Analysis of the

AUSTIN, TEXAS HOUSING MARKET

as of January 1, 1966

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411

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FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science the judgmental factor is important in the development of findings and conclusions. There will, of course, be differences of opinion in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst.

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Summary and Conclusions

1. Nonagricultural employment in the Austin HMA has increased during each of the last eight years, reaching a 1965 level of 94,800, or about 22,500 jobs above the 1958 level. Gains in employment have been caused by increases in the nonmanufacturing industries, principally in government, trade, and services. State and local government, representing about 34 percent of all nonagricultural employment, is the most significant segment of the Austin economy and has accounted for over 58 percent of the 1958-1965 employment gain. During the January 1, 1966 to January 1, 1968 forecast period, a nonagricultural employment increase of about 3,500 jobs is expected.

   During 1965, unemployment averaged about 2.7 percent of the total work force of the HMA, the lowest rate experienced during the 1958-1965 period. A 4.4 percent unemployment ratio, the highest of the eight-year period, occurred in 1961 during the last national recession.

2. The current median annual income of all families in the HMA, after deducting Federal income tax, is approximately \$5,750; the median after-tax income of all renter families is about \$4,150 annually. By 1968, median after-tax income is expected to rise to \$6,150 a year for all families and to \$4,300 annually for renter families.

3. The current population of the Austin HMA is approximately 260,000 persons, an increase of about 47,850 since April 1960. About 90 percent of the current population total resides within the city of Austin, which has a population of about 234,000 as of January 1966. The total population of the HMA is expected to reach 278,000 by January 1, 1968, a gain that would represent an increase of 18,000 (9,000 annually) above the 1966 level.

4. At the present time, households in the HMA number about 72,400, an increase of about 13,350 since April 1960. Over 65,150 of these (90 percent) are located in the city of Austin. By January 1, 1968, households are expected to total approximately 77,800, representing an average annual addition of about 2,700 during the two-year forecast period.

5. At present, there are about 79,150 housing units in the Austin HMA, representing a net addition of about 13,700 units (21 percent) to the housing stock, or 2,375 annually, since April 1960. This net gain resulted from the addition of about 14,800 new housing units and the loss of some 1,100 units through demolition and other inventory changes. Over 98 percent of all dwelling units authorized by building permits since 1960, or 14,000 units, were in the city of Austin. Over 60 percent of these were in single-family or duplex structures, and the remaining 40 percent were in multifamily structures. Currently, about 1,200 housing units are under construction in the HMA, including 350 single-family and duplex units and 850 multifamily units.

6. There are currently about 3,575 vacant housing units available for sale or rent in the Austin HMA. Of the total, 1,175 are available for sale only, representing a homeowner vacancy ratio of 2.6 percent, and 2,400 are vacant available rental units, representing a rental vacancy ratio of 7.7 percent. These present vacancy levels indicate some excess of vacancies in both the sales and rental markets.

7. Demand for additional housing during the January 1, 1966 to January 1, 1968 period is expected to total 2,050 units annually, including 1,450 units for sale and 600 units for rent, excluding public low-rent housing and rent-supplement accommodations.

   Annual demand for new sales housing by price class, is expected to approximate the pattern indicated on page 20. Annual demand for rental units by gross monthly rent and unit size is expected to approximate the pattern shown on page 21.

ANALYSIS OF THE
AUSTIN, TEXAS, HOUSING MARKET AREA
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Housing Market Area

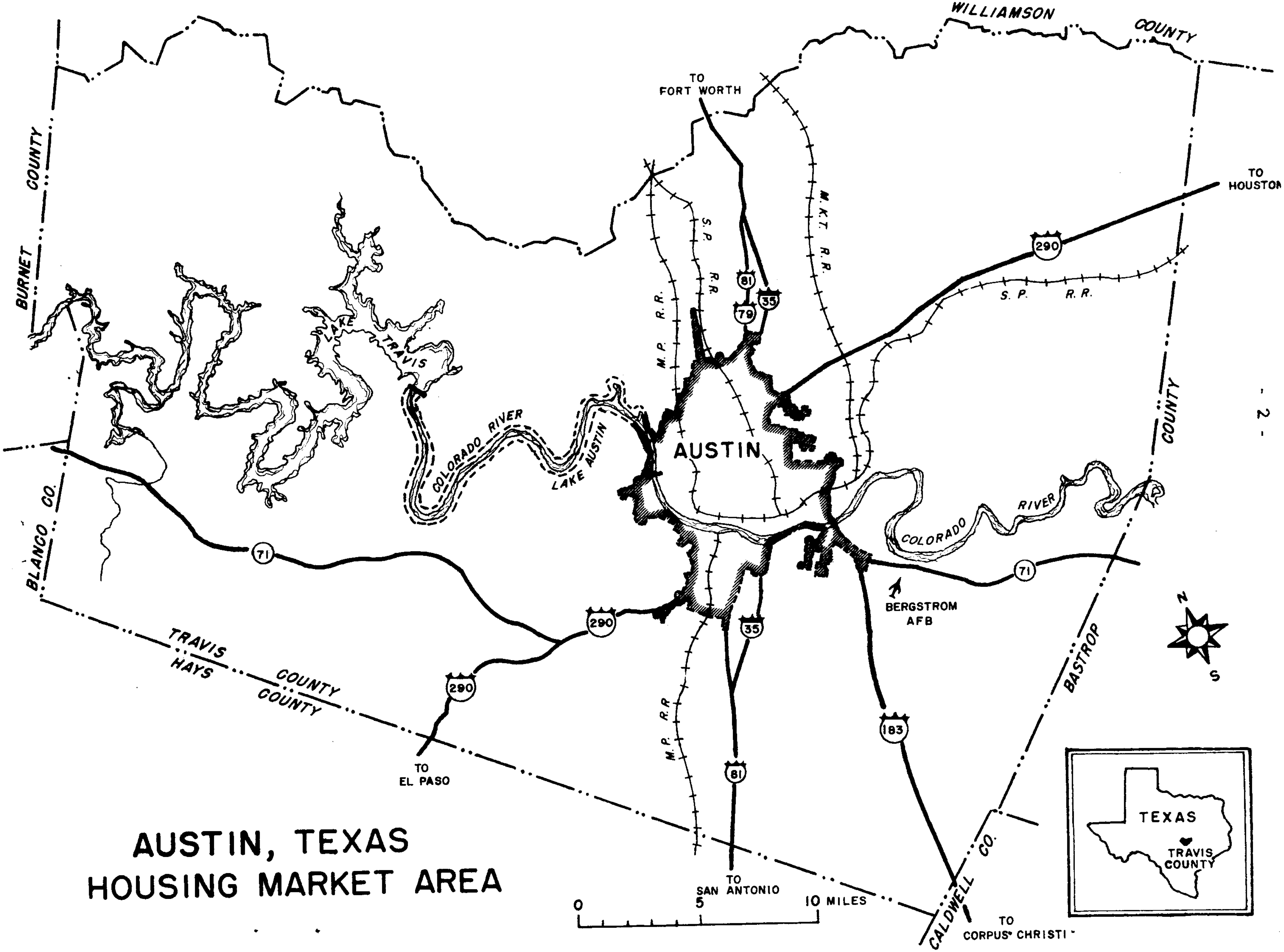
The Austin, Texas, Housing Market Area (HMA) is defined as being coterminous with Travis County (see map). The delineated area, which conforms to the Austin Standard Metropolitan Statistical Area (SMSA), contained some 212,100 people in April 1960. Austin is the county seat and only major city in Travis County, and in April 1960, it accounted for 88 percent of the total population in the HMA. In addition, there are five small incorporated areas within Travis County, none of which had a population exceeding 1,000 persons in April 1960.

Austin is located in south-central Texas about 200 miles southwest of Dallas, 160 miles west of Houston, and 75 miles northwest of San Antonio. As the location of both the State capital and the University of Texas, Austin is the center of governmental and educational activities in Texas.

Transportation facilities in the area are adequate. Air transportation to nearby cities is provided by Braniff and Trans-Texas Airlines. Three major railways (Missouri-Kansas-Texas, Missouri Pacific, and Southern Pacific) and two major bus lines (Greyhound and Continental Trailways) offer passenger and freight service to all parts of the country. In addition, Austin is served by an excellent network of Federal and State roads, including Interstate Route 35, U. S. Routes 79, 81, 183, and 290, as well as State Route 71.

The presence of the Colorado River, which flows from west to east across the county (see map) has affected significantly the development of Austin. Growth of the city has occurred primarily north of the river. The north and west sections of Austin, which are outside the military air traffic patterns and are comparatively free from commercial and industrial activity, have become the preferred residential areas.

Inasmuch as the rural farm population of the Austin HMA constituted only 2.4 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.



AUSTIN, TEXAS HOUSING MARKET AREA

Economy of the Area

Character and History

In 1839, the small village of Waterloo on the Colorado River was chosen as the location for the capital of the Republic of Texas. The capital was then renamed "Austin" in honor of Stephen F. Austin, the leader of the early settlers into the Texas territory. In 1850, five years after Texas was admitted to the Union, Austin was selected as the permanent capital of Texas.

Significant development in Austin began with completion of the first railroad in 1871 and the establishment of the University of Texas in 1883. Early economic growth was heavily dependent on the expansion of State governmental activities and on increases in enrollment at the University. This dominance by government and education has continued into the present, although attempts are being made to diversify the economy by encouraging light industry, particularly research and development operations, to locate in the area.

Employment

Current Estimate. Nonagricultural employment in the HMA totaled 97,550 as of December 1965, as reported by the Texas Employment Commission. This represents an increase of some 2,600 jobs over the December 1964 total of 94,950. Currently, about 93 percent of all nonagricultural jobs in the area are in nonmanufacturing industries.

Past Trend. During 1965, nonagricultural employment averaged 94,800, an increase of about 4,000 jobs over the 1964 average (see table I). Although the Austin area has been experiencing a steady growth in employment since 1958, the greatest year-to-year gains have occurred since 1961. In the 1961 to 1965 period, nonagricultural employment increased by 15,900 jobs, a significant gain over the 6,600 increase experienced during the 1958 to 1961 period. As indicated in the following table, over 95 percent of the employment increase since 1958 occurred in nonmanufacturing industries.

Trend of Nonagricultural Employment
Austin, Texas, HMA, 1958-1965
(Annual averages)

Year	Manu-facturing	Nonmanu-facturing	Total	Annual change Number	Annual change Percent
1958	5,600	66,700	72,300	-	-
1959	5,900	69,100	75,000	2,700	3.7
1960	6,000	70,800	76,800	1,800	2.4
1961	5,900	73,000	78,900	2,100	2.7
1962	5,850	78,150	84,000	5,100	6.5
1963	5,900	80,900	86,800	2,800	3.3
1964	6,200	84,600	90,800	4,000	4.6
1965	6,500	88,300	94,800	4,000	4.4

Source: Texas Employment Commission.

Employment by Industry. Manufacturing employment averaged 6,500 in 1965. This represents a gain of 900 jobs since 1958, with two-thirds of the increase occurring over the last two years. Manufacturing employment in the area is a relatively minor proportion of total employment, however, and has dropped from eight percent of total nonagricultural employment in 1958 to seven percent currently.

In 1965, nonmanufacturing employment averaged 88,300, or a gain of 21,600 jobs over the 1958 total of 66,700. As with total nonagricultural employment, over 70 percent of the 1958-1965 increase has occurred since 1962. In addition, 94 percent of the nonmanufacturing gain was within the three major employment sources (government, trade, and service).

Government employment, which accounts for 37 percent of all nonagricultural employment and about 40 percent of all nonmanufacturing employment, averaged about 35,100 in 1965. Of this total, Federal government represented 3,100 jobs. During the 1958-1965 period, increases in Federal employment were nominal until 1965 when the Internal Revenue Service established a service center in the area, causing an increase of about 500 jobs. State and local government, with an average employment of 32,000 in 1965, is the most significant segment of the Austin economy. Annual employment gains in this category have fluctuated from a low of 100 in 1958 to a high of 4,400 in 1962. Since 1962, however, the average annual increase in employment has declined each year (2,700 in 1963, 2,100 in 1964, and 1,300 in 1965). A sizeable portion of the State and local government employment gains throughout the 1958-1965 period, and particularly during 1962, is attributed to expansion of the University of Texas, the largest employer in the area. As enrollment has increased (see table III), the University has more than doubled its employment. Currently, employment at the University is approximately 8,000, an increase of about 4,300 since 1960.

Wholesale and retail trade employment averaged 18,800 in 1965, an addition of 2,300 jobs since 1958. In this period, employment gains were experienced each year, with the exception of 1961 and 1962. The slight decline over these two years (about one percent), in part, reflected the 1960-1961 national recession.

Employment in services has increased by 3,600, from 11,900 in 1958 to 15,500 in 1965. Between 1958 and 1962, employment gains in this segment averaged about 500 each year. However, there was an increase of only 100 jobs in 1963. The largest employment gains of the entire 1958-1965 period were experienced in 1964 and 1965, when employment in services increased by 700 and 900, respectively.

Employment Participation Rate. The ratio of employment to total population is termed the employment participation rate. Census data indicate that this ratio was 35.61 percent in 1960, a slight increase from the 1950 rate of 34.27 percent. The cause of an increasing participation rate is a rate of employment growth which is greater than that of population. The rate of the increase in the participation rate has declined since 1960; further gains are not expected.

Military Employment. Bergstrom Air Force Base, located southeast of Austin, is presently under the Strategic Air Command. A unit of the Second Air Force, Bergstrom is the home of the 340th Bomb Wing, the 486th Bomb Squadron, and 910th Air Refueling Squadron. The primary mission of the unit is to provide defense and support of the Second Air Force and other Strategic Air Command Units. In addition, the 4th Missile Battalion (Nike-Hercules) 7th Artillery of the Army Air Defense Command is headquartered at Bergstrom to protect the retaliatory forces stationed there.

In line with recent Department of Defense announcements, Bergstrom is undergoing a change in mission. The Army 4th Missile Battalion will be deactivated by June 30, 1966. Bergstrom will leave the Strategic Air Command on January 1, 1967 and become a Tactical Air Command base. Plans also call for the base later to become headquarters for the entire 12th Air Force and its bases and units west of the Mississippi River. When these changes are completed, the primary mission of the base will be to provide support of ground troops.

The latest available strength figures for Bergstrom Air Force Base indicate a total of some 4,000 military personnel. Over the past six years military strength has not changed significantly. With the expected changes in mission, however, an additional 1,000 men may be stationed at the base by June 30, 1968. Civilian employment in military-connected jobs currently totals about 600 persons, including 400 who work for the Air Force and 200 who work for the Army. Since the mid-1950's, there has been little change in the number of military-connected civilian personnel in the area.

Unemployment

Austin is an area of moderate to low unemployment. During 1965, an average of 2,700 persons, or 2.7 percent of the civilian work force, were unemployed. This rate is the lowest experienced in the area in the 1958-1965 period. Although high rates of 4.2 percent in 1958 and 1960 and 4.4 percent in 1961 occurred during the past two national recessions, the Austin unemployment rate has been continually below that of both the Nation and Texas. Since the present unemployment is considered to be minimal, a substantial decline from the current rate is not expected during the forecast period.

Future Employment

Total nonagricultural employment is expected to increase by about 3,500 jobs annually during the January 1, 1966 to January 1, 1968 forecast period. This increase is below the 1964-1965 average increase of 4,000 a year, but approximates the 1960-1965 average of 3,600 a year. The reduction from the 1964-1965 average is based on the fact that although State and local governmental facilities are continuing to be expanded in Austin, the rate of growth is not as rapid as during the early 1960's. In addition, some of the recent causes for growth are not likely to recur; for example, the establishment of a service center by the Internal Revenue Service. Employment gains during the forecast period will occur primarily in government, trade, and services.

Income

The current median annual income, after deduction of Federal income tax, is approximately $5,750 for all families, and $4,150 for renter families in the Austin HMA. By January 1968, the all family and renter family annual income medians are expected to rise to $6,150 and $4,300, respectively. At present, about 31 percent of all families and 48 percent of renter families receive an after-tax income under $4,000 annually, while 17 percent of all families and six percent of the renter families have an annual after-tax income exceeding $10,000. Distributions of families by income classes and tenure are presented in table II.

Demographic Factors

Population

Current Estimate. As of January 1, 1966, the population of the Austin HMA totals about 260,000, an average increase of about 8,325 a year since April 1, 1960. About 90 percent of the total, or 234,000 persons, currently reside within the city of Austin. The present population of the city of Austin indicates an increase of some 47,450 persons since April 1, 1960. A portion of this increase is attributed to the annexation of about ten square miles by the city during the April 1960 to January 1966 period. The following table presents the over-all population changes since 1950.

Trend of Population Growth
Austin, Texas, HMA
April 1, 1950 to January 1, 1968

Date	Total population	Average annual change
April 1, 1950	160,980	-
April 1, 1960	212,136	5,116
January 1, 1966	260,000	8,325
January 1, 1968	278,000	9,000

Sources: 1950 and 1960 Censuses of Population.
1966 and 1968 estimated by Housing Market Analyst.

Past Trend. During the April 1, 1950 to April 1, 1960 decade, the population of the Austin HMA increased from nearly 161,000 to over 212,100, an average gain of about 5,125 annually. The city of Austin grew by nearly 54,100, from almost 132,500 in April 1950 to about 186,500 in April 1960. Approximately 70 percent of this growth resulted from annexations by the city.

Future Population. Based on the past trend of population growth and the employment gains expected to occur in the Austin HMA during the next two years, it is estimated that total population will reach 278,000 by January 1, 1968, an average gain of some 9,000 persons a year. Most of the population growth will occur within the city of Austin.

Natural Increase and Migration. During the April 1, 1950 to April 1, 1960 period, net natural increase (excess of resident births over resident deaths) accounted for about 63 percent of the total population gain in the Austin area, with net in-migration accounting for the remaining 37 percent. Between April 1960 and January 1966, only

46 percent of the population gain resulted from net natural increase, whereas 54 percent resulted from net in-migration. This increased proportion of net in-migration, as compared with that of the 1950-1960 decade, is the effect of a decrease in birth rates and an increase in employment opportunities in the early 1960's, in addition to an increased rate of enrollment at the University. The following table presents the components of population change for the HMA.

Components of Population Change
Austin, Texas, HMA
April 1, 1950 to January 1, 1966

Source of change	April 1, 1950 to April 1, 1960	April 1, 1960 to January 1, 1966
Net natural increase	32,116	21,950
Net in-migration	19,040	25,914
Total population change	51,156	47,864

Sources: 1950 and 1960 Censuses of Population. Texas State Department of Health. Estimates by Housing Market Analyst.

University Population. During the 1950-1960 decade, enrollment increase at the University of Texas was moderate, with a gain of about 3,050 over the ten-year period (see table III). Enrollment expansion has become more rapid, however, and the student population has increased by about 7,500 since 1960. Currently, an estimated 28,000 students attend the University, as compared with some 20,500 in 1960, and about 17,450 in 1950. An additional 1,500 students a year are expected to enroll at the University during the forecast period.

Population in Group Quarters. Nonhousehold population is comprised of those persons living in institutions, dormitories, rooming houses, barracks, etc. The 1960 nonhousehold population of the Austin HMA totaled 19,900, the majority of whom were students residing in University residence halls, fraternity and sorority houses, and boarding homes. Because of the rapid increase in student enrollment since 1960, there has been an increased intensity of utilization of those quarters that serve students. Based on this consideration, current nonhousehold population is estimated at 25,300, or about 5,400 above the 1960 level.

Households

Current Estimate. Currently, there are approximately 72,400 households (occupied housing units) in the Austin HMA, an average gain of about 2,325 a year since the April 1960 total of 59,050. About 90 percent of these households are located within the city of Austin. The following table presents the over-all household changes since 1950.

Trend of Household Growth
Austin, Texas, HMA
April 1, 1950 to January 1, 1968

Date	Total households	Average annual change
April 1, 1950	42,508	-
April 1, 1960	59,056	1,655
January 1, 1966	72,400	2,325
January 1, 1968	77,800	2,700

Sources: 1950 and 1960 Censuses of Housing.
1966 and 1968 estimated by Housing Market Analyst.

Past Trend. During the April 1, 1950 to April 1, 1960 decade, the number of households in the Austin HMA increased from 42,500 to over 59,050, an average annual gain of about 1,650. The increase in households between 1950 and 1960 reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census. About 84 percent of all households in 1950 were in Austin, as compared with nearly 89 percent in 1960.

Household Size Trends. The average number of persons per household in the Austin HMA has been decreasing since 1950. Average household size declined from 3.33 persons per household in April 1950 to an average size of 3.26 in April 1960. This downward trend has continued until the present, although at a slower rate, and is expected to decrease moderately during the 1966-1968 forecast period.

Future Households. Based on the anticipated growth in population and on household size trends evident in the area, there will be a total of approximately 77,800 households by January 1, 1968. This represents an average gain of 2,700 households annually during the two-year forecast period.

Military Households. The March 1965 family housing survey conducted at Bergstrom Air Force Base indicated that about 2,025 military households were residing in the Austin HMA. Of these, about 550 (27.2 percent) lived in military-controlled housing, and 1,475 (72.8 percent) resided off base in private housing units located primarily in the city of Austin. During the January 1, 1966 to January 1, 1968 forecast period, the number of military households is expected to increase modestly.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. At present, there are about 79,150 housing units in the Austin HMA. This total represents a net addition to the housing stock of about 13,700 units (21.3 percent), or about 2,375 annually since April 1, 1960. The net addition of 13,700 units resulted from construction of 14,800 new units and the net loss of 1,100 units by demolition, fire, conversion, and other losses. During the 1950-1960 decade, the number of housing units increased from about 45,950 to over 65,450, a gain of some 19,550 (42.6 percent), or 1,950 annually. Part of this increase may have resulted from a census definitional change from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

Type of Structure. Currently, about 80.5 percent of the housing inventory of the Austin HMA is in single-family units. This represents a reduction in the proportion of single-family structures in the housing inventory since April 1960 when the ratio was 86.4 percent. The substantial addition of units in structures of five units or more has caused this reduction in the proportion of single-family structures, while increasing the percentage of multifamily units in the inventory from five percent in April 1960 to eleven percent in January 1966. As indicated in the following table, the proportion of units in two-family structures increased slightly during the April 1960 to January 1966 period; whereas the proportion of units in three- and four-family structures decreased.

Housing Inventory by Units in Structure
Austin, Texas, HMA
April 1960 and January 1966

Units in structure	April 1, 1960 Number	Percent	January 1, 1966 Number	Percent
1 unit[a]	56,528	86.4	63,750	80.5
2 units	3,545	5.4	4,600	5.8
3 and 4 units	2,076	3.2	2,125	2.7
5 or more units	3,290	5.0	8,675	11.0
Total	65,439	100.0	79,150	100.0

a/ Includes trailers.

Sources: 1960 Census of Housing.
1966 estimated by Housing Market Analyst.

Age of Structure. About 72 percent of the current housing inventory has been built since 1940, indicating the rapid post-World War II development of the Austin area. The following table presents a detailed description of the housing inventory by age of structure.

Housing Inventory by Age of Structure
Austin, Texas, HMA
January 1966

Year built[a/]	Number of units	Percentage distribution
April 1960-January 1966	14,800	18.7
1950-March 1960	26,050	32.9
1940-1949	16,150	20.4
1930-1939	10,550	13.3
1929 or earlier	11,600	14.7
Total	79,150	100.0

a/ The basic 1960 data reflect an unknown degree of error in "year built" occasioned by the accuracy of response to census enumerators' questions as well as errors caused by sampling.

Sources: 1960 Census of Housing, adjusted to reflect demolitions.
Bureau of the Census, C-40 Construction Reports.
Estimates by Housing Market Analyst.

Condition of the Inventory. Currently, about 8,750 housing units (11.0 percent) in the Austin HMA are dilapidated or lack one or more plumbing facilities, representing an improvement over the April 1960 rate of 15 percent. During the 1950-1960 decade, the condition of the inventory improved considerably, as the proportion of units dilapidated or lacking one or more plumbing facilities declined from 34 percent to 15 percent. Because the 1950 Census of Housing did not classify "deteriorating" units separately, however, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" by 1960 enumeration procedures. The improving condition of the Austin housing inventory is a result of the demolition of substandard units, and the fact that over 51 percent of the housing supply has been constructed since 1950.

Value and Rent. As reported by the Census of Housing, the median value of all owner-occupied units was $10,800 in 1960. An increase in the construction of homes in the $15,000 and over price class, the demolition of substandard housing, and the general increase in price levels since 1960 have raised the median value of owner-occupied units to above $11,500 at the present time.

The median monthly gross rent (contract rent plus utilities and services), as reported by the 1960 Census of Housing, was about $65. Because of the increase in multifamily construction, primarily moderate- and high-rent units, and the general increase in rents, the estimated median gross rent exceeds $80 a month currently.

Residential Building Activity

Past Trend. Building permits, which are issued by the city of Austin and three small incorporated areas, cover virtually all recent residential building activity. Between January 1, 1960 and January 1, 1966, about 15,650 private housing units were authorized by building permits for construction in the Austin HMA. In addition, about 150 private housing units were added in areas for which building permits are not issued, and 200 public low-rent units were authorized. As shown in table IV, over 98 percent of all dwelling units authorized by building permits since 1960 were in the city of Austin. Because 1950-1960 building permit data for the three small incorporated areas are not available, all subsequent discussion of building permit activity will refer only to the city of Austin.

Since 1950, the number of permits issued has fluctuated considerably from year to year. During the 1950-1960 decade, an annual average of 1,750 private housing units were authorized for construction, but the yearly totals varied from over 2,825 in 1950 to 1,200 in 1957. Since 1960, an average of about 2,575 housing units have been authorized annually. The annual volume ranged from a low of 1,625 in 1960 to a high of 3,650 in 1963. Since 1963, the annual volume has declined to 2,725 in 1964, and to 2,500 in 1965.

New Construction by Type of Structure. Over 8,450 (54.9 percent) of the 15,400 units authorized in the city of Austin between 1960 and 1965 were in single-family structures, 1,300 units (8.4 percent) were in duplexes, and about 5,650 (36.7 percent) were in multifamily structures of three or more units. Since 1960, the number of single-family units authorized annually rose moderately until 1965 when the total declined by 300. In this same six-year period, units authorized in multifamily structures have increased rapidly since the 1960 low of about 270. In 1963, nearly 1,850 units, or 50.6 percent of the total authorized, were in multifamily structures. During the last two years, multifamily units authorized have averaged about 975 a year. The high level of multifamily construction in recent years has been stimulated primarily by the in-migration of young people who attend the University or who are attracted by job opportunities in government.

The number of new housing units authorized by building permits by type of structure since 1960 is presented in the following table.

Private Units Authorized by Building Permits by Type of Structure
Austin City, Texas
January 1, 1960 - January 1, 1966

		Type of structure		
Year	All units	Single-family	Two-family	Multifamily
1960	1,626	1,234	122	270
1961	2,165	1,417	176	572
1962	2,744	1,536	208	1,000
1963	3,655 a/	1,514	298	1,843 a/
1964	2,737	1,550	232	955
1965	2,491	1,215	276	1,000

a/ Excludes 200 units of public housing.

Source: Bureau of the Census, Construction Reports, C-40.

Units Under Construction. On the basis of building permit data and the postal vacancy survey conducted in December 1965, it is estimated that there are about 1,200 housing units under construction at the present time. This total includes about 350 single-family units and 850 multifamily units including 200 units of public housing. Most of these new units are being built in the city of Austin.

Demolitions. Since April 1960, approximately 1,100 housing units were removed from the Austin housing stock. The majority of the units lost through demolition were in the city of Austin and were generally substandard single-family houses removed as a result of code enforcement or urban renewal activity. Other units have been removed from the inventory through conversions, fire loss, and other changes in the housing supply. Because of the increasing urban renewal activity in the area, the number of demolitions is expected to total about 600 during the January 1966 to January 1968 forecast period.

Tenure of Occupancy

Current Estimate and Past Trend. As of January 1, 1966, there are approximately 72,400 occupied housing units in the Austin HMA, of which 43,600 (60 percent) are owner-occupied and 28,800 (40 percent) are renter-occupied. This current tenure represents a slight shift to renter occupancy since April 1960 as a result of the increase in multifamily construction. In contrast, as seen in table V, during the April 1950-April 1960 decade, renter occupancy decreased from about 47 percent to nearly 40 percent, although the absolute number of renter-occupied units increased from over 19,800 to 23,400.

Vacancy

1960 Census. There were about 3,150 nondilapidated, nonseasonal vacant available housing units in April 1960 in the Austin area, equal to 5.1 percent of the total inventory. Of these, about 1,025 were available for sale, a homeowner vacancy rate of 2.8 percent; the remaining 2,125 were available for rent, or a rental vacancy rate of 8.3 percent. Of these available vacant units, however, 50 (4.9 percent) of the sales units and about 240 (11.3 percent) of the rental units were lacking some or all plumbing facilities. The trend of vacancies since 1950 is presented in table V.

Postal Vacancy Survey. A postal vacancy survey was conducted in the area on December 19, 1965 covering over 74,500 total possible deliveries or about 94 percent of the current housing inventory. The survey reported a total of about 2,325 (3.8 percent) vacant residences and 1,125 (8.4 percent) vacant apartments. Lowest vacancy rates were exhibited in the area served by the East Austin Station. In this area, the survey reported a 3.2 percent residence vacancy rate, and a 4.0 percent apartment vacancy rate. Vacancy rates were considerably higher throughout the remainder of the area, as shown in table VI.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of the postal vacancy survey, vacancy data available in the HMA, and observation, there are currently about 3,575 vacant nondilapidated, nonseasonal housing units available in the Austin area. Of this number 1,175 are available for sale, or a homeowner vacancy rate of 2.6 percent. The remaining 2,400 are available for rent, a renter vacancy rate of 7.7 percent. Making allowance for units lacking plumbing facilities, and other units not competitive in the market, the current vacancy ratios indicate some excess of vacancies in both the sales and rental markets.

Sales Market

General Market Conditions. In the Austin HMA, the market for new and existing sales housing, both single-family and duplex structures, is relatively strong, although there was some cutback of sales construction this past year, and a moderate surplus of sales units does exist. As indicated by the 1960 and current homeowner vacancy ratios of 2.8 percent and 2.6 percent, respectively, and by a comparison of the unsold inventory surveys conducted yearly since 1963, the condition of the sales market has shown some improvement since 1960.

Most of the new sales construction in the area has been in subdivisions in or near the city of Austin. Generally, new homes are priced between $12,500 and $25,000, although the most popular price ranges are $12,500 to $15,000 and $20,000 to $25,000. It is judged that over 80 percent of all sales housing in the area is built speculatively.

Unsold Inventory of New Houses. In December 1965, the FHA Insuring Office in San Antonio surveyed 68 subdivisions in the HMA in which five or more houses were completed in the eleven months preceding the survey. Of the total completions, 14 percent was sold before construction started. Of the speculatively-built units, 17.5 percent remained unsold as of December 1, 1965. In addition, 61 houses that have been completed for over twelve months remain unsold.

Similar surveys were conducted in January 1964 and January 1965. The earlier survey, which covered 44 subdivisions, reported that 17 percent of the units completed in 1963 were sold before construction started; the remaining 83 percent were speculative completions, of which nearly 28 percent remained unsold as of the date of the survey. In the January 1965 survey, 69 subdivisions were covered. About 17 percent of the houses completed were sold prior to construction. Of the 83 percent which were speculatively built, about 31 percent remained unsold.

The following table shows the percentage distribution by sales price ranges of the new sales housing completed during the first eleven months of 1965, as reported by the unsold inventory survey of December 1, 1965. Of the total completions, nearly 50 percent were in the $15,000 to $25,000 price range, about ten percent were below $12,500 in price, and eleven percent were priced at $30,000 or more.

Percentage Distribution of Sales Houses Completed During 1965a/
By Price Class and Sales Status
Austin, Texas, HMA

Sales price	Total completions	Percent of completions presold	Percent of completions built speculatively	Percent of speculative construction unsoldb/
Under $12,499	10.4	14.7	85.3	23.2
$12,500 - 14,999	18.9	9.0	91.0	20.7
15,000 - 17,499	13.5	11.3	88.7	19.5
17,500 - 19,999	13.7	11.5	88.5	18.3
20,000 - 24,999	22.1	12.4	87.6	10.6
25,000 - 29,999	10.5	16.6	83.4	20.1
Over $30,000	10.9	27.8	72.2	14.1
Total	100.0	13.9	86.1	17.5

a/ January through November.
b/ As of December 1, 1965.

Source: Unsold Inventory Survey of New Houses conducted by the FHA Insuring Office, San Antonio.

Rental Market

General Market Conditions. Multifamily housing is being constructed in the city of Austin, with the majority located near the State Capitol and University areas to accommodate the influx of government employees and students. Currently, the rental market in the HMA is somewhat soft, with available vacancies found in all types of rental housing. A large portion of these vacancies are found in the two- and three-story walk-up projects that have been completed since 1962. Some of these projects, with gross rents averaging about $120 for one-bedroom units, and $140 for two-bedroom units, are experiencing vacancy rates of 20 percent or more. One-story garden-type apartments, with somewhat lower rents, have been generally more successful, as have the few high-rise structures that have been built.

Informed local sources feel that multifamily construction in Austin has exceeded the absorptive capacity of the market. There is indication that some cutback in apartment building over the next two years is warranted, not only because of recent overbuilding, but because of plans by the University to construct 200 units of married student housing by mid-1966, and a 2,400 student capacity dormitory to be completed by the fall of 1968.

Urban Renewal Activity

Currently, there are four urban renewal projects in the HMA, all of which are located in the city of Austin. Survey and planning applications for three of the projects have been approved, one of which is in execution.

The Kealing Urban Renewal Project is located in a residential section of east Austin. The area is bounded by East 12th Street on the north, Chicon Street on the east, Rosewood Avenue on the south, and Angelina Street on the west. Property acquisition, family relocation, and demolition of substandard housing are now underway, with about 50 more units to be demolished this year. The predominant re-use of the area will be residential, and it is expected that the project will be substantially completed in the fall of 1966.

The Brackenridge Urban Renewal Project involves the area around Brackenridge Hospital. The survey and planning application was approved in December 1965 and planning has now begun. The Brackenridge Project proposals include the elimination of substandard housing (about 75 units during the forecast period), the expansion of Brackenridge Hospital, and the location of allied medical and health facilities in the area.

<u>The Glen Oaks Urban Renewal Project</u> is situated in east Austin and is part of the <u>Capitol City East General Neighborhood Renewal Area</u>. The area boundaries are East 12th Street on the north; Hargrave Street, Neal Street, Stokes Drive, and Tillery Street on the east; East 7th Street on the south; and Northwestern Avenue and Chestnut Street on the west. The area was chosen for urban renewal to eliminate blight and to provide relief from flooding caused by Boggy Creek. The planning of this project is in the final stages. During the forecast period, about 375 dwelling units are scheduled to be demolished.

<u>The Blackshear Urban Renewal Project</u> is located immediately south of the Kealing Project. Its boundaries are Rosewood Avenue to the north, Chicon Street to the east, East 7th Street to the south, and Comal Street to the west. At present, the survey and planning application has been submitted and is pending approval. The primary objective of this project is the clearance of substandard structures and the redevelopment of the residential area. It is anticipated that demolition will begin in 1967 with the elimination of about 50 units.

<u>Public Housing</u>

All public housing units in Austin are in Federally-aided low-rent projects. At present, there are about 850 public housing units in the HMA of which 700 are located in east Austin. In addition, two projects for the elderly, containing a total of 200 units, are under construction.

Demand for Housing

Quantitative Demand

The demand for new housing in the Austin HMA is based on the projected household growth of 2,700 annually, on the net number of housing units expected to be lost by demolitions, conversion, fire, and other inventory changes, on the current tenure composition, and on the probability that some part of the demand for rental units will be supplied by single-family houses shifting from owner occupancy to renter occupancy and the construction of family housing by the University. Attention also is given to the need to reduce vacancies to a level that reflects a better demand-supply balance in the market. Giving consideration to these factors, an annual demand for 2,050 housing units is projected during the next two years. Approximately 1,450 units represent annual demand for sales housing and 600 represent annual demand for rental housing, including 230 middle-income rental units that may be marketed only at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations.

The projected annual demand for 1,450 sales units represents a slight reduction from the average of some 1,700 single-family houses and duplexes1/ authorized each year by building permits since January 1960, including those few built in areas outside permit-issuing places, but is about equal to the total authorized during 1965. In view of the current homeowner vacancy ratio, maintenance of the 1965 construction level during the forecast period would be advisable to effect a more satisfactory demand-supply relationship in the sales housing market.

The projected annual demand for 600 rental units is somewhat below the average of about 940 multifamily units authorized each year since 1960, and is substantially under the 1963-1965 annual average of nearly 1,275 units. Because of the existing excess of vacant rental units and the housing construction plans of the University of Texas, a reduction in volume is considered necessary to provide reasonable balance in the rental market by the end of the forecast period.

Qualitative Demand

Sales Housing. The expected distribution of the annual demand for 1,450 units of new sales housing is shown in the following table. The distribution is based on ability to pay, as measured by current family income

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1/ Semi-detached units individually sold.

and the ratio of sales price to income typical in the area, and on recent market experience. Acceptable sales housing in the Austin area cannot be produced to sell below $8,000.

Estimated Annual Demand for New Sales Housing by Price Class
Austin, Texas, HMA
January 1, 1966 to January 1, 1968

Sales price	Total demand Number	Total demand Percent
$ 8,000 - $10,499	75	5
10,500 - 12,499	100	7
12,500 - 14,999	290	20
15,000 - 17,499	220	15
17,500 - 19,999	200	14
20,000 - 24,999	290	20
25,000 - 29,999	100	7
30,000 and over	175	12
Total	1,450	100

The foregoing distribution differs from that on page 18, which reflects only selected subdivision experience during the year 1965. It must be noted that the 1965 data do not include new construction in subdivisions with less than five completions during the year, nor do they reflect individual or contract construction on scattered lots. The preceding demand estimate reflects all home building and indicates a greater concentration in some price ranges than a subdivision survey would reveal.

Rental Housing. The monthly rental at which privately-owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition, excluding public low-rent housing and rent-supplement accommodations. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Based on current construction and land costs, the minimum gross monthly rents achievable without public benefits or assistance in financing or land acquisition are judged to be $75 for efficiencies, $90 for one-bedroom units, $110 for two-bedroom units, and $125 for three- or more-bedroom units in the Austin HMA.

Estimated Annual Demand for New Rental Units by All Households
By Gross Monthly Rent and Unit Size
Austin, Texas, HMA
January 1, 1966 to January 1, 1968

Gross monthly rent[a]	Size of unit: Efficiency	One bedroom	Two bedrooms	Three or more bedrooms
$ 60 and over	75	-	-	-
65 " "	70	-	-	-
70 " "	65	260	-	-
75 " "	60	230	-	-
80 " "	60	210	-	-
85 " "	55	180	200	-
90 " "	50	175	180	-
95 " "	45	160	150	65
100 " "	40	145	130	60
105 " "	40	140	115	50
110 " "	35	130	105	45
115 " "	35	125	100	40
120 " "	30	115	90	35
125 " "	30	110	85	30
130 " "	25	95	75	30
140 " "	20	80	65	25
150 " "	15	70	55	20
160 " "	10	55	40	20
180 " "	-	35	30	15
200 " "	-	30	25	10
220 " "	-	-	20	5

a/ Gross rent is shelter rent, plus the cost of utilities.

Note: The above figures are cumulative and cannot be added vertically. For example, demand for one-bedroom units at rents from $100 to $115 is 20 units (145 minus 125).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, they represent patterns for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general patterns in response to specific neighborhood or sub-market requirements.

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in the other economic segments, they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Table I

Civilian Work Force Components
Austin, Texas, HMA, 1958-1965
(Annual average in thousands)

Components	1958	1959	1960	1961	1962	1963	1964	1965
Civilian work force	77.8	80.0	82.5	84.7	88.6	91.7	95.3	99.0
Unemployment	3.3	2.7	3.5	3.7	3.0	3.3	2.9	2.7
Percent of work force	4.2%	3.4%	4.2%	4.4%	3.4%	3.6%	3.0%	2.7%
Agricultural employment	2.2	2.3	2.2	2.1	1.6	1.6	1.6	1.5
Nonagricultural employment	72.3	75.0	76.8	78.9	84.0	86.8	90.8	94.8
Manufacturing	5.6	5.9	6.0	5.9	5.8	5.9	6.2	6.5
Durable goods	2.3	2.5	2.5	2.4	2.3	2.5	2.7	2.9
Nondurable goods	3.3	3.4	3.5	3.5	3.5	3.4	3.5	3.6
Nonmanufacturing	66.7	69.1	70.8	73.0	78.2	80.9	84.6	88.3
Agricultural services a/	.5	.5	.4	.4	.3	.3	.3	.3
Contract construction	5.6	6.0	6.0	5.6	6.1	5.6	5.6	5.9
Trans., comm., & util.	2.9	3.0	3.0	2.9	2.9	2.9	2.9	3.0
Trade	16.5	17.2	17.6	17.6	17.4	17.8	18.5	18.8
Wholesale	3.3	3.3	3.5	3.5	3.5	3.5	3.6	3.6
Retail	13.2	13.9	14.1	14.1	13.9	14.3	14.9	15.2
Fin., ins. & real estate	4.2	4.2	4.3	4.5	4.6	4.7	4.9	5.1
Services	11.9	12.4	12.9	13.4	13.8	13.9	14.6	15.5
Government	20.8	20.9	21.7	23.7	28.3	31.1	33.3	35.1
Federal	1.9	1.9	2.0	2.2	2.4	2.5	2.6	3.1
State & local	18.9	19.0	19.7	21.5	25.9	28.6	30.7	32.0
Other	4.4	4.9	4.9	4.9	4.7	4.5	4.5	4.5

Note: Components may not add to totals because of rounding.
a/ Includes mining.

Source: Texas Employment Commission.

Table II

Estimated Percentage Distribution of Families by Annual Income
After Deduction of Federal Income Tax
Austin, Texas, HMA
1966 and 1968

Income	1966 annual rate				1968 annual rate			
	All families		Nonwhite families		All families		Nonwhite families	
	All	Renter	All	Renter	All	Renter	All	Renter
Under $3,000	19	32	44	52	18	30	43	50
$ 3,000 - 3,999	12	16	20	21	11	16	18	20
4,000 - 4,999	11	13	13	12	9	13	14	13
5,000 - 5,999	10	11	9	6	11	10	9	7
6,000 - 6,999	10	9	6	4	10	9	6	4
7,000 - 7,999	8	6	3	1	10	7	3	2
8,000 - 8,999	7	5	1	1	7	5	2	1
9,000 - 9,999	6	2	1	1	5	3	1	1
10,000 - 12,499	7	3	1	1	7	4	2	1
12,500 - 14,999	4	3	2	1	4	3	2	1
15,000 and over	6				8			
Total	100	100	100	100	100	100	100	100
Median	$5,750	$4,150	$3,300	$2,925	$6,150	$4,300	$3,400	$3,000

Source: Estimated by Housing Market Analyst.

Table III

Trend of Enrollment of the University of Texas
Main University, Austin, Texas
1950-1965

Long session	Total enrollment a/	Long session	Total enrollment a/
1950 - 1951	15,984	1958 - 1959	19,925
1951 - 1952	14,157	1959 - 1960	20,461
1952 - 1953	14,456	1960 - 1961	21,368
1953 - 1954	15,732	1961 - 1962	22,320
1954 - 1955	18,083	1962 - 1963	22,366
1955 - 1956	19,467	1963 - 1964	24,499
1956 - 1957	19,937	1964 - 1965	26,287
1957 - 1958	19,002	Fall 1965	28,000

a/ Total enrollment includes the number of Main University students registered on the 12th class day of the first semester plus the number of new students registered on the 12th class day of the second semester, excluding extension students.

Source: Office of the Registrar, University of Texas.

Table IV

Private Dwelling Units Authorized by Building Permits
Austin, Texas, HMA
1950-1965

Year	Austin	Manor	Rollingwood	West Lake Hills	Total HMA
1950	2,837	NA	NA	NA	2,837
1951	1,288 a/	NA	NA	NA	1,288 a/
1952	1,643	NA	NA	NA	1,643
1953	1,316	NA	NA	NA	1,316
1954	1,839	NA	NA	NA	1,839
1955	1,928	NA	NA	NA	1,928
1956	1,549	NA	NA	NA	1,549
1957	1,205	NA	NA	NA	1,205
1958	1,758	NA	NA	NA	1,758
1959	2,140	NA	NA	NA	2,140
1960	1,626	4	21	5	1,656
1961	2,165	-	-	41	2,206
1962	2,744	12	25	28	2,809
1963	3,655 b/	13	25	26	3,719 b/
1964	2,737	6	14	18	2,775
1965	2,491	NA	NA	NA	2,491

a/ Excludes 520 units of public housing.
b/ Excludes 200 units of public housing.

Source: Bureau of the Census, Construction Reports, C-40.

Table V

Components of the Housing Inventory
Austin, Texas, HMA
April 1950-January 1966

Components	April 1950	April 1960	January 1966
Total housing supply	45,945	65,439	79,150
Occupied housing units	42,508	59,056	72,400
Owner-occupied	22,690	35,663	43,600
Percent	53.4%	60.4%	60.0%
Renter-occupied	19,818	23,393	28,800
Percent	46.6%	39.6%	40.0%
Vacant housing units	3,437	6,383	6,750
Available vacant	1,370	3,150	3,575
For sale	469	1,031	1,175
Homeowner vacancy rate	2.0%	2.8%	2.6%
For rent	901	2,119	2,400
Renter vacancy rate	4.3%	8.3%	7.7%
Other vacant[a]	2,067	3,233	3,175

a/ Includes vacant seasonal units, dilapidated units, units sold or rented awaiting occupancy, and units held off the market.

Sources: 1950 and 1960 Censuses of Housing.
1966 estimated by Housing Market Analyst.

Table VI

Austin, Texas, Area Postal Vacancy Survey

December 17, 1965

Postal area	Total residences and apartments: Total possible deliveries	Total residences and apartments: Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Residences: Total possible deliveries	Residences: Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Apartments: Total possible deliveries	Apartments: Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	House trailers: Total possible deliveries	House trailers: Vacant: No.	Vacant: %
Austin	74,518	3,442	4.6	2,852	590	1,037	61,231	2,328	3.8	1,922	406	349	13,287	1,114	8.4	930	184	688	557	21	3.8
Main Office	9,824	660	6.7	558	102	183	4,540	192	4.2	192	-	1	5,284	468	8.9	366	102	182	5	-	-
Stations:																					
Allandale	12,503	523	4.2	359	164	382	11,674	442	3.8	310	132	110	829	81	9.8	49	32	272	15	-	-
East Austin	14,489	477	3.3	449	28	79	12,479	396	3.2	374	22	28	2,010	81	4.0	75	6	51	143	12	8.4
North Austin	11,946	530	4.4	420	110	112	10,953	406	3.7	305	101	81	993	124	12.5	115	9	31	67	1	1.5
South Austin	16,349	756	4.6	591	165	168	14,811	569	3.8	438	131	92	1,538	187	12.2	153	34	76	285	4	1.4
West Austin	9,407	496	5.3	475	21	113	6,774	323	4.8	303	20	37	2,633	173	6.6	172	1	76	42	4	9.5

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
Washington, D. C. 20411
NEWS
FHA INFORMATION 382-4693

FOR RELEASE FRIDAY
JULY 22, 1966

HUD-FHA-MA-66-51
Poston

The Federal Housing Administration today released its analysis of the Austin, Texas, housing market. The housing market is defined as Travis County. The report estimates demand for additional housing at 2,050 units a year for the two years dating from January 1966. This total includes 1,450 sales units and 600 rental units. Rental demand excludes public low-rent housing and rent-supplement housing.

Of the 3,575 vacant units available 1,175 were for sale and 2,400 for rent. These figures represent vacancy ratios of 2.6 percent and 7.7 percent, respectively. The levels show "some excess of vacant units in both the sales and rental markets."

The study reports on building volume and trends. Between 1960 and January 1966, about 14,800 new housing units were built. Over 98 percent of the units were located in Austin. "Over 60 percent of these were in single-family or duplex structures. The remaining 40 percent were in multifamily structures." In January 1966, about 1,200 housing units were being built. This included "350 single-family and duplex units and 850 multifamily units."

A report on employment reflects the major role that state and local government play in the Austin economy. In 1965, nonagricultural employment totaled 94,800. This showed gains of 22,500 jobs since 1958. "State and local government...accounted for over 58 percent of the 1958-1965 employment gain." During the forecast period, "a nonagricultural employment increase of about 3,500 jobs is expected."

Unemployment has stabilized at low levels. During 1965, it averaged about "2.7 percent of the total work force of the housing market area." This was its lowest for the years 1958-1965. The highest rate during those years was 4.4 percent in 1961.

Increases are predicted for family incomes. In January 1966, the current median yearly income of all families, after deducting Federal income tax, was about $5,750. For renter families it was about $4,150. By 1968, these figures are expected to increase to $6,150 and $4,300, respectively.

- more -

Gains in population and the number of households are expected to exceed those of the past five years. In January 1966, the population was about 260,000. This showed "an increase of about 47,850 since April 1960." An increase of 18,000 (9,000 a year) is expected during the forecast years. In January 1966, households numbered about 72,400. This represents "an increase of about 13,350 since April 1960." Yearly gains of 2,700 are expected during the forecast years.

Copies of the analysis are available, but are distributed only by the FHA insuring office serving the housing market area. Requests for copies should be directed to C. T. Macleod, Director, Federal Housing Administration, 535 South Main Avenue, San Antonio, Texas 78204.

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