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1965

Analysis of the

COLORADO SPRINGS, COLORADO HOUSING MARKET

as of October 1, 1965

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

April 1966

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

Foreword

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

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

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

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ANALYSIS OF THE
COLORADO SPRINGS, COLORADO, HOUSING MARKET
AS OF OCTOBER 1, 1965

Summary and Conclusions

1. Nonagricultural employment in the Colorado Springs HMA has increased yearly during the last five years, rising to a 1964 level of over 48,350. The recent gains in employment have been caused primarily by increases in contract construction, trade, and government employment, all of which are closely related to military activities. Three military complexes constitute the major economic support of the Colorado Springs area. An increase in total nonagricultural employment of approximately 6,000 (3,000 annually) over the next two years appears to be a reasonable expectation.

In July 1965, unemployment averaged about 2.4 percent of the civilian work force in El Paso County. The unemployment rate rose steadily during the 1958-1961 period to an eight-year high of 5.5 percent in 1961.

2. The current median annual income of all families in the HMA, after deducting Federal income tax, is approximately \$6,375; the median after-tax income of all renter families is about \$5,225 annually. By 1967, median after-tax incomes are expected to rise to \$6,675 a year for all families and to \$5,450 annually for renter families.
3. The current population of the Colorado Springs HMA is approximately 195,100 persons, an increase of about 51,350 since April 1960. About 51 percent of the total growth occurred in the city of Colorado Springs, which currently has a population of about 96,400. By October 1, 1967, total population in the HMA is expected to reach 213,700, a gain that would represent an increase of 18,600 (9,300 annually) above the 1965 level.
4. At the present time, households in the HMA number about 54,950, an increase of 12,800 (30 percent) over the April 1960 total of 42,150. About 30,300 of the households are in the city of Colorado Springs. By October 1, 1967, there are expected to be 60,300 households in the area, representing an average addition of about 2,675 annually during the two-year forecast period.

5. At present, there are about 60,750 housing units in the Colorado Springs HMA, representing a net addition to the housing stock of about 12,550 units (26 percent), or 2,300 annually since 1960. This net addition resulted from about 11,450 housing units completed since 1960, from an addition of some 2,300 trailers to the 1960 inventory, and from the demolition of approximately 1,200 housing units between April 1960 and October 1965. The number of units authorized for construction in the HMA has been increasing since 1960, totaling over 3,400 units in 1964. Although about 77 percent of the total units authorized during the January 1960-August 1965 period were single-family houses, multifamily construction has been increasing recently, reaching about 1,175 units in 1964, about 35 percent of total authorizations. Approximately 1,050 housing units are currently under construction, 450 single-family units and 600 multifamily units.

6. There are currently about 2,400 vacant housing units available for sale or rent in the Colorado Springs HMA. Of the total vacant units, 850 are available for sale only, representing a homeowner vacancy ratio of 2.4 percent, and 1,550 are vacant available rental units, or a renter vacancy ratio of 7.1 percent. Current vacancy ratios are significantly below the 1960 levels, reflecting the increased military strength at Fort Carson and the general improvement in economic conditions.

7. Demand for additional housing during the October 1965 to October 1967 period is expected to total 2,825 units annually, including 1,925 units for sale and 900 units for rent. Annual demand for new sales housing by price classes is expected to approximate the pattern indicated on page 28. An approximate distribution of rental demand by monthly gross rent and size of unit is presented on page 29.

ANALYSIS OF THE
COLORADO SPRINGS, COLORADO, HOUSING MARKET
AS OF OCTOBER 1, 1965

Housing Market Area

The Colorado Springs Housing Market Area (HMA) is defined as being coterminous with El Paso County, Colorado. The delineated area, which conforms to the Colorado Springs Standard Metropolitan Statistical Area (SMSA), contained about 143,700 people in April 1960. The only urban section of El Paso County is the metropolitan area of Colorado Springs, which includes the cities of Colorado Springs and Manitou Springs, and Ivywild and Security, two unincorporated areas to the south of Colorado Springs.

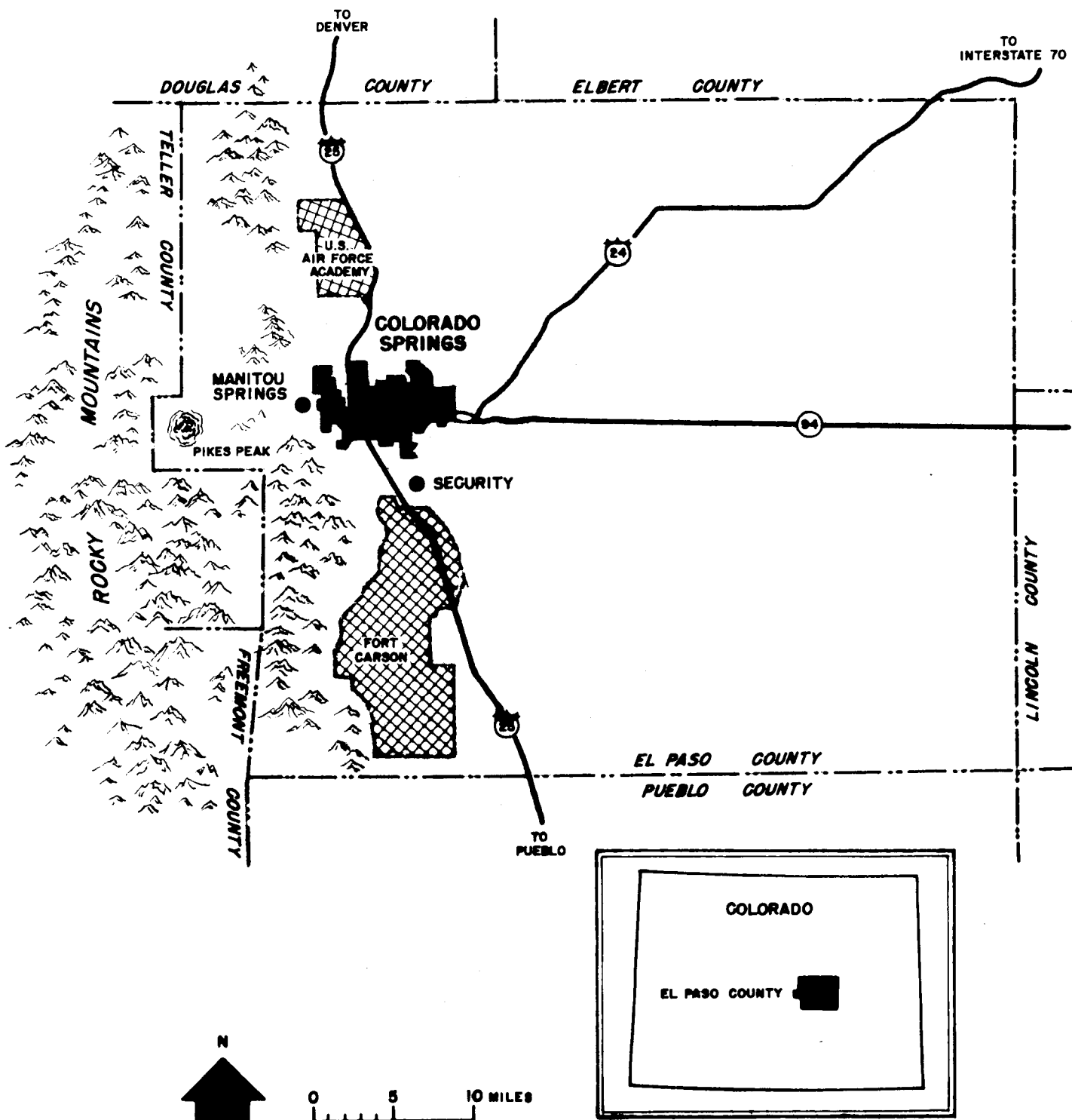
El Paso County is located in central Colorado at the point where the Great Plains connect with the easternmost sector of the Rocky Mountains (see map). The extreme western part of the county is mountainous and has several peaks of over 10,000 feet, the most famous of which is Pikes Peak. The city of Colorado Springs is located at the foot of the mountains about 70 miles south of Denver, Colorado, and 45 miles north of Pueblo, Colorado.

The Colorado Springs HMA is provided with excellent transportation facilities. Although blocked on the west by the mountains, the city is afforded a north-south artery by Interstate 25 and a good eastward connection in U. S. Highway 24. Peterson Field, the Colorado Springs Municipal Airport, gives the HMA regularly scheduled jet and conventional service from four airlines, Braniff, Central, Frontier, and Continental. In addition to the air and highway facilities, the area has fine rail, truck, and bus service available.

Military installations have a significant impact on the Colorado Springs area, with the Army's Fort Carson situated four miles south of Colorado Springs, Ent Air Force Base located within the city limits, and the Air Force Academy located about eight miles northwest of Colorado Springs. In view of the extensive military facilities in the area, data in this analysis will be presented separately for the military whenever possible. As used in this report, particularly in the "Demographic Factors" section, the term "military" is defined as including the uniformed military personnel and their dependents. "Military-connected civilians" include those civilians and their dependents who are employed by the military. The term "nonmilitary-connected civilians" includes all other civilians not directly connected with the various military installations.

Inasmuch as the rural farm population of the Colorado Springs HMA constituted only 1.6 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

COLORADO SPRINGS, COLORADO, HOUSING MARKET AREA (EL PASO COUNTY)



Economy of the Area

Character and History

Colorado Springs was designed in 1871 by General William J. Palmer as a city of homes and parks serving the nearby mining and trade town of Colorado City. Within a few years, however, Colorado Springs began to generate a small economy of its own as a resort center because of its proximity to Pikes Peak. The city received its first real economic boom in the 1890's from the gold strike at Cripple Creek, on the western slope of Pikes Peak. Between 1890 and 1900, population in the city increased from 11,000 to more than 23,000.

Mining and recreational activities supported Colorado Springs from its inception until the beginning of World War II when military installations became the dominant economic factor. In 1942, Fort Carson was established in southern El Paso County and a year later Ent Air Force Base was opened within the city limits of Colorado Springs. Adding to the importance of the military in the HMA, the Air Force Academy was authorized and located north of Colorado Springs in 1955. The establishment of these three military installations in the HMA changed the economic character of the area and provided the impetus for rapid population growth during the last two decades.

Employment

Current Estimate. According to the Colorado Department of Employment, there was an average of 52,350 nonagricultural jobs in the Colorado Springs HMA during the first eight months of 1965. Almost 92 percent of all nonagricultural jobs in the area during the period were in nonmanufacturing industries.

Past Trend. Nonagricultural employment in the Colorado Springs HMA has increased yearly during the last five years, but between 1958 and 1960 the number of jobs available declined from a 1958 annual average of 39,400 to a 1960 low of 36,175. This employment drop of over eight percent in two years is attributable primarily to the response of the construction industry to changes in military activities. With the completion of major military projects and reduced residential construction, employment in the construction industry dropped from 9,225 in 1958 to a 1960 annual average of 2,875. The resumption of military activities and the addition of a few, small manufacturing firms reversed the 1958-1960 downward trend, and nonagricultural employment rose from about 36,175 in 1960 to a 1962 average of 43,100, a two-year gain of close to 6,950, or nine per-

cent annually. Nonagricultural employment increased by about two percent between 1962 and 1963, and then rose over ten percent to a 1964 annual average of over 48,375. The 1963-1964 rise was caused primarily by increases in contract construction, trade, and government employment. It is significant to note that employment in all three of these segments is closely related to military activities, either as direct employees or in supporting services.

The Colorado Department of Employment reports that employment totals for 1958 through 1962 are not strictly comparable to those later than 1963 due to a change in methodology of computation. However, this does not significantly alter the progressive increases the figures reveal. The table below shows 1958 through 1964 annual average nonagricultural employment totals for the Colorado Springs HMA and the changes between the dates.

Annual Average Nonagricultural Employment
Colorado Springs, Colorado, HMA
1958-1964

<u>Year</u>	<u>Nonagricultural employment</u>	<u>Change from preceding year</u>	
		<u>Number</u>	<u>Percent</u>
1958	39,400	-	-
1959	37,250	-2,150	-5.5
1960	36,175	-1,075	-2.9
1961	38,100	1,925	5.3
1962	43,100	5,000	13.1
1963	43,900	800	1.9
1964	48,375	4,475	10.2

Source: Colorado Department of Employment.

Employment by Industry

The only comparable employment figures available for long-term trend analyses of specific industries within the Colorado Springs HMA are those reported for the month of July. Employment by major industry groups is shown in detail in table I for the years 1958 to 1965, with the exception of 1963 for which year the data are unavailable.

Manufacturing employment accounted for about nine percent of total nonagricultural employment in July 1965, an increase over the July 1958 proportion of less than six percent. Before 1960, manufacturing employment remained relatively stable, averaging about 2,275 persons. A few small, light manufacturing firms have moved into the HMA since 1960, increasing manufacturing employment from 2,850 in July 1961 to over 4,800 in July 1965. The recent rise in manufacturing employment

has diversified the economy of the area somewhat; nevertheless, non-manufacturing industries, specifically military-linked segments, still comprise the base of the economy of the Colorado Springs HMA.

Major employment sources within the nonmanufacturing category are contract construction, trade, services, and government. Employment in contract construction totaled over 5,325 in July 1965, or ten percent of all nonagricultural employment. As discussed earlier, the construction industry is volatile, primarily because it is closely linked with military activities within the HMA. Totalling about 9,225 employees in July 1958, employment in the industry dropped to a low of 2,875 in July 1960. Beginning in 1961, however, continuing construction at the Air Force Academy and the building of new facilities for North American Air Defense Command (NORAD) gave impetus to the industry. Employment rose from 3,550 in July 1961 to 5,325 in July 1965, a four-year increase of about 1,775 (50 percent), or over 440 jobs annually.

The trade and service segments of the Colorado Springs economy have been increasing steadily since 1961. Employment in trade, which accounted for about 19 percent of total nonagricultural employment in July 1965, has risen from a July 1961 low of 5,950 to over 10,550 in July 1965, representing an increase of 4,600 (77 percent), or 1,150 annually. After remaining relatively stable during 1958 and 1959, the trade segment experienced a two-year employment decline of almost 850 jobs (12 percent), from 6,800 in July 1959 to 5,950 in July 1961. The service segment of the Colorado Springs economy accounted for about 17 percent of total nonagricultural employment in July 1965. Employment in this industry expanded during the 1958-1960 period but then dropped by 285 (four percent), from over 7,150 workers in July 1960 to 6,875 in July 1961. Since 1961, however, employment in service industries has been expanding steadily (about nine percent annually) to its July 1965 level of 9,375. The low employment level experienced in these two supporting industries in the 1960-1961 period corresponds to the decline in military activity at Fort Carson during the same period.

Government employment is most directly connected with the military installations located in the Colorado Springs HMA. Of 10,400 civilian workers employed in government activities in July 1965, about 4,400 (42 percent) were civil service employees at the three military installations. During the July 1958-July 1965 period, government employment increased every year except for the 1959-1960 decrease, coincidental with the 1960 decrease in activities at Fort Carson. Between July 1960 and July 1965, government employment grew by about 4,125 (66 percent), or almost 825 jobs annually. Although civilian employ-

ment at the military installations is over 40 percent of total government employment, it has not been the primary cause of recent growth in that segment. During the 1960-1965 period, Civil Service employment at the military installations increased by only about 770 or less than 20 percent of the 1960-1965 total civilian government employment growth, indicating the increasing importance of state and local activities in the over-all government employment category.

Employment Participation Rate. The ratio of employment to the total population of the HMA is termed the employment participation rate. Census data indicate that this ratio was 28.83 percent in 1960, a slight decrease from the 1950 rate of 31.65 percent. This ratio is below the national norm, reflecting the large number of military personnel stationed in the area and not included in civilian employment. One cause of a decreasing participation rate is a rate of population growth which is above that of employment. This condition prevailed during the 1950-1960 decade and probably into the first few years of the 1960's. The sharp increase in military strength during the decade was the primary reason for population increasing more rapidly than civilian employment. Recent non-military employment increases, however, have reversed the downward trend, and presently the employment participation rate is rising slowly.

Principal Employment Sources

Excluding the military installations, there are no exceptionally large employers in the Colorado Springs HMA. The three military establishments currently constitute the major economic support of the base of the Colorado Springs economy.

Fort Carson. Fort Carson, located three miles south of Colorado Springs, was established as an Army base in 1942 and was made the headquarters of the 89th Infantry Division in July 1942. At various times between 1942 and 1960, the camp was the headquarters of five other major divisions: the 71st, 104th, 10th Mountain, 31st Infantry, and the 9th Infantry. In addition, Fort Carson served as a training and personnel center. On July 1, 1960, the 9th Infantry Division, then located at Fort Carson, was reduced to zero strength; and 18 months later the division was inactivated. The 2nd U. S. Army Missile Command (Medium), consisting of about 4,000 men, was stationed at Fort Carson from May 1959 to August 1961. Currently, the principal mission of the installation is the support of the 5th Infantry Division (Mechanized) which has been located at Fort Carson since September 1962.

The latest available strength figures for Fort Carson indicate a military complement of 13,740 as of July 1965. The recent low is caused primarily by the transfer of some troop units to overseas duty. The reduction of the 9th Infantry Division to caretaker status at Fort Carson in 1960 caused the Fort to reach a low strength level, as seen in the table below.

Military and Civilian Strength
Fort Carson, Colorado
December 1951-July 1965

<u>Date</u>	<u>Military strength</u>	<u>Civilian civil service</u>	<u>Date</u>	<u>Military strength</u>	<u>Civilian civil service</u>
Dec. 1951	11,896	1,566	Dec. 1952	11,316	1,144
" 1952	11,365	1,865	" 1960	5,841	979
" 1953	12,941	1,618	" 1961	22,726	1,406
" 1954	24,801	1,798	" 1962	14,441	1,450
" 1955	21,441	1,775	" 1963	14,189	1,428
" 1956	23,428	1,628	" 1964	15,740	1,380
" 1957	16,129	1,525	July 1965	13,740	1,452
" 1958	17,779	1,368			

Source: Department of the Army.

The varying strength totals evident at Fort Carson during the post-war period reflect the fact that the facility served as a training center and many of the reported personnel are actually trainees temporarily assigned to the installation. No significant strength changes are expected to occur at Fort Carson in the next few years.

The civilian complement at Fort Carson has experienced more stable strength totals than those of the military personnel assigned to the installation. Although reaching a low level in 1960, the civilian personnel totals have not varied significantly since that time, ranging from about 1,375 to 1,450 during the 1960-1965 period.

Ent Air Force Base. Ent Air Force Base is actually two separate military facilities under the same command. The headquarters and most of the service and operational facilities are located within the city limits of Colorado Springs; the maintenance and flying operations are carried out by the Peterson Field facility, which also serves as the Colorado Springs Municipal Airport. The base has had a succession of key tenants since its opening in 1943 as the headquarters of the Second Air Force. Ent AFB is currently the home of the North American Air Defense Command (NORAD)--the nerve center for aerospace defense of the North American continent. The air defense combat forces--the interceptor aircraft, missiles, and radar--are provided by the commands operating under NORAD. The major component commands of NORAD are: the U.S. Air Force Air Defense

Command; the U.S. Army Air Defense Command; Naval Forces, Continental Air Defense Command; and the Royal Canadian Air Force (RCAF) Air Defense Command. The three U. S. component commands have their headquarters at Ent AFB and the RCAF Air Defense Command is headquartered at St. Hubert, Quebec. The peace-time mission of NORAD, and therefore of Ent AFB, is to prepare plans and procedures for immediate joint defensive action and to assure an effective, combined force of instant reaction to attack. An underground Combat Operations Center in Cheyenne Mountain, about five miles south of Colorado Springs, has been **completed** recently and is ready for occupancy.

As of August 1965, there were 4,297 Air Force personnel stationed at Ent AFB. In addition, about 1,000 Army, Navy, and Canadian Air Force personnel are currently at the installation; however, long-term strength figures are available only for Air Force personnel assigned to the base. Ent AFB has increased in strength annually over the last eight years, averaging a gain of about 270 Air Force personnel annually since 1957. There appears to be no consideration which should significantly change this rate over the next two years.

Like military strength at the base, civilian strength has been increasing each year since 1957. As of June 1965, Ent AFB had a total of 1,158 civilians employed at the two installations. The civilian strength increases, which have been relatively small in recent years, also are expected to continue. The table below summarizes Air Force personnel strength and civilian strength at Ent AFB and Peterson Field from 1955 to 1965.

Air Force Personnel and Civilian Strength
Ent Air Force Base, Colorado
December 1955-August 1965

<u>Date</u>	<u>Military strength</u>	<u>Civilian civil service</u>	<u>Date</u>	<u>Military strength</u>	<u>Civilian civil service</u>
Dec. 1955	2,081	308	Dec. 1960	2,925	970
" 1956	2,457	906	" 1961	3,302	1,018
" 1957	2,153	756	" 1962	3,414	1,046
" 1958	2,505	823	" 1963	3,753	1,075
" 1959	2,852	928	" 1964	3,885	1,124
			1965 ^{a/}	4,297	1,158

^{a/} Military strength as of August and civilian strength as of June.

Source: Department of the Air Force.

Air Force Academy. On June 24, 1954, the Secretary of the Air Force announced that a site eight miles north of Colorado Springs would be the permanent home of the newly authorized Air Force Academy. Until the facilities could be built, the academy was located at Lowery AFB, Denver, Colorado. In the fall of 1958, the move was made to the permanent campus. The Air Force Academy is dedicated to one objective, the preparation of men for a career of service and leadership in the U.S. Air Force.

In June 1965, military personnel at the Air Force Academy numbered about 1,669 and Air Force cadets totaled 2,844. The military strength totals have been relatively stable since 1961, when the number of military personnel increased from a December 1960 total of 1,300 to a December 1961 level of 1,615. On March 3, 1964, the Congress approved an increase of authorized cadet strength of the academy from 2,529 to 4,417 with a corresponding enlargement of the facilities to accommodate the additional cadets. This increase in cadet strength has already begun and should continue to add about 250-300 cadets annually to the total cadet strength during the next two years. A corresponding increase in total military personnel strength also is anticipated.

The supporting civilians at the Air Force Academy numbered 1,804 in July 1965. The December total civilian strength figure has remained close to this level each year since 1961, but should increase slightly to accommodate the larger cadet wing and supporting military personnel expected in the next few years. The following table indicates military, cadet, and civilian strength at the Academy since December 1955.

Military and Civilian Strength
Air Force Academy
December 1957-June 1965

<u>Date</u>	<u>Military strength</u>	<u>Civilian civil service</u>	<u>Cadets</u>
Dec. 1958	1,044	1,585	933
" 1959	1,400	1,740	1,490
" 1960	1,300	1,698	1,798
" 1961	1,615	1,791	2,192
" 1962	1,648	1,825	2,450
" 1963	1,704	1,774	2,452
" 1964	1,805	1,806	2,637
June 1965	1,669	1,804	2,844

Source: Department of the Air Force.

Unemployment

The July 1965 unemployment total of about 1,400 persons equalled 2.4 percent of the total work force in El Paso County. While this rate is equal to the July 1964 level, it is well below the 3.8 percent recorded in July 1963. Because annual average unemployment rates are not available, the July totals are utilized; although they are somewhat below annual averages because of some seasonal employment opportunities, they are useful for trend analysis. The unemployment rate rose steadily during the 1958-1961 period to an eight-year high of 5.5 percent and then receded annually to the current low level. The rising unemployment in the late 1950's was caused primarily by the substantial reduction in construction activities during that period. Since 1961, however, job opportunities have been more plentiful, and unemployment has been reduced, as shown in the table below.

Unemployment Trends Colorado Springs, Colorado, HMA July 1958-July 1965

<u>Year</u>	<u>Unemployment</u>		<u>Year</u>	<u>Unemployment</u>	
	<u>Number</u>	<u>Percent</u>		<u>Number</u>	<u>Percent</u>
1958	2,000	4.5	1962	2,100	4.4
1959	2,000	4.7	1963	1,832	3.8
1960	2,000	4.9	1964	1,278	2.4
1961	2,250	5.5	1965	1,397	2.4

Source: Colorado Department of Employment.

Future Employment Prospects

Based on recent employment trends and on information from local sources, nonagricultural employment is expected to increase by about 6,000 workers, or 3,000 annually over the next two years. This increase is below the 1963-1965 growth, but approximates the 1960-1964 average. The slight reduction from the 1963-1965 average increase is based on the fact that some of the causes for the growth witnessed during that period are not of a recurring nature; for example, the opening of a few, small manufacturing firms, and construction of new facilities for the NORAD complex and Air Force Academy.

It was noted earlier that nonmanufacturing employment dominates total nonagricultural employment. This dominance is expected to continue, with the major employment gains being in the trade and services segments of the economy.

Income

The current median annual family income in the Colorado Springs HMA, after deducting Federal income tax, is approximately \$6,375. The median family after-tax income is expected to rise to \$6,675 by 1967, representing an increase of slightly over two percent annually. At present, about 23 percent of all families receive annual after-tax incomes below \$4,000 annually, while an estimated 18 percent of the families have annual after-tax incomes of over \$10,000.

The median after-tax income of renter families is about \$5,225 annually and is expected to increase to \$5,450 by 1967. Currently, 31 percent of these families have after-tax incomes below \$4,000 annually and 11 percent receive after-tax incomes above \$10,000. Distributions of area families by tenure and by income classes are presented in table II.

Demographic Factors

Population

Current Estimate. As of October 1, 1965, the population of the Colorado Springs HMA totals about 195,100, an increase of 51,350 over the April 1960 total of 143,700. About 96,400 (49 percent) of these people now reside within Colorado Springs. Population in the city increased by over 37 percent during the April 1960-October 1965 period; however, the city of Colorado Springs annexed over 10,000 acres from the surrounding area, primarily to the east and north of the city. The total annexations numbered about 100, and the annual Municipal Year Book listed about 75 of these as being one-quarter square mile or more. Nevertheless, a relatively small proportion of the 1960-1965 population growth of Colorado Springs (about six percent) resulted from annexations; since 1960, the city policy has been to annex a subdivision or section before development has actually begun.

About eight percent of the current population in the Colorado Springs HMA is classified as nonhousehold population. This ratio is high, reflecting the many military personnel that are housed in barracks or dormitories and not included in household population. Between April 1960 and October 1965, nonhousehold population increased from 9,725 to about 16,500, a gain of over 6,775; this gain constitutes about 13 percent of the total population gain. Thus, population in households increased by about 44,600 between April 1960 and October 1965.

Past Trend. During the April 1950 to April 1960 period, total population in the Colorado Springs HMA grew from about 74,500 to over 143,700, an increase of almost 93 percent during the decade. The city of Colorado Springs grew by over 24,700 persons (54 percent), as it increased from an April 1950 total of about 45,450 to almost 70,200 in April 1960. Almost 90 percent of this growth resulted from annexations by the city; during the 1950-1960 decade, these annexations generally were substantially developed prior to annexation.

Estimated Future Population. Based on the increases in employment that are expected to occur in the Colorado Springs HMA during the next two years, it is estimated that the total population will increase by about 18,600, or 9,300 annually, to an October 1967 total of about 213,700. Most of the growth is expected to occur in the suburban fringes of Colorado Springs, mainly to the east and south of the city.

Natural Increase and Migration. The major components of population change are net natural increase (resident live births less resident deaths) and net migration. About 69 percent of the 1950-1960 population growth in the Colorado Springs HMA resulted from net in-migration; net natural increase yielded the remaining 31 percent. Similarly, net in-migration between April 1960 and October 1965 accounted for over 78 percent of the 51,350 increase in resident population. The relatively high proportion of net in-migration to the Colorado Springs HMA is caused primarily by increasing military activities and rising employment opportunities in the area. The 1960-1965 net in-migration is above 1950-1960 totals because gains in both military strength and civilian employment have been significantly greater since 1960. The components of population change in the HMA between April 1950 and October 1965 are presented in the following table.

Components of Population Change
Colorado Springs, Colorado, HMA
April 1950-October 1965

<u>Components</u>	<u>Change</u>	
	<u>April 1950- April 1960</u>	<u>April 1960- October 1965^{a/}</u>
Total increase	<u>69,219</u>	<u>51,350</u>
Natural increase	<u>21,211</u>	<u>11,150</u>
Migration	<u>48,008</u>	<u>40,200</u>

a/ Rounded.

Sources: 1950 and 1960 Censuses of Population, Colorado State Department of Health, and estimates by the Housing Market Analyst.

Age of Population. Table III presents a comparison of the age distribution of the population in the Colorado Springs HMA for the years 1950 and 1960. Of importance is the median age of the population which dropped from 31.1 years in 1950 to a 1960 level of 25.8 years, which is significantly below the 1960 national median age of 29.5 years. The low median age evident in the area is the result of in-migration of young families into the area during the 1950's and increases in strength at the military installations. All age groups showed gains during the decade, with the greatest increment in the age group under ten years, which increased by 20,000, or over 151 percent. The smallest gain was in the 60-69 age group which increased 1,800, or 30 percent. It is significant to note that the number of persons in the HMA under 20 years of age, about 57,600, equalled over 40 percent of the total population, well above the 1950 proportion of about 32 percent.

Military Population. The number of military personnel and their dependents and military-connected civilians and their dependents in the HMA has been increasing steadily since 1950. During the April 1960-October 1965 period, the combined population growth of this group averaged an estimated 5,300 annually, compared with an average annual increase of about 3,300 between 1950 and 1960.

Military personnel and their dependents currently total an estimated 51,000 persons, or 26 percent of the total population in the Colorado Springs HMA. In April 1960, the estimated 29,000 military personnel and families accounted for only about 20 percent of the total population. The rising proportion of military personnel and their families during the 1960-1965 period is the result of at least two factors: (1) military strength was at a low level in 1960 because of a reduction of activities at Fort Carson, and (2) since 1960, the Air Force Academy and Ent AFB have had significant strength increases. The number of military-connected civilians and their dependents also has been increasing steadily during the 1960-1965 period, averaging a gain of almost 1,300 persons annually. The number of people in this military-connected civilian category currently totals about 22,500, almost 12 percent of the total population. As discussed earlier, strength totals for military-connected civilians are more stable than those for military personnel and, therefore, were not affected by the cutback of activities at Fort Carson as greatly as were the military totals. The table below shows the military and nonmilitary segments of the population at 1950, 1960, and 1965 levels.

Military and Civilian Components of Population
Colorado Springs, Colorado, HMA
April 1950-October 1965

<u>Population segments</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1965</u>
Nonmilitary-connected civilian	63,000	99,300	121,600
Military-connected civilian ^{a/}	2,500	15,450	22,500
Military ^{b/}	<u>9,000</u>	<u>29,000</u>	<u>51,000</u>
Total	74,500	143,750	195,100

^{a/} Military-connected civilian employees and their families.

^{b/} Military personnel and their families.

Sources: 1950 and 1960 Censuses of Population. Total population for 1965 and component data for all years estimated by the Housing Market Analyst.

Households

Current Estimate. Currently, there are approximately 54,950 households (occupied dwelling units) in the Colorado Springs HMA, an increase of 12,800 (30 percent) over the April 1960 total of 42,150. Household growth in the HMA between 1960 and 1965 is not strictly comparable with population growth during the period because a relatively large proportion of the population increase represented persons not living in households. More pertinent to household growth is the increase of about 44,600 persons in the household population segment. About 56 percent of the April 1960-October 1965 total household growth occurred in the city of Colorado Springs, with a current total of 30,300 households.

Past Trend. Between April 1950 and April 1960, the number of households in the Colorado Springs area increased from 23,200 in April 1950 to a total of 42,150 in April 1960. The increase in households between 1950 and 1960 reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

During the 1950's, the city of Colorado Springs accounted for about 40 percent (7,500) of the total household increase. The city represented about 67 percent of households in the HMA in April 1950, totaling over 15,650; but, in April 1960, the 23,150 households in the city accounted for less than 56 percent of the total. This decreasing proportion during the decade reflects growth in the suburban areas around the city of Colorado Springs and the rise in military activities outside the city. The number of households outside Colorado Springs increased from 7,550 in April 1950 to almost 19,000 in April 1960, an increase of over 151 percent during the ten-year period. The increase in households outside the city accounted for over 60 percent of the total household increase.

Household Size Trends. The average number of persons per household in the Colorado Springs HMA has been increasing since 1950. Average household size rose from 2.9 persons per household in April 1950 to an average size of 3.2 in April 1960. This upward trend has continued until the present although at a smaller rate, and is expected to rise moderately during the 1965-1967 forecast period. The relatively low average size of households in the area is caused primarily by the migration of many young families and single individuals into the area seeking job opportunities.

Future Household Growth. Based on the anticipated increment in population in response to new job opportunities and on household size trends evident in the area, there are expected to be about 60,300 households in the HMA by October 1967. This represents an average

addition of about 2,675 annually during the two-year forecast period. As in the past, almost all of this growth is expected to occur in the metropolitan area of Colorado Springs.

Military Households. Based on family housing surveys conducted by the three military installations in June and August of 1965, there are currently about 10,200 military households in the HMA, an increase of almost 79 percent over the 1960 total of 5,700. Military households currently account for almost 19 percent of total households in the Colorado Springs HMA. The growth of 4,500 military households since 1960 exceeds the 1950-1960 growth. Although there was more rapid military growth during the 1960-1965 period, some of the reported increase is the result of the low 1960 strength total at Fort Carson. Military-connected civilian households increased from a 1960 total of 4,850 to about 6,900 in 1965, an increase of 2,050 (42 percent); and nonmilitary-connected households increased by 6,250 (20 percent). The table below shows the military and nonmilitary components of total households at 1950, 1960, and 1965 levels.

Military and Civilian Components of Total Households
Colorado Springs, Colorado, HMA
April 1950-October 1965

<u>Components</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1965</u>
Nonmilitary-connected civilian	20,700	31,600	37,850
Military-connected civilian	850	4,850	6,900
Military	<u>1,650</u>	<u>5,700</u>	<u>10,200</u>
Total	23,200	42,150	54,950

Sources: 1950 and 1960 Censuses of Housing. Total population for 1965 and components for all years estimated by the Housing Market Analyst.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. At present, there are about 60,750 housing units in the Colorado Springs HMA. This total represents a net addition to the housing stock of about 12,550 units (26 percent), or about 2,300 annually since 1960 (see table IV). During the 1950-1960 decade, the number of dwelling units in the area increased from 26,250 to almost 48,200, a gain of some 21,950 (84 percent), or almost 2,200 units annually. Part of this increase, however, may have resulted from a definitional change from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

Type of Structure. As of April 1960, the census reported that units in single-family structures accounted for about 73 percent of the total housing inventory. Units in multifamily structures accounted for 23 percent, and the remaining four percent were trailers. After increasing from 69 percent of the inventory in 1950 to 73 percent in 1960, the proportion of single-family units has remained at approximately that level to the present time. Since 1960, units in multifamily structures have decreased slightly as a percent of the total, currently representing about 20 percent of the inventory. Although multifamily construction has been increasing, the rate at which the total housing inventory has grown has exceeded the rate of increase in the number of multifamily units. Also, it has been only in the last few years that multifamily construction has been substantial. Surveys by the office of the county clerk and inquiries at military installations and trailer parks indicated that the number of trailers in the area has increased markedly since 1960. The high proportion of trailers, currently about seven percent of the inventory, is primarily the result of the large number of military personnel in the area. The following table lists the housing inventory by units in structure for 1960 and 1965.

The Housing Inventory by Units in Structure
Colorado Springs, Colorado, HMA
April 1960 and October 1965

<u>Units in structure</u>	<u>April</u>	<u>October</u>	<u>Percent of total</u>	
	<u>1960</u>	<u>1965</u>	<u>1960</u>	<u>1965</u>
1 unit	35,321	44,650	73	73
2 to 4 units	6,519	6,750	13	11
5 or more units	4,606	5,350	10	9
Trailers	<u>1,714</u>	<u>4,000</u>	<u>4</u>	<u>7</u>
Total	48,160 ^{a/}	60,750	100	100

^{a/} Differs slightly from count of all housing units (48,177) because units by type of structure were enumerated on a sample basis.

Sources: 1960 Census of Housing.
1965 estimated by the Housing Market Analyst.

Age of Structure. Almost 23 percent of the current housing inventory has been built since April 1960. The 13,750 units added since that time include approximately 2,300 trailers. Approximately 16,950 units in the housing supply were built prior to 1930. The table below presents a detailed distribution of the housing inventory by the age of structure.

Distribution of the Inventory by Age of Structure
Colorado Springs, Colorado, HMA
October 1965

<u>Year built^{a/}</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-October 1965	13,750	22.6
1955 - March 1960	14,175	23.3
1950 - 1954	8,025	13.2
1940 - 1949	5,400	8.9
1930 - 1939	2,450	4.1
1929 and earlier	<u>16,950</u>	<u>27.9</u>
Total	60,750	100.0

^{a/} The basic census 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.

Source: 1960 Census of Housing, adjusted to reflect building activity and demolitions.

Condition of the Inventory. Of the estimated 60,750 units in the housing inventory at the present time, only about 3,550 (six percent) are dilapidated or lack one or more plumbing facilities, representing an improvement over the 1960 ratio of more than nine percent.

The relative newness of the inventory (46 percent built in the last ten years) and demolition of a substantial number of substandard units are the principal reasons for the low proportion of units dilapidated or lacking one or more plumbing facilities. In addition it is significant to note that, although over one-quarter of the units in the area are over 35 years old, only a small proportion (six percent of the total inventory) is dilapidated or lacking plumbing facilities. Despite rapid growth recently, the city of Colorado Springs has not experienced a decline in the quality of units in older, established neighborhoods.

Value and Rent. According to the Census of Housing, the median value of all owner-occupied housing units was \$13,300 in 1960. Recent subdivision and scattered home construction, demolition of low-priced units, and the slight increase in property values since 1960 have all been factors in raising the current median value of owner-occupied units to above \$14,000. The median price asked for a vacant unit available for sale in 1960 was \$15,000.

The median monthly gross rent (contract rent plus utilities and services) reported by the 1960 Census was \$80. Virtually all new multifamily rental housing constructed since April 1960 has been moderate- to high-rent apartment units, and rents are now above 1960 levels, probably exceeding a median of \$90 a month currently.

Residential Building Activity

Annual Volume. Between January 1, 1960 and September 1, 1965, there have been about 12,050 housing units authorized by building permits for construction in the Colorado Springs HMA. Building permits cover virtually 100 percent of new residential construction in the HMA. The 1965 total to date, however, includes only permits issued for Colorado Springs and the unincorporated areas of El Paso County. In 1964, building permits issued in these two segments accounted for 97 percent of total authorizations. Building permits are issued also by five small, incorporated places in the HMA, but as table V shows, they account for a very small proportion of all housing built in the area.

The annual volume of new residential construction has varied significantly, principally because of changing military strength and housing requirements. Of the 6,800 units authorized in the 1956-1958 period, 2,160 (31 percent) were in projects at the military installations in the area. Following the completion of 1,200 Capehart units at the Air Force Academy in 1959 and reduced housing requirements at Fort Carson, the number of new residential units authorized dropped from about 1,575 in 1959 to 875 in 1960, the **smallest number authorized during the past 15 years**. Since the 1960 low, residential authorizations have paralleled rising employment and population growth rates, increasing from 970 units in 1961 to almost 2,100 in 1962 and 2,375 in 1963. Over 3,400 housing units were authorized for construction in 1964, including 280 military units built at Fort Carson. In the first eight months of 1965, over 2,325 units were authorized in Colorado Springs and in the unincorporated parts of El Paso County, slightly above the level for the comparable period in 1964. Authorized construction in Colorado Springs has followed generally the trends evident in the entire HMA. Units authorized in the city totaled about 2,000 in 1964, 59 percent of all units authorized in the HMA.

An annual average of about 1,950 housing units were authorized for construction in the 1960 through 1964 period, above the average of 1,850 authorized during the 1950 decade. The difference in the average number of private units authorized during the two periods, excluding military housing, has been even greater. Authorizations for privately-financed construction averaged 1,625 units annually between 1950 and 1960 and almost 1,900 units annually during the 1960 through 1964 period.

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

Units Authorized by Building Permits by Type of Structure
Colorado Springs, Colorado, HMA
January 1960-August 1965

<u>Year</u>	<u>Single-family</u>	<u>Multifamily</u>			<u>Total units</u>
		<u>Total</u>	<u>2-4 units</u>	<u>5 or more units</u>	
1960	827	48	4	44	875
1961	955	11	3	8	966
1962	1,723	371	24	347	2,094
1963	1,815	558	139	419	2,373
1964	2,222	1,184 ^{a/}	171	1,013 ^{a/}	3,406 ^{a/}
1965 ^{b/}	1,710	616	NA	NA	2,326 ^{b/}

^{a/} Includes 280 units of military housing.

^{b/} Through August and includes only Colorado Springs and unincorporated areas of El Paso County.

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

Over 9,250 (77 percent) of the total units authorized in the HMA between 1960 and August 1965 were single-family houses, and 2,800 were units in multifamily structures. The number of multifamily units authorized has been increasing rapidly since a 1961 low of only 11 units. In 1964, over 1,175 units, or 35 percent of the total authorized, were in multifamily structures. It should be noted, however, that 280 of these were military-controlled units at Fort Carson. In the first eight months of 1965, almost 620 units in multifamily structures have been authorized for construction. The high level of multifamily construction in recent years is caused primarily by in-migration of young, typically renter-type families and an increasing acceptance of multifamily units by the resident population.

Units Under Construction. Based on building permit data and on the postal vacancy survey conducted in October 1965, it is estimated that there are approximately 1,050 housing units under construction at the present time. The total includes about 450 single-family units and 600 multifamily units. Most of these new units are being built in the metropolitan area of Colorado Springs.

Demolitions. There have been approximately 1,200 housing units removed from the Colorado Springs housing stock since 1960. Most of these units were old, generally substandard, single-family homes. The majority of the units lost through demolition were removed in Colorado Springs to make way for new highways or as a result of code enforcement.

Other units have been removed from the inventory through conversions, fire and flood loss, and other changes in the housing supply. Based on local planning reports, on expected code enforcements, and on some curtailment of highway construction within the city, it is estimated that about 300 housing units will be demolished in the Colorado Springs HMA during the next two years.

Tenure of Occupancy

Currently, 63 percent (34,600 units) of the occupied housing stock is owner-occupied, and the remaining 37 percent (20,350 units) is renter-occupied. There has been a general trend toward home ownership in the Colorado Springs HMA for many years, and even the increasing multifamily construction recently has not affected the shift markedly. Owner occupancy increased from approximately 57 percent in 1950 to over 61 percent in 1960. Although the absolute number of units occupied by renters has risen from 10,000 in 1950 to about 20,350 in 1965, the proportion of renters has dropped from 43 percent in 1950 to a current level of 37 percent.

Vacancy

1960 Census. There were about 3,275 vacant available housing units in the Colorado Springs HMA in April 1960, equal to about 6.8 percent of the total inventory. Of this number, about 650 were available for sale only and 2,625 were available for rent, representing net homeowner and renter vacancy ratios of 2.5 percent and 13.7 percent, respectively. Of these available vacant units, however, four percent of the sales units and 22 percent of the rental vacancies lacked one or more plumbing facilities. The large number of vacant units evident in the area in 1960 was caused, in large part, by the curtailment of some activities at Fort Carson and resulting strength reductions.

Postal Vacancy Survey. A postal vacancy survey conducted in the Colorado Springs HMA in October 1965 covered about 49,750 total possible deliveries, or over 81 percent of the current housing inventory (see table VI). At the time of the survey, almost 2,000 units (4.0 percent) were vacant. Of the total units vacant, about 1,240 were residences, a vacancy ratio of 2.8 percent, and about 760 were deliveries to apartments, indicating an apartment vacancy ratio of 12.0 percent. Although the postal vacancy survey listed about 1,240 vacant residences, over one-quarter of these units actually are available for rent. An additional 800 units (about 230 residences and 570 apartments) were reported to be under con-

struction. Also included in the Colorado Springs area postal survey were almost 2,100 house trailers, of which 25, or 1.2 percent, were in place and 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 some duplexes, row houses, and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the postal vacancy survey, on less comprehensive private surveys, and on field inspection, it is judged that there are currently about 2,400 vacant housing units available for sale or rent in the Colorado Springs HMA. This total is significantly below the 1960 vacancy level, reflecting the fact that military strength at Fort Carson and general economic conditions have increased favorably since then, with a corresponding tightening of the housing situation. Of the total vacant units, 850 are available for sale only, representing a homeowner vacancy rate of 2.4 percent, and 1,550 are vacant available rental units, or a renter vacancy rate of 7.1 percent. A more detailed presentation of the housing inventory, occupancy, and vacancy characteristics is given in table IV.

Sales Market

General Market Conditions. In the past few years, improved business conditions and relative stability of military strength have led to an improvement of the sales market. Although there appears to be a slight excess of vacant available sales units currently, new construction has been absorbed well and only a small proportion of speculatively-built houses remain unsold more than three months. Most of the vacant sales units on the market are those which have been previously occupied. The large number of migrants into and out of the area (caused mainly by the large proportion of military families in the HMA) creates a constant turnover of sales houses which probably tends to keep the homeowner vacancy ratio somewhat higher than otherwise would be expected.

Most of the new sales construction in the area has been in subdivisions in or near the city. In the eastern sector of Colorado Springs, in an area recently annexed by the city, homes priced in the \$18,000 to \$23,000 range have experienced good marketability. To the south of the city, in subdivided areas located near Fort Carson, houses priced primarily between \$14,000 and \$19,000 have been selling well. Higher and lower priced houses are provided in many small subdivisions in the area. According to local sources, current land and construction costs are such that few, if any, new houses in the area can be built to sell below \$9,000.

Rental Market

Between 1960 and 1963, the large number of vacant rental units kept apartment construction at a low level, but in late 1963 increasing rental demand caused vacancies to decline to a more acceptable level. Subsequent demand for rental units prompted an apartment building boom beginning in late 1963 which reached a level of over 900 privately-financed units in 1964. In addition, about 600 multifamily units authorized in 1965 currently are under construction in the Colorado Springs area. A few of the developments report that some units have been rented during the construction stages. It is becoming clear, however, that as the supply of new apartment units approaches demand in the area, location and quality factors will become increasingly important considerations for new rental projects coming into the market.

New rental housing in the Colorado Springs area is generally experiencing good occupancy in all price ranges and unit sizes. A local survey of apartment units built since 1963 covered 19 projects and found 39 (4.2 percent) of the 935 units vacant. Gross monthly rents in the projects averaged about \$120 for one-bedroom units and \$140 for two-bedroom apartments. Some new rental units are offered furnished and most have monthly leases available as a service for military personnel.

Acceptable older rental units also have few vacancy problems. These units generally offer fewer amenities than the recently-built multifamily projects, but rents are significantly lower. There is a strong demand for this type of rental housing because of the large number of military families in the area. The rents which most military families can pay generally are below rentals charged in the new projects, and even the construction of 2,440 military-controlled units since 1956 has not been enough to relieve the pressure on the older segment of the rental housing market.

Mortgage Market

An ample supply of mortgage money was available in October for both interim financing and long-term investment in residential real estate in the area. There were no indications that developers and builders were having problems obtaining funds. Loans typically were at 5 3/4 to 6 percent interest with 15 to 20 percent down and 20- to 25-year terms.

Military Family Housing

Fort Carson. As of June 1965, there were 961 military-controlled housing units at Fort Carson. An additional 2,752 units were listed as off-post, community-support housing for eligible personnel. Of the 961 on-base housing units, 202 were allocated to officers and 759 were occupied by enlisted personnel. Since the June 1965 family housing survey, 280 units of appropriated fund housing authorized for fiscal year 1964 have been built and occupied at Fort Carson.

Air Force Academy. The Air Force Academy currently has 1,264 military-controlled housing units on base, almost half of which are occupied by officers. About 14 of the units were vacant at the time of the family housing survey, August 1965.

Ent Air Force Base. As of August 1965, there are 430 military-controlled housing units at Ent AFB; 141 units are occupied by officer families and 289 are allocated for enlisted occupancy. At the time of the family housing survey, all of the 430 military-controlled units were off-post units leased by the Department of Defense and occupied by eligible military personnel assigned to Ent AFB. About 200 of the units were allocated to the Army and Navy personnel at Ent AFB and the remaining units were occupied by Air Force personnel. The Air Force pays a maximum of \$160 gross rent to the private lessor and is reimbursed from the occupant's quarters allowance.

Since August 1965, 200 units of appropriated-fund housing have been added to the military-controlled stock at Ent AFB. The units are located at the Peterson Field facility.

Demand for Housing

Quantitative Demand

Demand for new housing in the Colorado Springs HMA during the two-year period from October 1, 1965 to October 1, 1967 is primarily a function of the projected level of household growth, estimated at 2,675 annually. Consideration also is given to expected losses from the inventory, to the current and future tenure composition, and to the transfer of some single-family houses from the sales inventory to the rental stock. The moderate excess of sales vacancies and the relatively small supply of acceptable vacant rental units also are taken into account in determining demand. Giving consideration to these factors, demand for additional non-assisted, privately-owned housing units during the next two years is estimated at 2,825 units annually, including 1,925 sales units and 900 rental units. Public low-rent housing and rent-supplement accommodations are excluded from the demand estimate.

A construction volume of about 1,925 sales units annually during the forecast period is below the 2,225 single-family houses authorized in 1964, but well above the 1960-1964 average of about 1,500 authorized annually. The number of vacant sales units currently available, plus the large number of single-family homes now under construction (over 450 units) indicates that a slight reduction of the 1964-1965 building level is warranted.

The estimated annual demand for 900 rental units is well above the 1962-1964 average of about 610 privately-financed units authorized annually. The projected rate is equal to the 1964 private construction level and, if continued, should provide an adequate supply of rental units and leave the market in reasonable balance at the end of the forecast period. New units have been absorbed well in the HMA with no significant weakening in the market for existing rental units, but absorption of new units during the next year should be observed closely and, if necessary, the demand estimate of 900 units for the second year of the forecast period adjusted accordingly.

Qualitative Demand

Sales Housing. Based on the distribution of families by current annual after-tax incomes, on the proportion of income that Colorado Springs area families typically pay for sales housing, and on recent market experience, demand for new sales housing is expected to approximate the sales price pattern presented in the following table.

Estimated Annual Demand for New Sales Housing by Price Class
Colorado Springs, Colorado, HMA
October 1, 1965-October 1, 1967

<u>Price range</u>	<u>Number of units</u>	<u>Percentage distribution</u>
Under \$12,000	115	6
\$12,000 - 13,999	365	19
14,000 - 15,999	275	14
16,000 - 17,999	250	13
18,000 - 19,999	210	11
20,000 - 24,999	325	17
25,000 - 29,999	230	12
30,000 and over	<u>155</u>	<u>8</u>
Total	1,925	100

Rental Housing. Under current construction and land costs, the minimum gross monthly rents achievable without public benefits or assistance in financing or land purchase are judged to be \$90 for efficiencies, \$100 for one-bedroom units, \$115 for two-bedroom units, and \$125 for three-bedroom units. At and above these minimum rents there is an annual demand for about 900 units of rental housing.

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

Estimated Annual Demand for New Rental Units
By Monthly Gross Rent and Unit Size
Colorado Springs, Colorado, HMA
October 1, 1965-October 1, 1967

<u>Monthly gross rent^{a/}</u>	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
90 and over	130	-	-	-
95 " "	125	-	-	-
100 " "	120	365	-	-
105 " "	115	360	-	-
110 " " - - -	110 - -	340 -	- - -	- -
115 " "	105	325	305	-
120 " "	100	300	275	-
125 " "	90	270	250	100
130 " "	80	245	225	90
135 " " - - -	75 - -	235 -	- 215 -	- 85
140 " "	65	195	180	70
150 " "	55	170	160	60
160 " "	-	150	140	55
170 " "	-	125	120	45
180 " " - - -	- - -	105 -	- 100 -	- 35
200 " "	-	80	75	30
220 " "	-	-	25	10

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

Note: The above figures are cumulative and cannot be added vertically.
For example, demand for one-bedroom units from \$100 to \$120
is 65 units (365 minus 300).

The preceding distribution of average annual demand for new apartments, excluding public low-rent housing and rent-supplement accommodations, is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Even though a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

Table I

Work Force and Distribution of Employment by Type of Industry
Colorado Springs, Colorado, HMA
July 1958-July 1965

<u>Item</u>	<u>July</u> <u>1958</u>	<u>July</u> <u>1959</u>	<u>July</u> <u>1960</u>	<u>July</u> <u>1961</u>	<u>July</u> <u>1962</u>	<u>July</u> <u>1963</u>	<u>July</u> <u>1964</u>	<u>July</u> <u>1965</u>
Total civilian work force	<u>44,720</u>	<u>42,100</u>	<u>41,055</u>	<u>40,753</u>	<u>47,650</u>	<u>48,811</u>	<u>53,628</u>	<u>58,352</u>
Unemployment	2,000	2,000	2,000	2,250	2,100	1,832	1,278	1,397
Percent of work force	4.5%	4.8%	4.9%	5.5%	4.4%	3.8%	2.4%	2.4%
Employment	<u>42,720</u>	<u>40,100</u>	<u>39,055</u>	<u>38,503</u>	<u>45,550</u>	<u>46,979</u>	<u>52,350</u>	<u>56,955</u>
Agricultural	1,900	1,950	2,000	1,950	1,225	1,758	1,685	1,633
Nonagricultural	<u>40,820</u>	<u>38,150</u>	<u>37,055</u>	<u>37,338</u>	<u>44,325</u>	<u>45,221</u>	<u>50,665</u>	<u>55,322</u>
Manufacturing	2,355	2,215	2,995	2,860	4,080	NA	3,741	4,806
Contract construction	9,235	5,250	2,885	3,555	4,175	NA	4,536	5,334
Transportation and utilities	2,000	1,875	1,905	1,885	2,645	NA	2,459	2,597
Trade	6,785	6,800	6,570	5,960	8,185	NA	9,833	10,562
Finance, insurance, and real estate	960	1,130	1,225	1,200	2,430	NA	2,640	2,788
Service, excl. of private household	6,165	6,520	7,155	6,855	8,870	NA	8,995	9,374
Government	5,470	6,395	6,280	6,360	7,165	NA	9,499	10,394
All other nonag. employment	7,850	7,965	8,040	8,078	6,775	NA	8,962	9,467

Source: Colorado Department of Employment.

Table II

Percentage Distribution of Families by Annual Income
After Deduction of Federal Income Tax
Colorado Springs, Colorado, HMA
1965 and 1967

<u>Annual</u> <u>after-tax incomes</u>	<u>1965 incomes</u>		<u>1967 incomes</u>	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>families</u>	<u>All</u> <u>families</u>	<u>Renter</u> <u>families</u>
Under \$3,000	13	17	12	16
\$3,000 - 3,999	10	14	9	13
4,000 - 4,999	11	15	11	15
5,000 - 5,999	12	14	11	13
6,000 - 6,999	11	12	11	12
7,000 - 7,999	10	7	10	8
8,000 - 8,999	9	6	8	6
9,000 - 9,999	6	4	7	4
10,000 - 12,499	10	5	11	6
12,500 - 14,999	4	4	5	4
15,000 and over	<u>4</u>	<u>2</u>	<u>5</u>	<u>3</u>
Total	100	100	100	100
Median income	\$6,375	\$5,225	\$6,675	\$5,450

Source: Estimated by Housing Market Analyst.

Table III

Population Distribution by Age
Colorado Springs, Colorado, HMA
April 1950-April 1960

<u>Age group</u>	<u>April 1950</u>		<u>April 1960</u>		<u>1950-1960 change</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 10	13,202	17.7	33,185	23.1	19,983	151.4
10 - 19	10,917	14.7	24,397	17.0	13,480	123.5
20 - 29	11,934	16.0	22,640	15.7	10,706	89.7
30 - 39	10,898	14.6	20,691	14.4	9,793	89.9
40 - 49	8,987	12.1	16,648	11.6	7,661	85.2
50 - 59	7,294	9.8	11,127	7.7	3,833	52.6
60 - 69	6,073	8.1	7,879	5.5	1,806	29.7
70 and over	<u>5,218</u>	<u>7.0</u>	<u>7,175</u>	<u>5.0</u>	<u>1,957</u>	<u>37.5</u>
Total	74,523	100.0	143,742	100.0	69,219	92.9
Median age	31.1		25.8			

Source: 1950 and 1960 Censuses of Population.

Table IV

Components of the Housing Inventory
Colorado Springs, Colorado, HMA
April 1950-October 1965

	<u>April 1950</u>	<u>April 1960</u>	<u>October 1965</u>
Total housing supply	<u>26,235</u>	<u>48,177</u>	<u>60,750</u>
Occupied housing units	<u>23,214</u>	<u>42,151</u>	<u>54,950</u>
Owner-occupied	13,212	25,592	34,600
As a percent of total occupied	57%	61%	63%
Renter-occupied	10,002	16,559	20,350
As a percent of total occupied	43%	39%	37%
Vacant housing units	<u>3,021</u>	<u>6,026</u>	<u>5,800</u>
Available vacant	<u>723</u>	<u>3,284</u>	<u>2,400</u>
For sale	201	657	850
Homeowner vacancy rate	1.5%	2.5%	2.4%
For rent	522	2,627	1,550
Renter vacancy rate	5.0%	13.7%	7.1%
Other vacant ^{a/}	2,298	2,742	3,400

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

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

Table V

Number of Dwelling Units Authorized by Building Permits
Colorado Springs, Colorado, HMA
1950-1965

<u>Year</u>	<u>Colorado Springs</u>	<u>El Paso County</u>	<u>Fountain Town</u>	<u>Green Mountain Falls Town</u>	<u>Manitou Springs</u>	<u>Monument Town</u>	<u>Palmer Lake Town</u>	<u>Total HMA</u>
1950	474	533	NA	NA	NA	NA	NA	1,007
1951	1,079	631	NA	NA	NA	NA	NA	1,710
1952	394	661	NA	NA	NA	NA	NA	1,055
1953	379	577	NA	NA	NA	NA	NA	956
1954	918	1,626	NA	NA	NA	NA	NA	2,544
1955	949	1,889	NA	NA	NA	NA	NA	2,838
1956	677	1,412 ^{a/}	NA	NA	NA	NA	NA	2,089 ^{a/}
1957	538	1,142 ^{b/}	NA	NA	NA	NA	NA	1,680 ^{b/}
1958	823	2,215 ^{c/}	NA	NA	NA	NA	NA	3,038 ^{c/}
1959	1,019	550	NA	NA	NA	NA	NA	1,569
1960	601	259	-	NA	7	2	6	875
1961	656	297	-	NA	6	3	4	966
1962	1,202	854	21	5	4	2	6	2,094
1963	1,351	936	41	6	24	9	6	2,373
1964	2,009	1,293 ^{d/}	40	4	43	8	9	3,406 ^{d/}
1965 ^{e/}	1,443 ^{e/}	883 ^{e/}	NA	NA	NA	NA	NA	2,326 ^{e/}

^{a/} Includes 460 military units at Fort Carson.

^{b/} Includes 500 military units at Fort Carson.

^{c/} Includes 1,200 military units at the Air Force Academy.

^{d/} Includes 280 military units at Fort Carson.

^{e/} Through August.

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

Table VI

Colorado Springs, Colorado, Area Postal Vacancy Survey
October 14-20, 1965

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	<u>49,754</u>	<u>1,995</u>	<u>4.0</u>	<u>1,659</u>	<u>336</u>	<u>797</u>	<u>43,422</u>	<u>1,236</u>	<u>2.8</u>	<u>1,013</u>	<u>223</u>	<u>229</u>	<u>6,332</u>	<u>759</u>	<u>12.0</u>	<u>646</u>	<u>113</u>	<u>568</u>	<u>2,088</u>	<u>26</u>	<u>1.2</u>
Colorado Springs	<u>47,071</u>	<u>1,711</u>	<u>3.6</u>	<u>1,385</u>	<u>326</u>	<u>786</u>	<u>41,332</u>	<u>1,092</u>	<u>2.6</u>	<u>876</u>	<u>216</u>	<u>218</u>	<u>5,739</u>	<u>619</u>	<u>10.8</u>	<u>509</u>	<u>110</u>	<u>568</u>	<u>2,083</u>	<u>23</u>	<u>1.1</u>
Main Office	15,576	718	4.6	662	56	362	12,727	401	3.2	355	46	44	2,849	317	11.1	307	10	318	646	16	2.5
Branches:																					
Fort Carson	1,282	34	2.7	34	-	-	1,242	30	2.4	30	-	-	40	4	10.0	4	-	-	-	-	-
Knob Hill	13,415	446	3.3	264	182	234	11,638	293	2.5	195	98	57	1,777	153	8.6	69	84	177	288	3	1.0
North End	8,774	210	2.4	145	65	151	8,110	155	1.9	93	62	84	664	55	8.3	52	3	67	892	1	0.1
Security	3,349	91	2.7	87	4	3	3,349	91	2.7	87	4	3	-	-	-	-	-	-	-	-	-
West End	4,675	212	4.5	193	19	36	4,266	122	2.9	116	6	30	409	90	22.0	77	13	6	257	3	1.2
Other Cities and Towns	<u>2,683</u>	<u>284</u>	<u>10.6</u>	<u>274</u>	<u>10</u>	<u>11</u>	<u>2,090</u>	<u>144</u>	<u>6.9</u>	<u>137</u>	<u>7</u>	<u>11</u>	<u>593</u>	<u>140</u>	<u>23.6</u>	<u>137</u>	<u>3</u>	<u>-</u>	<u>5</u>	<u>3</u>	<u>60.0</u>
Manitou Springs	1,409	284	20.2	274	10	11	816	144	17.6	137	7	11	593	140	23.6	137	3	-	5	3	60.0
U.S. Air Force Academy	1,274	-	-	-	-	-	1,274	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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).

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