

MONTROSE COUNTY ECONOMIC UPDATE

Released: December 2025



Economic Summary

- The Q2 2025 unemployment rate averaged 4.53% in Montrose, slightly above both Colorado (4.5%) and the nation (4.1%), while employment and the labor force are modestly higher than a year ago.
- QCEW data show Montrose added 730 jobs between Q1 2024 and Q1 2025, with the largest gains in construction (222 jobs), healthcare (187 jobs), and accommodation and food services (98 jobs). Healthcare is the largest wage contributor in the county.
- U.S. real GDP fell in Q1 2025 and then rebounded in Q2, inflation is running near 3% rather than trending lower, unemployment is a little above 4%, and the Federal Reserve is expected to begin a gradual rate-cutting cycle in 2025 even as tariffs and higher interest rates continue to weigh on the outlook.

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LOCAL ECONOMIC INDICATORS

	Q2 2025	Q1 2024	Q2 2024	change since last quarter	change since last year (comparable quarters)
Local Labor Market					
Unemployment Rate Montrose County-NSA	4.53%	5.63%	4.27%	-1.10%	0.27%
Unemployment Rate Colorado - NSA	4.50%	4.90%	4.00%	-0.40%	0.50%
Unemployment Rate U.S. - NSA	4.10%	4.40%	3.80%	-0.30%	0.30%
Labor Force	20,667	20,226	20,226	441	441
Employed	19,723	19,089	19,368	635	355
Unemployed	944	1,137	865	-193	79
Business Confidence					
Leeds Colorado Business Confidence	36.0	37.9	46.7	-5.01%	-22.91%
Sales/Use Taxes					
	2025 (YTD)		2024 (YTD)		
City Sales/Use Taxes	\$21,221,739		\$20,808,362		1.99%
County Sales/Use Tax	\$17,836,432		\$17,365,675		2.71%
Hotel and Restaurant Tax	\$1,478,445		\$666,404		121.85%
Telluride Sales/Use Tax (through May)	\$4,561,217		\$4,239,913		7.58%
Business Filings					
	2025		2024		
Montrose County New Business Entity Filings (through Nov)	1,056		1,291		-18.20%

Montrose Regional Airport	2024	2023			% change
Enplanements (through Aug)	266,140	244,304			8.94%
Standard of Living and Growth	2024	2023	2022	2021	% change
Population (Census)	44,806	44,319	43,845	43,243	1.10%
	2023	2022	2021	2020	
Real Gross Domestic Product	\$1,810,292	\$1,742,828	\$1,632,031	\$1,567,762	3.87%
Personal Income	\$2,458,306	\$2,337,571	\$2,179,369	\$1,962,278	5.16%
Per Capita Personal Income	\$55,673	\$53,361	\$50,406	\$45,828	4.33%
Median Household Income	\$67,113	\$65,736	\$56,686	\$59,764	2.09%
Percent of Population Below Poverty Line	10.7%	11.7%	12.5%	10.4%	-1.00%
Place of Residence	2023	2022	2021	2020	
Adjustment for Place of Residence (in thousands)	\$20,860	\$18,435	\$1,283	\$8,522	13.15%

SOURCES IN ORDER OF LISTING: State and Local Unemployment rates: Bureau of Labor Statistics (LAUS); National Unemployment rate: Bureau of Labor Statistics; Labor Force, Employed, and Unemployed: Colorado Department of Labor and Employment; Leeds Colorado Business Confidence Index: Leeds School of Business; Sales/Use Tax information: City of Montrose, Montrose County, City of Telluride; Montrose Regional Airport enplanements/deplanements: Montrose Regional Airport; Population, poverty, and median household income: U.S. Census Bureau; Personal income: Bureau of Economic Analysis. Note that in all rows where percentages are presented the % change since last quarter and % change since last year represents the difference between the two percentages, not the actual percentage change.

The Local Labor Market

Montrose County employment averaged 19,723 in Q2 of 2025, compared to 19,368 in Q2 of 2024. Employment numbers have only marginally increased, matching the trend of declining job gains we see in the state and national economy. The Q2 unemployment rate averaged 4.53%, which was slightly higher than the state (4.5% non-seasonally adjusted) and the nation (4.1%). The August unemployment rate in Montrose was 3.6%. Note that summer and early fall months always have a lower than average unemployment rate, and also note that August is the most recent labor market data point released as the writing of this document in early December.

This employment data is from the state and has a fairly small sample size at the county level. Employment estimates are by place of residence, and individuals are counted as “employed” once, even if they have multiple jobs.

The jobs data in figure 2 is from the state and is by place of work, and counts if a person works more than one job. The data shows that jobs in Montrose County increased from 22,057 in 2022 to 22,651 in 2023. Top employers are government (3,494), construction (2,838), and retail trade (2,667) (Figure 3).

Other Indicators

Montrose County sales taxes are up 2.71% compared to Q1 of last year, and city sales taxes are up 1.99% (Figure 4). These numbers are year-to-date comparisons as of September. The hotel and restaurant tax is up 121.9% due to the increase in the hotel tax, while Telluride sales taxes through May are up 7.58%.

Business entity filings have continued to increase at a rapid pace since 2015. Business entity filings were 1,291 in 2024, compared to 1,056 through November of 2025.

Table 1:

1, 5, and 10 Year Employment Comparison (Yearly Data)

	Labor Force	Employed	Unemployed
Annual	441	635	-193
5-Year	434	355	79
10-Year	1,202	2,372	-1,170
Annual %	2.18%	3.32%	-17.00%
5-Year %	2.15%	1.83%	9.14%
10-Year %	6.18%	13.67%	-55.35%

Airport enplanements have fallen comparing 2024 to 2025 YTD through October. Enplanements are down 4.64%, and if enplanements fall from last year after we see the last two months of data, it will mark the only year of enplanement decline since 2011, omitting COVID (2020).

Place of Residence

Figure 6 illustrates what is called a “place of residence adjustment.” This data is from the Bureau of Economic Analysis, and shows inflows and outflows of income to and from the county. A positive number indicates that more income is flowing into the county from other counties than flowing out. A negative number implies that more income is flowing out of the county to other counties than flowing in.

Montrose County has a history of a positive place of residence adjustment. This implies that there are more people who commute to other counties and bring back income than other counties deriving income from inside of Montrose County. Numbers show a 13.15% increase from 2022 to 2023.

Figure 1:
Montrose Employment

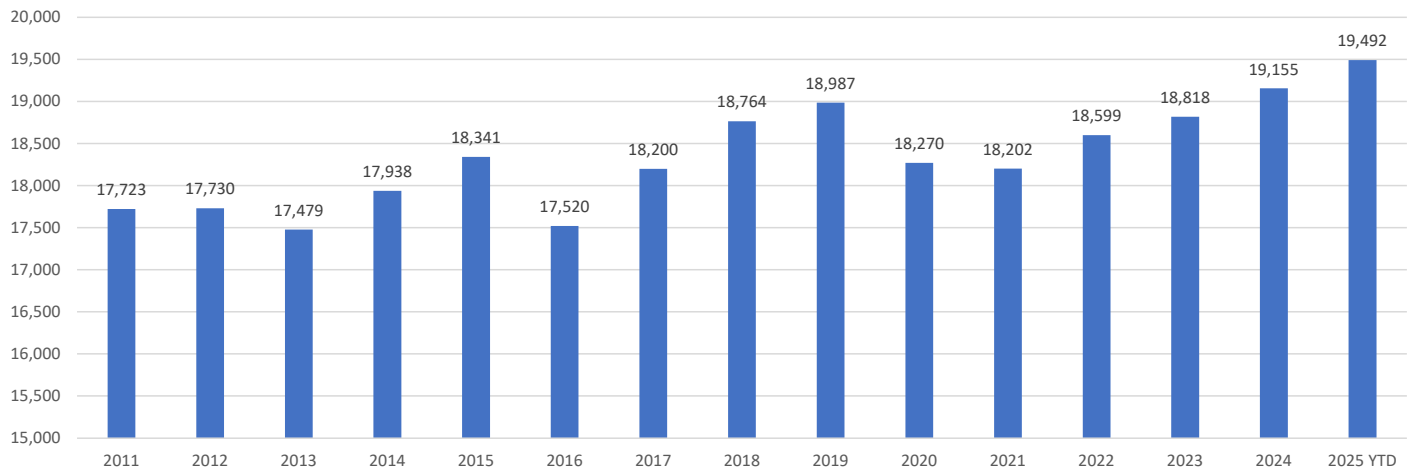


Figure 2:
Total Full and Part Time Jobs

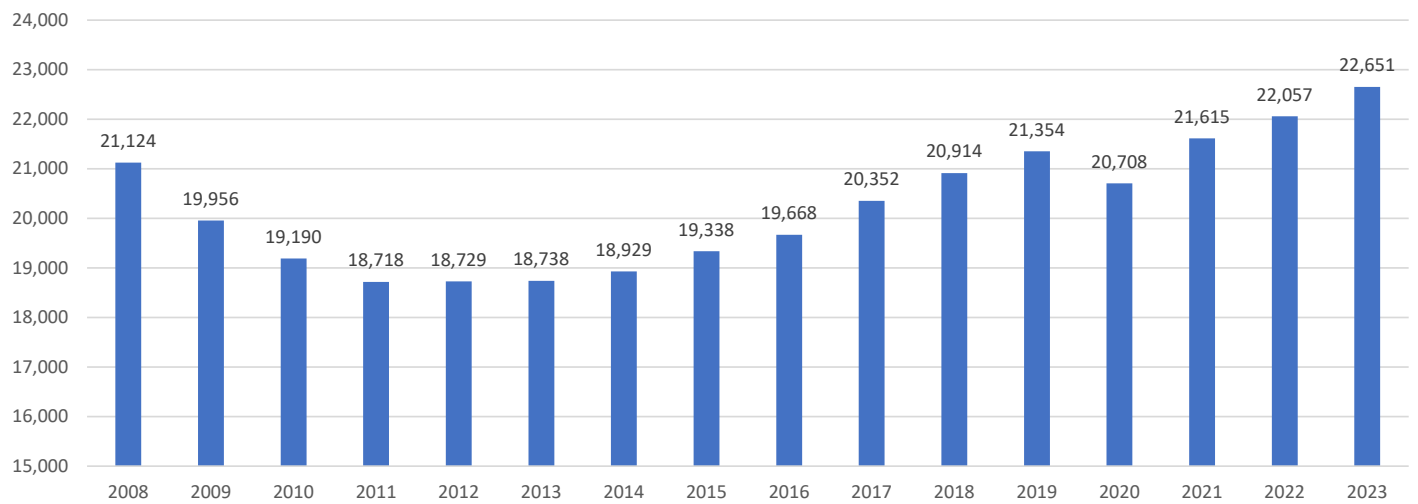


Figure 3
Jobs by Industry

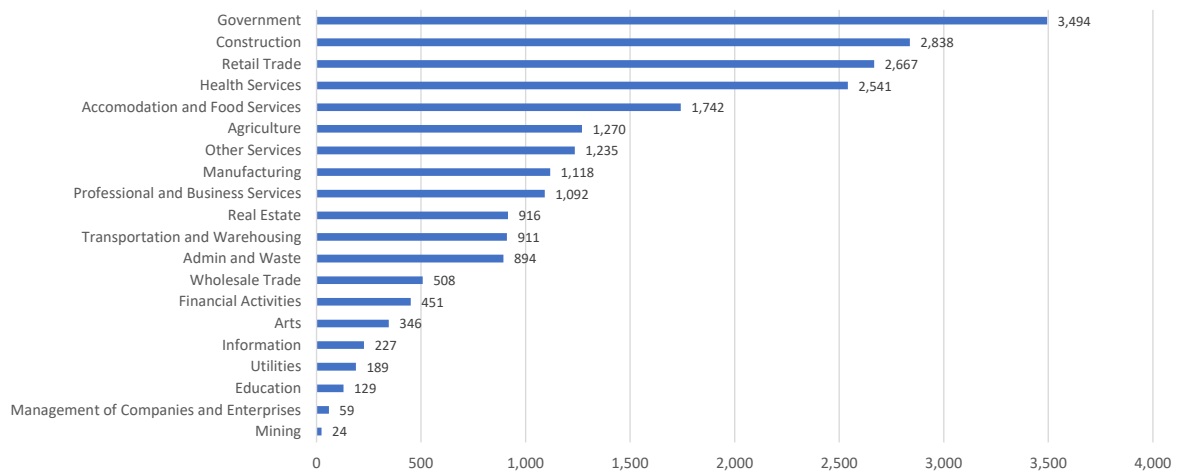


Figure 4:
Sales Taxes

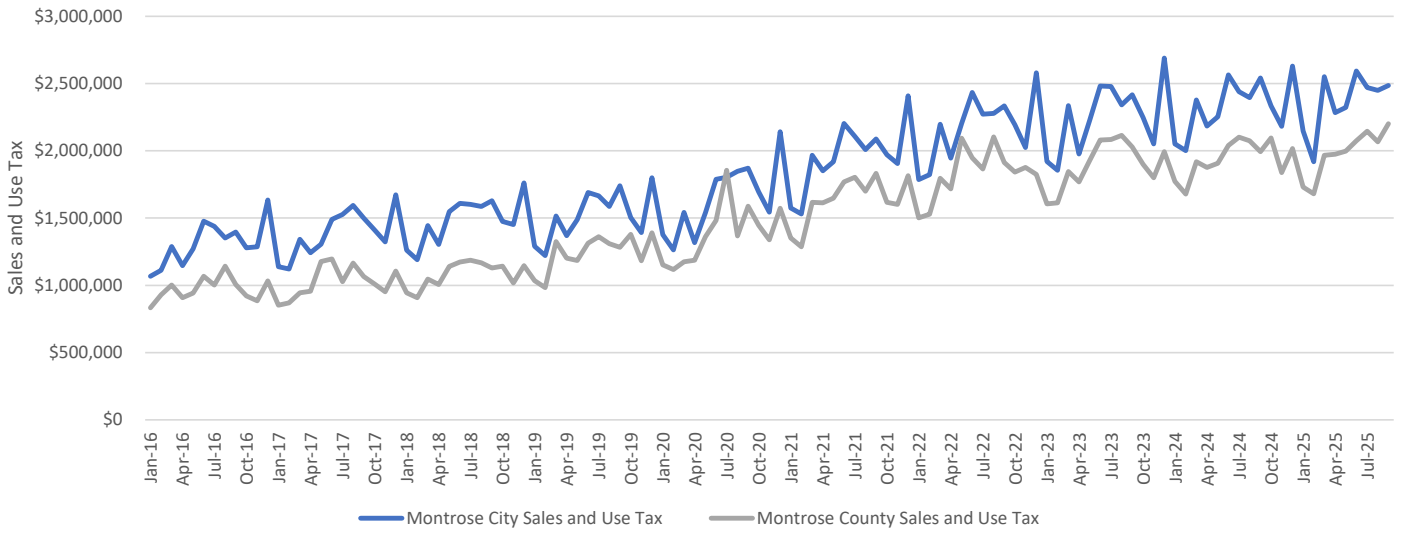


Figure 5:
Montrose County Business Entity Filings

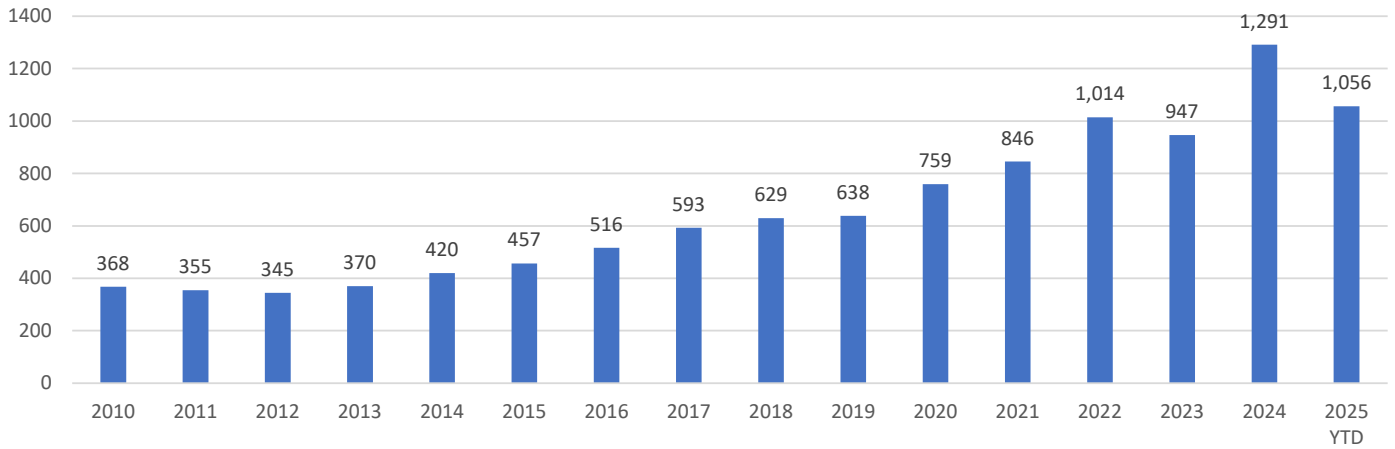
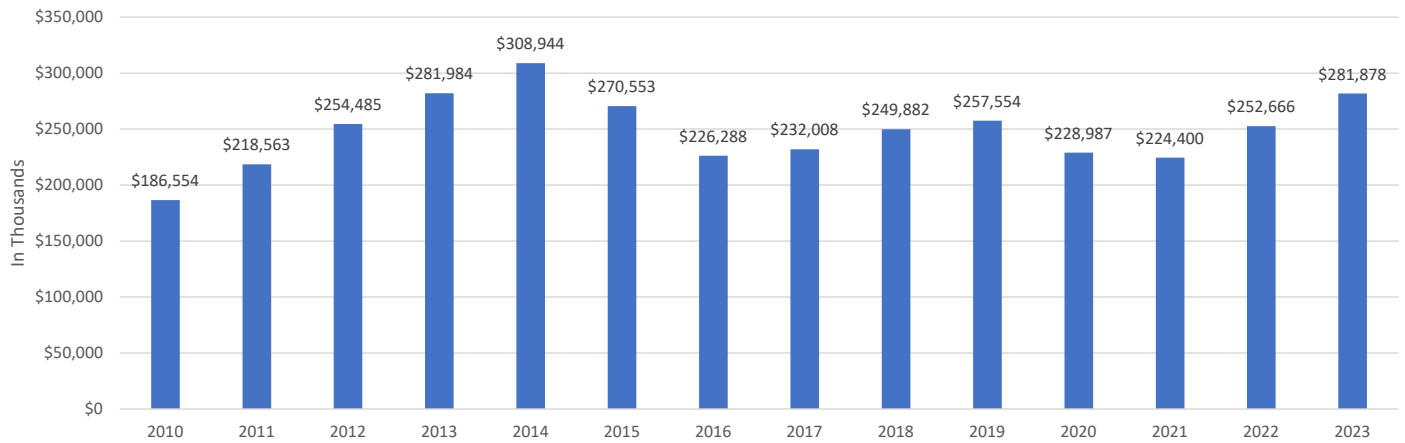


Figure 6:
Place of Residence



Standard of Living Measures

Standard of living measures are generally released each year in December for the previous year's data. Montrose County GDP for 2023 grew by 3.87% compared to 2022. This can be seen in Figure 8.

Montrose County median household income rose from \$65,736 in 2022 to \$67,113 in 2023. Montrose shows a strong upward trend in median household income since 2017.

The Census Department's SAIPE program (Small Area Income and Poverty Estimates) released their most recent poverty estimate, with Montrose County falling from 11.7% in 2022 to 10.7% in 2023.

Personal income per capita increased from \$53,361 in 2022 to \$55,673 in 2023. Per capita personal income is a measure of all personal income in the county divided by the population. Per capita personal income has increased drastically over the last decade.

Figure 7:
Western Slope GDP % Change 2023

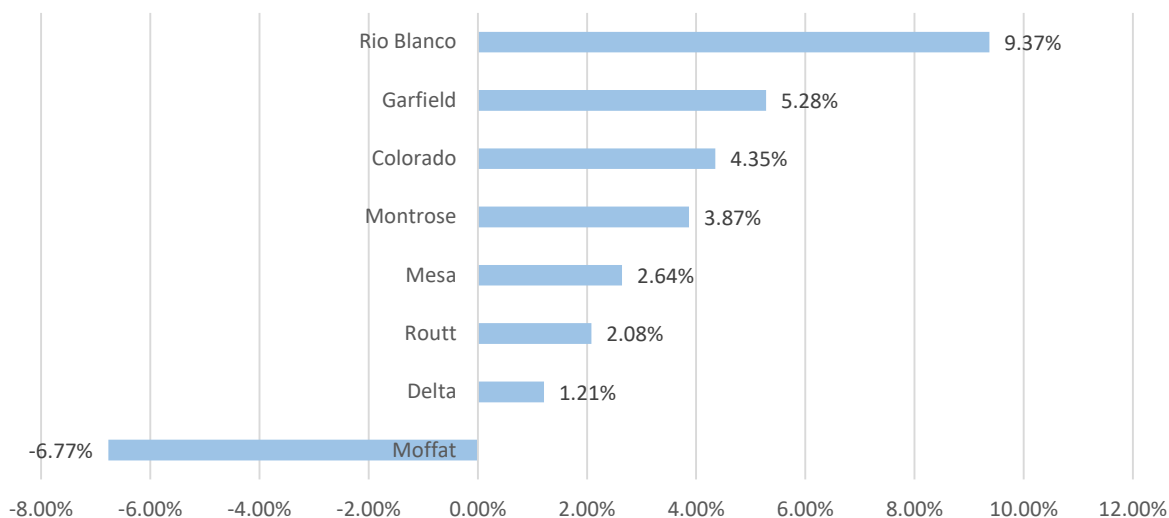


Figure 8:
Montrose County Real GDP (chained 2017 dollars)

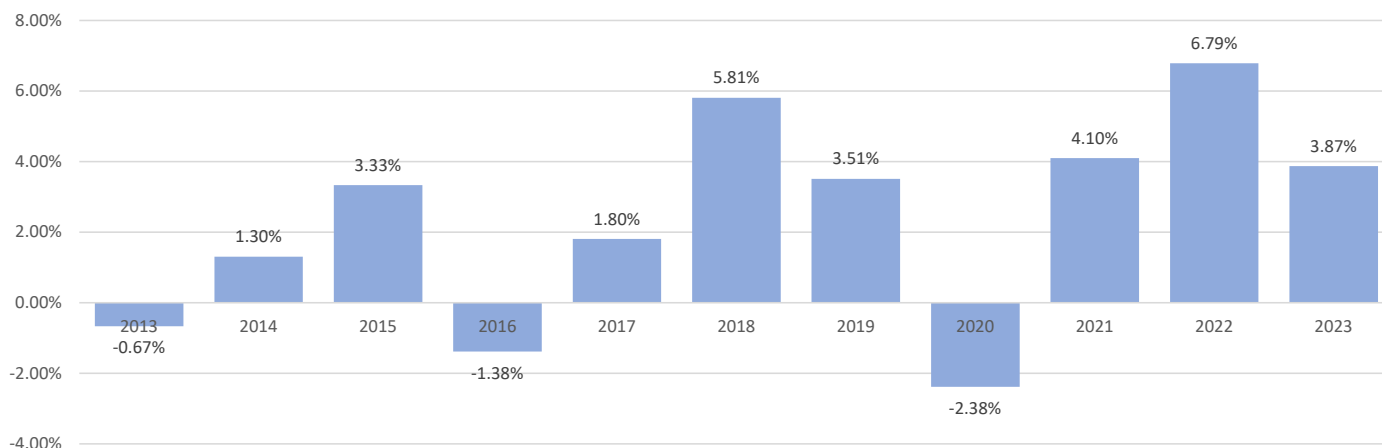


Figure 9:
Montrose County Median Household Income

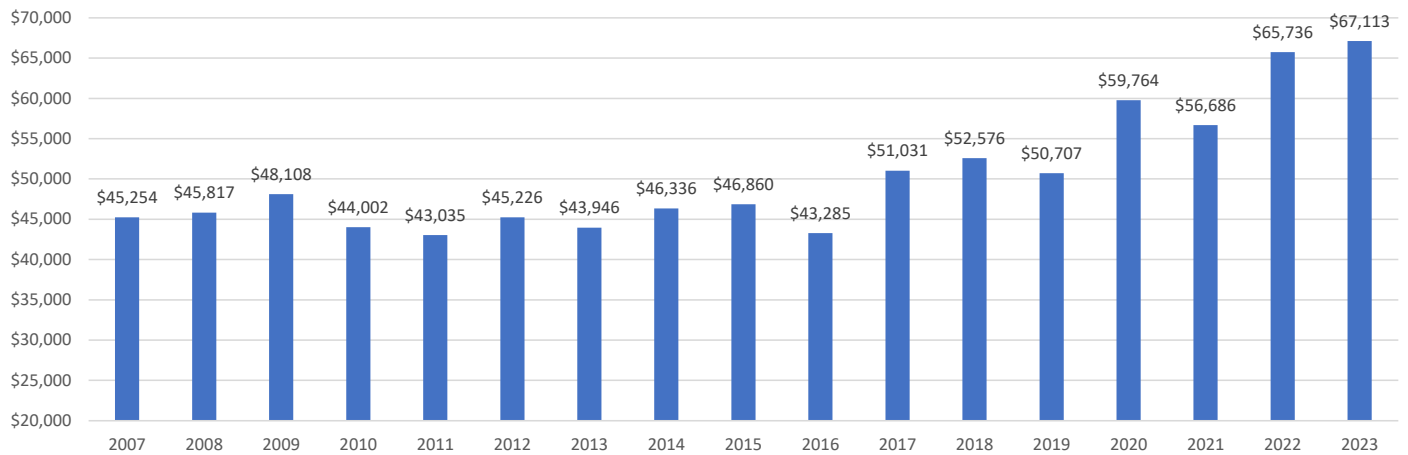
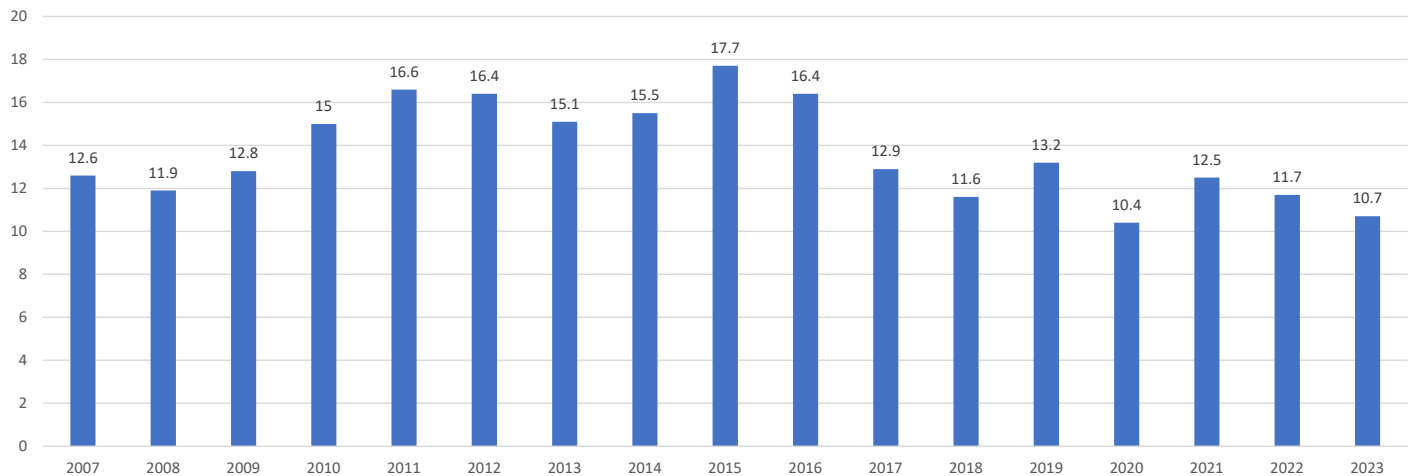


Figure 10:
Montrose Per Capita Income



Figure 11:
Montrose County Poverty Rate



Population Trends

The Colorado State Demography Office produces population estimates and population forecasts. Table 2 illustrates these forecasts for Western Slope counties. Montrose County is expected to grow from the 2025 estimate of 45,102 to 46,389 in 2030, 49,824 in 2040, and 51,573 in 2050. The state as a whole saw their population forecast significantly cut from the previous 2024 forecast, and this has translated to lower population forecasts for Western Slope counties. The State Demography Office cites slower in-migration than the last several years, lower birth rates, and rapid aging. For Montrose, the most updated forecast shows population gains going out to 2050 are 5.8% less than last year's forecast. Population is a function of birth rate, death rate, and migration. Montrose County has slightly more deaths than births, which means natural population growth is not what is expected to push Montrose County's population higher. Migration is the factor that is expected to fuel Montrose County's growth.

Table 2:
**Population Estimates Table (2025-2060),
Colorado State Demography Office**

	Mesa	Montrose	Delta	Garfield	Rio Blanco	Moffat	Routt
2025	162,593	45,102	32,776	63,220	6,602	13,067	25,229
2030	167,904	46,389	33,657	65,876	6,490	13,014	25,887
2035	175,980	48,324	34,769	70,684	6,255	13,021	26,996
2040	181,530	49,824	35,665	75,562	6,028	13,043	27,878
2045	185,292	50,878	36,440	79,987	5,792	13,041	28,459
2050	188,565	51,573	37,200	83,161	5,540	12,989	28,775
2055	191,688	52,106	37,953	85,564	5,282	12,922	28,963
2060	194,895	52,641	38,726	87,824	5,019	12,860	29,123

Table 3:
**Montrose County Population Change Breakdown,
Colorado State Demography Office**

	Population	Change	Births	Deaths	Net Migration
2025	45102	354	432	501	423
2026	45455	353	433	507	427
2027	45596	141	433	517	224
2028	45790	194	429	522	287
2029	46053	263	426	528	365
2030	46389	336	423	536	448
2040	49824	254	412	656	498

Montrose County Industry Trends

Montrose Quarterly Census of Employment and Wages data shows job gains of 730 compared to Q1 of 2024. Top gains in jobs were in construction (222), healthcare (187), and accommodation and food services (98). Wage gains year over year totaled \$17,864,582. The largest wage change was in healthcare at \$4,176,736. Figures 14 and 15 show job and wage gains, respectively.

The largest wage contributor to Montrose County is healthcare, at \$45,311,127 for Q1. Healthcare is followed by construction (\$31,056,255), retail trade (\$24,247,026), and public administration (\$21,706,427). Healthcare and construction are the two industries that are steadily increasing over the last few years and consistently adding jobs.

Table 4:
Quarterly Census of Employment and Wages (QCEW) Q1 2025 Compared to Q1 2024

Sector	Average Employment	Total Quarterly Wages	Average Weekly Wage	Total Employment Change	Total Wage Change
Total, All Industries	17,200	\$226,499,638	\$1,013	730	\$17,864,582
Health Care and Social Assistance	3,239	\$45,311,127	\$1,076	187	\$4,176,736
Construction	2,162	\$31,056,255	\$1,105	222	\$3,178,068
Retail Trade	2,336	\$24,247,026	\$799	2	\$665,465
Public Administration	1,152	\$21,706,427	\$1,449	65	\$2,083,623
Manufacturing	1,115	\$15,802,013	\$1,090	49	\$1,988,843
Accommodation and Food Services	1,771	\$10,579,407	\$460	98	\$359,176
Professional and Technical Services	572	\$9,835,521	\$1,323	-2	\$896,787
Wholesale Trade	427	\$9,276,473	\$1,672	4	\$760,365
Transportation and Warehousing	772	\$9,085,529	\$905	11	-\$181,013
Other Services, Ex. Public Admin	474	\$5,941,445	\$965	46	\$553,928
Utilities	254	\$5,924,541	\$1,797	4	\$214,039
Finance and Insurance	312	\$5,880,430	\$1,450	-9	-\$82,226
Administrative and Waste Services	488	\$5,725,769	\$903	45	\$719,240
Real Estate and Rental and Leasing	300	\$4,212,634	\$1,081	-10	-\$36,725
Information	195	\$3,635,179	\$1,432	3	\$464,967
Agriculture, Forestry, Fishing & Hunting	207	\$2,183,604	\$810	-3	\$56,517
Arts, Entertainment, and Recreation	318	\$1,861,700	\$450	5	\$252,125
Management of Companies and Enterprises	35	\$880,262	\$1,953	7	\$283,039
Mining	20	\$354,457	\$1,363	7	\$61,917

SOURCE: Colorado Department of Labor and Employment (QCEW). The most recent quarterly data available is reported.

Figure 12:
Total Job Change from Q1 2024 to Q1 2025

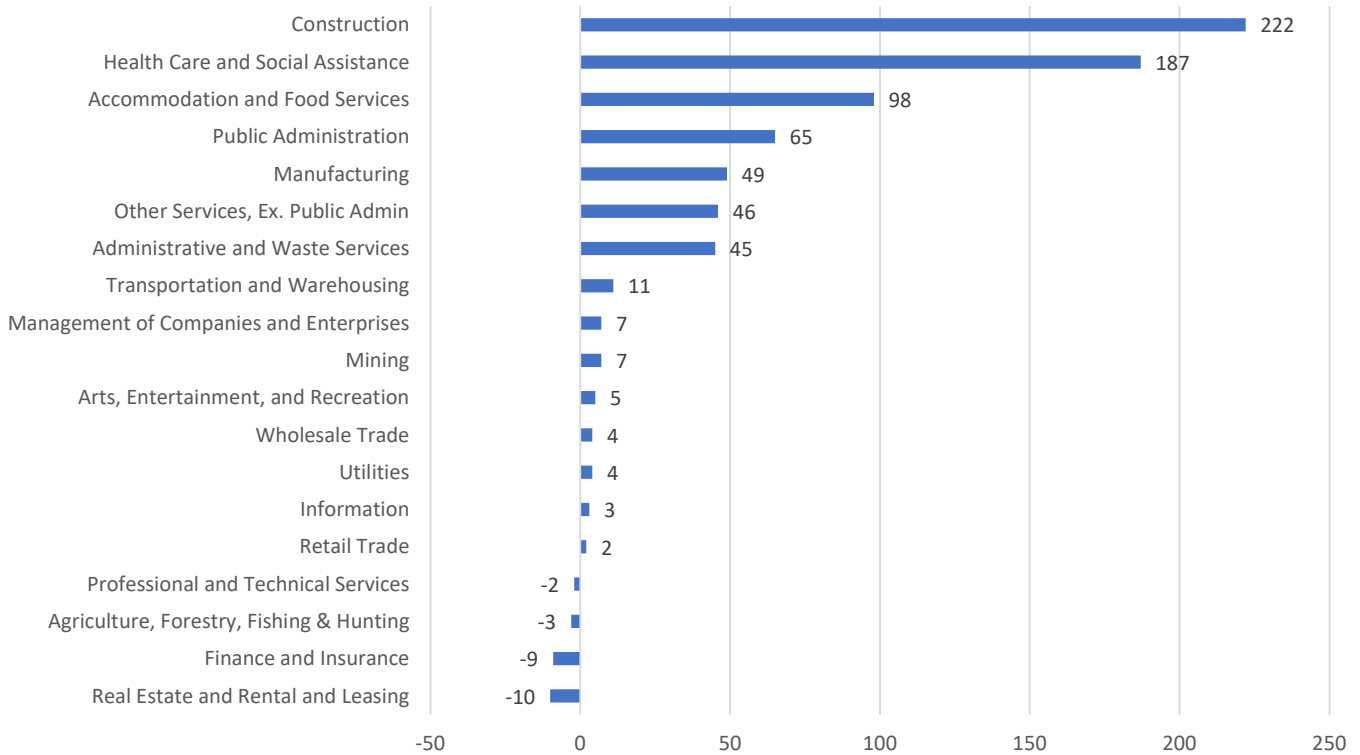
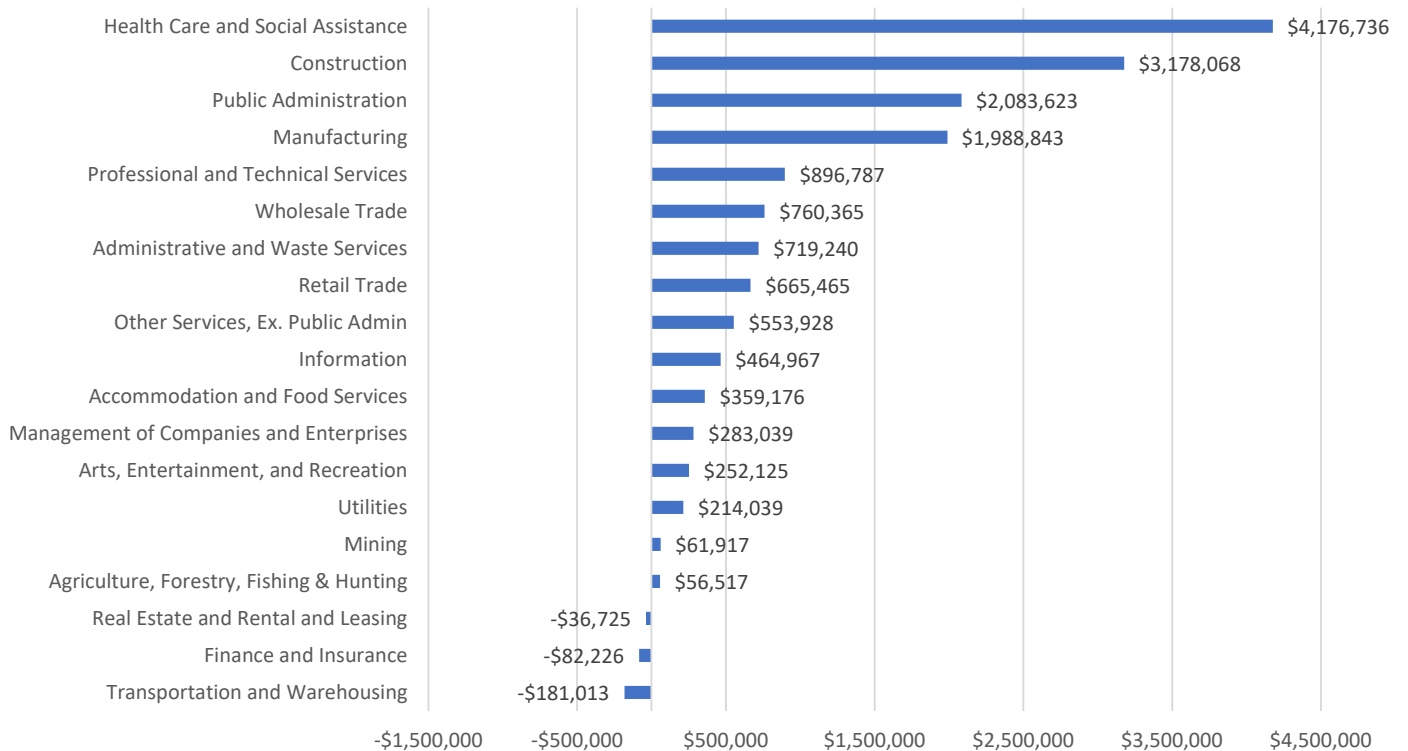


Figure 13:
Total Wage Change from Q1 2024 to Q1 2025



LOCAL REAL ESTATE

	Q3 2025	Q3 2024	% change since last year
Real Estate			
Inventory of Homes for Sale (average)	238	223	7.04%
New Residential Listings (average)	246	238	3.36%
Sold Residential Listings (average)	160	183	-12.57%
Median Sales Price	\$478,800	\$486,783	-1.64%
Average Sales Price	\$552,916	\$520,723	6.18%
Days on Market	88.00	95.00	-7.37%
Months Supply of Inventory	4.87	4.67	4.29%
Building Permits (Census, most recent data 2023)	321.00	405.00	-20.74%
Total Building Permits	426	489	-12.88%
Total Building Permit Valuation	\$114,003,872	\$101,654,336	12.15%
Single Family Home Permits	175	210	-16.67%
Single Family Home Permit Valuation	\$30,456,695	\$34,648,987	-12.10%
Foreclosures			
	2025	2024	
Foreclosure Filings (YTD)	28	21	33.33%
Foreclosure Sales (YTD)	5	13	-61.54%
Mortgage Rates			
	Nov 2025	Nov 2024	
15 Year Mortgage Rate	5.51%	6.03%	-0.52%
30 year Mortgage Rate	6.24%	6.81%	-0.57%

SOURCES IN ORDER OF LISTING: Real Estate: Colorado Association of Realtors Market Trends Program through ShowingTime. Note that real estate data is just single family homes; Building Permits and Valuation: Montrose County and Montrose City; Foreclosure Filings and Sales: Montrose County; Mortgage rates: Freddie Mac.

Local Real Estate Indicators

The Montrose County real estate market showed mixed conditions over the past year. The average number of homes for sale increased 7.04%, while new residential listings rose 3.36%, giving buyers more options. Sold listings fell 12.57%, pointing to softer closed sales activity. The median sales price declined 1.64% to \$478,800, even as the average sales price increased 6.18% to \$552,916, reflecting a greater share of higher priced transactions. Days on market shortened from 95 to 88, and the months supply of inventory edged up from 4.67 to 4.87. Building permits weakened, with total permits down 12.88% and single family permits down 16.67% compared with last year. Total building permit valuation increased 12.15% to just over \$114 million, while the value of single family permits fell 12.10% to about \$30.5 million. Census permit data continue to show that total residential permits for all structures (single family and multifamily) decreased from 405 in 2022 to 321 in 2023. Foreclosure filings have risen from 21 to 28 year to date, although completed foreclosure sales have declined from 13 to 5.

As of November 2025, U.S. mortgage rates remain elevated but have eased from a year earlier. The average 30-year fixed rate mortgage was 6.24% in November, down from 6.81% in November 2024, while the 15-year mortgage rate declined from 6.03% to 5.51% over the same period. These rates are still high by pre-pandemic standards and continue to weigh on affordability and buyer demand. Future movements in mortgage rates will depend on inflation trends, Federal Reserve policy, and broader economic conditions.

Figure 14:
Months Supply of Inventory



Figure 15:
Median and Average Home Sales Price

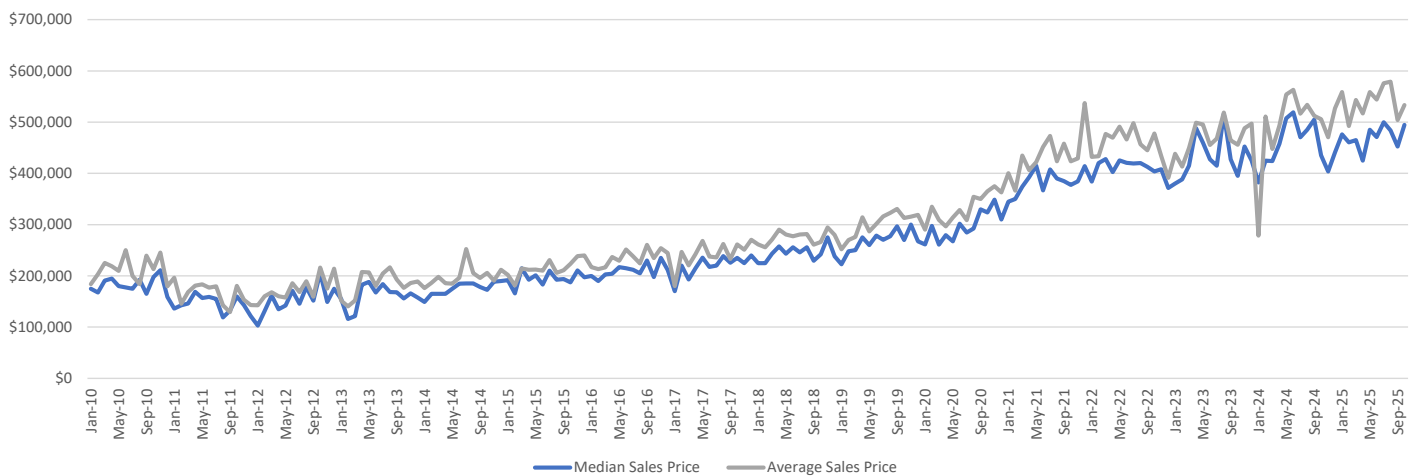
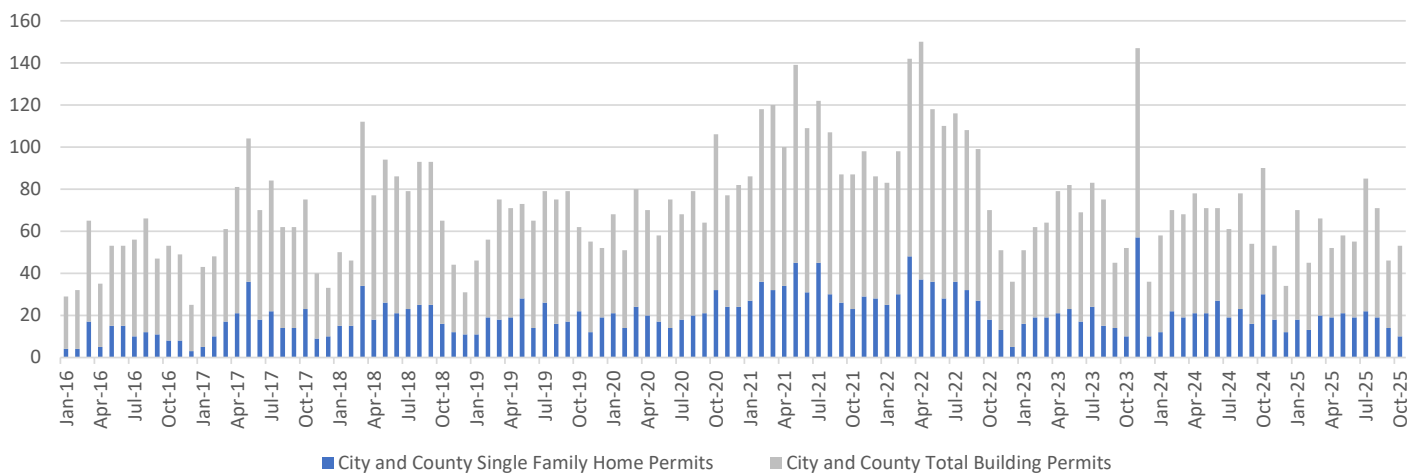


Figure 16:
City and County Building Permits



REGIONAL ENERGY

	Q3 2025	Q2 2024	Q3 2024	% change since last quarter	% change since last year (comparable quarters)
Energy Prices					
WTI Crude Oil	\$65.78	\$64.57	\$76.43	1.87%	-13.93%
Henry Hub Natural gas	\$3.03	\$3.19	\$2.11	-5.02%	43.60%
Retail Gasoline Price	\$3.03	\$3.04	\$3.26	-0.20%	-7.09%
Drilling Permits					
	2025 (YTD)	2024	2023	2022	2021
Drilling Permits (Mesa County)	2	40	0	0	1
Drilling Permits (Rio Blanco County)	12	67	40	40	33
Drilling Permits (Garfield County)	35	18	139	133	127
Drilling Permits (Moffat County)	0	10	3	4	1
Total Permits (Mesa, Rio Blanco, Garfield, Moffat)	49	135	182	177	162
Total Permits (Colorado)	260	980	1,005	805	1,543
Local Rig Count					
	25-Aug	25-May	Feb-23	Aug-22	
Rig Count (Western Colorado, Mesa, Rio Blanco, Garfield, Moffat)	1	1	3	4	

SOURCES: All energy prices: Energy Information Agency; All permit data from Colorado Oil and Gas Conservation Commission (COGCC); Local Rig Count: Baker Hughes Rig Count; Coal data from the Colorado Division of Reclamation, Mining, and Safety.

Figure 17:
Oil and Natural Gas Prices

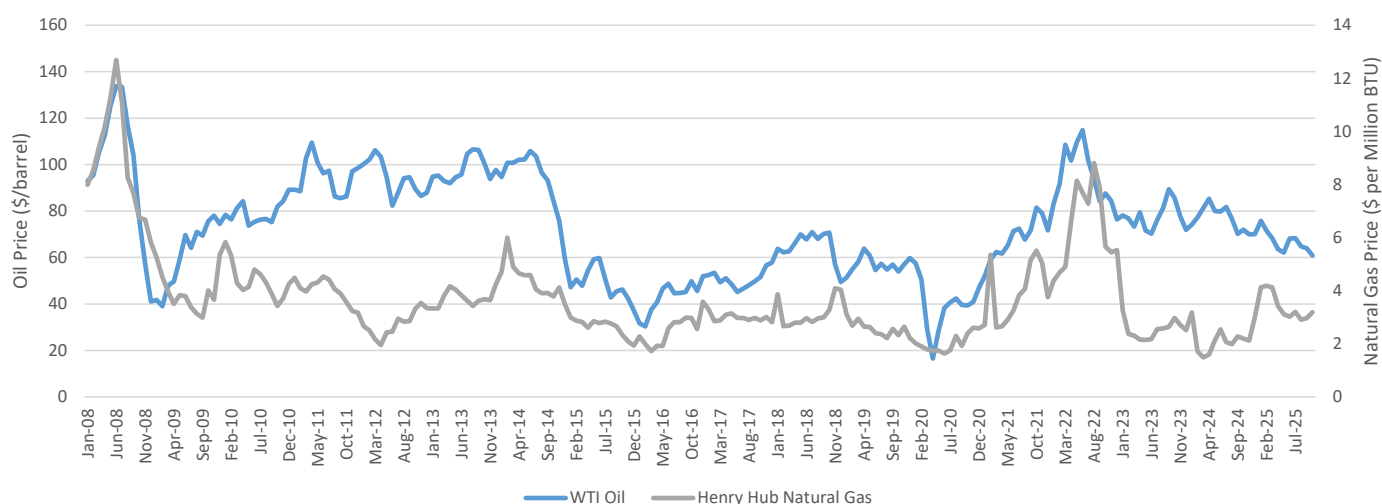


Figure 18:
Oil/Gas Drilling Permits and Oil/Gas Jobs

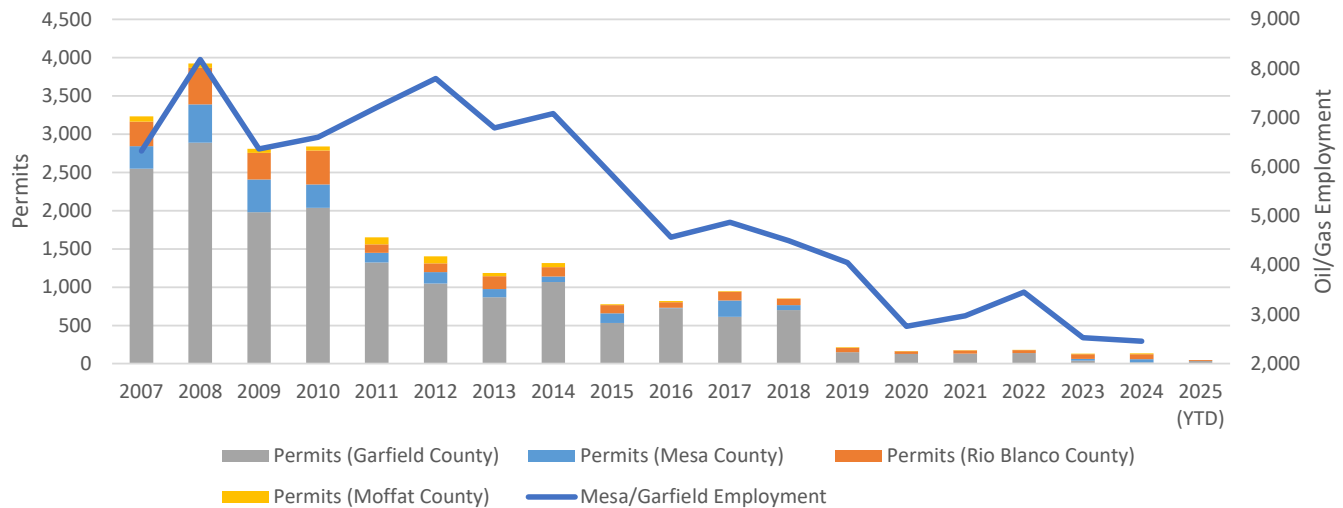
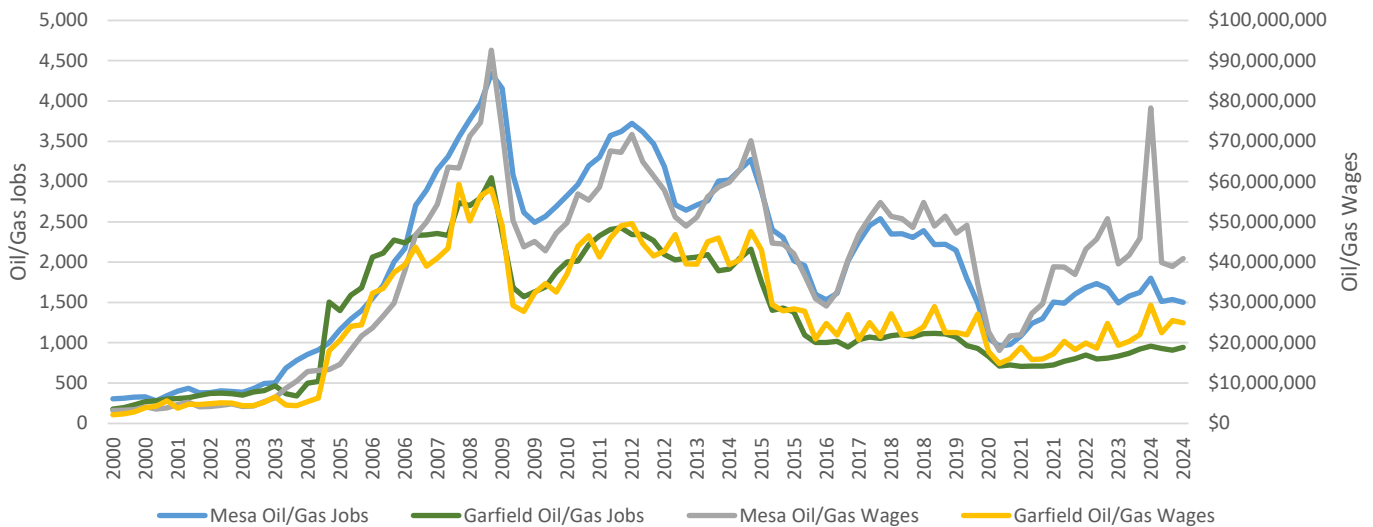


Figure 19:
Mesa and Garfield Oil and Gas Jobs/Wages



Western Slope Energy

Natural gas prices are on the rise in 2025, rebounding from the lows experienced in 2024. The U.S. Energy Information Administration (EIA) projects the Henry Hub spot price to average \$4.10 per million British thermal units (MMBtu) this year, nearly doubling from last year's average of \$2.20/MMBtu. This increase is driven by several factors, including reduced storage levels, increased demand, and lower associated gas production.

The first half of 2025 has seen a continued slide in oil prices, driven by global supply growth outpacing demand. The EIA projects Brent crude to average \$59 per barrel for the year, down from \$81 in 2024. This decline is attributed to increasing oil inventories, with global stockpiles expected to grow by an average of 0.4 million barrels per day in 2025. The EIA forecasts Brent prices to decrease from \$76 per barrel in the first quarter to \$61 by the fourth quarter of 2025. This oversupply is largely due to production increases from non-OPEC+ countries, including the U.S., Canada, Brazil, and Guyana. While OPEC+ plans to raise output in June, their production is still projected to remain below target levels.

NATIONAL ECONOMIC INDICATORS

	Q2 2025	Q1 2025	Q2 2024	% change since last period	% change since last year (comparable quarters)
Business Cycle Indicators					
Real GDP	3.80%	-0.60%	3.60%	4.40%	0.20%
Personal Consumption Expenditures	2.50%	0.60%	3.90%	1.90%	-1.40%
Gross Private Domestic Investment	-13.80%	23.30%	8.20%	-37.10%	-22.00%
National Consumer Confidence	55.0	64.5	71.5	-14.73%	-23.08%
Industrial Production Index	101.3	100.7	100.7	0.57%	0.64%
Initial Weekly Unemployment Claims (4 week MA)	232,154	220,212	221,558	5.42%	4.78%
Non Farm Payroll Change (in thousands)	280,333	521,333	513,667	-46.23%	-45.43%
Unemployment					
Unemployment Rate-U3-SA	4.20%	4.10%	4.00%	0.10%	0.20%
Unemployment Rate-U6-SA	7.80%	7.80%	7.40%	0.00%	0.40%
Interest Rates					
Federal Funds Rate	4.33%	4.33%	5.33%	0.00%	-1.00%
10 Year U.S. Treasury	4.36%	4.45%	4.44%	-0.09%	-0.08%
30 Year U.S. Treasury	4.83%	4.71%	4.58%	0.12%	0.25%
Inflation Measures					
Inflation Rate (CPI)	2.46%	2.74%	3.19%	-0.28%	-0.73%
Core Inflation Rate (All Items Less Food and Energy)	2.82%	3.08%	3.42%	-0.26%	-0.61%
Inflation Rate (Shelter)	3.90%	4.21%	5.35%	-0.32%	-1.46%
Producer Price Index (PPI)	1.22%	1.85%	0.49%	-0.63%	0.72%
Employment Cost Index	3.62%	3.60%	4.03%	0.02%	-0.40%
Stock Prices					
S&P 500	5,732	5,895	5,247	-2.76%	9.25%
Dow Jones Industrial Average	41,478	43,240	38,807	-4.08%	6.88%
Trade Balance and Debt					
Trade Balance (% of GDP)	-899.799	-1264.604	-894.37	-28.85%	0.61%
Federal Debt (% of GDP)*	120.5%	121.4%	120.5%	-0.9%	0.1%

SOURCES: GDP, Consumption, Investment, and Trade Balance: Bureau of Economic Analysis; Consumer Confidence: University of Michigan; Industrial Production, Interest Rates and USD Exchange Rate: Board of Governors of the Federal Reserve System; Weekly Unemployment Claims: U.S. Employment and Training Administration. Non-Farm Payroll, Unemployment Rates, Inflation Measures: Bureau of Labor Statistics; Stock Prices: S&P Dow Jones Indices, LLC.; USD Exchange Rate: Board of Governors of the Federal Reserve; Trade Balance: BEA; Federal Debt: U.S. Office of Management and Budget. * indicates data is lagged by one quarter. Regional CPI data from the Bureau of Labor Statistics. Yield Curve from the Federal Reserve Board. Tariff rate from (10.5281/zenodo.15151391).

Figure 20:
Real GDP for U.S.

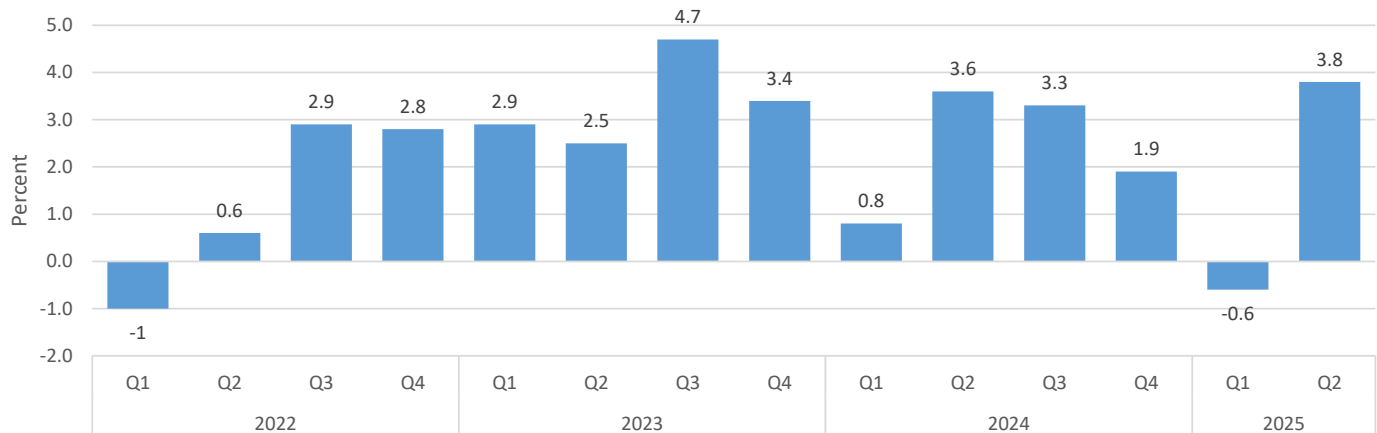
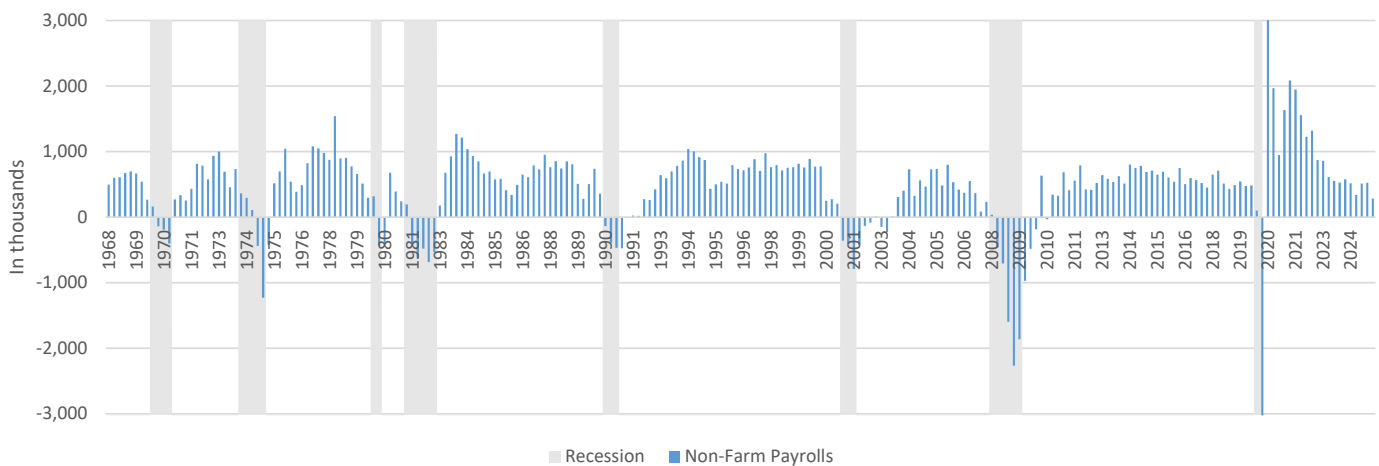


Figure 21:
Non-Farm Payrolls (Quarterly)



Economic Growth

Due to the government shutdown, most data points U.S. for Q3 have not been released. GDP growth for Q2 2025 was 3.8%, rising from last quarter's -0.6% (Figure 20). This was expected, the Q1 negative number was due to large pre-tariff purchases that pushed imports up (a subtraction from GDP) due to businesses buying inventory from overseas before tariffs hit, while Q2 had less business imports for the exact opposite reason. As of December, the Atlanta Federal Reserve's GDPNow forecasts Q3 GDP at 3.5%.

Labor Market

The national unemployment rate was 4.4% in September, the most recent release. Non-farm payrolls are still expanding, but at a more modest pace. JOLTS data continues to show low hirings, low firings (although that is accelerating), and a very low quit rate, indicating that workers are afraid to leave their jobs right now. This all points to a stagnant labor market, with the potential for a labor market recession in the near future.

Inflation

More recent data show year-over-year CPI running around 3.0% in the fall of 2025, modestly above the Federal Reserve's 2% target but well below the levels seen in 2022. Figure 25 shows that M2 money supply, which surged during COVID, has come down and is now growing at a more moderate pace. Slower M2 growth and a declining employment cost index (Figure 25) are both positive signs for inflation, but they also imply weaker wage gains for workers. Tariffs and housing costs remain key upside risks to inflation over the next several quarters.

The federal funds rate has been held in a target range around 4.25%–4.50% for much of 2025, with the national indicators table showing an average of 4.33% in Q2. Futures markets tracked by the CME FedWatch Tool now imply a high probability of a 25 basis point rate cut at the December FOMC meeting, with recent estimates putting the odds in roughly the 80%–90% range. Fed funds futures also suggest additional cuts over 2025, totaling about 75 basis points of easing by year-end, which would move the policy rate toward the 3.50%–3.75% range.

Figure 22:
Change in M2

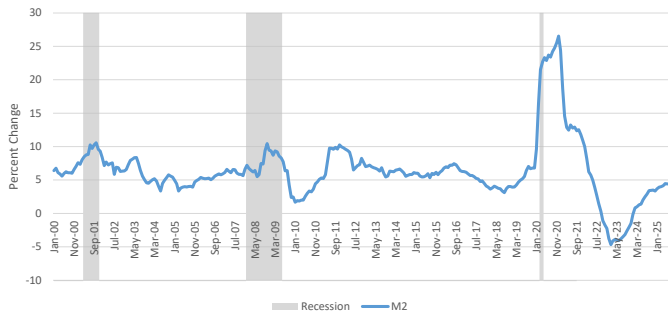


Figure 23:
University of Michigan Consumer Confidence Index

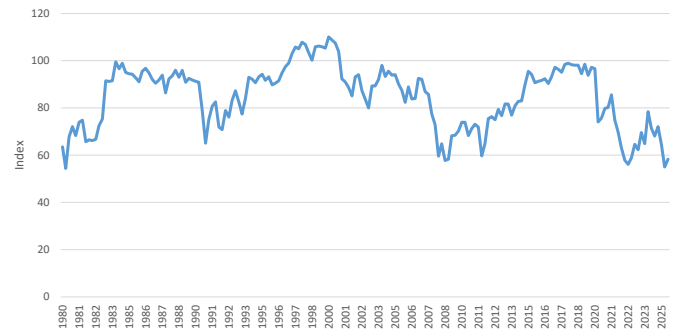


Figure 24:
Unemployment Rate

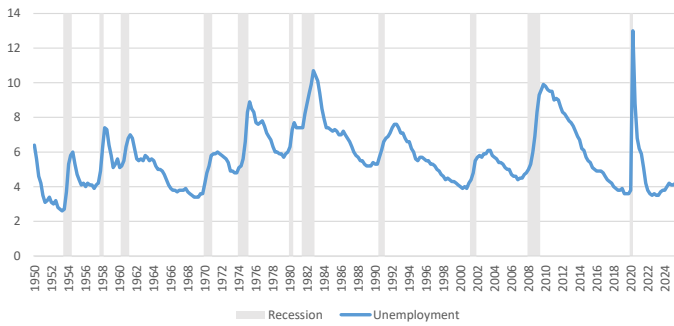
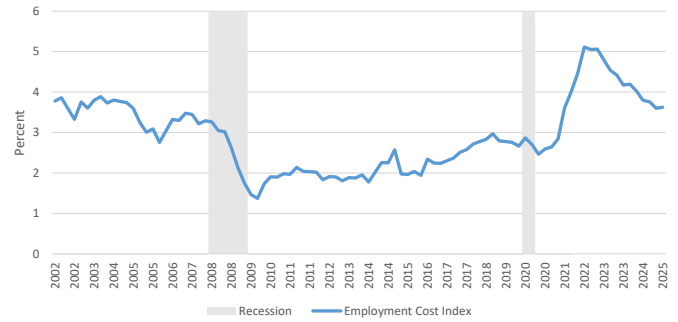


Figure 25
Employment Cost Index



The Montrose County Economic Update is compiled and written by Dr. Nathan Perry, Professor of Economics at Colorado Mesa University.

📞 970.248.1888
✉️ naperry@coloradomesa.edu



1100 North Avenue
Grand Junction, Colorado 81501-3122
970.248.1778 • 970.248.1138 (f)
coloradomesa.edu