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Analysis of the **CASPER, WYOMING HOUSING MARKET**

as of July 1, 1965



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

January 1966

ANALYSIS OF THE
CASPER, WYOMING, HOUSING MARKET
AS OF JULY 1, 1965

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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ANALYSIS OF THE
CASPER, WYOMING, HOUSING MARKET
AS OF JULY 1, 1965

Summary and Conclusions

1. Total nonagricultural wage and salary employment, as reported by the Wyoming Employment Security Commission, averaged 17,900 in 1964, an increase of 700 over the 1963 level. Manufacturing employment accounted for only eight percent (1,500) of the total, with nonmanufacturing employment accounting for the other 92 percent. Over the three-year forecast period, total employment is expected to decline by 150 workers. The decline will result from employment curtailments in the petroleum industry which will occur during the forecast period, offset, in part, by increases in the rest of the economy.
2. The population of the Casper HMA currently totals about 54,450, a gain of 4,825 (10 percent) since April 1960. Recent population growth has been slower than it was in the 1950's, averaging 920 persons annually since 1960, compared with 1,825 persons annually between 1950 and 1960. The slower growth rate of the 1960's is exemplified in the migration pattern. Between 1950 and 1960, migration accounted for 51 percent of the total population increase. Only 14 percent of the 1960-1965 growth was attributable to migration. Population is expected to increase by 1,350 persons (2.5 percent), or 450 annually, during the three-year forecast period, resulting in a July 1968 population of 55,800.
3. The current household total of 16,600 represents an increase of 1,400 (nine percent) over the April 1960 level. This is an average increase of 270 a year. The 1950-1960 rate (520 a year) was almost twice the 1960-1965 rate. The number of households increased from 10,000 in 1950 to 15,200 in 1960. Annual increments of 130 households will result in a 1968 level of 17,000 households in the Casper HMA.
4. There are currently an estimated 18,550 housing units in the Casper HMA, a gain of about 1,850, or 350 units annually, over the April 1960 total. The annual increments between 1950 and 1960 averaged 635 units. Since January 1960, a total of 1,325 units have been authorized by building permits in the city of Casper and the towns of Mills and Evansville. In addition, an estimated 525 units have been built outside of these areas.

5. Available vacant units in the Casper HMA currently number about 1,200. Of the total, 350 are available for sale (a homeowner vacancy rate of 3.0 percent) and 850 are available for rent (a rental vacancy rate of 13.8 percent). In April 1960, the homeowner and rental vacancy rates were reported to be 1.9 percent and 11.2 percent, respectively, markedly below the current levels.

6. The volume of privately-owned net additions to the housing supply that will meet the requirement of anticipated growth during the next three years and result in an acceptable quantitative demand-supply relationship in the market averages approximately 40 units a year, all of which are for sales-type units. Reasonable market relationships would be achieved most readily with virtually no construction in the next several months and a slowly increasing production thereafter over the three-year forecast period. The high number of vacant units available for rent, in all quality ranges, will preclude any demand in that sector.

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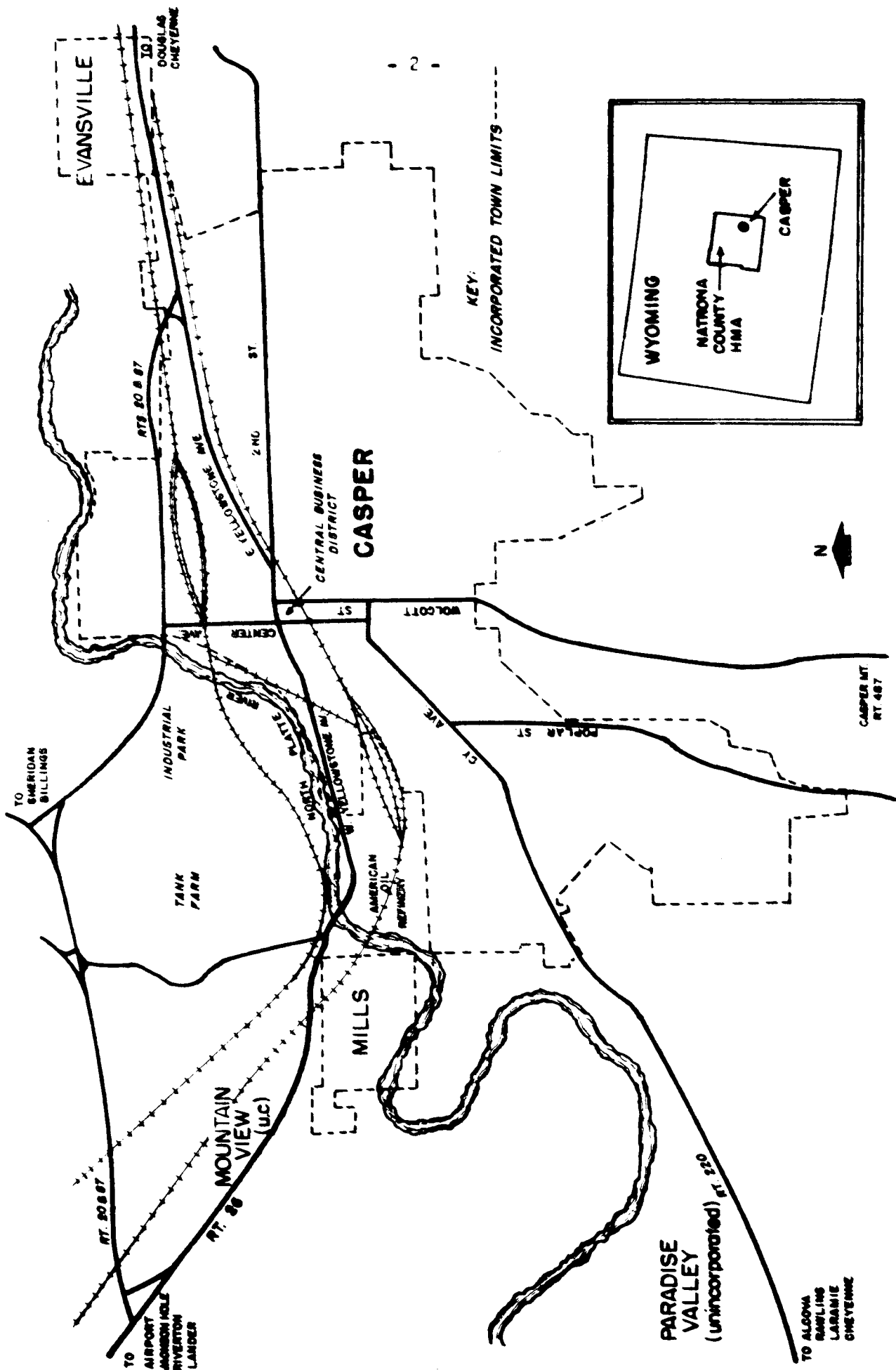
Housing Market Area

For the purpose of this analysis, the Casper, Wyoming, Housing Market Area (HMA) is defined as being coterminous with Natrona County, which had a population of 49,623 in 1960.^{1/} In addition to Casper, Natrona County contains many smaller towns and villages. Casper is the principal city and county seat, and lies at the foot of the Casper Mountains on the south bank of the North Platte River. Its remoteness is evidenced by the fact that Cheyenne, the nearest large city, is 185 miles distant to the southeast. Casper is 225 miles northeast of Rock Springs, 155 miles south of Sheridan, and 265 miles southeast of Yellowstone National Park.

The HMA is served by U. S. Routes 20 and 26, which run east and west; U.S. Route 87 provides access to the north, and Wyoming Route 220 begins in Casper and extends in a southwesterly direction to Rawlins. Two railroads, the Chicago and Northwestern and the Chicago, Burlington, and Quincy, supply rail transportation to the HMA, with air transportation available through two airlines (Frontier and Western) at the Municipal Airport. Commutation into or out of the HMA is negligible, because of its immense size and its distance from other urban areas.

^{1/} Inasmuch as the rural farm population of the Casper HMA constituted only 1.3 percent of the total population in 1960, all demographic and housing data used in the analysis refer to the total of rural farm and nonfarm data.

CASPER, WYOMING



Economy of the Area

Character and History

The Casper area was settled originally as a military outpost near a fort of the same name. As the area became more developed, ranching and farming emerged as the principal economic activities. Near the end of the 19th century, the city of Casper was incorporated and, at about the same time, the first oil well was drilled in the area. An increasing number of wells necessitated the construction of a petroleum refinery before the turn of the century, and Casper soon became very dependent upon its oil industry. The petroleum industry continued to be the main economic force through World War II. In the two decades following the War, attempts have been made to shift the economy of the HMA away from its extreme dependence on the oil and livestock industries. Additional natural resources have been tapped, and the development of productive facilities and attendant industries have followed. In recent years, Casper has expanded its role as a regional distribution center, a result of its remoteness from other urban markets.

Despite the attempt for substantial diversification, the Casper economy still relies heavily on the oil industry. The manufacturing sector is dominated by the presence of three refineries, and the nonmanufacturing sector includes numerous administrative personnel employed by the oil companies as well as an undetermined number of workers who are indirectly connected to the oil industry.

Employment

Current Estimate. Total nonagricultural wage and salary employment, as reported by the Wyoming Employment Security Commission, averaged 18,000 for the 12-month period ending June 1965. Of the total, manufacturing employment accounted for 1,500 (8 percent) and non-manufacturing employment accounted for 16,500 (92 percent). Estimates for other nonagricultural employment (self-employed, domestics, and unpaid family workers) are not available.

Past Trend. Total nonagricultural wage and salary employment increased by 1,000 (6 percent) between 1958 and 1964, from 16,900 in 1958 to 17,900 in 1964 (see table I). This represents an average annual increase of 170 jobs. The growth, however, has been erratic. A peak employment of 18,000 was reached in 1960, largely as a result of an 800 job increase in 1959. The national recession in 1961, however, was severe

in the Casper area; employment declined to 17,100, a loss of 900 jobs from the previous year. Employment remained near the recession level for the next two years. It was not until 1964 that a significant recovery was made.

Manufacturing employment in 1964 averaged about 1,500, or 8 percent of total wage and salary employment. The 1964 figure was 300 below the 1958 level of 1,800 (see table I). During the six-year period, only one increase was registered by the manufacturing sector; 100 jobs were added in 1959. Subsequent declines in 1961, 1962, and 1963 resulted in the 1964 employment level of 1,500 employees.

Petroleum refining and related products are the mainstay of the manufacturing sector, currently accounting for two-thirds of the employment. The 1958 peak of 1,300 was followed by annual declines through 1963, culminating in an employment level of only 900 employees in that year. A gain of 100 jobs was recorded in 1964. All other manufacturing employment increased from its 1958 level of 500 to a peak in 1959 and 1960 of 700 workers, only to decline again to 500 in 1964.

Nonmanufacturing employment averaged 16,400 in 1964, a gain of 1,300 (eight percent) over the 1958 level, an average annual increase of 220 jobs. Increases occurred in every year except 1961, when a 700 job decline was recorded. The largest numerical increases during the six-year period were registered by trade (400), government (400), and services (500). These gains more than offset losses of 100 in both the mining industry and the transportation, communications, and utilities industry.

The largest component of the nonmanufacturing sector is the trade industry, with 4,400 employees. This represents 27 percent of the total nonmanufacturing employment. About 3,300 workers (20 percent) are engaged in mining, which includes those who are involved in petroleum exploration and supporting personnel (administrative workers). These sectors are followed by government with 2,600 employees (16 percent), and services and miscellaneous with 2,300 (14 percent).

Principal Employment Sources

Employment in the Casper HMA is well diversified. The largest employer is the public school system, which has a peak employment of about 1,050 during the school year. Other large employers are the local power company, the hospital, and the telephone company, all of which are included in the nonmanufacturing sector. In addition, several oil companies still maintain offices in Casper. Employment totals of these firms are included in mining employment. The Pan American Oil Company, with

about 350 employees, recently announced plans to close its Casper operation. Most of the employees and their families will leave with the company. Since the announcement by Pan American, several smaller oil companies have stated intentions of reducing or ceasing their Casper operations.

Manufacturing employment is centered in three oil refining companies (American Oil Company, Mobil Oil Company, and the Texaco Company) and several smaller companies manufacturing related products, which account for about two-thirds of all manufacturing employment. One of these refineries, the Socony-Mobil Oil Company, will phase out its operation during the next two years.

Unemployment

In 1964, the unemployment rate, as computed by the Wyoming Employment Security Commission, averaged 3.7 percent of the work force, markedly below the 1963 rate of 5.1 percent. A gain of 500 jobs in the trade industry was the primary cause of the decline. A sluggish economy during the early 1960's sustained an unemployment rate exceeding five percent for the years 1961, 1962, and 1963. The cyclical movements of the unemployment rate have corresponded to employment changes in trade, particularly wholesale trade.

Estimated Future Employment

The curtailment of employment by various oil companies in the HMA will result in an estimated net employment decline of 150 jobs by July 1968, from a current level of 18,000 to a projected level of 17,850. Over the three-year forecast period, a loss of about 450 petroleum-connected jobs will more than offset an anticipated gain of 300 jobs in the rest of the economy. Of the 300 jobs expected to be added outside the petroleum industry, virtually all will be in nonmanufacturing, principally government, trade, and utilities.

Because most of the petroleum industry employment reduction will occur in the first year of the forecast period, the sharpest impact on the local economy will be felt during that time. Most of the petroleum employment cutback will occur in the nonmanufacturing sector of the economy, as divisional offices utilizing administrative personnel are removed from Casper. The closing of one refinery will effect an employment decline in the manufacturing sector as well. No information was obtainable respecting the number of employees and their families that will leave the Casper area as a result of the anticipated decline in employment in the petroleum industry.

Income

Currently, the median after-tax income for all families is estimated at \$7,750, a 17 percent increase over the 1959 level. Approximately 13 percent of the families have incomes of less than \$4,000 annually, and 8 percent have incomes above \$15,000. The median income of renter families is about \$6,600 after the deduction of Federal income tax. Of the renter families, about 18 percent have incomes of less than \$4,000 and only two percent earn more than \$15,000.

Demographic Factors

Population

Current Estimate. The total population of the Casper HMA is estimated at 54,450 as of July 1, 1965, an increase of 4,825 (10 percent) over the April 1960 level of 49,600. This represents average increments of 920 annually. The city of Casper currently has a population which totals 42,200, up 3,275 (eight percent) since 1960.

Population Trends Casper, Wyoming, HMA, 1950 - 1968

<u>Date</u>	<u>Total population</u>	<u>Total change</u>		<u>Average annual change</u>	
		<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
April 1950	31,437	-	-	-	-
April 1960	49,623	18,186	57.8	1,819	5.8
July 1965	54,450	4,825	9.7	920	1.9
July 1968	55,800	1,350	2.5	450	.8

Source: 1950 and 1960 Censuses of Population.
1965 and 1968 estimated by Housing Market Analyst.

Past Trend. Between 1950 and 1960, population increased by about 18,200 (58 percent) in the Casper HMA. The average annual increase during the decade was almost twice the rate experienced between 1960 and 1965. Population in the city of Casper increased by 15,250 during the 1950-1960 decade, from 23,650 in 1950 to 38,900 in 1960. About 80 percent of this growth was a result of extensions of the corporate limits.

Estimated Future Population. Based on anticipated trends in employment, the population of the Casper HMA is expected to total 55,800 by July 1968, an average annual increase of 450 persons (0.8 percent) during the three-year period. This is less than half the 1960-1965 average annual increments. About 59 percent of the growth will occur in the city of Casper. Annual increments of 270 persons will result in a 1968 population of 43,000 in the city.

Net Natural Increase and Migration. Between 1950 and 1960, net natural increase (excess of resident births over resident deaths) accounted for less than half of the total population gain. Of the total population increase of 18,200 during the decade, net natural increase accounted for 8,950 persons and in-migration accounted for 9,250 persons. Since April 1960, net natural increase has accounted for 86 percent of the added population. The much slower rate of in-migration since 1960 has been a result of the stagnant economic conditions which have existed since that time.

Components of Population Change
Casper, Wyoming, HMA
April 1950 - July 1965

<u>Component</u>	<u>Average annual change</u>	
	<u>1950-1960</u>	<u>1960-1965</u>
Population increase	<u>1,819</u>	<u>920</u>
Natural increase	895	790
Migration	924	130

Source: 1950 and 1960 Censuses of Population.
Wyoming Department of Public Health.
Estimates by Housing Market Analyst.

Distribution by Age. Data presented in table III show changes between 1950 and 1960 in the population according to age groups. The largest increase was registered by the youngest age group (under nineteen) which almost doubled. The second largest gain was recorded by the senior citizen age group (65 and over), which increased by 66 percent. The 20-29 age group had the smallest increase (13 percent), indicative of the low birth rates during the 1930's. The large increase (60 percent) in the 30-39 age group reflects the extensive in-migration during the decade. The small increase recorded by the 50-64 age group reflects the reluctance of middle-aged persons to migrate to new locations.

Households

Current Estimate. Households in the Casper HMA currently number about 16,600, up about 1,400 (nine percent) over the April 1960 level. This represents an average increase of 270 (two percent) a year. The city of Casper currently has approximately 13,200 households, an increase of 1,025 since April 1960.

Household and Household Size Trends Casper, Wyoming, HMA, 1950 - 1968

<u>Date</u>	<u>Households</u>	<u>Average annual change</u>	<u>Household size</u>
April 1950	9,996	-	3.05
April 1960	15,195	520	3.25
July 1965	16,600	270	3.26
July 1968	17,000	130	3.27

Source: 1950 and 1960 Censuses of Housing.
1965 and 1968 estimated by Housing Market Analyst.

Past Trend. Households increased by 52 percent between 1950 and 1960, from 10,000 in 1950 to 15,200 in 1960, an average annual increase of 520 a year, almost twice the 1960-1965 rate. About 4,400 of the added households were in the city of Casper, largely a result of annexations. Part of the HMA increase in households between 1950 and 1960 was due to a conceptual change in definition from "dwelling unit" in the 1950 census to "housing unit" in 1960.

Household Size. The average household size in the HMA is currently about 3.26 persons as compared with 3.25 persons in 1960. The trend of increasing household size is expected to continue over the forecast period, resulting in a July 1968 size of 3.27 persons.

Prospective Household Growth. Based on the July 1968 population projection for the HMA and the changes in average household size expected to occur over the next three years, the number of households is expected to total 17,000 by July 1968, an average increase of about 130 (0.8 percent) a year. About half of the household growth will be in the city of Casper.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. There are currently an estimated 18,550 housing units in the Casper HMA, a gain of about 1,850, or 350 units annually, over the April 1960 total. The growth rate during the past five years has been only about half the rate of the previous decade. Between 1950 and 1960, the housing stock increased by 6,350 units, from 10,350 in 1950 to 16,700 in 1960. Part of the growth was due to a conceptual change in definition from "dwelling unit" in the 1950 census to "housing unit" in 1960.

The city of Casper contains almost 13,450 housing units as of July 1, 1965, a gain of 1,275 over the April 1960 level. The inventory increased by 4,200 between 1950 and 1960, largely a result of three annexations.

Type of Structure. As indicated by the following table, the housing inventory is composed primarily of single-family structures, which currently account for about 81 percent of the total housing stock. Since the April 1960 enumeration, all categories except the single-family classification have shown proportional declines.

Units in Structure
Casper, Wyoming, HMA, 1960-1965

<u>Units in structure</u> <u>a/</u>	<u>April</u>	<u>July</u>	<u>Percent of total</u>	
	<u>1960</u>	<u>1965</u>	<u>1960</u>	<u>1965</u>
1 unit	13,202	14,985	79.1	80.8
2 units	1,273	1,280	7.6	6.9
3 - 4 units	675	710	4.1	3.8
5 or more units	<u>1,540</u>	<u>1,575</u>	<u>9.2</u>	<u>8.5</u>
Total units	16,690	18,550	100.0	100.0

a/ Includes trailers.

Source: 1960 Census of Housing.
1965 estimated by Housing Market Analyst.

Age of Structure. The sporadic growth of the Casper HMA is evident in the following table. 1/ Only ten percent of the housing stock has been built since 1960, compared with almost 38 percent during the 1950's and over 41 percent prior to 1939.

Year Structure Built
Casper, Wyoming, HMA
July 1, 1965

<u>Year built</u>	<u>Number</u>	<u>Percent</u>
April 1960 - June 1965	1,860	10.0
1955 - March 1960	3,741	20.2
1950 - 1954	3,254	17.5
1940 - 1949	2,000	10.8
1939 or earlier	<u>7,695</u>	<u>41.5</u>
Total	18,550	100.0

Source: Estimated by Housing Market Analyst.

Condition of the Inventory. In April 1960, approximately 11 percent of the inventory was classified as dilapidated or lacking one or more plumbing facilities. With the new units that have been added since 1960 and the upgrading of some of the older units about 10 percent of the inventory may be similarly classified as of July 1965. The housing inventory in the city of Casper is in generally better condition than that of the entire HMA, with only about eight percent of the units classified as dilapidated or lacking some or all plumbing facilities in the 1960 census. Currently, about seven percent of the inventory is so classified.

Value and Rent. The median value of owner-occupied homes in the Casper HMA was \$14,800 in 1960. The median value in the city of Casper was \$15,500. These figures are estimated to have increased only slightly during the past five years. The median gross rent in 1960 was \$75 for both the HMA and the city of Casper. Since 1960, multifamily construction has been minimal and rents have not changed materially.

Residential Building Activity

A total of 1,325 units have been authorized in permit-issuing places in the Casper HMA since January 1960, an average of 240 units a year

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

(see table IV). The average authorization rate for the previous five years (1955-1959) was 400 a year. Building permits are issued only for the city of Casper and the towns of Mills and Evansville. An estimated 525 housing units have been built outside of these areas since 1960, bringing the total building activity to 1,850 units, or 340 annually.

The acme in building activity, reflected by authorizations for new construction, was attained in 1954 when 930 units were authorized. The nadir occurred ten years later, in 1964, when fewer than 175 units were authorized. Building activity has slowed even further in 1965. Only 40 units were authorized in the first six months, compared with 100 units in the first half of 1964.

Units Under Construction. Based on the results of a postal vacancy survey and on local observation, an estimated 25 housing units are currently under construction. The total includes 20 residences and five apartment units, most of which are located in the city of Casper.

Demolition and Conversion Trends. Demolitions and conversions have had little, if any, effect on the housing stock of the Casper HMA. There is a lack of units which are suitable for conversions. Demolitions have been minimized by the moving of structures to new locations rather than tearing them down.

Tenure of Occupancy

Of the present total of about 16,600 occupied housing units in the HMA, about 11,300 (68 percent) are owner-occupied and 5,300 (32 percent) are renter-occupied. This indicates an increase in the owner-occupancy ratio since April 1960, at which time the census reported that 66 percent of the occupied units were owner-occupied.

Occupied Housing Units by Tenure Casper, Wyoming, HMA, 1950-1965

<u>Tenure</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>July</u> <u>1965</u>
Total occupied	9,996	15,195	16,600
Owner occupied	5,334	10,020	11,300
Percent	53.4%	65.9%	68.1%
Renter occupied	4,662	5,175	5,300
Percent	46.6%	34.1%	31.9%

Source: 1950 and 1960 Censuses of Housing.
1965 estimated by Housing Market Analyst.

Vacancy

Census. The 1960 census reported 850 units which were vacant and available either for sale or for rent. Of the total, 200 units were for sale (a homeowner vacancy rate of 1.9 percent) and 650 were available for rent (a rental vacancy rate of 11.2 percent). About four percent (7 units) of the vacant sales units and 24 percent (155 units) of the vacant rental units lacked some of all plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey was conducted on May 12, 1965 by the Casper Post Office. It covered a total of 14,441 units, about 78 percent of the total inventory (see table V). The survey revealed that 4.3 percent of the 10,975 residences and 11.5 percent of the 3,466 apartments were vacant. These data are not comparable with census vacancy data because of differences in definition, area delineations, and methods of enumeration.

Results from comparable surveys conducted in previous years are presented in table V. Successively higher vacancy is indicated over the past several years. Subsequent to the May 1965 survey, local reports indicated that vacancy increased to higher levels within only a few weeks time. This is, of course, attributable to the out-migration of oil company personnel in June 1965.

Current Estimate. Based on the postal vacancy survey and on local observation, it is estimated that there are currently 1,950 vacant housing units in the HMA, including 1,200 available vacancies and 750 vacant units which are not available. Of the vacant available units, 350 are available for sale (a homeowner vacancy rate of 3.0 percent), and 850 are available for rent (a rental vacancy rate of 13.8 percent). Approximately 15 of the sales units and 200 of the rental units lack some or all plumbing facilities. A comparison of the current number of vacancies with the number of vacancies reported in April 1960 by the Census of Housing is shown in the following table.

Vacant Housing Units
Casper, Wyoming, HMA, 1960-1965

<u>Category</u>	<u>April</u> <u>1960</u>	<u>July</u> <u>1965</u>
Total vacant	<u>1,495</u>	<u>1,950</u>
Available vacant	851	1,200
For sale only	196	350
Homeowner vacancy ratio	1.9%	3.0%
For rent only	655	850
Rental vacancy ratio	11.2%	13.8%
Other vacant	644	750

Source: 1960 Census of Housing.
1965 estimated by Housing Market Analyst.

The homeowner and rental vacancy rates are substantially above the levels that represent an acceptable demand-supply relationship in the market.

Sales Market

The sales market of the HMA has been softened by the announcement that several oil companies would close their local operations. A buyer's market has resulted. Previous to these developments new construction activity had exceeded population and household gains and vacancy rates increased.

Major subdivision activity has been located in the southern sections of the city and in Paradise Valley, an unincorporated area located west of Casper. Most new homes built in these areas have been priced between \$15,000 and \$25,000, with generally favorable marketability. Homes priced below \$15,000 have been marketed with greater difficulty. Likewise, the home buying public has shown a preference for new units as opposed to existing ones. Speculative construction, about half of all new construction prior to the announcements relative to oil company out-migration, has receded to negligible levels.

Unsold Inventory. An FHA Unsold Inventory of new homes completed in 1964 was conducted by the Casper Insuring Office in January 1965. It surveyed five subdivisions which had five or more completions during 1964. The survey revealed a total of 133 completions during the period, of which 64 (48 percent) had been sold prior to the start of construction. Of the 69 units built on a speculative basis only 13 (19 percent) remained unsold at the time of the survey (see table VI). Most of the new units were priced to sell for between \$15,000 and \$25,000 with most of the speculatively-built homes in the \$15,000-\$20,000 range. There were no comparable surveys in previous years.

Foreclosures. Although foreclosure data are not available for the entire HMA, the trend of FHA acquisitions is indicative of the area. FHA commissioner-held properties have increased rapidly during the past two years. During the early 1960's, acquisitions were negligible, numbering only one or two a year. In 1963, however, 13 properties were acquired and, 1964, an additional 22 were added. The upward trend is expected to continue during the forecast period as a reflection of reduced economic activity and high vacancy.

Rental Market

The high vacancy rate of 13.8 percent reported for rental units in May 1965 demonstrates the current weakness of the rental market. Most of the rental units are located in either single-family structures or older multifamily structures. Only 58 multifamily units have been authorized since 1960, representing less than five percent of the total authorized units. This shows little change from the 1950-1960 record. Further deterioration of the rental market is anticipated to occur during the forecast period.

Mortgage Market

Virtually all of the mortgage money is supplied by local sources. Conventional mortgages are generally for a maximum term of 20 years with interest rates between 6 and 7 percent. The FHA is very active in the local market.

Demand for Housing

Quantitative Demand

Quantitative demand for additional housing during the three-year forecast period is based on an expected increase of about 130 households annually, on the changes in the tenure of occupancy in the inventory, on the need to reduce the present level of vacancies, and on the current level of construction. To accommodate the household growth and to allow for expected occupancy and tenure changes, an annual average of about 40 housing units will be in demand during the next three years. All of the demand will be for sales-type units. The high number of vacant units available for rent, in all quality ranges, will preclude any demand in that sector.

Qualitative Demand

Of the annual demand for sales units, about 20 percent will be for houses priced below \$16,000, about 25 percent will be for homes priced between \$16,000 and \$20,000, about 25 percent will be for homes in the \$20,000-25,000 range, and 30 percent for homes priced over \$25,000. This distribution differs from that in table VI, which reflects only selected subdivision experience during the year 1964. It must be noted that the 1964 data do not include new construction in subdivisions with fewer than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction, and some of the lower value homes, are concentrated in the smaller building operations. The demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

To effectively reduce the current relatively high homeowner vacancy rate, a sharp reduction of production must be effected from present low levels. The authorization rate of about 80 units per annum (all single-family) during the first six months cannot be continued without creating further market imbalance. Reasonable market relationships would be achieved most readily by an annual average production of about 40 sales housing units, with virtually none in the next several months and a slowly increasing production thereafter over the three-year forecast period. The demand should be satisfied by homes built on contract for predetermined purchasers.

APPENDIX TABLES

Table I

Average Annual Nonagricultural Wage and Salary Employment by Type of Industry
Casper, Wyoming, Housing Market Area
1958-1964 a/
(in thousands)

<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Wage and salary employment	16.9	17.7	18.0	17.1	17.3	17.2	17.9
Manufacturing	<u>1.8</u>	<u>1.9</u>	<u>1.9</u>	<u>1.7</u>	<u>1.6</u>	<u>1.5</u>	<u>1.5</u>
Refining of petroleum and related products	1.3	1.2	1.2	1.1	1.0	.9	1.0
Other manufacturing	.5	.7	.7	.6	.6	.6	.5
Nonmanufacturing	<u>15.1</u>	<u>15.8</u>	<u>16.1</u>	<u>15.4</u>	<u>15.7</u>	<u>15.7</u>	<u>16.4</u>
Mining	3.4	3.6	3.6	3.2	3.3	3.4	3.3
Construction	1.4	1.5	1.5	1.5	1.4	1.4	1.4
Trans., comm., and util.	1.7	1.7	1.7	1.6	1.5	1.6	1.6
Trade	4.0	4.2	4.4	4.1	4.2	3.9	4.4
Fin., ins., and real estate	.6	.7	.7	.7	.8	.8	.8
Service and miscellaneous	1.8	1.9	2.0	2.0	2.2	2.2	2.3
Government	2.2	2.2	2.2	2.3	2.3	2.4	2.6

a/ Comparable employment data are available for the years 1958-1964 only.

Source: Wyoming Employment Security Commission.

Table II

Estimated Percentage Distribution of Families by Annual Income
After Deduction of Federal Income Tax
Casper, Wyoming, HMA, 1965

<u>Annual family income</u>	<u>1965 incomes</u>	
	<u>All</u>	<u>Renter</u>
Under \$4,000	13	18
\$4,000 - 4,999	7	10
5,000 - 5,999	9	15
6,000 - 6,999	12	13
7,000 - 7,999	12	12
8,000 - 8,999	10	9
9,000 - 9,999	9	5
10,000 - 12,499	13	11
12,500 - 14,999	7	5
15,000 and over	8	2
Total	100	100
Median income	\$7,750	\$6,600

Source: Estimated by Housing Market Analyst.

Table III

Distribution of the Population by Age
Natrona County, Wyoming
1950-1960

<u>Age group</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>Change</u>	
			<u>Number</u>	<u>Percent</u>
0-19	10,446	20,877	10,431	99.9
20-29	5,412	6,130	718	13.3
30-39	5,114	8,184	3,070	60.0
40-49	4,063	5,822	1,759	43.3
50-64	4,588	5,598	1,010	22.0
65 and over	<u>1,814</u>	<u>3,012</u>	<u>1,198</u>	<u>66.0</u>
Total	31,437	49,623	1,198	57.8

Source: 1950 and 1960 Censuses of Population.

Table IV

Units Authorized by Building Permits
Casper, Wyoming, HMA
1950 - 1965

<u>Year</u>	<u>Total</u>	<u>Single family</u>	<u>Multi- family</u>	<u>Casper</u>	<u>Evansville</u>	<u>Mills</u>
1950	475	463	12	475	NA	NA
1951	299	297	2	299	NA	NA
1952	592	570	22	592	NA	NA
1953	415	360	55	415	NA	NA
1954	930	896	34	930	NA	NA
1955	371	369	2	371	NA	NA
1956	330	330	0	330	NA	NA
1957	342	342	0	342	NA	NA
1958	488	474	14	488	NA	NA
1959	495	468	27	495	NA	NA
1960	341	328	13	340	0	1
1961	244	230	14	241	0	3
1962	260	251	9	249	9	2
1963	257	257	0	245	12	0
1964	173	151	22	166	6	1
1965 <u>a/</u>	40	40	0	40	NA	NA

a/ First six months.

Source: Office of the City Engineer, Casper, Wyoming,
 Bureau of the Census, C 40 Construction Reports.

Table V

Results of Postal Vacancy Surveys
Conducted in Casper, Wyoming, HMA
January 1959 - May 1965

	January <u>1959</u>	July <u>1960</u>	May <u>1961</u>	May <u>1965</u>
<u>All dwellings</u>				
Total deliveries	12,020	13,187	13,787	14,441
Vacant units	216	504	656	867
Percent of total	1.8%	3.8%	4.8%	6.0%
<u>Residences</u>				
Total deliveries	8,677	9,389	10,324	10,975
Vacant units	88	243	315	469
Percent of total	1.0%	2.6%	3.1%	4.3%
<u>Apartments</u>				
Total deliveries	3,343	3,798	3,463	3,466
Vacant units	128	261	341	398
Percent of total	3.8%	6.9%	9.8%	11.5%

Source: Postal Vacancy Surveys conducted by the Casper Post Office.

Table VI

Houses Completed in the Past Twelve Months and the Number Unsold by Price Class
Casper, Wyoming, Housing Market Area
January 1, 1935

<u>Sale price</u>	<u>Total completions</u>	<u>Houses sold before const. start</u>	<u>Speculative houses</u>			
			<u>Total</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
Under \$10,000	4	4	-	-	-	-
\$10,000 - 12,499	1	1	-	-	-	-
12,500 - 14,999	5	1	4	4	-	-
15,000 - 17,499	41	7	34	29	5	14.7
17,500 - 19,999	38	15	23	19	4	17.4
20,000 - 24,999	35	28	7	3	4	57.1
25,000 - 29,999	8	8	-	-	-	-
30,000 and over	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total	133	64	69	56	13	18.8

Source: Survey of Unsold Inventory of New Homes, conducted by the Casper FHA Insuring Office.