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Wichita, KANSAS
1967

Analysis of the
**WICHITA, KANSAS
HOUSING MARKET**

as of February 1, 1967

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

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HOUSING MARKET ANALYSIS - WICHITA, KANSAS

The Federal Housing Administration today released its analysis of the Wichita, Kansas, housing market, covering all of Sedgwick County, as of February 1, 1967.

Demand for about 1,500 new housing units yearly is projected for the following two years, including 900 single-family sales units and 600 multifamily rental units. An additional 300 rental units a year might be marketed at the lower rents possible with public benefits or assistance in financing. These estimates do not include public low-rent or rent-supplement housing.

There were about 3,800 vacant available housing units in the area in February 1967, a vacancy rate of 3.3 percent. About 1,000 units were available for sale, a homeowner vacancy rate of 1.3 percent and 2,800 units available for rent, or a 6.6 vacancy ratio. Current vacancy levels are below those of 1960 and 1965.

"New residential construction increased each year from 430 units in 1960 to 1,650 in 1965," then declined during 1966. The rental market improved during 1966 and the large excess of vacant housing that existed in early 1965 was virtually eliminated."

The aircraft industry accounted for about 24 percent of all non-agricultural employment in Sedgwick County in February 1967, compared with a peak of 30 percent in 1957. Over the past six years, employment has increased by nearly 11 percent. Employment is expected to increase by 2,500 jobs a year during the next two years.

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The median annual income for all families in the area as of February 1, 1967 was about \$7,150, after deduction of federal income tax. That of renter households of two- or more- persons was \$5,775.

"It is estimated that the population of the area will increase by an average of 5,000 persons a year during the next two years, reaching a level of about 380,000 persons by February 1969."

As of February 1, 1967, there were 111,300 households in the area, after an increase of 7,900 since 1960. The number of households is expected to increase by 1,500 a year during the two-year forecast period.

Requests for copies of the complete analysis should be directed to Maurice T. Martin, Director, Federal Housing Administration, 700 Kansas Avenue, Topeka, Kansas 66603.

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ANALYSIS OF THE
WICHITA, KANSAS, HOUSING MARKET
AS OF FEBRUARY 1, 1967

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
WICHITA, KANSAS, HOUSING MARKET
AS OF FEBRUARY 1, 1967

Summary and Conclusions

1. The economy of the Wichita area continues to be heavily dependent on the aircraft industry, although not as much so as during and immediately following the Korean War. As of February 1967, the aircraft industry accounted for about 24 percent of all non-agricultural employment in Sedgwick County compared with about 30 percent in 1957 during the peak bomber production period. Total nonagricultural employment in the Wichita metropolitan area averaged 158,700 workers during 1966, reflecting a gain of 13,500, or 9.3 percent, over the 1965 average of 145,200. Over the past six years (1960-1966) nonagricultural employment has increased by a total of 15,600 workers, or 10.9 percent. Year-to-year employment changes have varied widely because of major changes in aircraft production; changes have ranged from a loss of 2,100 between 1962 and 1963 to a gain of 13,500 between 1965 and 1966.

Considering the volume of business which the aircraft industry in the HMA now has under contract with both government and private purchasers and the backlog of demand for commercial and business aircraft, the outlook for growth in the Wichita economy during the next several years is very good. Some additional expansion in the aircraft industry may be expected, and employment in retail trade, services, and government undoubtedly will expand along with population and disposable income. It is estimated that nonagricultural employment in the HMA will increase by an average of about 2,500 a year during the next two years.

2. As of February 1967, median annual family incomes in the HMA, after deduction of federal income tax, were approximately \$7,150 for all families and \$5,775 for renter households, excluding one-person renter households. By February 1969, median after-tax incomes are expected to increase to \$7,550 a year for all families and to \$6,100 for renter households.
3. The population of the Wichita HMA, as of February 1, 1967, was approximately 370,000, reflecting an increase of 26,800, or 7.8 percent over the April 1960 population of 343,200. It is estimated that the population of the HMA will increase by an average of 5,000 persons a year during the next two years, reaching a level of about 380,000 persons by February 1969.

4. As of February 1, 1967, there were 111,300 households (occupied housing units) in the Wichita HMA, reflecting an increase of 7,900, or 7.6 percent, since 1960. About half of the household increase is attributable to in-migration during 1966. It is estimated that the number of households in the HMA will increase by an average of 1,500 a year during the 1967 to 1969 forecast period, reaching a level of 114,300 by February 1969.
5. As measured by building permits issued, new residential construction increased each year from 430 units in 1960 to 1,650 in 1965, then declined by about 18 percent during 1966--a decline that is attributable to a shortage of mortgage and construction funds rather than to a lack of demand. Sales of both new and existing houses declined in 1966 despite a high level of demand arising from increases in employment and households. The rental market improved greatly during 1966 and the large excess of vacant housing units that existed in early 1965 has been virtually eliminated.
6. As of February 1, 1967, there were about 3,800 vacant housing units available for sale or rent in the Wichita HMA, a vacancy rate of 3.3 percent. There were about 1,000 vacant units available for sale, a homeowner vacancy rate of 1.3 percent, and vacant units available for rent, including units in single-family structures, totaled about 2,800, a 6.6 percent rental vacancy ratio. The homeowner vacancy rate was 2.3 percent in February 1965 and 3.0 percent in April 1960. Rental vacancy rates were 10.2 percent in February 1965 and 14.8 percent in April 1960.
7. To accommodate household growth and to allow for expected inventory and occupancy changes, a net demand for about 1,500 new housing units annually is projected for the next two years. The annual demand includes 900 single-family sales units and 600 multi-family rental units. An additional 300 rental units might be marketed annually at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. Of the total demand for rental housing, about 65 units will be in demand from among elderly households at and above the minimum rents achievable with market-interest-rate financing, and about 35 rental units will be in demand from among elderly households at the lower rents achievable with the aid of below-market-interest-rate financing or other assistance. This demand estimate does not include public low-rent housing or rent-supplement accommodations. Demand for single-family houses is distributed by price ranges on page 31 and rental demand by unit size and gross monthly rent on page 32.

ANALYSIS OF THE
WICHITA, KANSAS, HOUSING MARKET
AS OF FEBRUARY 1, 1967

Housing Market Area

The Wichita Housing Market Area (HMA) is defined as being coterminous with Sedgwick County, Kansas. The housing market area as thus defined is identical to the Wichita Standard Metropolitan Statistical Area (SMSA) as defined prior to October 1963. Butler County was added to the SMSA by the Bureau of the Budget in October 1963, but it does not, as yet, meet the criteria for inclusion in the housing market area. The HMA had a 1960 population of 343,200.^{1/}

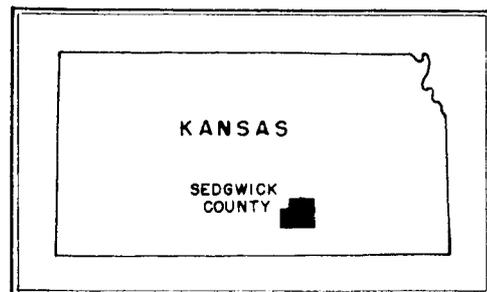
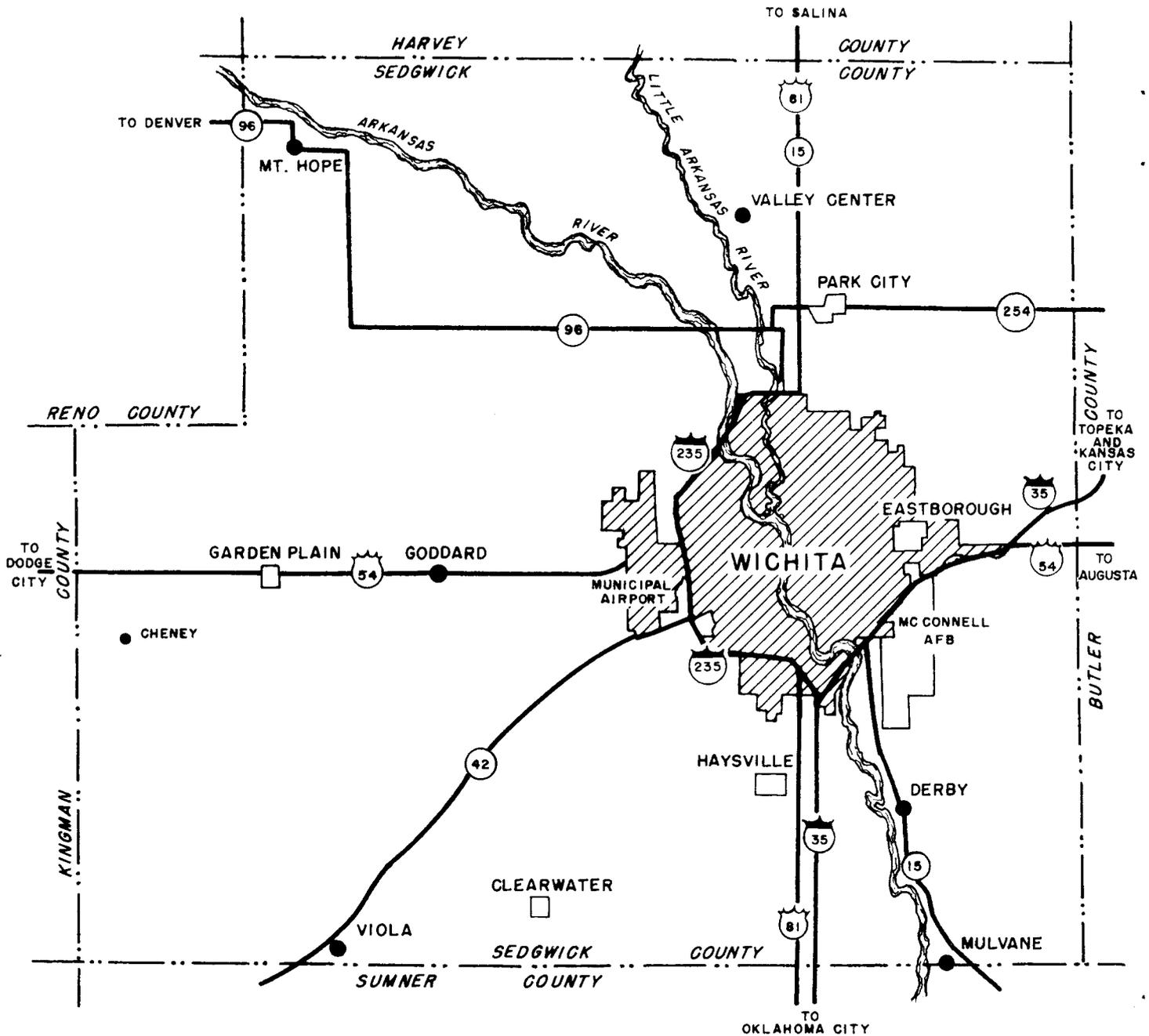
Wichita is located in south-central Kansas, in the heart of the winter wheat belt. The city is about 150 miles southeast of the geographical center of the continental United States. In relation to other major mid-west trade and distribution centers, Wichita is located 200 miles southwest of Kansas City, Missouri; 170 miles north of Oklahoma City, Oklahoma; 300 miles south and slightly west of Omaha, Nebraska; and 500 miles southeast of Denver, Colorado.

The Kansas Turnpike, a limited access toll road (Interstate 35), connects Wichita with Kansas City and the state capital at Topeka to the northeast and with Oklahoma City to the south. U.S. highways 54 and 81 bisect the city in east-west and north-south directions, respectively, and several state highways provide direct routes to nearby Kansas towns. Five railroad lines and four major airlines provide passenger and freight service.

According to the 1960 Census of Population, 7,740 persons who lived outside the HMA commuted daily to work in the HMA. Offsetting in part the in-commutation was the out-commutation of 2,649 residents of the area to places of employment outside the housing market area, indicating a net in-commutation of about 5,100 workers.

^{1/} Inasmuch as the rural farm population of the Wichita HMA constituted less than two 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.

WICHITA, KANSAS, HOUSING MARKET AREA



Economy of the Area

Character and History

With an average of about 35,200 persons employed in the aircraft industry in the HMA during 1966, the economy of the Wichita area is heavily dependent on this one industry, although not as much as during and after the Korean War. The aircraft industry presently accounts for about 24 percent of all non-agricultural employment in the housing market area compared with about 30 percent during the peak bomber production period in 1957. From 1957 peak levels of unemployment in both the aircraft industry (44,950) and all other industries combined (106,450), total employment in Wichita declined from the historical record level of 151,400 to a low plateau ranging between 130,600 and 134,300 in the five-year period from 1960 through 1964. Substantial expansion of aircraft employment occurred in 1966--from 27,650 in 1965 to 35,200 in 1966--accompanied by expansion of other employment from 106,450 in 1965 to a new record level of 110,400 in 1966. Total employment averaging 145,600 in 1966, however, was still significantly below the record level in 1957. Changes in employment in the aircraft industry since 1949 are compared with changes in employment in other industries and changes in total employment for Sedgwick County in table I.

The aircraft industry in the HMA is dependent much less on defense contracts now than it was formerly. Boeing-Wichita, which previously was dependent almost solely on defense work, is now producing the fuselage and stabilizer sections for the company's model 737 commercial jet and has been tooling-up to build the forward fuselage section for the company's new 490-passenger model 747 commercial jet. Greatly increased employment at the Beech and Cessna Aircraft Companies over the past four to five years primarily is attributable to expanding demand from private industry. The Lear Jet Corporation, which began operations in Wichita about five years ago, produces a twin-jet business plane and a variety of equipment for the general aviation market.

Work Force

Since 1965, civilian work force data developed by the Kansas Employment Security Division for the Wichita area have been prepared only on the basis of the two-county SMSA as defined by the Bureau of the Budget in October 1963 to encompass Butler and Sedgwick Counties. Previously the SMSA included only Sedgwick County. However, the civilian work force series for the expanded SMSA has been extended by the Employment Security Division back through 1960, and comparison of these data with Sedgwick

County data for the years 1960-1964 indicate that the work force of the Wichita HMA^{1/} represents about 92 percent of the two-county SMSA work force. For that reason employment and work force trends for the two-county SMSA are believed to be representative of trends in the HMA and will be used in the following discussion.

As reported by the Kansas Employment Security Division, the civilian work force in the two-county Wichita SMSA averaged nearly 166,500 persons during 1966, of whom about 162,000 were employed and 4,500 (2.7 percent) were unemployed. Agricultural employment averaged 3,300, equal to approximately two percent of the SMSA work force. Nonagricultural employment was composed of 144,000 wage and salary workers and 14,700 workers in the "all other nonagricultural employment" category, which includes self-employed persons, domestics, and unpaid family workers. Year-to-year changes in the major components of the civilian work force since 1960 are shown in table II.

Employment

Current Estimate and Past Trend. Total nonagricultural employment in the Wichita SMSA averaged 158,700 workers during 1966, reflecting a gain of 13,500, or 9.3 percent, over the 1965 average of 145,200. Over the past six years (1960-1966) nonagricultural employment has increased by a total of 15,600 workers, or 10.9 percent. Year-to-year changes in employment since 1960 vary substantially. The large increase in employment during 1966, stemming primarily from gains in the aircraft industry, represented an unusually large increase for a single year. Employment gains during 1962 and 1964 were relatively moderate. Nonagricultural employment declined rather sharply in 1961 and 1963, and slightly in 1965. Losses during these three years were attributable almost entirely to cut-backs in employment in the aircraft industry.

Nonagricultural Employment Trend
Wichita, Kansas, SMSA
1960 - 1966

<u>Year</u>	<u>Nonagricultural employment</u>	<u>Year-to-year changes</u>	
		<u>Number</u>	<u>Percent</u>
1960	143,100	-	-
1961	141,700	-1,400	-1.0
1962	142,900	1,200	.8
1963	140,800	-2,100	-1.5
1964	145,500	4,700	3.3
1965	145,200	-300	-.2
1966 ^{a/}	158,700	13,500	9.3

^{a/} Subject to revision on the basis of first quarter 1967 benchmark data when available.

Source: Employment Security Division, Kansas Department of Labor.

^{1/} Housing Market Area (HMA) includes Sedgwick County only.

Distribution by Industry. During 1966, the aircraft industry continued to lead all others as the principal source of employment in the Wichita SMSA, providing an average of 36,300 jobs, and accounting for about 25.2 percent of the 144,000 nonagricultural wage and salary workers in the SMSA. An increase of about 8,300 workers in the industry between 1965 and 1966 represented almost 63 percent of all nonagricultural wage and salary employment gains for the year. Employment in the aircraft industry during 1966 represents a peak for the seven-year period beginning with 1960, although still significantly below the peak employment period from 1952 through 1958 (table I). The low point for the industry during this period was 1963 when employment averaged only 26,800 for the year. Employment in the aircraft industry during 1966 was 5,000 workers above 1960.

Workers in other manufacturing industries totaled 16,900 during 1966, equal to 11.7 percent of all wage and salary employment, and reflected an increase of 1,100 over the average for 1965. The food products industry provided jobs for an average of 4,100 persons (2.8 percent of the wage and salary total) during 1966, and the fabricated metal products group provided jobs for about 2,900 (2.0 percent). The average employment level in the food products industry during 1966 reflected a decline of about 300 workers since 1960. The employment level in the fabricated metal products industry reflected an increase of about 500 workers during the same period. No other manufacturing industry accounted for as much as two percent of wage and salary employment during 1966. Total manufacturing employment in the SMSA averaged 53,200, accounting for approximately 37 percent of all nonagricultural wage and salary employment in 1966, reflecting an increase of 9,400 over 1965.

Retail trade ranked second only to the aircraft industry in wage and salary employment during 1966, followed closely by services and government. An average of 22,500 persons were employed in retail trade in the SMSA in 1966, representing 15.6 percent of all wage and salary employment. An increase of 1,200 workers in retail trade between 1965 and 1966 accounted for slightly over nine percent of the growth in nonagricultural wage and salary employment during the year. Service workers averaged 20,200 (14.0 percent of the wage and salary total) during 1966, an increase of 1,000 over the average for 1965. Government workers totaled about 17,200 (11.9 percent), also an increase of 1,000 workers between 1965 and 1966. Wholesale trade provided work for about 8,000 persons (5.6 percent) and transportation, communications, and public utilities jobs totaled 7,600 (5.3 percent) during 1966. No other industry in the nonmanufacturing category accounted for as much as five percent of wage and salary employment during the year. Employment in all nonmanufacturing industries averaged 90,800 workers during 1966, accounting for approximately 63 percent of total wage and salary employment in the SMSA, and reflecting an increase of 9,600 workers in this category since 1960.

The distribution of employment by industry during 1966 differs only slightly from the distribution in 1960. One of the most significant changes is the increase in the proportion of employment in the service industries which accounted for 14.0 percent of nonagricultural wage and salary employment in 1966 compared with 12.2 percent in 1960. As a result of the large increase in employment in the aircraft industry during 1966, this industry accounted for a slightly larger share of total wage and salary employment during 1966 than in 1960, 25.2 percent compared with 24.6 percent. Retail trade provided about 15.6 percent of all wage and salary jobs in 1966 compared with 16.3 percent in 1960. Proportionately, employment also declined significantly in the food products industry, from 3.5 percent to 2.8 percent, and in the transportation, communications and public utilities field, 6.0 percent to 5.3 percent. Changes in other industry groups amounted to less than one-half of one percent over the six-year period. The distribution of nonagricultural wage and salary employment by type of industry since 1960 is shown in table III.

Principal Employers. The latest Directory of Manufacturers published by the Industrial Department of the Wichita Chamber of Commerce lists a total of 610 firms of which eight employ over 500 workers and eight employ between 250 and 500. The eight largest firms are The Boeing Company, Beech Aircraft Corporation, Cessna Aircraft Company, Lear Jet Corporation, The Coleman Company, Cudahy Packing Company, Kansas Gas and Electric Company, and the Wichita Eagle and Beacon Publishing Company. The principal employers in the HMA are described below. Employment data for individual firms are from company publications or local news media.

The Boeing Company, one of the country's leading jet airplane manufacturers, is the largest single employer in the area with about 20,000 Wichita employees at present. The operations of the company in the Wichita area, prior to 1966, consisted almost entirely of military and space projects. The Wichita division now is producing the fuselage and stabilizer sections for the company's model 737 commercial jet and has been tooling-up to build the forward fuselage section for the company's new 490-passenger model 747 commercial jet. The Boeing Company has been selected by the government to build the nation's supersonic commercial transport plane (SST); however, many technical and economic problems have yet to be solved and no schedule has been decided upon for production and testing of a prototype. Wichita Boeing workers presently constitute about 20 percent of the company's total employment. Most of Boeing's Wichita plant space is leased from the U.S. Air Force.

The Beech Aircraft Corporation built and delivered its 25,000th airplane in 1966. Company employment in the Wichita area was nearly 9,000 as of the beginning of 1967. Company sales reached a record high of \$165 million during fiscal 1966 with gains in both commercial and military production. New and add-on military contracts for utility aircraft, missile targets, and other equipment totaled about \$36 million during 1966. The company also operates a plant at Liberal, Kansas, and a research laboratory at Boulder, Colorado, and during 1966 leased additional facilities at the former Schilling Air Force Base at Salina, Kansas.

Cessna Aircraft Company, a leading manufacturer of general aviation aircraft, is estimated to have a February 1967 Wichita work force of about 8,000 persons. The company produced a total of 7,922 commercial airplanes during the fiscal year ending September 30, 1966, an increase of 57 percent over its fiscal 1965 production of 5,038 aircraft. Fiscal 1966 sales of more than \$202 million were the highest in the company's 39-year history. Approximately \$22 million in sales were attributable to military orders, about the same amount as reported the previous year.

The current backlog of military business is up about 75 percent over one year ago and a sizable increase is expected in military orders during the coming year. Cessna employs about 4,000 additional workers in facilities located at Hutchison and Prospect, Kansas; Boonton, New Jersey; and Dayton, Ohio. An industrial division makes pumps, valves, and cylinders, mostly for the farm machinery industry.

Lear Jet Industries, Inc., which has been in the Wichita area for about five years, produces a twin-engine jet business plane and a variety of equipment for the general aviation market. During 1966, the company acquired the Brantly Helicopter, Corp. of Frederick, Oklahoma and moved the helicopter production to its Wichita plant. Lear employment in the Wichita area currently totals about 1,200. The company also has about 500 workers in Detroit and over 100 in Grand Rapids, Michigan.

The Coleman Company, well known manufacturer of lanterns, camp stoves, and portable coolers, produces numerous types of specialized oil, gas, and electric heating and cooling equipment. The nationally known Cudahy Packing Company is the largest of about twenty meat processing firms in the area and accounts for about two-thirds of the employment in this industry in Wichita.

Principal sources of nonmanufacturing employment include the City of Wichita, Sedgwick County, St. Francis Hospital, Wesley Hospital, Kansas Gas and Electric Company, and numerous wholesale and retail trade firms. In the trade category, Innes Department Store and Sears and Roebuck probably are the largest employers.

Military Installations. McConnell Air Force Base, located adjacent to the Boeing production facilities on the southeast edge of the city, was activated in 1951. The current mission of the base is to support units of the Tactical Air Command and a strategic missile wing composed of Titan II missile complexes. Since January 1966, the base has had the additional mission of training F-105 fighter pilots. With approximately 5,000 military personnel and 600 civilian civil service employees, the base makes a substantial contribution to the economy of the Wichita area.

Unemployment

As reported by the Kansas Employment Security Division, unemployment in the Wichita SMSA averaged about 2.6 percent during 1966, with an average of 4,500 persons actively seeking work. The 1966 unemployment level is the lowest achieved in the SMSA in the six-year period from 1960 to date. Unemployment during this period reached an average of 5.3 percent during the 1961 recession when an average of 8,200 persons were reported to be looking for jobs. The unemployment trend in the SMSA since 1960 is shown in the following table.

Unemployment Trend
Wichita, Kansas, SMSA
1960 - 1966

<u>Year</u>	<u>Number unemployed</u>	<u>Percent of civilian work force</u>
1960	7,700	5.0
1961	8,200	5.3
1962	6,400	4.1
1963	6,800	4.5
1964	6,200	4.0
1965	6,400	4.1
1966 ^{a/}	4,500	2.7

^{a/} Preliminary estimate subject to revision.

Source: Employment Security Division, Kansas Department of Labor.

Estimated Future Employment

The selection of The Boeing Company to build the SST is not likely to have a significant impact on company employment in the Wichita area within the next two years. Construction of two prototype aircraft for flight testing is expected to require a period of three years after the go ahead is given by the government for the prototype phase to begin.

Few additional personnel will be required during the prototype phase of development, and the special facilities required are located in the Seattle area. However, considering the volume of business which the aircraft industry in the HMA now has under contract with both government and private purchasers and the backlog of demand for commercial and business aircraft, the outlook for growth in the Wichita economy during the next several years is very good. Although employment increases in the aircraft industry in the near future are expected to be relatively modest in comparison with the gains during 1966, some additional expansion may be anticipated. Employment in retail trade, services, and government undoubtedly will continue to grow at a relatively high rate in response to growing levels of population and disposable income. Over-all, it is estimated that nonagricultural employment in the HMA will increase by an average of about 2,500 a year during the next two years.

Income

Average Weekly Earnings. Weekly earnings of manufacturing production workers in the Wichita SMSA averaged \$128.97 in 1966 for an average work week of 43.2 hours at an average hourly wage of \$2.98. The 1966 average weekly earnings were about ten percent above average weekly earnings in 1965 and 13 percent above the average for 1963, which is the earliest date for which comparable data are available for the two-county SMSA. Somewhat more than half (54 percent) of the increase in average weekly manufacturing earnings between 1965 and 1966 is attributable to increased average hourly wages, and the remainder is attributable to a lengthening of the average hours worked from 41.5 a week in 1965 to 43.2 a week in 1966.

Average Weekly Earnings of Production Workers
on Manufacturing Payrolls
Wichita, Kansas, SMSA, 1963-1966

<u>Year</u>	<u>Average hourly earnings</u>	<u>Average weekly hours worked</u>	<u>Average weekly earnings</u>
1963	\$2.75	41.5	\$114.20
1964	2.84	41.7	118.40
1965	2.83	41.5	117.40
1966 (11 mos.)	2.98	43.2	128.97

Source: Bureau of Labor Statistics, U.S. Department of Labor.

Family Income. Current median annual family incomes, after deduction of federal income taxes, are approximately \$7,150 for all families in the HMA and \$5,775 for renter households, excluding one-person renter households. The current median annual family income level in the Wichita HMA is about 24 percent above the 1959 level. By February 1969, median after-tax incomes are expected to increase to \$7,550 a year for all families and to \$6,100 for renter households, excluding one-person renter households. The distributions of all families and renter households by income classes are presented in table IV.

Demographic Factors

Population

Current Estimate. As of February 1, 1967, the population of the Wichita HMA was approximately 370,000. The population of the city of Wichita was about 302,000, equal to approximately 82 percent of the HMA total. The February 1967 population of the HMA included approximately 4,900 military personnel and about 11,400 dependents of military personnel who, together, represented about 4.4 percent of the population of the area.

Past Trend. The February 1967 HMA population of 370,000 reflected an increase of 26,800, or 7.8 percent, over April 1960, when the census reported a population of 343,200. Much of the increase in the population of the area between 1960 and 1967 was achieved only within the last year of the seven-year period, a result of the latest boom in the aircraft industry. Substantial declines in employment during 1960, 1961, and 1963 contributed to a high level of out-migration during these years. The February 1967 population of the city of Wichita represented an increase of about 47,300 over April 1960, with about 55 percent of the increase (26,200) attributable to annexations of existing built-up areas.

Between 1950 and 1960 the population of the HMA increased by a total of 120,900 (54 percent) as employment in the aircraft industry expanded sharply beginning in 1951 in response to the Korean War. Declining employment beginning in 1958 resulted in some out-migration during the last two years of the decade.

Estimated Future Population. It is estimated that the population of the HMA will increase by an average of 5,000 persons a year during the next two years, reaching a level of approximately 380,000 by February 1969. The projected growth is based on anticipated employment gains approximating 2,500 a year during the two-year forecast period and on the assumption that the employment participation rate will increase slightly. In view of the essentially tight labor market situation which has developed throughout the nation during the past year, it is expected that a large proportion of the new jobs anticipated in the HMA will be filled by resident women and young workers entering the labor market for the first time. As a result of these conditions, the employment participation rate (the ratio of employment to population) in the Wichita HMA is expected to increase from the current 39.35 percent to 39.63 percent in 1969.

Population Trend
Wichita, Kansas, HMA, 1950-1969

<u>Date</u>	<u>Population</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent^{a/}</u>
April 1, 1950	222,290	-	-
April 1, 1960	343,231	12,094	4.3
February 1, 1967	370,000	3,925	1.1
February 1, 1969	380,000	5,000	1.4

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

Source: 1950 and 1960 Censuses of Population.
1967 and 1969 estimated by Housing Market Analyst.

Natural Increase and Migration. From April 1960 to February 1967 there were approximately 55,100 resident births and about 16,900 resident deaths in the Wichita HMA, resulting in a net natural increase of about 38,200 persons. The surge in employment in the HMA during 1966 broke a trend of out-migration that started in early 1958. It is estimated that net in-migration into the HMA totaled about 16,000 persons during 1966. Over-all, however, comparison of net natural increase with the estimate of total population growth during the April 1960 to February 1967 period indicates that there has been a net out-migration of about 11,400 persons from the HMA since April 1960.

During the last two years of the 1950 to 1960 decade, a net of about 10,000 persons left the HMA in contrast with the high level of in-migration prevalent during the earlier part of the period when the aircraft industry was expanding. During the ten-year period, net in-migration totaled slightly over 51,000 persons, accounting for about 42 percent of the total increase in population.

Since it is anticipated that the HMA work force will expand sufficiently from present residents of the area to meet the demand for new workers during the next two years, in-migration is expected to be negligible throughout the 1967 to 1969 forecast period of this analysis.

Components of Population Change
Wichita, Kansas, HMA
April 1, 1950 - February 1, 1967

<u>Component</u>	<u>Apr. 1, 1950-Apr. 1, 1960</u>		<u>Apr. 1, 1960-Feb. 1, 1967</u>	
	<u>Total change</u>	<u>Average annual change</u>	<u>Total change</u>	<u>Average annual change</u>
Total population change	<u>121,000</u>	<u>12,100</u>	<u>26,800</u>	<u>3,925</u>
Net natural increase	70,000	7,000	38,200	5,600
Net migration	51,000	5,100	-11,400	-1,675

Note: Figures are rounded.

Sources: Bureau of the Census, Current Population Reports, Series P-23, No. 7. Public Health Service, Vital Statistics. Estimates by Housing Market Analyst.

Households

Current Estimate. As of February 1, 1967, there were about 111,300 households (occupied housing units) in the Wichita HMA. Households in the city of Wichita totaled about 93,700, equal to 84 percent of all households in the HMA. It is estimated that there were about 3,950 military households in the HMA, including about 500 households consisting of dependents of servicemen who were stationed in the Viet Nam area.

Past Trend. The number of households in the Wichita HMA as of February 1967 reflected an increase of about 7,900, or 7.6 percent, over the 1960 level of 103,400 reported by the census. Approximately half of this household increase occurred during 1966 as employment gains reversed the trend of out-migration that had persisted throughout most of the 1960 to 1965 period. The number of households in the city of Wichita increased by 13,300 over 1960, including about 57 percent of the increase (7,600 households) attributable to annexations. Between 1950 and 1960, the number of households in the HMA increased by approximately 33,950. The increase in the number of households between 1950 and 1960 reflects, in part, the change in the census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census, which resulted in a number of furnished room type accommodations (no private kitchen or bath, but with separate entrance) being classed as housing units in 1960 and the occupants as members of households.

Estimated Future Households. On the basis of anticipated employment and population growth and the assumption that there will be no significant change in average household size, it is estimated that the number of households in the HMA will increase by an average of 1,500 a year during the next two years, reaching a level of 114,300 by February 1, 1969.

Household Trend
Wichita, Kansas, HMA, 1950-1969

<u>Date</u>	<u>Number of households</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent^{a/}</u>
April 1, 1950	69,454	-	-
April 1, 1960	103,422	3,397	4.0
February 1, 1967	111,300	1,150	1.1
February 1, 1969	114,300	1,500	1.3

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

Sources: 1950 and 1960 Censuses of Housing.
1967 and 1969 estimated by Housing Market Analyst.

Household Size. The average household size in the Wichita HMA as of February 1, 1967, was about 3.26 persons reflecting a slight decrease from the average of 3.27 persons reported by the 1960 Census. The average household size in the HMA in 1950 was 3.12 persons. The recent trend toward smaller household size is attributable primarily to changes in the age composition of the population. A sizable increase in the number of people in their early twenties has contributed to an increase in new household formation. These new households are typically small, consisting largely of young married couples without children and small "individual" households made up of persons living alone or with another individual. An increasing number of elderly persons continuing to maintain their own households also has contributed to the decline in the average household size. Average household size is not expected to change measurably during the two-year forecast period of this analysis.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. As of February 1, 1967, there were 117,300 housing units in the Wichita HMA. The February 1967 inventory represented an increase of approximately 3,300 over the April 1960 count of 114,000 reported by the census. The net increase in the housing inventory resulted from the construction of 6,600 new units, the addition of approximately 1,200 trailers, and the loss of about 4,500 units through demolition and other causes. The increase in the housing inventory since April 1960 averaged about 590 units a year, compared with an average annual net addition of 4,000 during the 1950-1960 decade. Part of the increase indicated between 1950 and 1960 resulted from a change in concept from "dwelling unit" used for the 1950 Census to "housing unit" used for the 1960 Census.

The city of Wichita housing stock totaled about 98,600 units (84 percent of the HMA total) as of February 1, 1967, compared with 88,500 in 1960. The net increase of 10,100 units included approximately 7,650 units acquired by annexation of which about 700 were trailers. The remaining growth in the housing stock of the city resulted from the construction of approximately 5,200 new units, the addition of 1,000 trailers, and the loss of 3,750 units through demolition and other causes.

Units in Structure. The composition of the housing inventory by units in structure reflects only minor changes between April 1960 and February 1967. About 80 percent of all housing units in the HMA were in single-family houses as of February 1967, compared with about 81 percent in 1960. The proportion of units in two-unit structures was about 5.8 percent in February 1967, compared with 5.9 percent in 1960; and the proportion in three- and four-unit structures was about 6.0 percent, compared with 6.2 percent seven years earlier. The increase in construction of units in structures with five or more units beginning in 1964 resulted in an increase in the proportion of housing units in structures of this type from 5.0 percent in 1960 to 5.3 percent as of February 1, 1967. The most significant change, however, has been the increase in the proportion of housing units provided in the form of trailers. The number of trailers in the HMA increased by about 1,200 between 1960 and 1967; trailers accounted for about 2.8 percent of all housing units in the Wichita area as of February 1967, compared with only 1.8 percent in 1960.

Housing Inventory by Units in Structure
Wichita, Kansas, Housing Market Area
April 1, 1960 and February 1, 1967

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>February 1, 1967</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
One unit	92,533	81.1	94,000	80.1
Two unit	6,705	5.9	6,775	5.8
Three and four units	7,018	6.2	7,025	6.0
Five or more units	5,704	5.0	6,250	5.3
Trailers	<u>2,033</u>	<u>1.8</u>	<u>3,250</u>	<u>2.8</u>
Total	113,993 ^{a/}	100.0	117,300	100.0

^{a/} Differs slightly from count of all units because units in structure were enumerated on a sample basis.

Sources: 1960 Census of Housing.
 1967 estimated by Housing Market Analyst.

Year Built. Based on data derived from the 1960 Census of Housing and building permit and demolition data, it is estimated that about six percent of the HMA housing inventory as of February 1967 has been built since April 1960 and thus is seven years old or less. The high level of new construction during the 1950 to 1960 decade results in a housing inventory that is relatively new when compared with many other large metropolitan areas. Approximately 46 percent of all housing units in the HMA have been built within the past 17 years. Only 24 percent of the February 1967 inventory was built prior to 1930.

Housing Inventory by Year Built
Wichita, Kansas, Housing Market Area
As of February 1, 1967^{a/}

<u>Year built</u>	<u>Number of units</u>	<u>Percent of inventory</u>
April 1960 - February 1967	6,600	5.6
1955 - March 1960	21,100	18.0
1950 - 1954	26,600	22.7
1940 - 1949	22,500	19.2
1930 - 1939	12,100	10.3
1929 or earlier	<u>28,400</u>	<u>24.2</u>
Total	<u>117,300</u>	<u>100.0</u>

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

Source: Estimated by Housing Market Analyst based on 1960 Census of Housing and local building permit and demolition data.

Condition. Assuming that all of the new units added to the inventory after April 1960 were of good quality and that most of the units removed by demolition were in the substandard category, it is estimated that there were about 7,000 housing units in the Wichita HMA as of February 1967 that were dilapidated or lacked one or more plumbing facilities, equal to about 6.0 percent of the total housing stock. As of April 1, 1960 the U.S. Census of Housing indicated that about 8.4 percent of the housing inventory of the HMA was dilapidated or lacked one or more plumbing facilities. A total of 3,325 units were listed as dilapidated and 6,200 lacked one or more plumbing facilities. About 76 percent of the dilapidated units were occupied, 950 by owners and 1,575 by renters. Similarly, about three-fourths of the units lacking one or more plumbing facilities were occupied, 1,225 by owners and 3,425 by renters. In April 1950, the Census of Housing counted 15,800 units that were dilapidated or lacked one or more plumbing facilities, equal to 21.4 percent of all units in the HMA. The 1950 Census of Housing did not classify "deteriorating" units separately; it is possible, therefore that some units classified as "deteriorating" by 1960 definition, would have been classified as "dilapidated" in 1950. Nevertheless, the improvement in the condition of the housing inventory between 1950 and 1960 was clearly impressive.

Residential Building Activity

Past Trend. As measured by building permits issued,^{1/} new residential construction in the Wichita HMA declined by approximately 18 percent during 1966. Only 1,350 new private housing units were authorized by building permits during 1966, compared with approximately 1,650 in 1965. The decline in residential building activity during 1966 was not caused by a decrease in demand, but by a shortage of mortgage funds. Reflecting the improvement in the economy of the Wichita area beginning in 1964, housing units authorized by permits during the past three years averaged about 1,475 a year, compared with an average of 700 a year in the preceding three-year period from 1961 through 1963. Only 430 housing units were authorized by permits in 1960.

Between January 1, 1960 and January 1, 1967, a total of 6,950 new private housing units were authorized by building permits in the Wichita HMA; an average of about 1,000 units a year. As measured by building permits issued, new construction volume averaged about 1,550 units a year from 1956 through 1959, and about 3,325 units a year from 1950 through 1955. The general downward trend in the number of housing units authorized between 1955 and 1960 and the relatively low volume of new construction since 1960 reflect the impact of declining employment in the aircraft industry which resulted in the out-migration of a large number of workers and the creation of a substantial surplus of housing.

Approximately 1,950 housing units in multifamily structures have been authorized by building permits in the 1964-1966 period, equal to almost 45 percent of the 4,400 units authorized during this period. During the preceding four-year period (1960-1963) multifamily construction was very limited: 78 units in duplexes and 121 units in structures with three units or more, representing only seven percent of the total of 2,550 units authorized. During the ten-year period from 1950 through 1959 less than 15 percent of all housing units authorized were in multifamily structures. Of the total of 26,625 units (including 400 units of public housing) for which permits were issued during this period, 22,775 (85.6 percent) were single-family units, 1,500 (5.7 percent) were in duplexes, and about 2,350 (8.7 percent) were in buildings with three or more units. New housing units authorized by permits in the Wichita HMA from 1950 through 1966 are shown by type of structure in table VI.

Units Currently Under Construction. Based on building permit data, a postal vacancy survey conducted in early January 1967, supplemental data obtained in the Wichita area, and on average construction time for single-family homes and garden-type apartments, it is estimated that

^{1/} Over 97.0 percent of the HMA population live in areas covered by building permits.

there were about 350 housing units under construction in the Wichita HMA as of February 1, 1967. About 150 of these units were single-family houses and approximately 200 units were in multifamily projects.

Demolitions. Based on records of the Building Inspection Division, Department of Public Works of the City of Wichita and estimates for Sedgwick County, it is calculated that about 4,500 housing units were removed from the HMA housing inventory between April 1960 and February 1967. Demolitions recorded within the city of Wichita during this period total 2,675 and records indicate that about 75 units were lost as a net result of conversions. Other losses, including those from fire, move-outs, and abandonments are estimated to total about 1,000 units within the city of Wichita. Demolitions and losses from other causes are estimated to total about 750 units throughout the rest of Sedgwick County. Considering such factors as urban renewal, highway construction, code enforcement, and other removals, it is estimated that demolitions and other losses will result in an inventory loss of about 1,000 units in 1967 and 1968, 500 units annually in 1967 and 1968.

Tenure

Current Estimate and Past Trend. As of February 1, 1967 there were about 74,800 owner-occupied housing units in the Wichita HMA, representing approximately 67.2 percent of all occupied housing units. Renter-occupied units totaled about 39,500. The owner-occupancy rate was higher as of February 1, 1967 than it was in April 1960 when the census of housing reported a rate of 66.6 percent. The increase in owner-occupancy since 1960 reflects a continuation of the trend shown between 1950 and 1960. Owner-occupancy in 1950 was reported by the census to be about 57.5 percent.

Household Tenure Trend
Wichita, Kansas, HMA, 1950-1967

<u>Tenure</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>February 1, 1967</u>
Total occupied housing units	69,426	103,422	111,300
Owner-occupied	39,928	68,924	74,800
Percent of total	57.5%	66.6%	67.2%
Renter-occupied	29,498	34,498	39,500
Percent of total	42.5%	33.4%	32.8%

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Vacancy

1960 Census. As of April 1, 1960, the Census of Housing reported that there were approximately 8,150 vacant nonseasonal, nondilapidated housing units in the Wichita HMA which were available for sale or rent. The available vacancies equaled 7.3 percent of the available housing inventory. There were about 2,150 vacant units available for sale, indicating a homeowner vacancy rate of 3.0 percent. There were approximately 6,000 vacant units available for rent, reflecting a rental vacancy rate of 14.8 percent. Almost half (44 percent) of the vacant units available for rent were in single-family houses. Of the available vacancies, about 35 sales units and 1,200 rental units lacked one or more plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Wichita HMA in January 1967 by all post offices having city delivery routes. The survey covered 110,000 possible deliveries, or about 94 percent of the housing inventory. An over-all vacancy rate of 3.2 percent was indicated by the survey. There were 2,645 vacant residences, reflecting a vacancy rate of 2.7 percent, and 915 vacant apartments, reflecting an apartment vacancy rate of 7.2 percent. The survey results for the HMA and for each of the participating post offices are shown in table VII.

With the exception of 1963, the Wichita Post Office has conducted vacancy surveys annually since 1956. The most recent survey in this series was made in March 1966, and revealed a vacancy level of 3.8 percent in residences and 14.6 percent in apartments. This series of surveys indicates a rather high level of vacancies throughout the entire period with a peak in 1961 when the vacancy rate was 4.8 percent in residences and 17.3 percent in apartments. The trend in vacancies as revealed by this series of surveys and the February 1965 and January 1967 surveys requested by FHA is shown in table VIII.

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

Vacancies in FHA-Insured Rental Projects. Annual occupancy reports as of March 15, 1966 for FHA-insured rental projects in the Wichita HMA indicated a vacancy rate of 4.7 percent in 34 projects consisting of 1,796 units in projects completed 15 to 20 years ago. Vacancies in these projects have declined significantly during the past two years. A vacancy rate of 12.3 percent was reported in 35 projects totaling 1,807 units in 1964. The vacancy experience of FHA-insured rental projects, of course, does not necessarily represent the occupancy characteristics of all multifamily rental projects in the HMA.

Vacancy Rates in FHA-insured Rental Projects
Wichita, Kansas, HMA
1962-1966

<u>Year</u>	<u>Number of projects</u>	<u>Total units</u>	<u>Vacant units</u>	<u>Percent vacant</u>
1962	33	1,706	169	9.9
1963	33	1,706	156	9.1
1964	35	1,807	222	12.3
1965	34	1,796	131	7.3
1966	34	1,796	85	4.7

Source: Federal Housing Administration.

Current Estimate. Based on the January 1967 postal vacancy survey, on the vacancy levels indicated by various local surveys, including those of the FHA Topeka Insuring Office, and on personal observation, it is estimated that as of February 1, 1967 there were about 3,800 vacant housing units available for sale or rent in the Wichita HMA, reflecting a total available vacancy rate of 3.3 percent. There were about 1,000 vacant units available for sale in the HMA, representing a homeowner vacancy rate of 1.3 percent. Vacant units available for rent, including units in single-family structures, totaled about 2,800, reflecting a vacancy ratio equal to about 6.6 percent of the total available rental inventory. It is estimated that about 75 of the vacant sales units and 500 of the vacant rental units lacked one or more plumbing facilities. Vacancy trends since 1950 are shown in table IX.

Sales Market

General Market Conditions. The market for sales housing in the Wichita HMA was seriously affected by a shortage of mortgage funds and high interest and discount rates during the second half of 1966. As a result, sales volume declined in both new and existing houses in spite of a high level of demand arising from large increases in employment and household growth. Total mortgages recorded declined approximately 19 percent between 1965 and 1966; only 5,575 mortgages were recorded during 1966 compared with about 6,825 during the previous year. As measured by building permits issued, construction of new sales housing units declined by approximately eight percent during 1966 when only 750 new single-family houses were authorized, compared with approximately 810 during 1965 and 870 during 1964. Declining sales during 1966 also were reflected by an increase in the number of single-family homes in the unsold inventory of the HMA. Based on a survey conducted at the end of each year by the Topeka Insuring Office, the number of unsold houses completed during the year in subdivisions with five or more completions increased from about 70 units at the end of 1965 to about 100 units at the end of 1966. (The FHA surveys covered about 55 percent of all new single-family houses authorized by building permits during 1966, and about 51 percent during 1965).

In spite of the downturn caused by the tight money situation during 1966, the sales market was considerably better than during the early 1960's when a large surplus of sales units existed as a result of the high level of out-migration caused by recurring cut-backs in employment in the aircraft industry. Following four years of limited new construction, the sales market began to expand along with the rest of the economy during 1964, and with the unusually large increase in employment and household growth during the past year the excess of vacant sales units has been virtually eliminated.

Major Subdivision Activity. The most active area during 1966 was the area west of Interstate Highway 235 and north of U.S. Highway 54. A total of 104 units were completed in seven major subdivisions in this area, with most of the units in the \$20,000 to \$25,000 price range. A second major area of activity, also in the northwest section of Wichita was the area north of Thirteenth Street and east of Interstate Highway 235. A total of 66 new homes were reported completed during the year in six subdivisions. New homes in this area also were concentrated in the \$20,000 to \$25,000 price range. There were six major subdivisions on the easternmost edge of Wichita, generally located on either side of U.S. Highway 54; approximately 90 new houses were completed in these developments during 1966--about 50 new units completed north of U. S. Highway 54, including about 30 homes priced to sell for \$30,000 or more; and 40 new units in the area south of the Highway, about half in the \$20,000 to \$25,000 price range and about half in the \$17,500 to \$20,000 price range. There were three subdivisions located in the northeast portion of Wichita, with a total of about 35 completions. Selling prices ranged from \$20,000 to over \$35,000. In the southwest portion of the city, in the

vicinity of the Glenn Village Urban Renewal project, there were three subdivisions in which approximately 60 new homes were built during 1966. A little more than half of the new homes in this area were in the \$17,500 to \$20,000 price range, somewhat more than a fourth of the new units were priced to sell between \$15,000 and \$17,500, and about fifteen percent were built to sell for \$20,000 to \$25,000.

Unsold Inventory of New Houses. In January 1967, the Topeka Insuring Office surveyed a total of 30 subdivisions in the Wichita HMA in which five or more houses had been completed in 1966. The survey revealed a total of 410 houses completed in these subdivisions during the year, of which 170 had been sold before construction had been started. Of the 240 houses built on a speculative basis, 100 (42 percent) remained unsold at the time of the survey.

The new houses built during 1966 in the subdivisions surveyed were concentrated in the middle price ranges. About 20 percent were built to sell for \$17,500 to \$20,000, approximately 35 percent were built to sell for \$20,000 to \$25,000, and about 20 percent were offered in the \$25,000 to \$30,000 price range. Unsold homes also were concentrated in the middle price ranges. Approximately 55 percent of the speculatively-built houses in the \$25,000 to \$30,000 price range remained unsold at the time of the survey; 46 percent in the \$20,000 to \$25,000 price range were unsold, and 35 percent of the units in the \$17,500 to \$20,000 price range were unsold. In the higher price ranges, 41 percent of the speculatively-built houses in the \$30,000 to \$35,000 price range remained unsold at the time of the survey.

Of the 100 speculatively-built houses remaining unsold at the time of the survey, 26 had been completed one month or less and 58 had been on the market for just one to three months. Only one of the unsold units had been on the market for more than six months. Considering the fact that the unsold speculatively-built units have been on the market for a relatively brief period and that the 100 units are distributed among 30 subdivisions, the unsold inventory does not appear to be excessive at the present time. On the other hand, comparison of the January 1967 survey with comparable surveys made in previous years indicates that the ratio of unsold units has increased from 18 percent in January 1965 to 30 percent in January 1966 and to 42 percent in January 1967. The data for January 1967 are shown in the following table.

Status of New Houses Completed in Selected Subdivisions^{a/}
Wichita, Kansas, Housing Market Area
As of January 1, 1967

<u>Sales price</u>	<u>Total completions</u>	<u>Sold before start of construction</u>	<u>Speculative construction</u>			
			<u>Total</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
(Houses completed in 1966)						
\$12,500 - \$14,999	11	6	5	4	1	20
15,000 - 17,499	31	10	21	16	5	24
17,500 - 19,999	81	27	54	35	19	35
20,000 - 24,999	145	60	85	46	39	46
25,000 - 29,999	81	34	47	21	26	55
30,000 - 34,999	40	18	22	13	9	41
35,000 and over	<u>21</u>	<u>15</u>	<u>6</u>	<u>5</u>	<u>1</u>	<u>17</u>
Total	410	170	240	140	100	42

a/ Selected subdivisions are those with five or more completions during the year.

Source: Annual FHA Survey of Unsold New Houses conducted by the Topeka Insuring Office.

Foreclosures. A summary of real estate activity published by the Fidelity Title Company indicates that there were 283 mortgage foreclosures recorded in the Federal and District Courts of Sedgwick County during 1966, reflecting a decline of about 34 percent in the volume of foreclosures between 1965 and 1966. The 283 foreclosures recorded during 1966 represent the lowest volume of foreclosures since 1957; there also were 283 foreclosures processed by the courts during 1957. The volume of foreclosures in the HMA has been declining since 1960 when a peak of 1,471 foreclosures were recorded. The trend of foreclosures in the HMA since 1957 is shown in the following table.

Foreclosure Trend
Wichita, Kansas, HMA
1957-1966

<u>Year</u>	<u>Foreclosures</u>	<u>Year</u>	<u>Foreclosures</u>
1957	283	1962	750
1958	403	1963	509
1959	650	1964	501
1960	1,471	1965	430
1961	1,063	1966	283

Source: Summary compiled by Fidelity Title Company.

Acquisition of home properties in the Wichita HMA by FHA reached a peak of 862 in 1961. Acquisitions by the Veterans Administration in the Wichita area (of which about 90 percent were in the HMA) were highest in the year ending November 30, 1961 when 1,065 homes were acquired.

FHA sales of acquired properties exceeded new acquisitions for the first time beginning in 1964, and the Veterans Administration reports that monthly sales have exceeded new acquisitions since August 1963. With demand rising and new construction volume remaining at a relatively low level during the past three years, sales of FHA and VA acquired properties have increased greatly and the number of acquired properties on hand has been reduced substantially. As of the end of 1966, the FHA inventory of acquired home properties in the Wichita HMA was down to 673, compared with a peak of almost 2,200 as of the end of 1963. The FHA inventory of 673 acquired homes included only 84 units that were available for sale. There were 52 homes with sales pending, 379 rented units, and about 158 units not available for sale because of legal or physical status. The VA inventory of acquired single-family homes in the HMA totaled approximately 370 as of December 1, 1966, compared with a peak of about 1,800 three years earlier. The VA inventory of 370 acquired properties included less than 120 units immediately available for sale. About 200 of the VA units were rented, and about 50 were not yet legally available for sale. Acquisitions, sales, and the year-end inventories of acquired properties for the two agencies are shown in the following table.

Sales and Acquisitions by FHA and VA
Wichita, Kansas, HMA, 1960-1966

<u>Federal Housing Administration</u>				<u>Veterans Administration</u>			
<u>Calendar year</u>	<u>Acquisitions^{a/}</u>	<u>Sales</u>	<u>Inventory at end of year</u>	<u>Year ending Nov. 30</u>	<u>Acquisitions^{a/}</u>	<u>Sales</u>	<u>Inventory at end of year^{b/}</u>
1960	505	80	859	1960	NA	NA	725
1961	862	165	1,556	1961	NA	NA	1,200
1962	603	322	1,933 ^{b/}	1962	NA	NA	1,500
1963	442	200	2,175	1963	NA	NA	1,813
1964	289	1,160	1,304	1964	353	687	1,479
1965	234	536	1,002	1965	91	741	829
1966	197	526	673	1966	236	712	353

^{a/} Transfers of properties which mortgagees had acquired either of foreclosure or by voluntary transfer of deed in lines of foreclosure.

^{b/} VA inventory for years ending November 30, 1960, 1961, and 1962 estimated by Housing Market Analyst based on fiscal year data.

^{c/} FHA inventory at end of 1962 adjusted to include 96 units in counties immediately adjacent to the Wichita HMA.

Sources: Veterans Administration and Federal Housing Administration.

Rental Market

General Market Conditions. The rental market in the Wichita HMA improved greatly during 1966, with demand increasing sharply as a result of expanded employment and in-migration. The tight money situation during the second half of the year added to the over-all demand for rental housing because many prospective home buyers could not obtain financing or preferred to wait for lower interest rates. Paradoxically, in spite of the increase in demand, there were fewer rental units in the housing inventory at the end of 1966 than there were three years earlier. Approximately 1,950 new multifamily rental units were authorized by building permits during the past three years; however, about 2,850 single-family houses from the FHA and VA acquired property inventory were removed from the rental market as a result of rapidly expanding sales by both agencies during the period. The large excess of vacant rental units that existed in early 1965 has been virtually eliminated. As of February 1, 1967, the rental vacancy rate was about 6.6 percent, compared with an estimate of about 10.2 percent in February 1965, and a level of 14.8 percent reported by the census in April 1960. Further evidence of the strengthening of the rental market is revealed by a slight increase in rental rates for many units during the past year.

FHA Market Absorption Survey. The Topeka Insuring Office has collected data on the rate of absorption for all new multifamily rental housing units in projects opened for occupancy in the Wichita HMA since August 31, 1964. As of October 1966, 90 percent occupancy was reported in a group of 11 garden-type apartment projects, totaling 630 units. An occupancy rate of 32 percent was reported for 47 units that had been on the market for less than two months. The occupancy rate in 295 units that had been open for occupancy for a period of two to six months was reported to be 99 percent; only two vacant units were available. Ninety percent occupancy was reported in the remaining 288 units which had been on the market for a period of 7-25 months.

General Marketing Experience. Qualitative analysis of rental market data indicates a firm market for both new and existing units and for units in a wide range of rents. Selected vacancy data suggest that the market for units at moderate rents, such as those in older garden-type projects, is quite strong. The market absorption data pertaining to multifamily rental units marketed in the HMA since August 1964 indicates a firm market for higher priced units in newer garden-type and high-rise projects offering such amenities as air-conditioning, swimming pools, carpeting and, in some cases, dishwashers and covered parking facilities.

Typical rents for older garden-type rental units (shelter rents plus all utilities except electricity) as of February 1967 were about \$65 to \$85 a month for one-bedroom units, \$85 to \$100 a month for two-bedroom units, and \$100 to \$130 for three-bedroom units. Stoves and refrigerators were provided in the units offered at these rental levels. Rent schedules of some units increased slightly during 1966, but generally less than \$5.00 a month.

Typical rents for the new garden-type rental units placed on the market since August 1964 vary much more, with significant differences in rental charges based on location, type of construction, and space provided, as well as on the number of luxury-type amenities provided. Out of a total of about 425 new one-bedroom units, 220 units (52 percent) were offered at monthly rents ranging from \$107 to \$124 a month, 135 units (32 percent) were offered at \$125 to \$149 a month, and the remaining 70 units (16 percent) were placed on the market at monthly rents running from \$150 to \$225. Out of a total of about 350 new two-bedroom units, there were 160 units (46 percent) offered at monthly rents ranging from \$125 to \$149, approximately 110 units (31 percent) at \$150 to \$199, and 80 units (23 percent) at rents ranging from \$200 to \$335. Only six new efficiency units have been added to the rental inventory by new construction during the past two years; these rent for \$95 to \$105 a month. Twenty-eight new three-bedroom units have been added to the rental inventory since August 1964, of which 24 units were offered at a monthly rent of \$225 and four units were offered at \$295.

The marketing experience of the new garden-type rental units, as shown by the market absorption survey, indicates little difference between the rate of absorption of one- and two-bedroom units. Discounting units that had been on the market for two months or less, the occupancy rate for one-bedroom units was 95.1 percent and the occupancy rate for two-bedroom units was 95.4 percent. Taking all units into consideration, the occupancy rate for one-bedroom units was 89.9 percent and the occupancy rate for two-bedroom units was 88.9 percent. The small number of efficiency and three-bedroom units added to the inventory since August 1964 have been readily absorbed. Only one three-bedroom unit was reported vacant as of the latest report, January 1, 1967, and this would appear to be only a frictional vacancy since most of the previous reports indicated full occupancy.

Mortgage Market

An extreme shortage of mortgage funds developed in the Wichita HMA during the second half of 1966. By mid-year, insurance companies had dropped out of the HMA mortgage market except for a few select risks, and by August, local savings and loan institutions, which customarily supply about half of the mortgage funds in the Wichita area, were lending primarily funds received from principal and interest payments on outstanding loans. The interest rate on conventional loans rose to seven percent in September, and the discount on 5 3/4 percent FHA-VA loans increased to eight points. By the end of 1966 the supply of mortgage funds began to improve and, as of mid-January 1967, some conventional money was available at 6 3/4 percent for 75 percent loans for a period of 25 years. Discounts on 6 percent FHA and VA loans were down to 6 to 7 points.

Urban Renewal Activity

The Urban Renewal Administration has approved assistance for a community renewal program, a feasibility study, a general neighborhood renewal plan, and five urban renewal projects in the Wichita area. The neighborhood renewal plan and five renewal projects are described below.

Glenn Village (Kansas R-10). This urban renewal project, located in the southwest section of Wichita, consists of a 20 square block area bounded by Pawnee Avenue on the north, Glenn Avenue on the east, 27th Street on the south, and Bennett Avenue on the west. The area originally contained a predominance of deteriorating single-family dwelling units. Over 200 lots were cleared during 1961. About 30 new single-family homes have been built in the area and several more lots have been sold. The average home value in the area, including lot, now exceeds \$20,000. The renewal area includes a church, school, playground and fire station.

Skyline (Kansas R-11). The Skyline renewal area is located within the central business district and includes the northern half of the one square block area bounded by First Street, Water Street, Main Street, and Douglas Avenue. The major proposals for this area are the development of a luxury-type high-rise apartment building, a parking garage, and an office building. A new savings and loan association office building fronting on Main Street has been completed. Redevelopment of the area is being coordinated with the redevelopment of the Civic Center urban renewal area, a portion of which is situated immediately across Water Street to the west.

Park Plaza (Kansas R-13). This general neighborhood renewal plan was completed in November 1962. The area surveyed consisted of about 139 acres located on the northwestern edge of the central business district. This was one of the oldest sections of the city consisting of deteriorating residential, commercial, and light industrial structures, most of which were fifty to sixty years old. Proposals for the re-use of this land recommended the allocation of about 55 percent for residential use, 30 percent for commercial and local business, and 15 percent for public use.

Park Plaza A (Kansas R-17). Park Plaza A is the first section to be developed in the Park Plaza general neighborhood renewal area. The Park Plaza A area lies between the Little Arkansas River and the new Sedgwick County Court House. The proposed re-use of this area is for predominantly multifamily residential construction with provision for additional public park area and a right of way for a proposed inner loop expressway. Total private redevelopment expenditures are expected to exceed \$20 million.

Civic Center (Kansas R-19). The Civic Center renewal area lies between the Big Arkansas River and Main Street and is bordered on the north by First Street and on the south by Waterman Street. More than 60 businesses were assisted by the urban renewal agency in relocating outside the renewal area. Clearance of the area has been completed and a new public library has been completed except for installation of equipment. The new city auditorium is about 50 percent finished and completion is expected in 1968. Construction of a five-story, 350-car parking facility and drive-in bank office is scheduled to begin in late February. During the past year, proposals were received for development of the last remaining portion of the Civic Center project area, the square block from Douglas to First Street between Water and Wichita. The urban renewal agency estimates that over \$10 million will be invested in private commercial redevelopment of this block.

North Industrial Park (Kansas R-21). This project located north and east of the Union stockyards is in the final stages of planning. Proposals have been made for the redevelopment of the area into an attractive industrial park with all necessary utilities and adequate vehicular access. Improvement of the project area is expected to encourage the systematic development of a much larger area in the general vicinity which has been slow to develop.

Military Housing

McConnell Air Force Base, located on the southeast edge of Wichita, provides on-base family housing for 499 military families in public quarters. It is estimated that approximately 3,450 military families were occupying private housing off-base as of February 1, 1967, including approximately 2,950 families of assigned personnel and 500 families of servicemen formerly assigned to the base who were stationed overseas as of February 1, 1967. A survey of family housing covering all personnel assigned to the base as of March 31, 1966 indicated that there were 2,872 families of assigned personnel living off-base at that time, of whom 2,160 rented housing units, 490 owned homes, and 222 owned trailers. Total military families in the HMA as of March 1966 reflected an increase of approximately 875 families over the number reported by a base family housing survey made in March 1964. In conjunction with a Department of Defense program to discontinue, reduce, or consolidate various military activities for greater efficiency and economy, McConnell AFB was selected by the Air Force in early 1964 to support a second fighter wing in addition to one fighter wing and one strategic missile wing previously assigned to the base. In late 1965 one of the fighter wings was transferred to the operational control of the Pacific Air Forces as part of the build up necessitated by the conflict in Viet Nam. As of February 1967, the assigned strength of McConnell AFB was about 1,700 less than at the end of 1964. Since the decision to assign additional personnel to the base in 1964 was based on comprehensive studies of major Air Force installations, it appears likely that an increase in personnel might be anticipated when the situation in Viet Nam permits the

return of units to the continental United States. In view of the relatively tight housing market in the Wichita area as of February 1967, any increase in personnel strength at McConnell AFB within the two-year forecast period of this analysis would generate a correlative increase in the demand for new housing units in the Wichita HMA. Authorization has been requested for the construction of 200 units for enlisted men's families during the 1968 fiscal year.

Public Housing

The Wichita Local Housing Authority, which was established in 1965, has received approval to lease 500 existing housing units to be used for housing low-income families. The program provides for 100 efficiency apartments, 100 one-bedroom units, 125 two-bedroom units, 125 three-bedroom units, 25 four-bedroom units, 20 five-bedroom units, and 5 six-bedroom units. Two hundred of the units are to be used specifically for housing elderly persons. Initial leases under the program are for a period of three years. As of mid-January 1967, the agency had leased 151 units, most of which were one-bedroom apartments, which were provided for housing elderly couples or individuals.

Demand for Housing

Quantitative Demand

Based on an anticipated annual increase of about 1,500 households, the need to replace housing units expected to be lost from the inventory through demolition and other causes, and current supply-demand relationships in the housing market, the demand for new housing in the Wichita HMA is projected to average about 1,500 units a year during the February 1967 to February 1969 forecast period. The average annual demand includes a demand for 900 single-family sales units and 600 multifamily rental units. An additional 300 rental units might be marketed annually at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations.

The projected demand for 1,500 new housing units annually during the next two years represents a slight increase over the level of new construction during 1966 as reflected by 1,350 units authorized by building permits; however, as explained in the discussion of residential building activity, new construction during 1966 was significantly curtailed by a shortage of mortgage funds in spite of increasing demand occasioned by a surge in the economy of the HMA. The projected demand approximates the average volume of construction during 1964 and 1965, when an average of 1,525 new private housing units were authorized by building permits. The suggested rate of new construction volume is predicated on an anticipated sustained rate of household growth during the forecast period and on the basis of the relatively low vacancy levels as of the beginning of the forecast period, in sharp contrast to the large excess of both sales and rental vacancies that existed earlier. The distribution of the projected demand into sales and rental units is based on consideration of expected tenure trends, current vacancy levels, and the current rates of new construction.

Qualitative Demand

Single-family Housing. Based on current family income after deduction of federal income tax and the relationship between net family income and purchase price found to be typical in the Wichita HMA, the annual demand for 900 units of new single-family sales houses is expected to approximate the pattern presented in the following table. This distribution closely approximates the pattern of unit construction recorded on page 23. It is judged that little, if any, acceptable housing can be constructed in the Wichita HMA for less than \$12,500.

Estimated Annual Demand for New Single-family Housing
Wichita, Kansas, Housing Market Area
February 1, 1967 to February 1, 1969

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$15,000	50	5.6
\$15,000 - 17,499	75	8.3
17,500 - 19,999	150	16.7
20,000 - 24,999	300	33.3
25,000 - 29,999	175	19.4
30,000 - 34,999	100	11.1
35,000 and over	50	5.6
Total	900	100.0

Multifamily Housing. The gross monthly rentals at which 600 privately-owned net additions to the multifamily housing inventory might best be absorbed in each of the next two years are indicated in the following table for various size units. These net additions, excluding low-rent public housing and rent-supplement accommodations, may be accomplished by either new construction or rehabilitation at the specified rentals, with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of new units in higher rent ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Multifamily Housing
Wichita, Kansas, HMA
February 1, 1967-February 1, 1969

<u>Gross monthly rent^{a/}</u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three bedrooms</u>
\$ 95 and over	50	-	-	-
105 " "	40	-	-	-
115 " "	30	265	-	-
125 " "	20	215	-	-
135 " "	10	175	215	-
145 " "	-	135	175	-
155 " "	-	90	135	70
160 " "	-	75	115	55
170 " "	-	40	80	35
180 " "	-	20	50	20

a/ Gross rent is shelter rent plus the cost of utilities.

Note: The foregoing figures are cumulative, i.e., the columns cannot be added vertically. For example, demand for one-bedroom units at \$145 to \$160 is 60 units (135 units minus 75).

The annual demand for 300 additional multifamily rental units that may be marketed only at the lower rents achievable through the utilization of below-market-interest-rate financing or assistance in land acquisition and cost includes 20 efficiencies at rents of \$65 or more, 110 one-bedroom units at rents of \$80 and above, 130 two-bedroom units at \$95 or more, and 40 three-bedroom units at \$110 and above.

The preceding distributions of average annual demand for new apartments are based on projected family income, the size distribution of households, and rent-paying propensities found to be typical in the area; consideration also is given to the recent absorption experience of new multifamily housing. Thus, they represent patterns for guidance in the production of multifamily housing predicated on foreseeable quantitative and qualitative considerations. Specific market demand opportunities or replacement needs may permit effective marketing of a single project differing from this demand distribution. Even though a deviation from these distributions may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless a thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or submarkets.

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Housing for the Elderly

Elderly Population Trends. The proportion of elderly persons to the total population in the Wichita HMA has been increasing since 1960, reversing the downward trend that was reflected between 1950 and 1960. It is estimated that as of February 1, 1967, persons 62 years of age or older totaled about 35,100, or about 9.5 percent of the HMA total population. Based on the 1960 Census, it is estimated that persons 62 years of age or older totaled about 28,900 in April 1960, representing about 8.4 percent of the HMA population at that time. As of April 1950, persons 62 years of age or older totaled approximately 20,500 and represented about 9.2 percent of the HMA population. Significant with respect to future demand for housing by the elderly is the fact that the number of persons age 50 to 60 years is increasing rapidly both numerically and in proportion to the total population. As of February 1, 1967, there were about 24,000 persons in the 50-59 years age group, equal to 9.2 percent of the total HMA population, compared with about 28,450 in 1960, which represented 8.3 percent of the total HMA population. The population of the HMA is shown by age distribution for 1950, 1960, and 1967 in table V.

Present Living Arrangements of the Elderly. Since there have been few, if any, new housing units specifically intended for elderly occupancy added to the inventory since 1960, the present living arrangements of the elderly population undoubtedly are much the same as reported by the census in April 1960. Based on the sample enumeration of elderly living arrangements in the Wichita HMA in 1960, approximately 78 percent of all elderly persons (age 60 or over) lived in owner-occupied housing units and 22 percent lived in rental housing units. Approximately 88 percent of the owner-occupied housing units with elderly members had household heads age 60 and over, and an identical proportion of the renter-occupied units in this category had household heads age 60 and over.

Distribution of the Elderly Population
By Household Composition and Tenure
Wichita, Kansas, HMA, April 1960

	<u>All households</u>	<u>Owner- occupied</u>	<u>Renter- occupied</u>
1-person household			
1 person 60 years and over	6,333	3,685	2,648
2-person household			
1 person 60 years and over	4,531	3,428	1,103
2 persons 60 years and over	12,372	10,572	1,800
3-person household			
1 person 60 years and over	1,806	1,442	364
2 persons 60 years and over	2,082	1,836	246
3 persons 60 years and over	720	636	84
4-or more-person household			
1 person 60 years and over	2,093	1,732	361
2 persons 60 years and over	1,018	806	212
3 or more persons 60 years and over	<u>513</u>	<u>441</u>	<u>72</u>
Total	31,468	24,578	6,890
Percentage distribution	100.0	78.1	21.9

Source: Unpublished data from 1960 Census of Housing.

Elderly persons tend to move much less frequently and occupy older housing units than do younger persons. For example, unpublished data from the 1960 Census of Housing indicate that only 55 percent of all households with members 60 years old and over at the time of the census moved into their quarters between 1950 and April 1960, whereas approximately 89 percent of all other households in the HMA were reported to have moved into their housing units during the same ten-year period. Approximately 19 percent of all households with members 60 years old and over were living in housing units that were ten years old or less, compared with nearly 48 percent of all other households who were living in housing units built after 1949.

Demand for New Rental Housing from Among the Elderly Population. Of the total demand for rental housing in the Wichita HMA during the February 1967 to February 1969 forecast period, it is judged, on the basis of anticipated growth in the elderly segment of the population and after consideration of present living arrangements, that approximately 100 units a year will be required by households whose head is aged 62 or older. A portion of the annual rental demand from among elderly households (35 units) will be effective only at the lower rents made possible through the use of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations.

Income and household size characteristics suggest that the annual demand for 65 new rental units from among elderly households at and above the minimum rents achievable with market-interest-rate financing will be most readily absorbed if distributed according to the following pattern: 15 efficiency units, 40 one-bedroom units, and 10 two-bedroom units.

There are about 139 new rental units available for elderly households in a recently completed FHA-insured project, a number sufficient to satisfy the quantitative demand from among elderly households for rental units marketable at and above the minimum rents achievable with market-interest-rate financing for the next year. It is suggested that the rental experience of the recently completed project be observed carefully as a guide to the prospective marketability of rental units for elderly households during the second year of the two-year forecast period.

The annual demand for 35 additional rental units from among elderly households that may be marketed only at the lower rents achievable through the utilization of below-market-interest-rate financing or assistance in land acquisition and cost includes 5 efficiencies, 20 one-bedroom units, and 10 two-bedroom units. It should be pointed out that location is very important in the successful marketing of rental units intended for occupancy by elderly households. The preferred locations for housing for the elderly are those close to shopping, educational and cultural centers, places of worship, recreational facilities, and public transportation. Although elderly people enjoy the companionship of their contemporaries, they object to being isolated from the younger population.

Table I

Comparison of Employment Trends
Nonagricultural, Aircraft, and Other
Wichita, Kansas, HMA,^{a/} 1949-1966

<u>Year</u>	<u>Nonagri- cultural employment</u>	<u>Aircraft employment</u>	<u>All other nonagr. employment</u>	<u>Employment changes</u>		
				<u>Nonagr.</u>	<u>Aircraft</u>	<u>All others</u>
1949	88,000	12,650	75,350	-	-	-
1950	92,600	15,200	77,400	4,600	2,550	2,050
1951	116,750	32,200	84,550	24,150	17,000	7,150
1952	131,550	41,150	90,400	14,800	8,950	5,850
1953	132,600	38,750	93,850	1,050	-2,400	3,450
1954	134,850	38,150	96,700	2,250	-600	2,850
1955	136,950	36,950	100,000	2,100	-1,200	3,300
1956	140,850	37,850	103,000	3,900	900	3,000
1957	151,400	44,950	106,450	10,550	7,100	3,450
1958	143,450	38,200	105,250	-7,950	-6,750	-1,200
1959	141,450	35,100	106,350	-2,000	-3,100	1,100
1960	132,900	31,300	101,600	-8,550	-3,800	-4,750
1961	131,400	29,200	102,200	-1,500	-2,100	600
1962	132,850	29,550	103,300	1,450	350	1,100
1963	130,600	26,800	103,800	-2,250	-2,750	500
1964	134,300	29,850	104,450	3,700	3,050	650
1965 ^{b/}	134,100	27,650	106,450	-200	-2,200	2,000
1966 ^{b/}	145,600	35,200	110,400	11,500	7,550	3,950

a/ HMA includes Sedgwick County only.

b/ HMA employment estimated by Housing Market Analyst based on data for the Wichita SMSA which includes Sedgwick County and Butler County, which was added to the SMSA by the Bureau of the Budget in October 1963. Beginning with 1965 data are not available for the separate counties. Basic data for 1966 are subject to revision on the basis of first quarter 1967 benchmark data when available.

Source: Employment Security Division, Kansas Department of Labor.

Table II

Trend of Civilian Work Force Components
Wichita, Kansas, SMSA, 1960-1966^{a/}
 (Annual averages in thousands)

<u>Components</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966^{b/}</u>
Total civilian work force	<u>154.8</u>	<u>153.7</u>	<u>153.1</u>	<u>151.3</u>	<u>155.3</u>	<u>155.0</u>	<u>166.5</u>
Total employment	<u>147.1</u>	<u>145.6</u>	<u>146.7</u>	<u>144.5</u>	<u>149.1</u>	<u>148.6</u>	<u>162.0</u>
Nonagricultural	<u>143.1</u>	<u>141.7</u>	<u>142.9</u>	<u>140.8</u>	<u>145.5</u>	<u>145.2</u>	<u>158.7</u>
Wage and salary	<u>127.4</u>	<u>125.8</u>	<u>127.4</u>	<u>126.1</u>	<u>130.5</u>	<u>130.8</u>	<u>144.0</u>
Other	15.8	16.0	15.5	14.7	15.0	14.4	14.7
Agricultural	4.0	3.9	3.9	3.8	3.7	3.4	3.3
Unemployment	7.7	8.2	6.4	6.8	6.2	6.4	4.5
Percent of work force	5.0	5.3	4.1	4.5	4.0	4.1	2.7

^{a/} Sedgwick and Butler counties, as established by the Bureau of the Budget in 1963. Butler County data have been included for years before 1963. Beginning with 1965 separate county data are not available.

^{b/} Subject to revision on the basis of first quarter 1967 benchmark data when available.

Note: Components may not add to totals because of rounding.

Source: Employment Security Division, Kansas Department of Labor.

Table III

Nonagricultural Wage and Salary Employment by Type of Industry
Wichita, Kansas, SMSA, 1960-1966^{a/}
 (annual averages in thousands)

<u>Industry</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966^{b/}</u>
Total wage and salary employment	<u>127.4</u>	<u>125.8</u>	<u>127.4</u>	<u>126.1</u>	<u>130.5</u>	<u>130.8</u>	<u>144.0</u>
Manufacturing	<u>46.4</u>	<u>44.2</u>	<u>45.1</u>	<u>42.4</u>	<u>45.5</u>	<u>43.8</u>	<u>53.2</u>
Durable goods	<u>37.0</u>	<u>35.1</u>	<u>36.0</u>	<u>33.3</u>	<u>36.5</u>	<u>34.8</u>	<u>44.0</u>
Fabricated metal products	2.4	2.2	2.3	2.4	2.5	2.6	2.9
Machinery	1.6	1.6	1.6	1.5	1.6	1.9	2.3
Transportation equipment	31.6	29.5	29.9	27.1	30.5	28.3	36.7
Aircraft and parts	(31.3)	(29.2)	(29.6)	(26.8)	(30.2)	(28.0)	(36.3)
Other durable goods	1.6	1.9	2.4	2.4	1.9	2.1	2.3
Nondurable goods	<u>9.4</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	<u>9.0</u>	<u>9.2</u>
Food and kindred products	4.4	4.4	4.5	4.5	4.4	4.2	4.1
Print., pub., and all. inds.	1.7	1.6	1.5	1.6	1.6	1.6	1.7
Chemicals and all. prod.	.7	.7	.7	.7	.7	.7	.8
Pet., ref., and rel. inds.	2.2	2.1	2.0	2.0	1.8	1.8	1.7
Other nondurable goods	.5	.5	.6	.6	.7	.7	1.0
Nonmanufacturing	<u>81.0</u>	<u>81.6</u>	<u>82.3</u>	<u>83.6</u>	<u>85.0</u>	<u>87.1</u>	<u>90.8</u>
Mining	2.7	2.8	2.5	2.7	3.0	3.0	3.0
Contract construction	6.2	6.2	5.9	5.8	5.6	6.0	6.3
Trans., comm., elect., gas and s.s.	7.6	7.2	7.1	7.2	7.1	7.3	7.6
Wholesale trade	7.4	7.4	7.4	7.7	8.1	8.0	8.0
Retail trade	20.8	20.4	20.7	20.9	21.0	21.3	22.5
Finance, ins., and real estate	6.0	6.1	6.1	6.0	6.1	6.1	6.1
Services	15.6	16.5	17.1	17.9	18.5	19.2	20.2
Government	14.9	15.2	15.7	15.7	15.8	16.2	17.2

^{a/} Civilian work force data beginning with 1960 has been extended to include Butler County, which was added to the Wichita SMSA by the Bureau of the Budget in October 1963. Previously the SMSA encompassed only Sedgwick County. Beginning with 1965 separate data are not available for either county.

^{b/} Subject to revision on the basis of first quarter 1967 benchmark data when available.

Note: Components may not add to totals because of rounding.

Source: Employment Security Division, Kansas Department of Labor.

Table IV

Estimated Percentage Distribution
of All Families and Renter Households^{a/} by Annual Income
After Deduction of Federal Income Tax
Wichita, Kansas, HMA, 1967 and 1969

<u>Income</u>	<u>All families</u>		<u>Renter households</u>	
	<u>1967</u>	<u>1969</u>	<u>1967</u>	<u>1969</u>
Under \$ 2,000	6	5	10	9
\$ 2,000 - 2,999	4	4	8	8
3,000 - 3,999	6	6	10	9
4,000 - 4,999	9	7	12	10
5,000 - 5,999	12	9	14	13
6,000 - 6,999	12	12	13	14
7,000 - 7,999	11	12	10	12
8,000 - 8,999	9	10	8	8
9,000 - 9,999	7	9	4	6
10,000 - 12,499	12	13	8	8
12,500 - 14,999	7	7	2	2
15,000 and over	<u>5</u>	<u>6</u>	<u>1</u>	<u>1</u>
Total	100	100	100	100
Median	\$7,150	\$7,550	\$5,775	\$6,100

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table V

Age Distribution of the Population
Wichita, Kansas, HMA, 1950-1960-1967

<u>Age group</u>	<u>Distribution</u>					
	<u>April 1, 1950</u>		<u>April 1, 1960</u>		<u>February 1, 1967</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 10	46,356	20.9	85,407	24.9	81,000	21.9
10 - 19	28,252	12.7	55,069	16.0	73,800	19.9
20 - 29	38,774	17.4	47,901	14.0	45,600	12.3
30 - 39	36,750	16.5	52,302	15.2	48,100	13.0
40 - 49	27,622	12.4	40,812	11.9	47,700	12.9
50 - 59	20,604	9.3	28,446	8.3	34,000	9.2
60 - 69	14,391	6.5	18,651	5.4	20,000	5.4
70 and over	<u>9,541</u>	<u>4.3</u>	<u>14,643</u>	<u>4.3</u>	<u>19,800</u>	<u>5.4</u>
Total	222,290	100.0	343,231	100.0	370,000	100.0
62 and over	20,500	9.2	28,900	8.4	35,100	9.5
<u>Age group</u>	<u>Changes</u>					
	<u>1950 - 1960</u>		<u>1960 - 1967</u>		<u>Average annual</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>1950-1960</u>	<u>1960-1967</u>
Under 10	39,051	84.2	-4,407	-5.2	3,905	-645
10 - 19	26,817	94.9	18,731	34.0	2,682	2,741
20 - 29	9,127	23.5	-2,301	-4.8	913	-337
30 - 39	15,552	42.3	-4,202	-8.0	1,555	-615
40 - 49	13,190	47.8	6,888	16.9	1,319	1,008
50 - 59	7,842	38.1	5,554	19.5	784	813
60 - 69	4,260	29.6	1,349	7.2	426	197
70 and over	<u>5,102</u>	<u>53.5</u>	<u>5,157</u>	<u>35.2</u>	<u>510</u>	<u>755</u>
Total	120,941	54.4	26,769	7.8	12,094	3,917
62 and over	8,400	41.0	6,200	21.5	840	910

Sources: 1950 and 1960 Censuses of Population.
1967 estimated by Housing Market Analyst.

Table VI

Number of New Housing Units Authorized by Building Permits
By Location and Size of Structure
Wichita, Kansas, HMA, 1950 - 1966

	<u>Year</u>	<u>One- family</u>	<u>Two- family</u>	<u>Three-family or more</u>	<u>Total</u>	
HMA total	1950	2,778	150	964	3,892	
	1951	2,334	314	359	3,007	
	1952	2,832	380	436	3,648	
	1953	2,212	122	31	2,365	
	1954	3,409	298	236	3,943	
	1955	2,869	134	122	3,125	
	1956	1,895	26	55	1,976	
	1957	1,498	28	44	1,570	
	1958	1,742	32	52	1,826 ^{a/}	
	1959	1,217	22	36	1,275	
	1960	408	4	18	430	
	1961	591	16	80	687	
	1962	678	32	0	710	
	1963	686	26	23	735	
	1964	867	28	490	1,385	
	1965	814	46	796	1,656	
	1966	749	18	583	1,350	
	Wichita	1960	343	4	18	365
		1961	355	12	80	447
1962		446	30	0	476	
1963		525	24	23	572	
1964		640	20	487	1,147	
1965		595	36	790	1,421	
1966		514	18	583	1,115	
Remainder of Sedgwick County	1960	65	0	0	65	
	1961	236	4	0	240	
	1962	232	2	0	234	
	1963	161	2	0	163	
	1964	227	8	3	238	
	1965	219	10	6	235	
	1966	235	0	0	235	

a/ Includes 400 units of public housing (military).

Sources: U.S. Bureau of the Census, Construction Reports C-40; and local building permit offices.

Table VII

Wichita, Kansas, Area Postal Vacancy Survey

January 10-12, 1967

Postal area	Total residences and apartments						Residences						Apartments					House trailers				
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Total possible deliveries	Vacant			
		All	%	Used	New			All	%	Used	New			All	%	Used	New		Under const.	No.	%	
The Survey Area Total	109,998	3,560	3.2	3,296	264	326	97,335	2,645	2.7	2,509	136	155	12,663	915	7.2	787	128	171	2,014	41	2.0	
Wichita	104,510	3,429	3.3	3,170	259	307	91,893	2,515	2.7	2,384	131	139	12,617	914	7.2	786	128	168	1,943	41	2.1	
Main Office	24,687	1,209	4.9	1,175	34	50	18,978	743	3.9	727	16	12	5,709	466	8.2	448	18	38	147	3	2.0	
Stations:																						
Chisholm	7,838	142	1.8	125	17	20	7,786	138	1.8	121	17	20	52	4	7.7	4	-	-	679	9	1.3	
Midland	8,938	324	3.6	304	20	3	8,828	297	3.4	297	-	3	110	27	24.5	7	20	-	684	6	0.9	
Munger	10,968	245	2.2	212	33	43	10,570	226	2.1	197	29	43	398	19	4.8	15	4	-	105	4	3.8	
North Wichita	10,003	365	3.6	345	20	75	9,548	327	3.4	316	11	14	455	38	8.4	29	9	61	33	-	0.0	
Southeast	14,278	372	2.6	288	84	78	11,418	212	1.9	186	26	9	2,860	160	5.6	102	58	69	78	3	3.8	
Washington	13,076	341	2.6	322	19	1	10,875	237	2.2	237	-	1	2,201	104	4.7	85	19	-	26	-	0.0	
West Wichita	14,722	431	2.9	399	32	37	13,890	335	2.4	303	32	37	832	96	11.5	96	-	-	191	16	8.4	
Other Cities and Towns	5,488	131	2.4	126	5	19	5,442	130	2.4	125	5	16	46	1	2.2	1	-	3	71	-	0.0	
Derby	2,548	48	1.9	45	3	7	2,522	47	1.9	44	3	7	26	1	3.8	1	-	-	70	-	0.0	
Haysville	1,749	52	3.0	52	-	6	1,736	52	3.0	52	-	3	13	-	0.0	-	-	3	1	-	0.0	
Valley Center (1-21-67)	1,191	31	2.6	29	2	6	1,184	31	2.6	29	2	6	7	-	0.0	-	-	-	-	-	-	

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 VIII

Comparison of Vacancy Ratios and Units Under Construction
As Revealed by Postal Vacancy Surveys
Wichita, Kansas, 1956 - 1967^{a/}

<u>Date</u>	<u>Residences</u>	<u>Apartments</u>	<u>Residences under construction^{b/}</u>
Apr. 1956	3.0	7.7	1,091
Apr. 1957	2.8	9.4	645
Apr. 1958	2.8	7.8	634
Apr. 1959	3.5	11.3	875 ^{c/}
Jul. 1960	4.8	17.1	263
Jul. 1961	4.8	17.3	190
Dec. 1962 ^{d/}	4.7	12.1	206
Apr. 1964	4.9	15.4	249
Feb. 1965	4.5	11.8	273
Apr. 1965	3.9	13.6	373
Mar. 1966	3.8	14.6	264
Jan. 1967	2.7	7.2	155

^{a/} February 1965 and January 1967 surveys included the area served by the Wichita, Derby, Haysville, and Valley Center Post Offices. All other surveys were limited to the area served by the Wichita Post Office.

^{b/} Does not include apartment units under construction. Survey conducted in February 1965 indicated 253 apartment units under construction and survey conducted in January 1967 reported 171 apartment units under construction.

^{c/} Includes 400 units of military family housing.

^{d/} In the December 1962 survey an unknown number of vacant inadequate housing units were omitted.

Source: Postal vacancy surveys conducted by collaborating postmasters.

Table IX

Vacancy Trends
Wichita, Kansas, HMA
1950, 1960, 1967

	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>February 1,</u> <u>1967</u>
Total housing units	<u>73,624</u>	<u>114,038</u>	<u>117,300</u>
Total vacant units	<u>4,198</u>	<u>10,616</u>	<u>6,000</u>
Available vacant units	<u>2,942</u>	<u>8,149</u>	<u>3,800</u>
For sale	980	2,154	1,000
For rent	1,962	5,995	2,800
Other vacant units ^{a/}	1,256	2,467	2,200
Homeowner vacancy rate	2.4%	3.0%	1.3%
Rental vacancy rate	6.2%	14.8%	6.6%

^{a/} Includes dilapidated units, seasonal units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners and other reasons.

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.