



Experts predicting downturn for Montana's real estate market

Oct 25, 2007 05:22 PM

National specialists predict the overall forecast for the 2008 Real Estate Market will be a bad one. With the sub-prime mortgage disaster and the national pull-back in the real estate market, specialists say the economic outlook for 2008 isn't good for Montana.



Reporting from KPAX in Missoula

Officials do say Montana will see the effects later than the rest of the nation. Housing really peaked in the Treasure State at the end of 2006, while the rest of the nation saw a climax the year before in 2005. Beacon Economics Specialist, Christopher Thornberg, attributes record high real estate prices due to incomes and irrational consumer spending to the bumpy year ahead.

"Consumer spending, which has been very robust and pulling the economy forward, is not at a sustainable level. People are spending more than their disposable income that has been funded primarily by financing - taking out of your home ATM. Well, that's all coming to an end. That's going to hit consumer spending - you add that all up, and we have a rough 2008 ahead of us."

Specialists say although Montana's economy should be up and running again by the end of 2009 - the housing market will remain on the bottom for a long time.



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