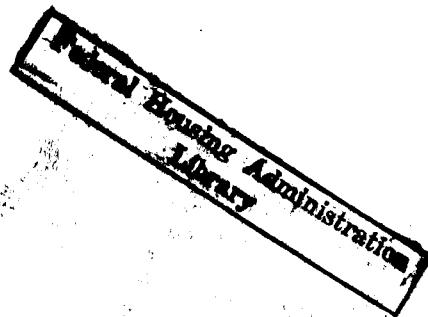


728.1  
:308  
F22  
Las  
Vegas  
1965

*Analysis of the*  
**LAS VEGAS, NEVADA  
HOUSING MARKET**

as of October 1, 1965 /



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

May 1966

ANALYSIS OF THE  
LAS VEGAS, NEVADA, HOUSING MARKET

AS OF OCTOBER 1, 1965

FIELD MARKET ANALYSIS SERVICE  
*U.S.* FEDERAL HOUSING ADMINISTRATION  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

~~HD/~~  
~~7391~~  
~~151~~  
~~N241~~

728.1  
1308  
F22

### Foreword

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

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

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

## Table of Contents

	<u>Page</u>
Summary and Conclusions	i
The Housing Market Area	1
Map of the Area	2
Economy of the Area	
Character and History	3
Employment	3
Principal Employment Sources	6
Unemployment	7
Estimated Future Employment	7
Income	8
Demographic Factors	
Population	9
Households	11
Housing Market Factors	
Housing Supply	13
Residential Construction Activity	15
Tenure of Occupancy	16
Vacancy	17
FHA-Insured Projects	18
Sales Market	19
Rental Market	21
Urban Renewal	21
Military Housing	22
Public Housing	22
Demand for Housing	
Quantitative Demand	23
Qualitative Demand	24

ANALYSIS OF THE  
LAS VEGAS, NEVADA, HOUSING MARKET  
AS OF OCTOBER 1, 1965

Summary and Conclusions

1. The economy of the Las Vegas Housing Market Area (HMA) is heavily dependent on resort activities and government activities. Since 1958, employment has expanded rapidly, with average wage and salary employment in 1964 (78,500), more than double the 1958 level. The main economic asset of the area is resort and gambling activities. These activities have been the main stimulus to economic growth since World War II. Another major source of employment and growth has been the Nevada Test Site. With the resumption of nuclear testing at the Nevada Test Site in 1961, employment there expanded rapidly, triggering an economic boom of impressive proportions. Between 1961 and 1963, total wage and salary employment increased by almost 50 percent. Since 1963, however, employment gains have been well below those registered in the previous five years; employment in 1964 was only 2,325 (3.1 percent) above the 1963 level, and average employment in the first seven months of 1965 was only 750 jobs (1.0 percent) above the average for the first seven months of 1964. It is expected that employment will increase by about 10,000, or about 3,350 a year, during the next three years.
2. The current median annual income, after deducting Federal income taxes, is \$8,000 for all families and \$6,475 for renter families only.
3. The estimated current population of the HMA is 243,200, an increase of 116,200 (91.5 percent) over the 1960 census count. This increase represents post-1960 average growth of about 21,100 (11.8 percent) annually. Over the three-year forecast period, population is expected to reach 273,200, an average increase of 10,000 annually.
4. The number of households in the Las Vegas HMA currently totals about 74,850, an increase of 34,450 (85.3 percent) over the April 1960 total of 40,400. By October, 1968, the number of households is expected to climb to 84,150. This estimate represents average additions of 3,100 households annually, about half the average gain of 6,275 annually during the 1960-1965 period.

5. The current inventory of housing in the HMA totals about 84,850 units, nearly double the 43,300 units reported by the census in 1960. Residential construction, as measured by building permits, has experienced a distinct building cycle since 1957. From a 1957 low of about 925 units authorized, building activity increased rapidly reaching a high of about 15,150 privately-financed units in 1962. In 1963, residential construction remained at a relatively high level, but in 1964 it suffered a precipitous decline when only 2,525 privately-financed units were authorized. In the first seven months of 1965, only about 850 units have been authorized, compared with about 1,775 units in the first seven months of 1964.
6. Vacant housing units currently number about 10,000, compared with only 2,900 in April 1960. Vacant nonseasonal, nondilapidated units available for sale or rent now total about 8,400, with about 3,000 units available for sale only (a net homeowner vacancy rate of 6.3 percent) and 5,400 available for rent (a net rental vacancy rate of 15.2 percent). Both sales and rental vacancies are substantially above levels which represent a balanced supply-demand relationship in the Las Vegas market.
7. The volume of privately-owned net additions to the housing supply that will meet the needs of the area and establish a more reasonable supply-demand balance in the market is projected at 4,800 units during the three-year forecast period. Of the total, 4,350 units represent demand for sales houses, of which 900 units will be required in the first year, 1,500 in the second year, and 1,950 in the third year. The expected distribution by sales price for each of the next three years is shown on page 24. The remaining 450 units represent demand for rental units, of which 100 units are at the lower rents which probably can be achieved only through use of public benefits or assistance in financing or land purchase, exclusive of public low-rent housing and rent-supplement accommodations. Because of the very substantial surplus of rental units, it is not expected that there will be any demand for rentals in the first 18 months of the three-year forecast period. Demand for rental units by monthly gross rent and by unit size is expected to approximate the pattern indicated on page 25.

ANALYSIS OF THE  
LAS VEGAS, NEVADA, HOUSING MARKET  
AS OF OCTOBER 1, 1965

The Housing Market Area

For the purpose of this report, the Las Vegas, Nevada, Housing Market Area (HMA) is defined as Clark County, Nevada, and is coterminous with the Las Vegas Standard Metropolitan Statistical Area (SMSA) as defined by the Bureau of the Budget. Las Vegas, North Las Vegas, Henderson, and Boulder City are the principal municipalities in the HMA. These four cities, along with unincorporated urbanized areas adjacent to Las Vegas (most of the development is south of the city) account for between 98 and 99 percent of the population of the HMA. A number of small communities are scattered throughout the HMA, but few have populations exceeding 250 persons.<sup>1/</sup>

Las Vegas is located in the semi-arid desert of southern Nevada and is the largest population concentration of the state. Reno, the second largest city in Nevada, is 450 miles northwest of Las Vegas. Los Angeles, California, lies 290 miles southwest; Salt Lake City, Utah, is 450 miles northeast; and Phoenix, Arizona, is 295 miles southeast of the HMA.

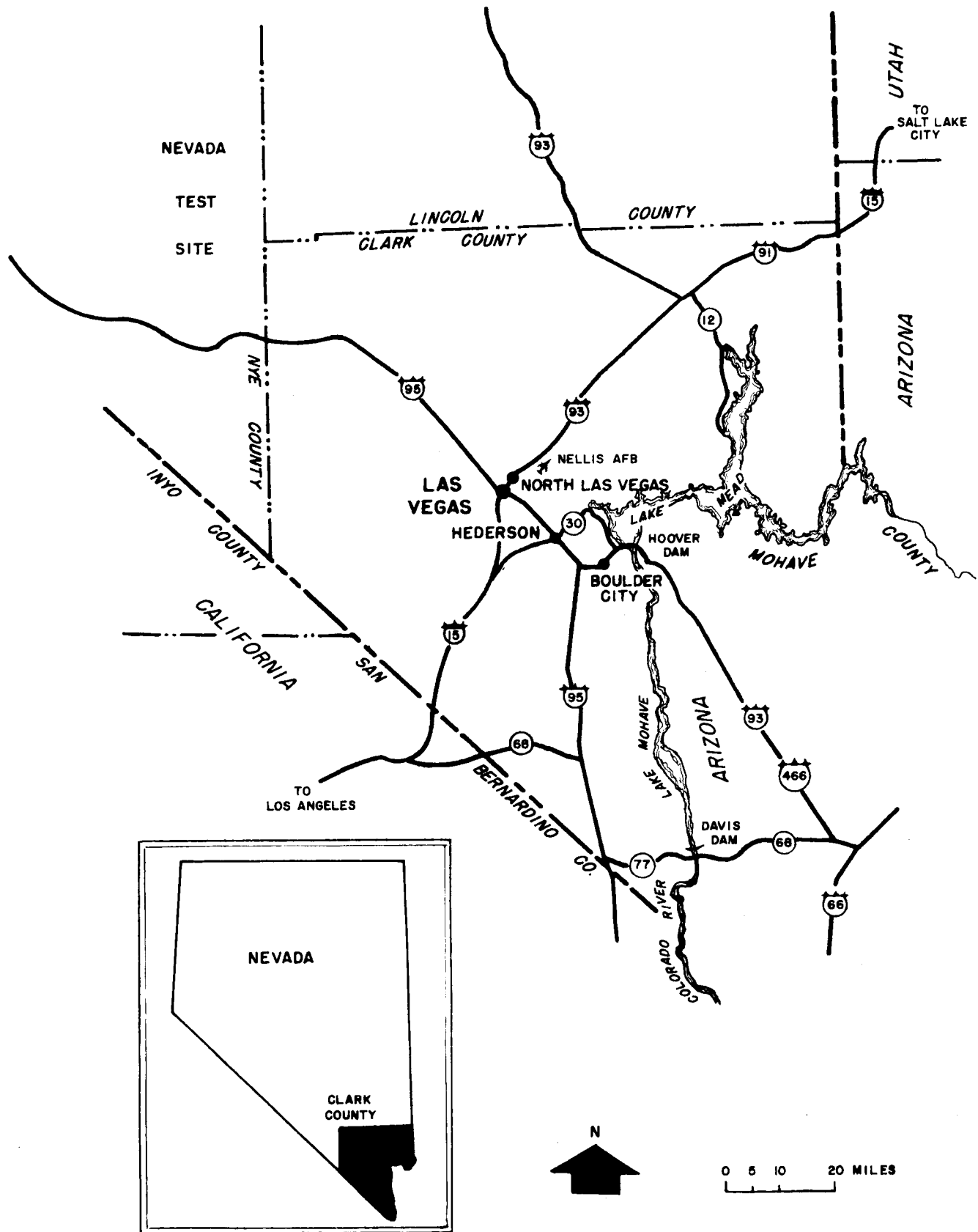
The terrain of Clark County is mountainous, typical of most of the southwestern desert. Las Vegas is located in a semi-arid valley surrounded by mountains. The Colorado River and its two man-made lakes (Lake Mead and Lake Mohave), formed by Hoover and Davis Dams, respectively, separate the HMA from Arizona to the southeast. San Bernardino, County, California, borders the HMA on the southwest.

Las Vegas is served by a number of U.S. highways which provide good vehicular access to the major population centers of the Southwest. Interstate 15, which was completed this year, provides unbroken four-lane freeway access to Los Angeles, the major source of tourists to the area. Air transportation is provided by seven major airlines at McCarran Field just south of the city, with 130 flights daily.

---

<sup>1/</sup> Inasmuch as the rural farm population of the Las Vegas HMA constituted only one percent of the total population in April 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data. In 1960 the population of the HMA totaled 127,000.

# LAS VEGAS, NEVADA, HOUSING MARKET AREA





## Economy of the Area

### Character and History

The development of the HMA had its start during the 1930's when Hoover Dam was constructed on the Colorado River about 30 miles southeast of Las Vegas. Hoover Dam provided the area with a major tourist attraction, and Lake Mead, which the dam formed, is an excellent water recreation area. The establishment of Nellis Air Force Base in 1941 (originally Las Vegas Army Air Field) and the development of an industrial complex at Henderson also provided stimulus to the economy. However, Las Vegas was a relatively small desert community until the late 1940's. The entire HMA had a prewar population of only 16,400 in 1940. The late 1940's saw the beginning of the boom in multimillion dollar resort hotels and gambling casinos. In addition, Nellis Air Force Base was reactivated for the training of fighter pilots in 1949, and in 1951 the Nevada Atomic Test Site was established just northwest of Las Vegas.

The growth of resort hotels and gambling casinos since the late 1940's has been phenomenal. These activities have become the main source of income and employment in the area and have made the Las Vegas area world famous for gambling and entertainment. The fame of Las Vegas is sufficient to make unnecessary any discussion of its attractions here. It is important to note, however, the heavy dependence of the economy on resort and tourist activities. Currently, about 30 percent of all non-agricultural wage and salary employment is directly employed in the tourist industry, and a significant portion of other employment, in construction, trade, transportation, etc., is indirectly supported by the tourist industry.

### Employment

Current Estimate and Past Trend. Total nonagricultural wage and salary employment averaged 78,200 during the first seven months of 1965 (January through July). This employment level represents a sharp decline in the rate of employment growth the area has been experiencing in recent years, an increase of only 750 jobs over the average for the first seven months of 1964. The following table shows total wage and salary employment in the Las Vegas HMA since 1957. Since 1962, employment growth has declined substantially, with annual growth since 1963 only a fraction of the annual increments of the previous two years.

Nonagricultural Wage and Salary Employment  
Las Vegas, Nevada, HMA  
Annual Averages 1957 - 1964

<u>Year</u>	<u>Number employed</u>	<u>Change from preceding year</u>	
		<u>Number</u>	<u>Percent</u>
1957	37,050	-	-
1958	38,000	950	2.6
1959	43,000	5,000	13.2
1960	47,300	4,300	10.0
1961	51,700	4,400	9.3
1962	65,300	13,600	26.3
1963	76,150	10,850	16.6
1964	78,500	2,350	3.1
<u>Jan.-July:</u>			
1964	77,450	-	-
1965	78,200	750	1.0

Source: Nevada Employment Security Department.

The Las Vegas area has experienced rapid growth throughout the 1957-1965 period, stimulated primarily by the tourist industry. In 1961, with the resumption of nuclear testing at the Nevada Test Site, employment expanded rapidly as well-paid scientists, technicians, and construction workers migrated to the HMA. The expansion of the Nevada Test Site, on top of an already rapid growth rate in the tourist and gambling industry, triggered an economic expansion of impressive proportions. Between 1961 and 1963, employment increased by almost 50 percent. Residential housing units authorized by building permits reached a record high level in 1961, and in 1962 they were three times the level of 1961.

During the early 1960's, the construction industry in southern California was going through a slack period and the building boom in Las Vegas attracted builders and construction workers in large numbers. Construction and mortgage money was in abundant supply. By 1963, employment at the Nevada Test Site had stabilized and it became obvious that the profusion of housing built in 1962 and 1963 far exceeded the absorptive capacity of the market. The resulting decline in construction employment and the migration of some construction workers back to southern California sharply reduced the economic growth of the area. Labor-management disputes in the construction industry have further complicated the employment situation and resulted in a July 1965 total employment that was over three percent below the July 1964 level.

Distribution by Industry. Manufacturing employment in the HMA represents less than 5 percent of total wage and salary employment. An industrial complex producing chemicals, primarily, is located in Henderson and accounts for the major share of manufacturing employment. Manufacturing employment, which currently totals 3,650, has been growing irregularly since 1957 when it totaled 2,800.

Nonmanufacturing employment totaled 74,600 over the first seven months of 1965, representing an average increase of about 5,400 annually since 1957. The current total is more than double the 1957 and 1958 annual averages. Service industries, which include the major employment sources in hotels, gambling, and the Nevada Test Site, accounted for almost 46 percent of all wage and salary employment. Almost half of the total increase in wage and salary employment since 1957 has occurred in the service industries, but impressive employment gains have been made in virtually all industry groups.

Employment in trade, accounting for almost 18 percent of all wage and salary employment, more than doubled in the seven and one-half years since 1957. Transportation, communications and public utilities, representing eight percent of all wage and salary employment, increased by over 75 percent during the seven and one-half years, despite declining railroad employment. Employment in finance, insurance, and real estate, with four percent of the total, is almost four times its 1957 level, although this employment group has declined slightly over the last two years. Government, with 12 percent of total employment, has expanded rapidly also, registering a 79 percent employment increase over 1957. The burgeoning needs of the school system provided most of the increase.

The construction industry, which in 1963 accounted for 13 percent of all wage and salary employment, reflects the current difficulties of the Las Vegas economy. In the short period from 1961 to 1963, average construction employment increased from 4,200 to 10,000, a gain of 138 percent. This expansion created a serious imbalance in the economy of the area. By 1963, a serious surplus of housing was evident, and in 1964 construction employment was 3,000 below its 1963 peak. Many construction workers returned to the Southern California area, further increasing the already serious housing surplus. The result of this decline has been felt in other industry groups in the economy.

Employment in trade and in finance, insurance, and real estate experienced employment losses since 1964, and current employment growth in all other industry groups is substantially below gains registered in previous years.

### Principal Employment Sources

Gambling. Legalized gambling, coupled with the area's proximity to rapidly growing southern California, is the primary economic asset of Las Vegas. Gambling income, of course, supports the lavish entertainment provided by the large hotels and casino's which, together with gambling, have made Las Vegas famous. Employment in hotels, motels, and amusements currently accounts for about one-quarter of all wage and salary employment in the HMA, with several of the major hotels employing over 1,000 persons each.

Nuclear Research. The Nevada Test Site (NTS), including the Nuclear Rocket Development Station (NRDS), located 65 miles northwest of Las Vegas is another major employment source for residents of the HMA. The site covers some 1,350 square miles. The primary activities at the NTS are underground testing of nuclear devices and a wide range of research projects primarily concerned with biological and medical effects of radiation. Activity at the NRDS includes the testing of nuclear rocket engines. Since September 1961, when nuclear testing was resumed, employment at the NTS has expanded rapidly. In 1960, employment at the NTS and the NRDS averaged 2,125. With the resumption of testing of devices in 1961, employment reached a peak level of about 6,000 that year. In 1964, employment averaged 8,100, about the same level as it is now for the NTS including the NRDS. The rapid increase in employment at the site provided the spark that ignited the economic prosperity the area experienced between 1961 and 1963.

Military Bases. Nellis Air Force Base was opened initially in 1941 as a training base for aerial gunners and later included the training of co-pilots. In 1947, the base was inactivated until 1949, when it was reopened as a training base for fighter pilots. The current mission of the base is to train pilots in gunnery and bombing and conduct advanced weapons training, research, and development for the Tactical Air Command. Indian Springs Auxiliary Field provides support for the bombing and gunnery range associated with Nellis. Military strength at these two installations numbered 3,250 on March 31, 1965, at which time about 940 civilians were employed.

Las Vegas Air Force Station is located about 42 miles northwest of Las Vegas in the Mt. Charleston recreation area. This installation is the home of the 865th Radar Squadron (SAGE), which provides air defense and civilian traffic control. In March 31, 1965, there were 110 military personnel and 10 civilians assigned there.

Lake Mead Base is an ordnance storage facility located just north of Nellis Air Force Base, manned by about 500 Naval and Marine personnel and about 100 civilians.

Over the last three years, there has been little variation in either the military strength or civilian employment at these military installations, and current employment and strength at these bases are expected to remain relatively stable during the forecast period.

### Unemployment

In August of **this** year, unemployment totaled 7,400, equal to 7.9 percent of the work force. Over the last two years, unemployment has been very high, averaging 6.9 percent of the work force last year. These high unemployment levels have resulted from the reduced rate of recent employment growth. In 1961 and 1962, unemployment averaged 5.1 percent and 5.5 percent of the work force, respectively, a reasonable level considering the high volume of in-migration associated with the very rapid growth in employment during that period.

### Estimated Future Employment

The Las Vegas economy currently is experiencing an economic recession, complicated by a series of labor-management disputes in the construction industry and another strike at the NTS. These labor-management problems, combined with the normal seasonal decline the area experienced during the fall, are expected to result in a 1965 average employment below the 1964 average.

Despite the current difficulties being experienced, the underlying strength of the economy as a resort area has considerable growth potential. All indications point to continued expansion of the resort industry. While other phases of economic activity declined, air traffic, convention center attendance, and the number of visitors to the area have continued to increase. Several major hotels and casinos are under construction and others are planned, which will help maintain employment in the depressed construction industry.

It is not expected that the Nevada Test Site and Nuclear Rocket Development Station will experience any significant employment changes over the next three years. Likewise, military installations are not expected to experience significant changes in personnel strength or civilian employment.

Although employment growth over the next three years is not expected to **equal** that of the recent past, the Las Vegas economy has considerable underlying strength and employment should continue to grow rapidly after a period of readjustment. Over the three-year forecast period, it is expected that employment will increase by about 10,000. The forecast assumes little or no employment change at the NTS or NRDS, but employment growth related to the resort industry is expected to expand at least as fast as it has in the past. Employment gains over the first year are expected to be moderate, with the major gains expected in the last two years. It must be noted, however, that the Las Vegas economy has been characterized by considerable fluctuation, a characteristic that can be expected to continue in the future. The timing and magnitude of the expected recovery from the present recession make projections of employment in this uncertain situation hazardous.

## Income

Average weekly earnings of workers in the Las Vegas area are high. According to the Nevada Employment Security Department, in June 1965, average weekly earnings of workers in manufacturing were \$144.72; workers in nonmanufacturing industries earned \$122.70, with construction workers averaging \$183.28 weekly during June. Average weekly earnings of workers in Las Vegas for all industry groups are exceeded by few areas in the nation.

According to data provided by the Bureau of the Census, Office of Business Economics, and the Nevada Employment Security Department, incomes in the Las Vegas Area increased rapidly from 1959 to 1962, registering an increase of over 20 percent. Since then, however, incomes have remained relatively stable.

The estimated current median family income, after deducting Federal income taxes, is \$8,000 for all families, and \$6,475 for renter families only. Thirty-two percent of all families and 19 percent of renter families have current annual incomes of \$10,000 or more. Nine percent of all families and four percent of renter families have current incomes of \$15,000 or more. The following table shows estimated distributions of families by current income classes for all families and for renter families, and projections of these distributions by 1968 annual incomes.

Estimated Percentage Distribution of Families by Annual Income<sup>a/</sup>  
Las Vegas, Nevada, Housing Market Area  
October 1, 1965 and October 1, 1968

<u>Annual income</u>	<u>October 1, 1965</u>		<u>October 1, 1968</u>	
	<u>All families</u>	<u>Renter families</u>	<u>All families</u>	<u>Renter families</u>
Under \$4,000	14	20	12	17
\$4,000 - 5,999	15	25	14	22
6,000 - 7,999	22	21	17	19
8,000 - 9,999	17	15	16	15
10,000 - 12,499	15	11	17	13
12,500 - 14,999	8	4	11	9
15,000 - 19,999	5	(4	8	(
20,000 and over	4	(4	5	(5
Total	100	100	100	100
Median	\$8,000	\$6,475	\$8,775	\$7,125

<sup>a/</sup> After deduction of Federal income tax.

Source: Estimated by Housing Market Analyst.

Demographic Factors

Population

Current Estimate and Past Trend. The estimated current population of the Las Vegas HMA is 243,200, an increase of about 116,200 (91.5 percent) over the April 1960 census count. This increase represents a post-1960 average growth of about 21,100 annually (11.8 percent), although annual growth between 1961 and 1963 was well above the average for the period. The following table shows the population growth in the HMA since 1930. The rate of population growth throughout the period has been very rapid, making Las Vegas one of the fastest growing metropolitan areas in the nation.

Trend of Population  
Las Vegas, Nevada, HMA  
1930-1965

<u>Year</u>	<u>Population</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Rate<sup>a/</sup></u>
April 1, 1930	8,532	-	-
April 1, 1940	16,414	788	6.5
April 1, 1950	48,289	3,188	10.8
April 1, 1960	127,016	7,873	9.7
October 1, 1965	243,200	21,100	11.8

a/ Derived through the use of a formula designed to calculate the rate of change on a compounded basis.

Source: 1930 - 1960 U.S. Censuses of Population.  
1965 estimated by Housing Market Analyst.

Population is concentrated in Las Vegas, North Las Vegas, and the unincorporated suburbs of Las Vegas. Between 85 and 90 percent of the population of the HMA lives within this area. The two satellite communities of Henderson and Boulder City account for 5.9 percent and 2.1 percent, respectively, of the total HMA population. Table II shows population in the HMA and its major communities from 1950 to 1965. The most rapid growth since 1960 has occurred in the unincorporated suburbs south of Las Vegas, reflecting the growing influence of "the strip", a five-mile length of U.S. 91 where most of the major hotels and casinos are located. Since 1960, the population of Las Vegas has expanded by an average of 10,200 annually (11.4 percent), reaching a current total of 120,700. In comparison, the population of the city grew by an average of about 4,050 (9.9 percent) annually during the 1950's. Since 1960, population growth in North Las Vegas

has averaged 2,675 annually (10.7 percent), resulting in an October 1, 1965 population of 33,100. Population in North Las Vegas increased during the 1950's at a more rapid percentage rate than in the post-1960 period, although annual numerical changes have been greater since 1960. Henderson, with a current population of 14,400, is the only major community in the HMA in which annual population increments since 1960 were less than the average annual change during the 1950's. Boulder City, with a current population of 5,200, has had a relatively steady population growth of about four percent annually since 1960.

There has been considerable annexation activity by the cities in the HMA. The current land area of Las Vegas is over two times its 1960 area, and since 1960, North Las Vegas has annexed land equal to three times its 1960 area. Most of the annexations have been of undeveloped land, however.

Estimated Future Population. On the basis of anticipated employment growth, population of the Las Vegas HMA is expected to reach 273,200 by October 1, 1968, an increase of 30,000 (12.3 percent) over the three-year period. This projection represents an average increase of 10,000 annually, although growth during the first year is expected to be moderate, with more rapid gains anticipated throughout the remainder of the three-year period.

For most areas of comparable size, the projected rate of population growth would be considered quite rapid, but for Las Vegas, this represents a drastic reduction from the rate of growth the area has experienced since 1960. The near explosion of growth that the HMA experienced in the last five years is certainly not sustainable in view of the current economic situation. Only a dramatic change, such as a major new program at the Nevada Test Site, would be capable of providing sufficient economic support to sustain population growth of the 1960-1964 magnitude.

Migration and Net Natural Increase. Population change in any area can occur in only two ways--net natural increase (resident births less resident deaths) and migration. Since 1950 the number of persons added to the population of the Las Vegas HMA each year through net natural increase has been growing rapidly. The 1950 net natural increase totaled 825 and in 1960 it numbered over 2,600. Since 1960, additions to the population through net natural increase have averaged about 3,600 annually. But net in-migration has been the major factor in population growth in the HMA, accounting for about three quarters of the total 1950-1960 population growth. Since 1960, the proportion of the increase resulting from net in-migration has increased substantially, accounting for about 83 percent of the total post-1960 population growth. The following table shows components of population change from 1950 to 1960, and from 1960 to 1965.



Components of Population Change  
Las Vegas, Nevada, Housing Market Area  
1950-1965

<u>Components</u>	<u>Average annual change</u>	
	<u>April 1950- April 1960</u>	<u>April 1960- October 1965</u>
Population increase	<u>7,873</u>	<u>21,100</u>
Net natural increase	<u>1,928</u>	<u>3,600</u>
Net in-migration	<u>5,945</u>	<u>17,500</u>
Percent of increase attributed to in-migration	<u>75.5%</u>	<u>83.0%</u>

Source: 1950 and 1960 U.S. Censuses of Population; U.S. Public Health Service, National Vital Statistics Division; and estimates by Housing Market Analyst.

Households

Current Estimate and Past Trend. The number of households in the Las Vegas HMA currently totals 74,850, an increase of 34,450 (85.3 percent) over the April 1960 total of 40,400. Since 1960, the number of households has increased by an average of 6,275 (11.2 percent) annually, as compared with an average increment between 1950 and 1960 of 2,550 (9.9 percent) annually.<sup>1/</sup>

Table III shows the number of households in the HMA for 1950, 1960, and 1965 by major localities. The most rapid percentage rate of household growth has occurred in the suburban area of Las Vegas, while the city of Las Vegas has had the largest numerical change. Henderson has experienced the slowest rate of household growth, reflecting the relatively slow rate of employment growth in its industrially-based economy.

Future Household Growth. Based on the estimated future population of the HMA and on continued increases in the average household size, the number of households in the HMA is expected to climb to 84,150 by October 1, 1968. This represents average additions of 3,100 annually, about half the 1960 to 1965 average annual growth.

Household Size Trends. From 1950 to 1960, average household size in the HMA increased slightly from 3.00 to 3.07. Since 1960, the average household size has increased more rapidly, averaging 3.19

---

<sup>1/</sup> 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.

persons per household in October 1965. The post-1960 increase in household size reflects the migration of large numbers of families to the area, many of them associated with the Nevada Test Site. Over the forecast period, the slower rate of migration expected, together with employment stability at the test site, is expected to result in a more moderate increase in household size, somewhat similar to the change experienced during the 1950's. The average household size is expected to increase slightly to 3.21 persons by October 1, 1968.

## Housing Market Factors

### Housing Supply

Current Estimate and Past Trend. The current inventory of housing in the HMA totals about 84,850 units, nearly double the 43,300 units reported by the census in 1960. Net additions to the inventory since 1960 have averaged about 7,550 units annually, while net additions between 1950 and 1960 averaged 2,700 units annually.

Since 1960, the housing inventories of the city of Las Vegas (currently 42,750 housing units) and North Las Vegas (10,800 housing units) have expanded rapidly, with respective gains of 86.4 percent and 89.9 percent. The inventories in Henderson and Boulder have expanded at a much slower pace than have those in the other major segments of the HMA. The current inventories in Henderson (4,325 housing units) and Boulder (1,800 housing units) represent percentage gains of 22.6 and 24.5, respectively, since 1960. Despite extensive annexations by these cities, the most rapid inventory gains have occurred in the remainder of the HMA. Since 1960, the housing inventory in the remainder of the HMA has expanded by 159.4 percent, reaching a current total of 25,175 housing units.

Characteristics of the Inventory. At present, almost 60 percent of all housing units in the HMA are single-family houses. Although the number of single-family houses has increased by about 75 percent since 1960, the ratio of single-family houses to all housing units is now seven percentage points lower than in 1960. The proportion of duplex units to total units in the inventory also has declined since 1960, from almost seven percent in 1960 to about five percent currently. Since 1960, the number of multifamily units (units in structures having three or more units) has increased spectacularly, accounting for about 26 percent of the present inventory, compared with about 16 percent in 1960. Trailers are an important part of the inventory, accounting for almost nine percent of the present inventory, down from about 10 percent in 1960.

Housing Inventory by Units in Structure  
Las Vegas, Nevada, Housing Market Area  
1960-1965

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>October 1, 1965</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
One	28,979	67.0	50,750	59.8
Two	2,955	6.8	4,300	5.1
3 and 4	2,390	5.5	7,600	9.0
5 or more	4,692	10.9	14,700	17.3
Trailers	<u>4,209</u>	<u>9.7</u>	<u>7,500</u>	<u>8.8</u>
Total	43,225 <sup>a/</sup>	100.0	84,850	100.0

<sup>a/</sup> Differs slightly from the count of all units because units by type of structure were enumerated on a sample basis.

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

The age of the current housing inventory reflects the extraordinary growth of the area since 1960. About 50 percent of the housing units have been built since 1960. About 33 percent of the housing units were built between 1950 and 1960, and only two percent were built prior to 1930.<sup>1/</sup>

Housing Inventory by Year Built  
Las Vegas, Nevada, Housing Market Area  
October 1, 1965

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960 to October 1965	42,400	50.0
1955 to March 1960	14,800	17.5
1950 to 1954	13,100	15.4
1940 to 1949	9,700	11.4
1930 to 1939	3,150	3.7
1929 or earlier	<u>1,700</u>	<u>2.0</u>
Total	84,850	100.0

Source: Estimated by Housing Market Analyst.

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

Reflecting the age of the housing inventory, the over-all condition of the housing stock is good. Substandard units, i.e., units classified as dilapidated or lacking some or all plumbing facilities, represent only 3.2 percent of the current inventory. In comparison, the census reported that 7.4 percent of the inventory was similarly classified in 1960.

#### Residential Construction Activity

Residential construction since 1950, as measured by building permits, has experienced two distinct cycles. The first cycle reached a peak in 1953, when about 3,725 units were authorized by building permits, followed by a low of about 925 units in 1957. The second cycle is particularly striking because of the magnitude of the changes. From the 1957 low, the number of units authorized increased rapidly each year to a level of about 5,525 in 1961. The following year, however, residential construction experienced an explosive increase, with about 15,150 privately-financed units authorized that year, almost triple the number authorized the previous year. In 1963, residential construction suffered a precipitous decline when only about 2,525 privately-financed units were authorized. Only about 850 units have been authorized in the first seven months of 1965, compared with about 1,775 in the first seven months of 1964. Table IV shows housing units authorized by building permits since 1950.

The following table shows the number of privately-financed units authorized since 1960 by type of structure. The largest year-to-year variation in the number of units authorized since 1960 has been in multifamily structures. In 1962, the startling increase in total units authorized was largely the result of the massive number of multifamily units authorized. Total multifamily units (three or more units per structure) authorized in 1962 were over 20 percent greater than the entire multifamily inventory reported by the census in 1960. Multifamily units accounted for 56 percent of all units authorized in 1962, as compared with only about 30 percent in the previous two years. The subsequent decline in multifamily construction was abrupt, with about 255 multifamily units authorized in 1964, and only one triplex authorized for construction in the first seven months of this year.

Privately-Financed Housing Units Authorized for Construction  
By Units in Structure  
Las Vegas, Nevada, Housing Market Area  
1960-1965

<u>Year</u>	<u>Single-family</u>	<u>Duplex</u>	<u>Three and four</u>	<u>Five or more</u>	<u>Total</u>
1960	2,700	64	143	643	3,550
1961	3,388	122	427	1,587	5,524
1962	6,230	298	3,448	5,172	15,148
1963	7,290	270	734	2,652	10,946
1964	2,046	212	227	28	2,513
<u>1st seven months:</u>					
1964	1,436	204	113	16	1,769
1965	847	2	3	-	852

Source: U.S. Bureau of the Census, Construction Reports C-40; and local permit issuing offices.

Units Under Construction. It is estimated that there are about 250 units currently under construction in the HMA, all single-family homes. The postal vacancy survey conducted in early September reported about 275 units under construction, 250 residences and 25 apartments. Since then, however, some units have been completed and others have been started, resulting in the current estimate.

Tenure of Occupancy

As of October 1, 1965, there are about 74,850 occupied housing units in the HMA, of which 44,600 (59.6 percent) are owner occupied and 30,250 (40.4 percent) are renter occupied. The current tenure composition reflects a continuation of the increase in the owner-occupancy rate evident during the 1950's.

Occupied Housing Units By Tenure  
Las Vegas, Nevada, Housing Market Area  
1950-1965

<u>Tenure</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>October 1, 1965</u>
All occupied units	14,959	40,400	74,850
Owner occupied	6,469	22,565	44,600
Percent of total	43.2%	55.9%	59.6%
Renter occupied	8,490	17,835	30,250
Percent of total	56.8%	44.1%	40.4%

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

### Vacancy

Last Census. In April 1960, the census reported 1,625 vacant units available for sale or rent in the Las Vegas HMA. Included in the total were about 480 units available for sale only (a net homeowner vacancy rate of 2.1 percent) and 1,145 units available for rent (a net rental vacancy rate of 6.0 percent). Of the available sales vacancies, about 10 units lacked some or all plumbing facilities; about 100 rental vacancies were similarly deficient.

Postal Vacancy Survey. Since 1959, a total of five postal vacancy surveys have been conducted in the HMA. The latest survey, conducted in early September 1965 by the four major post offices in the area, covered about 76,250 total possible deliveries (about 90 percent of the estimated housing inventory). Included in the total were 47,650 residences and 22,150 apartments, with respective vacancies of 3,625 (7.6 percent) and 4,800 (21.6 percent). About 6,475 trailers were counted, with 260 (4.0 percent) reported as vacant.

The following table shows residential and apartment vacancy rates as reported by the postal surveys since 1959. In February 1962, considering the very rapid rate of growth of the area, both the residential and apartment vacancy rates were quite low, indicating a relatively tight housing market. However, as the tremendous number of units authorized in 1962 and 1963 reached the market, vacancies increased rapidly, and by June 1963 a serious surplus of both residences and apartments was evident. Despite a drastic reduction of new construction, vacancy rates reported in the latest survey were well above the 1963 level.

#### Residential and Apartment Vacancy Rates Las Vegas, Nevada, Housing Market Area 1959-1965

<u>Date</u>	<u>Residential vacancy rate</u>	<u>Apartment vacancy rate</u>
April 1959	2.1%	6.2%
February 1961	2.9	8.1
February 1962	2.5	4.4
June 1963	5.8	19.3
September 1965	7.6	21.6

Source: FHA postal vacancy surveys conducted by the following post offices: Las Vegas, North Las Vegas, Boulder, and Henderson.

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 rowhouses, 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. 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.

#### FHA-Insured Projects

In March 1965, there were about 1,500 units in rental projects insured by FHA. At that time vacancies in these projects numbered about 325, about 22 percent of the total, the same as the apartment vacancy rate reported in the postal vacancy survey in September.

Vacancies in FHA-insured projects increased from 5.8 percent in March 1963 to 14.3 percent in March 1964, and to 21.6 percent in March 1965. By 1965, the massive overbuilding had permeated the entire rental market, and high vacancies were experienced in all types of units. Older established projects with low monthly rents reported a 29 percent vacancy rate in 1965, compared with three percent in March 1963. New low-rent projects built for low- and moderate-income families, also were having occupancy problems in March 1965 with a vacancy rate of 18 percent. The new higher-rent projects reported a 23 percent vacancy rate, up from 18 percent in 1964, and eight percent in 1963.

Current Estimate. Since 1960, vacancies in the HMA have increased sharply, with total vacancies currently numbering about 10,000, compared with only 2,900 in April 1960. Vacant nonseasonal nondilapidated units available for sale or rent currently total an estimated 8,400, with about 3,000 available for sale only (a net homeowner vacancy rate of 6.3 percent) and 5,400 available for rent (a net rental vacancy rate of 15.2 percent). Included in these current estimates are about 10 sales vacancies and about 100 rental vacancies that lack some or all plumbing facilities. The following table compares the current vacancy estimates with vacancies as reported in the 1960 census.



Vacant Housing Units  
Las Vegas, Nevada, Housing Market Area  
1960 and 1965

<u>Vacancy status</u>	<u>April 1, 1960</u>	<u>October 1, 1965</u>
Total vacant units	2,902	10,000
Total available units	1,625	8,400
For sale only	481	3,000
Homeowner vacancy rate	2.1%	6.3%
Lacking plumbing facilities	9	10
For rent	1,144	5,400
Rental vacancy rate	6.0%	15.2%
Lacking plumbing facilities	101	100
Other vacant <sup>a/</sup>	1,277	1,600

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, and units held off the market for absentee owners or for other reasons.

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

Sales Market

General Market Conditions. As indicated previously, the sales market in the HMA has a serious inventory problem with substantial surpluses evident in all price ranges. Most of the unsold subdivision housing built in the last three years has minimum appeal to prospective homeowners. Many of these houses were high priced and had design and construction deficiencies. As a result, a very substantial proportion of vacant sales housing has never been occupied although it has been on the market for over a year.

Subdivision building is most active in the urban fringe of Las Vegas to the northwest and southwest, where about 60 percent of all subdivision housing is being built. More expensive housing is being built in the southeastern area, where over half of the homes are priced above \$25,000. In the northwest, most new homes are priced between \$15,000 and \$20,000. The major builders in Las Vegas report new homes are selling well, although the volume is far below 1962 and 1963 levels. The drastic reduction in residential construction in the last two years reflects the withdrawal of out-of-state builders from the market. Local builders have continued to build and market their homes. Most new housing in the HMA has been built speculatively;

however, speculative construction has declined abruptly in the last year. An unsold inventory survey conducted by FHA on July 1, 1965 of sales housing built in the preceding 12 months in subdivisions with five or more completions during the period indicated that between 50 and 60 percent of all homes were built speculatively. In contrast, three previous surveys (conducted semi-annually) indicated that between 80 and 90 percent of all new homes built in subdivisions with five or more completions during the preceding 12 months had been built speculatively. The building boom of 1962 and 1963 was a period of rampant speculative building, with little regard for market absorption. This situation resulted from a combination of generous financing and appraisal policies by several of the major lending institutions in the area and an influx of out-of-state builders. This year, although a large portion of new homes have been built on a speculative basis, local builders have restricted starts to the rates of individual sales programs and are maintaining low unsold inventories.

Unsold Inventory Surveys of New Homes. Since January 1964, the Reno FHA Insuring Office has conducted semiannual surveys of all subdivisions in the Las Vegas HMA in which five or more houses had been completed in the previous 12 months. The following table summarizes the results of the four surveys made since the first of 1964.

FHA Unsold Inventory Surveys of New Sales Houses<sup>a/</sup>  
Las Vegas, Nevada, Housing Market Area  
1964-1965

	<u>Jan. 1,</u> <u>1964</u>	<u>July 1,</u> <u>1964</u>	<u>Jan. 1,</u> <u>1965</u>	<u>July 1,</u> <u>1965</u>
Total completions	6,521	7,383	3,714	1,462
Pre-sold	747	925	652	632
Total speculative completions	5,774	6,458	3,062	830
Percent speculative	88.5%	87.5%	82.4%	56.8%
Unsold	2,166	2,660	1,294	297
Percent unsold	37.5%	41.2%	42.3%	35.8%
Unsold for more than 12 months	37	245	1,352	2,147

<sup>a/</sup> Surveys include only subdivisions with five or more completions in the 12 months preceding the date of survey.

Source: Reno, Nevada, FHA Insuring Office.

The last two surveys indicate a sharp decline in total completions, with speculative completions bearing the major share of the decline. The increase in houses unsold for more than a year also is striking, up from about 35 counted in the January 1964 survey to 2,150 counted in the July 1965 survey. Of the 2,150 houses that have remained unsold for more than 12 months, 40 percent are in the \$20,000-\$24,999 price range and 28 percent are in the \$17,500-\$19,999 price range (see table VI). Because some of these unsold houses are not competitive with new houses currently being offered, it is expected that they will exert a drag on the market for some time.

New houses built in recent years have been heavily concentrated in the \$15,000 to \$25,000 sales price class. In the two years from June 1963 to July 1965, FHA unsold inventory surveys indicate that over three-fourths of all houses completed were in this price class, the median sales price being about \$19,750. About four percent of the completions during the two-year period were priced below \$15,000, and just over 12 percent were priced above \$30,000.

#### Rental Market

Over-building in the rental market since 1962 has been so massive and so pervasive that the rental market has been in a state of near collapse for about two years. In an effort to meet expenses, project managers have resorted to a number of measures to attain better occupancy. Monthly rents have been lowered in most rental projects. Between March 1963 and March 1965, almost all FHA insured projects had dropped their monthly rents, with 1965 rents ranging between 8 and 20 percent lower than in 1963. Many units have been furnished and many projects are offering weekly rates to attract tourists. Vacancy rates in furnished apartments, however, are high, roughly comparable to the over-all vacancy rate. Turn-over in all types of apartments is also very high, despite the rental adjustments.

Vacancy rates are very high in all types of rental housing, although they tend to be highest in older projects, and in two-bedroom units. Vacancy rates are high regardless of rent charged, location, age, amenities offered, unit size, or type of structure.

#### Urban Renewal

Las Vegas. The Madison School Project (R-6) is located in the west-side area of Las Vegas. There were about 50 dwelling units in the 40-acre project area (almost all of them substandard), which has been cleared, and low-cost single-family homes are being built in the project area.

North Las Vegas. The Cartier Avenue Project (R-8) is a 70-acre renewal project planned for single-family housing, including housing for low- and moderate-income families. Virtually all of the land has been acquired. In March 1965, another project in North Las Vegas went into planning, the Rose Garden Project (R-9). Marketability and land use surveys are currently under way for this project.

#### Military Housing

At the present time, there are about 1,050 military-controlled housing units in the HMA. Vacancies in these units have been minimal, and at the end of March 1965 only seven were vacant. All units are classified as adequate housing by the military. In addition to military-controlled housing, the Clark County Housing Authority has 124 units of public housing for military occupancy, located about 10 miles south of Nellis AFB.

In a survey of military family housing on March 31, 1965, a total of 2,450 military families were assigned to military bases in the HMA. About 1,400 of the military families in the area live off-base.

#### Public Housing.

The Housing Authority of the city of Las Vegas has 1,275 public housing units in the city, including 965 Federally-aided units and 309 non-aided units. Currently there are an additional 150 units of federally-aided housing under development, all intended for occupancy by the elderly. In addition, there are two other public projects for the elderly in the city, one Federally-aided project of 125 units and a 20-unit non-aided project. The Housing Authority reports that vacancies in all projects are minimal, allowing for regular turnover and maintenance and repair. Rents in the Federally-aided units vary with income. Rents in the non-aided projects are fixed, ranging from \$50 for an efficiency to \$83 for three-bedroom units.

The Clark County Housing Authority controls three projects containing 966 units of public housing, none of which is Federally-aided. Rents range from \$43.50 for an efficiency to \$60 for a four-bedroom unit. Furnished units rent or between \$4 and \$10 more. Two projects, containing 842 units, were built in the early 1940's. The third project (124 units) is only about three years old.

## Demand for Housing

### Quantitative Demand

Demand for additional housing during the next three years is based on the projected level of household growth, on the number of housing units expected to be demolished, and on the need to reduce the current excessive vacancies to a level that reflects the long-term needs of the market. Consideration is given also to the current tenure composition of the inventory, to the current trend from renter-occupancy to owner-occupancy, and to the transfer since 1960 of single-family houses from the sales inventory to the rental inventory. Giving consideration to the above factors, a demand for about 4,800 additional privately-financed housing units is projected during the next three years. Of the total demand, 4,350 units represent demand for sales houses, 450 units represent demand for rental units, of which 100 units consists of middle-income rental units that may be marketed only at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations.

The actual levels of sales demand in each of the next three years will depend upon the rate of absorption of the current surplus of sales housing. Although this surplus is sufficient to meet the growth needs of the community for about one year, it is expected that many of these unsold units will meet market resistance and will be absorbed only gradually. In addition, many prospective homeowners prefer new housing of a type, price, and location not available in the existing unsold inventory. Consequently, it is anticipated that demand for new sales housing will approximate 900 units during the first year of the forecast period, 1,500 units during the second year, and 1,950 units during the third year.

The current surplus of rental units is so substantial that it is sufficient to accommodate over two years of anticipated rental demand. The surplus is so pervasive throughout the market, that it is expected that no new rental units will be required for at least a year and a half, after which some qualitative shortages may appear. Thus, the entire three-year rental demand is expected to be concentrated in the last 18 months of the forecast period.

The projected demand represents a sharp reduction from the average of over 4,000 single-family houses and 2,875 multifamily units authorized yearly by building permits since January 1, 1960. However, the reduction in authorizations of single-family houses from almost 7,300 in 1963 to an annual rate of 1,450 this year, and the reduction in authorizations of multifamily units from over 8,900 in 1962 to only five during the first seven months of 1965 indicate the drastic adjustment

in building volume that has been forced by market conditions. In view of the very substantial surplus in both the sales and rental markets, specific proposals should be examined in light of current market conditions. New home construction should not exceed recent low levels until absorption of the unsold inventory is apparent. In addition, it is judged that the rental market should be re-examined 18 months hence in light of market changes over the next year and one-half.

### Qualitative Demand

Sales Housing. Demand for new sales-type units during each of the next three years is expected to be absorbed best if marketed in general conformance with the price distribution shown in the following table. This distribution is based on ability to pay, as measured by current family incomes and the relationship of sales price to income typical in the area, and on recent market experience as evidenced by the surplus unsold housing currently on the market.

### Estimated Prospective Demand for New Sales Housing by Price Class Las Vegas, Nevada, Housing Market Area October 1, 1965 to October 1, 1968

<u>Price range</u>	<u>Year beginning October 1</u>		
	<u>1965-1966</u>	<u>1966-1967</u>	<u>1967-1968</u>
\$10,000 - 14,999	65	105	135
15,000 - 17,499	190	315	410
17,500 - 19,999	250	420	550
20,000 - 24,999	190	315	410
25,000 - 29,999	90	150	195
30,000 and over	<u>115</u>	<u>195</u>	<u>250</u>
Total	900	1,500	1,950

Rental Demand. The 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 following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition exclusive of public low-rent housing and rent-supplement accommodations. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of

existing accommodations to lower ranges of rent can be anticipated as a result. Under current construction and land costs, minimum gross rents at which new rental units can be produced without public benefits or assistance in financing or land purchase are \$110 for efficiencies, \$120 for one-bedroom units, \$135 for two-bedroom units, and \$145 for three-bedroom units.

As previously indicated, the present level of rental vacancies is so high that provision of all of the three-year demand at the rents and unit sizes indicated in the following table should be deferred until the eighteen-month period from April 1, 1967 to October 1, 1968.

Total Demand for New Rental Units  
by Monthly Gross Rent and Unit Size  
Las Vegas, Nevada, Housing Market Area  
April 1, 1967 to October 1, 1968

<u>Monthly gross rent<sup>a/</sup></u>	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$95 and over	60	-	-	-
100 " "	55	190	-	-
105 " "	55	180	-	-
110 " "	55	170	145	-
115 " " - - - -	50 - -	160 -	135 -	55
120 " "	50	150	125	50
125 " "	45	140	115	50
130 " "	40	135	110	45
135 " "	35	130	105	45
140 " "	35	125	100	40
145 " " - - - -	30 - -	120 -	95 -	40
150 " "	25	110	90	35
170 " "	15	95	60	20
200 " "	5	50	40	10
240 " "	-	20	15	5

<sup>a/</sup> Gross rent is shelter or contract rent plus the cost of utilities and services.

Note: The above figures are cumulative, i.e., the columns cannot be added vertically. For example, demand for one-bedroom units at from \$120 to \$140 is 25 units (150 minus 125).

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



## APPENDIX TABLES

Table I

Average Nonagricultural Wage and Salary Employment by Industry Group  
Las Vegas, Nevada, Housing Market Area  
1957 - 1965

<u>Industry</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Jan.-July</u>	
									<u>1964</u>	<u>1965</u>
Total wage and salary employment	<u>37,050</u>	<u>38,000</u>	<u>43,000</u>	<u>47,300</u>	<u>51,700</u>	<u>65,300</u>	<u>76,150</u>	<u>78,500</u>	<u>77,450</u>	<u>78,200</u>
Manufacturing	2,800	2,450	2,500	2,650	2,950	3,300	3,800	3,650	3,650	3,600
Nonmanufacturing	<u>34,300</u>	<u>35,600</u>	<u>40,550</u>	<u>44,650</u>	<u>48,750</u>	<u>62,000</u>	<u>72,350</u>	<u>74,850</u>	<u>73,800</u>	<u>74,600</u>
Construction	<u>2,350</u>	<u>2,400</u>	<u>3,250</u>	<u>3,700</u>	<u>4,200</u>	<u>7,100</u>	<u>10,000</u>	<u>7,000</u>	<u>7,100</u>	<u>6,300</u>
Transportation, communications, and utilities	<u>3,450</u>	<u>3,350</u>	<u>3,900</u>	<u>3,950</u>	<u>4,100</u>	<u>4,750</u>	<u>5,500</u>	<u>5,850</u>	<u>5,800</u>	<u>6,100</u>
Railroads	<u>1,000</u>	<u>850</u>	<u>800</u>	<u>700</u>	<u>750</u>	<u>800</u>	<u>850</u>	<u>800</u>	<u>800</u>	<u>800</u>
Other transportation	<u>1,300</u>	<u>1,250</u>	<u>1,600</u>	<u>1,550</u>	<u>1,550</u>	<u>1,900</u>	<u>2,200</u>	<u>2,400</u>	<u>2,400</u>	<u>2,450</u>
Communications and utilities	<u>1,150</u>	<u>1,250</u>	<u>1,550</u>	<u>1,650</u>	<u>1,800</u>	<u>2,000</u>	<u>2,450</u>	<u>2,650</u>	<u>2,600</u>	<u>2,850</u>
Trade	<u>6,250</u>	<u>6,650</u>	<u>7,550</u>	<u>8,350</u>	<u>9,200</u>	<u>10,900</u>	<u>13,100</u>	<u>13,900</u>	<u>13,600</u>	<u>13,500</u>
Wholesale	<u>700</u>	<u>900</u>	<u>1,000</u>	<u>1,100</u>	<u>1,200</u>	<u>1,550</u>	<u>1,950</u>	<u>2,000</u>	<u>2,000</u>	<u>1,850</u>
Retail	<u>5,550</u>	<u>5,750</u>	<u>6,550</u>	<u>7,250</u>	<u>8,000</u>	<u>9,350</u>	<u>11,100</u>	<u>11,900</u>	<u>11,600</u>	<u>11,700</u>
Finance, insurance, and real estate	<u>800</u>	<u>850</u>	<u>1,200</u>	<u>1,450</u>	<u>1,650</u>	<u>2,300</u>	<u>3,200</u>	<u>3,200</u>	<u>3,200</u>	<u>3,150</u>
Services	<u>15,700</u>	<u>16,550</u>	<u>18,800</u>	<u>21,150</u>	<u>22,950</u>	<u>29,650</u>	<u>32,150</u>	<u>35,400</u>	<u>34,750</u>	<u>35,750</u>
Hotels	<u>7,100</u>	<u>7,700</u>	<u>9,250</u>	<u>10,250</u>	<u>10,850</u>	<u>12,050</u>	<u>13,150</u>	<u>13,750</u>	<u>13,350</u>	<u>13,500</u>
Personal services	<u>950</u>	<u>1,000</u>	<u>1,200</u>	<u>1,300</u>	<u>1,350</u>	<u>1,550</u>	<u>1,750</u>	<u>1,850</u>	<u>1,850</u>	<u>1,800</u>
Amusements	<u>3,700</u>	<u>4,100</u>	<u>4,100</u>	<u>4,550</u>	<u>4,400</u>	<u>5,100</u>	<u>5,700</u>	<u>6,000</u>	<u>6,000</u>	<u>6,150</u>
All other services	<u>3,900</u>	<u>3,750</u>	<u>4,250</u>	<u>5,050</u>	<u>6,400</u>	<u>10,950</u>	<u>11,500</u>	<u>13,800</u>	<u>13,550</u>	<u>14,250</u>
Government	<u>5,250</u>	<u>5,300</u>	<u>5,350</u>	<u>5,600</u>	<u>6,200</u>	<u>6,900</u>	<u>8,050</u>	<u>9,050</u>	<u>8,900</u>	<u>9,400</u>
Federal	<u>2,450</u>	<u>2,350</u>	<u>2,250</u>	<u>2,250</u>	<u>2,400</u>	<u>2,600</u>	<u>2,800</u>	<u>2,900</u>	<u>2,900</u>	<u>2,900</u>
State and local	<u>2,800</u>	<u>2,950</u>	<u>3,100</u>	<u>3,350</u>	<u>3,750</u>	<u>4,350</u>	<u>5,250</u>	<u>6,200</u>	<u>6,000</u>	<u>6,500</u>
All other nonmanufacturing	<u>500</u>	<u>500</u>	<u>500</u>	<u>450</u>	<u>450</u>	<u>400</u>	<u>400</u>	<u>450</u>	<u>450</u>	<u>400</u>

Note: Some columns will not add because of rounding.

Source: Estimated by Nevada Employment Security Department.

Table II

Population Trends  
Las Vegas, Nevada, Housing Market Area  
1950-1965

<u>Area</u>	April 1, <u>1950</u>	April 1, <u>1960</u>	October 1, <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965</u>	
				<u>Number</u>	<u>Rate<sup>a/</sup></u>	<u>Number</u>	<u>Rate<sup>a/</sup></u>
Las Vegas	24,024	64,405	120,700	4,038	9.9	10,200	11.4
North Las Vegas	3,875	18,422	33,100	1,455	15.5	2,675	10.7
Henderson	5,715	12,525	14,400	681	7.9	340	2.5
Boulder	3,903	4,059	5,200	16	.4	210	4.5
Remainder of HMA	<u>10,772</u>	<u>27,605</u>	<u>69,800</u>	<u>1,683</u>	<u>9.4</u>	<u>7,675</u>	<u>17.0</u>
HMA total	48,289	127,016	243,200	7,873	9.7	21,100	11.8

<sup>a/</sup> Derived through use of a formula designed to calculate the rate of change on a compounded basis.

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

Table III

Number of Households  
Las Vegas, Nevada, Housing Market Area  
1950-1965

<u>Area</u>	April 1, <u>1950</u>	April 1, <u>1960</u>	October 1, <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965</u>	
				<u>Number</u>	<u>Rate<sup>a/</sup></u>	<u>Number</u>	<u>Rate<sup>a/</sup></u>
Las Vegas	8,264	21,513	37,850	1,325	9.6	2,975	10.3
North Las Vegas	1,368	5,441	9,800	407	13.8	800	10.7
Henderson	1,028	3,369	3,900	234	11.9	100	2.7
Boulder	1,218	1,355	1,700	14	11.1	60	4.1
Remainder of HMA	<u>3,081</u>	<u>8,722</u>	<u>21,600</u>	<u>564</u>	<u>10.4</u>	<u>2,350</u>	<u>17.4</u>
HMA total	14,959	40,400	74,850	2,544	9.9	6,275	11.2

<sup>a/</sup> See footnote <sup>a/</sup> table II.

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

Table IV

Number of Private Units Authorized by Building Permits and  
Publicly-Financed Housing Units Put Under Contract  
Las Vegas, Nevada, Housing Market Area  
1950-1965

<u>Year</u>	<u>Boulder</u>	<u>Henderson</u>	<u>Las Vegas</u>	<u>North Las Vegas</u>	<u>Clark County Unincorporated</u>	<u>HMA total</u>	<u>Total privately- financed units</u>	<u>Public low rent housing</u>	<u>Military housing</u>
1950	a/	a/	860	a/	95	955	955		
1951	"	"	819	"	1,128	1,947	1,447	100	400
1952	"	"	1,110	"	1,093	2,203	2,203		
1953	"	"	2,650	"	1,068	3,718	3,718		
1954	"	NA	1,855	NA	1,583	3,438	3,038		400
1955	"	NA	2,152	NA	531	2,683	2,683		
1956	"	NA	931	NA	198	1,129	1,129		
1957	"	NA	826	NA	200	1,026	926	50	50
1958	"	NA	823	324	626	1,773	1,333	240	200
1959	"	NA	1,554	363	253	2,170	2,089	81	
1960		4	2,337	420	914	3,675	3,550	125	
1961	3	74	2,788	605	2,054	5,524	5,524		
1962	68	321	6,706	1,189	6,989	15,273	15,148	125	
1963	96	99	5,447	1,080	4,424	11,146	10,946	200	
1964	35	31	1,438	460	849	2,813	2,513	300	
<u>1st seven months</u>									
1964	33	26	879	259	572	1,769	1,769		
1965	16	10	313	199	314	852	852		

a/ Boulder incorporated in 1960; Henderson incorporated in 1953; and North Las Vegas incorporated in 1953.

NA - Information not available.

Source: U. S. Bureau of the Census, Construction Reports C-40 and local permit issuing offices.

Table V

## Las Vegas, Nevada, Area Postal Vacancy Survey

September 9-10, 1965

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	69,794	8,419	12.1	7,193	1,226	276	47,632	3,621	7.6	2,641	980	251	22,162	4,798	21.6	4,552	246	25	6,472	259	4.0
Las Vegas	56,571	7,143	12.6	6,153	990	246	37,450	3,017	8.1	2,165	852	231	19,121	4,126	21.6	3,988	138	15	4,065	173	4.3
Main Office	8,168	819	10.0	818	1	8	5,188	178	3.4	177	1	8	2,980	641	21.5	641	-	-	1,426	35	2.5
Stations:																					
Bonanza Annex	8,928	1,278	14.3	1,075	203	175	6,047	557	9.6	406	151	163	2,881	721	25.0	669	52	12	1,060	5	0.5
Garside	18,405	2,250	12.2	1,831	419	44	14,210	1,305	9.2	899	406	44	4,195	945	22.5	932	13	-	405	38	9.4
Highland Annex	14,547	2,297	15.8	1,942	355	18	6,895	731	10.6	445	286	15	7,652	1,566	20.5	1,497	69	3	115	14	12.2
Huntridge	6,523	499	7.6	487	12	1	5,110	246	4.8	238	8	1	1,413	253	17.9	249	4	-	1,059	81	7.6
Other Cities and Towns	13,223	1,276	9.6	1,040	236	30	10,182	604	5.9	476	128	20	3,041	672	22.1	564	108	10	2,407	86	3.6
Boulder City	1,522	67	4.4	49	18	22	1,358	46	3.4	28	18	13	164	21	12.8	21	-	9	191	5	2.6
Henderson	3,676	325	8.8	299	26	7	2,587	51	2.0	37	14	7	1,089	274	25.2	262	12	-	530	4	0.8
North Las Vegas	8,025	884	11.0	692	192	1	6,237	507	8.1	411	96	-	1,788	377	21.1	281	96	1	1,686	77	4.6

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 VI

FHA Surveys of Unsold Inventory of New Sales Housing  
Las Vegas, Nevada, Housing Market Area  
As of July 1, 1964 and July 1, 1965

<u>Sales price</u>	<u>Total completions</u>		<u>Units sold before const. start</u>	<u>Speculative construction</u>			<u>Houses unsold for more than 12 mos.</u>
	<u>Number</u>	<u>Percent</u>		<u>Total</u>	<u>Unsold</u>	<u>Percent Unsold</u>	
<u>July 1, 1964 survey<sup>a/</sup></u>							
Under \$15,000	254	3.4	0	254	59	23.2	12
\$15,000 - 17,499	1,562	21.2	206	1,356	525	38.7	144
17,500 - 19,999	2,047	27.7	627	1,420	588	41.4	44
20,000 - 24,999	2,117	28.7	72	2,045	920	45.0	45
25,000 - 29,999	562	7.6	20	542	329	60.7	0
30,000 - 34,999	223	3.0	0	223	58	26.0	0
35,000 and over	<u>618</u>	<u>8.4</u>	<u>0</u>	<u>618</u>	<u>181</u>	<u>29.3</u>	<u>0</u>
Total	7,383	100.0	925	6,458	2,660	41.2	245
<u>July 1, 1965 survey<sup>b/</sup></u>							
Under \$15,000	97	6.6	68	29	1	3.4	76
\$15,000 - 17,499	296	20.3	171	125	29	23.2	252
17,500 - 19,999	417	28.5	188	229	78	34.1	596
20,000 - 24,999	217	14.8	97	120	30	25.0	868
25,000 - 29,999	204	14.0	73	131	35	26.7	176
30,000 - 34,999	113	7.7	23	90	59	65.6	108
35,000 and over	<u>118</u>	<u>8.1</u>	<u>12</u>	<u>106</u>	<u>65</u>	<u>61.3</u>	<u>71</u>
Total	1,462	100.0	632	830	297	35.8	2,147

<sup>a/</sup> Houses completed between June 1, 1963 and July 1, 1964.

<sup>b/</sup> Houses completed between June 1, 1964 and July 1, 1965.

Note: Survey covers only subdivisions with five or more completions during the 12-month period.

Source: Reno, Nevada, FHA Insuring Office.