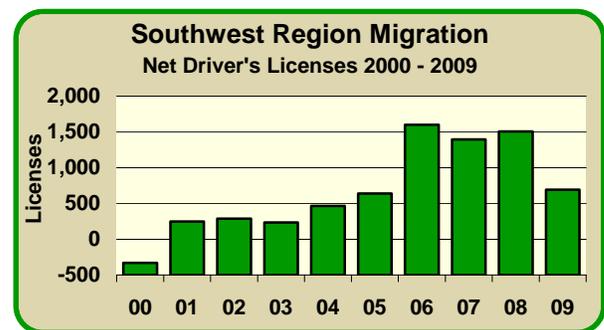
DEMOGRAPHICS

According to the U.S. Census Bureau, between 1990 and 2000, the Southwest Region's population rose from 74,996 to 77,848, an increase of 3.8 percent. Recent Census Bureau estimates place the population in the Southwest Region at 85,648 as of July 1, 2008. This was a strong growth rate of 10.0 percent since the 2000 census. The growth in population can be attributed to the natural increase of the population, the net of births minus deaths, as well as the net migration. The Southwest Region showed a natural increase of about 5,846 persons and a net migration of another 1,954 persons.

Population changes can be seen in the chart below.



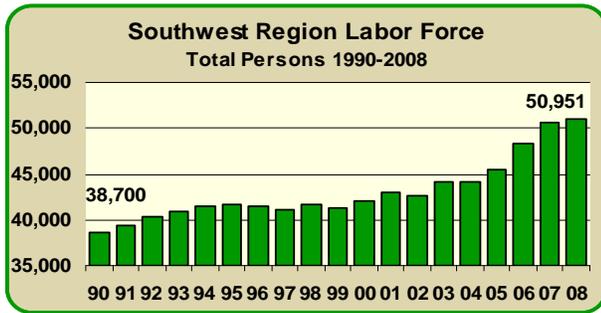
The Wyoming Housing Database Partnership also utilizes quarterly data from the Wyoming Department of Transportation regarding driver's licenses of new or departing residents of the state to track changes in population. While the net of surrendered and exchanged driver's licenses is usually several hundred, there have been recent substantive increases, with 2008 figures reaching over 1,500 persons and figures from 2009 numbering 692 persons. It would appear that population growth, while slowing somewhat, is still strong in the Southwest Region.



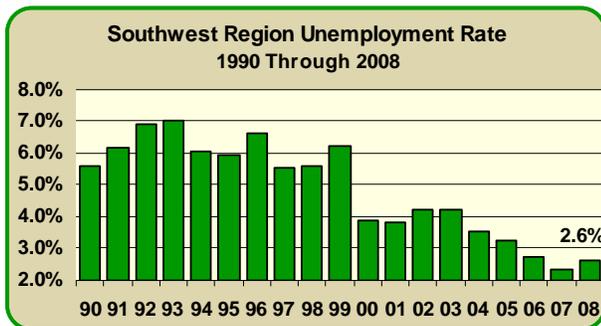
ECONOMICS

Economic growth in the region can be examined through inspection of statistics regarding the labor force, or those persons working or seeking work. The labor force in the Southwest Region has been expanding modestly over the past 18 years at an average annual rate of 1.5 percent per year, as seen on the following page. However, between

2007 and 2008, the labor force rose 0.6 percent and reached an all-time region high of some 50,951 persons.¹



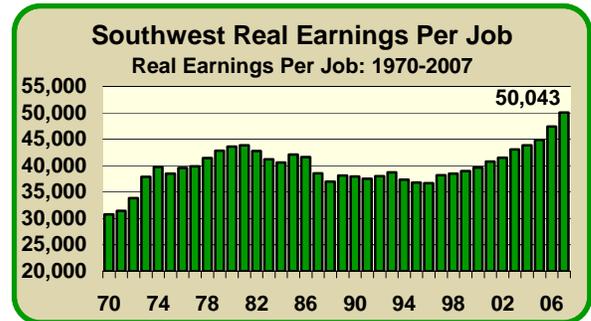
Additionally, the number of persons working continued to rise and reached some 49,606 persons in 2008. Over the last few years the rate of employment expansion has been greater than the overall change in the size of the labor force, thereby causing unemployment rates to decline. Thus, unemployment rates have fallen from a high of 7.0 percent in 1993 to 2.6 percent in 2008, as noted below.



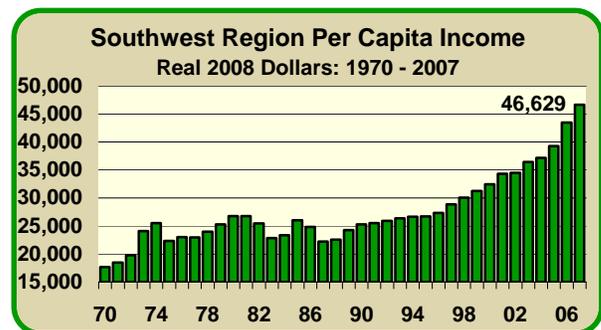
Low unemployment rates are likely to cause upward wage pressure in the labor markets, and, in turn, cause earnings to increase. This has, in fact, occurred rather profoundly of late in the region. In 1979, average real earnings per job in the Southwest Region were \$42,842. Unfortunately, this level of earnings was not sustained, with the average declining in real terms by more than \$5,800 by 1988 to \$37,003 per job. It varied little over the next several years, with the real average still \$36,657 eight years later, in 1996. Since that time, however, average earnings have been increasing more quickly, rising at an annual growth rate of 2.9 percent per year. As of

¹ The data from 2000 onward were rebased and may not be directly comparable to earlier years.

2007, the year for which most recent data are available from the Bureau of Economic Analysis, average earnings per job were \$50,043.



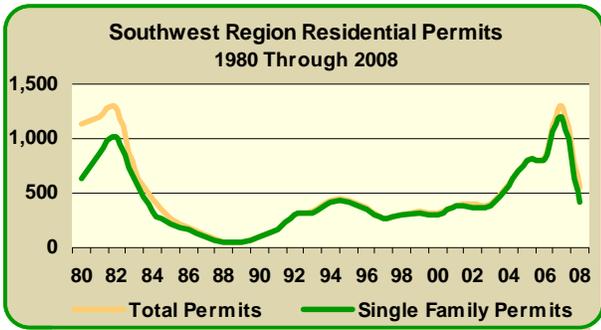
Personal income is comprised of earnings and unearned income sources, such as dividends, interest, rent and government transfer payments. Together, these income sources, when divided by population, create per capita income. This particular income measure also shows that the economic welfare of the Southwest Region has been on the rise. Real per capita income has increased from \$25,000 in the latter 1970s to \$45,000 in 2007, as seen below.



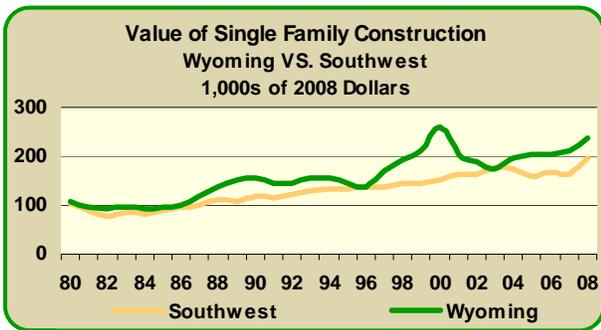
HOUSING

The consequence of such a strong economic rebound can be seen in a variety of fashions, such as the housing market. During the latter 1970s, with incomes increasing, the housing sector was very active, with significant levels of housing construction in the Southwest Region. Like employment and income, it fell off sharply during the recession of the early 1980s; 1980 saw 1,132 total permits, of which some 633 were for single-family units, but by 1988, there were only 58 permits, all of which were single-family units. Unfortunately, permitted residential units peaked in

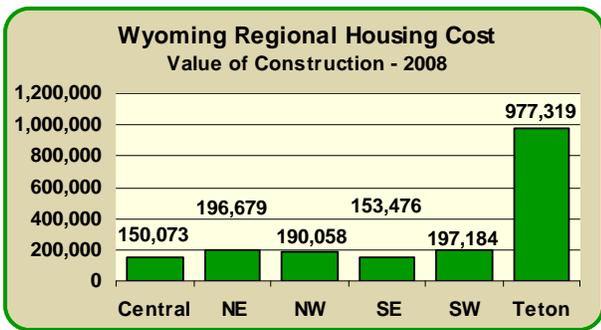
2007 at 1,299 units, with only 546 units permitted in 2008, as shown on the following page.



The real value of construction, representing only the cost of building the unit and not the land and lot costs, has been on the rise as well, both statewide and in the Southwest Region. Overall, these values have been high for several years, with the statewide average at \$238,320 in 2008, as noted below.

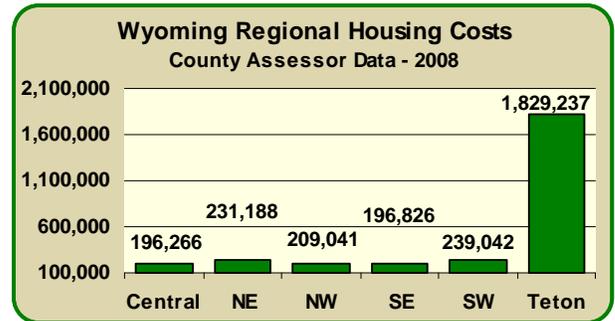


Still, the average real value of new construction in the Southwest Region was roughly comparable to most other regions at \$197,184 in 2008. All areas were significantly less than the Teton Region, which experienced an extreme degree of high-end building.



The Wyoming Housing Database Partnership, in cooperation with the Wyoming Assessors, also

prepared estimates of housing prices for existing homes sold on ten acres or less throughout the state. Existing housing in the Southwest Region appears to be more expensive when compared with the other regions of the state. The Southwest Region had the second highest price of \$239,042, exceeded only by the \$1.8 million housing prices seen in the Teton Region.

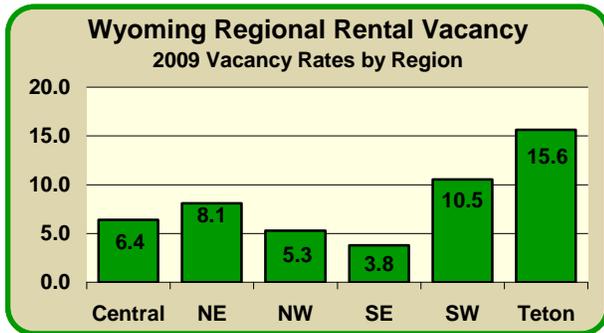


Every six months since 2001, the Wyoming Housing Database Partnership has conducted a survey of rental properties throughout the state. In the second half of 2009, 198 completed surveys covered 3,827 rental units in the Southwest Region. Results showed that rental vacancy rates rose dramatically in this region and increased from 0.8 percent in the second half of 2007 to 10.5 percent in the second half of 2009.

| Rental Vacancy Rates Southwest Region | | | | |
|---------------------------------------|--------|-------------|--------------|-----------|
| Year | Sample | Total Units | Vacant Units | Vac. Rate |
| 2001a | 50 | 1,998 | 129 | 6.5 |
| 2001b | 43 | 1,874 | 137 | 7.3 |
| 2002a | 44 | 1,747 | 142 | 8.1 |
| 2002b | 52 | 2,197 | 109 | 5.0 |
| 2003a | 50 | 2,150 | 82 | 3.8 |
| 2003b | 76 | 2,988 | 103 | 3.4 |
| 2004a | 67 | 2,757 | 118 | 4.3 |
| 2004b | 69 | 2,582 | 130 | 5.0 |
| 2005a | 74 | 2,931 | 96 | 3.3 |
| 2005b | 79 | 2,728 | 67 | 2.5 |
| 2006a | 71 | 2,713 | 57 | 2.1 |
| 2006b | 79 | 2,887 | 24 | 0.8 |
| 2007a | 87 | 2,797 | 27 | 1.0 |
| 2007b | 81 | 2,801 | 23 | 0.8 |
| 2008a | 99 | 3,359 | 64 | 1.9 |
| 2008b | 150 | 3,707 | 155 | 4.2 |
| 2009a | 157 | 3,268 | 234 | 7.2 |
| 2009b | 198 | 3,827 | 403 | 10.5 |

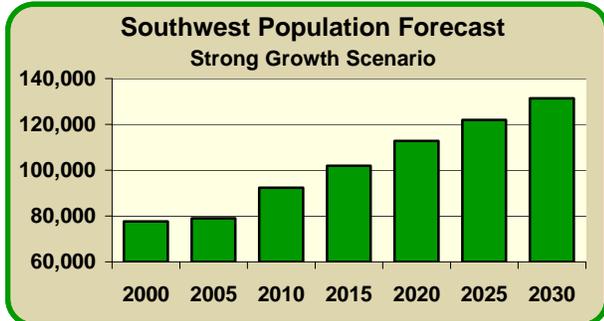
The Southwest Region had the second-highest vacancy rate for the state, with 10.5 percent of all

units vacant. The vacancy rates for each region in the state are presented in the chart below.

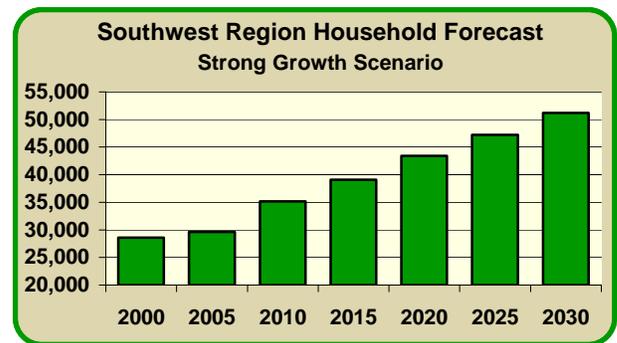


2010 WYOMING HOUSING NEEDS FORECAST

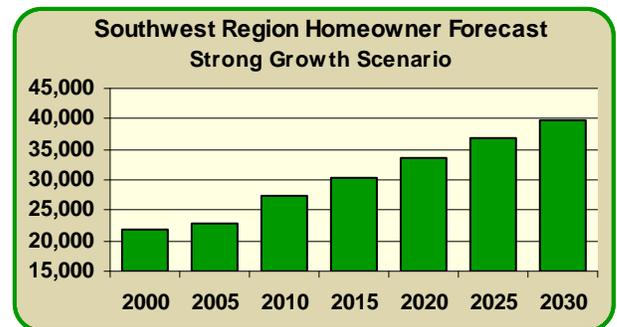
The 2010 Wyoming Housing Needs forecast modeled three separate growth scenarios: *moderate*, *strong* and *very strong*. Only the *strong growth scenario* is presented here.² In the *strong growth scenario*, population increased moderately until 2010, after which it was forecasted to increase at an average annual rate of 1.77 percent and reach a total of 131,369 persons in 2030, as seen below.



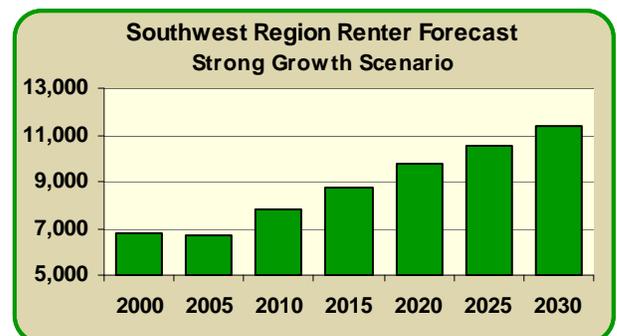
The 2010 Wyoming Housing Needs forecast also models household formation, which is computed using forecasted values of persons per households and population. The *strong growth scenario* household forecast estimated an increase of 21,540 households between 2005 and 2030, from 29,657 to 51,197 households. This represents an increase of 72.63 percent from the 2005 level, or an average annual growth rate of 2.21 percent, as seen above, at right.



The 2010 Wyoming Housing Needs Forecast separated forecasted households into owner- and renter-occupied households. Owner-occupied households were forecasted to increase from 22,939 households in 2005 to 39,823 households in 2030. This represented an increase of 16,884 owner-occupied households and an average annual growth rate of 2.23 percent, as seen below.



Renter-occupied households are forecasted to increase from 6,718 households in 2005 to 11,323 households in 2030. This represented an increase of 4,655 renter-occupied households and an average annual rate of 2.13 percent, as seen below.



² Complete details for all 23 counties, by tenure and income, for the three forecasts are available in the 2009 Wyoming Housing Needs Forecast.