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Analysis of the
**NEIGHBOR
ISLANDS
HAWAII
HOUSING
MARKET**

as of September 1, 1971

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

April 1972

Housing Market Analysis
Neighbor Islands, Hawaii, as of September 1, 1971

Foreword

This analysis has been prepared for the assistance and guidance of the Department of Housing and Urban Development in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - NEIGHBOR ISLANDS, HAWAII
AS OF SEPTEMBER 1, 1971

The Neighbor Islands of Hawaii Housing Market Area (HMA) is defined as the counties of Hawaii, Kauai, and Maui. The HMA had a population of 141,100 persons in September 1971. The island of Hawaii is coextensive with Hawaii County. Kauai County includes the islands of Kauai, Niihau, and Kaula, although nearly all of the population is on Kauai. Maui, Lanai, and Kahului Islands comprise the county of Maui, with about 85 percent of the population on Maui Island.

Continued impetus for economic expansion in the Neighbor Islands is expected from tourists and will be reflected in increasing levels of trade and services employment, although near-future gains will be below the experience of recent years. The housing market for permanent residents remains tight, and a strong demand for new unsubsidized housing will be sustained by growth of the local population and replacement needs. The large proportion of low-income households also indicates a substantial potential for subsidized housing, though primarily for units with the large subsidies available through low-rent public housing or rent supplements.

Anticipated Housing Demand

Demand for new unsubsidized housing in the Neighbor Islands will come from two sources, the local population and visitors and part-time residents. These are distinct markets, separated by wide differences in the price of housing each can afford. That portion of demand expected from the local population is estimated at about 1,350 units annually, approximating the net gain in households and replacement need. Best absorption probably will result from construction of 1,000 single-family houses and 350 units in multifamily structures. The annual demand expected from the resident population is shown in the following table for each of the counties of the HMA; distributions of single-family houses by price ranges are shown in table I. Nearly all of the demand from the resident population for multifamily units will be for one- and two-bedroom units, of which an estimated 20-30 percent of the total could be marketed in condominium projects. Rents or monthly charges should be held to the absolute minimum possible with prevailing construction and financing costs. The effective realization of the forecast multifamily demand will require distribution of the units throughout the islands of Kauai and Maui, as low population densities and scattered employment sources preclude concentrating units in any one area. Most of the demand for multifamily units on Hawaii will be in the Hilo area. Until the current surplus is eliminated, it is suggested that construction of rental units be restricted in the Kona area.

Annual Demand for Unsubsidized Housing for Year-round Residents
Neighbor Islands, Hawaii, Housing Market Area
September 1971 to September 1973

<u>Area</u>	<u>Single- family</u>	<u>Multi- family</u>	<u>Total annual demand</u>
HMA total	<u>1,000</u>	<u>350</u>	<u>1,350</u>
Hawaii	480	120	600
Kauai	200	60	260
Maui	320	170	490

In addition to the above, it is anticipated that 500 to 600 housing units could be marketed annually as tourist accommodations or as second homes. A large share of this demand will be for sales housing and, to the extent possible, speculative construction should be avoided. Presales of condominium units before the start of construction would considerably lessen the instability inherent in this segment of the market.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through a number of different programs administered by FHA: monthly rent supplements in rental projects financed under Section 221 (d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. Therefore, the total occupancy potential for federally assisted housing is somewhat smaller than the sum of the potentials for public housing and Section 236 housing. For the HMA, the total occupancy potential is estimated to be about 1,300 units annually. See table II for geographic distributions of the occupancy potential for subsidized housing.

The annual occupancy potentials are based upon 1971 incomes, on the occupancy of substandard housing, on estimates of the elderly population, and on current income limits. They have been calculated to reflect the capacity of the market in view of current conditions and their successful absorption may well depend on a distribution of rents and sales prices over the complete range possible utilizing all of the various subsidy programs.

Section 235 and Section 236. Assisted housing for families with low to moderate incomes may be provided under Section 235 (sales housing) and Section 236 (multifamily projects). The Section 236 program contains additional provisions for rental units for elderly couples and individuals. In the Neighbor Islands, it is estimated that there is an occupancy potential utilizing both Section 235 and Section 236 for a total of 175 units annually for families and about 75 units annually of Section 236 housing for the elderly.

There has been activity under these two programs over the past year. A subdivision of 100 Section 235 houses is being developed in the Lahina area of Maui. Two Section 235 developments, 40 houses on the Kona Coast and 136 houses in Hilo, are on Hawaii. A Section 236 project of 45 units is under construction in Hilo. Most of the Section 235 houses have been sold, but difficulties were encountered after many of the initial applicants failed to show further interest or were rejected because their incomes were over the maximum allowable. It appears that there is limited depth to this segment of the market and the annual occupancy potential projected for the next two years is below the production volume of the past year. Consideration should be given to achieving the widest geographic dispersion possible, anticipating that the potential demand could best be satisfied by small projects or developments of single-family houses scattered throughout the areas of population concentration, where there is reasonable accessibility to employment sources and shopping.

Public Housing and Rent Supplement. These two programs serve households in essentially the same low-income groups. For the Neighbor Islands HMA, the combined annual total potential for public housing and rent supplements is estimated to be 875 units for families and 250 units for the elderly. These potentials are not additive and a small portion represents households also eligible for Section 235 and Section 236 housing.

There are 590 units of low-rent public housing in the HMA, including 320 units on Hawaii, 128 units on Kauai, and 142 units on Maui. Included in these totals are 145 units occupied by the elderly. An additional 98 units of Section 202 housing for the elderly on Maui is being leased to the housing authority. At present, vacancies are few and there are extensive lists of applicants for public housing.

Housing Market Conditions. The most obvious and as yet unresolved problem in the Neighbor Islands housing market is the lack of adequate housing resources at prices local residents can afford. Although population gains have been small, there is considerable need for additional housing arising from the strong desire of residents to upgrade their housing standards and to reduce overcrowding. However, effective housing demand is limited by the inability to pay the high prices

and rents necessitated by expensive land and building materials. Few new houses are selling for less than \$30,000, and rents for the newer apartments start at about \$200 a month. The federal subsidy programs have not appreciably eased this situation, because many households unable to purchase conventionally-financed housing are over income to be eligible for subsidy. As a result, overall housing market conditions remain tight throughout most of the HMA. Sales housing usually is sold before construction and high occupancy is typical of rental projects. There is a scarcity of existing single-family houses available for sale or rent. At present, the only area of weakness in the housing market is the Kailua-Kona region on Hawaii, where there is an oversupply of rental housing in the \$185 to \$250 rent range. Several hundred multifamily units were completed in the past two years, anticipating that expanded employment opportunities would generate a strong demand for rental housing. Because employment gains failed to materialize in the expected number, absorption of new rental units has been slow.

The market for second homes and housing available to tourists has expanded on all of the islands, with an estimated one-third of all construction in recent years directed toward this segment of the market. These accommodations include single-family houses, multifamily rental units, and condominiums. Most are luxury units. Although generally available to local residents, their high cost has precluded extensive utilization by year-round residents. Reportedly, vacancies have occurred with more frequency in the past year, and rents for short-term leases in some instances are negotiable. Sales of condominiums continue to be satisfactory, particularly in the price range below \$35,000. Fewer units are in development stages, however, and this situation is expected to prevail for the duration of the current slump in tourist business.

To date, condominiums have comprised a negligible share of the market from year-round residents. Their popularity has increased recently, but the potential for absorption remains small, probably consisting of a few small projects of one- and two-bedroom units which, for the most part, should be priced below \$30,000. There is little demand for sales units in multifamily projects with three or more bedrooms because of the high cost and the decided preference of large families for single-family houses.

Economic, Demographic, and Housing Factors

Economic Factors. The primary economic activities of the Neighbor Islands are agriculture, food processing, and the provision of goods and services to visitors. Tourist traffic to the outer islands of Hawaii has expanded and employment increases have occurred largely in trade and services. Agriculture remains a relatively stable component of the economy in terms of employment, and manufacturing jobs have declined because of reduced labor requirements in food processing.

Between 1965 and 1970, total employment in Hawaii, Kauai, and Maui Counties increased by an average of 1,950 annually, consisting of 2,060 jobs a year added in nonmanufacturing and an average net loss of 110 manufacturing jobs a year. Trade, services, and government employment comprised over 70 percent of the growth,

with yearly gains of 480, 560, and 370, respectively. Employment in each of the three counties expanded consistently, and growth trends by industry were similar. The rate of increase for Hawaii (25 percent) exceeded those for Maui (18 percent) and Kauai (12 percent) during the 1965-1970 period, however.

The most recent data available indicate the effects of the nation-wide economic slowdown on the Neighbor Islands. The January to July 1971 average of 59,400 persons employed in the three counties was only 480 above the level of the same period in 1970. Reduced growth was noted in all categories except government, and there were reductions in construction and agricultural employment. Unemployment also rose, averaging 3,150 persons, 5.0 percent of the work force, during the first six months of 1971. This was the highest jobless rate in at least a decade, with unemployment gains in evidence in all of the counties. Tables III and IV present work force components and employment trends by industry for the HMA and each of the constituent counties for the 1965-1971 period.

Based on current economic indicators, the slowed rate of employment growth will continue in the near-term future. The abnormally low occupancy rates in hotels preclude the feasibility of further expansion of resort facilities at this time, and temporary employment reductions are anticipated because of the dependence of most businesses on ocean transport which has been stopped by the west coast dock worker strike. While these conditions will be short-lived, their impact on employment growth levels will be evident in the near future. Pending indications of an unexpected rapid recovery in tourism and from the effects of the dock strike, the net increase in employment for the Neighbor Islands will average about 1,000 jobs annually between September 1971 and September 1973. This projection is slightly more than half the average gain recorded from 1965 through 1970, anticipating that a return to normal growth patterns will not be realized until the latter part of the forecast period, after the number of vacationers to the outer islands is again on the upward trend. All of the increase is expected in nonmanufacturing; the distribution by county is expected to be 600 jobs for Hawaii, 250 for Maui, and 150 for Kauai.

In 1971, the median after-tax incomes for families in the Neighbor Islands were \$7,600 in Hawaii, \$7,500 in Kauai, and \$8,400 in Maui. Increases in these medians during the past decade ranged from about 60 percent in Kauai to 75 percent in Maui. Detailed distributions of all families and renter households by 1971 incomes for the three counties are shown in table V.

Demographic Factors. The estimated population of the Neighbor Islands was 141,100 persons in September 1971, including 64,300 in Hawaii, 30,000 in Kauai, and 46,800 in Maui. Average population growth was relatively low, 730 persons (0.5 percent) a year, over the 1960-1970 decade, although it did increase from that average during the latter part of the decade. Since the 1970 Census, the average gain has been about 1,200 persons (0.9 percent) annually. Recent gains in population were larger in each of the counties, with the island of Hawaii accounting for about half of the total increase.

It should be noted that the above population trends consider only the resident population of the HMA. At any time, there are several thousands of visitors on the islands and this number has been increasing steadily over the years.

There were 39,050 households in the HMA as of September 1971. Between 1960 and 1970, the number of households increased by an average of 320 (0.9 percent) a year; since April 1970, there has been an annual gain of 510 (1.3 percent). The trend of household growth has been similar to that of population growth, although the rate of increase was larger, reflecting declines in the average number of persons per household evident in the HMA.

Over the next two years, the resident population of the Neighbor Islands is expected to increase by 1,150 persons annually and there will be 475 households added each year. The forecasts anticipate sustained growth of population and households over the next two years. The rates of increase are below those of the recent past because of the slowed pace of business expansion expected in the near future. Table VI presents population and household trends in the HMA for the April 1960-September 1971 period and a projection of growth to September 1973.

Housing Factors. The housing inventory of the Neighbor Islands totaled 43,150 units in September 1971 (see table VII). Since the 1970 Census, about 4,100 units have been constructed, but about 1,400 of those units are being utilized as vacation housing and about 1,475 units were demolished, revealing that the increase in the inventory for year-round residents was about 1,225 units. A similar situation existed during the 1960-1970 decade when about 12,350 units were built and the resident housing inventory increased by only 2,350 units. Apparently, there were about 4,000 units provided as tourist accommodations and 6,000 units were demolished during those ten years. The extensive demolition activity reflects, in large part, the removal of company-owned housing on plantations which is being replaced by individually-owned private housing.

In September 1971, there were about 1,050 units under construction in the HMA, including about 550 single-family houses and 500 units in multifamily structures. Of the total, 440 units were on Hawaii, 450 units were on Maui, and 160 units were under construction on Kauai. About 60 percent of the units now under construction are expected to become part of the year-round housing supply.

Residential building volume, as measured by building permits,^{1/} increased steadily over the past decade, rising from 702 units in 1960 to 2,670 units in 1970. During the first six months of 1971, there were 1,569 units authorized by building permits. Increases in the volume of construction occurred throughout the islands and have been most pronounced since 1967, the beginning of the intensive promotion of tourism to the outer islands. As a result, it is estimated that at least one-third of the total building activity and probably about half of the multifamily construction since 1967 has been visitor oriented. Table VIII presents units in the number of building permits authorized annually in each of the counties of the HMA.

^{1/} Building permits are required in all areas of the HMA.

Nearly 58 percent of the households in the HMA now are owner occupied, compared to 43 percent in 1960. The trend toward homeownership has been noted throughout the Neighbor Islands, all of which have experienced sizeable declines in the number of renter households (see table VII). Much of the housing demolished has been rental units and families typically have relocated in sales units.

Vacancy rates, at 0.9 percent for sales housing and 4.7 percent for rental housing, remain low and have not changed appreciably in the past ten years (see table VII). Acceptable quality vacant housing units are in short supply in Kauai and Maui and have restricted mobility and choice of residents throughout these two islands. Vacancies have increased on Hawaii, although almost all are units in the Kona area.

Table I

Estimated Annual Demand from the Resident Population for Single-family Houses
Neighbor Islands, Hawaii, Housing Market Area
September 1971-September 1973

<u>Price class</u>	<u>Hawaii</u>	<u>Kauai</u>	<u>Maui</u>	<u>HMA total</u>
Under \$30,000	50	20	30	100
\$30,000 - 34,999	100	50	60	210
35,000 - 39,999	120	60	80	260
40,000 - 44,999	90	30	70	190
45,000 - 49,999	70	20	50	140
50,000 and over	50	20	30	100
Total	480	200	320	1,000

Table II

Estimated Annual Occupancy Potential for Subsidized Housing
Neighbor Islands, Hawaii, Housing Market Area
September 1971 to September 1973

<u>Neighbor Islands</u>	<u>Section 235 and 236^{a/}</u> <u>exclusively</u>	<u>Eligible for</u> <u>both programs^{b/}</u>	<u>Public housing</u> <u>exclusively^{b/}</u>	<u>Total for</u> <u>both programs</u>
<u>A. Families</u>				
One bedroom	25	-	125	150
Two bedrooms	60	10	340	410
Three or more bedrooms	80	-	400	480
Total	<u>165</u>	<u>10</u>	<u>865</u>	<u>1,040</u>
<u>B. Elderly</u>	<u>5</u>	<u>70</u>	<u>180</u>	<u>255</u>
<u>Hawaii</u>				
<u>A. Families</u>				
One bedroom	10	-	50	60
Two bedrooms	30	-	155	185
Three or more bedrooms	30	-	180	210
Total	<u>70</u>	<u>-</u>	<u>385</u>	<u>455</u>
<u>B. Elderly</u>	<u>-</u>	<u>30</u>	<u>80</u>	<u>110</u>
<u>Kauai</u>				
<u>A. Families</u>				
One bedroom	5	-	40	45
Two bedrooms	15	5	95	115
Three or more bedrooms	20	-	115	135
Total	<u>40</u>	<u>5</u>	<u>250</u>	<u>295</u>
<u>B. Elderly</u>	<u>5</u>	<u>10</u>	<u>50</u>	<u>65</u>
<u>Maui</u>				
<u>A. Families</u>				
One bedroom	10	-	35	45
Two bedrooms	15	5	90	110
Three or more bedrooms	30	-	105	135
Total	<u>55</u>	<u>5</u>	<u>230</u>	<u>290</u>
<u>B. Elderly</u>	<u>-</u>	<u>30</u>	<u>50</u>	<u>80</u>

a/ Estimates are based on regular income limits.

b/ All of these families and elderly households are also eligible for rent supplements.

Table III

Civilian Work Force Components
Neighbor Islands, Hawaii, Housing Market Area
1965-1971
 (annual averages)

	1965	1966	1967	1968	1969	1970	Jan.-June	
							1970	1971
<u>Total Neighbor Islands</u>								
Work force	<u>51,390</u>	<u>53,020</u>	<u>54,420</u>	<u>56,640</u>	<u>58,600</u>	<u>62,000</u>	<u>61,460</u>	<u>62,550</u>
Unemployed	2,100	2,070	2,220	1,880	1,900	2,490	2,530	3,150
Percent of work force	4.1%	3.9%	4.1%	3.3%	3.2%	4.0%	4.1%	5.0%
Employed	49,270	50,950	52,190	54,640	56,080	59,030	58,920	59,400
Labor disputes	20	0	10	120	620	480	10	0
<u>Hawaii</u>								
Work force	<u>24,090</u>	<u>24,900</u>	<u>25,540</u>	<u>26,840</u>	<u>27,430</u>	<u>30,120</u>	<u>29,930</u>	<u>30,700</u>
Unemployed	970	970	1,010	850	840	980	960	1,450
Percent of work force	4.0%	3.9%	4.0%	3.2%	3.1%	3.3%	3.2%	4.7%
Employed	23,100	23,930	24,520	25,990	26,350	28,880	28,960	29,250
Labor disputes	20	0	10	0	240	260	10	0
<u>Maui</u>								
Work force	<u>15,550</u>	<u>16,070</u>	<u>16,560</u>	<u>17,110</u>	<u>17,980</u>	<u>18,620</u>	<u>18,430</u>	<u>18,550</u>
Unemployed	640	630	750	650	630	960	1,030	1,050
Percent of work force	4.1%	3.9%	4.5%	3.8%	3.5%	5.1%	5.6%	5.7%
Employed	14,910	15,440	15,810	16,370	17,170	17,570	17,400	17,500
Labor disputes	0	0	0	90	180	90	0	0
<u>Kauai</u>								
Work force	<u>11,750</u>	<u>12,050</u>	<u>12,320</u>	<u>12,690</u>	<u>13,190</u>	<u>13,260</u>	<u>13,100</u>	<u>13,300</u>
Unemployed	490	470	460	380	430	550	540	650
Percent of work force	4.2%	3.9%	3.7%	3.0%	3.3%	4.2%	4.1%	4.9%
Employed	11,260	11,580	11,860	12,280	12,560	12,580	12,560	12,650
Labor disputes	0	0	0	30	200	130	0	0

Source: State of Hawaii Department of Labor and Industrial Relations.

Table IV

Employment Trends by Industry
Neighbor Islands, Hawaii, Housing Market Area
1965-1971
(Annual averages)

<u>Total Neighbor Islands</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>Jan.-June</u>	
							<u>1970</u>	<u>1971</u>
Employment	49,270	50,950	52,190	54,640	56,080	59,030	58,920	59,400
Manufacturing	7,350	7,240	7,010	6,830	6,800	6,810	6,720	6,780
Food processing	6,500	6,300	6,080	5,740	5,590	5,570	5,480	5,580
Other manufacturing	850	940	930	1,090	1,210	1,240	1,240	1,200
Nonmanufacturing	41,920	43,710	45,180	47,810	49,280	52,220	52,200	52,620
Construction	2,790	2,550	2,250	2,420	2,480	2,920	2,950	2,830
Trans., comm., & utils.	2,450	2,550	2,690	3,070	3,350	3,430	3,400	3,420
Trade	7,310	7,660	7,940	8,540	9,110	9,730	9,590	10,150
Services	5,720	6,430	7,250	8,120	8,750	8,500	8,900	8,920
Government	7,020	7,370	7,590	8,030	8,290	8,870	8,630	9,250
Agricultural ^{a/}	10,130	10,420	10,560	10,280	9,580	10,860	10,860	10,110
Other ^{b/}	6,500	6,730	6,800	7,350	7,720	7,910	7,870	7,940
Hawaii								
Employment	23,100	23,930	24,520	25,990	26,350	28,880	28,960	29,250
Manufacturing	3,010	3,000	2,900	2,930	2,820	2,960	3,000	2,980
Food processing	2,600	2,570	2,450	2,370	2,200	2,330	2,360	2,370
Other manufacturing	410	430	450	560	620	630	640	610
Nonmanufacturing	20,090	20,930	21,620	23,060	23,530	25,920	25,960	26,270
Construction	1,500	1,310	1,150	1,170	1,160	1,500	1,500	1,450
Trans., comm., & utils.	1,050	1,150	1,190	1,250	1,330	1,380	1,360	1,360
Trade	3,740	3,910	4,060	4,340	4,560	5,020	4,950	5,230
Services	2,310	2,590	2,930	3,580	3,790	3,730	3,900	4,130
Government	3,370	3,580	3,770	4,010	4,080	4,370	4,300	4,580
Agricultural ^{a/}	4,830	4,940	5,080	5,010	4,680	5,900	5,950	5,480
Other ^{b/}	3,290	3,450	3,440	3,700	3,930	4,020	4,000	4,040

(Continued)

Table IV (Continued)
Employment Trends by Industry
Neighbor Islands, Hawaii, Housing Market Area
1965-1971
(Annual averages)

<u>Maui</u>	1965	1966	1967	1968	1969	1970	Jan.-June	
							1970	1971
Employment	<u>14,910</u>	<u>15,440</u>	<u>15,810</u>	<u>16,370</u>	<u>17,170</u>	<u>17,570</u>	<u>17,400</u>	<u>17,500</u>
Manufacturing	<u>2,560</u>	<u>2,460</u>	<u>2,380</u>	<u>2,270</u>	<u>2,410</u>	<u>2,240</u>	<u>2,140</u>	<u>2,170</u>
Food processing	2,310	2,130	2,070	1,910	2,010	1,830	1,740	1,730
Other manufacturing	250	330	310	360	400	410	400	440
Nonmanufacturing	<u>12,350</u>	<u>12,980</u>	<u>13,430</u>	<u>14,100</u>	<u>14,760</u>	<u>15,330</u>	<u>15,260</u>	<u>15,330</u>
Construction	820	800	720	830	940	1,000	1,030	950
Trans., comm., & utils.	840	830	780	860	960	1,000	1,000	1,010
Trade	2,070	2,260	2,310	2,490	2,660	2,830	2,780	3,000
Services	1,860	1,990	2,330	2,530	2,830	2,760	2,850	2,730
Government	2,040	2,120	2,200	2,240	2,830	2,440	2,390	2,560
Agricultural ^{a/}	2,820	3,010	3,040	2,900	2,710	2,940	2,860	2,730
Other ^{b/}	1,900	1,970	2,050	2,250	2,330	2,360	2,350	2,350
 <u>Kauai</u>								
Employment	<u>11,260</u>	<u>11,580</u>	<u>11,860</u>	<u>12,280</u>	<u>12,560</u>	<u>12,580</u>	<u>12,560</u>	<u>12,650</u>
Manufacturing	<u>1,780</u>	<u>1,780</u>	<u>1,730</u>	<u>1,630</u>	<u>1,570</u>	<u>1,610</u>	<u>1,580</u>	<u>1,630</u>
Food processing	1,590	1,600	1,560	1,460	1,380	1,410	1,380	1,480
Other manufacturing	190	180	170	170	190	200	200	150
Nonmanufacturing	<u>9,480</u>	<u>9,800</u>	<u>10,130</u>	<u>10,650</u>	<u>10,990</u>	<u>10,970</u>	<u>10,980</u>	<u>11,020</u>
Construction	470	440	380	420	380	420	420	430
Trans., comm., & utils.	560	570	720	960	1,060	1,050	1,040	1,050
Trade	1,500	1,490	1,570	1,710	1,890	1,880	1,860	1,920
Services	1,550	1,850	1,990	2,010	2,130	2,010	2,150	2,060
Government	1,610	1,670	1,720	1,780	1,880	2,060	1,940	2,110
Agricultural ^{a/}	2,480	2,470	2,440	2,370	2,190	2,020	2,050	1,900
Other ^{b/}	1,310	1,310	1,310	1,400	1,460	1,530	1,520	1,550

^{a/} Includes agricultural, self-employed, and unpaid family workers.

^{b/} Includes nonagricultural self-employed and finance, insurance and real estate.

Source: State of Hawaii Department of Labor and Industrial Relations.

Table V

Percentage Distribution of All Families and Renter Households by Annual Income^{a/}
Neighbor Islands, Hawaii, Housing Market Area
As of September 1971

Annual after-tax income	Hawaii		Kauai		Maui	
	All families	Renter households ^{b/}	All families	Renter households ^{b/}	All families	Renter households ^{b/}
Under \$ 3,000	9	12	6	9	8	9
\$ 3,000 - 3,999	7	8	6	9	3	8
4,000 - 4,999	7	10	8	12	8	9
5,000 - 5,999	8	12	11	14	9	11
6,000 - 6,999	11	14	13	11	10	11
7,000 - 7,999	12	8	11	10	9	9
8,000 - 8,999	9	7	8	8	8	10
9,000 - 9,999	6	7	7	7	7	8
10,000 - 12,499	12	8	13	12	16	12
12,500 - 14,999	8	8	8	4	11	8
15,000 - 17,499	7	3	5	2	6	3
17,500 and over	4	3	4	2	5	2
Total	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Median	\$7,600	\$6,500	\$7,500	\$6,400	\$8,400	\$7,200

^{a/} After deduction of federal income tax.

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

Source: Estimated by Housing Market Analyst.

Table VI

Demographic Trends
Neighbor Islands, Hawaii, Housing Market Area
1960-1973

<u>Population</u>	<u>April</u>	<u>April</u>	<u>Sept.</u>	<u>Sept.</u>	<u>Average annual change^{a/}</u>		
	<u>1960</u>	<u>1970</u>	<u>1971</u>	<u>1973</u>	<u>1960-</u>	<u>1970-</u>	<u>1971-</u>
					<u>1970</u>	<u>1971</u>	<u>1973</u>
Total Neighbor Islands	<u>132,084</u>	<u>139,385</u>	<u>141,100</u>	<u>143,400</u>	<u>730</u>	<u>1,200</u>	<u>1,150</u>
Hawaii	61,332	63,468	64,300	65,500	210	590	600
Kauai	28,176	29,761	30,000	30,300	150	170	150
Maui	42,576	46,156	46,800	47,600	360	450	400
 <u>Households</u>							
Total Neighbor Islands	<u>35,091</u>	<u>38,325</u>	<u>39,050</u>	<u>40,000</u>	<u>320</u>	<u>510</u>	<u>475</u>
Hawaii	15,789	17,260	17,650	18,150	150	270	250
Kauai	8,078	8,282	8,350	8,450	20	50	50
Maui	11,224	12,783	13,050	13,400	160	190	175

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

Sources: 1960 and 1970 Censuses of Population and Housing and estimates by Housing Market Analyst.

Table VII

Housing Inventory, Tenure, and Vacancy
Neighbor Islands, Hawaii, Housing Market Area
1960-1971

<u>April 1960</u>	<u>Hawaii</u>	<u>Kauai</u>	<u>Maui</u>	<u>Total</u>
Total housing inventory	<u>18,118</u>	<u>8,996</u>	<u>12,462</u>	<u>39,576</u>
Total occupied	<u>15,789</u>	<u>8,078</u>	<u>11,224</u>	<u>35,091</u>
Owner-occupied	<u>7,109</u>	<u>2,880</u>	<u>5,138</u>	<u>15,127</u>
Percent owner	45.0%	35.7%	45.8%	43.1%
Renter-occupied	<u>8,680</u>	<u>5,198</u>	<u>6,086</u>	<u>19,964</u>
Percent renter	55.0%	64.3%	54.2%	56.9%
Vacant housing units	<u>2,329</u>	<u>918</u>	<u>1,238</u>	<u>4,485</u>
Available vacant	<u>429</u>	<u>318</u>	<u>256</u>	<u>1,003</u>
For sale	<u>56</u>	<u>43</u>	<u>61</u>	<u>160</u>
Homeowner vacancy rate	0.8%	1.5%	1.2%	1.0%
For rent	<u>373</u>	<u>275</u>	<u>195</u>	<u>843</u>
Renter vacancy rate	4.1%	5.0%	3.1%	4.1%
Other vacant ^{a/}	<u>1,900</u>	<u>600</u>	<u>982</u>	<u>3,482</u>
 <u>April 1970</u>				
Total housing inventory	<u>18,972</u>	<u>9,021</u>	<u>13,922</u>	<u>41,915</u>
Total occupied	<u>17,260</u>	<u>8,282</u>	<u>12,783</u>	<u>38,325</u>
Owner-occupied	<u>9,815</u>	<u>3,788</u>	<u>7,484</u>	<u>21,087</u>
Percent owner	56.9%	45.7%	58.5%	55.0%
Renter-occupied	<u>7,445</u>	<u>4,494</u>	<u>5,299</u>	<u>17,238</u>
Percent renter	43.1%	54.3%	41.5%	45.0%
Vacant housing units	<u>1,712</u>	<u>739</u>	<u>1,139</u>	<u>3,590</u>
Available vacant	<u>477</u>	<u>211</u>	<u>230</u>	<u>918</u>
For sale	<u>111</u>	<u>21</u>	<u>27</u>	<u>159</u>
Homeowner vacancy rate	1.1%	0.6%	0.4%	0.7%
For rent	<u>366</u>	<u>190</u>	<u>203</u>	<u>759</u>
Renter vacancy rate	4.7%	4.1%	3.7%	4.2%
Other vacant ^{a/}	<u>1,235</u>	<u>528</u>	<u>909</u>	<u>2,672</u>
 <u>September 1971</u>				
Total housing inventory	<u>19,600</u>	<u>9,200</u>	<u>14,350</u>	<u>43,150</u>
Total occupied	<u>17,650</u>	<u>8,350</u>	<u>13,050</u>	<u>39,050</u>
Owner-occupied	<u>10,650</u>	<u>3,950</u>	<u>7,950</u>	<u>22,550</u>
Percent owner	60.3%	47.3%	60.9%	57.7%
Renter-occupied	<u>7,000</u>	<u>4,400</u>	<u>5,100</u>	<u>16,500</u>
Percent renter	39.7%	52.7%	39.1%	42.3%
Vacant housing units	<u>1,950</u>	<u>850</u>	<u>1,300</u>	<u>4,100</u>
Available vacant	<u>550</u>	<u>210</u>	<u>260</u>	<u>1,020</u>
For sale	<u>150</u>	<u>20</u>	<u>40</u>	<u>210</u>
Homeowner vacancy rate	1.4%	0.5%	0.5%	0.9%
For rent	<u>400</u>	<u>190</u>	<u>220</u>	<u>810</u>
Renter vacancy rate	5.4%	4.1%	4.1%	4.7%
Other vacant ^{a/}	<u>1,400</u>	<u>640</u>	<u>1,040</u>	<u>3,080</u>

^{a/} Includes vacant seasonal units, dilapidated units, and units held off the market.

Sources: 1960 and 1970 Censuses and estimates by Housing Market Analyst.

Table VIII

New Housing Units Authorized by Building Permits
Neighbor Island, Hawaii, Housing Market Area
1960-1971

<u>Year</u>	<u>Hawaii</u>			<u>Kauai</u>			<u>Maui</u>			<u>Total</u>		
	<u>Single- family</u>	<u>Multi- family</u>	<u>Total</u>									
1960	197	18	215	122	2	124	359	4	363	678	24	702
1961	291	90	381	118	51	169	294	20	314	703	161	864
1962	366	71	437	119	13	132	319	65	384	804	149	953
1963	420	26	446	181	18	199	333	196	529	934	240	1,174
1964	419	17	436	187	20	207	276	132	408	882	169	1,051
1965	431	94	525	205	116	321	338	182	520	974	392	1,366
1966	453	123	576	212	24	236	344	246	590	1,009	393	1,402
1967	393	22	415	156	4	160	372	164	536	921	190	1,111
1968	496	346	842	214	100	314	424	403	827	1,134	849	1,983
1969	651	406	1,057	266	20	286	401	899	1,300	1,318	1,325	2,643
1970	784	395	1,179	320	73	393	474	624	1,098	1,578	1,092	2,670
<u>Jan-June 1971</u>	515	280	795	192	78	270	308	196	504	1,015	554	1,569

Source: U.S. Bureau of the Census, Construction Reports, C-40, and First Hawaiian Bank.

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