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DEPARTMENT OF HOUSING
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Analysis of the

SIoux FALLS, SOUTH DAKOTA HOUSING MARKET

as of August 1, 1971

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

July 1972

Housing Market Analysis
Sioux Falls, South Dakota, as of August 1, 1971

Foreword

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

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

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

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

FHA HOUSING MARKET ANALYSIS - SIOUX FALLS, SOUTH DAKOTA
AS OF AUGUST 1, 1971

The Sioux Falls Housing Market Area (HMA) is defined as Minnehaha County, South Dakota. The HMA is located in southeastern South Dakota and is bounded on the east by both Minnesota and Iowa. As of August 1971, the estimated population of the HMA was 96,550 persons, of whom 73,500 resided in the city of Sioux Falls.

The economy of the area is based primarily upon nonmanufacturing activity, principally wholesale and retail trade, services, and government. The housing market in Sioux Falls was weak in the mid-1960's and has recovered since. The homeowner vacancy rate increased during the middle of the decade, but declined in 1969 and 1970. There has been a steady increase in the number of vacant rental units since 1960, many of which however, are old, poorly situated, and not very desirable units. Renewed economic expansion and a slight increase in household growth should sustain the demand for both sales and rental units.

Anticipated Housing Demand

There will be an estimated annual demand for about 610 privately financed, nonsubsidized housing units in the Sioux Falls HMA during the two-year forecast period ending August 1, 1973. This figure is lower than the record high number of new units added to the inventory in 1970, but it is above the total for any other year since 1960. For optimum absorption, annual production should consist of 240 single-family homes, 270 units in multifamily structures, and 100 mobile homes. This demand estimate has taken into consideration current housing market conditions, projected economic trends, expected population growth and household formation, and anticipated losses to the housing inventory. Further considerations were current vacancies, an increased propensity to rent among newer households, and current levels of construction.

The projected demand for single-family sales housing during the forecast period is higher than the number of houses built in any year since 1965, with the exception of 1970. Single-family building activity

increased sharply in 1969 and 1970 as a result of the impact of Section 235 housing. The annual demand for 270 multifamily units is substantially lower than the 465 units authorized in 1970, but is higher than for any other year since 1960. Therefore, it is suggested that absorption of new rental units be watched closely to insure proper maintenance of a desirable supply-demand relationship in the various price ranges.

Table I shows the distribution of demand for sales houses by price class and the demand for multifamily units by gross monthly rents.

Occupancy Potential for Subsidized Housing

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

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program, and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the Sioux Falls HMA, the total occupancy potential is estimated to be 355 units annually.

The annual occupancy potentials^{1/} for subsidized housing discussed in the following paragraphs are based upon 1971 incomes, the occupancy of substandard housing, estimates of the elderly population, income limits in effect as of August 1, 1971, and on available market experience.^{2/}

^{1/} The occupancy potentials referred to in this analysis are dependent upon the capacity of the market in view of existing vacancy strength or weakness. The successful attainment of the calculated market for subsidized housing may well depend upon construction in suitable accessible locations, as well as upon the distribution of rents and selling prices over the complete range attainable for housing under the specified programs.

^{2/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

Section 235 and Section 236. Subsidized housing for households with low to moderate incomes may be provided under either Section 235 or Section 236. Moderately-priced, subsidized sales housing for eligible families can be made available through Section 235. Subsidized rental housing for the same families may be alternatively provided under Section 236; the Section 236 program contains additional provisions for subsidized rental units for elderly couples and individuals. In the Sioux Falls HMA, it is estimated (based on regular income limits) that, for the period August 1, 1971 to August 1, 1973, there is an occupancy potential for an annual total of 130 subsidized family units utilizing either Section 235 or Section 236, or a combination of the two programs. In addition, there is an annual potential for about 60 units of Section 236 rental housing for elderly couples and individuals. The use of exception income limits would increase this potential.

There have been 341 houses financed under Section 235, of which 110 were existing units and 231 were new units; there are also 141 Section 235 program reservations for the HMA. Of the 150 houses currently under construction, it is indicated that a good proportion are being built in a price range that could make them available under Section 235. As of August 1, 1971, there was no completed Section 236 housing, none under construction, nor any about to go under construction. There are several proposals for Section 236 housing in various stages of planning; however, none has progressed sufficiently to influence the current occupancy potential.

Public Housing and Rent Supplement. Both of these programs serve families in essentially the same low-income group. The primary differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Sioux Falls HMA, the annual occupancy potential for public housing is 260 units, 150 for families and 110 for the elderly. As indicated in table II, about 30 percent of the families and 45 percent of the elderly who qualify for public housing units also are eligible for Section 236 housing.

There were 196 units of rent supplement housing in the Sioux Falls HMA as of August 1, 1971. All of these units were for the elderly, and all were occupied. In addition, another 203 units of rent supplement, also for the elderly, were under construction, and indications are that all of these units will be filled upon completion. There is an annual occupancy potential for 75 units of rent supplement housing for families and 110 units for the elderly. The 203 units under construction approximates the two-year demand for rent supplement for the elderly. It is believed that most of the 203 units will be absorbing a backlog of demand; nevertheless, a close watch should be kept on the absorption of additional units. Most of the families who qualify for rent supplement are also eligible for public housing.

There were 128 units of public housing in the HMA, all for the elderly, and all were occupied as of August 1971. There were 41 more units currently being rehabilitated for the elderly; however, the waiting list had 330 names on it. As of August 1, 1971, there was no public

housing for families and none under construction; therefore, no waiting list was being compiled. At that time, 275 units for families and 50 additional units for the elderly had been approved by the city of Sioux Falls, but had not yet received federal funding. If the 275 units are funded and completed during the forecast period, they will satisfy almost all of the occupancy potential for families during the forecast period.

Sales Market

The condition of the sales market in the Sioux Falls HMA has strengthened considerably in the past 18 months. This strengthening is a result of increased employment opportunities and a low level of single-family house construction after 1965. In 1966, single-family housing starts dropped 38 percent from their 1965 level, and remained down until the impact of Section 235 housing was first felt in 1969. The FHA Unsold Inventory Surveys available since 1965 indicate speculative building decreased sharply in 1967 and 1968, but has leveled off since then. Most speculative building in the HMA was in the lower price ranges in 1970. The percent of homes unsold after being completed for one month or more had been on the rise between 1965 and 1969, but declined sharply from 63 percent in 1969 to eight percent in 1970.

The volume of sales of existing homes increased during the past year. Single-family homes in good condition are generally sold shortly after they are listed and prices usually range between \$21,000 and \$24,000. The demand for lower priced houses has been strong recently, and it is expected to strengthen even more as urban renewal demolishes more lower-priced units.

Rental Market

About 75 percent of the units in multifamily structures built since 1960 were authorized in the last five years. Many of these units are higher priced, luxury-type units, and the market for these may be approaching saturation. However, the demand for lower-priced rental units has been strong and is expected to continue to be strong throughout the forecast period. Increased employment levels in the late sixties and rising costs in housing construction have been major influences in the rising demand for moderately-priced rental units.

The current renter vacancy rate is 7.1 percent, but this figure is somewhat inflated because the condition, location, and lack of amenities of many of these units makes them noncompetitive with newer units. Gross rents for existing one-bedroom units range upward from \$130, while two-bedrooms range upward from about \$160. New units coming onto the market are somewhat higher priced. Gross monthly rent for one-bedroom units is about \$165, and for two-bedroom units it is about \$225.

Pent up demand for rental units in Sioux Falls has been great; however, upon completion of units under construction, the backlog for apartments in the middle to upper rent ranges should be fairly well satisfied. The greatest demand should be for units designed and constructed to rent at about \$160 for one-bedroom units and \$200 for two-bedroom units. These

figures include utilities. Construction of any new higher priced multi-family units should take into consideration the rent levels outlined in table I.

Economic, Demographic, and Housing Factors

The anticipated demand for new, nonsubsidized housing units is based upon the employment, income, population, and housing factors discussed below.

Employment. Civilian work force and total employment in the Sioux Falls HMA increased every year between 1960 and 1970, with the exception of 1965, a year in which there was a large decrease in agricultural employment. Nonagricultural wage and salary employment increased yearly throughout the decade with peak increases of 1,080, 1,390 and 1,180 in 1961, 1967, and 1969, respectively. For the twelve-month period ending in May 1971, nonagricultural wage and salary employment averaged 34,670, an increase of 480 (1.4 percent) over the corresponding period ending in May 1970. Table III presents the work force and employment schedule by industry since 1960.

Virtually all of the growth in nonagricultural wage and salary employment since 1960 has been in the nonmanufacturing sector. Growth in nonmanufacturing employment in the early part of the decade was generally slower than that experienced in later years. From 1960 to 1966, nonmanufacturing jobs increased by 630 (3.0 percent) annually, compared with an annual average increase of 850 jobs (3.3 percent) in the period since 1966. Contract construction was the only component of nonmanufacturing employment in which there was a consistent decline in job totals between 1960 and 1966. However, increased commercial and residential construction has caused construction employment to increase by about 120 annually (10.2 percent) since 1966 to a current level of 1,680. Wholesale and retail trade employment, currently at 10,530, has increased every year since 1960, with the exception of a slight decline of 50 jobs in 1967. The largest increase occurred in 1969 when employment in wholesale and retail trade increased by 610 jobs. Government employment also has increased over the decade at an average annual rate of approximately 160 jobs (3.5 percent). This is a result of increased activity by all levels of government in Sioux Falls HMA.

Manufacturing employment fluctuated in annual rates of expansion and decline between 1960 and 1966. The net result was a decrease of 50 jobs from the 1960 level of 5,450. However, since 1966, manufacturing employment has grown by 120 jobs (2.1 percent) annually to its current level of just over 5,900 persons. Most of this increase has been in the food processing industry which grew at an annual rate of 110 (2.8 percent) from a 1966 level of 3,750 to a May 1971 level of 4,230.

Nonagricultural wage and salary employment in the Sioux Falls HMA is expected to increase by 1,180 jobs (590 annually) during the two-year forecast period. Most of this increase (90 percent) will be in the nonmanufacturing sector. The employment increases in nonmanufacturing are expected to be concentrated in wholesale and retail trade, government, and contract construction. Increases in government and contract construction

are based on the assumption that construction scheduled to start in early November on the planned data processing center for the Eros Project, a program designed to use orbiting satellites to observe and predict weather, is begun and completed on schedule. Construction is scheduled to take five years and employment is expected to be about 4,000 at the completed facility. Growth in manufacturing employment is expected to be concentrated in the food processing industry which constitutes over 70 percent of manufacturing employment.

The employment forecast for the HMA is below the average annual increase of 960 (2.1 percent) recorded since 1966; however, at an annual rate of 590 (1.7 percent) it is slightly higher than the increase of 530 (1.3 percent) for the 12-month period ending in May 1971. The growth predicted for this two-year forecast period is not expected to occur at an even rate. Instead a larger portion of the growth in employment is expected during the second year of the forecast period (from August 1972 to August 1973).

Income. In August 1971, the median annual income of all families in the Sioux Falls HMA was about \$9,700 after deduction of federal income taxes. The median after-tax income of renter households of two or more persons was about \$8,225. These figures reflect increases of 83 percent over the 1959 after-tax income of all families (\$5,300), and 82 percent over the 1959 after-tax income of renter households (\$4,525).

Demographic Factors. The population of the Sioux Falls HMA reached 96,550 persons as of August 1, 1971. This represents an average annual increase of approximately 1,000 (1.1 percent) since April 1970. Between 1960 and 1970 population increased by an annual average of 860 (1.0 percent). A comparison of net natural increase (resident births minus resident deaths) with total population growth since 1960 indicates that there has been out-migration averaging about 530 persons annually. However, net natural increase has been steadily declining throughout the decade, while over half of the employment growth has occurred in the last four years; therefore, it is believed that a major portion of the out-migration occurred in the early part of the decade and currently migration is into the HMA.

Within the city of Sioux Falls, population increased by 7,022 between 1960 and 1970. This represents 80 percent of the total increase in population for the entire HMA since 1960. However, it should be noted that the largest portion of this increase (65 percent) resulted from annexations which took place in every year except 1968. Most of this annexation occurred in the southeast and southwest quadrants of the city; consequently, most of the population growth has been in these areas. Since the 1970 Census, the population within the city has increased by an additional 1,000 people.

Based upon the expectation that progress on the Eros facilities will proceed on schedule, it is estimated that population growth in the HMA will amount to about 1,200 persons annually. Past trends and present conditions indicate that this growth will be centered in Sioux Falls and the immediate vicinity.

There were about 29,500 households in the Sioux Falls HMA as of August 1, 1971, reflecting an annual increase of 410 (1.4 percent) since April 1970. This compares with an average annual increase of 380 households (1.4 percent) between 1960 and 1970. The increase in the number of households in the HMA has been occurring at a more rapid rate than population gains, resulting in a decline in household size. Based upon a continued decline in household size and the anticipated growth in population, it is estimated that households will increase by about 450 (1.5 percent) annually between August 1, 1971 and August 1, 1973.

Housing Factors. The housing inventory in the Sioux Falls HMA totaled 31,000 units as of August 1, 1971, reflecting average annual increases of about 425 units (1.5 percent) between April 1960 and April 1970 and 460 units since the 1970 Census. The increase of 4,900 units since 1960 is a result of the addition of 6,800 units (including 700 mobile homes) minus about 1,900 units lost through demolitions and other causes. There were about 400 privately financed housing units under construction in August 1971, of which 150 were single-family houses and 250 were in multi-family structures. Of the 150 single-family structures, most are being built in a price range that would make them available for occupancy under Section 235 of the Housing Act.

Private residential building activity as measured by building permits issued^{1/} has been fairly stable since 1960, with the exception of 1965, 1966, and 1970. The 260 multifamily building permits issued in 1965 were more than three times the number issued in 1964 and, as a result, the total permits issued in 1965 (over 500) was higher than any other year between 1960 and 1969. The number of both single-family and multifamily permits issued dropped substantially in 1966. Single-family permits issued declined by 38 percent to 150, while multifamily permits issued decreased by 81 percent to 50 units, thus making the 1966 total of 200 units permitted the smallest figure for the 1960-1971 period. Residential construction reached a peak at nearly 775 units in 1970, reflecting increases in employment in 1969 and the impact of sales housing under Section 235. Figures available for the first six months of this year indicate that 1971 will be another active year for housing starts. Two hundred ninety six units had been authorized by permits between January 1 and June 30. If this rate continues throughout the remainder of 1971, housing starts this year will exceed every year since 1960, except 1970.

As of August 1, 1971, there were approximately 1,500 vacant units in the Sioux Falls HMA, of which 975 were nonseasonal, nondilapidated units available for sale or rent. The total of 1,500 vacant units is above the 1960 and 1970 vacancy totals of 975 and 1,429, respectively (see table VII). The homeowner vacancy rate, currently at 1.1 percent, has declined recently following a rise in the mid-1960's because of over-production between 1960 and 1965. However, the renter vacancy rate has risen from 3.9 percent in

^{1/} Residential building permits, as enumerated in table VI, are estimated to cover about 70 percent of all residential construction in the Sioux Falls HMA.

1960 to 7.1 percent as of August 1971. However, it should be noted that a large number of the estimated 750 units vacant and available for rent are either poorly located or deficient in amenities. Therefore, the 7.1 percent renter vacancy rate does not reflect the actual demand for rental units in Sioux Falls.

Mobile Homes. There are approximately 1,325 mobile homes in the Sioux Falls HMA, an increase of about 700 over the 1960 figure of 626. Spaces in mobile home parks usually rent for between \$42 and \$50 per month. This price usually includes water. As of August 1971 virtually all of the spaces were rented.

Based upon projected economic conditions and population and household growth, it is estimated that the Sioux Falls HMA can successfully absorb about 100 mobile home units annually during the two-year forecast period. It appears from the projected demand for mobile homes and current lack of vacancies in mobile home parks that the demand for mobile home spaces will be approximately 80 per year for the next two years. These spaces should be developed to provide amenities and design features both necessary and desirable for late-model mobile homes.

Table I

Estimated Annual Demand for Nonsubsidized Housing
Sioux Falls, South Dakota, Housing Market Area
August 1971-August 1973

A. Single-family Houses

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under - \$20,000	30	13
\$20,000 - 22,499	35	15
22,500 - 24,999	35	15
25,000 - 29,999	60	25
30,000 - 34,999	45	17
35,000 and over	<u>35</u>	<u>15</u>
Total	240	100

B. Multifamily Units

<u>Gross monthly rent</u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
Under \$140	10	-	-	-
\$140 - 159	5	-	-	-
160 - 179	-	70	-	-
180 - 199	-	30	60	-
200 - 219	-	5	55	-
220 and above	-	-	<u>10</u>	<u>25</u>
Total	<u>15</u>	<u>105</u>	<u>125</u>	<u>25</u>

Table II

Estimated Annual Occupancy Potential for Subsidized Rental Housing
Sioux Falls, South Dakota, Housing Market Area
August 1971-August 1973

	<u>Section 236^{a/}</u> <u>exclusively</u>	<u>Eligible for</u> <u>both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total for</u> <u>both programs</u>
A. <u>Families</u>				
1 bedroom	10	10	20	40
2 bedrooms	40	20	45	105
3 bedrooms	25	10	25	60
4+ bedrooms	<u>10</u>	<u>5</u>	<u>15</u>	<u>30</u>
Total	85	<u>45^{b/}</u>	<u>105^{b/}</u>	<u>235</u>
B. <u>Elderly</u>				
Efficiency	5	35	55	95
1 bedroom	<u>5</u>	<u>15</u>	<u>5</u>	<u>25</u>
Total	10	<u>50^{c/}</u>	<u>60^{c/}</u>	120

a/ Estimates are based on regular income limits. The families eligible for Section 236 projects may alternatively be assisted under Section 235.

b/ Fifty percent of these families are also eligible under the rent supplement program.

c/ All of the elderly couples and individuals are also eligible for rent supplement payments.

Table III

Civilian Work Force Components
Sioux Falls, South Dakota, Housing Market
1960-1971

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Twelve months ending May 31	
												1970	1971
Civilian work force	<u>35,540</u>	<u>36,880</u>	<u>37,140</u>	<u>37,860</u>	<u>38,760</u>	<u>38,600</u>	<u>38,780</u>	<u>39,560</u>	<u>40,220</u>	<u>41,590</u>	<u>42,200</u>	<u>41,880</u>	<u>42,600</u>
Unemployment	1,020	1,150	1,130	1,190	1,290	1,240	1,220	1,140	1,140	1,150	1,370	1,230	1,420
Percent of work force	2.9	3.1	3.0	3.1	3.3	3.2	3.1	2.9	2.8	2.8	3.2	2.9	3.3
Total civilian employment	<u>34,520</u>	<u>35,730</u>	<u>36,010</u>	<u>36,670</u>	<u>37,470</u>	<u>37,360</u>	<u>37,560</u>	<u>38,420</u>	<u>39,080</u>	<u>40,440</u>	<u>40,830</u>	<u>40,650</u>	<u>41,180</u>
Nonagricultural wage and salary	<u>26,710</u>	<u>27,790</u>	<u>28,300</u>	<u>28,740</u>	<u>29,720</u>	<u>29,950</u>	<u>30,440</u>	<u>31,830</u>	<u>32,700</u>	<u>33,880</u>	<u>34,370</u>	<u>34,190</u>	<u>34,670</u>
Manufacturing	<u>5,450</u>	<u>5,380</u>	<u>5,600</u>	<u>5,370</u>	<u>5,460</u>	<u>5,300</u>	<u>5,400</u>	<u>5,930</u>	<u>6,050</u>	<u>6,030</u>	<u>5,900</u>	<u>5,960</u>	<u>5,910</u>
Durable goods	740	730	730	740	800	880	880	860	910	980	1,000	1,040	960
Fabricated metals	520	560	560	550	600	680	710	640	680	740	810	810	780
Nondurable goods	4,710	4,650	4,870	4,630	4,660	4,420	4,520	5,070	5,140	5,050	4,900	4,920	4,950
Foods and kindred	4,210	4,100	4,200	4,020	4,110	3,920	3,750	4,080	4,190	4,200	4,190	4,150	4,230
Nonmanufacturing	<u>21,260</u>	<u>22,410</u>	<u>22,700</u>	<u>23,370</u>	<u>24,260</u>	<u>24,650</u>	<u>25,040</u>	<u>25,900</u>	<u>26,650</u>	<u>27,850</u>	<u>28,470</u>	<u>28,230</u>	<u>28,760</u>
Contract construction	1,770	1,980	1,560	1,470	1,740	1,650	1,150	1,180	1,310	1,560	1,620	1,560	1,680
Transportation and utilities	2,780	2,810	2,800	2,810	2,780	2,850	2,820	2,920	2,990	3,050	3,050	3,070	3,020
Trade	7,890	8,340	8,500	8,700	9,050	9,140	9,550	9,500	9,680	10,290	10,450	10,400	10,530
Wholesale	2,830	2,880	2,960	2,970	3,080	3,030	3,120	3,210	3,210	3,230	3,290	3,270	3,310
Retail	5,060	5,460	5,540	5,730	5,970	6,110	6,430	6,290	6,470	7,060	7,160	7,130	7,220
Finance, insurance & real estate	1,510	1,540	1,610	1,700	1,780	1,860	1,890	1,940	1,970	1,950	1,990	1,980	2,000
Service and miscellaneous	4,200	4,390	4,740	4,990	5,190	5,250	5,530	6,050	6,310	6,430	6,680	6,570	6,790
Government	3,110	3,350	3,490	3,700	3,720	3,900	4,100	4,310	4,390	4,570	4,680	4,650	4,740
All other nonagricultural employment	4,400	4,680	4,460	4,760	4,760	4,650	4,410	3,960	3,820	3,910	3,940	3,910	4,010
Agriculture	3,370	3,260	3,250	3,170	2,990	2,760	2,690	2,630	2,560	2,650	2,520	2,550	2,500

Source: Employment Security Department of South Dakota.

Table IV

Estimated Percentage Distribution of All Families
and Renter Households by Income After
Deducting Federal Income Taxes
Sioux Falls, South Dakota, Housing Market Area, 1959 and 1971

<u>Annual after- tax income</u>	<u>1959</u>		<u>1971</u>	
	<u>All Families</u>	<u>Renter Households^{a/}</u>	<u>All Families</u>	<u>Renter Households^{a/}</u>
Under \$ 2,000	9	13	5	6
\$ 2,000 - 2,999	9	11	3	4
3,000 - 3,999	12	16	3	5
4,000 - 4,999	14	19	5	7
5,000 - 5,999	17	17	5	7
6,000 - 6,999	14	8	7	9
7,000 - 7,999	7	5	7	11
8,000 - 8,999	4	4	9	10
9,000 - 9,999	4	2	9	10
10,000 - 12,499	5	2	21	14
12,500 - 14,999	2	1	10	7
15,000 - 19,999	2	1	10	6
20,000 and over	<u>1</u>	<u>1</u>	<u>6</u>	<u>4</u>
Total	100	100	100	100
Median	\$5,300	\$4,525	\$9,700	\$8,225

^{a/} Excludes one-person households.

Source: Estimated by Housing Market Analyst.

Table V

Population and Household Trends
Sioux Falls, South Dakota, Housing Market Area
April 1960-August 1, 1971

	April 1960	April 1970	August 1971	Average annual change ^{a/}			
				1960-1970		1970-1971	
				Number	Percent ^{b/}	Number	Percent
<u>Population</u>							
HMA total	86,575	95,209	96,550	860	1.0	1,000	1.1
Sioux Falls	65,466	72,488	73,500	700	1.0	760	1.0
Remainder	21,109	22,721	23,050	160	.7	250	1.1
 <u>Households</u>							
HMA total	25,119	28,957	29,500	380	1.4	410	1.4
Sioux Falls	19,383	22,537	22,950	320	1.5	310	1.4
Remainder	5,736	6,420	6,550	70	1.1	100	1.5

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

b/ Based upon a formula to calculate the rate of change on a compound basis.

Source: 1960 and 1970 U.S.Censuses of Population and Housing and estimates by Housing Market Analyst.

Table VI

Housing Units Authorized by Building Permits^{a/}
Sioux Falls, South Dakota, Housing Market Area
1960-1971

	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>First six months</u> <u>1971</u>
HMA total	403	438	459	330	373	510	203	282	221 ^{b/}	392 ^{c/}	768 ^{d/}	296 ^{e/}
Single-family	340	370	334	308	292	247	153	157	164	209	303	166
Multifamily	63	68	125	22	81	263	50	125	57	183	465	130
City of Sioux Falls	395	435	454	310	361	507	197	275	215	376	723	273
Single-family	332	367	329	292	280	244	147	153	158	202	258	143
Multifamily	63	68	125	18	81	263	50	122	57	174	465	130
Remainder of HMA total	8	3	5	20	12	3	6	7	6	16	45	23
Single-family	8	3	5	16	12	3	6	4	6	7	45	23
Multifamily	-	-	-	4	-	-	-	3	-	9	-	-

^{a/} About 70 percent of all construction is represented by building permits.

^{b/} Excludes 60 units of Section 221(d)(3) rent supplement.

^{c/} Excludes 120 units of Section 221(d)(3) rent supplement and 49 Section 235 houses.

^{d/} Excludes 62 units of Section 221(d)(3) rent supplement and 156 Section 235 houses.

^{e/} Excludes 155 units of Section 221(d)(3) rent supplement and 38 Section 235 houses.

Sources: Bureau of the Census, C-40 Construction Reports, and local building records.

Table VII

Housing Inventory, Tenure and Vacancy
Sioux Falls, South Dakota, Housing Market Area
April 1960-August 1, 1971

<u>Component</u>	<u>April</u> <u>1960</u>	<u>April</u> <u>1970</u>	<u>August</u> <u>1971</u>	<u>Average annual change</u>			
				<u>1960-1970</u>		<u>1970-1971</u>	
				<u>Number</u>	<u>Percent^{a/}</u>	<u>Number</u>	<u>Percent</u>
Total housing inventory	<u>26,094</u>	<u>30,386</u>	<u>31,000</u>	<u>425</u>	<u>1.5</u>	<u>460</u>	<u>1.5</u>
Occupied units	<u>25,119</u>	<u>28,957</u>	<u>29,500</u>	<u>380</u>	<u>1.4</u>	<u>405</u>	<u>1.4</u>
Owner occupied	<u>16,826</u>	<u>19,379</u>	<u>19,650</u>	<u>250</u>	<u>1.4</u>	<u>200</u>	<u>1.0</u>
Percent	<u>67.0%</u>	<u>66.9%</u>	<u>66.6%</u>	-	-	-	-
Renter occupied	<u>8,293</u>	<u>9,578</u>	<u>9,850</u>	<u>130</u>	<u>1.4</u>	<u>205</u>	<u>2.1</u>
Vacant units	<u>975</u>	<u>1,429</u>	<u>1,500</u>	<u>45</u>	<u>3.8</u>	<u>55</u>	<u>3.7</u>
Available vacant	<u>500</u>	<u>936</u>	<u>975</u>	<u>45</u>	<u>6.2</u>	<u>30</u>	<u>3.1</u>
For sale	<u>162</u>	<u>220</u>	<u>225</u>	<u>5</u>	<u>3.1</u>	<u>5</u>	<u>1.7</u>
Homeowner vacancy rate	<u>1.0%</u>	<u>1.1%</u>	<u>1.1%</u>	-	-	-	-
For rent	<u>338</u>	<u>716</u>	<u>750</u>	<u>40</u>	<u>7.5</u>	<u>25</u>	<u>3.6</u>
Renter vacancy rate	<u>3.9%</u>	<u>7.0%</u>	<u>7.1%</u>	-	-	-	-
Other vacant ^{b/}	<u>475</u>	<u>493</u>	<u>525</u>	-	-	<u>25</u>	<u>4.9</u>

^{a/} Based on a formula designed to calculate the rate of change on a compound basis.

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

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

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