

# Reference III-3

After Long Recession,  
Home Building in Billings Is on the Rise

*AllBusiness*

## After Long Recession, Home Building in Billings Is on the Rise Again

Despite the recession and tight credit, 2010 is showing a significant increase in construction of single-family homes around Billings.

Last year, only 30 permits were issued for the first three months. So far this year, 70 residential permits have been issued, an increase of 133 percent.

Despite historically low interest rates and federal tax credits to buy a home, in 2009 Billings home construction virtually stopped compared to the flurry of single-family building permits that reached a peak of 601 in 2003.

"The banks got very conservative and it made it very hard for the small builders to get the loans they were used to getting," said Landy Leep, vice president of Oakland & Company, Gary Oakland's construction company.

However, 2010 is looking up in area home building.

Land improvements are under way at Poly Vista Estates near Arrowhead Elementary School, at what is dubbed "Billings' Newest Family Subdivision."

Homes are also under construction at Falcon Ridge off Molt Road. And in Billings Heights, affordable housing is being built at Twin Oaks. More homes are planned for the established High Sierra subdivision, and construction at the Summerhill subdivision is getting started.

### Summer building fires up

Billings developer and politician Jeff Essmann said he finally is selling lots at Summerhill off Hilltop Road, lots that his father and others purchased at a delinquent tax sale three decades ago.

"The lots are priced at \$42,500 for single-family homes, so that the homes can be sold in the \$200,000-and-under price range, which is an active price on the market," Essmann said.

Land development is a long-term game, for sure. But more than 30 years still seems like a long time to develop the Summerhill lots.

"When the tax sale occurred, it scattered the ownership. I had to find them and contact them, which made it very difficult to put in the improvements like water, streets and utilities," he said.

Of the 13 Summerhill lots with city improvements, two homes have been built on speculation, meaning they weren't pre-sold. A third home will be started soon, and another 75 lots remain undeveloped.

"It's going to take a long time to absorb all these lots," Essmann said.