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Analysis of the
**LAKE TAHOE,
CALIFORNIA-NEVADA
HOUSING MARKET**

as of April 1, 1966

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

December 1966

ANALYSIS OF THE
LAKE TAHOE, CALIFORNIA-NEVADA, HOUSING MARKET
AS OF APRIL 1, 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 be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

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

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ANALYSIS OF THE
LAKE TAHOE, CALIFORNIA-NEVADA, HOUSING MARKET
AS OF APRIL 1, 1966

Summary and Conclusions

1. The economy of the Lake Tahoe Housing Market Area (HMA) is supported mainly by the gaming industry (gambling), tourism, and the related support industries of trade and services (hotels, motels, restaurants, and others). The construction of several ski lifts and related facilities throughout the area has partially balanced the summer tourist influx with winter season skiers. In the Carson City, Nevada portion of the HMA, commercial centers and governmental agencies provide most of the employment.

Total nonagricultural employment averaged about 16,600 resident workers in 1965, an increase of 7,725 (87 percent) over the employment levels reported by the 1960 Census. Total nonagricultural employment in the HMA is expected to increase by an average of about 3,000 year-round jobs (1,500 annually) during the April 1966-April 1968 period. The main contributors to the expected increase will be the services, trade, government, and construction industries, the groups which supplied most of the growth during the past several years.

2. The current median annual income of all families in the Lake Tahoe HMA, after the deduction of Federal income taxes, is about \$9,075, and the median income of all tenant families is \$7,700. By 1968, the median after-tax income of all families is expected to rise to \$9,575; the tenant family median income is expected to approximate \$8,125. Median incomes in the three submarket areas are presented on page 10, and distributions by annual income classes are presented in table II.
3. The estimated current year-round population of the HMA, 45,100 persons, represents an increase of about 21,800 since April 1960, an annual growth rate of slightly over 11 percent; the 1950 to 1960 increase was 14,550, an annual growth rate of nearly 10 percent. By April 1, 1968, the population is expected to total 52,200 persons, an increase of 7,100, or 3,550 a year. Population trends in the three submarket areas are discussed separately on pages 11 and 12.

Households in the HMA currently total 14,750, an average annual gain of about 1,200 since 1960; between 1950 and 1960, the increase averaged 480 a year. Household growth during the next two years is expected to approximate 1,200 annually. Household trends in the three submarket areas are discussed separately on pages 13 and 14.

4. The current housing inventory of 22,750 units in the HMA represents a net addition of over 1,450 units a year since 1960, compared with a 1950 to 1960 annual gain of about 570 units. New residential construction activity, as measured by building permits issued, totaled

over 9,000 housing units, or an average of 1,500 a year between 1960 and 1965. Volume has been increasing since 1963 and totaled 2,285 units in 1965 (see table VI for construction in the three submarket areas by type of structure).

5. There are currently 650 nonseasonal, nondilapidated, available vacant housing units in the Lake Tahoe HMA of which 250 are available for sale, a homeowner vacancy rate of 2.6 percent, up from the 1.9 percent level reported by the 1960 Census. Current rental vacancies total 400, a rental vacancy rate of 6.8 percent, down from the 1960 level of 7.7 percent reported by the census. In addition, there are 7,350 vacant units which are either dilapidated or are not available for sale or rent for year-round occupancy. Vacancies in the three submarket areas are discussed separately on page 20.
6. The number of additional housing units needed to meet the requirements of anticipated household increases and result in establishing a balanced demand-supply relationship in the market is estimated to be 1,000 housing units annually. Total demand consists of 775 sales units and 225 rental units yearly. This demand does not include public low-rent housing, rent-supplement accommodations, or housing intended for seasonal use. Annual quantitative demand in each of the three submarket areas is presented on page 26.

Total demand for 775 sales houses a year is distributed by price classes and by submarket areas in the table on page 26. Annual demand for 225 rental units is distributed by gross monthly rent levels and by unit sizes for the submarket areas in the table on page 28.

The large element of seasonal occupancy in the area should be given particular attention in the consideration of proposed rental projects. Preference should be given to small projects on sites that are particularly appealing to year-round occupants of the area.

ANALYSIS OF THE
LAKE TAHOE, CALIFORNIA-NEVADA, HOUSING MARKET
AS OF APRIL 1, 1966

Housing Market Area

For the purposes of this analysis, the Lake Tahoe Housing Market Area (HMA) consists of the following counties and parts of counties in the States of California and Nevada:

- California: 1. Part of El Dorado County
(The Lake Valley Census County Division)
2. Part of Placer County
(The Lake Tahoe Census County Division)
- Nevada: 1. Part of Washoe County
(Only that part containing the unincorporated places of Incline Village and Crystal Bay)
2. All of Douglas County
3. All of Ormsby County

This area had a 1960 population of about 23,300 persons.^{1/} The map on page 3 presents a rough approximation of the HMA. The areas of greatest employment, population, and residential growth, however, are those immediately adjacent to the Lake and to Carson City in Ormsby County (the capital of Nevada) which is about 15 miles to the east of the Lake. A large proportion of the land area in the HMA is either Federally- or State-owned (national forests, state parks, and designated "wilderness areas"). One of the most important factors limiting development in the HMA is its rugged terrain.

According to the preliminary Lake Tahoe regional plan, which was prepared in 1962 with the aid of a Federal planning grant from the Urban Renewal Administration of the Department of Housing and Urban Development, slightly over 43 percent of the land area in the Lake Tahoe basin area has slopes ranging between 11 and 25 percent grade; nearly 34 percent of the land area has grades above 25 percent. The plan further indicated that most of the existing development in the HMA has taken place almost entirely on the slopes with 10 percent or less grade.

The main feature of the HMA is, of course, Lake Tahoe. The Lake is some 22 miles long and 12 miles wide and is at an elevation of about 6,225 feet above sea level. The Lake is one of the largest alpine lakes in the world and is noted for its changing coloration and purity. As discussed above, the terrain surrounding the lake is quite rugged. The

^{1/} Inasmuch as the rural farm population in the HMA constituted less than three 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.

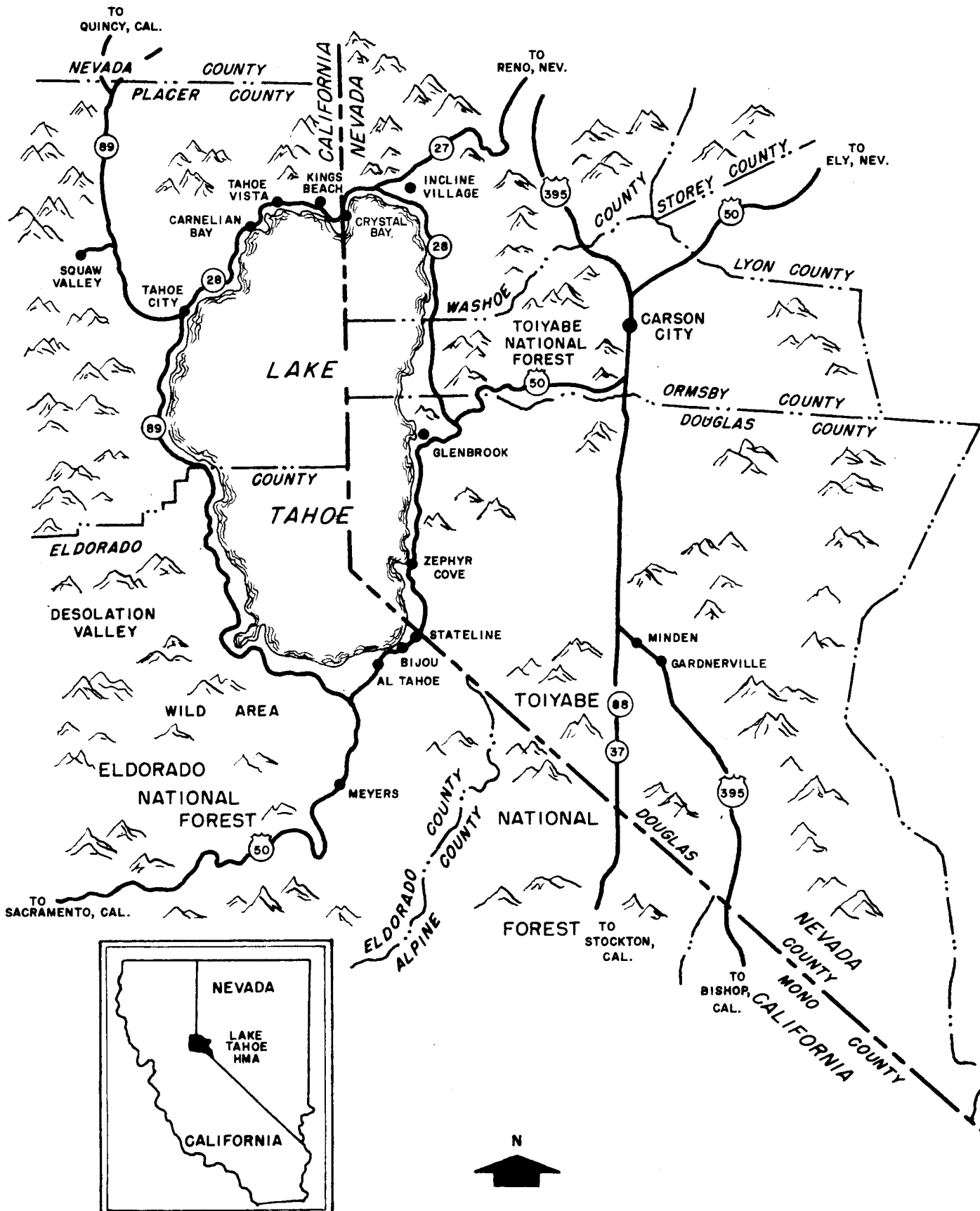
mountains rise rather sharply on the eastern (Nevada) side of the lake, leaving little land available for urban development. On the western and northwestern (California) side, the mountains rise somewhat more gently and there are several small narrow valleys three to five miles in length which are suitable for development; most development has been for seasonal accommodation. Most of the urban development around the lake has taken place in the south shore area, including the unincorporated area stretching south from Stateline, California-Nevada, to Meyers, California.

The most populated areas of the HMA, at the southern end of the lake, are about 110 miles east of Sacramento, about 210 miles east of San Francisco, and approximately 460 miles northeast of Los Angeles. Reno is 60 miles to the northeast and Las Vegas is 460 miles to the southeast.

The present highway system around the lake is inadequate for the large seasonal influxes of population. It is reported that State Routes 28 and 89 and U.S. Route 50 become overburdened during the summer months. Also, one section of State Route 89 is closed during a large portion of the winter season. Much of the road system around the lake consists of narrow, winding highways, a reflection of the rugged terrain. The highway system in the remainder of the HMA (Douglas and Ormsby Counties) appears to be adequate; U.S. Route 395 provides an excellent north-south route. Air transportation is available at the Lake Tahoe Airport with scheduled service provided by Pacific Air Lines, California-Time Air Lines, and Sierra Pacific Airlines. Other scheduled service is available at the Reno Airport.

Because of the size and skewed growth pattern of the Lake Tahoe HMA, and in order to provide information of maximum usefulness, the area has been divided into three submarkets for presentation of demographic, housing, and demand data. These submarkets are: (1) the North Shore, which consists of the area from the Placer County line in California, including Tahoe City and Squaw Valley, around the north shore of the Lake to the Ormsby County line in Nevada, including Incline Village, Nevada; (2) the South Shore, which includes the area from the Ormsby County line on the north, through Glenbrook, Nevada, around the south shore of the Lake to Meyers, California, and the El Dorado County line; and (3) the Carson City Area, which includes all of Ormsby County, Nevada, and that portion of Douglas County, Nevada, which lies east of the mountains and which includes the towns of Minden and Gardnerville.

THE LAKE TAHOE, CALIFORNIA - NEVADA HOUSING MARKET AREA



Economy of the Area

History and Character

Lake Tahoe was first sighted and reported by Captain John Fremont in 1844. Early industries included fishing, lumbering, and agriculture. The last two industries resulted from the booming demands of Virginia City, the home of the famous "Comstock Lode". Tourism began early in this region, sometime in the 1850's. With the influx of tourists, hotels were built (along with casinos in Nevada and California), and the trade and service industries became well-entrenched in the economy. Carson City, 15 miles to the east, was incorporated in 1875. Early industries supporting Carson City included precious metals mining, agriculture, and ranching. A mainstay of its economy, however, was government; Carson was established as the State Capital even before it was incorporated.

Today, the economy of the Lake Tahoe area consists mainly of the gaming industry (gambling), tourism, and the related support industries of trade and services (hotels, motels, restaurants, and others). The construction of several ski lifts and related facilities throughout the area has partially balanced the summer tourist influx with winter season skiers. A large proportion of total employment and payrolls in the HMA come, however, primarily from the north- and south-shore casinos. In Carson City, commercial centers and governmental agencies provide most of the employment.

Employment

1960 Census. There were about 10,000 persons in the resident labor force of the Lake Tahoe HMA in April 1960 (excluding that part of the HMA in Washoe County, Nevada, for which data are not available), according to census data. Of this number, approximately 770 were unemployed, an unemployment ratio of 7.7 percent. Nearly 360 persons were engaged in agricultural pursuits, representing less than four percent of the labor force. As shown in table I, about 8,870 persons were employed by nonagricultural industries, of which 360 (four percent) were employed in manufacturing, 6,840 (77 percent) were employed in nonmanufacturing industries, and 1,670 (19 percent) were employed in unspecified industries.

The industry detail shown in table I indicates that the largest single employer in the HMA is the services industry, which employed over 2,775 persons in April 1960 (over 31 percent of total nonagricultural employment). A large proportion of the service employees in the area

were engaged by recreational-type employers, i.e., casinos, ski areas, and related hotel and motel establishments. The second leading employer in 1960 was the retail trade group with about 1,450 workers (16 percent). A large number of the workers in trade were employed by eating and drinking establishments, supported principally by those who patronize the recreational facilities in the Lake Tahoe region. Closely following the retail trade group was the construction industry which employed 1,300 resident workers (15 percent) in April 1960. The fourth largest employer in the area was government which engaged about 840 persons in 1960 (over nine percent of total nonagricultural employment). Most of these employees worked for the State government in Carson City.

The total employment presented in table I is a close approximation of the total number of persons working in the area, i.e., most of the employed area residents worked in the HMA. Commutation data in the 1960 Census indicated that slightly over 94 percent of the employed residents were working in the Lake Tahoe HMA. The proportion probably has increased somewhat since that time.

Employment by County. In all portions of the HMA, the services industry was the leading employer in April 1960. The proportion of service workers to total nonagricultural employment ranged from a low of 21 percent in the Lake Valley Division of El Dorado County, California, to a high of 52 percent in Ormsby County, Nevada. In Douglas County, Nevada, about two-fifths of the service workers were employed by recreational establishments at the south end of Lake Tahoe, e.g., casinos and the Heavenly Valley Ski Area. In contrast, recreational-type service employees played a much smaller role in the economy of Ormsby County, Nevada; most service workers were engaged in private household work, in other personal services, and in government services (state administrative offices in Carson City). In the California portion of the HMA (parts of El Dorado and Placer Counties), a large proportion of service employees worked in motel and hotel establishments and other tourist-related facilities, as well as in the casinos at the north and south ends of the lake in Washoe and Douglas Counties, Nevada (see table 1).

Retail trade was the second leading employer group in 1960 in all parts of the HMA, except Ormsby County where government was somewhat higher. Between 12 and 19 percent of all nonagricultural workers in the various geographical components of the HMA were engaged in retail trade activities. Employment in retail trade in the area was primarily in eating and drinking establishments (related to the tourist activities of the area) plus employment in the usual retail stores and shops.

As a result of the increased demand for housing (both seasonal and year-round occupancy types) in the Lake Tahoe HMA during the 1950-1960 decade, the construction industry gained a prominent place in the economy of the area. In 1960, construction employment equalled between nine and seventeen percent of all nonagricultural employment in the various areas of the HMA, making it the third largest employer in all

of the HMA components except Ormsby County. (In Ormsby County, the construction industry ranked fourth, below the services, government, and retail trade groups.)

Current Employment Estimates. Current employment data for the Lake Tahoe HMA are very limited. The data that are available and which will be utilized in this analysis include: (1) special estimates of total nonagricultural employment in the California portion of the area for July 1964 which were made by the California Department of Employment; (2) data on employment covered by the Nevada State Unemployment Compensation Law for Douglas and Ormsby Counties for the 1958-1965 period; and, (3) employment estimates from the Technical Supplement of the Lake Tahoe 1980 Regional Plan.

The special estimates for the California portion of the HMA indicated that total nonagricultural employment in July 1964 equalled about 7,700 workers, including approximately 1,200 employees in the Placer County portion and about 6,500 workers in the El Dorado portion. (The estimates for El Dorado County have been reduced from the 12,050 shown in the table below because employment data for a portion of Douglas County, Nevada, were included.) Local employment sources indicated that employment has increased moderately in the area since July 1964. On the basis of local opinion and a comparison of July 1963 and July 1964 employment data which are available for El Dorado County only, it is judged that total nonagricultural employment in the California portion of the HMA averaged about 8,000 employees in 1965, an increase of 3,450 (76 percent) over the 1960 Census level.

Employment by Industry
California Portion of the Lake Tahoe HMA, July 1964

<u>Industry</u>	<u>Placer County</u>	<u>El Dorado County, Cal. & Douglas County, Nev.^{a/}</u>	<u>Total</u>
Total employed	<u>1,175</u>	<u>12,050</u>	<u>13,225</u>
Manufacturing	0	100	100
Mining & agric. services	25	0	25
Construction	175	1,175	1,350
Trans., comm., & util.	25	175	200
Wholesale & retail trade	250	1,775	2,025
Fin., ins., & real estate	25	350	375
Services	650	8,050	8,700
Government	25	425	450

^{a/} Includes the area of Douglas County, Nevada, extending 12 miles from Stateline, Nevada, including Kingsburg, Round Hill, Zephyr Cove, and Glenbrook.

Source: California Department of Employment.

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The leading employer in the California portion in 1965 was the services industry, followed by the trade and construction industries. In Placer County, many of the workers are employed at the north-shore casinos, motels, restaurants, and related facilities in Washoe County, Nevada. There are, also, a number employed at the Squaw Valley Ski Area. A large proportion of the workers living in El Dorado County are engaged by similar south-shore tourist-oriented establishments in Douglas County, Nevada.

The employment data for the Nevada portion, presented in the following table, show that covered employment has increased continually in Douglas and Ormsby Counties since 1958. In Douglas County, annual average covered employment almost tripled between 1958 and 1965, increasing from about 1,775 to 5,275, a gain of 3,500 (197 percent). Much of this increase reflects the expanded labor needs of the recreational and related facilities in the Lake area, i.e., the casinos, restaurants, hotel and motel facilities, and the Heavenly Valley Ski Area. Over 46 percent of the eight-year increase occurred during the past two years, reflecting in part the construction and opening of a large resort hotel/casino complex, the Sierra Tahoe, at Stateline. Covered employment in Ormsby County has more than doubled since 1958, increasing by 1,375 (147 percent) from about 930 workers in 1958 to 2,300 in 1965. Growth in this area reflects, mainly, increased State government employment, as well as expansion of the trade and services industries.

Average Annual Covered Employment a/
Douglas and Ormsby Counties, Nevada
1958-1965

<u>Year</u>	<u>Douglas County</u>	<u>Ormsby County</u>	<u>Total</u>	<u>Change in total</u>	
				<u>Number</u>	<u>Percent</u>
1958	1,780	931	2,711	-	-
1959	2,395	1,118	3,513	802	29.6
1960	2,633	1,141	3,774	261	7.4
1961	2,990	1,259	4,249	475	12.6
1962	3,220	1,418	4,638	389	9.2
1963	3,640	1,672	5,312	674	14.5
1964	4,049	1,906	5,955	643	12.1
1965	5,271	2,295	7,566	1,611	27.1

a/ Includes only employment covered by Nevada State Unemployment Compensation Law.

Source: Nevada Employment Security Department.

Using 1960 Census employment data as a base, it is judged that total nonagricultural employment in the Nevada portion averaged about 8,600 during 1965. The 1965 average represents a 100 percent increase in the two Nevada Counties since 1960 when about 4,300 persons (1960 Census data) were employed.

The combination of the employment estimates for the California and Nevada portions of the HMA indicates that total nonagricultural employment in the area averaged about 16,600 resident workers in 1965. A comparison of the 1965 estimate with the 1960 Census data (which are not entirely comparable) suggest that total nonagricultural employment in the Lake Tahoe HMA has increased by 7,725 (87 percent) during the 1960-1965 period. The preceding discussions also indicate that much of the increase resulted mainly from expanded recreational facilities.

Seasonal Employment. It has been emphasized in this analysis that the economy of the Lake Tahoe HMA is dependent heavily on recreational facilities including national forests for hunting, fishing, and camping, the Lake for swimming, boating, and fishing, the ski areas, and the gaming establishments. Legalized gambling has been the main tourist attraction during the past years, but the addition to the casinos of resort hotels with professional big-name entertainment also has been helping to draw tourists.

In Douglas County, Nevada, the seasonality of employment is well-evidenced. In Ormsby County, however, seasonal employment is not as significant. The main reason for this is that the portion of Ormsby County around the Lake has not been developed to any great extent, whereas in Douglas County the Lake area has well-developed recreational facilities.

Covered monthly employment data for the 1958-1965 period show that employment peaks in Douglas County in the July-September period (reflecting the large influx of summer tourists) and then gradually tapers down during the following months to the low which usually occurs in the January-March period. In Ormsby County, the employment cycle follows the same pattern, but is not as pronounced.

Data on monthly employment for the California portion of the HMA are not available; however, local sources indicate that seasonal employment is significant in both counties. In Placer County, there is a large proportion of seasonal employment because most of the north-shore casinos in Washoe County, Nevada (the major employers) close during the winter months. In El Dorado County seasonal employment follows the pattern of Douglas County, Nevada, because many of the residents of El Dorado County work in Douglas County.

The Gaming Industry. Legalized gambling in Nevada has been the main contributor to the growth of the Lake Tahoe HMA, particularly in Douglas County, Nevada and El Dorado County, California. It has contributed by being the major source of revenue and employment in the area and by causing the growth of ancillary industries such as hotels, motels, restaurants, and shopping areas. This industry has grown rapidly in the past several years at the Lake, both in the number of establishments and in the number of patrons.

It has been noted that a new casino/hotel was opened in Stateline in 1965 and another one will open soon in Incline Village on the north shore. Also, another casino is being planned in Stateline and an existing casino has plans underway for constructing a large hotel. No actual counts of the number of patrons have been undertaken, but using gross gaming receipts as an indicator, it appears that patronage has increased substantially. Between 1957 and 1965, gross gaming revenue in Douglas County, Nevada increased by nearly 354 percent from \$10.4 million to \$47.4 million, according to the Nevada State Gaming Commission. These totals are almost entirely reflective of the casinos at Stateline. In Ormsby County, Nevada gross revenue increased from \$1.5 million in 1957 to \$3.08 million in 1965, a gain of about 105 percent. Although data for the north-shore casinos are not readily available, they undoubtedly have shown significant gains also.

Future Employment Prospects

On the basis of past trends of covered employment data, estimates by the California Department of Employment, 1960 Census data, and on information from local sources on future expansion, nonagricultural employment in the Lake Tahoe HMA is expected to increase by an average of about 3,000 jobs (1,500 annually) during the April 1966-April 1968 period.^{1/} The projected increase is at about the same level as the estimated average employment change between 1960 and 1965 of nearly 1,550 jobs a year. The main contributors to the expected increase will be the service, trade, government, and construction industries, the same groups which supplied most of the growth during the past several years.

^{1/} Employment increases, although premised upon annual averages including both resident and nonresident employment, relate to increases in resident employment. Seasonal peaks would be above the annual averages and would include seasonal in-migrants.

The projected employment increase is based on the knowledge that additional casinos, hotels, motels, ski areas, and shopping areas will be built and opened during the forecast period. It is based also on several premises: (1) that the Lake Tahoe area will continue to be one of the main tourist areas in this part of the Nation; (2) that the increasing population in the large urban centers of California will increasingly utilize the recreational facilities of the HMA; (3) that gambling will remain legal in the State of Nevada; (4) that increased population growth in the area will create additional local and State government employment; and (5) that increased construction activity will cause employment in this industry to increase.

Income

The estimated current median income of all families in the Lake Tahoe HMA, after the deduction of Federal income taxes, is about \$9,075, and the median income of all tenant families is \$7,700. Approximately 41 percent of all families in the area have an after-tax income in excess of \$10,000 a year, while 11 percent earn yearly incomes of \$4,000 or less. Of the tenant families, 28 percent have an annual income of \$10,000 or more and 15 percent earn \$4,000 or less. By 1968, the median annual after-tax income of all families in the area is expected to rise to \$9,575, while the tenant family median income is expected to approximate \$8,125. Median incomes in the three major sectors of the HMA are shown in the following table. ^{1/}

Average Annual Median Incomes of All Families
After Deduction of Federal Income Tax
Lake Tahoe HMA, 1966 and 1968

<u>Area</u>	<u>1966</u>		<u>1968</u>	
	<u>All families</u>	<u>Tenant families</u>	<u>All families</u>	<u>Tenant families</u>
North Shore	\$9,125	\$7,750	\$9,650	\$8,200
South Shore	9,300	7,900	9,825	8,350
Carson City Area	<u>8,725</u>	<u>7,400</u>	<u>9,200</u>	<u>7,825</u>
HMA total	9,075	7,700	9,575	8,125

Source: Estimated by Housing Market Analyst.

^{1/}

See table II for distributions of families by income classes for each of the submarket areas.

Demographic Factors

Population

HMA Current Estimate and Past Trends. The estimated total permanent population (excluding all seasonal persons) in the Lake Tahoe HMA is approximately 45,100 persons as of April 1, 1966, an increase of about 21,800 since April 1960, or an annual average growth rate of slightly over 11 percent. During the 1950-1960 decade, the population in the HMA almost tripled from a level of over 8,725 persons in 1950 to 23,275 in 1960, a gain of 14,550, or an annual growth rate of nearly 10 percent. Much of the decennial growth occurred in the latter part of the 1950's, reflecting the high rate of employment gain caused by the staffing of several newly-constructed casinos, ski areas, and ancillary facilities. The somewhat greater rate of population increase since 1960, as compared to the 1950-1960 gain, is a reflection of a higher rate of employment increase in the HMA, as additional casinos and related establishments were built and staffed.

Population Trends Lake Tahoe, HMA April 1, 1950-April 1, 1966

<u>Area</u>	<u>As of April 1,</u>			<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1966</u>	
	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>Number</u>	<u>Rate</u> ^{a/}	<u>Number</u>	<u>Rate</u> ^{a/}
North Shore portion	1,472	3,838	8,800	230	9.6	850	13.8
South Shore portion	1,182	8,914	19,300	770	20.2	1,725	12.8
Carson City portion	<u>6,063</u>	<u>10,527</u>	<u>17,000</u>	<u>450</u>	<u>5.6</u>	<u>1,075</u>	<u>8.0</u>
HMA total	8,717	23,279	45,100	1,450	9.8	3,650	11.0

^{a/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

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

North Shore Portion. As shown in the preceding table, the population in the north shore portion of the HMA totals 8,800 persons as of April 1, 1966, an annual increase of 850 (14 percent) since 1960. The gain in this area during the 1960-1966 period represents over 23 percent of the total increase in the HMA. Between 1950 and 1960, the population in the north shore area increased by 230 persons (16 percent) a year, representing nearly 16 percent of the total HMA decennial gain. The significant post-1960 increase in growth in this portion of the HMA reflects the very rapid build-up of the planned development of Incline Village in the Washoe County, Nevada portion of the north shore submarket. Between 1950 and 1960, this area showed an annual population increase of only 40 persons (14 percent), compared with a gain of 400 persons (27 percent) a year since then. The Placer County, California portion of this submarket also experienced a substantial gain in growth during the past six years, increasing by 450 persons a year (10 percent) since 1960, compared with a decennial growth of 190 persons (nine percent) annually (see table III).

South Shore Portion. The greater share of the population growth in the HMA during the entire 1950-1966 period was in the south shore portion of the area, particularly that part in El Dorado County, California. During the 1950's, the population in the south shore portion of the HMA increased by 770 persons (20 percent) a year, representing about 53 percent of the total growth in the Lake Tahoe area; since 1960, annual growth has totaled about 1,725 persons (13 percent), representing, almost 49 percent of the total gain in the HMA. This submarket has grown rapidly as a result of the increased employment opportunities at the casinos and related facilities in the Douglas County, Nevada portion and because a large amount of residential development has occurred in the relatively level land of the Lake Valley region.

Carson City Area. The current population of the Carson City Area submarket, estimated at 17,000 persons, represents an increase of approximately 1,075 (eight percent) a year during the past six years. Between 1950 and 1960, this area experienced a yearly gain of 450 persons (almost six percent). The population growth in this submarket accounted for 31 percent of the total growth in the HMA during the 1950's and over 29 percent of the total post-1960 gain. The substantial population increases in this area reflect mainly the rapid growth of Carson City.

Seasonal Population. During the summer months from about May through September, the population in the Lake Tahoe HMA increases significantly. There are two population components which cause this drastic change, the seasonal person who owns, rents, or is a guest in "second homes" in the area and is a resident for a considerable length of time, and the short-term or weekend tourist.

Although actual counts of such population have not been undertaken in the area, estimates from the Technical Supplement of the Lake Tahoe 1980 Regional Plan indicate that seasonal residents and tourists in the Lake Tahoe area totaled 76,500 in July 1960 and 134,500 in July 1965, an estimated increase of 58,000 persons (76 percent). By July 1970, the estimates indicate that seasonal population in the Lake area will total 196,000 persons, a gain of 61,500 (46 percent) over the 1965 level. The accuracy of these estimates can not be substantiated, but they have been presented to indicate the significant seasonality of the area.

The HMA, with its many fine ski areas such as Squaw Valley, Heavenly Valley, and Sugar Bowl, also is becoming increasingly popular with skiers. Although winter seasonal population estimates or counts are not readily available, local sources indicated that such population is becoming more significant. There are indications that the winter seasonal population is helping to create a more stabilized economy in the HMA in that employment is becoming more balanced between the summer highs and winter lows.

Future Population Growth. On the basis of anticipated employment gains totaling 3,000 jobs during the next two years, the total permanent population in the Lake Tahoe HMA is expected to increase by about 7,100 (16 percent) to an April 1968 total of 52,200 persons. On an annual basis, the prospective growth will be approximately 3,550 a year, just slightly below the 3,650 average annual gain during the 1960-1966 period. As in the past, the greatest share of the projected population increase is expected to occur in the south shore portion of the HMA. It is anticipated that the total population in this area will be about 22,600 persons by April 1, 1968, an annual gain of 1,650 persons, representing over 46 percent of the total projected increase for the HMA. The population in the Carson City area is expected to grow by 1,000 persons a year, while the north shore portion of the HMA will have a growth of 900 annually.

Households

Current Estimate and Past Trend. Since 1960, the number of households (occupied housing units) in the HMA has increased by about 7,250 (97 percent) to an April 1, 1966 total of 14,750 households, an annual gain of around 1,200. The post-1960 household growth was significantly above the 1950-1960 gain of 4,800, or 480 a year. ^{1/} As shown in the following table, the greatest household growth since 1950 occurred, of

^{1/}

The increase in the number of 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.

course, in the area of most rapid population gain, the south shore portion of the HMA, particularly in El Dorado County, California. The next highest household growth occurred in the Carson City Area, closely followed, since 1960, by the north shore portion (see also table IV).

Household Trends
Lake Tahoe, HMA
April 1, 1950-April 1, 1966

<u>Area</u>	<u>As of April 1,</u>			<u>Average annual change</u>			
	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>1950-1960</u>	<u>Rate ^{a/}</u>	<u>1960-1966</u>	<u>Rate ^{a/}</u>
North Shore portion	512	1,301	2,950	75	9.3	270	16.4
South Shore portion	397	3,058	6,825	270	19.4	625	13.4
Carson City portion	<u>1,781</u>	<u>3,137</u>	<u>4,975</u>	<u>135</u>	<u>5.7</u>	<u>305</u>	<u>7.7</u>
HMA total	2,690	7,496	14,750	480	10.2	1,200	11.3

^{a/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

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

Future Household Growth. On the basis of anticipated population gains and average household size, the number of households in the Lake Tahoe HMA is expected to increase by 2,400 (about 16 percent) to a total of 17,150 as of April 1, 1968. The prospective increase represents a gain of 1,200 households a year, the same level of growth as occurred during the 1960-1966 period. Approximately 50 percent (600) of the projected annual household gain is expected to take place in the south shore portion of the HMA, while the north shore and the Carson City areas of the HMA are expected to share equally in the balance of the anticipated household growth (about 25 percent, or 300 households each).

Household Size. The average size of households in the HMA as of April 1, 1966, is estimated at about 2.94 persons, the same as the 1960 average. Between 1950 and 1960, average household size decreased from 3.02 to just slightly above 2.94 persons. In the north shore portion of the Lake Tahoe area, the average household size increased from 2.87 persons in 1950 to 2.95 persons in 1960, and to 2.98 persons as of April 1, 1966. A similar increase occurred in the Carson City Area, where the household size increased from 3.07 persons in 1950 to 3.12 persons in 1966. In contrast, the average household size in the south shore area declined from 2.97 in 1950 to 2.80 in 1960; the current average size is estimated to be about the same as the 1960 average.

It is judged that household size in the HMA will remain at about the 1966 level of 2.94 persons during the two-year forecast period. The household size in the three submarket areas also is expected to remain relatively unchanged over the next two years.

Housing Market Factors

Housing Supply

The housing supply in the Lake Tahoe HMA totals about 22,750 units as of April 1, 1966, a net addition since 1960 of over 8,775 units (63 percent), or approximately 1,450 housing units annually. Between 1950 and 1960, the inventory increased by 5,725 units (69 percent).

Type of Structure. Despite a high level of single-family housing construction since 1960, the proportion of single-family units (including trailers) to total housing units in the HMA (excluding that portion in Washoe County, Nevada, for which data are not readily available) has decreased from slightly over 90 percent in 1960 to nearly 83 percent as of April 1, 1966. In contrast, the proportion of multifamily to total units has more than doubled from an April 1960 ratio of six percent to an April 1966 proportion of 13 percent, a reflection of the surge in multifamily construction during the past few years in the south shore portion of the HMA (particularly in El Dorado County, California) and in the Carson City area. The proportion of two-family units was about four percent in 1960 and five percent in 1966. (For details for the three submarkets of the HMA, see table V).

Age and Condition of Inventory. The housing inventory in the HMA is relatively new. It is judged that about 36 percent of the current inventory was built prior to 1950. During the 1950-1960 decade, approximately 25 percent of the present inventory was constructed, and 39 percent was built since 1960. A small proportion of this relatively new inventory, about seven percent of the total, is dilapidated or lacks one or more plumbing facilities.

Residential Building Activity

Trend. New residential construction activity, as measured by the number of housing units authorized by building permits, is presented in table VI for the 1960-1966 period. As shown in the table, the construction volume in the HMA increased between 1960 and 1961, declined somewhat in 1962, and has increased since. From a level of about 980 units authorized in 1960, the volume increased by slightly over 27 percent in the following year to a total of 1,250 units, and then declined by approximately 21 percent in 1962 to a total of 990 units. Since 1962, the construction volume increased each year to a 1965 total of over 2,275 units, an increase of nearly 131 percent.

Although the volume of single-family construction has increased substantially in the HMA since 1962, the greatest proportionate gains were in multifamily authorizations. Single-family units authorized by building permits almost doubled during the 1962-1965 period, from about 750 units in 1962 to approximately 1,375 in 1965. In contrast, multifamily authorizations nearly quadrupled over the period from a level of about 230 units in 1962 to almost 910 units in 1965.

The south shore portion of the HMA has accounted for over 53 percent of the total number of housing units authorized during the past six years. About 4,800 units of the 9,000 units authorized in the entire HMA were in this area. The El Dorado County, California portion of the south shore submarket accounted for slightly over 81 percent of all units authorized in this submarket area. Approximately 24 percent, over 2,150 units, of the total six-year construction volume was located in the north shore area with 1,225 units authorized in Placer County, California, and 925 units in Washoe County, Nevada. The remaining 23 percent (2,050 units) of the six-year building volume took place in the Carson City submarket area, of which over 90 percent was in Carson City (see table VI).

During the 1960-1965 period, approximately 5,925 single-family houses were authorized in the HMA, of which 51 percent (3,025) were in the south shore submarket area, 26 percent (1,525) were in the north shore submarket and 24 percent (1,400) were in the Carson City area. The largest volume of single-family homes authorized was located in El Dorado County, California (in the south shore submarket) where 2,400 building permits were issued. The second largest volume was in Ormsby County, Nevada (in the Carson City submarket) where 1,275 houses were authorized. In Placer County, California (in the north shore submarket) 1,100 houses were authorized.

Of the total of 3,075 multifamily units authorized in the Lake Tahoe HMA during the past six years, nearly 1,800 (58 percent) were in the south shore portion. El Dorado County, California accounted for nearly 84 percent (1,400) of those units. The north shore portion of the HMA and the Carson City area each accounted for about 21 percent of the total HMA volume. Of the 640 multifamily units authorized in the north shore portion, over 80 percent (510) were in the Washoe County, Nevada segment. Carson City accounted for over 90 percent (540) of the 650 units authorized in that sub-market. (For additional details, see table VI).

The high building volume in the HMA during the past six years reflects not only the rapid growth of the area but also a significant level of seasonal housing construction. A comparison of the current housing inventory and the current total of year-round households indicates

that there are approximately 5,725 seasonal units in the HMA at the present time, compared with a 1960 estimate of 4,675 seasonal accommodations, an addition of about 1,050 seasonal units since 1960.

Units Under Construction. On the basis of a postal vacancy survey conducted in Carson City during May 1966 and on building permit data, it is estimated that about 410 housing units are in some stage of construction in the HMA. Of these units, about 120 (29 percent) are single-family structures and 290 are multifamily units. Almost 45 percent (55) of the single-family units under construction are located in Ormsby County, 29 percent (35) are in Douglas County, and 21 percent (25) are in the El Dorado County, California portion of the HMA. Of the multifamily units under construction, over 41 percent (120) are located in El Dorado County, 24 percent (70) are in Douglas County, 17 percent (50) in the Washoe County portion of the HMA, and 14 percent (40) are in Placer County.

Tenure of Occupancy

There are an estimated 14,750 occupied housing units in the Lake Tahoe HMA as of April 1, 1966, of which 9,250 (62.7 percent) are owner-occupied. Between 1950 and 1960, owner-occupancy declined slightly from 60.0 percent to 59.9 percent. The reversal of the 1950-1960 trend during the past six years reflects the construction and occupancy of a large number of single-family houses. (Although the largest proportionate gain in construction since 1960 has been in the multifamily inventory, nearly two-thirds of the total net addition were single-family homes). The north shore portion of the HMA has the highest ratio of owner-occupancy (65.3 percent), followed by the Carson City area (63.3 percent) and the south shore portion (61.2 percent). For additional detail, see table VII.

Vacancy

Last Census. In April 1960, there were about 340 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the Lake Tahoe HMA, an over-all net vacancy ratio of 4.3 percent. Almost 90 of these available vacancies were for sale, or a homeowner vacancy ratio of 1.9 percent. The remaining 250 available vacancies were for rent, representing a rental vacancy ratio of 7.7 percent (see table VIII).

The highest homeowner and rental vacancy rates in April 1960 were in the south shore portion of the HMA. At that time, there was a homeowner vacancy ratio of 2.7 percent in this area with the El Dorado County, California segment having a rate of 2.8 percent and the Douglas County, Nevada portion having a 1.7 percent ratio. The rental vacancy ratio was

12.3 percent in the south shore region in 1960, with ratios of 11.1 percent and 20.6 percent, respectively, reported for El Dorado and Douglas Counties.

In the north shore portion of the HMA, the 1960 homeowner vacancy ratio was 2.1 percent, with respective rates of 2.0 percent and 2.9 percent registered for Placer County, California, and Washoe County, Nevada. Rental vacancies equalled 4.6 percent in this submarket area; a rate of 4.1 percent was reported in Placer County and 6.5 percent in Washoe County.

In the Carson City area submarket, the homeowner vacancy ratio was 1.5 percent in Ormsby County and less than 1.0 percent in the Douglas County portion, or a total area ratio of 1.2 percent. Rental vacancies in these areas were 4.8 percent in Ormsby County, 1.9 percent in the Douglas County portion, and 4.1 percent for the submarket as a whole.

It should be noted that the vacancies discussed above represent those units which are nonseasonal, nondilapidated, and are available for sale or rent for year-round occupancy. The vacancies classified as "other vacant" in table VIII include both vacant and occupied seasonal units,^{1/} dilapidated units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners or for other reasons. Thus, the "other" vacancies represent units that are not available for year-round occupancy.

Postal Vacancy Survey. A postal vacancy survey covering Carson City and portions of Ormsby and Washoe Counties was conducted in May 1966 by the Carson City Post Office. (In the Lake Tahoe HMA only the Carson City area could be surveyed because no other segment of the HMA has city delivery service.) Although the survey covered areas other than Carson City, it is judged that most of the reported vacancies are in Carson City and its immediate environs. At the time of the survey, about 250 units were reported as vacant out of nearly 4,625 total possible deliveries, a vacancy ratio of 5.4 percent. Of the total number of vacancies, approximately 120 represented vacant residences, a vacancy ratio of 3.0 percent, and about 130 represented vacant apartments, a ratio of 23.7 percent. In addition, 65 units were reported to be in some stage of construction (see table IX).

^{1/} Because seasonal units represent such a large proportion of the units in the "other vacant" category (84 percent in Douglas County, Nevada in April 1960, for example) and because there is no feasible way to determine the number that are vacant, it is probable that the actual number of vacancies in the "other" category is substantially over-stated.

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 and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of the Carson City postal vacancy survey, on FHA surveys, on personal observation, and especially on information from local realtors and mortgagees, it is judged that there are approximately 650 available year-round vacant housing units in the Lake Tahoe HMA as of April 1, 1966, an over-all net vacancy ratio of 4.2 percent. Of the total number of available vacancies, about 250 are for sale, a homeowner vacancy ratio of 2.6 percent, and 400 are for rent, a rental vacancy ratio of 6.8 percent (see table VIII). Virtually all of the available vacancies currently on the market are acceptable and competitive from the standpoint of not being dilapidated or lacking some or all plumbing facilities.

In the north shore segment of the HMA, the current homeowner vacancy ratio of 2.5 percent and the rental vacancy ratio of 4.7 percent are little changed from the 1960 ratios of 2.1 percent and 4.6 percent, respectively.

In the south shore submarket, the homeowner vacancy ratio is 2.5 percent, an improvement over the 2.7 percent ratio reported by the 1960 Census; present rental vacancies equal 7.7 percent, down from the 12.3 percent ratio recorded in April 1960. Both sales and rental vacancy levels in the El Dorado County, California portion of the south shore submarket are below 1960 levels. In contrast, the 4.3 percent and 11.4 percent sales and rental vacancy levels in the Douglas County segment of this area are substantially above the 1960 levels. The very rapid growth of the south shore area during the past sixteen years suggests, however, that the current sales vacancies in Douglas County do not

represent a weak sales market in this area. Also, if the high vacancies reported for some of the less desirable apartments are deleted from the current rental vacancy total, the ratio drops to 4.6 percent, a very reasonable vacancy level in such a rapidly growing area.

The respective sales and rental vacancy levels of 2.9 percent and 6.6 percent in the Carson City area are significantly above the 1960 levels of 1.2 percent and 4.1 percent. Virtually all of these vacancies are located in Ormsby County, in and immediately around Carson City. Despite the rapid growth that this submarket has exhibited since 1950, and despite the fact that current vacancy levels in this portion of the HMA are not significantly higher than ratios reported for the other two submarkets, local market information indicates that both sales and rental vacancies should be lowered to bring the market into a more reasonable demand-supply relationship. There appears to be an over-supply of rental units, in particular, as rent concessions and other types of inducement have been reported for the Carson City area.

It must be emphasized that the vacancies discussed in the previous sections represent those units available for year-round occupancy in the Lake Tahoe HMA. The total of 7,350 "other vacant" units shown in table VIII, are units which are seasonal, dilapidated, rented or sold and awaiting occupancy, held off the market for absentee owners, or held for other reasons.

Sales Market

General Market Conditions. In general, the new home market in the Lake Tahoe HMA is firm, although many of the local realtors indicated that the market was slowing down somewhat as mortgage funds have become less readily available. Most of the housing in the area (especially around the Lake) is built on a contract basis, although some small-scale speculative construction has taken place in the north shore and the south shore submarket areas, as well as in the Carson City area. The small amount of tract building in the HMA reflects the rugged terrain which limits the amount of land available for such construction, the high land costs, and the fact that the Lake area is very attractive to the "second home" buyer who wants unique designs, layouts, and the like, and is willing to pay for them. This second home feature of the market in the HMA is the primary reason for the increasing popularity and absorption of condominium housing, particularly in the north shore sector. Local realtors and mortgagees reported, however, that the existing home resale market was somewhat slower as sellers were demanding higher sales prices than warranted. The Lake Tahoe area is becoming increasingly more popular and, since land values are going up, housing in this area commands increasingly higher prices.

The condition of the sales market in the HMA varies, of course, by location. The north and south shore areas (including Squaw Valley) are the strongest markets, while the weakest market is in the Carson City area. New sales housing is reportedly being absorbed satisfactorily in the north shore and south shore areas, a reflection of the very rapid growth of these areas. The somewhat softer market in Ormsby County, particularly in Carson City, reflects a small surplus of newly-constructed units and high prices.

As would be expected, prices for new sales housing in the HMA are relatively high, particularly in the areas near the Lake. Realtors and mortgagees reported that new sales housing in the north shore area (including Squaw Valley) is selling from as low as \$25,000 to as high as \$150,000; typical prices are in the \$30,000 to \$35,000 range. Condominiums in this area are being sold in the \$21,000 to \$36,000 price class. Lake front houses are, of course, the most highly priced. In the south shore area, reported prices are somewhat lower, ranging from \$20,000 to \$30,000. In Carson City, new construction has been concentrated in the \$17,500 to \$20,000 and the \$25,000 to \$30,000 price ranges.

Unsold Inventory Survey. Surveys of the unsold inventory of new houses in the Carson City area only were conducted by the Reno Insuring Office in August 1965 and January 1966. The surveys covered subdivisions in which five or more houses were completed in the twelve months preceding the survey date.

The August 1965 survey enumerated 140 completed units, including 101 (72 percent) speculatively-built houses of which 51 remained unsold at the time of the survey, a ratio of unsold to completed speculative houses of 50.5 percent. Of these unsold houses, nearly 55 percent (28) had been unsold for two to three months, 31 percent (16) for four to six months, and 14 percent (7) for one month or less. The comparable January 1966 survey tabulated 204 completions including 133 speculative units of which 38 were unsold, a unsold ratio of 28.6 percent (see table X). Of the 38 unsold units, 53 percent had been on the market for four to six months, 45 percent for seven to twelve months, and only one house had been unsold for less than four months.

Outlook. The rapid population and household growth in the Lake Tahoe HMA which has occurred during the past sixteen years is expected to continue over the forecast period. Thus, it is not unreasonable to assume that the demand for new sales housing will remain high. The strongest market will be for homes around the Lake, while areas to the east of the mountains in Douglas County probably will experience a somewhat more moderate demand. The sales market in the Carson City area should improve within the forecast period, provided new construction is reduced somewhat.

The demand for "second homes" is expected to remain high. Even though these units are occupied during most of the year and it is common practice for the owners to lease or rent to others, they still are considered part of the seasonal inventory. It is doubtful whether FHA home insurance programs will be utilized to any great extent in this market since much of the construction is quite costly. Finally, it is recognized that there exists a demand from among the trade and service population for housing at the more moderate sales prices of between \$14,000 and \$20,000, a market which has not been served adequately in the past. This type of demand probably can best be satisfied through the use of small-scale tract building in subdivisions of 50 to 100 units. The strongest market for such housing is in the south shore submarket area.

Rental Market

General Market Conditions. In general, the rental market in the Lake Tahoe area is firm as evidenced by the current 6.8 percent rental vacancy ratio. The market condition varies, however, by the location of the units. In the north shore submarket area, most of the few apartments available are experiencing satisfactory year-round occupancy, although some seasonality is evident. In Squaw Valley, the rental market currently is tight; rental units are utilized most of the year by summer and winter seasonal occupants.

In the south shore submarket area, the market generally is firm, although reports of high tenant turnover are frequent, and some reports of "walk-away" tenants were heard. This is a highly seasonal market also, with most rentals being fully occupied during the summer season and then experiencing vacancy in the fall and winter. This market recently received impetus from the hiring of 1,500 to 2,000 employees for the new casino^{1/}, the Sierra Tahoe. Local apartment managers reported that tenant families are becoming highly selective in this area.

The weakest rental market, by far, in the HMA is in the Carson City submarket. All occupancy surveys clearly show high vacancy experience. The May 1966 postal vacancy survey indicates a ratio of 23.7 percent, in apartments, and the special survey of conventionally financed projects conducted by the FHA in January 1966 revealed a vacancy of 30 percent. The over-supplied condition of the Carson City rental market reflects the surge in multifamily construction which occurred in the past two years, when an average of nearly 180 units a year were authorized; an annual average of only 50 units were authorized during the 1960-1963 period.

^{1/} Includes high-rise hotel accommodations, dining and entertainment facilities, and gaming operations.

Typical rents for apartments in the HMA are, of course, higher near the lake. In Incline Village in the north shore segment, monthly rents for apartments range from \$125 for efficiencies, to \$145 for one-bedroom units, \$155 to \$160 for two-bedroom apartments, and \$175 to \$250 for three-bedroom units, excluding utilities. In Squaw Valley, most rental units are rented on a daily or weekly basis. Currently, realtors report that charges range from \$35 a day for one-bedroom units to \$60 a day for two-bedroom units. This type of renting reflects the highly seasonal nature of the area. In the other areas of the north shore submarket, one-bedroom apartments rent for about \$150 a month and two-bedroom units for \$185 to \$200 monthly with no utilities.

Typically, in the south shore submarket area, one-bedroom apartments rent for \$100 to \$125 a month, two-bedroom units have monthly rents ranging between \$125 to \$165, and three-bedroom apartments rent for \$185 to \$200, with many of the projects covering the utility costs.

In Carson City, one- and two-bedroom units typically rent for between \$100 and \$140 a month, excluding utilities.

Rental Housing Under Construction. At present, there are about 290 garden apartments in some stage of construction in the HMA. Approximately 90 of these units are located in the north shore area; 50 are in Incline Village, and 40 units are in the Highlands area of Placer County above Tahoe City. Another 190 units are located in the south shore submarket, of which 36 in Stateline, Nevada are virtually completed, and of which 120 are being built in El Dorado County. Only about 10 units are being constructed in the Carson City area. The majority of the units under construction in the HMA will be available before the end of this year.

Demand for Housing

Quantitative Demand

Annual demand for additional housing for year-round occupancy in the Lake Tahoe HMA during the two-year forecast period from April 1, 1966 to April 1, 1968, is based on an expected increase of about 2,400 households and on the need to reduce somewhat the number of vacancies in some localities of the market area to levels which represent better balance in the market. Consideration also is given to the existing tenure composition of households and to the number of units now under construction in the area.

To accommodate the anticipated household increase and to allow for inventory changes, approximately 1,000 additional housing units for year-round occupancy will need to be added in each of the next two years. This demand does not include public low-rent housing or rent-supplement accommodations. This rate of addition is significantly below the 1965 volume of 2,275 units authorized and the average of 1,750 units authorized in the 1963-1964 period. The considerable difference between the projected demand and the past construction reflects two factors: (1) the past building trends presented in table VI include both units for permanent year-round occupants and units for seasonal occupants;^{1/} and (2) the condition of the sales and rental markets in the Carson City area indicates that a reduction in the construction volume in that portion of the HMA is necessary to permit absorption of the current over-supply.

Current market conditions indicate that additions to the inventory to meet anticipated demand for 1,000 units should consist of about 775 sales houses and 225 rental units annually. The annual sales demand for 775 units is considerably below the average annual level of about 990 units authorized during the 1960-1965 period and is substantially below the 1,300-unit average of the past two years. Similarly, the yearly projected demand for 225 rental units is below the average annual volume of about 525 units authorized in the past six years and is significantly below the average of 740 units authorized yearly during the past three years.

The estimated annual demand for 1,000 new housing units is distributed by submarket area and by tenure in the following table.

^{1/} The demand estimate includes only housing expected to be needed by permanent households and excludes about 300 units expected to be in demand by prospective secondary home buyers as well as demand for other seasonally occupied accommodations.

Projected Annual Demand for New Housing
By Submarket Area and by Tenure
Lake Tahoe HMA
April 1, 1966 to April 1, 1968

<u>Area</u>	<u>Number of units</u>		<u>Total</u>
	<u>Sales housing</u>	<u>Rental housing</u>	
North Shore portion	200	75	275
South Shore portion	375	150	525
Carson City area	<u>200</u>	<u>0</u>	<u>200</u>
HMA total	775	225	1,000

Qualitative Demand

Sales Housing. Based on current family after-tax income, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 775 sales units is expected to be distributed by sales price in the three submarkets as shown in the following table. It is judged that single-family houses cannot be produced in the HMA, to sell effectively for less than about \$14,000.

Estimated Annual Demand for New Sales Housing
By Price Class and by Submarket
Lake Tahoe HMA
April 1, 1966 to April 1, 1968

<u>Price class</u>	<u>Number of units</u>			
	<u>North Shore</u>	<u>South Shore</u>	<u>Carson City Area</u>	<u>HMA total</u>
Under \$15,000	30	55	20	105
\$15,000 - 17,499	25	40	30	95
17,500 - 19,999	25	55	50	130
20,000 - 24,999	40	75	40	155
25,000 - 29,999	45	70	40	155
30,000 - 34,999	25	45	15	85
35,000 and over	<u>10</u>	<u>35</u>	<u>5</u>	<u>50</u>
Total	200	375	200	775

It should be emphasized that the above demand distributions represent only demand from prospective year-round homeowners and do not include demand for second homes or seasonal accommodations. It should be noted, also, that the higher priced homes probably will be constructed on a contract basis. Tract construction in these higher price classes probably

would meet sales resistance because purchasers of high-cost homes desire individual designs, layouts, and amenities which tract construction generally does not provide. However, some small-scale speculative construction priced in the \$17,500 to \$25,000 range probably would be feasible in the Stateline, Nevada-Meyers, California sector of the south shore submarket. The current homeowner vacancy ratio of 3.4 percent in Carson City and the high level of unsold speculative houses reported in the January 1966 unsold inventory survey indicate that a cautious policy should be followed with respect to further speculative construction in this submarket.

Rental Housing. The monthly rentals at which the annual demand for 225 privately-owned net additions to the aggregate rental housing inventory might best be absorbed are indicated for various size units and by submarket in the following tables. 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 minimum gross rents at which new privately-owned rental units can be produced in the HMA at market interest rate financing are approximately \$95 a month for efficiencies, \$115 for one-bedroom units, \$135 for two-bedroom units, and \$155 for three-bedroom units.^{1/}

The annual demand for 225 additional rental units from among year-round residents is presented in the following table by monthly gross rent and by size of unit. Approximately 75 units of the total rental demand will occur in the north shore portion of the HMA and 150 units will occur in the south shore segment. Present market conditions prevailing in the Carson City area suggest that future construction in that portion of the HMA be curtailed until such time as the current surplus of rental housing is utilized.

^{1/} Calculated on the basis of a long-term mortgage (40 years) at $5\frac{1}{4}$ percent interest and $1\frac{1}{2}$ percent initial annual curtail; changes in these assumptions will affect minimum rents accordingly.

Estimated Annual Demand for Additional Rental Housing
In the North Shore and South Shore Portions of the HMA
April 1, 1966 to April 1, 1968

<u>Unit size</u>	<u>Number of units</u>			<u>Monthly gross rent^{a/}</u>
	<u>North shore</u>	<u>South shore</u>	<u>Total</u>	
Efficiency	5	5	10	\$95 or more
One-bedroom	10	40	50	\$115 - \$124
" "	10	15	25	125 - 134
" "	10	10	20	135 or more
Two-bedroom	15	30	45	\$135 - \$149
" "	15	30	45	150 or more
Three-bedroom	<u>10</u>	<u>20</u>	<u>30</u>	\$155 or more
Total	75	150	225	

^{a/} Includes all utilities.

The gross rents indicated in the table above are those which typically are paid by year-round residents; they do not represent rents that may be paid by seasonal occupants. It should be emphasized that the preceding demand estimates include only housing intended for year-round occupancy. Rental housing built for year-round occupancy should be in small projects, of excellent design, layout, and amenities, and on sites of continuing appeal for year-round occupancy.

The preceding distributions of average annual demand for new apartments are based on projected tenant-family income, the size distribution of tenant households and rent-paying propensities found to be typical in the areas; consideration also is given to the recent absorption 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. Individual projects may differ from the general pattern in response to specific neighborhood or submarket requirements.

Table I
Employment by Place of Residence
Lake Tahoe HMA, 1960

Category	Douglas County, Nev.		Ormsby County, Nev.		Lake Valley Census County Division, Cal. ^{a/}		Lake Tahoe Census County Division, Cal. ^{b/}		Area total ^{c/}	
	Number	Percent dist.	Number	Percent dist.	Number	Percent dist.	Number	Percent dist.	Number	Percent dist.
Civilian labor force	<u>1,583</u>	-	<u>3,384</u>	-	<u>3,550</u>	-	<u>1,479</u>	-	<u>9,996</u>	-
Unemployed	93	-	222	-	247	-	210	-	772	-
Percent of labor force	5.9%	-	6.6%	-	7.0%	-	14.2%	-	7.7%	-
Agricultural employment	285	-	56	-	14	-	0	-	355	-
Nonagricultural employ.	<u>1,205</u>	<u>100.0</u>	<u>3,106</u>	<u>100.0</u>	<u>3,289</u>	<u>100.0</u>	<u>1,269</u>	<u>100.0</u>	<u>8,869</u>	<u>100.0</u>
Manufacturing	82	6.8	73	2.4	106	3.2	101	8.0	362	4.1
Nonmanufacturing	<u>1,046</u>	<u>86.8</u>	<u>2,988</u>	<u>96.2</u>	<u>1,872</u>	<u>56.9</u>	<u>931</u>	<u>73.3</u>	<u>6,837</u>	<u>77.1</u>
Mining	8	.7	8	.2	0	-	0	-	16	.2
Construction	112	9.3	527	17.0	461	14.0	202	15.9	1,302	14.7
Trans., comm., & util.	68	5.6	73	2.4	108	3.3	77	6.1	326	3.7
Wholesale trade	20	1.7	40	1.3	55	1.7	8	.6	123	1.4
Retail trade	146	12.1	579	18.6	518	15.7	203	16.0	1,446	16.3
Services	628	52.1	1,072	34.5	682	20.7	405	31.9	2,787	31.4
Government	64	5.3	689	22.2	48	1.5	36	2.8	837	9.4
Not reported	77	6.4	45	1.4	1,311	39.9	237	18.7	1,670	18.8

^{a/} Part of El Dorado County.

^{b/} Part of Placer County.

^{c/} Excludes that part of the HMA in Washoe County, Nevada.

Source: 1960 Census of Population.

Table II

Estimated Percentage Distribution of All Families and Renter Households^{1/} by Annual Income
After Deduction of Federal Income Tax

Lake Tahoe HMA
1966 and 1968

Annual family income	Lake Tahoe HMA total				North Shore portion			
	1966		1968		1966		1968	
	All families	Renter households	All families	Renter households	All families	Renter households	All families	Renter households
Under \$3,000	6	9	6	8	6	8	5	7
\$3,000 - 3,999	5	6	4	6	3	6	4	5
4,000 - 4,999	5	8	5	7	6	8	5	8
5,000 - 5,999	7	10	7	9	7	10	6	8
6,000 - 6,999	8	11	7	10	8	11	7	11
7,000 - 7,999	10	10	8	10	10	11	9	11
8,000 - 8,999	9	9	9	9	10	12	10	10
9,000 - 9,999	9	9	8	9	9	10	8	10
10,000 -12,499	16	13	18	15	21	12	21	16
12,500 -14,999	10	8	10	8	8	5	11	5
15,000 and over	15	7	18	9	12	7	14	9
Total	100	100	100	100	100	100	100	100
Median income	\$9,075	\$7,700	\$9,575	\$8,125	\$9,125	\$7,750	\$9,650	\$8,200

	South Shore portion				Carson City Area portion			
	1966		1968		1966		1968	
	All families	Renter households	All families	Renter households	All families	Renter households	All families	Renter households
Under \$3,000	6	9	6	6	7	10	6	9
\$3,000 - 3,999	4	5	4	5	6	7	5	7
4,000 - 4,999	5	7	4	8	6	9	6	8
5,000 - 5,999	6	9	5	9	7	10	7	9
6,000 - 6,999	8	12	7	10	8	11	8	11
7,000 - 7,999	10	9	9	10	10	10	9	9
8,000 - 8,999	9	9	9	9	9	9	9	9
9,000 - 9,999	8	9	8	8	8	8	7	8
10,000 -12,499	17	15	16	16	16	14	17	15
12,500 -14,999	12	9	15	10	9	7	10	8
15,000 and over	15	7	17	9	14	5	16	7
Total	100	100	100	100	100	100	100	100
Median income	\$9,300	\$7,900	\$9,825	\$8,350	\$8,725	\$7,400	\$9,200	\$7,825

^{1/} Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table III

Population Trends
Lake Tahoe, HMA
April 1, 1950 - April 1, 1966

<u>Area</u>	<u>As of April 1,</u>			<u>Average annual change</u>			
	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Percent^{b/}</u>	<u>Number</u>	<u>Percent^{b/}</u>
HMA total	<u>8,717</u>	<u>23,279</u>	<u>45,100</u>	<u>1,450</u>	9.8	<u>3,650</u>	11.0
North Shore portion	<u>1,472</u>	<u>3,838</u>	<u>8,800</u>	<u>230</u>	9.6	<u>850</u>	13.8
Placer County, Cal. (part)	<u>1,322</u>	<u>3,248</u>	<u>5,850</u>	<u>190</u>	9.0	<u>450</u>	9.9
Washoe County, Nev. (part) ^{a/}	150	590	2,950	40	13.7	400	26.8
South Shore portion	<u>1,182</u>	<u>8,914</u>	<u>19,300</u>	<u>770</u>	20.2	<u>1,725</u>	12.8
El Dorado County, Cal. (part)	<u>1,044</u>	<u>7,897</u>	<u>16,950</u>	<u>680</u>	20.2	<u>1,500</u>	12.7
Douglas County, Nev. (part)	138	1,017	2,350	90	20.0	225	14.0
Carson City Area portion	<u>6,063</u>	<u>10,527</u>	<u>17,000</u>	<u>450</u>	5.6	<u>1,075</u>	8.0
Ormsby County, Nev.	<u>4,172</u>	<u>8,063</u>	<u>13,575</u>	<u>390</u>	6.6	<u>920</u>	8.7
Douglas County, Nev. (part)	1,891	2,464	3,425	60	2.6	155	5.5

^{a/} All periods estimated by Housing Market Analyst.

^{b/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

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

Table IV

Household Trends
Lake Tahoe, HMA
April 1, 1950 - April 1, 1966

<u>Area</u>	<u>As of April 1,</u>			<u>Average annual change</u>			
	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Percent^{b/}</u>	<u>Number</u>	<u>Percent^{b/}</u>
HMA total	<u>2,690</u>	<u>7,496</u>	<u>14,750</u>	<u>480</u>	10.2	<u>1,200</u>	11.3
North Shore portion	<u>512</u>	<u>1,301</u>	<u>2,950</u>	<u>75</u>	9.3	<u>270</u>	16.4
Placer County, Cal. (part)	462	1,101	1,950	60	8.7	140	9.6
Washoe County, Nev. (part) ^{a/}	50	200	1,000	15	13.8	130	26.8
South Shore portion	<u>397</u>	<u>3,058</u>	<u>6,825</u>	<u>270</u>	19.4	<u>625</u>	13.4
El Dorado County, Cal. (part)	344	2,694	5,800	240	20.6	515	12.8
Douglas County, Nev. (part)	53	364	1,025	30	19.3	110	17.3
Carson City Area portion	<u>1,781</u>	<u>3,137</u>	<u>4,975</u>	<u>135</u>	5.7	<u>305</u>	7.7
Ormsby County, Nev.	1,244	2,346	4,075	110	6.4	290	9.3
Douglas County, Nev. (part)	537	791	900	25	3.9	15	2.2

^{a/} All periods estimated by Housing Market Analyst.

^{b/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Housing.

1966 estimated by Housing Market Analyst.

Table V

Housing Inventory by Type of Structure
Lake Tahoe HMA
April 1960 and April 1966

<u>Date and type of structure</u>	<u>North Shore portion^{a/}</u>	<u>South Shore portion</u>	<u>Carson City portion</u>	<u>HMA total^{a/}</u>
<u>April 1960:</u>				
One-family ^{b/}	3,121	6,272	2,948	12,341
Two-family	71	246	173	490
Multifamily	67	476	311	854
Total ^{c/}	3,259	6,994	3,432	13,685
<u>April 1966:</u>				
One-family ^{b/}	4,200	9,300	4,325	17,825
Two-family	100	575	325	1,000
Multifamily	150	1,800	800	2,750
Total	4,450	11,675	5,450	21,575
<u>Percent of total</u>				
<u>One-family</u>				
1960	95.8	89.7	85.9	90.2
1966	94.4	79.7	79.3	82.6
<u>Two-family</u>				
1960	2.2	3.5	5.0	3.6
1966	2.2	4.9	6.0	4.6
<u>Multifamily</u>				
1960	2.0	6.8	9.1	6.2
1966	3.4	15.4	14.7	12.8

^{a/} Excludes that portion of HMA in Washoe County, Nevada. This area contained an estimated 300 housing units in 1960 and 1,175 units in 1966.

^{b/} Includes trailers.

^{c/} Differs slightly from the count of all units in these areas because units by type of structure were enumerated on a sample basis.

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

Table VI

Residential Housing Units Authorized by Building Permits
By Type of Structure
Lake Tahoe HMA, 1960-1966

<u>Area and type of structure</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>Jan.- March 1966</u>
<u>Total units:</u>							
HMA total	<u>983</u>	<u>1,251</u>	<u>990</u>	<u>1,617</u>	<u>1,877</u>	<u>2,285</u>	<u>176</u>
North Shore portion	<u>159</u>	<u>168</u>	<u>152</u>	<u>371</u>	<u>572</u>	<u>736</u>	<u>31</u>
Placer County (part)	<u>142</u>	<u>122</u>	<u>120</u>	<u>184</u>	<u>250</u>	<u>406</u>	<u>28</u>
Washoe County (part)	<u>17</u>	<u>46</u>	<u>32</u>	<u>187</u>	<u>322</u>	<u>330</u>	<u>3</u>
South Shore portion	<u>635</u>	<u>884</u>	<u>548</u>	<u>879</u>	<u>796</u>	<u>1,061</u>	<u>105</u>
El Dorado County (part)	<u>573 a/</u>	<u>795</u>	<u>455</u>	<u>537</u>	<u>684</u>	<u>857</u>	<u>45</u>
Douglas County (part) b/	<u>62</u>	<u>89</u>	<u>93</u>	<u>342</u>	<u>112</u>	<u>204</u>	<u>60</u>
Carson City Area	<u>189</u>	<u>199</u>	<u>290</u>	<u>367</u>	<u>509</u>	<u>488</u>	<u>40</u>
Douglas County (part) b/	<u>10</u>	<u>17</u>	<u>20</u>	<u>60</u>	<u>22 c/</u>	<u>45</u>	<u>5</u>
Ormsby County	<u>179</u>	<u>182</u>	<u>270</u>	<u>307</u>	<u>487</u>	<u>443</u>	<u>35</u>
Carson City	<u>129</u>	<u>132</u>	<u>191</u>	<u>230</u>	<u>387</u>	<u>359</u>	<u>22</u>
Rest of county	<u>50 b/</u>	<u>50</u>	<u>79</u>	<u>77</u>	<u>100</u>	<u>84</u>	<u>13</u>
<u>Single-family units:</u>							
HMA total	<u>775</u>	<u>845</u>	<u>756</u>	<u>969</u>	<u>1,204</u>	<u>1,379</u>	<u>100</u>
North Shore portion	<u>147</u>	<u>168</u>	<u>140</u>	<u>294</u>	<u>360</u>	<u>414</u>	<u>11</u>
Placer County (part)	<u>130</u>	<u>122</u>	<u>120</u>	<u>184</u>	<u>248</u>	<u>296</u>	<u>8</u>
Washoe County (part)	<u>17</u>	<u>46</u>	<u>20</u>	<u>110</u>	<u>112</u>	<u>118</u>	<u>3</u>
South Shore portion	<u>443</u>	<u>496</u>	<u>423</u>	<u>438</u>	<u>567</u>	<u>645</u>	<u>51</u>
El Dorado County (part)	<u>383 a/</u>	<u>411</u>	<u>332</u>	<u>346</u>	<u>463</u>	<u>470</u>	<u>23</u>
Douglas County (part) b/	<u>60</u>	<u>85</u>	<u>91</u>	<u>92</u>	<u>104</u>	<u>175</u>	<u>28</u>
Carson City Area	<u>185</u>	<u>181</u>	<u>193</u>	<u>237</u>	<u>277</u>	<u>320</u>	<u>38</u>
Douglas County (part) b/	<u>10</u>	<u>15</u>	<u>20</u>	<u>15</u>	<u>20 c/</u>	<u>35</u>	<u>5</u>
Ormsby County	<u>175</u>	<u>166</u>	<u>173</u>	<u>222</u>	<u>257</u>	<u>285</u>	<u>33</u>
Carson City	<u>125</u>	<u>116</u>	<u>94</u>	<u>161</u>	<u>187</u>	<u>201</u>	<u>20</u>
Rest of county	<u>50 b/</u>	<u>50</u>	<u>79</u>	<u>61</u>	<u>70</u>	<u>84</u>	<u>13</u>
<u>Multifamily units:</u>							
HMA total	<u>208</u>	<u>406</u>	<u>234</u>	<u>648</u>	<u>673</u>	<u>906</u>	<u>76</u>
North shore portion	<u>12</u>	<u>0</u>	<u>12</u>	<u>77</u>	<u>212</u>	<u>322</u>	<u>20</u>
Placer County (part)	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>110</u>	<u>20</u>
Washoe County (part)	<u>0</u>	<u>0</u>	<u>12</u>	<u>77</u>	<u>210</u>	<u>212</u>	<u>0</u>
South Shore portion	<u>192</u>	<u>388</u>	<u>125</u>	<u>441</u>	<u>229</u>	<u>416</u>	<u>54</u>
El Dorado County (part)	<u>190 b/</u>	<u>384</u>	<u>123</u>	<u>191</u>	<u>221</u>	<u>387</u>	<u>22</u>
Douglas County (part) b/	<u>2</u>	<u>4</u>	<u>2</u>	<u>250</u>	<u>8</u>	<u>29</u>	<u>32</u>
Carson City Area	<u>4</u>	<u>18</u>	<u>97</u>	<u>130</u>	<u>232</u>	<u>168</u>	<u>2</u>
Douglas County (part) b/	<u>0</u>	<u>2</u>	<u>0</u>	<u>45</u>	<u>2</u>	<u>10</u>	<u>0</u>
Ormsby County	<u>4</u>	<u>16</u>	<u>97</u>	<u>85</u>	<u>230</u>	<u>158</u>	<u>2</u>
Carson City	<u>4</u>	<u>16</u>	<u>97</u>	<u>69</u>	<u>200</u>	<u>158</u>	<u>2</u>
Rest of county	<u>0 b/</u>	<u>0</u>	<u>0</u>	<u>16</u>	<u>30</u>	<u>0</u>	<u>0</u>

a/ From Lake Tahoe South Shore Chamber of Commerce.

b/ Estimated by Housing Market Analyst.

c/ Includes 10 public housing units.

Sources: Bureau of the Census, C-40 Construction Reports, and building departments of Placer, El Dorado, Douglas, Ormsby, and Washoe Counties.

Table VII

Housing Inventory, Tenure, and Total Vacancy Trends
Lake Tahoe HMA, April 1, 1950-April 1, 1966

<u>Inventory and tenure</u>	<u>North Shore portion</u>			<u>South Shore portion</u>			<u>Carson City Area</u>			<u>HMA total</u>
	<u>Part of Placer County</u>	<u>Part of Washoe County^{a/}</u>	<u>North Shore total</u>	<u>Part of El Dorado County</u>	<u>Part of Douglas County</u>	<u>South Shore total</u>	<u>Ormsby County</u>	<u>Part of Douglas County</u>	<u>Carson City Area total</u>	
<u>April 1, 1950:</u>										
Total housing inventory	2,594	100	2,694	3,179	382	3,561	1,369	616	1,985	8,240
Total occupied	462	50	512	344	53	397	1,244	537	1,781	2,690
Owner occupied	290	33	323	222	26	248	703	339	1,042	1,613
Percent of total occ.	62.8%	66.0%	63.1%	64.5%	49.1%	62.5%	56.5%	63.1%	58.5%	60.0%
Renter occupied	172	17	189	122	27	149	541	198	739	1,077
Percent of total occ.	37.2%	34.0%	36.9%	35.5%	50.9%	37.5%	43.5%	36.9%	41.5%	40.0%
Total vacant	2,132	50	2,182	2,835	329	3,164	125	79	204	5,550
<u>April 1, 1960:</u>										
Total housing inventory	3,250	300	3,550	5,939	1,045	6,984	2,494	936	3,430	13,964
Total occupied	1,101	200	1,301	2,694	364	3,058	2,346	791	3,137	7,496
Owner occupied	699	100	799	1,603	225	1,828	1,378	485	1,863	4,490
Percent of total occ.	63.5%	50.0%	61.4%	59.5%	61.8%	59.8%	58.7%	61.3%	59.4%	59.9%
Renter occupied	402	100	502	1,091	139	1,230	968	306	1,274	3,006
Percent of total occ.	36.5%	50.0%	38.6%	40.5%	38.2%	40.2%	41.3%	38.7%	40.6%	40.1%
Total vacant	2,149	100	2,249	3,245	681	3,926	148	145	293	6,468
<u>April 1, 1966:</u>										
Total housing inventory	4,450	1,175	5,625	9,750	1,925	11,675	4,350	1,100	5,450	22,750
Total occupied	1,950	1,000	2,950	5,800	1,025	6,825	4,075	900	4,975	14,750
Owner occupied	1,450	475	1,925	3,500	675	4,175	2,575	575	3,150	9,250
Percent of total occ.	74.4%	47.5%	65.3%	60.3%	65.9%	61.2%	63.2%	63.9%	63.3%	62.7%
Renter occupied	500	525	1,025	2,300	350	2,650	1,500	325	1,825	5,500
Percent of total occ.	25.6%	52.5%	34.7%	39.7%	34.1%	38.8%	36.8%	36.1%	36.7%	37.3%
Total vacant	2,500	175	2,675	3,950	900	4,850	275	200	475	8,000

^{a/} All periods estimated by Housing Market Analyst.

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

Vacancy Trends
Lake Tahoe HMA
April 1, 1950-April 1, 1966

Vacancy characteristics	North Shore portion			South Shore portion			Carson City Area			HMA total
	Part of Placer County	Part of Washoe County ^{a/}	North Shore total	Part of El Dorado County	Part of Douglas County	South Shore total	Ormsby County	Part of Douglas County	Carson City Area total	
<u>April 1, 1950:</u>										
Total vacant units	<u>2,132</u>	<u>50</u>	<u>2,182</u>	<u>2,835</u>	<u>329</u>	<u>3,164</u>	<u>125</u>	<u>79</u>	<u>204</u>	<u>5,550</u>
Available vacant	<u>42</u>	<u>5</u>	<u>47</u>	<u>35</u>	<u>0</u>	<u>35</u>	<u>44</u>	<u>20</u>	<u>64</u>	<u>146</u>
For sale	NA	NA	NA	NA	-	NA	4	1	5	NA
Homeowner vacancy rate	"	"	"	"	-	"	.6%	.3%	.5%	"
For rent	"	"	"	"	-	"	40	19	59	"
Rental vacancy rate	"	"	"	"	-	"	6.9%	8.8%	7.4%	"
Other vacant ^{b/}	2,090	45	2,135	2,800	329	3,129	81	59	140	5,404
<u>April 1, 1960:</u>										
Total vacant units	<u>2,149</u>	<u>100</u>	<u>2,249</u>	<u>3,245</u>	<u>681</u>	<u>3,926</u>	<u>148</u>	<u>145</u>	<u>293</u>	<u>6,468</u>
Available vacant	<u>31</u>	<u>10</u>	<u>41</u>	<u>182</u>	<u>40</u>	<u>222</u>	<u>70</u>	<u>7</u>	<u>77</u>	<u>340</u>
For sale	14	3	17	46	4	50	21	1	22	89
Homeowner vacancy rate	2.0%	2.9%	2.1%	2.8%	1.7%	2.7%	1.5%	.2%	1.2%	1.9%
For rent	17	7	24	136	36	172	49	6	55	251
Rental vacancy rate	4.1%	6.5%	4.6%	11.1%	20.6%	12.3%	4.8%	1.9%	4.1%	7.7%
Other vacant ^{b/}	2,118	90	2,208	3,063	641	3,704	78	138	216	6,128
<u>April 1, 1966:</u>										
Total vacant units	<u>2,500</u>	<u>175</u>	<u>2,675</u>	<u>3,950</u>	<u>900</u>	<u>4,850</u>	<u>275</u>	<u>200</u>	<u>475</u>	<u>8,000</u>
Available vacant	<u>50</u>	<u>50</u>	<u>100</u>	<u>250</u>	<u>75</u>	<u>325</u>	<u>210</u>	<u>15</u>	<u>225</u>	<u>650</u>
For sale	25	25	50	75	30	105	90	5	95	250
Homeowner vacancy rate	1.7%	5.0%	2.5%	2.1%	4.3%	2.5%	3.4%	.9%	2.9%	2.6%
For rent	25	25	50	175	45	220	120	10	130	400
Rental vacancy rate	4.8%	4.5%	4.7%	7.1%	11.4%	7.7%	7.4%	3.0%	6.6%	6.8%
Other vacant ^{b/}	2,450	125	2,575	3,700	825	4,525	65	185	250	7,350

^{a/} All periods estimated by Housing Market Analyst.

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

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

Table IX

Carson City, Nevada, Area Postal Vacancy Survey

May 7-10, 1966

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			Total possible deliveries	Vacant	
		All	%	Used	New	Used	New		All	%	Used	New	Used	New		All	%	Used		No.	%
Carson City	4,623	249	5.4	200	49	65		4,082	121	3.0	84	37	56		541	128	23.7	116	411	52	12.7
Main Office:																					
City Routes	4,355	246	5.6	197	49	41		3,814	118	3.1	81	37	32		541	128	23.7	116	411	52	12.7
Star Routes	268	3	1.1	3	-	24		268	3	1.1	3	-	24		-	-	-	-	-	-	-

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).

Table X

Summary of Results of FHA Surveys of Unsold New Houses^{a/}
Carson City, Nevada
As of August 1965 and January 1966

<u>Price range</u>	<u>Total completions</u>	<u>Presold</u>	<u>Speculative construction</u>			
			<u>Completions</u>	<u>Sold</u>	<u>Unsold</u>	<u>Percent unsold</u>
<u>August 1965 survey:</u>						
\$15,000 - \$17,499	20	20	-	-	-	-
17,500 - 19,999	40	19	21	11	10	47.6
20,000 - 24,999	19	-	19	11	8	42.1
25,000 - 29,999	45	-	45	20	25	55.6
30,000 - 34,999	13	-	13	5	8	61.5
35,000 and over	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>	<u>-</u>
Total	140	39	101	50	51	50.5
<u>January 1966 survey:</u>						
\$12,500 - \$14,999	10	10	-	-	-	-
15,000 - 17,499	30	30	-	-	-	-
17,500 - 19,999	48	26	22	18	4	18.2
20,000 - 24,999	28	-	28	20	8	28.6
25,000 - 29,999	66	3	63	44	19	30.2
30,000 - 34,999	16	-	16	9	7	43.8
35,000 and over	<u>6</u>	<u>2</u>	<u>4</u>	<u>4</u>	<u>-</u>	<u>-</u>
Total	204	71	133	95	38	28.6

^{a/} Surveys covered only selected subdivisions with five or more completions during the preceding twelve months.

Source: Unsold inventory surveys conducted by the Reno Insuring Office.