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1968

Analysis of the
**EVANSVILLE, INDIANA-
KENTUCKY
HOUSING MARKET**

as of July 1, 1968

(A supplement to the January 1, 1966 analysis)

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

March 1969

ANALYSIS OF THE
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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 be differences of opinion, of course, in the interpretation of available factual information in determining the current and future 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 at the time (the "as of" date) from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

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ANALYSIS OF THE
EVANSVILLE, INDIANA-KENTUCKY, HOUSING MARKET
AS OF JULY 1, 1968
(A supplement to the January 1, 1966 analysis)

Summary and Conclusions

1. Following the economic expansion which resulted in an increase of 4,300 nonagricultural wage and salary jobs from 1965 to 1966, growth slowed considerably in the Evansville HMA. Average wage and salary employment for 1967 was 1,600 above the previous year, and the average for the twelve months through April 1968 was only 1,000 above the corresponding period through April 1967. The reduction in the rate of hiring originated in the manufacturing sector of the local economy, but affected nearly all employment categories. Cutbacks in the refrigeration and air conditioning industry and at an ordnance firm classified in "all other" manufacturing were largely responsible for the reduced growth rate. It is expected that nonagricultural wage and salary employment in the Evansville HMA will increase by an average of 1,000 jobs annually during the July 1968 to July 1970 forecast period. The lower rate of growth reflects recent national trends, anticipating relatively small gains in manufacturing employment.
2. The median 1968 after-tax income of all nonfarm families in the HMA was estimated at \$6,725, and the median after-tax income of nonfarm renter households (excluding one-person households) at \$5,125. By 1970, all-family income will increase to a median of \$7,075, and renter households will have a median income of about \$5,425.
3. In July 1968, the nonfarm population of the Evansville HMA was about 225,700 persons, an average increase of about 2,150 persons a year from January 1966 to July 1968, compared with an average population gain of about 1,550 annually from 1960 to 1966. During the two-year forecast period (July 1968 to July 1970), nonfarm population is expected to increase by about 1,750 persons a year.
4. There were about 69,550 nonfarm households in the HMA as of July 1968. Increases in the number of households have coincided with the trends of population growth in the HMA--annual gains averaged about 550 from 1960 to 1966 but rose to 800 for the period from January 1966 to July 1968. It is estimated that the number of nonfarm households will increase by about 650 a year during the two year forecast period.
5. As of July 1968, there were approximately 74,150 nonfarm housing units in the Evansville HMA, a net gain of about 1,900 since 1965. About 2,550 units were added through construction, 250 mobile homes were moved into the HMA, and 900 housing units were demolished. In July

1968, there were about 570 housing units under construction including about 250 single-family houses and 320 units in multifamily structures.

6. There were an estimated 1,600 available vacant housing units for sale or rent in the Evansville HMA as of July 1968. Of that total, 450 units were available for sale only and 1,150 units were available for rent, indicating homeowner and renter vacancy rates of 0.9 percent and 5.0 percent, respectively. Reflecting the satisfactory rate at which the increased supply of new units has been absorbed, both the homeowner and renter vacancy rates were below those of 1.1 percent and 5.6 percent, respectively, estimated as of January 1966.
7. Barring unexpected changes in the economic, demographic, and housing variables studied in this analysis, there will be an annual demand for about 700 units of single-family housing and 210 multifamily units at rents achievable with market-interest-rate financing during the July 1968 to July 1970 period. In addition 100 multifamily units may be absorbed at the lower rents achievable only with below-market-interest-rate financing, or assistance in land acquisition and cost. The estimate of demand is exclusive of public low-rent housing and rent-supplement accommodations.

The demand for new single-family housing is expected to approximate the price range distribution shown on page 20. The forecast demand for multifamily housing is distributed by unit size and rent ranges on page 20.

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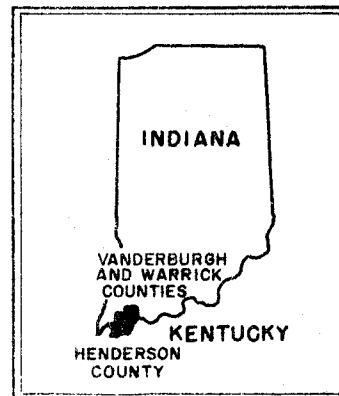
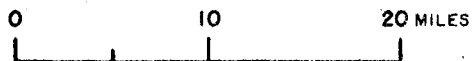
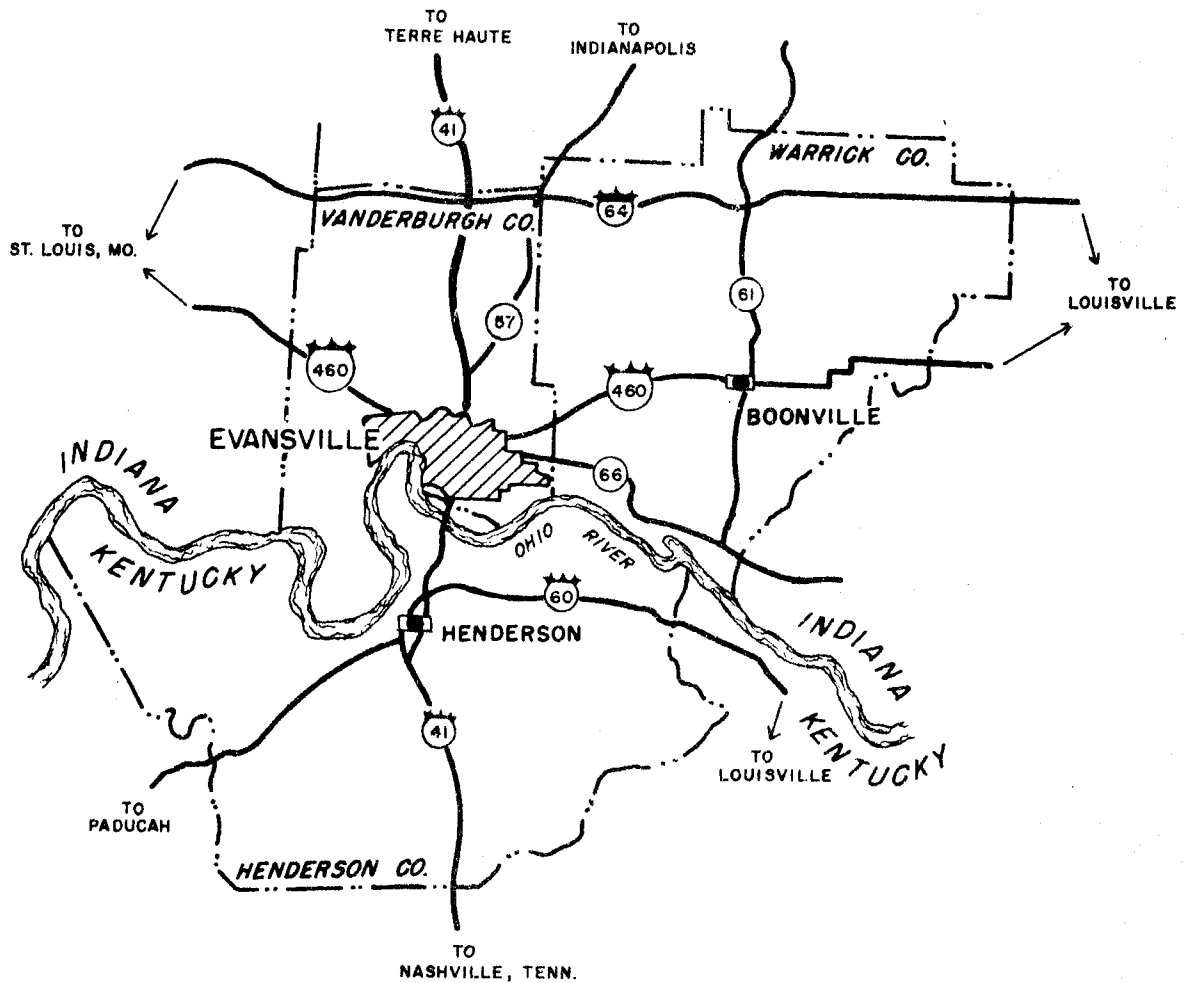
Housing Market Area

The Evansville, Indiana-Kentucky, Housing Market Area (HMA) consists of Vanderburgh and Warrick Counties in Indiana and Henderson County, Kentucky. These counties also comprise the Standard Metropolitan Statistical Area (SMSA) as defined since 1963, when Warrick County was added. The three counties had an estimated nonfarm population of 220,300^{1/} persons in January 1966 (see Appendix A, paragraph 1). Located in the southwestern corner of Indiana and northwest Kentucky, the Evansville HMA is the manufacturing and trade center for an area in southeast Illinois, southwestern Indiana, and northwestern Kentucky.

Evansville, the principal city of the HMA, is situated on the north shore of a bend in the Ohio River. The city is nearly equidistant from a number of metropolitan areas; Indianapolis is 165 miles north-east, Nashville is 155 miles south, Louisville is 125 miles east, and St. Louis is 170 miles west. Freight transportation facilities are excellent with air, rail, highway, and waterway service provided. Evansville is intersected by U. S. Highways 41 (north-south), and 460 (east-west). Interstate Highway 64 crosses the HMA ten miles north of the city.

^{1/} All estimates of demographic and housing data as of January 1966 are from the previous analysis, adjusted to reflect information not available at the time of field work for that study.

EVANSVILLE, INDIANA - KENTUCKY HOUSING MARKET AREA



Economy of the Area

Employment

Current Estimate. Nonagricultural wage and salary employment averaged 84,800 during the twelve-month period ending April 30, 1968, or 1,000 jobs above the corresponding period ending April 30, 1967. Employment of an average of 8,800 domestics, self-employed, and unpaid family workers brought the nonagricultural job total to 93,600 for the recent twelve-month period. Agricultural employment averaged 1,600 during the year ending April 30, 1968, or 100 jobs fewer than in the comparable period ending April 30, 1967; this represents a continuation of the long-term decline in the number of farm workers in the HMA. Components of the work force are shown in detail in table I.

Recent Trend. From 1965 to 1966, average nonagricultural wage and salary employment in the Evansville HMA increased by 4,300 jobs. The substantial expansion at that time mirrored national prosperity (including the stimulus of military spending), and there were unusually large gains in both the manufacturing and nonmanufacturing sectors of the local economy. During 1967, economic growth slowed, and wage and salary employment averaged only 1,600 jobs above the previous year's total. Reduced hiring was most apparent in manufacturing industries, reflecting a leveling off of consumer demand which caused reductions by local firms both in capital expenditures for expansion and inventory accumulation.

A comparison of the twelve months ending April 30, 1968 with the corresponding period ending April 30, 1967 reveals a wage and salary employment gain of 1,000, indicating that the deceleration in the rate of employment growth continued into early 1968.

The following table summarizes nonagricultural wage and salary employment trends from 1965 to 1968.

Trend of Nonagricultural Wage and Salary Employment
Evansville, Indiana-Kentucky, HMA
1965-1968
 (annual averages in thousands)

<u>Year</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total</u>	<u>Change in total from previous year</u>	
				<u>Number</u>	<u>Percent</u>
1965	30.0	48.6	78.6	-	-
1966	32.8	50.1	82.9	4.3	5.5
1967	33.5	51.0	84.5	1.6	1.9
<u>12 Mos. ending</u>					
April 30, 1967	33.3	50.5	83.8	-	-
April 30, 1968	33.7	51.1	84.8	1.0	1.2

Source: Indiana Employment Security Division.

Major Industries. Manufacturing workers comprise a large proportion (nearly 40 percent) of nonagricultural wage and salary employment in the HMA, and cyclical fluctuations involving local firms have had considerable impact on the economy. The refrigeration and air conditioning industry and the "all other" manufacturing category dominate manufacturing in Evansville. During the twelve months through April 1968 these two industrial classifications averaged 17,300 jobs, or 51 percent of manufacturing employment. They have accounted for most of the change in manufacturing employment in recent years. From 1965 to 1966, the manufacturing total increased by 2,800 jobs of which 700 were in refrigeration and air conditioning and 1,500 were in "all other" manufacturing. Expansion at the Whirlpool Corporation was responsible for most of the increase in the refrigeration and air conditioning industry. Growth in "all other" manufacturing resulted principally from initial hiring at the Ordnance Division of the Whirlpool Corporation (shell casings) and additions to the work forces at the Alcoa Warrick Works (aluminum smelting and rolling) and at Mead Johnson and Company (pharmaceuticals and food products).

Manufacturing employment increased by 700 jobs from 1966 to 1967. A series of layoffs attributed to a slump in the market for refrigerators and air conditioners and the closing of the Bendix Westinghouse Air Brake Company (also producing refrigeration components), which had been phased out of operation over a three-year period, resulted in a net loss of 500 jobs in this industry. The "all other" manufacturing category

continued to expand during 1967; however, the increase of 1,000 workers from 1966 to 1967 was considerably below that of the previous year, primarily because of contract terminations and subsequent job cutbacks in the ordnance sector.

The downturn in the rate of increase in the manufacturing sector of the Evansville HMA has continued; manufacturing employment for the twelve months through April 1968 averaged only 400 above the same period through April 1967.

Wage and salary employment in nonmanufacturing industries averaged 51,000 during 1967, or 2,400 jobs above the 1965 average. Nearly all of that growth (2,200 jobs) was in trade and services, reflecting the impact of industrial expansion upon demand for goods and services arising from a growing local population with rising incomes. In addition some basic economic support is derived from these activities, and Evansville is important as a medical care center and regional wholesale and retail trade area. Coincident with the slackened rate of growth in manufacturing employment, nonmanufacturing jobs during the twelve months through April 1968 averaged only 600 above the same period ending April 30, 1967. Judging from the smaller annual increases evident since 1965 (there were 1,500 jobs added from 1965 to 1966, 900 from 1966 to 1967, and 600 during the recent twelve-month period), the earlier gains in nonmanufacturing industries have been adequate to satisfy the demand from the current population. Job additions during the forecast period are not expected to approach those from 1965 through 1967.

Principal Employers

The Whirlpool Corporation (refrigeration and air conditioning products) is the largest firm in the HMA. After a period of rapid expansion during the mid-1960's, a series of layoffs began during the past year, as downward adjustments in production were made in response to slackening demand. Although employment at Whirlpool typically fluctuates throughout the year because of seasonal influences and the size of the inventory, indications are that the recent cutbacks may be in effect for some time, and there may be additional layoffs. Another local firm in the refrigeration and air conditioning industry, the Arkla Air Conditioning Company, produces gas air conditioners. Employment at Arkla also has declined.

The Ordnance Division of the Whirlpool Corporation was established in the Evansville area in early 1966, and employment peaked in August 1967. Since that time, there has been a downturn as government contracts have failed to materialize in expected volume. Many of the jobs lost were held by women who, at the termination of their employment, left the labor force and have not added substantially to the number of unemployed persons in the HMA.

Mead Johnson and Company, producing pharmaceuticals and dietary and baby food products, has expanded its work force steadily. Continued hiring is anticipated during the next two years.

The Alcoa Warrick Works is engaged in aluminum smelting and rolling operations. It is expected that there will be an increase in employment over the next two years. However, this firm is approaching capacity production, and it is not likely that there will be large scale hiring.

The most recent addition to manufacturing firms in Evansville is the Louis Allis Company, which began operations in the spring of 1968. Their local plant manufactures electric motors.

Employment Participation Rate. The employment participation rate (ratio of nonagricultural employment to nonfarm population) in the Evansville HMA was estimated at 41.5 percent in July 1968. The participation rate in January 1966 was 39.9 percent, indicating that employment had increased at a more rapid rate than population. Since 1965, an increasing number of women have taken jobs. Many of these workers are second wage earners of households, whose influence on population growth is less than that of workers who are heads of households. In addition to the local residents who were encouraged to enter the work force, the growing employment opportunities in 1966 and 1967 attracted more in-commuters from counties bordering the HMA, which also tended to increase the participation ratio. Over the next two years, the upward trend in the ratio of employment to population will be slowed because of the smaller employment expansion anticipated.

Unemployment

During the twelve months ending April 30, 1968, unemployment averaged 3,300 persons, or 3.3 percent of the civilian work force in the Evansville HMA (see table I). The unemployment rate had declined from 3.4 percent in 1965 to 2.9 percent in 1966. However, with the reduction in the rate of economic growth in 1967, unemployment increased to 3.4 percent of the work force and has remained near that level.

Employment Prospects

It is anticipated that nonagricultural wage and salary employment in the Evansville HMA will increase by an average of about 1,000 jobs annually during the two-year period ending July 1970. The projection reflects the slowing of economic expansion nationally which has affected both manufacturing and nonmanufacturing industries in the HMA. Recent employment contractions in the refrigeration and air conditioning industry have had a considerable impact on the local economy, and indications are that there will be additional jobs cutbacks during 1968. Although long-term growth potential for the refrigeration and air conditioning industry is favorable, the recent and expected job losses preclude other than a slight increase over the forecast period of this analysis. The downturn in this industry also has influenced other manufacturing establishments (particularly in the fabricated metals and rubber and plastics products industries), where growth is dependent on contracts to supply components to the producers of refrigeration and air conditioning equipment. Another consideration dampening growth of manufacturing has been the decline in employment in ordnance.

Despite the uncertain prospects for hiring, the employment forecast anticipates an increase in manufacturing jobs over the next two years. The primary sources contributing to the increase will be the Alcoa Warrick Works and Mead Johnson and Company, both of which anticipate continued hiring. In addition, the Louis Allis Company, which recently began production operations, expects to have a larger staff when full-production levels are achieved. Plans for expansion at a number of small firms indicate that there will be some increase in the food processing and textile industries.

Nonmanufacturing industries are expected to lead employment gains, accounting for about two-thirds of the increase in wage and salary employment during the next two years. As in past years, gains will be concentrated in the trade and services categories.

Family Incomes

The 1968 median after-tax income of all nonfarm families in the Evansville HMA is estimated at \$6,725, and the median after-tax income of nonfarm renter households of two or more persons at \$5,125. About 31 percent of nonfarm families and 48 percent of nonfarm renter households have after-tax incomes of less than \$5,000. Approximately 10 percent of nonfarm families and three percent of the renter households have

after-tax incomes in excess of \$12,500. By 1970, all-family annual income will increase to a median of \$7,075 after taxes, and renter households will have a median annual income of \$5,425.

Table II contains distributions of all families and renter households by income classes at the 1968 and 1970 income levels.

Demographic Factors

Nonfarm Population

Housing Market Area. As of July 1968, the nonfarm population of the Evansville HMA was about 225,700, reflecting an increase of 2,150 persons annually, on the average, since January 1, 1966. From April 1960 to January 1966, the nonfarm population of the HMA increased by about 1,550 persons annually. Paralleling the pattern of economic growth in the HMA, population rose more rapidly during the recent period than from 1960 to 1966.

The following table summarizes trends in the population of the Evansville HMA since 1960, including a projection to 1970. Table III provides a presentation of population trends by geographic areas.

Nonfarm Population Trends
Evansville, Indiana-Kentucky, HMA
1960-1970

<u>Date</u>	<u>Number of</u> <u>persons</u>	<u>Average annual change</u> <u>from preceding date</u>	
		<u>Number</u> ^{a/}	<u>Percent</u> ^{b/}
April 1960	211,335	-	-
January 1966	220,300	1,550	0.7
July 1968	225,700	2,150	1.0
July 1970	229,200	1,750	0.8

a/ Rounded.

b/ See Appendix A, paragraph 2.

Sources: 1960 Census of Population and estimates by Housing Market Analyst.

Vanderburgh County. Approximately 173,000 persons, or about 77 percent of the total nonfarm population of the HMA, resided in Vanderburgh County as of July 1968. Evansville had a population of about 145,800, and the remainder of Vanderburgh County had about 27,200 nonfarm residents. Since 1965 the population of Vanderburgh County has increased by an average of about 1,550 persons annually, including 760 in the city of Evansville and 780 in areas outside the city.

Remainder of HMA. In the other two counties of the HMA, Warrick County, Indiana and Henderson County, Kentucky, the nonfarm populations in July 1968 were 21,750 and 30,950, respectively. Since 1965, the population of Warrick County has increased by about 220 a year, while Henderson County has grown by about 400 persons annually.

Estimated Future Population. By July 1970, the nonfarm population is expected to total 229,200, reflecting an average annual increase of 1,750 persons during the next two years. The increase in population is projected on the basis of the anticipated employment gains and on the assumption that the ratio of employment to total population will continue to rise (although at a lower rate than in recent years) as more area residents and commuters from outside the HMA enter the work force. A lower rate of economic growth is expected during the immediate future than that of the 1966 to 1968 period, and a smaller population increment appears likely.

Nonfarm Households

Housing Market Area. In July 1968, there were an estimated 69,550 nonfarm households in the Evansville HMA. Increases in the number of households in the HMA have followed the trend of population growth; annual gains averaged about 550 from 1960 to 1966 but increased to 800 for the period from January 1, 1966 to July 1, 1968. The following table presents changes in the number of households since April 1960 and a projection to July 1970. Table III shows the trend of nonfarm household growth by geographic areas.

Nonfarm Household Trends Evansville, Indiana-Kentucky, HMA 1960-1970

<u>Date</u>	<u>Number of households</u>	<u>Average annual change from preceding date</u>	
		<u>Number^{a/}</u>	<u>Percent^{b/}</u>
April 1960	64,394	-	-
January 1966	67,550	550	0.8
July 1968	69,550	800	1.2
July 1970	70,850	650	0.9

a/ Rounded.

b/ See Appendix A, paragraph 2.

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

Vanderburgh County. As of July 1968, there were an estimated 53,450 nonfarm households in Vanderburgh County, including about 45,800 in the city of Evansville and 7,650 in the remaining areas of the county. Since 1965, the number of households in Vanderburgh County has increased by 580 a year, 320 in Evansville and 260 outside the corporate limits of the city.

Remainder of HMA. There were an estimated 6,525 nonfarm households in Warrick County and 9,575 nonfarm households in Henderson County as of July 1968. Since 1965, household growth has averaged about 80 a year in Warrick County and 140 a year in Henderson County.

Household Size Trends. In July 1968, the average size of all nonfarm households in the Evansville HMA was 3.18 persons. This average represents a continuation of the trend toward smaller household size that was in evidence from 1960 to 1966. The reduction since 1966 is indicative of a change in the age structure of the population that has resulted from a decline in the birth rate and an increase in the number of one-person households. It is expected that the average number of persons per household in the Evansville HMA will continue to decline during the forecast period of this report.

Future Household Growth. Based on the anticipated increase in population in response to new job opportunities, and on the assumption that the average household size will decline slightly, there will be about 70,850 nonfarm households in the Evansville HMA by July 1970. This reflects an average addition of about 650 nonfarm households annually during the forecast period from July 1968 to July 1970.

Housing Market Factors

Nonfarm Housing Supply

July 1968 Estimate and Trends. There were about 74,150 nonfarm housing units in the Evansville HMA as of July 1968, reflecting a net gain of about 1,900, or 760 a year since 1965. About 2,550 units were built, 250 mobile homes were moved into the HMA, and about 900 units were lost from the inventory, principally through demolitions resulting from urban renewal activity and building code enforcement. During the April 1960 to January 1966 period, the nonfarm housing inventory of the HMA had increased by about 1,550 units (270 annually).

Residential Building Activity

Residential building permits are required in all areas of Vanderburgh County and for the towns of Boonville and Henderson in the other two counties of the HMA. Since 1965, there have been about 2,175 privately-financed units authorized by building permits, and construction was started on an estimated 350 units outside permit-issuing areas. Permit authorizations and construction starts have averaged about 1,000 units a year. Approximately 72 percent of the privately-financed units constructed in the HMA since 1965 have been in Vanderburgh County. Most of the building activity in Warrick County has occurred in areas extending from Vanderburgh County to Boonville. Residential building in Henderson County has been limited, for the most part, to the city of Henderson and environs.

As shown in the following table, construction activity declined from 1965 to 1966, reflecting a shortage of funds for mortgages on single-family houses. The volume of residential construction rebounded in 1967, and a comparison of building permit authorizations for the first five months of 1967 and 1968 indicates the recovery has continued.

The following table presents trends in building permit authorizations by type of structure from 1965 to 1968.

Housing Units Authorized by Building Permits
Evansville, Indiana-Kentucky, HMA
1965-1968

<u>Year</u>	<u>Single-family</u>	<u>Multi-family</u>	<u>Total units</u>
1965	685	248 ^{a/}	933 ^{a/}
1966	588	261	849
1967	674	223 ^{b/}	897 ^{b/}

Jan. to June:

1967	262	44	306
1968	237	183	420

^{a/} Excludes 130 units of public housing in Henderson, Kentucky.

^{b/} Excludes 109 units of public housing in Evansville.

Sources: Bureau of the Census, C-40 Construction Reports.
Local building inspectors.

Units Under Construction. Based on the results of the postal vacancy survey, which enumerated residences and apartments under construction, on building permit data, and on other information obtained in the area, it is estimated that there were about 570 units under construction in July 1968. The total was comprised of about 250 single-family houses and 320 units in multifamily structures (including 109 units of low-rent public housing in Evansville and 40 units of rent-supplement housing in Henderson). Apartment construction was concentrated in the city of Evansville. The fringe of Evansville and areas extending from the city to the east and to the north were the most active locations for construction of single-family houses.

Demolitions. Approximately 900 housing units have been removed from the nonfarm inventory through demolitions since 1965. The major share (about 64 percent) were units demolished in the city of Evansville as the result of the enforcement of building codes and community renewal. It is estimated that during each of the next two years an average of about 300 nonfarm units will be lost as a result of all types of governmental action, demolitions, changes of use, and natural causes.

Tenure of Occupancy

In July 1968, about 47,600 (68.4 percent) of the occupied nonfarm housing units in the HMA were owner-occupied (see table IV). Because of increased apartment construction and renting of previously owner-occupied single-family houses, owner occupancy has declined slightly from the estimated 68.7 percent as of January 1966.

Vacancy

Trends. As of January 1966, there were approximately 1,750 housing units available for sale or rent in the Evansville HMA, an overall vacancy rate of 2.5 percent. Approximately 500 houses were available for sale and 1,250 units were available for rent. Both the sales housing vacancy rate of 1.1 percent and the rental vacancy rate of 5.6 percent indicated sharp reductions in the surplus of housing that had been available in the HMA in 1960. Sales and rental vacancy rates of 2.0 percent and 11.4 percent, respectively, were reported in the 1960 Census.

Postal Vacancy Surveys. The results of a postal vacancy survey conducted in the Evansville area in June 1968 are summarized in table V. The survey covered 68,470 possible deliveries (including 1,107 deliveries to house trailers), equal to about 92 percent of the nonfarm housing supply. About 1,350 vacancies in residences and apartments were enumerated by the survey, an over-all vacancy rate of 2.0 percent. Vacancies in residences totalled about 880, or 1.5 percent of all deliveries to residences. About 155 residences were reported as new (never occupied). There were approximately 470 vacant apartment units, 6.4 percent of the total apartment units enumerated. Of the vacant apartment units, 63 were new. The survey also counted 1,107 trailers, of which 18 were vacant.

The postal vacancy survey conducted in the Evansville area during January 1966 enumerated 200 more vacancies than the recent count. The January 1966 survey counted deliveries to 66,200 residences and apartments and reported about 1,550 vacant units, an over-all rate of 2.3 percent (see Appendix A, paragraph 7).

July 1968 Estimate. Based on the results of the postal vacancy survey (adjusted for incomplete coverage and converted to census concepts) and on information obtained in the area, it is estimated that as of July 1968 there were about 1,600 available vacancies in the HMA, an over-all vacancy rate of 2.2 percent. An estimated 450 of the vacancies were available for sale only, a homeowner vacancy rate of 0.9 percent; and 1,150 of the units were available for rent, a rental housing vacancy rate of 5.0 percent. The reduction in the vacancy rates since January 1966 is indicative of the continued improvement of the housing market that began with the employment expansion of the mid-1960's.

Sales Market

The market for sales housing in the Evansville HMA was sound in July 1968; builders' inventories were small and the sales housing vacancy rate (0.9 percent) was at the lowest level of the post-1960 period. The accelerated rate of household growth since 1965 has strengthened the market, stimulating both the renting of single-family homes previously for sale only and the purchasing of new and existing houses. Despite a cutback in the production of new homes during 1966 and early 1967, attributable to the high cost of mortgage funds, the output of single-family houses during the past three years was considerably above that of the early 1960's. The increased supply of houses has been readily absorbed with the exception of a period in late 1966, when mortgage financing became increasingly difficult. Price trends discernible in the HMA indicate a steady increase in the cost of new houses, reflecting the influence of rising construction, financing, and land costs locally. Builders and realtors have noted a shift toward the higher-priced market (\$22,000-\$25,000), and correspondingly a sharp decline in the production of houses priced below \$15,000. There remains a strong demand for moderately-priced homes (\$17,000-\$22,000); however, the supply of new houses in this price range has been declining.

The market for existing properties in nearly all price ranges is tight. Area realtors report strong competition for good quality listings and have noted a considerable appreciation in sale prices of used homes. Existing homes placed on the market have been sold rapidly; statistics prepared by the Multiple Listing Association of Evansville indicate that approximately three-fifths of the houses listed with members are sold within 45 days. The volume of sales, as recorded by the M.L.A., has increased each year since 1965, and the number of sales for the first four months of 1968 was above the same period in 1967. The active market for existing homes during the past two years has been maintained through more frequent incidence of mortgage assumption, cash sales, and contract sales.

In January of recent years, the Indianapolis and Louisville FHA Insuring Offices have surveyed subdivisions in the HMA in which five or more houses had been completed in the twelve-month period preceding the date of the survey. The results of the 1967 and 1968 surveys are shown in table VI. The January 1967 survey revealed that 318 of the 471 houses completed during 1966 were built speculatively. Of these, 90 (28.3 percent) remained unsold at the end of the year. The high proportion of unsold houses to total speculative construction indicates that builders were faced with growing inventories at a time when the mortgage market tightened. Most of the houses unsold at the end of 1966 were constructed during the last six months of the year, the height of the money crisis.

The surplus of unsold houses existed only temporarily, however, and with the improvement in the availability of mortgage funds during 1967, the excess supply was absorbed. The survey as of January 1968 reported 24 houses (11.2 percent of speculative construction) unsold. Despite evidence of strong demand, builders proceeded cautiously and construction financing remained difficult to obtain in early 1967. As a result, speculative construction declined.

The heaviest concentration of subdivision activity is in the fringe of Evansville and the suburban environs to the east and north of the city. In past years, the most active market was in the eastern section, broadly defined as encompassing the land area between Covert Avenue and U.S. Highway 460 and areas south along Weinbach Avenue and Green River Road. The most popular locations for recent development have been north and east of the Washington Mall Shopping Center. However, development has spread outward to the Vanderburgh County boundary and into Warrick County--primarily the township adjacent to Vanderburgh County extending into the Newburg area. Many of the high-priced houses (\$25,000 and above) have been constructed in the eastern section. Close-in subdivisions typically have provided lower-cost housing, but the supply of land is nearly exhausted, and future development will be limited. A rapidly developing area in recent years has been in north Evansville and vicinity, particularly subdivisions near Dress Memorial Airport and west of U.S. Highway 41. Developments in the northern section offer houses in a broad range of prices; however, the major share has been priced from about \$18,000 to \$22,000. An increasing proportion of construction during 1968 has approached the upper end of this price range, and new houses are now available at \$25,000 and above. To date, subdivision activity west of Evansville has been limited, for the most part, to small scattered developments of low-cost homes along Highway 62. Large tracts of available land have attracted developers in recent years, and there is good potential for future growth.

Rental Market

The rental market in the Evansville HMA has expanded in recent years. During 1966 and 1967, an average of about 240 privately-financed multi-family units were built, compared with an average of about 180 units a year from 1963 through 1965. New units entering the market have had a very satisfactory rate of absorption, and the over-all renter vacancy rate declined from about 5.6 percent in January 1966 to 5.0 percent in July 1968, indicating that the increased supply of apartments has not adversely affected occupancy in existing projects. The recent strength of the rental market is attributed, primarily, to the three years of employment expansion which resulted in a relatively high rate of house-

hold formation. In addition, the housing needs of the newly-formed households of the maturing population of the post-war period have increased demand for rental accommodations. The ~~tight~~ money market during the second half of 1966 and early 1967 undoubtedly aided in the absorption of rental units because some prospective home buyers could not obtain financing or postponed buying in anticipation of lower financing costs.

Most of the large garden and townhouse apartment complexes in the HMA have been constructed in the eastern section of Evansville. Popular locations have been areas with convenient access to suburban shopping centers and those in the vicinity of the two large hospitals. An indication of renting experience is provided by data collected by the Indianapolis Insuring Office on the rate of absorption of selected new apartment projects marketed since mid-1965. Approximately 350 units, a comprehensive sample of the larger new projects, were surveyed as of June 1968. There were 22 vacancies, of which nineteen were in projects which had been renting less than three months. The high occupancy reported by the absorption survey indicates the favorable market acceptance of multifamily units in recent years. Although there have been a few garden apartments in the high rent ranges (\$200 and up) associated with luxury amenities, most new one-bedroom apartments have rents (excluding the cost of electricity) ranging from \$120 to \$140. Two-bedroom units, which comprised about 70 percent of the new units surveyed, have been concentrated in the \$140-\$160 rent range. Tentative rent schedules indicate that most multifamily units under construction will have rents close to or somewhat in excess of the upper limits of these ranges. In addition, the rent levels in a number of existing projects have gone up, further reflecting the current market strength.

Urban Renewal

Since 1965, Evansville has continued its program of urban renewal. Brief descriptions of the projects which have been initiated or which reached the ~~ex~~ecution stage during the past three years are presented in the following paragraphs.

The last parcel of land in the High Street Redevelopment Project (UR3-1) was sold in late 1965. The project is bounded by Pennsylvania and Market Streets on the north, by Fulton Avenue on the east, by Riverside Drive on the south, and by College Street on the west. To date, 18 office and industrial buildings have been constructed in this area.

The Civic Center project in central Evansville occupies a 35-acre tract. This redevelopment area is managed by a nonprofit local corporation. A civic auditorium has been completed, and city, county, and federal office buildings are under construction. A survey and planning application for Central City Urban Renewal Project (R-74), the area between the Civic Center and Riverside project, has been filed with the Department of Housing and Urban Development. Land re-use will emphasize the rehabilitation of existing buildings, expansion of off-street parking facilities, and the improvement of traffic circulation in the central business district.

The Riverside Urban Renewal Project (Indiana R-48) is bounded on the south by Riverside Drive, by Locust Street on the west, and by Second Street on the north. The project is in execution and 67 of the 81 parcels of land have been either purchased or optioned. Over 30 businesses and all 20 families in the project area have been relocated. A demolition contract has been let and 41 structures have been released to the contractor. Cleared sites will be redeveloped for commercial, retail, hotel-motel, and apartment buildings.

The Welborn Medical Center (R-49) is bounded by Chestnut Street on the east, Fourth Street on the south, Sixth Street on the north, and Mulberry Street on the west. The project is in the execution stage and demolition activities involving 40 residential structures have been completed. Land has been sold to the Welborn Clinic and the Welborn Memorial Baptist Hospital for their future expansion programs. A high-rise apartment project is proposed for this site.

The planning of the Villa Sites (R-59) project has been completed. Application for loan and grant was filed with HUD. The Redevelopment Commission is proceeding with land acquisition and family relocation is in progress. Re-use of the land will be residential with emphasis on low-rent public housing.

Public Housing

There were 792 units of low-rent public housing in six projects under the management of the Housing Authority of the city of Evansville as of July 1968. Of this total, 200 units in a high-rise project are for senior citizens. Another high-rise building, also designated for occupancy by elderly persons, was under construction and scheduled for completion in September 1968. The city has a program reservation with the Housing Assistance Administration for an additional 91 units, and an application for an additional 300 units is pending approval. The Municipal Housing Authority of Henderson, Kentucky manages 330 units of public housing, of which 130 have been completed since 1965. Seventy of these units are designated for occupancy by the elderly. All public housing units in the HMA were occupied in July 1968.

Demand for Housing

Quantitative Demand

Demand for additional housing in the Evansville HMA during the two-year period from July 1968 to July 1970 is based on the projected level of household growth (estimated at 650 annually) and on the number of housing units to be removed from the inventory (300 a year). Adjustments have been made to reflect changes in the tenure of occupancy, anticipating a continuation of the trend toward renter occupancy in the HMA. The low vacancy levels and the acceptable level of residential construction also were considered in the derivation of the demand estimates. Based on these primary factors and barring unanticipated changes in economic, demographic, and housing factors taken into consideration in this analysis, demand for new housing is estimated at 700 single-family houses and 210 multifamily units at rents achievable with market-interest-rate financing. In addition, 100 units may be marketed only at rents possible with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. The estimates do not include demand for public low-rent housing or rent supplement accommodations.

The projected demand levels (excluding the 100 multifamily units which may be achieved only with below-market-interest-rate financing or other assistance) are slightly below the January 1966 to July 1968 average construction volume of about 1,000 units a year. The estimates of population and household growth, which are the primary determinants of demand for additional housing, are based on the expected employment growth. The peak of the employment expansion in the Evansville area was reached in 1966, and gains during the next two years will be much smaller. Although reductions in employment and household growth are anticipated, demand for additional housing will not be appreciably below the rate of construction of recent years. A part of the demand for housing since 1965 has been satisfied by continued absorption of vacant housing units. However, acceptable vacancies are now in short supply, and it is expected that demand will more closely approximate the need created by household growth and the demolitions.

Qualitative Demand

Single-family Houses. The annual demand for 700 new single-family houses is expected to approximate the sales price distribution presented in the following table. Recent market experience and the ability to pay as measured by current family incomes and the income to purchase price ratios typical in the HMA are the principal factors determining the distributions.

Estimated Annual Demand for Single-Family Houses
Evansville, Indiana-Kentucky, Housing Market Area
July 1968 to July 1970

<u>Price range</u>	<u>Number of houses</u>	<u>Percent of total</u>
Under \$15,000	40	6
\$15,000 - 17,499	100	14
17,500 - 19,999	115	16
20,000 - 24,999	200	29
25,000 - 29,999	110	16
30,000 - 34,999	70	10
35,000 and over	<u>65</u>	<u>9</u>
Total	700	100

Note: See Appendix A, paragraph 9.

Multifamily Units. The monthly rents or charges for various size units at which 210 market-interest-rate-financed net additions to the privately-owned multifamily housing inventory might be absorbed are indicated in the following table.

Estimated Annual Demand for New Multifamily Units
At Rents Achievable With Market-Interest-Rate-Financing
Evansville, Indiana-Kentucky, HMA
July 1968 to July 1970

<u>Gross rents^{a/}</u>	<u>Efficiency</u>	<u>One- bedroom</u>	<u>Two- bedrooms</u>	<u>Three- bedrooms</u>
\$100 - \$129	10	-	-	-
130 - 149	-	30	-	-
150 - 169	-	20	50	-
170 - 189	-	10	40	10
190 - 209	-	5	15	5
210 and over	<u>-</u>	<u>-</u>	<u>10</u>	<u>5</u>
Total	10	65	115	20

^{a/} Gross rent is shelter rent plus the cost of utilities.

Note: See Appendix A, paragraphs 10 and 11.

In addition to the annual demand for 210 multifamily units shown in the preceding table, 100 units possibly could be absorbed annually at lower rents achievable only with below-market-interest-rate financing or other public benefits. The 100 units could best be absorbed if distributed by unit size as follows: 20 one-bedroom units, 50 two-bedroom units, and 30 units with three-bedrooms or more (see Appendix A, paragraph 12).

APPENDIX A
OBSERVATIONS AND QUALIFICATIONS
APPLICABLE TO ALL FHA HOUSING MARKET ANALYSES

- when the rural farm population constitutes less than five percent of the total population of the HMA, all demographic and housing data used in the analysis refer to the total of farm and non-farm data; if five percent or more, all demographic and housing data are restricted to non-farm data.
2. All average annual percentage changes used in the demographic section of the analysis are derived through the use of a formula designed to calculate the rate of change on a compound basis.
- Because of the change in definition of "farm" between 1950 and 1960 censuses, many persons living in rural areas who were classified as living on farms in 1950 would have been considered to be rural nonfarm residents in 1960. Consequently, the decline in the farm population and the increase in nonfarm population between the two census dates is, to some extent, the result of this change in definition.
4. The increase in nonfarm households between 1950 and 1960 was the result, in part, of a change in the definition of "farm" in the two censuses.
5. The increase in the number of households between 1950 and 1960 reflects, in part, the change in census enumeration from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census. Certain furnished-room accommodations which were not classed as dwelling units in 1950 were classed as housing units in 1960. This change affected the total count of housing units and the calculation of average household size as well, especially in larger central cities.
6. The basic data in the 1960 Census of Housing from which current housing inventory estimates are developed 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.
7. Postal vacancy survey data are not entirely comparable with the data published by the Bureau of Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.
8. Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of the 1960 enumeration procedures.
9. The distribution of the qualitative demand for sales housing differs from any selected experience such as that reported in FHA unsold inventory surveys. The latter data do not include new construction in subdivisions with less than five completions during the year reported upon, 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, which are quite numerous. The demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.
10. Monthly rentals at which privately owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the demand section of each analysis. 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 may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result of the availability of an ample rental housing supply.
11. Distributions of average annual demand for new apartments are based on projected tenant-family incomes, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration also is given to the recent absorptive experience of new rental housing. Thus, they represent a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. However, individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements. Specific market demand opportunities or replacement needs may permit the effective marketing of a single project differing from these demand distributions. Even though a deviation from these distributions may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless a 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.
12. The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships. Proximity to or quick and economical transportation to place of work frequently is a governing consideration in the place of residence preferred by families in this group.

Table I

Work Force Components and Employment by Industry^{a/}
Evansville, Indiana-Kentucky, HMA
1965-1968

(annual averages in thousands)

				<u>12 months ending</u>	
	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>April 30, 1967</u>	<u>April 30, 1968</u>
Total work force	<u>93.0</u>	<u>96.9</u>	<u>98.6</u>	<u>97.9</u>	<u>98.6</u>
Unemployed	3.2	2.8	3.4	3.1	3.3
Percent of work force	3.4	2.9	3.4	3.2	3.3
Employed	<u>89.7</u>	<u>94.0</u>	<u>94.9</u>	<u>94.6</u>	<u>95.2</u>
Nonag. wage and salary	<u>78.6</u>	<u>82.9</u>	<u>84.5</u>	<u>83.8</u>	<u>84.8</u>
Manufacturing	<u>30.0</u>	<u>32.8</u>	<u>33.5</u>	<u>33.3</u>	<u>33.7</u>
Durable	(19.0)	(21.3)	(21.6)	(21.7)	(21.7)
Nondurable	(11.0)	(11.5)	(11.9)	(11.6)	(12.0)
Food & kindred products	3.0	2.5	2.7	2.5	2.7
Textiles and apparel	1.8	2.0	2.1	2.0	2.1
Furniture and fixtures	2.2	2.5	2.4	2.5	2.3
Printing, pub., and allied	1.1	1.2	1.2	1.2	1.2
Rubber and misc. plastic prod.	2.2	2.6	2.7	2.7	2.8
Fabricated metal prod.	3.3	3.3	3.3	3.4	3.3
Machinery	10.8	11.5	11.0	11.2	11.2
Refrig. and air cond.	(8.8)	(9.5)	(9.0)	(9.4)	(9.1)
All other manufacturing	5.7	7.2	8.2	7.8	8.2
Nonmanufacturing	<u>48.6</u>	<u>50.1</u>	<u>51.0</u>	<u>50.5</u>	<u>51.1</u>
Mining	2.0	1.9	1.7	1.8	1.7
Construction	4.2	3.9	3.8	3.8	3.9
Trans., comm., & utilities	4.8	5.0	5.2	5.1	5.2
Wholesale & retail trade	17.1	17.5	18.3	17.9	18.3
Finance, misc., & real estate	2.9	3.0	3.1	3.0	3.1
Service & misc.	10.2	11.0	11.2	11.1	11.2
Government	7.5	7.8	7.7	7.8	7.8
All other nonagricultural	9.2	9.3	8.8	9.1	8.8
Agricultural	2.0	1.8	1.6	1.7	1.6
Involved in labor management disputes	-	-	0.3	0.2	0.1

^{a/} Subtotals may not add to totals because of rounding.

Source: Indiana Employment Security Division.

Table II

Estimated Percentage Distribution of All Families and Renter Households
By Income After Deducting Federal Income Taxes
Evansville, Indiana-Kentucky, HMA 1968 and 1970

<u>Annual</u> <u>after-tax income</u>	<u>1968 incomes</u>		<u>1970 incomes</u>	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>households</u> ^{a/}	<u>All</u> <u>families</u>	<u>Renter</u> <u>households</u> ^{a/}
Under \$3,000	15	25	14	23
\$3,000 - 3,999	8	11	7	11
4,000 - 4,999	8	12	8	12
5,000 - 5,999	10	14	9	12
6,000 - 6,999	11	9	11	11
7,000 - 7,999	10	9	9	8
8,000 - 8,999	8	6	9	7
9,000 - 9,999	8	5	8	6
10,000 - 12,499	12	6	13	7
12,500 - 14,999	5	1	6	1
15,000 and over	<u>5</u>	<u>2</u>	<u>6</u>	<u>2</u>
Total	100	100	100	100
Median	\$6,725	\$5,125	\$7,075	\$5,425

^{a/} Renter households of two or more persons.

Source: Estimated by Housing Market Analyst.

Table III

Trend of Nonfarm Population and Household Growth
Evansville, Indiana-Kentucky, HMA
April 1960 - July 1968

	<u>April 1, 1960</u>	<u>January 1, 1966</u>	<u>July 1, 1968</u>	<u>Average annual change</u>	
				<u>1960-1966^{a/}</u>	<u>1966-1968^{a/}</u>
<u>Population</u>					
Evansville	141,543	143,900	145,800	410	760
Remainder	<u>21,316</u>	<u>25,250</u>	<u>27,200</u>	<u>680</u>	<u>780</u>
Vanderburgh County	162,859	169,150	173,000	1,100	1,540
Warrick County	19,904	21,200	21,750	220	220
Henderson County	<u>28,572</u>	<u>29,950</u>	<u>30,950</u>	<u>240</u>	<u>400</u>
HMA total	211,335	220,300	225,700	1,550	2,150
<u>Households</u>					
Evansville	44,033	45,000	45,800	170	320
Remainder	<u>5,764</u>	<u>7,000</u>	<u>7,650</u>	<u>215</u>	<u>260</u>
Vanderburgh County	49,797	52,000	53,450	380	580
Warrick County	5,889	6,325	6,525	75	80
Henderson County	<u>8,708</u>	<u>9,225</u>	<u>9,575</u>	<u>90</u>	<u>140</u>
HMA total	64,394	67,550	69,550	550	800

^{a/} Subtotals may not add to totals because of rounding.

Sources: 1960 Census Population and Housing; 1966 and 1968 estimated by Housing Market Analyst.

Table IV

Tenure and Vacancy in the Housing Inventory
Evansville, Indiana-Kentucky, HMA
April 1960-July 1968

<u>Tenure and vacancy</u>	<u>April 1960</u>	<u>January 1966</u>	<u>July 1968</u>
Total housing supply	<u>70,711</u>	<u>72,250</u>	<u>74,150</u>
Occupied housing units	<u>64,394</u>	<u>67,550</u>	<u>69,550</u>
Owner-occupied	<u>44,279</u>	<u>46,400</u>	<u>47,600</u>
Percent of all occupied	68.8	68.7	68.4
Renter-occupied	<u>20,115</u>	<u>21,150</u>	<u>21,950</u>
Percent of all occupied	31.2	31.3	31.6
Vacant housing units	<u>6,317</u>	<u>4,700</u>	<u>4,600</u>
Available vacant	<u>3,505</u>	<u>1,750</u>	<u>1,600</u>
For sale	<u>922</u>	<u>500</u>	<u>450</u>
Homeowner vacancy rate	2.0%	1.1%	0.9%
For rent	<u>2,583</u>	<u>1,250</u>	<u>1,150</u>
Renter vacancy rate	11.4%	5.6%	5.0%
Other vacant ^{a/}	<u>2,812</u>	<u>2,950</u>	<u>3,000</u>

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

Sources: 1960 Census of Housing; 1966 and 1968 estimated by Housing Market Analyst.

Table V

Evansville, Indiana-Kentucky, Area Postal Vacancy Survey

June 4-11, 1968

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	67,363	1,353	2.0	1,134	219	567	60,018	885	1.5	729	156	246	7,345	468	6.4	405	63	321	1,107	18	1.6
Evansville, Indiana	55,227	981	1.8	834	147	521	49,143	646	1.3	553	93	210	6,084	335	5.5	281	54	311	557	2	0.4
Main Office	9,018	284	3.1	282	2	110	5,605	125	2.2	125	-	1	3,413	159	4.7	157	2	109	9	-	0.0
Stations:																					
A	12,413	130	1.0	102	28	42	11,752	99	0.8	77	22	34	661	31	4.7	25	6	8	218	2	0.9
B	10,102	124	1.2	120	4	125	9,838	103	1.0	99	4	66	264	21	7.9	21	-	59	91	-	0.0
D	11,128	212	1.9	162	50	39	10,816	182	1.7	148	34	35	312	30	9.6	14	16	4	14	-	0.0
Lawndale	4,517	153	3.4	92	61	191	3,815	82	2.1	51	31	60	702	71	10.1	41	30	131	-	-	-
Parcel Post	8,049	78	1.0	76	2	14	7,317	55	0.8	53	2	14	732	23	3.1	23	-	-	225	-	0.0
Other Cities and Towns	12,136	372	3.1	300	72	46	10,875	239	2.2	176	63	36	1,261	133	10.5	124	9	10	550	16	2.9
Boonville, Indiana	3,256	107	3.3	75	32	26	3,052	70	2.3	44	26	18	204	37	18.1	31	6	8	125	3	2.4
Henderson, Kentucky	8,880	265	3.0	225	40	20	7,823	169	2.2	132	37	18	1,057	96	9.1	93	3	2	425	13	3.1

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; namely, a residence represents one possible stop with one possible delivery on a carrier's route, and apartment represents one possible stop with more than one possible delivery.

The estimates of total possible deliveries to residences, apartments, and house trailers were made by the postal carriers. The data in this table, therefore, are not strictly comparable to the corresponding data for surveys conducted prior to 1966. The combined totals, however, are as recorded in official route records.

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

Table VI

Houses Completed During 1966 and 1967
and the Number Unsold by Price Class
Evansville, Indiana-Kentucky, Housing Market Area

<u>Sales Price</u>	<u>Number</u>	<u>Percentage</u>	<u>Presold</u>	<u>Speculative Construction</u>			
				<u>Total houses</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percentage unsold</u>
<u>Houses completed in 1966 as of January 1, 1967</u>							
Under \$15,000	30	6.4	1	29	27	2	6.9
\$15,000 - 17,499	72	15.3	33	39	27	12	30.8
17,500 -19,999	101	21.4	23	78	63	15	19.2
20,000 -24,999	117	24.8	43	74	46	28	37.8
25,000 -29,999	73	15.5	25	48	30	18	37.5
30,000 -34,999	37	7.9	12	25	15	10	40.0
35,000 and over	<u>41</u>	<u>8.7</u>	<u>16</u>	<u>25</u>	<u>20</u>	<u>5</u>	<u>20.0</u>
Total	<u>471</u>	<u>100.0</u>	<u>153</u>	<u>318</u>	<u>228</u>	<u>90</u>	<u>28.3</u>
<u>Houses Completed in 1967 as of January 1, 1968</u>							
Under \$15,000	8	2.4	-	8	5	3	37.5
\$15,000 -17,499	95	27.9	37	58	55	3	5.2
17,500 -19,999	29	8.5	10	19	15	4	21.1
20,000 -24,999	111	32.7	42	69	60	9	13.0
25,000 -29,999	39	11.4	4	35	34	1	2.8
30,000 -34,999	30	8.9	17	13	11	2	15.4
35,000 and over	<u>28</u>	<u>8.2</u>	<u>15</u>	<u>13</u>	<u>11</u>	<u>2</u>	<u>15.4</u>
Total	<u>340</u>	<u>100.00</u>	<u>125</u>	<u>215</u>	<u>191</u>	<u>24</u>	<u>11.2</u>

Sources: Unsold Inventory Surveys of New Homes conducted by the Indianapolis, Indiana and Louisville, Kentucky Insuring Offices.

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Kentucky 1968
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tion
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Indiana-Kentucky housing market