Analysis of the
SALT LAKE CITY, UTAH
HOUSING MARKET

as of September 1, 1966

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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ANALYSIS OF THE

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AS OF SEPTEMBER 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 be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

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

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ANALYSIS OF THE SALT LAKE CITY, UTAH, HOUSING MARKET AS OF SEPTEMBER 1, 1966

Summary and Conclusions

1. Nonagricultural wage and salary employment in the Salt Lake City, Utah, Housing Market Area (HMA) averaged 163,800 during 1965, an increase of 37,000 (29 percent) over the 1958 level. The addition was heavily concentrated between 1958 and 1963, however, which coincided with the period of greatest activity in the missile industry in the HMA; 32,600 nonagricultural wage and salary jobs were added during this interval. From 1963 to the present, the economic growth of the area has been severely dampened by job reductions by firms engaged in the production of missile components. Nonagricultural wage and salary employment for the first seven months of 1966 exceeds the average for the corresponding period in 1965 by 3,000 jobs. During the next two years, total nonagricultural employment is expected to increase by 9,000, or 4,500 yearly, as the employment losses in recent years in the manufacturing segment are replaced by moderate growth and as past growth levels are maintained in the trade, service, and government classifications, with additional support expected from increasing tourism in the area.

   Unemployment in the Salt Lake City HMA averaged 9,800 during 1965, equal to 5.0 percent of the work force. The 1965 level represents the highest unemployment ratio in the HMA for the 1958-1965 period. Data for the first seven months of 1966 indicate some improvement from the comparable period in 1965, however.

2. The current median annual income in the Salt Lake City HMA, after deducting federal income tax, is $7,700 for all families and $6,050 for renter households of two or more persons. By 1968, the median annual after-tax incomes are expected to approximate $8,200 for all families and $6,400 for renter households.

3. The estimated current population of the Salt Lake City HMA is 493,000, a gain of 12,300 yearly since April 1, 1960, an addition slightly less than the average annual increment of 12,700 persons during the 1950-1960 decade. By September 1, 1968, the population of the HMA is expected to total 516,400, an anticipated gain of 11,700 a year over the present total.

4. At present, there are 139,300 households in the Salt Lake City HMA, representing an average increment of 3,725 annually since April 1, 1960. During the 1950-1960 decade, household increases averaged about 3,375 yearly. The number of households in the HMA is expected to total 146,400 by September 1, 1968, reflecting an anticipated gain of 3,550 during each of the next two years.

5. The housing inventory of the Salt Lake City HMA currently totals about 148,200 units. Since 1960, there has been a net addition of 25,900 (21 percent) housing units to the HMA inventory. The net addition resulted from the construction of about 27,400 new housing units, the addition of approximately 500 trailers, and the loss of about 2,000 units, primarily through demolition.

   From 1958 to the present, the trend of the number of housing units added yearly has been irregular. Total units authorized by building permits from 1958 to 1962 ranged from 4,400 units to 5,000 units, except in 1960 when the number of units authorized dropped to 3,750. A peak was reached in 1963 when 6,300 units were authorized, but authorizations subsequently fell to 4,250 in 1964 and to 3,100 in 1965. The number of housing units authorized in multiple-unit structures increased steadily from 450 in 1958 to 1,700 in 1962 and reached a record high of 2,700 in 1963. From this peak level, the number dropped sharply to 1,500 units the following year and to 850 units in 1965.

6. There are presently about 2,200 vacant housing units available for sale in the HMA, representing a homeowner vacancy ratio of 2.2 percent; there are 4,300 units available for rent, indicating a rental vacancy ratio of 9.3 percent. The current homeowner and renter vacancy ratios have increased somewhat from the 1960 levels of 2.0 percent and 7.7 percent, respectively.

7. During the next two years, there is expected to be an annual demand for about 2,500 new single-family houses for sale in the Salt Lake City HMA. The distribution of the annual demand for new single-family houses by price class is shown on page 26. The current high and increasing excess of vacant rental units of good quality plus multifamily units now under construction are sufficient to supply estimated rental demand for more than one year. If no additional multifamily units were started during the next two years, the current excess of vacancies could be reduced to a level more nearly representative of a balanced market. Prolongation of the current over-supply of vacant rental units will mean increasing economic loss to many owners of rental property and to mortgagees. Under these circumstances, only individual multifamily projects designed to satisfy specific needs not now being met should be considered on their individual merits and their effect on the over-all rental market should be evaluated carefully.

ANALYSIS OF THE SALT LAKE CITY, UTAH, HOUSING MARKET AS OF SEPTEMBER 1, 1966

Housing Market Area

The Salt Lake City Housing Market Area (HMA) is defined as Salt Lake County and the South Davis census division of Davis County (see map). This area is coextensive with the Salt Lake City Labor Market Area as delineated by the Utah Department of Employment Security. As currently defined, the Salt Lake City Standard Metropolitan Statistical Area embodies Salt Lake County and all of Davis County. However, Davis County is divided topographically by a convergence of the Great Salt Lake and the Wasatch Mountains into two separate and identifiable areas that are designated by the Bureau of the Census as the North Davis and the South Davis census divisions. The North Davis portion is geographically and economically related to the Ogden area, while the South Davis census division is primarily a residential area for persons employed in Salt Lake City. As of April 1960, the population in the HMA totaled 413,959.

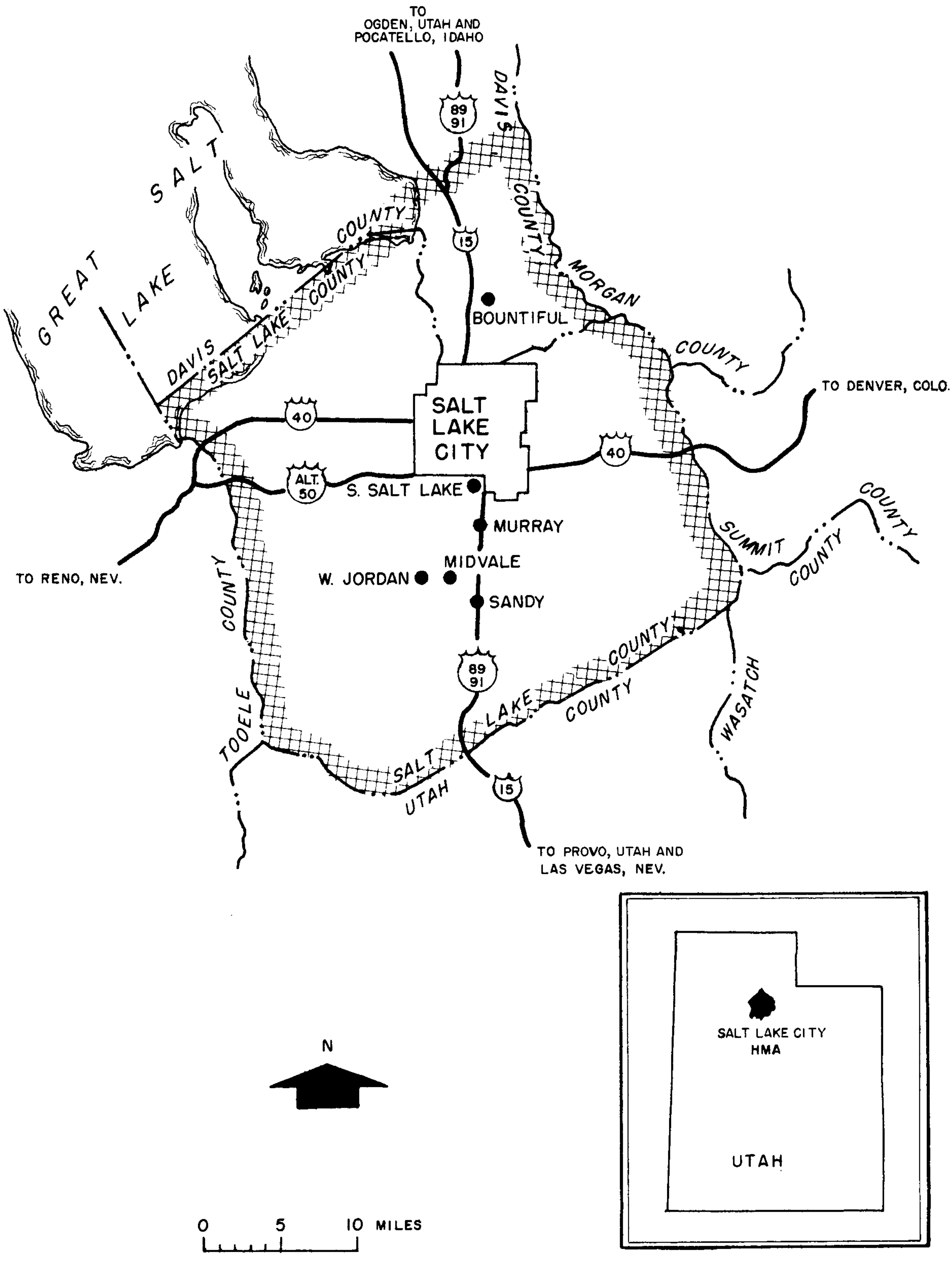
The Salt Lake City HMA encompasses an area of about 900 square miles and lies at the western base of the Wasatch Mountains. As the largest city in Utah and as the state capital, Salt Lake City is naturally the focal point of economic and governmental activity in the state. The HMA is the center of the "Wasatch Front", which encompasses Salt Lake County, Ogden (Weber County) 35 miles to the north, Davis County located between Ogden and Salt Lake City, and the Provo-Orem area (Utah County) about 45 miles south. The four-county area is the only urban concentration in the state and contains somewhat over 75 percent of the entire state population. The Salt Lake City HMA is the largest metropolitan area between the Wasatch Mountains and the Pacific coast and serves as a major trade center for a sizeable area within the inter-mountain region.

In addition to Salt Lake City there are several other communities within the HMA that are primarily residential in character and that are significant in terms of population. Midvale, Murray, Sandy, South Salt Lake, and West Jordan are located south of Salt Lake City in Salt Lake County. The city of Bountiful is the largest community in Davis County and is situated just north of the Salt Lake City boundary. Substantial population concentrations are found in the unincorporated portions of Salt Lake County and south Davis County, especially south of Salt Lake City; in 1960 nearly 40 percent of the population was in the unincorporated portions of these counties. Inasmuch as the rural farm population of the Salt Lake City HMA accounted for only about 1.5 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

A network of federal and state highways serves the Salt Lake City HMA including Interstate 15 and 80 and U.S. routes 40, 50, 89, and 91. Airline service is ample with regularly scheduled flights by United, Western, Bonanza, Frontier, and West Coast Airlines. Rail facilities are exceptionally good with main line service by the Union Pacific, Southern Pacific, Western Pacific, and the Denver, Rio Grande, and Western railroads.

The location of the original settlement at the western base of the Wasatch Mountains has limited expansion eastward. Much of the land to the west is barren salt flats. As a result, development has been concentrated northward and southward along the foot hills and benches of the Wasatch Mountains.

SALT LAKE CITY, UTAH, HOUSING MARKET AREA



Economy of the Area

Character and History

Salt Lake City, as well as the entire Salt Lake Valley, was settled by Mormons seeking to escape religious persecution in the eastern United States. In 1847, a group led by Brigham Young chose the present site of Salt Lake City. Because of the religious discrimination encountered by the Mormons, they wished to be a self-sufficient community. This desire for self sufficiency led to the early development of a variety of manufacturing industries ranging from food processing to the fabrication of agricultural implements and mining. The coming of the transcontinental railroad in 1969, combined with the west-central location of the area, resulted in some development of the area as a distribution and re-distribution point. Well into the twentieth century, however, the region remained a slowly and steadily growing Mormon community. Associated with the second World War, a number of military activities and defense oriented industries came to the HMA and to other "Wasatch Front" communities. This development has strongly influenced the growth and development of the HMA.

Since the late 1950's, the most significant factor affecting the growth and development of the Salt Lake City HMA has been the missile industry. In the last few years employment cut-backs in this industry have resulted in adverse economic repercussions. Continued growth in the trade and service industries, increased employment in tourist oriented businesses, and employment increases in the state and local government categories, however, have been stabilizing factors.

Because of the proximity of the three principal urban centers of the state, the amount of daily cross commutation to work is significant. In 1960 the Salt Lake City HMA had a net in-commutation of about 5,000 workers daily. Since the census date, the amount of commutation has not changed appreciably.

Employment

Current Estimate. For the first seven months of 1966, the work force of the Salt Lake City HMA averaged 199,100, or 3,600 (1.8 percent) above the average for the comparable period in 1965. Nonagricultural wage and salary employment increased by 3,000 (1.9 percent) from an average of 161,200 for the first seven months of 1965 to an average of 164,200 for the same period in 1966.

As reported by the Utah Department of Employment Security, the civilian work force of the HMA averaged 197,400 in 1965, a gain of 2,700 (1.4 percent) above the 1964 level (see table I). Components of the 1965 work force included 9,800 unemployed persons, 1,900 agricultural workers, and 185,600 nonagricultural workers. The nonagricultural total included 163,800 nonagricultural wage and salary workers.

A comparison of average nonagricultural wage and salary employment for the first seven months of 1966 with the same period in 1965 shows a gain of 3,000 jobs to a total of 164,200. The gain for this interval is below the annual addition for every preceding year except 1963-1964, and includes an employment loss in durable goods manufacturing and construction. The outlook for the immediate future is somewhat brighter, however. Reportedly, employment losses by firms manufacturing missile components have ended and employment by these firms will be stabilized at about the current level. Recent declines in construction employment are attributable, for the most part, to the increasing difficulty of obtaining mortgage funds.

Past Trend. Between 1958 and 1965, nonagricultural wage and salary employment in the Salt Lake City HMA increased by 37,000, 29 percent (see table II). As shown in the following table, employment gains were strongest between 1958 and 1963. The reduced growth since 1963 is a reflection of the retarded economic growth resulting from job cutbacks in the missile industry. Economic and demographic changes for the period between 1958 and the present have been dominated by the missile industry which, with the exception of a period of relative stability between 1962 and 1963, has been either expanding or contracting.

Nonagricultural wage and salary employment gains have ranged from a high of 8,800 from 1961 to 1962, corresponding to the period of peak expansion in the missile industry, to a low of 900 from 1963 to 1964, which was the period of maximum job reduction in the missile industry. The generally good diversification of the Salt Lake City HMA economy along with continued increases in trade, service, and government employment enabled the economy to continue to expand, although at a considerably reduced rate. During the 1963 and 1965 period when the number of jobs in durable goods manufacturing declined by 1,800, all other employment classifications registered some increase in employment except construction employment, which declined by 1,000 jobs from 10,600 in 1963. The apparent job loss in the mining classification from 1963 to 1964 was caused by a labor dispute.

Work Force and Nonagricultural Employment Trends
Salt Lake City, Utah, Housing Market Area
1958-1966 (in thousands)

			Nonagricultural employment			
	Work force		Total		Wage and salary	
Year	Number	Change	Number	Change	Number	Change
1958	154.6	-	146.0	-	126.8	-
1959	162.9	8.3	153.4	7.4	133.2	6.4
1960	168.4	5.5	159.9	6.5	139.1	5.9
1961	175.4	7.0	166.5	6.6	144.4	5.3
1962	183.7	8.3	175.4	8.9	153.2	8.8
1963	191.1	7.4	181.4	6.0	159.4	6.2
1964	194.7	3.6	182.2	0.8	160.3	0.9
1965	197.4	2.7	185.6	3.4	163.8	3.5
Jan.-July						
1965	195.5	-	182.9	-	161.2	-
1966	199.1	3.6	188.8	5.9	164.2	3.0

Source: Utah Department of Employment Security.

Manufacturing employment accounted for about 17 percent of all nonagricultural wage and salary employment in 1965, a ratio virtually unchanged since 1958, although a somewhat higher proportion (19 percent) was attained during the peak period of expansion by the firms engaged in the production of missile components. Between 1958 and 1965, manufacturing employment registered an increase of 7,100 jobs (34 percent) from the 1958 level of 21,000. The peak number of manufacturing employees was 29,800 in 1963, but by 1965 the number declined to 28,100. Durable goods manufacturing, which includes the various manufacturers of missile components, has accounted for the greatest portion of manufacturing growth; the nondurable goods segment accounted for just 200 additional jobs from 1958 to 1965, an increase of only two percent. The average of 27,800 manufacturing workers reported for the first seven months of 1966 represents a further decline of 200 manufacturing jobs from the same period in 1965.

Nonmanufacturing industries in the Salt Lake City HMA employed 135,700 workers in 1965, an increase of 29,900 (28 percent) since 1958. Sizeable segments of some of the nonmanufacturing industries are engaged in activities that provide basic employment. The major portion of the mining industry as well as portions of trade, service, and government employment deal in products or services that are utilized principally outside the HMA. Year-to-year changes in nonmanufacturing employment have shown far less variation than manufacturing employment. Gains between 1958 and 1965 ranged from a low of 2,200 additional nonmanufacturing jobs from 1963 to 1964 to 5,800 from 1961 to 1962. The greatest numerical and percentage gain between 1958 and 1965 for any category in the nonmanufacturing segment was government, which grew by 9,100 (46 percent) from 19,900 in 1958. The combined gain of the trade, services, and government classifications accounted for 84 percent of the increase in employment in the nonmanufacturing sector during the 1958-1965 period.

Nonmanufacturing employment for the first seven months of 1966 shows a gain of some 3,200 jobs over the same period in 1965. This rate of gain does not match prior additions because of reduced rates of growth of employment in finance, services, and transportation, and the employment loss in construction. The slow-down in the finance and construction industries probably is related to the tightness in the mortgage money market.

Manufacturing, Nonmanufacturing, and Total Nonagricultural
Wage and Salary Employment
Salt Lake City, Utah, Housing Market Area
1958-1966 (in thousands)

Year	Manufacturing		Nonmanufacturing		Total nonagricultural wage and salary	
	Number	Change	Number	Change	Number	Change
1958	21.0	-	105.8	-	126.8	-
1959	22.3	1.3	110.9	5.1	133.2	6.4
1960	24.6	2.3	114.5	3.6	139.1	5.9
1961	26.1	1.5	118.3	3.8	144.4	5.3
1962	29.1	3.0	124.1	5.8	153.2	8.8
1963	29.8	0.7	129.6	5.5	159.4	6.2
1964	28.5	-1.3	131.8	2.2	160.3	0.9
1965	28.1	-0.4	135.7	3.9	163.8	3.5
Jan.-July						
1965	28.0	-	133.2	-	161.2	-
1966	27.8	-0.2	136.4	3.2	164.2	3.0

Source: Utah Department of Employment Security.

Principal Employers. During the past eight years, firms engaged in the production of guided missile components have been the most influential economic force in the Salt Lake area. Sperry-Utah, Litton Industries, and Hercules Powder Company are the three principal companies in this industry in the HMA. Sperry-Utah and Hercules were principal contractors for the development and production of the Minuteman missile. The Minuteman is a solid fuel missile which can be stored and requires little periodic maintenance. Employment patterns of Sperry-Utah and Hercules reflect the development, production, and completion of the Minuteman contracts. Litton Industries, also engaged in defense production, has been more successful in obtaining new contracts, and employment by this firm has not fluctuated nearly as significantly as employment by the two former firms.

The Kennecott Copper Corporation employs more persons than any other single employer in the area in its mining and smelting operations. With the exception of variations caused by labor disputes, employment by this firm has remained fairly stable during the past several years.

Unemployment

Unemployment in the Salt Lake City HMA averaged 9,800 during 1965, equal to 5.0 percent of the work force (see table I). The 1965 level is the highest ratio recorded during the 1958-1965 period and is a reflection of the job reductions occurring in the missile industry and the associated general economic slow-down in the HMA. Between 1958 and 1964, the unemployment ratio did not exceed 4.0 percent for any year, but began to climb in 1964. For the first seven months of 1966 the unemployment ratio is considerably improved at 4.4 percent compared with 5.4 percent for the same period in 1965.

Future Employment

Total nonagricultural employment is expected to increase by about 4,500 jobs annually, or by 9,000 during the September 1, 1966 to September 1, 1968 forecast period. The employment forecast is much greater than that which has occurred during the past two and one-half years, but is below the average yearly gain of total nonagricultural employment for the 1958 to 1963 period. An employment forecast more optimistic than the experience of the past few years is justified on the basis of reports that employment by firms manufacturing missile components has been stablized at the present level and on information from the Industrial Development Commission indicating a strong likelihood of at least one new manufacturing firm locating in the HMA. Employment by this firm would reach about 500 during the forecast period. Also, the construction industry probably will not continue to lose employment and possibly may increase as growth from other sources stimulates this industry. As the copper shortage continues to worsen, the outlook for the mining industry is bright although considerable labor saving machinery is being added. Continued employment gains are expected in the trade, service, and government employment classifications as the service area of the Salt Lake City HMA experiences further population gains and as the general trend of demand for additional services grows as incomes continue to rise. Somewhat less important, but a contributor nevertheless, is the rapidly growing tourist business in the HMA.

Income

The estimated current median income of all families in the Salt Lake City HMA, after the deduction of federal income tax, is $7,700 yearly, and the current median after-tax income of renter households[1/] is $6,050 a year. By 1968, the median after-tax incomes of all families and of renter households will be approximately $8,200 and $6,400, respectively.

Detailed distributions of all families and of renter households by annual income are presented in table III. About 12 percent of all families and 25 percent of renter households currently have after-tax incomes below $4,000 annually. At the upper end of the income distribution, approximately 28 percent of all families and 15 percent of renter households earn in excess of $10,000 yearly and of these, respective proportions of eight percent and three percent earn $15,000 or more annually.

1/ Excludes one-person renter households.

Demographic Factors

Population

Current Estimate. The population of the Salt Lake City HMA currently totals 493,000, representing an estimated increase of approximately 79,000 since the April 1960 Census total of 414,000. Salt Lake City, the central city of the HMA, has a current population of about 204,000, or 41 percent of the HMA total. The other six most populous communities in the HMA have a combined population of 69,600, 14 percent of the total population in the HMA (see table IV).

Past Trend. Since April 1960, the population of the Salt Lake City HMA has increased at an average yearly rate of 12,300 persons (2.7 percent).[1/] The average annual gain recorded between April 1960 and September 1966 is only slightly below the average increment of 12,700 persons a year during the 1950-1960 decade. Population growth for the period since 1960 was much more heavily concentrated in the years from 1960 to 1963 and may have been as high as 17,500 for one year. Job reductions and the associated general economic slow-down subsequent to 1963 resulted in sharply reduced growth that may have dropped to as low as 7,500 for one year, a level only slightly greater than the annual net natural increase.

Nearly 64 percent of population growth in the HMA since April 1960 has occurred outside the seven principal communities, compared with about 75 percent during the 1950-1960 decennial period. The principal departure from the growth pattern of the 1950-1960 period was in Salt Lake City where the rate of growth during the 1960-1966 interval was three times that of the prior decade. This change developed principally because of the sizeable increase in the number of multifamily housing units constructed subsequent to 1960. This type of unit is typically most successful when located in the more heavily urbanized areas. A greater emphasis on the construction of single-family homes in the preceding decade explains the somewhat greater proportion of population growth outside the seven principal communities during the decade.

Annexation activity has not been a significant factor affecting population changes within the HMA. Although a number of annexations by the various municipalities have occurred both before and since 1960, the number of persons and the areas involved have been relatively minor.

Estimated Future Population. By September 1968, the population of the Salt Lake City HMA is expected to total 516,400. This represents an anticipated increment of 11,700 (2.4 percent) persons yearly during the September 1966 to September 1968 forecast period. The future rate of population growth is premised upon anticipated employment gains approximating 4,500 yearly during each of the next two years. This forecast

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1/ All average annual percentage changes in demographic data, as used in this analysis, are derived through the use of a formula designed to calculate the rate of change on a compound basis.

assumes that the economy will stabilize as job losses in the missile industry are terminated. The favorable outlook for the national economy and the growth experience of the HMA, except for the past three years, suggest that in-migration during the next two years will be at a rate similar to the average annual rate since 1960.

Net Natural Increase and Migration. Vital statistics are not available separately for the southern portion of Davis County, making it difficult to assess natural increase and migration in this segment of the HMA. Because Salt Lake County contains the vast majority of the population of the HMA, patterns of the natural increase and migration for this county are indicative of those in the total HMA, except for minor quantitative variations. For these reasons the following discussion of natural increase and migration includes only Salt Lake County.

Between April 1950 and April 1960, the net natural increase (excess of births over deaths) in Salt Lake County numbered almost 77,950. When compared with the total population increase of about 108,100 during this period, a net in-migration of 30,150 is indicated, equal to 28 percent of the total increase. During the April 1, 1960 to September 1, 1966 period, the population gain of 70,950 resulted from a net natural increase of about 53,500 and the net in-migration of 17,450 persons. In-migration during this period accounted for about 25 percent of the total increase in the population. It is important to note that had not the job cut-back in the missile industry occurred, the 1960-1966 population gain probably would have been greater and in-migration would have accounted for a larger proportion of the gain.

Components of Population Change
Salt Lake County, Utah
April 1, 1950 to September 1, 1966

	Average annual change[a]	
Source of change	1950-1960	1960-1966
Total population change	10,800	11,050
Net natural increase	7,800	8,350
Migration	3,000	2,700

a/ Rounded.

Sources: U.S. Census Population Report, Series P-27, No. 7.
Utah Department of Health.
Estimates by Housing Market Analyst.

Households

Current Estimate. There are about 139,300 households in the Salt Lake City HMA at present, a gain of about 23,900 since April 1960. Salt Lake City is currently the place of residence for about 66,300 households, or about 48 percent of all households in the HMA. The proportion of households is somewhat higher than for population because of the smaller average household size in Salt Lake City (see table V).

Past Trend. Since April 1960, households in the HMA have increased by an average of 3,725 (2.9 percent) a year, a somewhat higher numerical average than during the previous decade when households increased by an average of about 3,375 (3.5 percent) yearly.[1/] During the period since April 1960, the number of households increased by a somewhat greater average annual number than during the preceding decade, while average annual population gains since 1960 were slightly below the level of the previous decade. The apparent inconsistency is the result of a trend toward smaller households since April 1960, a pattern contrary to that of the 1950-1960 decade.

Geographic distribution of the additional households since April 1960 was, with one notable exception,similar to the pattern of the previous decade. Of the total household gain since April 1960, 62 percent was in the area outside the seven principal communities in the HMA, while for the 1950-1960 decade 64 percent of the household increment was in this same area. The exception was in Salt Lake City where the average annual growth was almost one-third greater during the period since April 1960 than for the preceding decade.

Household Size Trends. The present average size of all households in the Salt Lake City HMA is 3.50 persons. This represents a reversal of the trend of increasing household size between 1950 and 1960 when the average increased from 3.44 persons to 3.54 persons. The decline in average household size since April 1960 reflects the general trend toward smaller households on a national basis, as well as a declining birth rate in the HMA. A small additional decline in household size is expected during the next two years.

Estimated Future Households. Based on the anticipated annual increment to the population during the next two years, and on the assumption that the average size of households will continue to decline during the forecast period, there will be 146,400 households in the Salt Lake City HMA

1/ The increase in the number of households between 1950 and 1960 reflects in part, the change in census definition from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census. However, because of the character of the housing inventory in the HMA this change probably was not significant.

by September 1, 1968. This represents an expected addition of 3,550 households each year during the September 1, 1966 to September 1, 1968 forecast period. The additional households most likely will be distributed geographically within the HMA in a pattern very similar to that established since April 1960. Growth in Salt Lake City is expected to occur at about the same level as in the recent past.

Housing Market Factors

Housing Supply

Current Estimate. As of September 1, 1966, there are 148,200 housing units in the Salt Lake City HMA, indicating a net gain since April 1960 of about 25,900 (21 percent), an average annual increment of 4,050 units. The net increase resulted from the construction of about 27,400 new housing units, the addition of approximately 500 trailers, and the loss of about 2,000 units, primarily through demolition. The average yearly increase in the housing inventory since April 1960 compares with a net average gain of about 3,750 housing units a year during the 1950-1960 decade.

Units in Structure. The substantial volume of new multifamily housing units constructed in the Salt Lake City HMA since April 1960 has resulted in a significant shift in the composition of the inventory by the number of units in each structure. Single-family structures presently account for about 75 percent of the housing inventory compared with 77 percent in 1960. The proportion of the inventory in structures with three or more units has increased from 16 percent in 1960 to nearly 18 percent. The proportion of units in two-unit structures showed a slight decline.

Housing Inventory by Units in Structure
Salt Lake City, Utah, Housing Market Area
April 1960 and September 1966

Units in structure	April 1960 Number of units	April 1960 Percent of total	September 1966 Number of units	September 1966 Percent of total
1 unit[a]	94,429	77.2	111,750	75.4
2 units	8,624	7.1	10,150	6.8
3 or more units	19,215	15.7	26,300	17.8
Total	122,268[b]	100.0	148,200	100.0

a/ Includes trailers.
b/ Differs from count of all housing units because units in structure were enumerated on a sample basis.

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

Year Built. The relatively steady and moderate growth of the Salt Lake City HMA is shown by the wide dispersion of housing units by year built. A somewhat heavier concentration than would be expected is in the group built from 1950 to March 1960 which resulted, in part, from the build-up of defense establishments and defense related industries during this period.

Distribution of the Housing Inventory by Year Built[a]
Salt Lake City, Utah, Housing Market Area
September 1, 1966

Year built	Number of units	Percentage distribution
April 1960 - August 1966	27,900	18.8
1950 - March 1960	43,475	29.3
1940 - 1949	20,225	13.7
1939 or earlier	56,600	38.2
Total	148,200	100.0

a/ The basic data in the 1960 Census of Housing from which the above estimates were developed 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.

Sources: 1960 Census of Housing.
University of Utah, Bureau of Economic and Business Research.
Estimates by Housing Market Analyst.

Condition. Of the 148,200 housing units currently in the Salt Lake City HMA, about 5,500, or 3.7 percent, are dilapidated or lack one or more plumbing facilities. Some improvement in the quality of housing has occurred since April 1960 when about six percent (7,000 units) of the inventory was dilapidated or lacked one or more plumbing facilities. New construction, demolition, and general upgrading of the inventory are responsible for the improvement.

Residential Building Activity

Past Trend. The number of new housing units authorized annually by building permits in the Salt Lake City HMA has fluctuated to some degree during the past eight years. Building permit data for the HMA used in this analysis were obtained from the University of Utah, Bureau of Economic and Business Research. Reportedly, all residential construction in the HMA requires authorization by building permits.

Construction volume remained relatively stable from 1958 to 1962 ranging from 4,400 to 5,000 units except in 1960, when the number of units authorized dropped to 3,750. Primarily because of increased activity in multifamily construction, building permit authorizations rose to nearly 6,300 units in 1963. Subsequently, in the face of job cut-backs in the missile industry and a less than bright general economic outlook for the HMA, the total number of units authorized dropped to 4,250 in 1964 and in 1965 totaled only 3,100, or less than one-half the 1963 peak level. Authorizations for the first seven months of 1966 totaled 1,375 units, compared with 1,775 units for the same period in 1965.

Housing Units Authorized by Building Permits by Units in Structure[a/]
Salt Lake City, Utah, Housing Market Area
January 1958-July 1966

Year	Number of units in structure: One unit	Two units	Three or more units	Total units
1958	4,249	178	266	4,693
1959	3,725	238	417	4,380
1960	2,910	292	550	3,752
1961	3,083	242	1,184	4,509
1962	3,288	266	1,453	5,007
1963	3,589	358	2,326	6,273
1964	2,726	244	1,271	4,241
1965	2,263	78	775	3,116
Jan.-July				
1965	1,488	56	237	1,781
1966	1,062	28	289	1,379

a/ Building permit data for the Salt Lake City HMA maintained by the University of Utah, although representing a complete count of permit authorizations, do not include a distribution by the number of units in each structure for all permit-issuing authorities. A series of permit authorizations by units in structure is available, however, for four principal localities that have consistently accounted for 94 percent or more of all multifamily building permit authorizations (see table VII). As a result, the number of multifamily housing units authorized in the HMA since 1958 probably is three to five percent greater than shown in the table above. Single-family housing unit authorizations for each year are assumed to be the residual of total units (see table VI) less the number of units in structures of two units or more, as shown in table VII.

Source: University of Utah, Bureau of Economic and Business Research.

Single-family housing unit authorizations were at a peak level of about 4,250 in 1958, probably reflecting enthusiasm generated by the initial expansion of the missile industry in the HMA of that time. Subsequently, less year-to-year variation occurred as single-family permit authorizations declined to 2,900 in 1960 and gradually rose to nearly 3,600 in 1963. Following job losses in the missile industry, however, only about 2,700 single-family units were authorized in 1964 and a low for the period since 1958 occurred in 1965 when only 2,250 single-family units were authorized. Data for the first seven months of 1966 show just 1,050 single-family houses authorized compared with about 1,500 for the comparable period in 1965, indicating a lower level of production for the current year than the record low in 1965.

The number of housing units authorized in multiple-unit structures (two or more units) rose steadily from 450 in 1958 to 1,700 in 1962 and reached a record annual high of nearly 2,700 units in 1963. From the peak level, the number dropped sharply to 1,500 units in the following year and to 850 units in 1965. During the first seven months of 1966 about 300 multifamily units have been authorized, which is about the same level as in the comparable period for the preceding year.

Of the single-family units authorized for construction since January 1960, slightly over two-thirds were in the unincorporated areas of Salt Lake County and less than eight percent were authorized in Salt Lake City. About 55 percent of multifamily housing units authorized were in Salt Lake City, and most of the remaining multifamily units authorized were in unincorporated portions of Salt Lake County.

Units Under Construction. Based upon building permit data and the August 1966 postal vacancy survey, there are an estimated 1,175 housing units under construction at the present time. About 600 units of this total are single-family houses and about 575 units are multifamily housing units. The multifamily units under construction include a 228 unit high-rise apartment with a commitment by FHA to insure under Section 231 (Housing for the Elderly) of the National Housing Act and a 202 unit high-rise housing project for the elderly being constructed under the direct loan program of the Housing Assistance Administration. The remaining multifamily units under construction are, for the most part, small (8 to 12 units) garden-type, walk-up projects being constructed on scattered lots.

Demolition. Large scale demolition has not occurred in the Salt Lake City HMA because of the relatively good condition of the housing inventory, the absence of urban renewal programs, and the location of most recent highway construction in sparsely settled areas. Based on data provided by the Salt Lake City Building Inspector, the Salt Lake County Planning Board, and the Utah Highway Department, about 2,000 housing units have been lost from the HMA housing inventory since April 1960, primarily through demolition. During each of the next two years, these losses are expected to approximate 300 housing units.

Tenure of Occupancy

Current Estimate. As of September 1, 1966, about 97,500 housing units (70 percent of the occupied housing stock) in the Salt Lake City HMA are owner-occupied and 41,800 are renter-occupied. To some extent a high ratio of owner-occupancy may be attributed to the high proportion of persons with membership in the Church of Jesus Christ of Latter Day Saints in the HMA. Property ownership is an important part of the basic Mormon doctrine. The following table shows the trend of tenure change for all occupied housing units.

Trend of Tenure Change
Salt Lake City, Utah, Housing Market Area

Tenure	April 1, 1950	April 1, 1960	September 1, 1966
Total occupied	81,567	115,401	139,300
Owner-occupied	51,011	79,569	97,500
Percent of total	62.5%	69.0%	70.0%
Renter-occupied	30,556	35,832	41,800

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

Past Trend. Since April 1, 1950, there has been an increase in the proportion of owner-occupied housing units in the Salt Lake City HMA. The rate of increase since 1960, however, has shown a marked slow-down from the considerable increase in owner-occupancy during the 1950-1960 decade. Recent additions of sizeable numbers of multifamily housing units have contributed to the reduced rate. Although some of the units have been condominium-type apartments, the vast majority have been rental apartments. The 70 percent owner-occupancy ratio in September 1966 compares with ratios of 69 percent in April 1960 and about 62 percent in April 1950.

Vacancy

April 1960 Census. According to the April 1960 Census of Housing, there were about 4,650 vacant, nondilapidated, nonseasonal housing units available for rent or sale in the Salt Lake City HMA, an available vacancy ratio of 3.9 percent. About 1,650 of the available vacancies were for sale, equal to a homeowner vacancy ratio of 2.0 percent. The remaining 3,000 units were for rent, representing a renter vacancy ratio of 7.7 percent (see table VIII). Available vacancies in 1960 included approximately 525 units that lacked one or more plumbing facilities, of which about 25 were for sale and 500 were for rent.

Rental Vacancies by Type of Structure. Data for rental vacancies by type of structure reported by the 1960 Census of Housing are available only for the Salt Lake County portion of the HMA. This county accounted for about 94 percent of the housing inventory at that time and the data are indicative of the situation in the entire HMA. One-unit structures accounted for nearly 40 percent of the county rental housing inventory but only 25 percent of the rental vacancies. Units in both two- to four-unit structures and five- to nine-unit structures accounted for about the same proportion of rental vacancies as for the total rental inventory (see following table). Structures containing ten or more units represented nearly 23 percent of the rental inventory but included about 34 percent of all rental vacancies.

In 1960 the available rental vacancy ratio for units in structures containing five or more units stood at about ten percent. At present, the vacancy ratio in this structural classification approaches 15 percent. For rental units in structures containing fewer than five units the vacancy ratio is not significantly changed from the six percent ratio in 1960.

Renter-Occupied Units and Vacant Units for Rent
By Units in Structure
Salt Lake County, Utah
April 1960

	Renter-occupied		Available for rent		
Units in structure	Number	Percent	Number	Percent distribution	Percent vacant
1 unit a/	13,591	39.5	711	25.8	5.0
2 to 4 units	9,520	27.7	797	29.0	7.7
5 to 9 units	3,460	10.0	309	11.2	8.2
10 or more units	7,839	22.8	936	34.0	10.7
Total	34,410 b/	100.0	2,753 b/	100.0	7.4

a/ Includes trailers.
b/ Differs from count of all renter-occupied units and all vacant units available for rent because units by units in structure were enumerated on a sample basis.

Source: 1960 Census of Housing.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Salt Lake City HMA in August 1966 by all post offices having city delivery routes. It should be noted that the survey covered all of Davis County, while only the south Davis census division is included in the Salt Lake City HMA. Although not having an appreciable effect on the vacancy rates, some adjustment is necessary for quantitative reference to total units and vacant units for the somewhat more restricted market area. After deleting possible deliveries and vacancies in north Davis County, an over-all vacancy ratio for the Salt Lake City HMA of 4.5 percent was indicated. The vacancy ratio for residences was 2.5 percent and for apartments it was 15.2 percent. The survey covered about 129,900 possible deliveries in the Salt Lake City HMA, or about 88 percent of the housing inventory. The survey results for each of the participating post offices are shown in table IX.

A summary of postal vacancy surveys conducted in the Salt Lake City area since 1960 is shown below. A slight increase in the vacancy ratio for residences over the 1960-1966 period is indicated. In the apartment category, however, a sharp increase in the ratio occurred, most of which was concentrated in the interval between July 1963 and August 1964. The jump in the vacancy ratios during this period corresponded to the initial job reduction in the missile industry and the peak year (1963) of multi-family housing unit authorizations.

Trend of Vacancy Ratios as Indicated by Postal Vacancy Surveys
Salt Lake City, Utah, Area[a]/

	Vacancy ratio		
Survey date	All units	Residences	Apartments
June 1960	3.1	2.2	9.6
July 1963	3.2	2.0	10.8
Aug. 1964	4.2	2.6	14.7
Aug. 1966	4.3	2.7	15.1

a/ The area covered by the 1960 and 1963 surveys was the Housing Market Area as defined for this analysis. In 1964 and 1966, however, new procedures made it necessary to include the entire Salt Lake City Standard Metropolitan Statistical Area. This broader coverage has little effect on the comparability of the vacancy ratios of the two most recent surveys with the two surveys conducted earlier.

Source: FHA in cooperation with Post Masters in the Salt Lake City area.

The results of the postal vacancy survey are expressed in quantitative terms because it is not feasible to collect qualitative data in this type of survey. The resultant vacancy data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include some duplexes, row-type houses, and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the postal vacancy survey, data provided by the Utah Real Estate Research Committee, data compiled by the FHA Salt Lake City Insuring Office, conversation with informed persons in the Salt Lake City area, and personal observation in the HMA, it is estimated that there are about 6,500 vacant housing units available for rent or sale in the Salt Lake City HMA as of September 1, 1966. Of this total, 2,200 are for sale and 4,300 are for rent, equal to homeowner and renter vacancy ratios of 2.2 percent and 9.3 percent, respectively. Only a negligible number of the available vacant sales houses lack one or more plumbing facilities, while about 300 of the available rental vacancies lack one or more facilities. In an area like Salt Lake City where household growth is expected to be moderate, the homeowner vacancy ratio(after some qualitative adjustments)is very close to a balanced supply-demand relationship. The rental market, however, especially in some particular rent ranges, is in a condition of over-supply that will require reduced levels of production in the future to allow for absorption of the current excess.

Sales Market

General Market Conditions. The market for single-family sales houses has shown little change from the near equilibrium position in 1960. As indicated by the postal vacancy surveys, vacancies in this segment of the market were at a low-point in 1963, at about the time the missile industry expansion was terminated and subsequently began contracting. This contraction was reflected in a jump in the vacancy ratio for residences as shown by the postal vacancy survey from 2.0 percent in 1963 to 2.6 percent in 1964.

Principal concentrations of recent additions of single-family sales housing have been in the unincorporated portions of Salt Lake County to the southeast and southwest of Salt Lake City. Only one segment of the sales market is judged to be in a condition of excess at present. This particular market trouble spot is concentrated both by price class and location. An excess of homes priced from $10,000 to $13,000 is apparent in southwest Salt Lake City in the Granger, the Kearns, and to some extent, the Magna area. Once again, job reductions in the missile industry have been a contributor to the problem in this area, partially because firms in the missile industry also are located in this area. Subdivision activity in the southwestern area, although significantly reduced from pre-1963 levels, is continuing in the moderate ($13,000 to $16,000) price range.

Generally, the area to the east and southeast of Salt Lake City is the location of higher priced homes. This has developed because land in this portion of the HMA is in the foothills and benches of the Wasatch Mountains affording better home sites and superior views. Consequently, land in this section commands a higher price than that located west of Salt Lake City. The condition of the sales market in this area is good with no surplus supply evident, either by price range or by location. Subdivision activity in this portion of the sales market, which is concentrated in price ranges over $17,000, has been sharply reduced, with builders seldom starting more than one or two houses speculatively. The decline in speculative construction of sales houses is a recent development attributable to the tightened mortgage money market and represents a notable shift from the rather high levels of speculative construction in prior years. The sales market north of Salt Lake City consists principally of the Bountiful area, which is an established community of predominantly moderate price range homes. The current sales market in this area is stable.

New single-family homes can be constructed in the HMA for as little as $10,000. Most new construction, however, is concentrated in sales price ranges from $15,000 to $25,000. New sales houses priced from $15,000 to $17,500 seem to have the greatest marketability and account for roughly one-third of new houses constructed. Building activity in price ranges over $30,000 accounts for only a small portion of new construction. Most houses in this price range are built on a custom basis and located on superior view sites along the canyon crests and bench areas.

Speculative Construction. FHA Insuring Office surveys of new sales housing in all subdivisions in Salt Lake County[1/] in which five or more sales houses were constructed during the twelve months preceding the surveys report that houses constructed speculatively accounted for a high proportion of new construction in the three years prior to 1966. In 1965 about 55 percent of new single-family housing units were started speculatively. In 1964 the ratio was nearly 64 percent; and in 1963, 56 percent of new single-family houses were started speculatively. Since the beginning of 1966, however, although specific data are not available, the proportion of new single-family housing built speculatively has dropped sharply. This conclusion on the significant reduction of speculative construction is based on discussions with builders, realtors, bankers, and on personal observation in the HMA. The principal cause of the decline in speculative building is the recent scarcity of funds for residential construction and mortgage lending purposes.

Unsold Inventory of New Houses. The January 1966 FHA survey of unsold new houses covered 121 subdivisions in Salt Lake County[1/] in which 1,504 houses were reported to have been completed, of which 675 (45 percent) were sold before construction started. Of the 829 houses built speculatively during 1965, 256 remained unsold as of January 1, 1966, representing 31 percent of speculative construction. Of the 256 unsold houses, 215 had been on the market for six months or less. An additional 140 new unsold sales houses in these subdivisions had remained unsold longer than twelve months. Since January 1966, however, the number of unsold speculatively built houses has been reduced considerably, as funds for new construction have been restricted.

Summaries of surveys conducted in January of 1964, 1965, and 1966 are shown in table X. A comparison of the three surveys reveals little variation in the total number of units surveyed and the ratio of unsold units.

Rental Market

General Market Conditions. The rental market in the Salt Lake City HMA, which had shown some weakness even during the period of relatively strong economic growth between 1960 and 1963, has exhibited notable deterioration since the decline in missile employment which began in late 1963 (see comparison of postal vacancy survey ratios for apartments on page 20). Difficulties in achieving and maintaining satisfactory occupancy levels characterize nearly every segment of the rental inventory, but there are significant qualitative variations within the rental market.

1/ Data for south Davis County are not available separately; data for Salt Lake County are indicative of activity in the entire HMA.

In most cases, occupancy in the older, well-managed, well-maintained units with moderate rents has been maintained at satisfactory levels. The performance of the older projects insured by FHA is indicative of experience in this sector of the rental market. Also, several other projects in this classification located just east of Temple Square in Salt Lake City report good occupancy.

There are some characteristics which appear common among those projects that have been least successful in the achievement or maintenance of satisfactory occupancy. For projects of all ages, those of smaller size (50 units or less) have a more favorable occupancy experience than those of larger size. Renters in the Salt Lake area apparently are not willing to pay the high rents demanded by new luxury apartments. In addition, the larger rental projects (90 units or more) in the HMA and those located in the outlying areas of Salt Lake City and beyond appear to be at a competitive disadvantage. During the past year, rent concessions and inducements to sign leases have been commonplace.

In spite of the generally poor condition of the rental market, there are many successful rental projects in the HMA; both the older, well maintained ones and some newer ones completed during the past six years are doing well. Typically, these projects are small and are well located and well managed. In addition, and of paramount importance, monthly rentals in these projects are moderate.

Net absorption of more than 8,000 new multifamily units in the HMA since 1960 indicates a strong growth of rental demand in the market during that period. The present oversupply of rental housing, however, is reflective of both a greater than desirable total volume of rental housing construction (about 9,500 units since 1960) and disproportionate construction in the higher rental ranges.

Public Housing and Urban Renewal

At the present time, the state of Utah does not have legislation enabling communities to utilize the federally assisted low-rent housing program. State legislation allowing establishment of federally assisted urban renewal was enacted in 1965, but thus far no community in the HMA has a certified workable program.

Demand for Housing

Quantitative Demand

Demand for additional housing in the Salt Lake City HMA during the two-year period from September 1966 to September 1968 is based on the anticipated increase of about 3,550 households a year, on the number of housing units expected to be removed from the inventory, and on the desirability of effecting a slight reduction in the number of vacant sales houses and a substantial decrease in the number of available rental vacancies. Consideration also is given to the current tenure composition and to an anticipated continuation of the long term shift toward a higher proportion of owner occupancy. Giving regard to these factors, it is expected that 2,500 sales units can be absorbed annually over the next two years.

The forecast demand for 2,500 sales units a year is slightly above the 2,250 single-family houses authorized by building permits in 1965; it is somewhat below the 2,725 houses authorized in 1964 and is significantly below the average of about 3,250 houses a year authorized in the four years from 1960 through 1963. The suggested construction of 2,500 new single-family houses a year is geared to the more moderate growth in the HMA anticipated during the next two years and should result in a better demand-supply relationship in the sales market.

Based only on the anticipated rate at which new renter households will be formed in the HMA during the two-year forecast period, nearly 1,000 new units a year would be required to meet the quantitative demand for new rental units. However, the current excess of vacant multifamily units of good quality and the multifamily units now under construction are sufficient to satisfy the demand requirement of more than one full year. If no additional multifamily units were built from September 1966 to September 1967 other than those now under construction, the current multifamily vacancy ratio would be reduced to a level that more nearly reflects a balanced demand-supply condition in the market.

A full correction of the market imbalance may not be attained within a two-year period by a construction industry geared to recent production at an average rate of almost 1,500 multifamily units a year. It is apparent, however, that unless production is sharply curtailed, the current excess of good quality vacant rental units will not be absorbed in a reasonable period of time. Prolongation of the current over-supply of vacant rental units will mean increasing economic loss to many owners of rental property and to mortgagees. Under these circumstances, only rental projects designed to satisfy specific needs not now being met should be considered on their individual merits, and their effect on the over-all rental market should be carefully evaluated.

Qualitative Demand

Sales Houses. The distribution of the annual demand for new sales housing units by price ranges is shown in the table below. Recent market experience and the ability to pay, as measured by current family income and the income-purchase price ratio typical in the HMA, are the principal factors determining the distribution.

Estimated Annual Demand for New Sales Housing, by Price Class
Salt Lake City, Utah, Housing Market Area
September 1, 1966 to September 1, 1968

Sales price	Number	Percent
Under $12,500	125	5
$12,500 - 14,999	375	15
15,000 - 17,499	625	25
17,500 - 19,999	500	20
20,000 - 24,999	375	15
25,000 - 29,999	250	10
30,000 and over	250	10
Total	2,500	100

Table I

Civilian Work Force Components
Salt Lake City, Utah, Housing Market Area
1958-1966 (in thousands)

	1958	1959	1960	1961	1962	1963	1964	1965	First seven months 1965	First seven months 1966
Total work force	154.6	162.9	168.4	175.4	183.7	191.1	194.7	197.4	195.5	199.1
Unemployment	5.9	4.9	5.6	6.7	6.1	7.6	8.8	9.8	10.6	8.7
Percent unemployed	3.9%	3.0%	3.3%	3.8%	3.3%	4.0%	4.5%	5.0%	5.4%	4.4%
Agricultural employment	2.5	2.4	2.3	2.2	2.2	2.1	2.2	1.9	1.8	1.4
Nonagricultural employment	146.0	153.4	159.9	166.5	175.4	181.4	182.2	185.6	182.9	188.8
Wage and salary	126.8	133.2	139.1	144.4	153.2	159.4	160.3	163.8	161.2	164.2
Other	19.2	20.2	20.8	22.1	22.2	22.0	21.9	21.8	21.7	24.6
Workers involved in labor disputes	0.2	2.2	0.6	a/	a/	0.0	1.5	0.1	0.2	0.2

a/ Less than 50.

Source: Utah Department of Employment Security.

Table II

Nonagricultural Wage and Salary Employment
Salt Lake City, Utah, Housing Market Area
1958-1966 (in thousands)

	1958	1959	1960	1961	1962	1963	1964	1965	First seven months 1965	First seven months 1966
Nonag. wage and salary employ.	126.8	133.2	139.1	144.4	153.2	159.4	160.3	163.8	161.2	164.2
Manufacturing	21.0	22.3	24.6	26.1	29.1	29.8	28.5	28.1	28.0	27.8
Durable goods	11.2	12.3	14.2	16.1	19.2	19.9	18.5	18.1	18.1	17.8
Nondurable goods	9.8	10.3	10.4	10.0	9.9	9.9	10.0	10.0	9.9	10.0
Nonmanufacturing	105.8	110.9	114.5	118.3	124.1	129.6	131.8	135.7	133.2	136.4
Mining	6.3	5.6	6.7	6.8	6.8	6.4	5.5	6.8	6.6	6.9
Construction	8.2	8.8	8.4	8.4	9.6	10.6	10.6	9.6	9.1	9.0
Transportation	13.1	13.1	13.1	13.3	13.4	13.5	13.8	13.8	13.7	13.7
Trade	33.8	36.0	37.4	38.1	40.2	41.8	42.1	43.1	42.4	43.6
Finance	7.8	8.3	8.6	8.9	9.2	9.6	9.9	9.9	9.8	10.0
Service	16.7	18.2	18.9	19.7	20.9	22.3	23.0	23.5	23.3	23.8
Government	19.9	20.9	21.4	23.1	24.0	25.4	26.9	29.0	28.3	29.4

Source: Utah Department of Employment Security.

Table III

Estimated Percentage Distribution of Families and Renter Households
By Annual Income, After Deducting Federal Income Tax
Salt Lake City, Utah, Housing Market Area

Annual family income	September 1966		September 1968	
	All families	Renter households[a]	All families	Renter households[a]
Under $3,000	7	16	6	15
$3,000 - 3,999	5	9	5	7
4,000 - 4,999	8	12	7	12
5,000 - 5,999	10	12	10	12
6,000 - 6,999	12	12	10	11
7,000 - 7,999	11	12	10	12
8,000 - 8,999	10	6	9	9
9,000 - 9,999	9	6	9	6
10,000 - 12,499	14	9	17	9
12,500 - 14,999	6	3	7	3
15,000 - 19,999	5	3	6	4
20,000 and over	3		4	
Total	100	100	100	100
Median	$7,700	$6,050	$8,200	$6,400

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends
Salt Lake City, Utah, Housing Market Area
1950-1966

	April 1, 1950	April 1, 1960	Sept. 1, 1966	Average annual changes 1950-1960 Number	Pct. a/	1960-1966 Number	Pct. a/
HMA total	287,293	413,959	493,000	12,667	3.7	12,300	2.7
Salt Lake County	274,895	383,035	454,000	10,814	3.3	11,050	2.7
Midvale	3,996	5,802	7,100	180	3.7	200	3.2
Murray	9,006	16,806	21,000	780	6.2	650	3.5
Salt Lake City	182,121	189,454	204,000	733	0.4	2,275	1.2
Sandy	2,095	3,322	4,500	123	4.6	175	4.7
South Salt Lake	7,704	9,520	9,800	182	2.2	50	0.5
West Jordan	2,107	3,009	3,700	90	3.6	100	3.3
Remainder of County	67,866	155,122	203,900	8,726	8.3	7,600	4.3
Davis County (south)	12,398	30,924	39,000	1,853	9.1	1,250	3.6
Bountiful	6,004	17,039	23,500	1,104	10.0	1,000	5.0
Remainder of Davis Co. (south)	6,394	13,885	15,500	749	7.8	250	1.7

a/ Derived through the use of a formula designed to calculate the average percentage change on a compound basis.

Note: 1966 population and 1960-1966 population changes are rounded.

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

Table V

Household Trends
Salt Lake City, Utah, Housing Market Area
1950-1966

	April 1, 1950	April 1, 1960	Sept. 1, 1966	Average annual changes 1950-1960 Number	Pct. a/	1960-1966 Number	Pct. a/
HMA total	81,567	115,401	139,300	3,383	3.5	3,725	2.9
Salt Lake County	78,377	108,007	129,850	2,963	3.1	3,400	2.9
Midvale	1,140	1,604	1,950	46	3.5	50	3.1
Murray	2,456	4,328	5,500	187	5.7	175	3.7
Salt Lake City	54,361	60,893	66,300	654	1.1	850	1.3
Sandy	548	859	1,200	31	4.5	50	5.2
South Salt Lake	2,126	2,565	2,700	44	1.8	25	0.9
West Jordan	515	716	900	20	3.3	25	3.6
Remainder of County	17,231	37,042	51,300	1,981	7.7	2,225	5.1
Davis County (south)	3,190	7,394	9,450	420	8.4	325	3.9
Bountiful	1,562	4,107	5,700	254	9.7	250	5.1
Remainder of Davis Co. (south)	1,628	3,287	3,750	166	7.0	75	2.1

a/ Derived through the use of a formula designed to calculate the average percentage change on a compound basis.

Note: 1966 population and 1960-1966 population changes are rounded.

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

Table VI

Housing Units Authorized by Building Permits
Salt Lake City, Utah, Housing Market Area
1958-1966

	1958	1959	1960	1961	1962	1963	1964	1965	First seven months 1965	First seven months 1966
Bountiful	312	409	276	215	262	386	223	187	135	82
Centerville	37	35	26	16	20	16	21	15	8	18
Farmington	2	8	19	18	23	21	19	22	9	10
North Salt Lake	58	20	17	11	7	15	22	11	6	9
West Bountiful	2	8	10	6	5	13	1	6	2	5
Woods Cross	19	8	12	0	2	23	28	58	34	44
Remainder of So. Davis	71	57	57	61	43	35	34	44	31	16
South Davis County total	501	545	417	327	362	509	348	343	225	184
Midvale	47	76	48	46	48	53	70	65	39	27
Murray	327	236	154	190	223	223	215	138	79	41
Riverton	2	11	9	24	17	9	28	33	31	12
Salt Lake City	506	610	693	927	1,134	1,612	1,258	736	207	155
Sandy	44	48	34	62	84	81	33	33	16	14
South Jordan	8	10	17	16	27	25	48	42	24	27
South Salt Lake	21	38	29	85	65	57	13	10	10	7
West Jordan	16	10	10	35	34	38	36	38	21	18
Remainder of Salt Lake Co.	3,221	2,796	2,341	2,797	3,013	3,666	2,192	1,678	1,129	894
Salt Lake County total	4,192	3,835	3,335	4,182	4,645	5,764	3,893	2,773	1,556	1,195
HMA total	4,693	4,380	3,752	4,509	5,007	6,273	4,241	3,116	1,781	1,379

Source: University of Utah, Bureau of Economic and Business Research.

Table VII

Building Permits by Units in Structure in Selected Areas
Salt Lake City, Utah, Housing Market Area
1958-1966

	1958	1959	1960	1961	1962	1963	1964	1965	First seven months 1965	First seven months 1966
Salt Lake City										
1 unit	250	231	149	156	159	228	421	191	129	64
2 units	66	94	100	64	88	142	88	34	18	4
3 or more units	190	285	444	707	887	1,242	749	511	60	87
Total	506	610	693	927	1,134	1,612	1,258	736	207	155
Murray										
1 unit	309	216	150	186	167	164	102	96	58	33
2 units	2	0	0	0	4	2	0	0	0	0
3 or more units	16	20	4	4	52	57	113	42	21	8
Total	327	236	154	190	223	223	215	138	79	41
Salt Lake County units										
1 unit	3,059	2,600	2,065	2,156	2,361	2,528	1,666	1,442	959	676
2 units	102	144	178	168	158	188	156	44	38	24
3 or more units	60	52	98	473	494	950	370	192	132	194
Total	3,221	2,796	2,341	2,797	3,013	3,666	2,192	1,678	1,129	894
Bountiful										
1 unit	304	349	258	205	226	283	184	157	111	82
2 units	8	0	14	10	16	26	0	0	0	0
3 or more units	0	60	4	0	20	77	39	30	24	0
Total	312	409	276	215	262	386	223	187	135	82
Total four selected areas										
1 unit	3,922	3,396	2,622	2,703	2,913	3,203	2,373	1,886	1,257	855
2 units	178	238	292	242	266	358	244	78	56	28
3 or more units	266	417	550	1,184	1,453	2,326	1,271	775	237	289
Total	4,366	4,051	3,464	4,129	4,632	5,887	3,888	2,739	1,550	1,172

Source: University of Utah, Bureau of Economic and Business Research.

Table VIII

Vacancy Trends
Salt Lake City, Utah, Housing Market Area
1950-1966

	April 1, 1950	April 1, 1960	Sept. 1, 1966
Total housing units	84,832	122,275	148,200
Total vacant	3,265	6,874	8,900
Available vacant	1,544	4,643	6,500
For sale	1,027	1,640	2,200
Homeowner vacancy ratio	2.0%	2.0%	2.2%
For rent	517	3,003	4,300
Renter vacancy ratio	1.7%	7.7%	9.3%
Other vacant	1,721	2,231	2,400

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

Table IX

Salt Lake City, Utah, Area Postal Vacancy Survey

August 16-18, 1966

Postal area	Total residences and apartments: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	Residences: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	Apartments: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	House trailers: Total possible deliveries	Vacant: No.	%
The Survey Area Total	139,954	6,087	4.3	5,091	996	1,194	121,691	3,337	2.7	2,647	690	605	18,263	2,750	15.1	2,444	306	589	1,351	42	3.1
Salt Lake City	111,784	5,231	4.7	4,473	758	985	94,547	2,625	2.8	2,166	459	412	17,237	2,606	15.1	2,307	299	573	978	35	3.6
Main Office	26,390	2,398	9.1	2,138	260	466	14,596	594	4.1	582	12	11	11,794	1,804	15.3	1,556	248	455	-	-	-
Branches:																					
Granger Hunter	8,510	445	5.2	265	180	109	7,840	357	4.6	197	160	109	670	88	13.1	68	20	-	471	26	5.5
Holladay	14,316	419	2.9	250	169	175	14,121	388	2.7	219	169	175	195	31	15.9	31	-	-	-	-	-
Kearns	4,543	211	4.6	197	14	3	4,543	211	4.6	197	14	3	-	-	-	-	-	-	-	-	-
Murray	7,731	185	2.4	156	29	96	7,336	120	1.6	91	29	29	395	65	16.5	65	-	67	351	8	2.3
South Salt Lake	5,183	379	7.3	372	7	26	4,031	183	4.5	182	1	5	1,152	196	17.0	190	6	21	119	1	0.8
Stations:																					
Fairgrounds	11,318	374	3.3	328	46	11	10,608	237	2.2	205	32	11	710	137	19.3	123	14	-	33	-	0.0
Foothill	5,786	101	1.7	89	12	20	5,662	85	1.5	76	9	20	124	16	12.9	13	3	-	-	-	-
Sugarhouse	28,007	719	2.6	678	41	79	25,810	450	1.7	417	33	49	2,197	269	12.2	261	8	30	4	-	0.0
Other Cities and Towns	28,170	856	3.0	618	238	209	27,144	712	2.6	481	231	193	1,026	144	14.0	137	7	16	373	7	1.9
Bingham Canyon	326	7	2.1	7	-	-	286	1	0.3	1	-	-	40	6	15.0	6	-	-	-	-	-
Bountiful	7,250	216	3.0	148	68	40	6,950	168	2.4	100	68	40	300	48	16.0	48	-	-	-	-	-
Clearfield	4,479	153	3.4	122	31	13	4,270	136	3.2	105	31	13	209	17	8.1	17	-	-	-	-	-
Kaysville	1,994	43	2.2	33	10	50	1,904	32	1.7	23	9	36	90	11	12.2	10	1	14	-	-	-
Layton	3,602	123	3.4	59	64	58	3,540	121	3.4	57	64	58	62	2	3.2	2	-	-	284	2	0.7
Magna	2,577	67	2.6	54	13	3	2,514	55	2.2	42	13	3	63	12	19.0	12	-	-	2	-	0.0
Midvale	3,914	73	1.9	59	14	28	3,745	58	1.5	44	14	28	169	15	8.9	15	-	-	24	1	4.2
Sandy	4,028	174	4.3	136	38	17	3,935	141	3.6	109	32	15	93	33	35.5	27	6	2	63	4	6.3

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 X

Unsold Inventories of New Sales Houses[a/]
By Sales Status and Price Class
Salt Lake County, Utah

Sales price	Total completions	Houses sold before const. start	Speculative houses: Total starts	Speculative houses: Number unsold	Speculative houses: Percent unsold
	January 1, 1966				
Under $12,500	32	5	27	8	30
$12,500 - 14,999	213	85	128	42	33
15,000 - 17,499	566	306	260	58	22
17,500 - 19,999	270	113	157	65	41
20,000 - 24,999	222	91	131	41	31
25,000 - 29,999	81	26	55	18	33
30,000 and over	120	49	71	24	34
Total	1,504	675	829	256	31
	January 1, 1965				
Under $12,500	81	34	47	8	17
$12,500 - 14,999	300	129	171	41	24
15,000 - 17,499	486	217	269	78	29
17,500 - 19,999	257	73	184	64	35
20,000 - 24,999	194	56	138	43	31
25,000 - 29,999	67	6	61	19	31
30,000 and over	20	0	20	19	95
Total	1,405	515	890	272	31
	January 1, 1964				
Under $12,500	16	0	16	1	6
$12,500 - 14,999	330	154	176	53	30
15,000 - 17,499	600	295	305	116	38
17,500 - 19,999	366	162	204	77	38
20,000 - 24,999	222	57	165	50	30
25,000 - 29,999	54	31	23	8	35
30,000 and over	36	9	27	9	33
Total	1,624	708	916	314	34

a/ Includes only subdivisions in which five or more houses were completed in the twelve months preceding the date of the survey.

Source: Unsold inventory of new houses conducted by the FHA Salt Lake City Insuring Office.