Analysis of the
BELLINGHAM, WASHINGTON HOUSING MARKET

as of July 1, 1967

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
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ANALYSIS OF THE

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AS OF JULY 1, 1967

Field Market Analysis Service
Federal Housing Administration
Department of Housing and Urban Development

Bellingham, Wash.
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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 be differences of opinion, of course, 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 and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE BELLINGHAM, WASHINGTON, HOUSING MARKET AS OF JULY 1, 1967

Summary and Conclusions

1. The Bellingham Housing Market Area (HMA) has experienced an industrial boom of moderate proportions in the past three years which has resulted from the establishment of a new aluminum smelting operation and the expansion of a number of existing firms. College enrollment growth has further stimulated employment growth. Gains in the government, trade, and services categories have been substantial. The large employment increases of 1,590 in 1965 and 1,020 in 1966 probably will not be repeated; however, the recent expansion of local manufacturing activities has provided the basis for continued economic growth, and it is anticipated that nonagricultural wage and salary employment will increase by 625 jobs annually from July 1967 to July 1969.

2. The median income of all nonfarm families in the HMA in July 1967 was about $6,125 annually, after the deduction of federal income tax; the median after tax income of nonfarm renter households of two or more persons was $5,200. By 1969, median after-tax incomes are expected to increase to $6,325 for all nonfarm families and to $5,375 for nonfarm renter households.

3. The estimated nonfarm population of the Bellingham HMA as of July 1967 was 67,200, an average gain of 1,025 annually since 1960. Increases since 1964 probably have been substantially greater than 1,025 a year because of the larger employment gains during that period. The increase was comprised of an average gain of 875 persons annually in the population in households and 150 persons annually in the nonhousehold population (almost all were students). In July 1967, the population of Bellingham City was 37,000, about 55 percent of the total nonfarm population in the HMA. It is expected that population will increase by 1,450 persons annually during the two-year period ending July 1, 1969; gains of 1,250 persons in households and 200 persons in group quarters are expected.

4. As of July 1967, there were about 21,700 nonfarm households in the HMA, reflecting an average increase of 280 a year since April 1960. The city of Bellingham had an estimated 12,600 households as of July 1967, 570 more than in 1960. During the forecast period, it is expected that nonfarm households will increase by 425 annually.

5. As of July 1967, there were approximately 26,750 nonfarm housing units in the HMA, an increase of 2,475 units since 1960. The change since 1960 has resulted from the construction of approximately 2,150 private-housing units intended for year-round occupancy, the addition of approximately 625 seasonal units and trailers, and the loss of about 300 housing units through demolition and other causes. In July 1967, there were about 185 units under construction, of which 95 were single-family houses and 90 were apartment units.

6. There were an estimated 1,000 available vacant housing units for sale or rent in the Bellingham HMA as of July 1967. Of this total, 300 units were available for sale and 700 units were available for rent, indicating homeowner and renter vacancy rates of 1.9 percent and 10.7 percent, respectively. Although the number of vacant units available in the HMA is relatively large, both the homeowner and rental vacancy rates are below those reported in the 1960 Census. Most of the reduction has occurred in the past two years.

7. Demand for additional privately-owned housing is expected to total 370 units annually, comprised of 300 single-family houses and 70 multifamily units. If assistance is made available in the acquisition and cost of land or in the cost of financing, some additional demand for privately-financed units in multifamily structures could be met effectively at the lower rents possible with such assistance, excluding public low-rent housing and rent-supplement accommodations. The absorption of additions to the stock of rental housing should be observed carefully and appropriate adjustments made in the volume of construction as conditions warrant. The distribution of annual demand for new single-family houses by price class is shown on page 24; demand for multifamily housing is discussed on page 24.

8. Demand for new private rental units designed especially for elderly households is minimal, unless tenants from outside the area are assured by a sponsoring organization.

ANALYSIS OF THE BELLINGHAM, WASHINGTON, HOUSING MARKET AS OF JULY 1, 1967

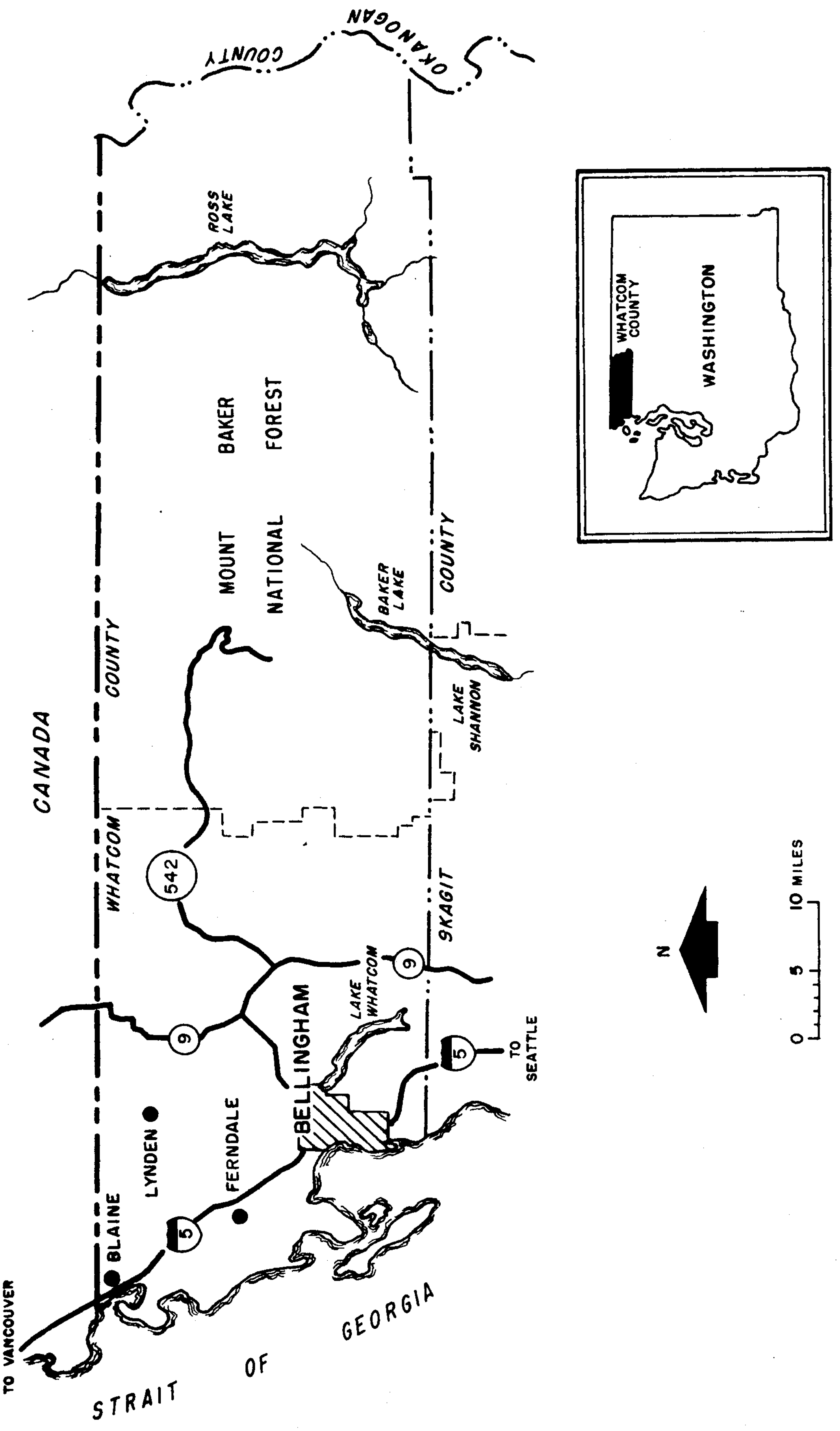
Housing Market Area

The Bellingham, Washington, Housing Market Area (HMA), as defined for purposes of this analysis, is coextensive with Whatcom County, which had a nonfarm population of 59,800[1] in 1960. Whatcom County, located in northwestern Washington, encompasses an area extending eastward from Puget Sound to the crest of the Cascade Mountain Range and is bounded on the north by Canada and on the south by Skagit County (see map on page 2). The eastern two-thirds of the county consists of mountainous terrain, most of which is included in the Mount Baker National Forest. In 1960, approximately ninety percent of the population resided in Bellingham and the Nooksack River Valley extending north from Bellingham to Canada; the populated area comprises about one-fifth of the land area of the county, including the incorporated communities of Ferndale, Lynden, and Blaine.

Bellingham, the principal city of the HMA, is located on Bellingham Bay. Because of the rugged terrain to the east and south, the city is somewhat isolated. Bellingham has deep sea shipping and terminal facilities and is served by three railroads. Interstate Highway 5 is the primary connecting route to Seattle (90 miles to the south) and to Vancouver, British Columbia (55 miles to the north). Scheduled air service is available from Bellingham to the Seattle-Tacoma area.

1/ Because the rural farm population of Whatcom County constituted 14.9 percent of the total population in 1960, all demographic and housing data used in this analysis exclude the rural farm component.

BELLINGHAM, WASHINGTON, HOUSING MARKET AREA



Economy of the Area

Character and History

Permanent settlement of the Bellingham area occurred between 1853 and 1883 when four small villages formed around the sawmills, fishing docks, and canneries at Bellingham Bay. The early economic activity of the community centered around the extraction of basic resources--lumber from the forest reserves in the mountains, fish from Puget Sound, and coal from the hills south of Bellingham. Fertile soils of the low lands north of the settlement encouraged development of an agricultural base and stimulated the growth of Bellingham as a trade center for the farm region.

The period of greatest growth was the early 1900's, when the local lumber and fishing industries were at their peaks; however, the gradual depletion of these resources in the twenties curtailed growth of the area. Later, the establishment of the pulp and paper industry, which efficiently utilized inferior woodstock, slowed the economic decline but did not offer sufficient employment opportunities to offset the losses in the fishing and lumber industries. As a result, out-migration of the local population began in the 1930's. A post-war revival of demand for wood products stabilized the area econony, and steady employment gains were experienced during the early years of the 1950-1960 decade. In the mid-fifties, a petroleum refinery was constructed, which provided additional jobs and some diversification of local industry.

Principal manufacturing activities in the Bellingham area now are the refining of petroleum products, aluminum smelting, the production of paper products, and boat building. The most recent industrial development was the addition of an aluminum smelting operation. This firm began hiring in 1966 and now is the second largest manufacturing employer in the HMA. A substantial share of the recent growth in nonmanufacturing employment has been associated with the enrollment expansion at Western Washington State College. Growth at the college has resulted in an enlarged academic and nonacademic staff and additional jobs in trade and services establishments.

Employment

Current Estimate. Data provided by the State of Washington Employment Security Department indicate that nonagricultural wage and salary employment averaged 19,800 during the twelve-month period ending May 1, 1967; this average is 520 jobs above the corresponding period ending May 1, 1966.

Employment of an average of 4,070 domestics, self-employed, and unpaid family workers brought the nonagricultural job total to 23,870 for the recent twelve-month period. Average agricultural employment of 3,800 during the year ending May 1, 1967 was 190 jobs below the average for the comparable period ending May 1, 1966; this was a continuation of the long-term decline in the number of farm workers in the Bellingham HMA (see table I).

Past Trend. The effect of the national economic recession of the early 1960's was reflected in the curtailed economic growth of the Bellingham area. From 1960 through 1962, nonagricultural wage and salary employment declined by 500 jobs (see following table). At that time, weakened business conditions resulted in job losses in both manufacturing and nonmanufacturing employment. After 1962, wage and salary employment increased each year; by far the largest employment increases occurred in 1965 (1,590 jobs, 9.3 percent) and in 1966 (1,020 jobs, 5.5 percent). A substantial portion of these gains resulted from the construction of the new International Aluminum Company plant and the initial hiring of production workers for its operation. Several other local firms also have been expanding and government employment has increased rapidly.

There appears to have been a deceleration in the rate of employment growth recently. Preliminary estimates provided by the State of Washington Employment Security Department reveal that wage and salary employment increased by 520 jobs (2.7 percent) during the twelve-months ending May 1, 1967. The decline in the rate of growth was caused by recent cut-backs in the number of contract construction workers. Although it is not apparent in the following table, current monthly data indicate that there has been a reduction in the rate of hiring in some local manufacturing firms.

Trend of Nonagricultural Wage and Salary Employment
Bellingham, Washington, HMA
1960 - 1967

Year	Manu-facturing	Nonmanu-facturing	Total	Change in total from previous year Number	Percent
1960	4,130	12,600	16,730	-	-
1961	3,950	12,350	16,300	-430	-2.6
1962	3,910	12,320	16,230	-70	-0.4
1963	4,110	12,700	16,810	580	3.6
1964	3,950	13,080	17,030	220	1.3
1965	4,220	14,400	18,620	1,590	9.3
1966	4,620	15,020	19,640	1,020	5.5
Twelve-months ending					
5/1/66	4,340	14,940	19,280	-	-
5/1/67	4,820	14,980	19,800	520	2.7

a/ Preliminary Data

Source: State of Washington Employment Security Department.

Employment by Industry. Manufacturing employment averaged 4,820 workers during the twelve months ending May 1, 1967 and constituted 24 percent of the average wage and salary employment in the Bellingham HMA. Although the proportion of manufacturing workers has declined slightly from 25 percent in 1960, the gradual transition from dependence on basic extractive industries to a more technologically oriented manufacturing base has tended to stabilize the local economy. It is expected that this transition will reduce the magnitude of seasonal fluctuations and provide the basis for future expansion of manufacturing activities.

Most of the increase in manufacturing employment has occurred in firms classified by the State of Washington Employment Security Department as "other manufacturing" industries. The major sources of growth in this category have been in the paper and allied products and primary metals industries. After a decline from an average employment of 1,220 in 1960 to 1,130 in 1962, employment in the "other manufacturing" classification increased by 780 jobs to 1,910 in 1966. The largest gain, 560 jobs during the twelve months from May 1966 to May 1967, reflected initial hiring at the Intalco plant (aluminum smelting). Georgia-Pacific

Corporation (paper and allied products) has experienced steady employment increases since 1962. A third source of manufacturing employment growth has been the transportation equipment industry. Employment in this industry has increased from 160 in 1964 to about 300 in April 1967; job additions during the past two years have resulted almost entirely from government contracts for military and oceanographic research craft (see table II).

Both the lumber and wood products and the food and kindred products industries reported fewer jobs in 1967 than in 1960. A decline of 200 jobs in food processing over that period resulted from the closing in 1965 of a salmon cannery and from the gradual trend toward utilization of automated equipment in the remaining firms. A significant portion of the reduction in lumber and wood products employment (60 jobs during 1966) is attributed to reduced demand nationally for lumber caused by the slump in residential building during 1966. During the post-1960 period, the remaining manufacturing categories have experienced slight declines or, at best, have remained stable.

Wage and salary employment in nonmanufacturing industries averaged 14,980 for the period from May 1966 to May 1967, or only 40 jobs above the corresponding period ending May 1, 1966. A decline of 590 construction workers, the majority of whom were engaged in building the Intalco plant, offset substantial gains in trade and government employment. Nonmanufacturing jobs declined by 280 from 1960 through 1962, but increased by an average of 675 a year from 1962 thorugh 1966, accounting for 80 percent of the gain in wage and salary employment in the HMA. The largest annual gain (1,320 jobs) occurred in 1965, when there was an increase of 740 contract construction workers in the area. The increase came after a period of decline in local construction projects which resulted in a reduction from 1,380 construction workers in 1960 to 850 in 1963. Construction activity at the Intalco plant site provided the main source of building jobs in 1965. The high level of construction employment was sustained during 1966 because of continued work at Intalco (the second potline was under construction) and several industrial building projects resulting from local industry expansion.

The most consistent nonmanufacturing employment gains since 1960 have been in government, reflecting primarily the expansion of educational facilities at Western Washington State College. From 1960 through April 1967, government jobs increased by 1,070; ninety percent of the gain was in educational services. Trade and services employment remained at about the same level during the early 1960's as a result of the slump in local business conditions. Since 1963, however, job increases have averaged about 85 a year in services and 180 annually in trade. The improvement in local business is attributed to rising demand generated by the growing college enrollment and by industrial expansion.

The remaining nonmanufacturing employment categories have had small but steady employment increases during the past four years.

Employment Participation Rate. The employment participation rate (the ratio of nonagricultural employment to nonfarm population) in the Bellingham HMA is estimated at 35.5 percent. In comparison, the 1960 participation rate was 35.1 percent, indicating that employment is increasing at a somewhat more rapid rate than population. It is probable that the employment participation rate declined during the early 1960's, when employment declined and unemployment rose significantly. Recovery from the recession brought about a reversal of this trend, and the large employment gains of 1965 and 1966 increased the participation ratio. Over the next two years it is anticipated that more local residents will be encouraged to enter the work force, and the employment participation rate should continue to increase.

Principal Employers

The Georgia-Pacific Corporation is the largest manufacturing firm in the HMA. The Bellingham operation includes a pulp mill and a plant manufacturing a variety of paper products. Another division of the plant refines industrial alcohol taken from the pulp. In recent years this firm has diversified into the production of chemicals. Judging from recent hiring experience, it is expected that employment will continue to rise during the forecast period.

The most recent addition to Bellingham industry, the International Aluminum Company (Intalco), is located near Ferndale. Intalco began production with one potline in May 1966, construction of a second potline is nearing completion, and a third will be finished in 1968. At that time the smelter will be the largest in the Pacific Northwest. Contributing factors in the decision to locate in the Bellingham area were the availability of low-cost Columbia River power and a deep water site for handling the alumina shipped from Australia. Intalco produces ingots which are transported to other areas for fabrication into aluminum products. At present there are no plans to locate fabricating facilities in the area.

Employment at United Boat Builders Inc. has increased since 1965. The impetus for growth at this firm has been provided by government contracts to manufacture river boats and landing craft for use by the military and by orders for several oceanographic research vessels. Prior to the awarding of these contracts, production was limited primarily to pleasure boats constructed on a hand craft basis. The recent increase in orders has resulted in the expansion of plant facilities, and the firm now is utilizing assembly line production techniques. Continued employment growth is anticipated; however, the extent of this growth will depend largely on a continued supply of government orders. Another major expansion of the proportion of the past two years is not expected.

Enrollment at Western Washington State College, located in Bellingham, increased from about 2,900 in the fall of 1960 to about 5,625 in the fall of 1966. Since 1960, the number of dormitory spaces has nearly doubled and now totals about 2,000. The large increase in enrollment and the expansion of physical facilities has resulted in sharp employment gains; there are now about 2,000 persons employed by the college. The total is comprised of about 325 faculty members, 50 administrative personnel, 275 civil service staff workers, and approximately 1,350 student and part-time workers. Sources at the college report that,on the basis of projected enrollment growth and planned physical expansion, full-time employment will increase about 10 percent a year over the next two years, resulting in an addition of about 65 full-time jobs a year. In addition, the number of student and part-time employees will increase in proportion to the enrollment growth.

Unemployment

Mainly because of the large number of seasonal workers employed in the food processing and the lumber industries, unemployment typically has been at high levels in the Bellingham area. These two industries reach peak employment levels during the summer months and are at their lowest levels at the start of each year. Despite the high seasonal factor, annual data indicate that the over-all trend in unemployment has been sharply downward in recent years, with the exception of 1964, when cutbacks in food processing employment increased unemployment. Unemployment averaged 1,410 persons (4.9 percent of the work force) in 1966, contrasted with 2,360 persons (8.7 percent)in 1961. The marked declines since 1964 have coincided with large employment gains which have increased the demand for most types of labor in the Bellingham area.

Employment Prospects

It is anticipated that the Bellingham economy will continue to expand during the forecast period from July 1967 to July 1969. However, annual employment gains are not expected to approach those of the past two years, primarily because of the more moderate increases expected at the larger manufacturing firms. The smaller manufacturing firms located in the HMA do not appear to offer significant growth possibilities. Long-run declines are discernible in the food processing and the stone, clay, and glass industries. Increased demand for lumber and wood products may result in the recovery of jobs lost during 1966, but expansion beyond this point is unlikely.

The major portion of the wage and salary employment growth will be in nonmanufacturing categories, with government, trade, and services accounting for most of the increase. The increase in government employment will reflect the constantly expanding public school and college enrollments. A growing local population as well as the influx of college students will generate a demand for some additional shopping and service facilities. The expected maintenance of privately-financed residential building activity and the construction of high-rise public housing projects scheduled during the next two years will curtail the decline in construction employment; however, continued reductions in the number of workers now engaged at industrial building projects will prevent construction jobs from approaching the peak levels of 1965 and 1966.

Based on recent employment trends in the area and on the special considerations discussed above, it is estimated that nonagricultural wage and salary employment will increase by an average of 625 jobs annually during the forecast period from July 1967 to July 1969. Although the demand for workers has increased recently, the surplus of unemployed persons, many with skills adaptable to the new jobs, and the expected entry of residents into the work force should satisfy the needs of local employers. The recent expansion of employment opportunities has slowed out-migration of the local population. In addition, the major share of the projected employment increase will be nonmanufacturing jobs suited to female workers, and it is anticipated that more resident women will be encouraged to seek employment.

Incomes

In July 1967, the median annual income of all nonfarm families in the Bellingham HMA, after deduction of federal income taxes, was about \$6,125, and the current median after-tax income of nonfarm renter households (excluding one-person renter households) was \$5,200. Approximately 24 percent of all nonfarm families and 31 percent of nonfarm renter households had after-tax incomes below \$4,000; 13 percent of all nonfarm families and five percent of nonfarm renter households had after-tax incomes of $10,000 or more. By 1969, median after-tax incomes are expected to increase to about $6,325 for all nonfarm families and to $5,375 for nonfarm renter households. Table III presents distributions of all nonfarm families and renter households by income classes at the 1967 and 1969 income levels.

Demographic Factors

Population

HMA Total. The nonfarm population of the Bellingham HMA on July 1, 1967, was an estimated 67,200, reflecting an increase of about 1,025 persons annually since April 1960. The growth in population was composed of an average increase of about 150 persons yearly in the nonhousehold population (virtually all student population) and an average gain of 875 annually in the population in households. Although increases in the nonhousehold population have been fairly regular as a result of college enrollment expansion since 1960, the largest gains in household population have occurred in the last three years. During the early 1960's, employment declines resulted in out-migration, and population growth was quite small.

From 1950 to 1960, the annual rate of population growth was much smaller. Total population in Whatcom County (including rural farm) increased only 3,575, or about 360 per year. The statistical report of nonfarm population increase from 49,005 in 1950 to 59,823 in 1960 (table III) is substantially influenced by the definitional change in "farm" as well as by actual changes of households from farm to nonfarm status.

Bellingham. The population of Bellingham was an estimated 37,000 persons as of July 1967, an increase of about 320 persons annually since April 1960. Population growth in Bellingham has been influenced by enrollment growth at Western Washington State College; it is estimated that about 44 percent of the increase in the city since 1960 has been nonhousehold population (virtually all of whom were students in dormitories). In addition, growth at the college has stimulated employment growth, causing some of the household population growth in the city. Prior to the substantial employment expansion of the past two years, economic growth had been insufficient to provide jobs for the population not directly connected with the college. Because of the out-migration of many families in this group during the early 1960's, the increase in the household population since the 1960 Census has been limited. There have been no annexations to the city of Bellingham since 1950.

With the exception of the two years of 1954 and 1955, at which time an oil refinery was established in the Bellingham area, there was very little growth in Bellingham during the 1950-1960 decade. The population of the city increased by only 575 persons over the 10-year period because of substantial out-migration.

Remainder of the HMA. As of July 1967, the nonfarm population of the portion of the HMA outside Bellingham was an estimated 30,200, up from about 25,125 in 1960. An average increase of about 700 persons a year has occurred primarily in the unincorporated areas surrounding Bellingham and in areas near Ferndale, Lynden, and Blaine. The increase in population within these communities has been slight.

Between 1950 and 1960, the population of areas outside Bellingham (including farm population) increased about 3,000. As mentioned previously, because of the change in definition of "farm" in the two censuses, the reported increase in nonfarm population over the 1950-1960 decade, from about 14,900 to 25,135 was substantially inflated (table IV).

Nonhousehold Population.1/ Persons living in college facilities account for most of the nonhousehold population in the Bellingham HMA. In 1960, the census reported a nonhousehold population of 2,132 persons. Since 1960, about 1,000 dormitory spaces have been added and the population in area hospitals has risen slightly. Based on these considerations, the present nonhousehold population is estimated at about 3,200 persons, 4.8 percent of the nonfarm population in the HMA. The growth in nonhousehold population has accounted for 15 percent of the nonfarm population increase since 1960.

Since 1960, student enrollment has increased by about 2,725 and 1,000 dormitory spaces have been added. The difference represents the increase in the number of local students and of students who have become part of the household population either as roomers in established households or as members of households formed by students. The following table presents trends in nonfarm household and nonhousehold population since 1960 and the projected increase to July 1969.

1/ Because college students are considered to be residents of the area in which they reside at the time of the census enumeration, no reductions have been made to reflect the number of students who leave the HMA for the summer recess. Nonhousehold population has been estimated on the basis of fall and spring semester enrollment totals.

Trend of Nonfarm Population Growth
Bellingham, Washington, Housing Market Area
1960-1969

Date	Nonfarm population	In households	Non-household[a]	Average annual changes: Nonfarm population	In households	Non-household
April 1, 1960	59,823	57,691	2,132	-	-	-
July 1, 1967	67,200	64,000	3,200	1,025	875	150
July 1, 1969	70,100	66,500	3,600	1,450	1,250	200

a/ The nonhousehold population estimates for July 1967 and July 1969 include students absent during summer recess.

Sources: 1960 Census of Population.
1967 and 1969 estimated by Housing Market Analyst.

Future Population Growth. It is anticipated that the nonfarm population of the Bellingham HMA will increase by an average of 1,450 annually to a total of 70,100 by July 1969. The increase in population is projected on the basis of the expected employment increase and on the assumption that the employment participation rate will rise as a result of more area residents entering the work force. Included in the projection of population increase will be approximately 200 persons a year in the nonhousehold population, reflecting primarily students occupying added dormitory spaces at Western Washington State College. The increase in household population will average about 1,250 a year. Although the projected average gain is probably below the gains of the last two years, it is considerably above the average of the post-1960 period. The projection reflects the general improvement of the area economy in the most recent years.

Households

HMA Total. In July 1967, there were an estimated 21,700 nonfarm households in the Bellingham HMA, an average increase of 280 a year since April 1960. Increases in the number of households have paralleled the trend of population growth in the HMA; annual gains were small during the recession years of the early 1960's but have increased recently as a result of the expansion of employment opportunities.

During the 1950-1960 decade, the number of all households in the HMA (including farm) increased from about 21,100 to 22,425, a gain of 130 annually. The larger increase in nonfarm households between 1950 and 1960 shown in table IV reflects the change in definition of "farm" between the two censuses and also the change from "dwelling unit" to "housing unit", both of which tended to inflate the increase in nonfarm households.

Bellingham. The city of Bellingham had an estimated 12,600 households in July 1967, reflecting an increase of about 570 since 1960. The total number of households includes about 500 units headed by married students attending college full-time or households composed of students sharing living quarters. Households comprised of students constitute a small, but increasing, proportion of total households in Bellingham; this proportion increased from an estimated 2.5 percent in 1960 to about four percent in 1967. More significant, the formation of student households has accounted for approximately 35 percent of the total increase in Bellingham since 1960.

The total number of households increased from about 11,400 in 1950 to 12,025 in 1960. The increase in households in Bellingham between 1950 and 1960 was as large as the increase in population because the household increase reflects partially the influence of the conceptual change from "dwelling unit" to "housing unit" in the two censuses (inflating the decennial increase) and partially the out-migration of members of families seeking employment elsewhere.

Remainder of HMA. As of July 1967, there were an estimated 9,100 nonfarm households in areas outside the corporate limits of Bellingham. An average increase of 200 households annually has accounted for approximately seven-tenths of the total increase in nonfarm households in the HMA since 1960.

Household Size. As of July 1967, the average size of nonfarm households in the Bellingham HMA was estimated at 2.95 persons, a continuation of 1950-1960 trend, when average household size increased from 2.92 to 2.94 persons (see following table). In the city of Bellingham, the average household size decreased from 2.87 persons in 1950 to 2.77 in 1960. The decrease to the 1967 average level of 2.75 persons is indicative of the increasing proportion of one- and two-person households resulting from both an increase of elderly persons maintaining separate households in the city and from the out-migration of many larger families, particularly during the late 1950's and early 1960's. Average household size, estimated at 3.23 persons in July 1967, is larger in areas outside Bellingham, reflecting the fact that a higher proportion of large families typically live in suburban areas.

Nonfarm Household Size Trends
Bellingham, Washington, HMA
1950, 1960, and 1967

Area	Number of persons per household 1950	1960	1967
Bellingham	2.87	2.77	2.75
Remainder of HMA	3.02	3.20	3.23
HMA Total	2.92	2.94	2.95

Sources: 1950 and 1960 Censuses of Population and Housing.
1967 estimated by Housing Market Analyst.

Estimated Future Household Growth. Based on the anticipated increase in population in response to new job opportunities and on the assumption that household size will not change appreciably during the next two years, there are expected to be about 22,550 nonfarm households in the Bellingham HMA by July 1969. This reflects an average addition of about 425 households annually during the two-year forecast period. It is expected that the geographic growth patterns established in recent years will continue, and that most of the increase in households will occur in the unincorporated areas surrounding Bellingham and the smaller communities in the HMA.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. As of July 1967, there were approximately 26,750 nonfarm housing units (including seasonal units) in the Bellingham HMA, an increase of 2,475 units (10.2 percent) since April 1960.

Seasonal Housing Units. As of July 1967, there were approximately 2,700 seasonal units in the Bellingham HMA, an increase of about 75 a year since 1960. Seasonal units increased by an average of about 95 a year between 1950 and 1960. Seasonal units are listed as vacant in the 1950 and 1960 Censuses of Housing. At the time of this analysis, many of these units were occupied by summer residents and vacationers.

Principal Characteristics

Type of Structure. The nonfarm housing inventory is predominantly one of single-family houses. In July 1967, an estimated 89 percent of all housing units were in structures with one unit. As shown in the following table, the construction and demolition of housing units have resulted in a slight increase since 1960 in the proportion of units in structures with five or more units.

Nonfarm Housing Inventory by Units in Structure
Bellingham, Washington, HMA
1960 and 1967

Units in structure	April 1960 Number of units	April 1960 Percent of total	July 1967 Number of units	July 1967 Percent of total
1 unit a/	21,731	89.5	23,850	89.2
2 to 4 units	943	3.9	1,025	3.8
5 or more units	1,605	6.6	1,875	7.0
Total	24,279	100.0	26,750	100.0

a/ includes trailers

Sources: 1960 Census of Housing.
1967 estimated by Housing Market Analyst.

Age of Structure. The nonfarm housing inventory in the Bellingham HMA is relatively old; three-fifths of the July 1967 inventory was built prior to 1940. About 12 percent of the housing supply was constructed during the 1940-1950 decade, and 18 percent was built during the 1950's. An estimated 10 percent of the nonfarm inventory has been added since 1960, indicating that the rate of construction for the post-1960 period has been somewhat below that of the 1950-1960 decade.

Condition of the Inventory. The proportion of units in the HMA classified as substandard (dilapidated or lacking one or more plumbing facilities) has declined since 1960 because of new construction, the demolition of substandard units, and the modernization and repair of some existing units. In April 1960, the census reported that about 13.7 percent of the nonfarm housing units in the HMA were substandard. It is estimated that about 11.5 percent of all units in the HMA were dilapidated or lacked plumbing facilities in July 1967. The high proportion of units classified as substandard is attributed primarily to the large number of seasonal units which lack plumbing facilities. In the city of Bellingham, where there are few seasonal units, a much smaller percentage of the housing stock (estimated at 6.5 percent) was substandard in July 1967.

Residential Building Activity

About 2,150 private housing units intended for year-round occupancy have been built in the Bellingham HMA since 1960. Building permits for permanent, standard-type construction are required in all areas of the county; very few of the seasonal units are included in permit authorizations, however. The annual volume of residential construction, as measured by units authorized, averaged about 230 units from 1960 through 1963 and totals for the individual years fluctuated within a narrow range. Beginning in 1964, builders responded to improved economic conditions and building volume increased moderately to a total of 267 units. The marked increase to 526 units authorized in 1965 and 447 in 1966 coincided with the large employment gains of those two years. There were 161 units permitted from January to May 1967, indicating that the active pace of residential construction has continued.

Approximately 81 percent of the units authorized in the HMA since 1960 have been single-family houses. The peak volume of single-family houses constructed was reached in 1965 and 1966 when 372 and 365 houses, respectively, were authorized. Through May 1967, the construction of single-family houses has continued at a rate similar to that of the same period in 1966.

The volume of multifamily units constructed was small prior to 1965; during the five years from 1960 through 1964, 67 units were authorized in a few small projects with structures containing two to four units, and 59 units were authorized in small projects with five or more units. Two garden apartment projects with a combined total of 104 units accounted for most of the multifamily units constructed in 1965 and were the first large apartment projects built in the area since the early 1950's. Apartment construction continued in 1966, when a number of small projects were built in Bellingham. The number of housing units authorized by building permits for each year since 1960 is summarized by type of structure in the following table.

Units Authorized by Building Permits by Type of Structure
Bellingham, Washington, HMA
1960 - 1967

	Type of Structure			
Year	One unit	Two-four units	Five or more units	Total units
1960	187	15	25	245
1961	180	26	-	206
1962	224	-	14	238
1963	207	14	5	226
1964	240	12	15	267
1965	372	19	135	526
1966	365	18	64	447
Jan-May				
1966	116	12	6	134
1967	111	13	37	161

Sources: U. S. Bureau of the Census, C-40 construction reports; local building inspectors.

Units Under Construction. Based on the results of a postal vacancy survey, which enumerated residences and apartments under construction, on building permit data, and on information obtained while in the area, it is judged that there were about 185 units under construction in July 1967. The total included about 95 single-family houses and 90 multifamily units. About 60 of the multifamily units under construction were in one project; a building previously used as a hospital is being converted to residential use. The largest concentration of houses under construction was in Bellingham and the surrounding area.

Demolitions. There have been approximately 300 residential units lost from the inventory since 1960 as a result of highway right-of-way clearance and other demolitions, conversion to other uses, and other losses. Approximately 200 of the units lost were in the city of Bellingham. Demolitions of residential units have increased in recent years and, on the basis of this trend, it is expected that about 120 units will be removed from the inventory during the next two years. The total may be higher if proposed building code enforcement is initiated in the city of Bellingham.

Tenure of Occupancy

In July 1967, about 15,850 (73 percent) of the occupied nonfarm housing units in the HMA were owner-occupied and 5,850 were renter-occupied (see table V). Owner-occupancy increased from 72 percent in 1950 to 73.6 percent in 1960. The upward trend has been curtailed since 1960 because of the volume of multifamily units constructed recently and the renting of previously owner-occupied single-family houses.

Vacancy

1960 Census. In April 1960, there were about 4,650 vacant housing units in the HMA. About 3,400 of these units were not available for sale or rent because they were seasonal, dilapidated, rented or sold awaiting occupancy, or were held off the market for occasional use or for other reasons. Of the 1,240 available vacant units, 335 were available for sale, representing a sales housing vacancy rate of 2.3 percent; about 905 units were available for rent, a rental housing vacancy rate of 14.9 percent. Of the available vacancies, 70 (21 percent) of the sales vacancies and 290 (32 percent) of the rental vacancies lacked one or more plumbing facilities.

Postal Vacancy Survey. The results of a postal vacancy survey conducted on April 25, 1967, by the Bellingham and Lynden Post Offices are summarized in table VI. The survey covered 18,450 possible deliveries, equal to about 78 percent of the nonfarm, nonseasonal housing supply. At the time of the survey, about 880 units were vacant, an over-all vacancy rate of 4.8 percent. Vacancies in residences numbered 650, or 3.8 percent of the total residences reported. Included in the vacant residences were 19 houses reported as "new" (never occupied). Vacancies in apartments totaled 230, or 17.3 percent of the apartment units enumerated. Reported were 18 apartment units never occupied. Also included in the survey were 180 trailers, of which 60 were vacant.

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 row houses, and some 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. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. 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. Based on the results of the postal vacancy survey (adjusted for incomplete coverage and converted to census concepts) and on information obtained during field work in the Bellingham HMA, it is judged that, as of July 1, 1967, there were about 1,000 available vacancies in the HMA, an over-all vacancy rate of 4.4 percent. About 300 of these available vacancies were available for sale, a homeowner vacancy rate of 1.9 percent. The remaining 700 units were available for rent, a rental vacancy rate of 10.7 percent. Both the homeowner and renter vacancy rates represent reductions from the rates reported in the 1960 Census.

An estimated 200 of the vacant units available for rent are substandard in that they lack one or more plumbing facilities. If these units are removed from consideration, the available rental vacancy rate is reduced to 7.9 percent. Only about 50 of the vacant units available for sale lack plumbing facilities. After adjusting the sales and rental vacancy rates by deleting substandard units, both sales and rental vacancies (particularly the latter) appear somewhat high for an area with the growth characteristics of Bellingham. However, a portion of the available vacant units are noncompetitive with more recently built units and eventually will filter out of the inventory.

Sales Market

As evidenced by the increased volume of single-family construction and sales of existing properties, the market for sales housing in the Bellingham HMA has strengthened in recent years. The increased activity was coincident with the reduction in the sales housing vacancy rate. Foreclosures remain minimal. A moderate surplus of vacant houses for sale exists, but some are poor quality houses which, because of age or physical condition, are in an unfavorable competitive position with better housing available in the area.

Price trends discernible in the area indicate a gradual increase in the cost of new houses. Local builders and realtors believe that the most marketable new homes built in recent years have been priced from about \$22,000 to \$25,000. The proportion of houses constructed in the \$20,000 and under price class has been declining and the majority of these are in scattered locations where land is inexpensive and, in many instances, public sewer and water are not available. Sales of houses priced below \$15,000 are principally existing properties. The market for used houses has firmed in the past 18 months. Bellingham realtors have experienced increased sales and report that the prices of good quality houses have risen. There now appears to be some shortage of good listings available in the lower price ranges.

There has been little tract building in the HMA and speculative construction is quite limited. The paucity of subdivided land with adequate water and sewer mains has inhibited subdivision development. A number of active developments are in the Bellingham area; however, none have a large volume building operation and production in most subdivisions is limited to fewer than 20 houses a year. Tract building east of the Interstate Highway in Bellingham is concentrated in areas extending along Alabama Street to Lake Whatcom and the area farther south along Lakeway Drive. Homes built in the "Alabama Hill" section range from about \$18,000 to \$27,000. Prices of houses in the Lakeway Drive area generally are higher, ranging from about \$20,000 to \$30,000. The majority of the houses in both areas are built on a contract basis for pre-determined owners. The southern section of Bellingham located off Chuckanut Drive has developed as the prestige area of the city. This location, which provides an exceptional view of Bellingham Bay, has been the site for custom-built homes priced at \$30,000 and above. Several small developments in north Bellingham offer houses in the low to moderate price range. This area has been the location of many of the homes priced below \$18,000. A new subdivision soon will offer houses priced at about \$15,500. The economic impact of the Intalco plant has stimulated building activity in a few subdivisions near Ferndale. To date, increased building in this area has been moderate, but it is expected that development will continue as more persons choose to be close to their source of employment.

As mentioned previously, subdivision activity is limited and, in most areas of the Bellingham HMA, random growth on scattered individual sites or in small developed plats prevails. The majority of new houses built have been in areas of this type. The most popular locations are the fringe areas north of Bellingham and in the immediate vicinity of Ferndale, Lynden, and Blaine.

Rental Market

The accelerated rate of economic growth evident in the Bellingham area during the past three years has resulted in the first apartment projects constructed since the early 1950's, when a 48-unit project was built. Although the capacity for the absorption of new units does not appear to be large, the ready absorption of new apartments and the decline in the number of rental vacancies in older units indicate the improved condition of the rental market. Multifamily unit construction was negligible from 1960 to 1964, consisting mostly of structures with five or fewer units. With a work force that was declining in the early 1960's and a rental vacancy rate approaching 15 percent, there was very little incentive for apartment construction. Much of the current rental housing inventory consists of old single-family structures or larger structures that have been converted to multifamily occupancy. A large proportion of these units are quite old and generally are obsolete; however, their low rents have appealed to tenants from among low and fixed income groups. Elderly persons and college students occupy an increasing number of these units. A portion of the vacant rental units available are the least desirable of the converted units and single-family houses; it is likely that many of these units will remain vacant indefinitely, and gradually will filter out of the available inventory. A few of the older projects in Bellingham, which were well constructed and have had good maintenance, have high occupancy rates despite their age.

Public Housing and Urban Renewal

The Housing Authority of the city of Bellingham reported that construction of the first public housing project in the HMA, a 98-unit high-rise structure, will start in July 1967. The building will contain an equal number of efficiency and one-bedroom units specifically designated for occupancy by elderly persons. The building site encompasses a one-block area approximately seven city blocks north of the central business district.

Proposals for two additional projects with a combined total of 300 units have been approved pending the submittal of construction bids to the Housing Assistance Administration. The principal concern of the Bellingham Housing Authority is to provide housing for the elderly, and all units will be allocated for this purpose. Construction of a 10-story structure with 200 units tentatively is scheduled to begin in December 1967.

There are no urban renewal projects in Bellingham. The approved Workable Program expired on July 1, 1967.

Demand for Housing

Quantitative Demand

Demand for additional housing in the Bellingham HMA is primarily a function of the projected level of household growth, estimated at 425 a year during the forecast period from July 1, 1967 to July 1, 1969, and the need to replace an estimated 120 units that will be lost from the inventory as a result of planned demolitions and other causes. Consideration also is given to the tenure of occupancy, which is expected to change little during the forecast period, to the level of construction by type of structure, and to the availability of vacant housing units. After considering each of these factors, it is expected that about 370 housing units can be absorbed annually over the next two years, consisting of 300 single-family units and 70 multifamily units at rents achievable with market-interest-rate financing. If assistance is made available in the acquisition and cost of land or in the cost of financing, some additional demand for privately-financed units in multifamily structures could be met effectively at the lower rents possible with such assistance. The estimates do not include demand for public low-rent housing or rent-supplement accommodations.

The projected annual demand for 300 single-family houses and 70 multifamily units is substantially below the average of about 490 units a year authorized in 1965 and 1966. The reduction in demand is forecast in view of the smaller employment gains anticipated during the next two years. The high level of construction since 1964 was the result of greatly increased plant expansion and employment gains. However, the major expansion programs have been completed, and local employers expect a greatly reduced rate of hiring during the next two years. For that reason, it is unlikely that the 1965-1966 level of residential construction can be sustained without adversely affecting the market for housing.

Although a reduction in the rate of economic growth is forecast, the Bellingham economy has improved markedly and it is expected that employment gains during the next two years will be substantially above gains in the 1960-1964 period and that a construction volume well above the average of about 235 units a year during the 1960-1967 period can be absorbed. However, in view of the volume of rental housing under construction, including units in converted structures, the high vacancy rate, and the slower rate of economic expansion anticipated in the next two years, the marketing of additions to the rental housing supply should be observed carefully so that appropriate adjustments in building programs may be made.

Qualitative Demand

Single-family Housing. The annual demand for 300 additional single-family sales houses is expected to approximate the sales price distribution presented in the following table. The pattern is based on the distribution of families by current annual after-tax incomes, on the proportion of income that Bellingham area families typically pay for sales housing, and on recent market experience.

Estimated Annual Demand for Single-family Houses
Bellingham, Washington, HMA
July 1967 to July 1969

Price range	Number of houses
Under $15,000	20
$15,000 - 17,499	50
17,500 - 19,999	80
20,000 - 24,999	100
25,000 - 29,999	30
30,000 and over	20
Total	300

Few adequate sales houses can be built in the area to sell at prices below $13,000. The demand for sales housing priced below this level will be satisfied, for the most part, from the existing inventory. Demand for the single-family houses will be distributed in areas throughout the HMA similar to the pattern established in recent years. The major portion of the new houses should continue to be located in Bellingham and the unincorporated areas near the city. Some increase in demand is probable for areas in the vicinity of Ferndale.

Multifamily Housing. An annual demand for 70 multifamily units at rents achievable with market-interest-rate financing is forecast for the next two years. Construction should be limited to small, well-designed projects, preferably with units in the low and moderate rent ranges. One- and two-bedroom units probably will be absorbed best. The location of new multifamily projects during the forecast period should follow past experience. Most new rental units have been and should continue to be built in Bellingham.

Elderly Housing

The demand for non-subsidized limited service type housing specifically designed for the elderly will come from single persons and couples 62 years of age and over who, on the basis of their incomes, can afford to pay economic rents. The population of the HMA aged 62 or more is estimated at 10,700 persons, almost 16 percent of the population. The current estimate is about 14 percent above the elderly population reported in the 1960 Census. It is estimated that there has been little or no net in-migration of elderly persons into the HMA since 1960.

The supply of rental housing occupied by the elderly is limited. Data available from special census tabulations of the 1960 Census for the city of Bellingham indicate that in 1960 about three-fourths of the housing units in which the household head was 60 years old or more were owner-occupied. Among elderly households in the city, the median annual income in 1959 was less than $2,400, and less than one-fourth had incomes exceeding $5,000. These data suggest a very limited market for new non-subsidized rental housing from among the elderly.

As indicated above, elderly households in the HMA typically reside in owner-occupied single-family housing. Although the supply of units designated exclusively for occupancy by the elderly is limited, there is a moderate surplus of rental units available in the area. Many of these units lack modern conveniences, but a large number have the low rents, small unit sizes, and in-town locations preferred by the elderly. In any case, demand for rental housing by the elderly constitutes only a small proportion of the regular rental demand. In view of the limited absorption capacity of the rental market, it is believed that few new units designed specifically for elderly tenants could be absorbed successfully in the Bellingham HMA. This evaluation of the market for elderly housing does not consider demand for public housing units or rent-supplement accommodations.

Table I

Total Work Force Components
Bellingham, Washington, HMA
1960-1967
(annual averages)

Components	1960	1961	1962	1963	1964	1965	1966	Twelve mos. ending May 1, 1966	Twelve mos. ending May 1, 1967
Civilian Work Force	27,190	27,000	26,440	27,050	27,470	28,520	29,010	29,000	29,170
Unemployment	2,190	2,360	1,940	1,770	1,960	1,640	1,410	1,480	1,500
Percent of labor force	8.1	8.7	7.3	6.5	7.1	5.8	4.9	5.1	5.1
Employment	25,000	24,640	24,500	25,280	25,500	26,780	27,600	27,430	27,670
Agricultural	4,210	4,250	4,190	4,390	4,340	4,010	3,880	3,990	3,800
Nonagricultural	20,790	20,390	20,310	20,890	21,160	22,770	23,720	23,440	23,870
Wage and salary	16,730	16,300	16,230	16,810	17,030	18,620	19,640	19,280	19,800
All other[a]	4,060	4,090	4,080	4,030	4,130	4,150	4,080	4,160	4,070
Workers involved in labor disputes	0	0	20	0	10	100	0	90	0

a/ Includes self-employed, domestic workers in private households, and unpaid family workers.

Source: State of Washington Employment Security Department.

Table II

Nonagricultural Wage and Salary Employment by Industry
Bellingham, Washington, HMA 1960-1967
(annual averages)

Components	1960	1961	1962	1963	1964	1965	1966	Twelve mos. ending May 1, 1966	Twelve mos. ending May 1, 1967
Total	16,730	16,300	16,230	16,810	17,030	18,620	19,640	19,280	19,800
Manufacturing	4,130	3,950	3,910	4,110	3,950	4,220	4,620	4,340	4,820
Food and kindred products	1,160	1,160	1,200	1,250	990	1,080	960	1,050	960
Lumber and wood products (except furniture)	1,010	930	910	980	1,030	1,020	960	1,030	960
Printing, pub., and allied	190	190	180	180	170	170	170	170	170
Stone, clay and glass products	280	250	250	230	210	240	250	250	240
Fab. metal prod. and mach. (except electric)	80	70	80	70	70	70	80	80	90
Transportation equipment	190	160	160	200	160	180	290	220	300
Other manufacturing[a/]	1,220	1,190	1,130	1,200	1,320	1,460	1,910	1,540	2,100
Nonmanufacturing	12,600	12,350	12,320	12,700	13,080	14,400	15,020	14,940	14,980
Forestry, fishery, mining, and misc.	270	280	260	270	280	280	290	290	300
Contract construction	1,380	790	850	850	1,010	1,750	1,730	2,040	1,450
Trans. comm., and utilities	1,190	1,330	1,230	1,270	1,300	1,410	1,430	1,450	1,460
Trade	3,680	3,600	3,600	3,630	3,650	3,920	4,170	4,050	4,220
Finance, ins. and real estate	480	460	470	490	510	540	590	560	590
Services	2,290	2,400	2,290	2,310	2,440	2,510	2,570	2,530	2,580
Government	3,310	3,490	3,620	3,880	3,890	3,990	4,240	4,020	4,380
Educational services	1,710	1,800	1,920	2,070	2,220	2,400	2,550	2,410	2,660
All other government	1,600	1,690	1,700	1,810	1,670	1,590	1,690	1,610	1,720

a/ Includes textiles and apparel, furniture, chemicals, petroleum refining, primary metals, scientific instruments, paper and allied products and miscellaneous manufacturing.

Source: State of Washington Employment Security Department.

Table III

Percentage Distribution of Nonfarm Families and Renter Households
By Estimated Annual Income After Deduction of Federal Income Tax
Bellingham, Washington, HMA
1967 and 1969

Annual family income	1967 incomes All families	1967 incomes Renter households[a]	1969 incomes All families	1969 incomes Renter households[a]
Under $3,000	16	20	15	19
$3,000 - 3,999	8	11	8	10
4,000 - 4,999	11	16	11	15
5,000 - 5,999	14	16	12	16
6,000 - 6,999	14	12	14	13
7,000 - 7,999	9	9	10	10
8,000 - 8,999	8	7	8	8
9,000 - 9,999	7	4	7	4
10,000 - 12,499	8	3	9	2
12,500 - 14,999	3	( )	4	( )
15,000 and over	2	(2)	2	(3)
Total	100	100	100	100
Median	$6,125	$5,200	$6,325	$5,375

a/ Excludes one-person households.

Source: Estimated by Housing Market Analyst.

Table IV

Trend of Population and Household Growth
Bellingham, Washington, HMA
April 1, 1950-July 1, 1967

	April 1950	April 1960	July 1967	Average annual change 1950-1960 Number	1950-1960 Pct.[a]	1960-1967 Number[b]	1960-1967 Pct.[a]
Population							
Bellingham	34,112	34,688	37,000	58	0.1	320	0.9
Remainder of HMA	14,893	25,135	30,200	1,024[c]	5.2[c]	700	2.5
HMA total (nonfarm)	49,005	59,823	67,200	1,082[c]	2.0[c]	1,025	1.6
Whatcom Co. (incl. farm)	66,733	70,317	-	358	0.4	-	-
Households							
Bellingham	11,415	12,027	12,600	61	0.5	80	0.6
Remainder of HMA	4,865	7,616	9,100	275[c]	4.5[c]	200	2.5
HMA total	16,280	19,643	21,700	336[c]	1.9[c]	280	1.3
Whatcom Co. (incl. farm)	21,095	22,416	-	132	0.5	-	

a/ Percentages derived on the basis of a formula designed to calculate the rate of change on a compound basis.
b/ Totals may not add because of rounding.
c/ Substantially affected by definitional change in "farm" and "nonfarm" classification between 1950 and 1960 censuses.

Sources: 1950 and 1960 Censuses of Population and Housing; 1967 estimated by Housing Market Analyst.

Table V

Tenure and Vacancy in the Nonfarm Housing Inventory
Bellingham, Washington, HMA
April 1, 1950 to July 1, 1967

Tenure and Vacancy	April 1950 a/	April 1960	July 1967
Total housing supply	18,382	24,279	26,750
Occupied housing units	16,280	19,643	21,700
Owner-occupied	11,735	14,459	15,850
Percent of all occupied	72.1	73.6	73.0
Renter-occupied	4,545	5,184	5,850
Percent of all occupied	27.9	26.4	27.0
Vacant housing units	2,102	4,636	5,050
Available vacant	297	1,241	1,000
For sale	97	335	300
Homeowner vacancy rate	0.8%	2.3%	1.9%
For rent	200	906	700
Renter vacancy rate	4.2%	14.9%	10.7%
Other vacant b/	1,805	3,395	4,050

a/ The numbers of nonfarm units in 1950 are relatively low, as compared with 1960 and 1967, because of differences between 1950 and 1960 in the definition of "farm". However, the tenure and vacancy ratios in 1950 are probably not significantly affected by this factor.

b/ Includes seasonal units, vacant dilapidated units, units rented or sold awaiting occupancy, and units held off the market for absentee owners or for other reasons.

Sources: 1950 and 1960 Censuses of Housing; 1967 estimated by Housing Market Analyst.

Table VI

Bellingham, Washington, Area Postal Vacancy Survey

April 25, 1967

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	18,456	879	4.8	842	37	186	17,148	653	3.8	634	19	94	1,308	226	17.3	208	18	92	183	61	33.3
Bellingham	16,525	835	5.1	798	37	170	15,272	618	4.0	599	19	78	1,253	217	17.3	199	18	92	160	58	36.3
Lynden	1,931	44	2.3	44	-	16	1,876	35	1.9	35	-	16	55	9	16.4	9	-	-	23	3	13.0

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).