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Analysis of the **LOUISVILLE, KENTUCKY, HOUSING MARKET**

as of July 1, 1965

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

January 1966

ANALYSIS OF THE
LOUISVILLE, KENTUCKY, HOUSING MARKET
AS OF JULY 1, 1965

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

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Foreword

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

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

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

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ANALYSIS OF THE
LOUISVILLE, KENTUCKY, HOUSING MARKET
AS OF JULY 1, 1965

Summary and Conclusions

1. Nonagricultural wage and salary employment in the Louisville Housing Market Area (HMA) increased from 236,300 in 1958 to 260,100 in 1964, a gain of 23,800 (10 percent), or 3,975 annually. Only 23 percent of this increase (5,400) occurred in manufacturing industries. Almost 98 percent of the 18,400 employment increase that occurred in nonmanufacturing enterprises during the six-year period occurred in service industries, wholesale and retail trade, and in government. An increase in total nonagricultural wage and salary employment of approximately 15,000 (5,000 annually) over the next three years appears to be a reasonable expectation.

In 1964, unemployment averaged 11,300 (3.7 percent), well below the post-1954 peak of 21,800 (7.5 percent) in 1961, and only slightly above the low of 10,500 (3.6 percent) reported in 1955.

2. Estimated current median annual incomes, after deduction of Federal income taxes, are \$6,750 for all families. Median incomes of all renter families are estimated at \$5,125.
3. The estimated current total population of the Louisville HMA is approximately 789,600 persons. By July 1, 1968, total population in the HMA is expected to reach 830,000, a gain that would represent an increase of 40,400 (13,450 annually) above the current estimate.
4. As of July 1, 1965, households (occupied dwelling units) in the HMA number 231,500. Based on expected increases in population, by July 1, 1968, there will be 244,200 total households in the HMA, an increase of 12,700, or 4,225 annually.
5. Currently, there are 249,000 housing units in the HMA, representing a net increase of almost 24,950 (11 percent), or 4,750 annually, since April 1960. At the present time, there

are about 1,500 sales units and 1,400 multifamily units under construction in the HMA, principally in the city of Louisville and neighboring suburban communities. Multifamily authorizations in the HMA have risen sharply since 1963. Over 29 percent of all units authorized in the area in 1964 were multifamily; in the first six months of 1965, almost 46 percent of all units authorized by building permits in the HMA were multifamily.

6. Vacancies in both sales and rental housing have risen moderately since 1960, when the sales and rental vacancy ratios were 1.7 percent and 7.6 percent, respectively. As of July 1, 1965, there are an estimated 3,000 vacant sales units, representing a homeowner vacancy ratio of 1.9 percent. About 6,750 vacant units are available for rent, indicating a current renter vacancy ratio of 8.2 percent.
7. The volume of privately-owned net additions to the housing supply that will meet the requirements of anticipated growth during the next three years and result in a more acceptable demand-supply relationship in the housing market averages approximately 5,530 annually, of which 4,000 are sales units and 1,530 are rental units. Sales housing demand by price ranges is shown on page 30. Rental demand is shown by monthly gross rent and by size of unit on page 32.

ANALYSIS OF THE
LOUISVILLE, KENTUCKY, HOUSING MARKET
AS OF JULY 1, 1965

Housing Market Area

For the purpose of this report, the Louisville, Kentucky, Housing Market Area (HMA) is delineated to include Jefferson County, Kentucky, and Clark and Floyd Counties, Indiana, with a 1960 population of 725,100.^{1/} The area, as defined, conforms to the Louisville, Kentucky, Standard Metropolitan Statistical Area (SMSA) as defined in 1960 by the Bureau of the Budget. The HMA is located in portions of northwestern Kentucky and southeastern Indiana, and is bisected by the Ohio River (see map on page 2). The city of Louisville and Jefferson County dominate the three-county area. Approximately 93 percent of all workers in the area are employed in Jefferson County. Jefferson County also contains 85 percent of the population in the HMA.

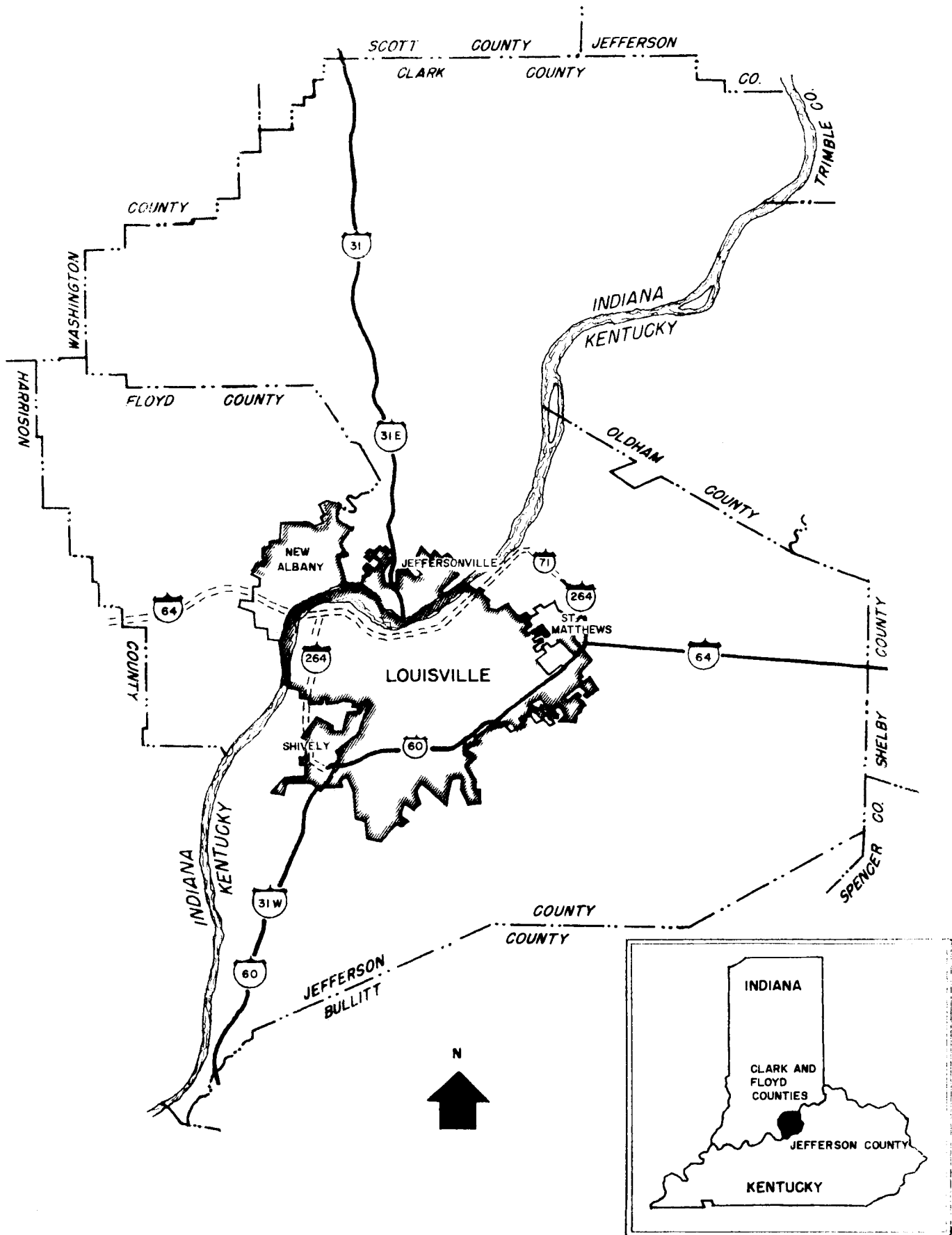
A total of six U.S. highways and three interstate routes serve Louisville. When completed in the mid-1970's, the interstate system will provide direct highway connections between Louisville, Cincinnati, Indianapolis, and Nashville. Some 100 motor freight carriers and eight freight forwarding companies serve Louisville. A total of six regularly scheduled air lines offer 70 to 80 scheduled flights daily, including direct jet service to both the east and west coast and to several southeast and southwestern areas.

The location of Louisville on an inland water system also is an important asset. Five commercial barge lines and a number of private carriers serve Louisville and provide low-cost transportation of bulk materials.

According to the U.S. Bureau of the Census, there was a net in-commutation of about 8,100 workers from surrounding areas in 1960, the result of 14,450 in-commuters and 6,350 out-commuters. The dependence of the Indiana segment of the HMA on Jefferson County as a place of employment is reflected in the fact that there was an in-commutation of over 13,600 workers from Clark and Floyd Counties into Jefferson County, while only 2,000 residents of Jefferson County commuted into Clark and Floyd Counties, indicating a net in-commutation of about 11,600 from the Indiana segment of the HMA into the Kentucky portion of the HMA.

^{1/} Inasmuch as the rural population of the Louisville HMA constituted only 1.6 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of rural farm and nonfarm data.

LOUISVILLE, KENTUCKY, HOUSING MARKET AREA



Economy of the Area

Character and History

Historically, the Louisville area has served as a major location for an agricultural hinterland and as a specialized manufacturing center of wood products, whisky, and tobacco products. Because of its location on the Ohio River, the area also has served as a center for the exchange of raw materials and goods and services between the north and south. Since World War II, however, the market orientation of the Louisville economy has changed considerably. The early Louisville economy served a regional market and manufactured mostly nondurable goods. Industries established during World War II served the midwest industrial market and provided a base for serving the national consumers durable market.

The current structure of the metropolitan economy reflects the diversity of primary development factors. Although services, trade, finance, insurance, and real estate, government, and transportation, communications, and utilities have grown in importance, accounting for 60 percent of all nonagricultural wage and salary employment in the three-county area, manufacturing (with 35 percent in 1964), clearly is the single dominant economic activity. The largest manufacturing category is the machinery group, including electrical equipment. This industry employed 21,600 workers in 1964, or 24 percent of all employment in manufacturing enterprises. The industry is dominated by the General Electric Company and the Louisville Plant of International Harvester Company. The second largest industry is the food and kindred products group, which employed 14 percent (12,200) of all manufacturing employment in 1964. This industry group includes substantial employment in whisky distilleries. Chemicals, the third major industry group, includes such companies as Colgate-Palmolive, E.I. Dupont Neorene, B.F. Goodrich Chemical, and American Synthetic. This group employed 9,500 workers (11 percent of all manufacturing employment) last year. Tobacco manufacturers, including The American Tobacco Company, P. Lorillard, Philip Morris, and Brown and Williamson, provided employment for an additional 8,700 workers (10 percent). The fabricated metal products industry, which includes the American Radiator and Reynolds Metals Companies, provided employment for 8,600 workers, almost 10 percent of all manufacturing employment. These five industries currently employ almost 70 percent of all manufacturing workers in the Louisville area.

Employment

Current Estimate. In the first six months of 1965, total employment in the Louisville area averaged 299,700. The total includes 266,700 nonagricultural wage and salary workers and 33,000 others, including

self-employed persons, domestics, unpaid family workers, and agricultural workers (see table I). Of the wage and salary workers, 93,800 (35 percent) were employed in manufacturing industries and 172,900 (65 percent) were employed by nonmanufacturing enterprises. The current level of total employment is 11,600 (four percent) above the average reported for the first six months of 1964.

Past Trend. The past trends in nonagricultural wage and salary employment, presented in table II, reflect wide fluctuations since 1954, ranging from an increase of 12,200 (five percent) between 1955 and 1956 to a decrease of 13,300 (five percent) between 1957-1958. A substantial increase in wage and salary employment occurred between 1954 and 1956, but only one increase (7,000, or three percent, between 1958 and 1959) occurred during the 1956-1961 period. In addition to the 1957-1958 decrease, other significant decreases in wage and salary employment of 7,000 (three percent) and 4,000 (two percent) occurred between 1956-1957 and 1960-1961, respectively. The lack of vitality in the local economy during this period is reflected in the fact that, although wage and salary employment increased by 7,400 (three percent) between 1961 and 1962 and by 6,100 (two percent) between 1962 and 1963, total wage and salary employment in 1963 was still 5,100 (two percent) below the 1956 total of 260,100. Nonagricultural wage and salary employment rose by 8,600 (three percent) between 1963 and 1964, the most significant increase reported since the 1955-1956 boom period.

Manufacturing employment accounted for 35 percent of all nonagricultural wage and salary employment in the Louisville area during 1964, a slight decline since 1954 when the proportion was 38 percent. Between 1954 and 1964, manufacturing employment increased by only 1,400 (two percent), or an average of just 140 annually. The 1964 level of 90,200 is 10,700 (11 percent) below the ten-year peak of 100,900 reported in 1956. As might be expected, employment in manufacturing has proved most volatile, exhibiting declines of 9,700 (10 percent) and 3,500 (four percent) during the 1957-1958 and 1960-1961 recession periods.

Employment in nonmanufacturing industries, which accounted for 62 percent of all nonagricultural wage and salary employment in 1954 and 65 percent in 1964, grew by 24,600 (17 percent) during the decade, or over 2,450 annually. This gain accounted for about 95 percent of the total increase in wage and salary employment during the ten-year period. Growth was most rapid between 1954 and 1956, when a gain of 10,400 (seven percent) was reported. In the succeeding five years, however, nonmanufacturing employment increased by only 1,000 (one percent). Since 1961, employment in this sector of the economy has increased by 13,200 (eight percent), or 4,400 annually, a rate of growth that is 80 percent above the 1954-1964 average. A comparison of average nonmanufacturing employment for the first six months of 1964 and 1965 reveals an increase of 5,300 (three percent).

Employment by Industry. Of the net increase in wage and salary employment in the Louisville HMA between 1958 and 1964, only 5,400 (23 percent) occurred in manufacturing industries and 18,400 (77 percent) occurred in nonmanufacturing industries (see table III). The dominant machinery industry (up 3,800, or 21 percent) and the chemical industry (up 1,200, or 14 percent) accounted for the bulk of the increase in this sector of the economy.^{1/} Employment in most other manufacturing industries remained relatively unchanged. However, significant losses during this six-year period occurred in the food industry (down 1,500, or 11 percent) and the industries fabricating metal products (down 1,200, or 12 percent).

In the nonmanufacturing sector of the economy, the services industry, the wholesale and retail trade group, and the various Federal, state, and local governmental agencies provided almost 98 percent of all new wage and salary jobs in nonmanufacturing industries between 1958 and 1964. The services industry accounted for the largest increase during this six-year period, rising by 7,500 (26 percent), followed by wholesale and retail trade which increased by 5,900 (12 percent) and government employment which was up 4,600 (19 percent). Moderate increases occurred in finance, insurance, and real estate (2,000, or 17 percent) and construction (500, or four percent). Employment increases between 1958-1964 in these various nonmanufacturing industries more than offset a decrease in employment of 2,000 (nine percent) in the transportation, communications, and public utilities category.

The Employment Participation Rate. The participation rate, the ratio of workers per 100 population, in the Louisville area declined between 1950 and 1964. The ratio was 38.13 in 1960 and declined to 36.94 by 1964. Since then, however, the participation rate is estimated to have increased slightly to 37.17 because the recent upsurge in economic activity in the area has reduced unemployment and has provided new job openings for former workers who had dropped out of the labor force.

Principal Employment Sources.^{2/} The machinery industry is the largest source of manufacturing employment in the Louisville area. The largest firm in this industry group, and by far the largest manufacturing employer in the HMA, is the General Electric Company, which employed over 10,500 workers during 1963 and 1964. The Louisville branch of this concern produces a variety of consumer durable goods products, including automatic washers, dryers, and combination washer and dryers, dishwashers, food waste disposals, ranges,

^{1/} Employment data by industrial groups are comparable only for the years 1958-1964.

^{2/} Employment for individual firms from Louisville Chamber of Commerce, Directory of Louisville Area Manufacturers, 1963-1964 Edition.

refrigerators, food freezers, and room air conditioners. The Louisville Works of International Harvester Company, producers of farm tractors, truck and tractor engines, and castings, is another large concern in this industry group. The 1963 and 1964 Edition of the Directory of Louisville Area Manufacturers, published by the Louisville Chamber of Commerce, reported employment at this plant at about 3,575. Employment at these two firms accounted for over 65 percent of all employment in the machinery industry in 1964.

The tobacco products group contains four firms employing over 1,000 workers. The firms make a variety of tobacco products, including cigarettes, smoking tobacco, and chewing tobacco. These companies, including Brown and Williamson, P. Lorillard, Philip Morris, Inc., and The American Tobacco Company, currently employ over 80 percent of all workers in this industry.

Table IV lists some of the larger manufacturing companies in the Louisville area, identified by product.

Unemployment

Data compiled by the Kentucky Department of Economic Security indicate that the total civilian work force in the Louisville area grew by 17,400 between 1954 and 1964. At the same time, total employment increased by 22,000, indicating a decrease in unemployment of 4,600 over the period. In 1964, unemployment averaged 11,300, or 3.7 percent of the work force, down from the 1963 level of 13,500, 4.5 percent of the work force. Unemployment in 1964 is only slightly above the ten-year low of 10,500 (3.6 percent) reported for 1955, and is substantially below the ten-year peak of 25,600 (8.7 percent) reported during 1958. During the first half of 1965, unemployment averaged 10,400 (3.4 percent), a decline from 12,800 (4.3 percent) reported for the first six months of 1964.

Unemployment Trends
Louisville, Kentucky, Housing Market Area
Annual Averages, 1954-1964

<u>Year</u>	<u>Number</u> <u>unemployed</u>	<u>Unemploy-</u> <u>ment rate</u>	<u>Year</u>	<u>Number</u> <u>unemployed</u>	<u>Unemploy-</u> <u>ment rate</u>
-	-	-	1959	19,500	6.6
1954	15,900	5.5	1960	19,700	6.7
1955	10,500	3.6	1961	21,800	7.5
1956	14,400	4.7	1962	15,200	5.2
1957	17,800	5.8	1963	13,500	4.5
1958	25,600	8.7	1964	11,300	3.7

Source: Kentucky Department of Economic Security.

The U. S. Department of Labor currently classifies the Louisville area in Group C of its labor market classifications. This designation means that the number of job seekers in the area is only moderately in excess of job openings, and that the rate of unemployment is above 3.0 percent but less than 6.0 percent. Unemployment in the Louisville HMA has been below 6.0 percent since 1962, after fluctuating between 6.6 percent and 8.7 percent between 1958 and 1961.

The Kentucky Department of Economic Security active file count of unemployed persons in the Louisville area in May 1965 indicated that almost 63 percent of the unemployed were semi-skilled, unskilled, or new entrants, less than five percent were professional or managerial workers, only nine percent were skilled workers, less than one percent were agricultural workers, about 12 percent were clerical or sales workers, and slightly over 10 percent were service workers.

Future Employment Prospects

Nonagricultural wage and salary employment is expected to increase by 15,000 (5,000 annually) over the next three years. This is almost double the 1954 to 1964 average increase, which amounted to 2,600 annually, but is well below both the 1954-1956 average gain (11,250 annually) and the 1961-1964 average (7,375 annually). As has been true in the past, the nonmanufacturing sector of the economy likely will account for most of the growth, which will be reflected largely in the demand for more services, more wholesale and retail trade facilities, and more government functions.

Although manufacturing employment increased by 5,800 (2,900 annually) between 1962 and 1964, the 1964 average still is 1,400 below the 1954 total and 10,700 below the 1956 peak of 100,900. Some moderate gains in manufacturing employment are expected over the next few years, primarily in the machinery and chemical industries, but it is unlikely

that employment increases in this sector of the economy can support increases in nonmanufacturing employment such as those experienced between 1954-1956 and 1961-1964. These two periods were characterized by relatively sharp increases in over-all manufacturing employment which, in turn, triggered accompanying increases in nonmanufacturing employment.

Incomes

Weekly Earnings. Average weekly earnings of production workers engaged in manufacturing have increased 21 percent in the Louisville area, 19 percent in the state of Kentucky, and 17 percent in the United States since 1959, as shown in the table below.

Average Gross Weekly Earnings for Production Workers
on Manufacturing Payrolls
Annual Averages, 1959-1964
(Rounded to nearest dollar)

<u>Year</u>	<u>Louisville area</u>	<u>State of Kentucky</u>	<u>United States total</u>
1959	\$95	\$83	\$88
1960	97	84	90
1961	102	88	92
1962	106	91	97
1963	112	95	100
1964	115	99	103

Source: U.S. Bureau of Labor Statistics.

Family Incomes. The current median income of all families in the Louisville HMA is estimated at \$6,750 annually, after deduction of Federal income tax, and the median income of renter families is about \$5,125. Approximately 13 percent of all families and 24 percent of all renter families have current after-tax incomes of below \$3,000 a year, while 21 percent of all families and nine percent of all renter families have estimated after-tax incomes of over \$10,000 a year. By 1968, the median after-tax income is expected to have increased to approximately \$7,250 for all families and to \$5,525 for all renter families.

Demographic Factors

Population

Current Estimate. As of July 1, 1965, the population of the Louisville HMA is an estimated 789,600 persons, a gain of over 64,450, or about 12,300 annually since April 1, 1960. (A special census conducted by the Bureau of the Census counted just over 768,900 persons in the HMA as of May 14, 1964.) Less than 11 percent of the April 1960 - July 1965 increase (7,000) occurred in the Indiana portion of the HMA. All of the 57,450 increase occurring in the Kentucky segment occurred outside Louisville. The city may have experienced a modest decline in population since April 1960. Significantly, the proportion of the population in the HMA residing in the city of Louisville has declined from 64 percent in April 1950 to 49 percent currently.

Over-all population changes in the HMA are shown in the following table. Table VI presents population changes in greater detail.

Changes in Population Louisville, Kentucky, Housing Market Area April 1, 1950-July 1, 1968

<u>Date</u>	<u>Population</u>	<u>Average annual change</u> <u>from preceding date</u>	
		<u>Number</u>	<u>Percent</u>
April 1, 1950	576,900	-	-
April 1, 1960	725,139	14,824	2.6
July 1, 1965	789,600	12,300	1.7
July 1, 1968	830,000	13,450	1.6

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

Past Trend. Between April 1950 and April 1960 the total population of the Louisville area increased from 576,900 to 725,100, an increment of over 148,200 (26 percent), or over 14,800 annually. Population in the city of Louisville increased by 21,500 (six percent), or 2,150 annually during the decade, a rate of growth that reflects population losses in the central portions of the city which were off-set by the annexation of areas with over 40,700 persons. Growth in Jefferson County outside Louisville accounted for 71 percent of the total population growth in the HMA during the 1950-1960 decennial period.

Estimated Future Population Growth. It is expected that, by July 1, 1968, population of the Louisville HMA will reach 830,000. This growth would represent an increase of 40,400 (five percent) above the current estimate, or almost 13,450 annually. This is numerically above the average annual rate of 12,300 experienced between April 1960 and July 1965. The projected increase is based on anticipated increases in employment that are likely to occur during the next few years. As has been true in the past, virtually all of this growth will take place in the Kentucky segment of the HMA, particularly in those portions of Jefferson County outside Louisville.

Natural Increase and Migration. During the April 1950-April 1960 period, there was a net antural increase (excess of live births over deaths) of nearly 115,700 in the Louisville HMA. When compared with total population growth, an in-migration of 32,550 (3,250 annually) is indicated, equal to about 22 percent of the total population increase. Out-migration occurred only in Floyd County (see table VII). However, as a result of fewer job opportunities in the early 1960's, the rate of in-migration has declined somewhat. Less than 15 percent of the total population increase since April 1960 can be attributed to in-migration.

Age Distribution. Data presented in table VIII show changes in the population by age groups between April 1950, April 1960, and May 1964. During the 1950-1960 decade, growth was most rapid in the 5-19 age group, which increased by 61 percent and accounted for slightly over one-half of the total population increase. The age group 20-29 years declined by 9,025 (nine percent) between April 1950 and April 1960, reflecting the reduced birth rate during the 1930-1940 period.

The most significant change between April 1960 and May 1964 was the decline of 1,300 (one percent) in the age group of persons under five years of age. This is judged to be indicative of a declining birth rate in the Louisville area. The low birth rate of the 1930's again is reflected in the May 1964 age distribution, which showed a decline in the 30-39 age group of 7,050 (seven percent) during the period.

Households

Current Estimate. At the present time, there are approximately 231,500 households (occupied dwelling units) in the Louisville HMA. Since April 1960, households in the HMA have increased by over 20,100 (ten percent), or 3,825 annually. In the city of Louisville, households have increased by only 1,600 (one percent), or 310 annually. Household growth in the Indiana segment also was moderate, accounting for only 11 percent of the total increase in the HMA. There, households increased by 2,200 (seven percent), or 425 annually between April 1960 and July 1965. The bulk of the growth, about 81 percent, occurred in Jefferson County outside Louisville, where the number of households increased from 57,000 in April 1960 to 73,200 currently, a gain of 16,200 (28 percent), or 3,075 annually.

Over-all household changes in the HMA, presented in the table below, are shown in greater detail in table IX.

Changes in Households
Louisville, Kentucky, Housing Market Area
April 1, 1950-July 1, 1968

<u>Date</u>	<u>Households</u>	<u>Average annual change</u> <u>from preceding date</u>	
		<u>Number</u>	<u>Percent</u>
April 1, 1950	166,112	-	-
April 1, 1960	211,382	4,527	2.7
July 1, 1965	231,500	3,825	1.8
July 1, 1968	244,200	4,225	1.8

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

Past Trend. The number of households in the HMA increased from 166,100 in 1950 to 211,400 in 1960, a gain of about 4,525 annually. The rate experienced during the April 1960-July 1965 period is 16 percent below the annual rate of growth during the 1950-1960 decade. However, a conceptual change in the census definition from "dwelling unit" in 1950 to "housing unit" in 1960 accounted for some of this growth.

Household growth in Jefferson County accounted for 86 percent of the total household growth in the HMA between 1950 and 1960; the increase averaged nearly 3,900 annually during the decade. Households in the city of Louisville, which increased by about 1,225 annually during the period, accounted for only 32 percent of this increase.

Household Size Trends. The average size of all households in the HMA is estimated at 3.36 currently, reversing the 1950-1960 trend when households increased in average size from 3.36 to 3.37. Average household size in the Indiana segment of the HMA at the present time (3.46), is slightly higher than in the Kentucky segment of the HMA (3.35). Both segments have declined in average household size since 1960, after increasing slightly between April 1950 and April 1960 (see table IX). Household size in the city of Louisville (3.13 currently), is significantly below that in Jefferson County outside Louisville (3.75), a reflection of differences in tenure and age.

Future Household Growth. Based on the anticipated increment in population growth in response to new job opportunities, and on the assumption that both the average size of households and the non-household population will remain near present levels, there are expected to be about 244,200 households in the HMA by July 1, 1968. This represents an average addition of over 4,225 annually. As in the past, over 90 percent of this growth is expected to occur in the Kentucky portion of the HMA. Should the apartment building boom continue, Louisville's share of the increase likely will be larger than during the April 1960 to July 1965 period.

Housing Market Factors

Housing Supply

Current Estimate. The Louisville HMA contains an estimated 249,000 housing units at the present time. This represents a net addition to the inventory of almost 24,950 units (11 percent), or 4,750 annually, since April 1960 when the 1960 census reported a total of almost 224,100 units.

Past Trend. During the 1950-1960 decade, the number of dwelling units in the HMA increased by approximately 53,200 (31 percent), from almost 170,900 to 224,100. This represents an average annual increase of almost 5,325 units, about 12 percent above the April 1960-July 1965 average increment of 4,750. Jefferson County accounted for over 85 percent of the increase in the number of housing units during the decade. Reflecting extensive demolitions, the housing supply in the city of Louisville increased by only 17,100 units (15 percent), or just over 1,700 annually, during the 1950-1960 decade. However, a portion of the increase in the housing supply in the Louisville HMA between April 1950 and April 1960 is due to a conceptual change from "dwelling unit" to "housing unit".

Characteristics of the Supply. A distribution of the housing supply in the Louisville HMA by type of structure indicates that the area is predominately one of single-family houses. Currently, over 79 percent (198,000) of all housing units are in one-unit structures (excluding trailers). Because of the extensive demolitions of old multifamily structures in the past five years, many of which were conversions from single-family use, the number of units in structures with two-to-four units currently totals 29,900, or 12 percent of the inventory, compared to 14 percent (31,700 units) in April 1960. The demolition of structures with five units or more also has been extensive since 1960. The supply of units in structures of five units or more has increased from only seven percent in 1960 (16,250 units) to eight percent (19,000 units) in 1965. The composition of the housing inventory by type of structure for 1960 and 1965 is summarized in the following table.

The Housing Inventory by Type of Structure
Louisville, Kentucky, Housing Market Area
April 1, 1960 and July 1, 1965

<u>Type of structure</u>	<u>Number of units</u>		<u>Percentage of total</u>	
	<u>April 1, 1960</u>	<u>July 1, 1965</u>	<u>1960</u>	<u>1965</u>
One-family	174,055	198,000	78	79
Two- to four-family	31,679	29,900	14	12
Five- or more-family	16,260	19,000	7	8
Trailers	<u>1,967</u>	<u>2,100</u>	<u>1</u>	<u>1</u>
Total	223,961 ^{a/}	249,000	100	100

^{a/} Differs somewhat from count of all housing units (224,059) because units by type of structure were enumerated in a sample basis.

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

As of July 1, 1965, a distribution of the housing inventory by age of structure indicates that 117,400 units, over 47 percent, were built prior to 1940. Approximately 29,900 units (12 percent) had been built since April 1960, about 66,700 units (27 percent) were built during the 1950-1960 decade, and an additional 35,000 (14 percent) were built during the 1940's.

Distribution of the Housing Inventory by Year Built ^{a/}
Louisville, Kentucky, Housing Market Area
July 1, 1965

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1, 1960 - July 1, 1965	29,900	12
1955 - March 31, 1960	36,500	15
1950 - 1954	30,200	12
1940 - 1949	35,000	14
1930 - 1939	22,000	9
1929 or earlier	<u>95,400</u>	<u>38</u>
Total	249,000	100

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

Source: Estimated by Housing Market Analyst, based on the 1960 Census of Housing and adjusted to reflect units added, **demolitions, conversions, fire loss, and other changes in the inventory since April 1960.**

The condition of the housing inventory in the HMA has improved somewhat since April 1960. Currently, about 27,000 units (11 percent) are dilapidated or lack one or more plumbing facilities. This indicates improvement in the quality of the inventory since 1960, when 33,850 units, or over 15 percent of the inventory, were either dilapidated or lacked some plumbing facility. The improvement in the quality of the inventory since 1950 is even more impressive; in that year 37 percent of the inventory (63,750 units) was so classified.^{1/} The extensive demolition of substandard units has contributed much toward improving the quality of housing in the HMA in the past 15 years.

As to value and rent, the median value of owner-occupied homes in the Louisville HMA was reported by the 1960 Census of Housing to be \$11,400. The median value ranged from a high of \$13,800 in that portion of Jefferson County excluding the city of Louisville, to a low of \$9,400 in Floyd County. The median value in the city of Louisville was \$10,400. The median gross rent paid in 1960 by all renter families was almost \$65.

Residential Building Activity

Past Trend. The number of new housing units authorized by building permits in the Louisville HMA fluctuated considerably during the 1955-1964 period. Following 1955, when over 7,850 new units were authorized, new residential building activity as measured by building permits did not exceed about 4,925 units a year between 1956 and 1961 (see table XI). Authorizations during this six-year period ranged from a high of about 4,925 in 1956 to a low of about 3,950 in 1960. Since 1960, however, authorizations have increased rapidly. The 1964 level of 7,775 is more than 3,825 (97 percent) above the level of 3,950 units authorized in 1960, and is 1,500 (24 percent) above the 1963 level.

Almost 95 percent of all multifamily units authorized by building permits in the HMA since January 1, 1960, have been authorized in the Kentucky portion of the area. As shown in the table below, over-all multifamily authorizations in the HMA have risen sharply since 1960. Over the 1960-1962 period, 1,825 multifamily units were authorized, a total that is well below the level of over 2,275 authorized during 1964.

^{1/} Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of 1960 enumeration procedures.

The number of multifamily units authorized in the Louisville HMA in the first six months of 1965 (2,200) nearly has exceeded total 1964 authorizations. During the 1960-1962 period, only 13 percent of all units authorized in the county were in multifamily structures. By 1964, the ratio was up to 29 percent multifamily. In the first six months of 1965, almost 46 percent of all units authorized in the HMA were authorized in multifamily structures. Since January 1, 1964, over 55 percent of the multifamily units authorized in the HMA were in the city of Louisville.

New Housing Units Authorized by Building Permits
Louisville, Kentucky, Housing Market Area
Annual totals, 1960-1965

<u>Year</u>	<u>Total</u> <u>units</u>	<u>Single-</u> <u>family</u>	<u>Multi-</u> <u>family</u>
1960	3,953	3,583	370
1961	4,587	3,710	877 ^{a/}
1962	5,417	4,834	583
1963	6,277	5,082	1,195 ^{b/}
1964	7,786	5,511	2,275 ^{c/}
1965 (through June)	4,786	2,585	2,201

^{a/} Includes 73 units of public housing.

^{b/} Includes 152 units of public housing.

^{c/} Includes 62 units of public housing.

Source: U.S. Department of Commerce.

Units Under Construction. Based upon building permit data and the July 1965 postal vacancy survey, it is estimated that there currently are about 2,900 housing units under construction in the Louisville area, including 1,500 single-family units and 1,400 apartment units. About 90 percent of the units under construction are in the Kentucky portion of the HMA, principally in the city of Louisville and adjoining suburban communities.

Demolitions. During the 1950-1960 decade, losses to the inventory arising from demolitions, conversions, fire loss, and code enforcement were extensive. Local records are inadequate to measure the number of losses, but it is known that extensive demolitions occurred in urban renewal areas and as the result of new highway construction.

The U. S. Censuses of Housing report that the number of dwelling units in structures of two-or-more units declined by about 12,050 during the decade, including almost 7,650 units in duplex structures, 2,475 in structures containing three-or-four units, and over 1,925 in structures with five-or-more dwelling units. Since over 4,550 dwelling units counted in 1960 in structures with two units or more were reported as having been built between April 1950 and April 1960, it is probable that as many as 16,500 multifamily units counted in the inventory in 1950 were removed by 1960. Not all the units removed were demolished. Some net loss probably resulted from conversion, from residential to non-residential use, and some loss may have resulted from the conversion of two-or-more-unit dwellings to a one-unit dwelling.

Since January 1, 1960, it is estimated that almost 5,000 units have been removed from the inventory through urban renewal programs, housing code enforcement, fire loss, conversion, and other changes in the inventory. The number of units lost from other causes is well above the number of structures demolished. Many of the structures demolished were old, converted single-family homes containing several housing units. Based on future urban renewal activity, accelerated demolitions for highway rights-of-way and on more strenuous housing code enforcement, it is estimated that an additional 2,500 - 3,000 housing units will be demolished in the HMA during the next three years.

Tenure of Occupancy

Current Estimate. As of July 1, 1965, over 67 percent (155,700 units) of the occupied housing stock in the Louisville HMA is owner-occupied and nearly 33 percent (75,800 units) is renter occupied (see table X). Because of the increase in the rate of new multifamily construction since 1960, the shift from renter-occupancy to owner-occupancy has slowed somewhat.

Past Trend. During the 1950's, there was a significant increase in the proportion of households in the Louisville area that owned their own homes, from almost 56 percent in April 1950 (92,300 units) to 65 percent in April 1960 (137,400 units). The proportion of renter households declined from about 44 percent (73,800 units) to 35 percent (74,000 units) in April 1960. Thus, while owner households were increasing by over 4,500 annually during the decade, renter households were increasing by only 20 a year. The trend from renter to owner over the April 1950 to April 1960 period reflects not only the high level of single-family construction in the area during the period, but also the extensive demolition of multifamily units that occurred.

Vacancy

1960 Census. In April 1960, the U. S. Census of Housing reported 8,475 vacant, available housing units in the HMA, including over 2,400 available for sale only, a homeowner vacancy rate of 1.7 percent, and 6,075 available for rent, equal to a renter vacancy ratio of 7.6 percent. Homeowner vacancy ratios were lowest in the city of Louisville and highest in the urban segment of Jefferson County outside the city of Louisville. Renter vacancy ratios were lowest in the urbanized segment of Jefferson County and highest in Clark County. The 1960 census also reported that almost 130 of the available sales units (about five percent) lacked some plumbing facility, and 2,025, (one-third of the available renter units), lacked one or more plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey was conducted in July 1965 in the Louisville HMA (see table XII). The survey covered just over 223,000 possible deliveries, almost 90 percent of the current housing inventory in the HMA. At the time of the survey, 7,475 units (3.3 percent) were vacant. Of this total, almost 4,600 were residences, a vacancy factor of 2.4 percent; the remaining 2,875 vacancies represented apartments, indicating an apartment vacancy ratio of 9.2 percent. A total of 1,450 residences and 1,375 apartments were reported as under construction.

A previous postal vacancy survey, conducted in April 1964, was made by the same post offices that conducted the July 1965 survey. At that time, 7,975 of 212,800 units enumerated were vacant, about 3.8 percent. The 5,200 vacant residences represented a vacancy ratio of 2.8 percent and the 2,775 vacant apartments indicated a vacancy factor of 9.6 percent in all apartment units enumerated. At the time of the April 1964 survey, almost 2,850 residences and 790 apartments were under construction. A comparison of the two surveys indicates that both vacancies and vacancy ratios declined in the residence segment of the housing market. Although the number of apartment vacancies increased from 2,785 to 2,875 between the two surveys, the vacancy factor dropped from 9.6 percent to 9.2 percent. The decrease in the level of over-all vacancies is especially significant in view of the high level of new construction that has taken place in the HMA recently.

The results of the postal vacancy surveys are expressed in quantitative terms because it is not feasible to collect qualitative data for this type of survey. It should be noted also that postal vacancy data are not entirely comparable with those published by the Bureau of the Census because of differences in definition, area delineation, and method of enumeration. The census reports units and vacancies by actual or intended tenure, but the postal vacancy surveys enumerated 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 (or one mail box). These are primarily single-family homes, but they do include some duplexes and some structures containing extra units created by conversion. An "apartment" includes all stops where more than one delivery of mail is possible. These are primarily apartments, but they include some roadside boxes and some trailer courts where several deliveries of mail are made at one stop. However, the vacancy surveys serve a valuable function in formulating estimates regarding local market conditions when used in conjunction with other vacancy data.

FHA Vacancies. Over the past several years, vacancies in FHA-insured projects in the Louisville area, primarily projects insured under Section 608, have remained relatively low. The March 1965 survey counted only 40 vacancies in 2,140 units surveyed, about 1.9 percent, the lowest vacancy ratio reported in the last five years. Most of the projects covered were completed in the early 1950's. That vacancies have remained relatively low during this period is a reflection of both the generally good quality of the units and the moderate rentals. The low vacancy also is reflective of the extensive demolitions of substandard units. The table below compares the results of the FHA annual occupancy survey conducted in the last five years.

Vacancy in FHA-Insured Apartment Projects
Louisville, Kentucky, Housing Market Area
March 1961-March 1965

<u>Year</u>	<u>Number of units surveyed</u>	<u>Number of vacant units</u>	<u>Percent of units vacant</u>
1961	1,964	126	6.4
1962	1,964	140	7.1
1963	1,948	47	2.4
1964	2,210	95	4.3
1965	2,140	40	1.9

Source: Annual Occupancy Survey of FHA-insured projects, conducted by the Louisville Insuring Office.

Current Estimate. Based on the postal vacancy survey, FHA vacancy data, conversations with informed persons in Louisville, and on personal observation, it is estimated that there are about 9,750 vacant housing units available for sale or rent in the Louisville HMA as of July 1, 1965. Of this total, 3,000 are available for sale and 6,750 are available for rent, indicating homeowner and rental vacancy ratios of 1.9 percent and 8.2 percent, respectively. All but a few of the available sales units are judged to have standard plumbing facilities; however, over 2,200 of the vacant rental units probably lack one or more plumbing facilities.

In an area like Louisville, where the prospective growth in population is expected to be moderate, those levels of vacancy represent a moderate excess of both available sales units and rental units. The fact that almost one-third of the available vacant rental units are substandard indicates, however, that many of these units are not competitive.

Sales Market

General Market Conditions. In the past year, improved business conditions in the Louisville area, coupled with a slight increase in the rate of in-migration, has led to some improvement in the sales market. This is reflected in a declining proportion of unsold new speculatively-built houses (30 percent in 1964 as compared with 39 percent in 1963). The decrease in the proportion of unsold speculatively-built new homes occurred despite an increase in completions of 1,175 between 1963 and 1964, as reported by the FHA unsold inventory survey of new homes. The survey also reported that speculative construction was up by 650. However, between 1963 and 1964, sales of speculatively-built new homes also rose by 650, so that the number of unsold speculatively-built homes remained unchanged between 1963 and 1964.

According to informed local sources, current land and construction costs are such that few new homes in the area can be built to sell for below \$8,000. A negligible proportion of all new sales-type construction in the HMA in the past few years has been built in this price range.

As reflected by building permits, about 90 percent of all new sales housing construction in the HMA since 1960 has been built in Jefferson County outside Louisville.

Speculative Construction. Based upon the January 1964 and January 1965 unsold inventory surveys, speculative construction changed little, accounting for 66 percent of all completed sales houses in 1963 and 63 percent in 1964. These indicators can be used as a general guide only. However, the two unsold inventory surveys covered about two-thirds of the single-family activity in the HMA in 1963 and 1964.

Unsold Inventory of New Homes. In January 1964 and January 1965, the Louisville Insuring Office surveyed all subdivisions in Jefferson County in which five or more sales houses were completed in the preceding 12 months. The Indianapolis, Indiana Insuring Office surveyed comparable subdivisions in the Indiana segment of the HMA. The combined results of the January 1965 survey are detailed in table XIII. The January 1965 survey covered over 140 subdivisions. Almost 4,100 homes were reported to have been completed in 1964, of which 1,500 (37 percent) were sold prior to start of construction and 2,600 (63 percent) were built speculatively. Of the 2,600 units built speculatively in 1964, 1,825 were sold and almost 775 remained unsold in January 1965. The unsold houses represented 30 percent of the speculative construction volume. Of the houses remaining unsold, about 530 (69 percent) had been on the market three months or less. Ten unsold houses were counted that had been on the market more than 12 months.

The January 1964 survey reported 650 fewer speculatively-built units; however, the ratio of unsold new homes to the total speculative construction volume was somewhat higher. This survey counted 2,925 homes completed in 1963, of which nearly 1,950 (66 percent) were built speculatively. Almost 760 of the 1950 units built speculatively during 1963 remained unsold on January 1, 1964, representing over 39 percent of the speculative construction volume. Over 55 were counted as having been completed prior to 1963 and still unsold as of January 1, 1964, compared with only 10 reported on January 1, 1965. A distribution of the number of units completed by sales price, as reported by those two surveys, is shown in the following table.

Number of Houses Completed in 1963 and 1964 by Sales Price
Louisville, Kentucky, Housing Market Area
As of January 1, 1964 and January 1, 1965

<u>Sales price</u>	<u>Completed in 1963</u>		<u>Completed in 1964</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Under \$12,500	750	26	661	16
\$12,500 - 14,999	1,110	38	1,422	35
15,000 - 17,499	578	20	900	22
17,500 - 19,999	221	7	574	14
20,000 - 24,999	117	4	323	8
25,000 and over	<u>144</u>	<u>5</u>	<u>215</u>	<u>5</u>
Total	2,920	100	4,095	100

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

Interestingly, houses priced under \$12,500 accounted for 26 percent of all completions in 1963, while the 1964 proportion was 16 percent. Conversely, houses priced at \$17,500 and above accounted for 16 percent of all completions in 1963, and for 27 percent in 1964. New homes completed in other categories of price ranges did not change significantly between 1963 and 1964.

Neither of the two surveys reported new housing built in subdivisions with less than five completions, nor did they enumerate individually built, self-help homes, or custom-built homes built on individual lots. Many of the homes not covered by the two surveys, particularly those custom-built, would be in the upper ranges of sales price.

Foreclosures. Discounting 1961, which reflected foreclosures in a single subdivision, foreclosures of FHA-insured single-family homes have been following an upward trend since 1960. The upward trend is judged to reflect the increasingly liberal mortgage terms available, rather than an indication of an over-all weakness in the sales market.

Trend of Foreclosures of FHA Section 203(b) Mortgages
Louisville, Kentucky, Housing Market Area
1960-1964

<u>Year</u>	<u>Jefferson County</u>	<u>Clark County</u>	<u>Floyd County</u>	<u>HMA total</u>
1960	25	1	1	27
1961	302	6	3	311
1962	84	2	1	87
1963	87	4	0	91
1964	100	13	4	117

Source: FHA Division of Research and Statistics.

Rental Market

General Market Conditions. The Louisville area is in the early stages of an unprecedented apartment building boom. The number of units authorized in structures with five units or more in the city of Louisville increased from about 650 in 1963 to 1,225 in 1964, a gain of almost 90 percent. Comparative data in the city of Louisville for the first six months of 1964 and 1965 show that multifamily authorizations in 1965 were up 145 percent over 1964. In the entire HMA, over 2,100 units in structures with five or more units were authorized during the first half of 1965.

The spurt in multifamily construction is reflected also in data presented in Midwest Housing Markets, a publication of the Advance Mortgage Corporation. According to this publication, apartment completions in buildings with five units or more, excluding public housing, in the Louisville area in the first quarter of 1965 totaled 460 units, an increase of 136 percent above the 200 completions reported for the first quarter of 1964. Almost 1,750 multifamily units were reported under construction on April 1, 1965, compared to only 660 on April 1, 1964. Of the 1,750 units under construction on April 1, 1965, about 1,475 were scheduled to be completed by January 1, 1966.

In spite of the increase in the rate of new multifamily authorizations, the rental vacancy rate has risen only moderately, from 7.6 percent in 1960 to 8.2 percent currently. One reason the vacancy factor is not higher at the present time is because of the large number of multifamily units demolished in the past five years. Another reason is that most of the multifamily units authorized since January 1965 are still under construction or in the planning stage.

Urban Renewal

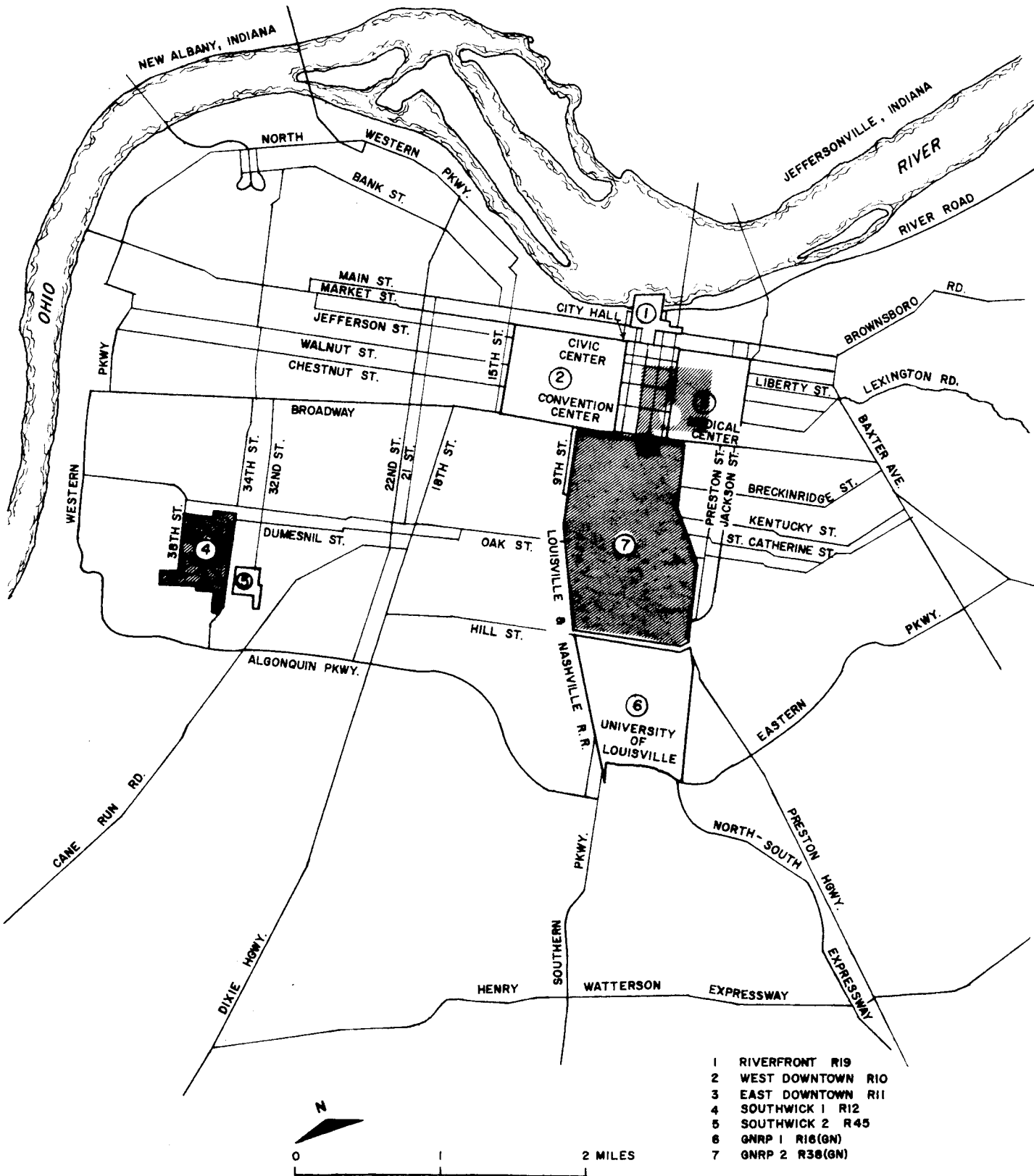
Currently, there are seven urban renewal projects in the city of Louisville in various stages of execution or planning. The various projects are shown on the map on the next page.

Southwick (Ky. R-12). This project of 144 acres, located in southwest Louisville, is bounded on the north by Dummiesnil, on the south by Young Avenue and Bohne Street, on the east by 34th Street, and on the west by 39th Street. Since clearance was started, 209 relocated families purchased standard homes; 78 moved into standard rental housing; 37 into public housing; 15 families moved out of the city; five families are unaccounted for; and only 37 families moved into substandard housing. To date, 105 townhouses have been built in the renewal area. Prices for the townhouses ranged from \$8,550 to \$11,700, depending on the number of bedrooms. Two new elementary schools have been constructed in the area. Recently, approval was given for the development of about 17 acres for single-family use. The city also plans a 17-acre park and playground in the area. The entire project is scheduled for completion in 1966.

Southwick Annex (Ky. R-45) is a 38-acre tract adjoining Southwick R-12 to the east. The project is bounded by an alley north of Magnolia Street on the north, by Young Avenue on the south, by 32nd Street on the east, and by 34th Street on the west. With the exception of the new Zion Baptist Church and the Immaculate Heart of Mary Catholic Church and School fronting 34th Street, most of the properties west of 32nd Street will be cleared for the construction of single-family dwellings.

East Downtown (Ky. R-11). This project contains 215 acres and is bounded on the north by Market Street, by Broadway on the south, by Jackson Street on the east, and by Second Street on the west. Most of the area will be cleared for a new medical center, although some conservation and rehabilitation of existing buildings is planned. As of June 30, 1965, 353 of 361 families living in the area had been relocated. Of this total, 53 families purchased standard houses, 227 rented standard houses, 18 families entered public housing projects, and 18 families rented substandard housing. The remaining 37 families left the city or were unaccounted for. A total of 162 business establishments have been relocated. The estimated completion date of the project is October 1970.

URBAN RENEWAL AREAS OF LOUISVILLE



West Downtown (Ky. R-10). Eventually, most of the project area comprising 350 acres, will be cleared. The project area is bounded on the north and south by Market Street and by Broadway, and on the east and west by Sixth Street and First Street. Of 907 families to be relocated, 850 had been moved as of June 30, 1965. Only one of 182 families purchased substandard houses. Of the 567 displaced families who rented, 453 rented standard quarters and 70 moved into public housing projects. Forty-four families moved into substandard rental housing. The boundary of the project encompasses an area known as Civic Center: a state office building has been built here, and a New Federal Office Building is planned. West Village, a 712-unit low rent proposal submitted to FHA is planned for this urban renewal area.

General Neighborhood Renewal Program (GNRP) (Ky. R-16). This 388-acre area, a conservation project, is scheduled to start in January 1966. The area is bounded on the north by Hill Street, on the south by Eastern Parkway, on the east by the North-South Expressway, and on the west by the Louisville and Nashville Railroad tracks. Some land already has been acquired for further expansion of the University of Louisville. A new married student apartment complex also is being constructed. The area surrounding the conservation core will combine commercial and industrial uses with the expansion of certain public schools.

General Neighborhood Renewal Program (GNRP II) (Ky. R-38). This 740-acre project contains almost 9,525 housing units and a population of over 20,400. Dwelling units in the project area are to be rehabilitated, and in some cases demolished, over a ten-year period.

Riverfront (Ky. R-19). This 40-acre project will be redeveloped with high-rise apartments, office buildings, motels, and other commercial enterprises. Interstate Route 64, the Interstate River-side Expressway, will pass through the northern edge of the project between River Road and the Ohio River. In August 1965, a model of the proposed project is to be shown to the public. It is reported that as many as 800 apartment units consisting of one 25-story high-rise building and several eight-story apartment buildings will be built in the project area over the next five years. It is reported that the first 200 to 300 units, may be completed in late 1966 or early 1967. The proposed rents, size of units, and other details about the apartments are not known; however, the fact that the proposed units will be in high-rise structures and will be located on a mid-town site indicates that rents will be in the medium and upper ranges of rent levels.

Most of the families displaced through urban renewal activities in the city of Louisville have been able to relocate in standard housing. As of June 30, 1965, relocation statistics completed by the Urban Renewal and Community Development Agency of Louisville show that 471 of 487 families, almost 97 percent, purchased standard housing and that 928 of 1,004 families (92 percent) were able to lease standard houses. Many of the families displaced have bought or rented existing houses.

There are two active urban renewal projects in the Indiana segment of the HMA, both in the city of Jeffersonville. The Port Fulton Urban Renewal Area (Ind. R-34) is bounded on the north by Eighth Street, on the south by Market Street, on the east by the Baltimore and Ohio Railroad tracks, and on the west by Graham and Main Streets. Some structures in this project area have been rehabilitated and some have been demolished. Currently, 86 units of public housing are planned for the project area. Some public housing units for the elderly already are located in the project area.

The Riverside Central Development Area (Ind. R-43) is bounded on the north by Ninth Street and Court Avenue, on the south by Riverside Drive and the Ohio River, on the east by Mechanic Street, and on the west by Illinois Avenue and Missouri Street. A park site is planned in this area, and two other sites have been designated for possible development with low rent housing.

Public Housing

There are almost 5,000 units of public housing under management in the Kentucky portion of the HMA, all in the city of Louisville. Vacancies are very low. A 305-unit high-rise project for the elderly (Ky. 1-10) is in the preliminary planning stage.

Six public housing projects containing 720 units are under management in the city of New Albany. The newest project is a 100-unit high-rise for the elderly.

There are about 80 units of public housing under management in the city of Jeffersonville, and another 30 under construction. An additional 86 units are planned.

Demand for Housing

Quantitative Demand

Demand for new housing in the Louisville HMA during the three-year period from July 1, 1965 to July 1, 1968 is based on the projected level of household growth, estimated at 4,225 annually, on the number of housing units expected to be demolished during the forecast period, and on adjustment of the moderate excess of both sales and rental vacancies to more acceptable levels that reflect the long-term needs of the area. Consideration is given also to the current tenure composition of the inventory, to the continuing trend from renter-occupancy to owner-occupancy, and to the transfer of single-family houses from the sales inventory to the rental inventory. Giving consideration to these factors, over the next three years, demand for additional privately-owned housing units is estimated at 5,530 units annually, including 4,000 sales units and 1,530 rental units. Approximately 410 of the annual demand for rental units probably will require use of public benefits or assistance in land purchase or financing if they are to be provided with privately-owned housing.

A construction volume of 5,530 units annually would be significantly below the average of almost 6,500 units a year authorized by building permits in the three years from 1962 through 1964, and very substantially below the almost 7,800 authorized in 1964 and the annual rate of almost 9,600 authorized during the first six months of 1965. The high level of building activity during the past 18 months has been generated, in large part, by the rapid increase in employment and households since 1963. However, recent employment gains amounting to 8,600 nonagricultural wage and salary workers between 1963 and 1964 are not expected to continue. The projected increase during the next three years is an average of 5,000 a year, more nearly in line with the longer term economic growth prospects of the area, and comparable with the average gain of about 4,525 workers a year experienced since 1960.

The average annual rate of authorizations of 8,675 housing units a year during the past 18 months is more than double the anticipated average gain of 4,225 households a year during the next three years. Continuation of such a disparity between construction and household

growth may be expected to result in increasing vacancies in both the sales and rental inventories, a lengthening of the time required to secure satisfactory occupancy of new rental projects, and an increase in the inventory of unsold new sales houses. On the basis of the number of housing units authorized during the first six months of this year, it is probable that construction during the first year of the three-year forecast period will greatly exceed the average of 5,530 units a year required to accommodate household growth and to permit the occupancy and inventory adjustments necessary for a balanced market situation. Accordingly, it is probable that during the second and third years of the projection period a building rate substantially less than 5,530 units a year should be anticipated in order to permit the market adjustments that are expected to be necessary as a result of the probable surplus of units that will be produced in the first year.

Qualitative Demand

Sales Housing. Based on the distribution of families by current annual after-tax incomes, on the proportion of income that Louisville area families typically pay for sales housing, and on recent market experience, demand for new sales houses is expected to approximate the sales price pattern presented in the following table. About one-sixth of the demand for new sales housing is expected to occur in the Indiana segment of the HMA.

After considering current construction and land costs prevailing in the Louisville HMA, it is judged that few adequate new sales houses can be built to sell for below \$8,000. Thus, all of the sales units have been distributed at and above this minimum. The demand for sales housing priced below \$8,000 will be accommodated in the existing inventory. Many units priced above this minimum, of course, will be vacated by owner families who can afford to upgrade their housing standards, thereby permitting upgrading of families in the lower income ranges. Demand for an average of 4,000 sales units annually over the three-year forecast period is substantially below the average of almost 5,150 single-family houses authorized by building permits during the three-year period 1962 through 1964, and the annual rate of 5,175 houses authorized during the first six months of 1965.

Estimated Annual Demand for New Sales Housing by Price Class
Louisville, Kentucky, Housing Market Area
July 1, 1965-July 1, 1968

<u>Price range</u>	<u>Total families</u>
\$8,000 - \$9,999	75
10,000 - 11,999	415
12,000 - 13,999	760
14,000 - 15,999	935
16,000 - 17,999	620
18,000 - 19,999	520
20,000 - 24,999	405
25,000 and over	<u>270</u>
Total	4,000

The distribution by price range shown above differs from that revealed by the unsold inventory surveys, which reflect only selected subdivision experience during 1963 and 1964. Unsold inventory survey data do not reflect new construction in subdivisions with less than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing built in the Louisville area in the past few years, and also some of the lower value homes, are concentrated in the numerous small building operations. The demand estimates above reflect all home building and may show a greater concentration in some price ranges than a selected subdivision survey would reveal.

Rental Housing. With the exception of housing produced with some form of public benefits or assistance in financing or in land purchase, acceptable new privately-owned rental housing can be produced only at gross rents at and above the minimum levels achievable under current construction and land costs. In the Louisville area, these monthly gross rents are judged to be \$90 for efficiencies, \$105 for one-bedroom units, \$115 for two-bedroom units, and \$125 for three-bedroom units. With the aid of public benefits or assistance in financing, it is judged that minimum gross rents of \$75, \$85, \$90 and \$95 for efficiency, one-, two-, and three-bedroom units, respectively, can be achieved. Demand for 1,530 privately-owned rental units a year during the next three years is expected to be distributed by

rent levels and unit sizes approximately according to the pattern indicated in the table on the following page. Additions of units at these rents may be accomplished either by new construction or rehabilitation with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land purchase. 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.

The distribution of average annual demand for new apartments presented on page 32 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.

The estimated average annual demand for 1,530 new rental units during the next three years includes units provided in duplexes, those in three- and four-unit buildings, and those in buildings with five or more units. Provision of 1,530 such units a year during the next three years would represent a substantial reduction from the annual rate of 4,400 units authorized by building permits in the first six months of 1965, and almost 2,300 authorized in 1964. However, in view of the current relatively high level of vacancies and the prospect that substantially more than 1,530 apartment units will be completed during the next 12 months, the rate of absorption of new rental units should be watched very closely. It is probable, in view of the anticipated large volume of completions during the next year, that completions during the last two years of the forecast period will need to be significantly below the projected average of 1,530 units a year.

Estimated Annual Demand for New Rental Units
By Monthly Gross Rent and by Unit Size
Louisville, Kentucky, Housing Market Area
July 1, 1965-July 1, 1968

<u>Monthly gross rent</u> ^{a/}	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One- bedroom</u>	<u>Two- bedroom</u>	<u>Three- bedroom</u>
\$75 and over	175	-	-	-
85 " "	160	570	-	-
90 " "	155	550	530	-
95 " "	145	530	510	255
100 " " - - -	135 - - -	500 - - -	480 - - -	240
105 " "	125	465	440	225
110 " "	115	440	400	205
115 " "	105	405	360	180
120 " "	95	380	340	160
125 " " - - -	85 - - -	360 - - -	320 - - -	140
130 " "	80	330	295	125
140 " "	75	300	235	95
150 " "	70	270	195	80
160 " "	60	240	160	70
180 " " - - -	40 - - -	180 - - -	105 - - -	45
200 " "	25	120	65	30
220 " "	15	75	45	20
240 " "	-	55	40	15
260 " "	-	45	30	10
280 " "	-	25	20	5

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

Note: The above figures are cumulative and cannot be added vertically.
For example, demand for one-bedroom units from \$90 to \$120 is
170 units (550 minus 380).

Table I

Work Force Components
Louisville, Kentucky, Housing Market Area
Annual Averages, 1954-1964

<u>Year</u>	<u>Civilian work force</u>	<u>Unemployment</u>		<u>Total employment</u>	<u>Nonagricultural wage and salary</u>	<u>All other^{a/}</u>
		<u>Number</u>	<u>Percent</u>			
1954	287,400	15,900	5.5%	271,500	234,100	37,400
1955	295,400	10,500	3.6	284,900	244,400	40,500
1956	308,400	14,400	4.7	294,000	256,600	37,400
1957	305,500	17,800	5.8	287,700	249,600	38,100
1958	294,700	25,600	8.7	269,100	236,300	32,800
1959	296,000	19,500	6.6	276,500	243,300	33,200
1960	295,100	19,700	6.7	275,400	242,000	33,400
1961	292,400	21,800	7.5	270,600	238,000	32,600
1962	293,500	15,200	5.2	278,300	245,400	32,900
1963	297,500	13,500	4.5	284,000	251,500	32,500
1964	304,800	11,300	3.7	293,500	260,100	33,400
<u>First six months</u>						
1964	300,900	12,800	4.3	288,100	256,000	32,100
1965	310,100	10,400	3.4	299,700	266,700	33,000

^{a/} Includes agricultural workers and other nonagricultural employment consisting of the self-employed, domestics, and unpaid family workers.

Source: Kentucky Department of Economic Security.

Table II

Trend of Nonagricultural Wage and Salary Employment
Louisville, Kentucky, Housing Market Area
Annual Averages, 1954-1964

<u>Year</u>	<u>Manufacturing</u>	<u>Nonmanufacturing</u>	<u>Total</u>	<u>Change in total</u>
1954	88,800	145,300	234,100	-
1955	96,800	147,600	244,400	10,300
1956	100,900	155,700	256,600	12,200
1957	94,500	155,100	249,600	- 7,000
1958	84,800	151,500	236,300	-13,300
1959	86,600	156,700	243,300	7,000
1960	84,800	157,200	242,000	- 1,300
1961	81,300	156,700	238,000	- 4,000
1962	84,400	161,000	245,400	7,400
1963	87,000	164,500	251,500	6,100
1964	90,200	169,900	260,100	8,600
<u>First six months</u>				
1964	88,400	167,600	256,000	-
1965	93,800	172,900	266,700	10,700

Source: Kentucky Department of Economic Security.

Table III

Nonagricultural Wage and Salary Employment by Type of Industry
Louisville, Kentucky, Housing Market Area
Annual Averages, 1954-1964
(in thousands)

<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>First six months</u>	
								<u>1964</u>	<u>1965</u>
Wage and salary employment	236.3	243.3	242.0	238.0	245.4	251.5	260.1	256.0	266.
Manufacturing	84.8	86.6	84.8	81.3	84.4	87.0	90.2	88.4	93.
Durable goods	<u>44.4</u>	<u>46.4</u>	<u>43.8</u>	<u>41.7</u>	<u>44.5</u>	<u>46.3</u>	<u>48.8</u>	<u>48.0</u>	<u>52.</u>
Lumber and wood products	4.5	4.9	4.4	4.1	4.3	4.2	4.1	4.1	4.
Furniture and fixtures	3.1	3.4	3.4	3.1	3.3	3.4	3.4	3.4	3.
Stone, clay, glass products	2.2	2.4	2.4	2.3	2.3	2.4	2.5	2.4	2.
Fabricated metal products	9.8	9.6	9.4	8.6	8.9	8.5	8.6	8.5	8.
Machinery, including electrical	17.8	18.7	17.4	17.5	18.6	19.8	21.6	21.2	23.
Transportation equipment	3.6	4.2	3.6	2.9	3.5	3.8	4.0	4.0	5.
Other durable goods	3.4	3.2	3.0	3.1	3.5	4.1	4.5	4.4	4.
Nondurable goods	<u>40.4</u>	<u>40.3</u>	<u>41.0</u>	<u>39.6</u>	<u>39.9</u>	<u>40.7</u>	<u>41.4</u>	<u>40.4</u>	<u>41.</u>
Food and kindred products	13.7	13.5	13.8	12.9	12.5	12.3	12.2	11.9	11.
Tobacco manufacturers	8.6	8.3	8.3	8.0	7.8	8.3	8.7	8.4	8.
Apparel and related products	2.2	2.5	2.5	2.4	2.5	2.6	2.5	2.4	2.
Printing and publishing	5.6	5.6	5.9	5.8	5.8	5.9	5.9	5.8	6.
Chemical and allied products	8.3	8.1	8.2	8.1	8.8	9.1	9.5	9.2	9.
Other nondurable goods	2.0	2.3	2.4	2.4	2.6	2.6	2.7	2.7	2.
Nonmanufacturing	<u>151.5</u>	<u>156.7</u>	<u>157.2</u>	<u>156.7</u>	<u>161.0</u>	<u>164.5</u>	<u>169.9</u>	<u>167.6</u>	<u>172.</u>
Contract construction	12.5	13.7	12.7	12.4	13.0	13.2	13.0	12.1	12.
Trans., comm., public utilities	22.6	22.1	21.2	20.4	20.3	20.3	20.6	20.5	21.
Wholesale and retail trade	50.6	51.9	52.3	52.2	53.6	54.5	56.5	55.6	57.
Finance, ins., real estate	11.7	11.9	12.1	12.4	12.7	13.1	13.7	13.5	13.
Services, excluding domestic	28.9	30.0	31.1	31.9	33.4	34.9	36.4	36.1	37.
Government	24.2	25.9	26.8	26.5	27.0	27.5	28.8	28.8	29.
Other nonmanufacturing	1.0	1.0	1.1	1.0	0.9	0.9	1.0	1.0	1.

Note: Subtotals may not add to totals because of individual rounding.

Source: Kentucky Department of Economic Security.

Table IV

Major Manufacturing Concerns
Louisville, Kentucky, Housing Market Area
(in hundreds)

<u>Company</u>	<u>Products</u>	<u>Employment</u>
General Electric Company	Various consumer durable goods	10,500
International Harvester Co., Louisville Works	Farm tractors, truck and tractor engines, castings	3,600
Brown and Williamson Tobacco Corporation	Cigarettes, smoking tobacco	3,000
Ford Division of Ford Motor Company	Automobile, gasoline and diesel truck assembly	2,800
Reynolds Metals Company (five plants)	Aluminum windows, extrusions and tubing	2,200
American Radiator and Standard Sanitary Corp.	Iron and brass plumbing fixtures and fittings	2,000
E. I. duPont de Nemours and Company, Inc.	Neoprene	1,900
U.S. Naval Ordnance Plant	Gun mounts, missile containers, torpedo mounts	1,900
P. Lorillard Company	Cigarettes, pipe, and chewing tobacco	1,700
Fawcett-Dearing Printing Company	Wholesale printing of magazines, catalogs, and periodicals	1,300
Philip Morris, Inc.	Cigarettes	1,300
The American Tobacco Company, Inc.	Cigarettes	1,300

Source: Louisville Chamber of Commerce Directory of Louisville Area Manufacturers, 1963-1964 Edition.

Table V

Estimated Percentage Distribution of Families by Annual Income
After Deducting Federal Income Taxes
Louisville, Kentucky, Housing Market Area
1965 and 1968

Annual after-tax incomes	1965 incomes		1968 incomes	
	<u>All families</u>	<u>Renter families</u>	<u>All families</u>	<u>Renter families</u>
Under \$3,000	13	24	12	22
\$3,000 - 3,999	8	11	7	10
4,000 - 4,999	9	13	8	12
5,000 - 5,999	12	14	10	12
6,000 - 6,999	12	12	11	12
7,000 - 7,999	10	8	10	9
8,000 - 8,999	8	5	8	7
9,000 - 9,999	7	4	8	4
10,000 and over	<u>21</u>	<u>9</u>	<u>26</u>	<u>12</u>
Total	100	100	100	100
Median	\$6,750	\$5,125	\$7,250	\$5,525

Source: Estimated by Housing Market Analyst.

Table VI

Population Changes
Louisville, Kentucky, Housing Market Area
April 1, 1950-July 1, 1965

<u>Area</u>	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>July 1,</u> <u>1965</u>	<u>Average annual changes</u>			
				<u>April 1, 1950-</u> <u>April 1, 1960</u>		<u>April 1, 1960-</u> <u>July 1, 1965</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Jefferson County	<u>484,615</u>	<u>610,947</u>	<u>668,400</u>	<u>12,633</u>	<u>2.6</u>	<u>10,950</u>	<u>1.8</u>
Louisville	369,129	390,639	390,200	2,151	0.6	1,025	0.3
Rest of county	115,486	220,308	278,200	10,482	9.1	11,050	5.0
Clark County	<u>48,330</u>	<u>62,795</u>	<u>67,700</u>	<u>1,447</u>	<u>3.0</u>	<u>930</u>	<u>1.5</u>
Jeffersonville	14,685	19,522	19,600	484	3.3	15	0.1
Rest of county	33,645	43,273	48,100	963	2.9	920	2.1
Floyd County	<u>43,955</u>	<u>51,397</u>	<u>53,500</u>	<u>744</u>	<u>1.7</u>	<u>400</u>	<u>0.8</u>
New Albany	29,346	37,812	38,400	847	2.9	110	0.3
Rest of county	14,609	13,585	15,100	-102	-0.7	290	2.1
HMA total	576,900	725,139	789,600	14,824	2.6	12,300	1.7

Note: In some instances, subtotals may not add to totals because of rounding.

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

Table VII

Components of Population Change
Louisville, Kentucky, Housing Market Area
April 1, 1950 - July 1, 1965

<u>Source of change</u>	<u>April 1, 1950- April 1, 1960</u>	<u>April 1, 1960- July 1, 1965</u>
Total change HMA	<u>148,239</u>	<u>64,450</u>
Net natural increase	115,689	55,100
Migration	32,550	9,350
Jefferson County change	<u>126,332</u>	<u>57,450</u>
Net natural increase	97,157	46,950
Migration	29,175	10,500
Clark County change	<u>14,465</u>	<u>4,900</u>
Net natural increase	10,764	4,925
Migration	3,701	-25
Floyd County change	<u>7,442</u>	<u>2,100</u>
Net natural increase	7,768	3,225
Migration	-326	-1,125

Source: U.S. Department of Health, Education, and Welfare; Kentucky and Indiana State Departments of Health; and estimates by Housing Market Analyst.

Table VIII

Population Distribution by Age Groups
Louisville, Kentucky, Housing Market Area
April 1, 1950-May 14, 1964

<u>Age in years</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>May 14, 1964</u>	<u>1950 to 1960 change</u>		<u>1960 to 1964 change</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5	64,572	89,003	87,692	24,431	38	-1,311	-1
5 - 19	122,775	197,291	228,578	74,516	61	31,287	16
20 - 29	97,045	88,011	91,642	-9,034	-9	3,631	4
30 - 39	89,809	104,675	97,619	14,866	17	-7,056	-7
40 - 54	109,286	125,856	134,199	16,570	15	8,343	7
55 - 64	47,768	60,030	64,992	12,262	26	4,962	8
65 and over	<u>45,645</u>	<u>60,273</u>	<u>64,184</u>	<u>14,628</u>	<u>32</u>	<u>3,911</u>	<u>6</u>
Total	576,900	725,139	768,906	148,239	26	43,767	6

Source: 1950 and 1960 Censuses of Population. 1964 from special U. S. Census of Population conducted in the Louisville HMA.

Table IX

Household and Household Size Changes
Louisville, Kentucky, Housing Market Area
April 1, 1950-July 1, 1965

<u>Area</u>	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>July 1,</u> <u>1965</u>	<u>Average annual changes</u>				<u>Household size</u>		
				<u>April 1, 1950-</u> <u>April 1, 1960</u>		<u>April 1, 1960-</u> <u>July 1, 1965</u>		<u>April 1,</u>	<u>April 1,</u>	<u>July 1,</u>
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>1950</u>	<u>1960</u>	<u>1965</u>
Jefferson County	<u>139,257</u>	<u>178,192</u>	<u>196,100</u>	<u>3,894</u>	<u>2.8</u>	<u>3,400</u>	<u>1.9</u>	<u>3.35</u>	<u>3.36</u>	<u>3.35</u>
Louisville	<u>108,825</u>	<u>121,189</u>	<u>122,800</u>	<u>1,236</u>	<u>1.1</u>	<u>310</u>	<u>0.3</u>	<u>3.28</u>	<u>3.16</u>	<u>3.13</u>
Rest of county	<u>30,432</u>	<u>57,003</u>	<u>73,200</u>	<u>2,657</u>	<u>8.7</u>	<u>3,075</u>	<u>5.4</u>	<u>3.61</u>	<u>3.79</u>	<u>3.75</u>
Clark County	<u>13,621</u>	<u>17,812</u>	<u>19,350</u>	<u>419</u>	<u>3.1</u>	<u>290</u>	<u>1.6</u>	<u>3.53</u>	<u>3.51</u>	<u>3.49</u>
Jeffersonville	<u>4,457</u>	<u>5,929</u>	<u>6,000</u>	<u>147</u>	<u>3.3</u>	<u>15</u>	<u>0.2</u>	<u>3.26</u>	<u>3.27</u>	<u>3.25</u>
Rest of county	<u>9,164</u>	<u>11,883</u>	<u>13,350</u>	<u>272</u>	<u>3.0</u>	<u>280</u>	<u>2.3</u>	<u>3.66</u>	<u>3.63</u>	<u>3.60</u>
Floyd County	<u>13,234</u>	<u>15,378</u>	<u>16,050</u>	<u>214</u>	<u>1.6</u>	<u>130</u>	<u>0.8</u>	<u>3.29</u>	<u>3.31</u>	<u>3.30</u>
New Albany	<u>9,173</u>	<u>11,780</u>	<u>12,000</u>	<u>261</u>	<u>2.8</u>	<u>40</u>	<u>0.4</u>	<u>3.18</u>	<u>3.18</u>	<u>3.17</u>
Rest of county	<u>4,061</u>	<u>3,598</u>	<u>4,050</u>	<u>-46</u>	<u>-1.1</u>	<u>90</u>	<u>2.4</u>	<u>3.54</u>	<u>3.74</u>	<u>3.70</u>
HMA total	<u>166,112</u>	<u>211,382</u>	<u>231,500</u>	<u>4,527</u>	<u>2.7</u>	<u>3,825</u>	<u>1.8</u>	<u>3.36</u>	<u>3.37</u>	<u>3.36</u>

Note: In some instances, subtotals may not add to totals because of rounding.

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

Table X

Components of the Housing Inventory
Louisville, Kentucky, Housing Market Area
April 1, 1950-July 1, 1965

<u>Supply, tenure, and vacancy</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>July 1, 1965</u>	<u>Average annual change ^{a/}</u>			
				<u>1950-1960</u>		<u>1960-1965</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total housing supply	170,858	224,059	249,000	5,320	3.1	4,750	2.1
Total occupied units	<u>166,112</u>	<u>211,382</u>	<u>231,500</u>	<u>4,527</u>	<u>2.7</u>	<u>3,825</u>	<u>1.8</u>
All owners	<u>92,308</u>	<u>137,369</u>	<u>155,700</u>	<u>4,506</u>	<u>4.9</u>	<u>3,500</u>	<u>2.5</u>
Percent owner	55.6	65.0	67.3	-	-	-	-
Nonwhite owners	6,874	9,733	11,500	286	4.2	340	3.5
Percent	36.0	41.0	43.7	-	-	-	-
All renters	<u>73,804</u>	<u>74,013</u>	<u>75,800</u>	<u>21</u>	-	<u>340</u>	<u>0.5</u>
Percent renter	44.4	35.0	32.7	-	-	-	-
Nonwhite renters	12,223	13,996	14,800	177	1.4	150	1.1
Percent	64.0	59.0	56.3	-	-	-	-
Total vacant housing units	4,746	12,677	17,500	793	16.7	920	7.3
Available	<u>1,961</u>	<u>8,478</u>	<u>9,750</u>	<u>652</u>	<u>33.2</u>	<u>240</u>	<u>2.8</u>
For sale	838	2,412	3,000	157	18.7	110	4.6
Percent	0.9	1.7	1.9	-	-	-	-
For rent	1,123	6,066	6,750	494	44.0	130	2.2
Percent	1.5	7.6	8.2	-	-	-	-
Other vacant ^{b/}	2,785	4,199	7,750	141	5.1	680	16.1

^{a/} In some instances, subtotals may not add to totals because of rounding.

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

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

Table XI

New Dwelling Units Authorized by Building Permits
Louisville, Kentucky, Housing Market Area
Annual Totals, 1955-1964

<u>Year</u>	<u>Kentucky portion of HMA</u>			<u>Indiana portion</u>	<u>HMA total</u>
	<u>Total</u> <u>units</u>	<u>Single-</u> <u>family</u>	<u>Multi-</u> <u>family</u>	<u>Total</u> <u>units</u>	<u>Total</u> <u>units</u>
1955	7,694	7,588	106	166	7,860
1956	4,658	4,448	210	271	4,929
1957	3,591	2,945	646	398	3,989
1958	4,372	4,134	238	458	4,830
1959	3,987	3,755	232	558	4,545
1960	3,474	3,106	368	479	3,953
1961	3,985	3,131	854 ^{a/}	602	4,587
1962	4,638	4,085	553	779	5,417
1963	5,504	4,469	1,035	773 ^{b/}	6,277
1964	6,909	4,808	2,101	877 ^{c/}	7,786

^{a/} Includes 73 units of public housing.

^{b/} Includes 152 units of public housing.

^{c/} Includes 62 units of public housing.

Source: U.S. Department of Commerce and local building inspectors.

Table XII

Page 1 of 2

Louisville Metropolitan Area Postal Vacancy Survey

July 13-23, 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	223,047	7,469	3.3	5,563	1,906	2,824	191,828	4,588	2.4	3,177	1,411	1,440	31,219	2,881	9.2	2,386	495	1,384	2,075	79	3.8
Kentucky Portion	192,321	6,305	3.3	4,566	1,739	2,531	164,520	3,782	2.3	2,523	1,259	1,220	27,801	2,523	9.1	2,043	480	1,361	1,393	53	3.8
Jefferson County																					
Louisville	177,571	5,686	3.2	4,194	1,492	2,357	149,969	3,183	2.1	2,169	1,014	956	27,602	2,503	9.1	2,025	478	1,361	1,110	41	3.7
Main Office	16,255	835	5.1	747	88	-	10,331	228	2.2	228	-	-	5,924	607	10.2	519	88	-	1	-	-
Branches:																					
Anchorage	2,451	97	4.0	86	11	27	2,451	97	4.0	86	11	27	-	-	-	-	-	-	-	-	-
Buechel	8,421	380	4.5	143	237	254	7,264	171	2.4	58	113	71	1,157	209	18.1	85	124	183	124	-	-
Lyndon	4,812	207	4.3	92	115	132	4,744	190	4.0	88	102	132	68	17	25.0	4	13	-	-	-	-
Okolona	10,263	457	4.5	125	332	425	10,007	402	4.0	110	252	295	256	55	21.5	15	40	130	29	1	3.4
Pleasure Ridge Park	5,462	130	2.4	89	41	91	5,421	129	2.4	88	41	91	41	1	2.4	1	-	-	70	5	7.1
Shiveley	12,728	249	2.0	141	108	167	12,465	197	1.6	116	81	91	263	52	19.8	25	27	76	185	8	4.3
St. Matthews	9,734	160	1.6	136	24	67	8,678	91	1.0	80	11	47	1,056	69	6.5	56	13	20	40	1	2.5
Stations:																					
D	8,976	163	1.8	156	7	-	7,687	117	1.5	117	-	-	1,289	46	3.6	39	7	-	44	2	4.5
E	17,194	579	3.4	544	35	24	12,297	186	1.5	173	13	21	4,897	393	8.0	371	22	273	200	5	2.5
H	12,681	341	2.7	277	64	49	10,539	150	1.4	142	8	13	2,142	191	8.9	135	56	36	36	2	5.6
R	9,809	257	2.6	257	-	1	8,757	152	1.7	152	-	1	1,052	105	19.0	105	-	-	-	-	-
Baxter Avenue	7,985	234	2.9	221	13	63	5,844	60	1.0	60	-	-	2,141	174	8.1	161	13	63	-	-	-
Camp Taylor	8,633	369	4.3	221	148	122	7,783	313	4.0	203	110	34	850	56	6.6	18	38	88	-	-	-
Cherokee	9,536	189	2.0	163	26	18	7,899	89	1.1	71	18	18	1,637	100	6.1	92	8	-	-	-	-
Crescent Hill	7,898	342	4.3	342	-	219	5,873	116	2.0	116	-	17	2,025	226	11.2	226	-	202	44	1	2.3
Hikes Point	6,001	159	2.8	118	51	245	5,735	119	2.1	72	47	81	266	50	18.8	46	4	164	-	-	-
Iroquois	10,622	391	3.7	212	179	164	8,888	291	3.3	137	154	50	1,734	100	5.8	75	25	114	105	-	-
Shelby	8,110	137	1.7	124	13	10	7,306	85	1.2	72	13	7	804	52	6.5	52	-	12	232	16	6.9
Other Post Offices	14,750	619	4.2	572	247	224	14,551	599	4.1	354	245	224	149	20	10.1	18	2	-	283	12	4.2
Fern Creek	2,649	107	4.0	20	87	46	2,610	106	4.1	19	87	46	39	1	2.6	1	-	-	-	-	-
Fisherville	245	8	3.3	5	3	-	242	6	2.5	3	3	-	3	2	66.7	2	-	-	2	-	-
Jeffersontown	3,565	126	3.5	78	48	37	3,462	115	3.3	69	46	37	103	11	10.7	9	2	-	-	-	-
Middletown	967	50	5.2	14	36	40	555	48	5.0	12	36	40	12	2	16.7	2	-	-	-	-	-
Valley Station	7,324	328	4.5	255	73	88	7,282	324	4.4	251	73	88	42	4	4.5	4	-	-	281	12	4.3

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 XII (Cont'd.)

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Louisville Metropolitan Area Postal Vacancy Survey

July 13-23, 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.	%
Indiana Portion	30,726	1,164	3.8	997	167	243	27,308	806	3.0	654	152	220	3,418	358	10.5	343	15	23	682	26	3.8
Clark County	17,291	653	3.8	535	118	139	15,834	474	3.0	366	108	123	1,457	179	12.2	169	10	16	475	16	3.4
Charlestown	2,386	83	3.5	82	1	10	2,273	68	3.0	67	1	10	113	15	13.3	15	-	-	59	3	5.1
Jeffersonville	12,835	516	4.0	409	107	110	11,521	359	3.1	262	97	94	1,314	157	11.9	147	10	16	389	13	3.3
Main Office	9,927	433	4.4	339	99	104	8,861	309	3.5	216	93	88	1,066	129	12.1	123	6	16	348	13	3.7
Clarksville Branch	2,908	78	2.7	70	8	6	2,660	50	1.9	46	4	6	248	28	11.3	24	4	-	41	-	-
Sellersburg	2,070	54	2.6	44	10	19	2,040	47	2.3	37	10	19	30	7	23.3	7	-	-	27	-	-
Floyd County																					
New Albany	13,435	511	3.8	462	49	104	11,474	332	2.9	288	44	97	1,961	179	9.1	174	5	7	207	10	4.8

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 XIII

Houses Completed During 1964 and the
Number Unsold by Price Class
Louisville, Kentucky, Housing Market Area

<u>Sales Price</u>	<u>Total completions</u>		<u>Houses sold before start of construction</u>	<u>Speculative construction</u>			
	<u>Number</u>	<u>Percentage</u>		<u>Total houses</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
Under \$12,500	661	16	276	385	315	70	18
\$12,500 - 14,999	1,422	35	626	796	584	212	27
15,000 - 17,499	900	22	282	618	425	193	31
17,500 - 19,999	574	14	179	395	236	159	40
20,000 - 24,999	323	8	106	217	159	58	27
25,000 - 29,999	116	3	21	95	63	32	34
30,000 and over	99	2	14	85	44	41	48
Total	4,095	100	1,504	2,591	1,826	765	30

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

Analysis of the Louisville
Ky. housing market...

DATE _____ ISSUED TO _____