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DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410  
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*Analysis of the*  
**ROSWELL, NEW MEXICO  
HOUSING MARKET**

**as of January 1, 1966**

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

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ANALYSIS OF THE  
ROSWELL, NEW MEXICO, HOUSING MARKET  
AS OF JANUARY 1, 1966

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

## Foreword

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

Since market analysis is not an exact science the judgmental factor is important in the development of findings and conclusions. There will, 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  
ROSWELL, NEW MEXICO, HOUSING MARKET  
AS OF JANUARY 1, 1966

Summary and Conclusions

1. Total nonagricultural employment in the Roswell Housing Market Area (HMA) totaled 15,600 in 1964, compared with 15,125 in 1960. An employment expansion of 4,575 between 1960 and 1962 was followed by a contraction of 4,100 between 1962 and 1964. The downward trend is continuing. During the two-year forecast period, total nonagricultural employment in the Roswell HMA is expected to decline to about 13,300. Most of the loss is expected to occur in the trade, services, and construction industries.
2. The estimated current median income of all families in the HMA, after deduction of Federal income tax, is about \$6,075 a year and the current median after-tax income of all renter families is \$5,175 annually.
3. The nonfarm population of the Roswell HMA currently totals 59,950, an increase of 6,150 since 1960. Based on an expected employment decline and the closing of Walker Air Force Base, the total nonfarm population in the HMA is expected to decline by 13,350 during the two-year forecast period to about 46,600.
4. As of January 1, 1966, there are about 16,450 nonfarm households in the Roswell HMA, a gain of 1,825 since April 1960. During the two-year forecast period, nonfarm households are projected to decline to 12,750, a loss of 3,700 from the current level.
5. There are currently about 19,350 nonfarm housing units in the Roswell HMA. This represents a net addition to the inventory of about 3,300 since the 1960 Census enumerated 16,050 units. Of the 3,125 units authorized by building permits since 1960, about 90 percent were single-family structures.

6. There are currently about 1,900 available vacant units in the HMA, comprised of 625 units available for sale (a homeowner vacancy rate of 6.0 percent) and 1,275 available for rent (a rental vacancy rate of 16.2 percent). The current vacancy levels are substantially above those reported in 1960 and are in excess of the number required to maintain a desirable demand-supply balance.
7. The decline in the number of households together with the current excess of available vacancies will preclude any significant demand for new housing units during the forecast period. It is recognized, however, that there may be effective demand for some new units by families who can afford and desire to upgrade to new housing in preference to existing housing. Market prospects would be improved, of course, in the event that developments not now foreseeable should materialize to strengthen the demand for housing.

ANALYSIS OF THE  
ROSWELL, NEW MEXICO, HOUSING MARKET  
AS OF JANUARY 1, 1966

Housing Market Area

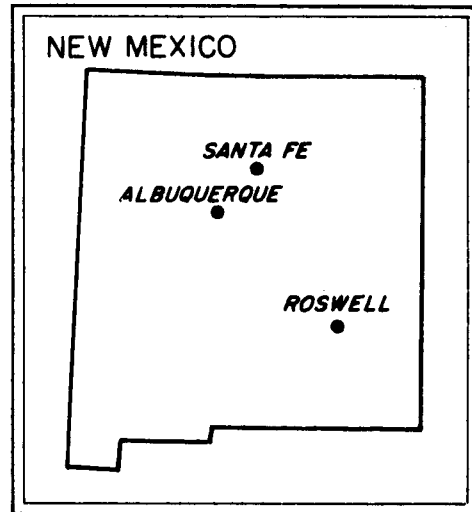
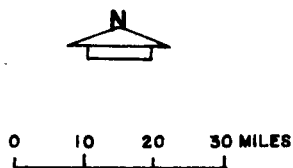
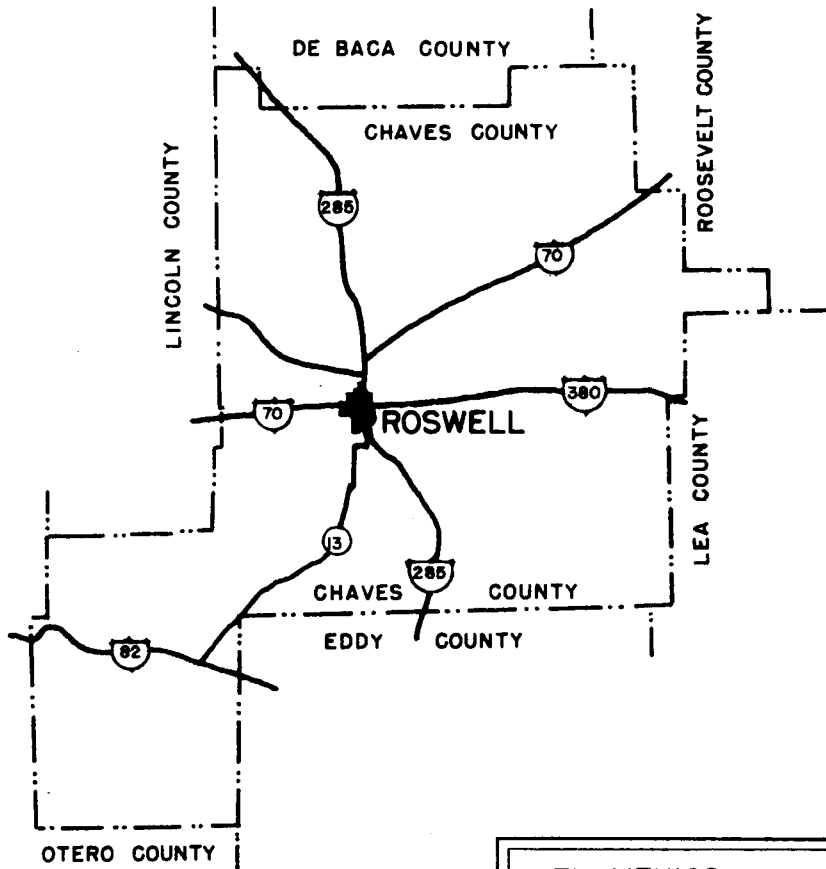
The Roswell, New Mexico, Housing Market Area (HMA) is defined as being coterminous with Chaves County. The HMA had a total 1960 population of about 53,800.<sup>1/</sup> Roswell is the only city in the HMA and it is situated in about the geographic center of the county. The HMA is located in the southeastern portion of New Mexico. Roswell is currently the second largest city in the state, and serves as the trade and service center for this part of New Mexico. It is located about 200 miles south-east of Albuquerque, New Mexico and about 200 miles northeast of El Paso, Texas.

The HMA is served by three U.S. highways, two airlines, and one railroad. U.S. route 285 is the primary north-south traffic artery, while routes 70 and 380 traverse the HMA in an east-west direction. Two airlines, Trans-Texas and Solar, operate through the Roswell Municipal Airport, and connect the HMA with the major cities of the southwest. The Santa Fe Railroad supplies the area with passenger and freight service.

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<sup>1/</sup> Since rural farm population constituted 6.7 percent of the population of the Roswell HMA in 1960, all demographic and housing data used in this analysis exclude the rural farm component, except where specifically noted.

## ROSWELL, NEW MEXICO, HOUSING MARKET AREA





## Economy of the Area

### Character and History

Roswell was settled about a century ago as a trading post. It soon became the trading center for the nearby rural population, but now the trade area extends far beyond the local farm region. Because Roswell is the largest city within about 200 miles, it is a natural hub of commerce. In 1942, the Air Force established a base just south of Roswell which provided a further economic stimulus. In conjunction with Walker Air Force Base, Atlas Missile sites were installed in the early 1960's resulting in a rapid, but temporary, economic expansion.

On December 8, 1965, the Department of Defense announced that Walker Air Force Base would be phased-out over an 18-month period. The closing of the base will have a substantial impact upon the local economy.

### Employment

Total nonagricultural employment in the Roswell HMA averaged 14,750 for the first six months of 1965, a decline of 1,075 jobs over the same period in 1964 (see table I). All sectors of the economy contributed to the decline, but almost half of the reduction occurred in the manufacturing category. During the 1960-1964 period, total nonagricultural employment in the HMA increased by only 475, a gain of 3.1 percent.<sup>1/</sup> This increase, however, is not indicative of the employment picture of the HMA. In 1961 and 1962, the construction of Atlas Missile sites caused a very rapid economic expansion. Work on the missile installation was completed by 1963 and employment began to recede to its previous level.

A sizable expansion during 1961 and 1962 was coupled with a contraction of almost the same magnitude in 1963 and 1964, and the downward trend is continuing. From the 1960 total of 15,125, employment increased to 16,775 in 1961 and to a peak of 19,700 in 1962. Employment losses of 3,850 and 250 in 1963 and 1964, respectively, culminated in the average employment level of only 15,600 in 1964.

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<sup>1/</sup> Employment data prior to 1960 are not available.

Employment Trend  
Roswell, New Mexico, HMA a/  
1960-1964  
(annual averages)

<u>Year</u>	<u>Total nonag. employment</u>	<u>Wage &amp; salary employment</u>	<u>Other nonag. employment</u>
1960	15,133	b/	b/
1961	16,782	13,179	3,603
1962	19,707	15,643	4,064
1963	15,860	12,600	3,250
1964	15,594	12,473	3,121

a/ Data are subject to revision by Employment Security Commission of New Mexico.

b/ A distribution of employment is not available for 1960.

Source: Employment Security Commission of New Mexico.

Nonagricultural wage and salary employment during the 1961-1964 period ranged from a high of 15,650 in 1962 to a low of 12,475 in 1964, and the downward trend is continuing into 1965. A gain of 2,475 workers between 1961 and 1962 was more than offset by a loss of 3,050 in 1963. A modest decline of 125 was experienced in 1964. Data for the first six months of 1965 reveal that wage and salary employment in 1965 is about 800 below the level for the comparable period in 1964.

In 1964, manufacturing employment averaged 1,050, equal to 6.7 percent of total nonagricultural employment. Manufacturing employment averaged 950 in 1961. The economic upsurge which occurred in 1962 resulted in an employment level of 1,900, double that of 1961. The sharp curtailment of total employment which occurred in 1963 included a decline of 925 in the manufacturing sector, offsetting virtually all of the gain in manufacturing that was recorded in the previous year. A moderate decline of 75 jobs was registered in 1964. Manufacturing employment declined by about 500 during the first six months of 1965. This decline resulted from the completion of modification of the Atlas Missile sites in 1964.

Nonmanufacturing accounts for the bulk of employment in the HMA. Employment in nonmanufacturing industries in the Roswell HMA averaged 11,425 in 1964, a decline of 800 since 1961. A peak of 13,750 was attained in 1962 which represented an increase of 1,525 over the 1961 level. A sharp decline of 2,100 between 1962 and 1963 was followed by a modest decline of 225 between 1963 and 1964. The nonmanufacturing sector is dominated by trade, government, and services, which, in 1964, accounted for almost three-fourths of nonmanufacturing employment. The decline of 800 which was recorded in nonmanufacturing between 1961 and 1964 was caused by employment curtailments in two industries, construction and trade. The

other industries recorded either gains or were unchanged. The largest gain occurred in government employment which increased by 350, from 2,700 in 1961 to a peak of 3,050 in 1964. Services displayed the next largest gain, adding 125 jobs during the three-year period, but it was not a gradual gain. The impact of the missile site construction was very evident in the services industries. Between 1961 and 1962, services employment jumped by 1,575, from 1,850 to 3,425. The subsequent decline in 1963 was almost as strong, as employment fell by 1,525. About 75 jobs were added between 1963 and 1964. The mining industry and the finance, insurance, and real estate sector displayed small gains of 50 each over the period, while the transportation, communications, and utilities category was unchanged. Employment in wholesale and retail trade fluctuated somewhat during the period, losing 150 jobs between 1961 and 1964. Construction employment trended sharply downward during the 1961-1964 period, declining from 2,150 in 1961 to 1,575 in 1962 to 1,075 in 1963 and 925 in 1964, a total loss of 1,225 jobs.

#### Walker Air Force Base

Walker AFB, located five miles south of Roswell, was established in 1942 as the Roswell Army Air Field. In 1946, the base became one of the first installations under the Strategic Air Command (SAC) and has been an active air base since that time. On December 8, 1965, the Department of Defense announced that Walker AFB would be closed by July 1, 1967 and that all military personnel would be transferred out of the area. In April 1965, there were 4,650 military personnel and 370 civil service employees at Walker AFB, a total complement in excess of 5,000 persons. This represents a marked decline from the June 1963 level of over 6,425.

#### Military and Civilian Strength Walker AFB, 1957-1967

<u>Date</u>	<u>Military</u>	<u>Civil Service</u>	<u>Total</u>
June 1957	6,690	393	7,083
" 1958	7,201	391	7,592
" 1959	5,220	366	5,586
" 1960	5,394	374	5,768
" 1961	4,785	423	5,208
" 1962	5,849	466	6,315
" 1963	6,028	407	6,435
" 1964	5,410	417	5,827
Apr. 1965	4,653	368	5,021
July 1967 (proj.)	0	0	0

Source: Department of Defense.

### Unemployment

Although employment has displayed substantial fluctuation, unemployment has been relatively stable at a low level. A peak was reached in 1963 when 4.4 percent of the work force was unemployed. Unemployment was at an ebb in 1960 and 1962 when the rate was only 2.5 percent. For the first six months of 1965, unemployment averaged 3.3 percent compared with 4.0 percent for the same period in 1964 indicating that unemployment is continuing to subside from the 1963 peak.

Work Force and Unemployment Trends  
Roswell, New Mexico, HMA  
1960-1965  
(annual average)

<u>Year</u>	<u>Total work force</u>	<u>Unemployed</u>	
		<u>Number</u>	<u>Percent</u>
1960	17,468	435	2.5
1961	19,185	496	2.6
1962	22,055	551	2.5
1963	18,478	816	4.4
1964	17,944	672	3.7
1965 <sup>a/</sup>	16,900	557	3.3

<sup>a/</sup> First six months.

Source: Employment Security Commission of New Mexico.

### Estimated Future Employment

The closing of Walker Air Force Base will have a strong adverse effect on the Roswell economy. Although civilian employment at the base is currently only 370 persons, the income generated by the military personnel is the major stimulus to the economy. During the January 1966-January 1968 forecast period, employment in the Roswell HMA is expected to decline to about 13,300, a decline of 1,450 from the 1965 level. Most of the loss is expected to occur in the trade, services, and construction industries, primarily as a result of a reduced population. The effect of the employment reduction on unemployment is uncertain. It is anticipated that the unemployment rate will increase somewhat, but this will be tempered by the fact that numerous military dependents, who will migrate out of the area, are currently employed in the HMA.

Income

The estimated current median income of all families in the Roswell HMA, after deduction of Federal income tax, is about \$6,075 a year and the current median after-tax income of all renter families is \$5,175 annually.

Estimated distributions of all families and of renter families by annual after-tax income for 1966 is presented in table II. About 27 percent of all families and 36 percent of all renter families currently have after-tax incomes below \$4,000 annually. At the upper end of the income distribution, 18 percent of all families and nine percent of all renter families have after-tax incomes of \$10,000 or more annually.

Demographic Factors

Population

Current Estimate. The nonfarm population of the Roswell HMA currently totals 59,950, a gain of 6,150 since 1960. As of January 1, 1966, the population of the city of Roswell is about 45,650, compared with 39,600 in April 1960.

Nonfarm Population Trend  
Roswell, New Mexico, HMA  
1950-1968

<u>Date</u>	<u>Nonfarm population</u>	<u>Total change</u>	
		<u>Number<sup>a</sup>/</u>	<u>Percent</u>
April 1950	33,759	-	-
April 1960	53,804	20,045	59.4
January 1966	59,950	6,150	11.4
January 1968	46,600	-13,350	-22.3

a/ Rounded.

Sources: 1950 and 1960 Censuses of Population.  
1966 and 1968 estimated by Housing Market Analyst.

The current population of the Roswell HMA is comprised of 13,350 military personnel (including dependents), 1,200 military-connected civilian employees and dependents, and 45,400 nonmilitary-connected persons. Since 1960, the military population has declined by about 2,000 as a result of cutbacks at Walker Air Force Base. The military-connected civilian population is relatively unchanged since 1960. Between 1960 and 1966, the nonmilitary-connected population grew by about 8,200 persons.

Past Trend. Between 1950 and 1960, the total nonfarm population increased by 20,050, from 33,750 in 1950 to 53,800 in 1960. Because of the change in definition of "farm" between the 1950 and 1960 censuses, many persons living in rural areas who were classified as living on farms in 1950 were considered to be rural nonfarm residents in 1960. The resultant decline in the farm population and, consequently, the increase in nonfarm population between the two census dates is, to some extent, the result of the change in definition.

About 69 percent of the 1950-1960 nonfarm growth occurred in the city of Roswell where the population increased by 13,850 to a 1960 total of 39,600. Growth during the 1950-1960 decade was entirely a result of population gains in the nonmilitary-connected sector. The military

population and the military-connected population declined by 1,350 and 400, respectively, while the rest of the population increased by 21,800, from 15,450 in 1950 to 37,250 in 1960.

Estimated Future Population. Based on an expected employment decline and the closing of Walker AFB, population in the HMA is expected to decline by 13,350 during the two-year forecast period. This represents a drop of about 11 percent a year.

Natural Increase and Migration. Between 1950 and 1960, the total population (including rural farm) of the HMA increased by 17,050. Net natural increase (excess of births over deaths) totaled 13,150, suggesting a net in-migration of 3,900 persons. This represents about 23 percent of the total population gain. Since 1960 the migration pattern has reversed. During the 1960-1966 period, total population gained only 5,250; net natural increase totaled 10,500, suggesting a net out-migration of 5,250 persons, or 900 a year.

#### Households

Current Estimate. As of January 1, 1966, there are about 16,450 non-farm households in the Roswell HMA, a gain of 1,825, since April 1960. There are currently about 13,100 households in the city of Roswell, a gain of almost 1,650 since 1960.

#### Nonfarm Household Trend Roswell, New Mexico, HMA 1950-1968

<u>Date</u>	<u>Nonfarm households</u>	<u>Total change</u>	
		<u>Number<sup>a/</sup></u>	<u>Percent</u>
April 1950	9,298	-	-
April 1960	14,625	5,327	57.3
January 1966	16,450	1,825	12.5
January 1968	12,750	-3,700	-22.5

a/ Rounded.

Sources: 1950 and 1960 Censuses of Housing.  
1966 and 1968 estimated by Housing Market Analyst.

Of the current household total, about 3,400 are military, 350 are military-connected, and the remaining 12,700 are in the nonmilitary-connected sector. Since 1960, the military segment has lost 500 households while the number of military-connected households is unchanged. The nonmilitary-connected sector of the HMA has added 2,325 households since April 1960.

Past Trend. Between 1950 and 1960, the number of nonfarm households increased by 5,325, from 9,300 in 1950 to 14,625 in 1960. The increase in nonfarm households between 1950 and 1960 was the result, in part, of a change in the definition of "farm" in the two censuses which tended to inflate the 1960 nonfarm figure. The 1950 to 1960 increase also reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

During the decade, nonmilitary-connected households increased by 5,775; military households declined by 350, while military-connected civilian households were down about 100.

Average Household Size. The present average size of all households in the Roswell HMA is 3.51 persons, a reversal of the 1950 to 1960 trend when the average size of all households increased from 3.38 to 3.53 persons. The average household size is expected to remain unchanged during the two-year forecast period.

Future Households. During the two-year forecast period, households are projected to decline to 12,750, a loss of 3,700.



### Housing Market Factors

#### Housing Supply

As of January 1, 1966, there are about 19,350 nonfarm housing units in the Roswell HMA. This represents a net addition to the inventory of about 3,300 units since the 1960 Census enumerated 16,050 units.

During the decade from 1950 to 1960, the number of nonfarm housing units increased from 9,950 to about 16,050, a net addition of 6,100 units. Part of this increase is attributable to a census definitional change from "dwelling unit" in 1950 to "housing unit" in 1960.

Characteristics of the Supply. At present, about 91 percent of the nonfarm housing units are one-unit structures (including trailers). This ratio is virtually unchanged since the 1960 Census. The number of units in structures with two to four units declined as a percent of total units between 1960 and 1966, from about six percent to slightly over five percent. Structures with five or more units now contain about four percent of the housing stock, as compared with slightly less than three percent in April 1960.

#### Housing Inventory by Units in Structure Roswell, New Mexico, HMA April 1, 1960 and January 1, 1966

<u>Units in</u> <u>structure</u>	<u>April</u> <u>1960</u>	<u>January</u> <u>1966</u>	<u>Percent of total</u> <u>1960</u>	<u>1966</u>
One	14,620	17,550	91.0	90.7
Two to four	975	1,000	6.1	5.2
Five or more	469	800	2.9	4.1
Total	16,064	19,350	100.0	100.0

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

As indicated by the following table, the nonfarm housing inventory of the HMA is relatively new; over half of the units have been built since 1950. Only about one-fourth of the housing supply is 25 years of age or older.

Distribution of the Housing Supply by Year Built<sup>a/</sup>  
Roswell, New Mexico, HMA  
January 1, 1966

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-Dec. 1965	3,425	17.7
1950-March 1960	6,525	33.7
1940-1949	4,500	23.2
1930-1939	2,200	11.4
1929 or earlier	<u>2,700</u>	<u>14.0</u>
Total	19,350	100.0

<sup>a/</sup> The basic 1960 data reflect an unknown degree of error in "year built" occasioned by the accuracy of response to census enumerators' questions as well as errors caused by sampling.

Source: Estimated by Housing Market Analyst based on the 1960 Census of Housing.

In April 1960, about 11 percent of the nonfarm housing supply was classified as either dilapidated or lacking some or all plumbing facilities. Currently, about nine percent of the inventory is judged to be either dilapidated or lacking plumbing facilities. The decline in the percentage between 1960 and 1966 is primarily a result of new construction rather than an upgrading in quality of existing units.

Residential Building Activity

Since 1960, about 3,125 units have been authorized by building permits in the Roswell HMA. In addition, about 300 units have been built outside permit-issuing places. An upward trend in residential construction began in 1956, when 200 units were authorized. The trend continued through the late 1950's and into the early 1960's and climaxed in 1962 when over 1,050 units were authorized by building permits. Since 1962, the trend has been sharply downward. From the 1962 peak, residential construction declined to 300 in 1963, to 55 in 1964, and to less than 20 in 1965.

Units Authorized by Building Permits  
Roswell, New Mexico, HMA  
1956-1965

<u>Year</u>	<u>Single-family</u>	<u>Duplex</u>	<u>3-4</u>	<u>5 or more</u>	<u>Total</u>
1956	NA	NA	NA	NA	204
1957	NA	NA	NA	NA	262
1958	NA	NA	NA	NA	488
1959	NA	NA	NA	NA	506
1960	684	0	0	39	723
1961	942	2	3	35	982
1962	847	10	0	203	1,060
1963	246	0	0	49	295
1964	55	0	0	0	55
1965	19	0	0	0	19

Source: U.S. Bureau of the Census, Construction Report C-40.

Of the 3,125 units which have been authorized by building permits since 1960, about 2,800 (90 percent) were single-family structures. The remaining ten percent were mainly in structures with five or more units.

Tenure

Currently, there are about 16,450 occupied nonfarm housing units in the HMA, comprised of about 9,850 (59.9 percent) which are owner-occupied and 6,600 (40.1 percent) which are occupied by renters. The current tenure distribution represents a continuation toward increased homeownership.

Occupied Housing Units by Tenure  
Roswell, New Mexico, HMA  
1950-1966

<u>Tenure</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>Jan. 1, 1966</u>
All occupied units	9,298	14,625	16,450
Owner-occupied	4,890	8,418	9,850
Percent	52.6%	57.6%	59.9%
Renter-occupied	4,408	6,207	6,600
Percent	47.4%	42.4%	40.1%

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

## Vacancy

1960 Census. According to the 1960 Census, there were about 700 vacant housing units available for sale or rent in the Roswell HMA, an over-all net available vacancy rate of 4.6 percent. Of the total, about 150 units were available for sale (a homeowner vacancy rate of 1.8 percent) and 550 were available for rent (a rental vacancy rate of 8.2 percent). About 10 of the sales-type units and 75 of the rental units lacked some or all plumbing facilities.

Postal Vacancy Survey. An address type postal vacancy survey was conducted in the HMA in December 1965. It covered 16,500 units, or 85 percent of the housing supply. Results of this survey are summarized in table III. The survey revealed a total of 2,300 vacancies, an over-all vacancy rate of 13.9 percent. Of the total, 2,050 units were residences, and 250 were vacant apartments, indicating vacancy rates of 13.0 percent and 31.3 percent, respectively.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses, and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the results of the postal vacancy survey, on information received from local realtors and builders, and on a quality check of the postal vacancy survey, current vacancies total about 2,900 units, of which 625 units are available for sale (a homeowner vacancy rate of 6.0 percent), and 1,275 are available for rent (a rental vacancy rate of 16.2 percent).<sup>1/</sup> The current vacancy levels are substantially above those which were reported in 1960 and are in excess of the number required to maintain a desirable demand-supply balance. Vacant units for sale are dispersed among all price levels and locations. Rental vacancies, on the other hand, are primarily in older or converted structures, with a large number being small, garage apartments. There exists, however, a slight excess of new, modern apartments.

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<sup>1/</sup> The estimated total of 1,900 available vacant units is not comparable with the total vacancies counted by the postal vacancy survey because it does not include vacant seasonal units, dilapidated units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners or for other reasons. The quality check of the postal vacancy survey revealed that the postal carriers counted all vacant units regardless of condition or availability.

Vacant Nonfarm Housing Units  
Roswell, New Mexico, HMA  
1950-1966

<u>Housing units</u>	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>Jan. 1,</u> <u>1966</u>
Total housing units	9,951	16,064	19,350
All vacant units	<u>653</u>	<u>1,439</u>	<u>2,900</u>
Available vacant units	<u>265</u>	<u>707</u>	<u>1,900</u>
For sale only	44	154	625
Homeowner vacancy rate	0.9%	1.9%	6.0%
For rent	221	553	1,275
Rental vacancy rate	4.8%	8.2%	16.2%
Other vacant	388	732	1,000

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

Sales Market

General Market Conditions. The current homeowner vacancy rate of 6.0 percent coupled with the prospect of a declining economy has resulted in a buyer's market. The high number of sales vacancies in all quality ranges has exerted downward pressures on sales housing prices. The rapid rate of construction during the early 1960's coincided with an equally rapid rate of economic growth. However, the economic growth was of a temporary nature and the resultant contraction caused an over-built market. Demand during the expansion period was not limited to any specific price range, but the preponderance of homes were built to sell for less than \$25,000. The economic downturn, while it softened the entire sales market, had its strongest impact on homes priced below \$17,500.

The outlook is for continued weakening of the sales market in the Roswell HMA. The out-migration of military personnel will vacate over 800 units which are currently owner-occupied. Virtually all of these units will be available for sale, resulting in a sharply increased vacancy rate.

FHA Acquisitions. In 1961 and 1962, FHA acquisitions were negligible, numbering less than five a year. A sharp upward trend began in 1963 and is still

gaining momentum. In 1963, FHA acquired 33 units. The 1964 total was 168 units, and for the first six months of 1965, 141 were acquired. Sales have lagged behind acquisitions; as of January 1, 1966, the FHA had almost 275 units in the Roswell HMA. In addition, the Veterans Administration currently holds about 175 units in the HMA.

#### Rental Market

As indicated by the current rental vacancy rate of 16.2 percent, the rental market of the Roswell HMA is extremely weak. Most rental demand is satisfied by single-family homes. Since 1960, only about 10 percent of new construction was in multifamily units, but an increasing number of single-family units transferred from owner to renter occupancy. The completion of most of the multifamily units coincided with the downturn in employment so that most of the projects never attained a satisfactory occupancy level. Only in the past year have vacancies in these projects decreased markedly. A survey of nine recently-completed projects, containing about 300 units, revealed a vacancy rate of about 13.4 percent. However, about one-third of the tenants in these projects are military personnel who will be migrating out of the area; for that reason vacancies in these projects can be expected to increase sharply.

Typical rents in the new projects are about \$85 to \$105 for an unfurnished one-bedroom unit and \$115-\$140 for a furnished one-bedroom unit. Two-bedroom units rent from \$100-\$150 for an unfurnished unit to \$120-\$175 for a furnished unit. Demand for larger units usually is satisfied out of the single-family inventory.

#### Military Housing

At present, there are 801 on-base housing units at Walker Air Force Base, of which 534 are occupied by enlisted personnel and 267 are occupied by officers. In addition, slightly over 2,200 off-base units are occupied by military personnel. The closing of Walker AFB will release all of the off-base units occupied by military-connected civilians. The future of the on-base units will be dependent upon the disposition of the base facilities.

### Demand for Housing

During the two-year forecast period, the number of households in the Roswell HMA is expected to decline by approximately 3,700. The decline in the number of households together with the current excess of available vacancies will preclude any significant demand for new housing during the forecast period.

Although a large number of housing units will be vacated during the forecast period, it is recognized that there may be effective demand for some new units by families who can afford and desire to upgrade to new housing in preference to existing housing. The size of such demand probably will be quite small and, in the case of sales houses, can be met most appropriately by construction of homes under contract for predetermined owner occupants. The prospect of a substantial increase in vacancies in the rental inventory and the likelihood that some existing single-family houses which ordinarily would be held for sale will be offered for rent indicate that the market for additional new rental units will be very limited.

As vacancies increase in both the sales and rental inventories, it may be expected that market conditions will prevent a significant increase in construction of new units over the low levels of the past two years. It is apparent that the more new housing that is built the longer will be the duration of the effects of the closing of Walker AFB on the Roswell housing market. Market prospects would be improved, of course, in the event that developments not now foreseeable should materialize to strengthen the demand for housing. The attraction of new industries through accelerated community efforts and the expansion of existing industries, resulting in increased employment, would alleviate (possibly to a significant extent) the prospective loss of jobs and increased housing vacancies occasioned by the closing of Walker Air Force Base.

Table I

Civilian Work Force Components  
Roswell, New Mexico, HMA <sup>a/</sup>  
1960-1965  
(Annual averages)

<u>Components</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	Jan.- June <u>1964</u>	Jan.- June <u>1965</u> <sup>b/</sup>
Civilian work force	<u>17,468</u>	<u>19,185</u>	<u>22,055</u>	<u>18,478</u>	<u>17,944</u>	<u>18,229</u>	<u>16,900</u>
Unemployment Rate	435 2.5%	496 2.6%	551 2.5%	816 4.4%	672 3.7%	736 4.0%	557 3.3%
Agricultural employment	1,900	1,907	1,797	1,802	1,678	1,663	1,589
Nonagricultural employment	<u>15,133</u>	<u>16,782</u>	<u>19,707</u>	<u>15,860</u>	<u>15,594</u>	<u>15,830</u>	<u>14,754</u>
Nonag. wage and salary	<u>NA</u>	<u>13,179</u>	<u>15,643</u>	<u>12,626</u>	<u>12,473</u>	<u>12,626</u>	<u>11,833</u>
Manufacturing	NA	961	1,894	973	1,045	1,244	747
Nonmanufacturing	<u>NA</u>	<u>12,218</u>	<u>13,750</u>	<u>11,653</u>	<u>11,428</u>	<u>11,382</u>	<u>11,086</u>
Mining	NA	532	584	615	571	NA	NA
Construction	NA	2,151	1,574	1,084	935	NA	NA
Trans., comm., and util.	NA	891	878	937	891	NA	NA
Trade	NA	3,436	3,616	3,442	3,268	NA	NA
Fin., ins., and real estate	NA	664	736	735	732	NA	NA
Services	NA	1,849	3,418	1,896	1,979	NA	NA
Government	NA	2,695	2,944	2,944	3,052	NA	NA
All other nonag.	NA	3,603	4,064	3,234	3,121	3,204	2,921

NA - Not available.

a/ Figures are subject to revision by the Employment Security Commission of New Mexico.

b/ Preliminary.

Source: Employment Security Commission of New Mexico.



Table II

Estimated Percentage Distribution of Families by Annual Income  
After Deduction of Federal Income Tax  
Roswell, New Mexico, HMA, 1966

<u>Family income</u>	<u>All families</u>	<u>Renter families</u>
Under \$2,000	8	11
\$2,000 - 2,999	8	11
3,000 - 3,999	11	14
4,000 - 4,999	12	12
5,000 - 5,999	10	12
6,000 - 6,999	10	11
7,000 - 7,999	10	9
8,000 - 8,999	7	6
9,000 - 9,999	6	5
10,000 - 12,499	10	6
12,500 and over	8	3
Total	100	100
Median	\$6,075	\$5,175

Source: Estimated by Housing Market Analyst.

Table III

Roswell, New Mexico, Area Postal Vacancy Survey

December 3, 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.	
Roswell	16,495	2,299	13.9	2,242	57	5	15,676	2,043	13.0	2,037	6	5	819	256	31.3	205	51	-	600	41	6.8
Main Office	15,618	2,286	14.6	2,229	57	5	14,878	2,038	13.7	2,032	6	5	740	248	33.5	197	51	-	600	41	6.8
Walker AFB Station	877	13	1.5	13	-	-	798	5	0.6	5	-	-	79	8	10.1	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).