Analysis of the

BREVARD COUNTY, FLORIDA HOUSING MARKET

as of February 1, 1968

(A supplement to the February 1, 1966 analysis)

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

November 1968

ANALYSIS OF THE

BREVARD COUNTY, FLORIDA, HOUSING MARKET

AS OF FEBRUARY 1, 1968

(A supplement to the February 1, 1966 analysis)

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.

Table of Contents

ANALYSIS OF THE
BREVARD COUNTY, FLORIDA, HOUSING MARKET
AS OF FEBRUARY 1, 1968

(A supplement to the February 1, 1966 analysis)

Summary and Conclusions

1. About 40 percent of all nonagricultural wage and salary workers in Brevard County as of December 31, 1967, were employed in missile and space-craft research, development, and testing. Wage and salary employment increased by 15,000 during the past two years, from 69,700 in 1965 to 84,700 in 1967. Aerospace civilian employment (including civil service, contractor, and construction workers) increased by 3,600 during the September 1965-December 1967 period, from about 32,800 to 36,400 employees; the number of miltiary personnel in the county remained unchanged during the period. Unemployment in Brevard County averaged only 2.0 percent of the work force in 1967. Total nonagricultural employment is expected to increase by 11,650 jobs (3,875 a year) during the next three years.

2. As of February 1, 1968, the estimated median annual income of all families in Brevard County, after deduction of federal income taxes, was about $9,000; the median after-tax income of all renter households of two or more persons was $7,650. By 1971, the median after-tax income of all families is expected to rise to $9,800, while the median income of renter households is expected to approximate $8,300.

3. As of February 1, 1968, the total population of Brevard County was about 239,000 persons, representing an increase of about 32,000 (16 percent) since February 1966,or 16,000 a year; the 1960 to 1966 annual increase was 16,375. By February 1, 1971, the population is expected to total 271,000 persons, an increase of 10,675 a year. Households totaled 70,500 as of February 1, 1968, an annual gain of around 4,700 since February 1966; between 1960 and 1966, the increase averaged 4,875 a year. Household growth during the next three years is expected to approximate 3,165 annually.

4. The housing inventory of 76,700 units as of February 1, 1968, represented a net addition of about 4,300 a year since February 1966, compared with a 1960 to 1966 annual gain of approximately 5,350 units. The net inventory gain since 1966 resulted from the completion of about 8,600 new housing units, the entrance of nearly 350 additional trailers, and the loss of 350 units through demolition and casualty. New residential construction declined by nearly 15 percent during the past two years.

5. There were about 3,600 available vacant housing units in Brevard County as of February 1, 1968, of which 1,675 were available for sale, a homeowner vacancy rate of 3.1 percent, down considerably from the 4.2 percent level reported in the February 1966 analysis. The remaining 1,925 available vacant units were for rent, a rental vacancy rate of 9.5 percent, a substantial reduction from the 1966 rate of 14.2 percent.

6. The number of additional housing units needed to meet the requirements of anticipated household increases and result in establishing more acceptable demand-supply relationships in the market is estimated at an average of 2,400 units annually over the next three years, 2,000 single-family units, 300 trailers, and 100 multifamily units to be provided at the lower rents possible only with public benefits or assistance in financing or land acquisition and cost. These demand estimates do not include public low-rent housing, rent-supplement accommodations, or housing provided by other types of direct subsidy.

   In order to accelerate absorption of the existing surplus of single-family sales housing, it is suggested that construction during the first year of the three-year forecast period not exceed about 1,500 single-family homes. During the second year, construction probably can be raised to 2,000 homes, and if the absorption of the surplus of existing houses and of new houses is satisfactory, construction during the third year probably can be raised to 2,500 single-family units. The demand for new single-family houses is distributed by area and by price classes in the tables on pages 21 and 22; the demand for multifamily housing is summarized on page 22.[1/]

7. There does not appear to be a need for additional nursing home beds in the county during the three-year forecast period.

8. Since mobile home increases in the county are not expected to be any greater than the gains since 1960, and since there were a considerable number of mobile home spaces vacant in February 1968, there does not appear to be a need for additional mobile home courts in the near future, unless a definite market demand can be shown in a superior location.

1/ See footnote, page 3.

ANALYSIS OF THE BREVARD COUNTY, FLORIDA, HOUSING MARKET AS OF FEBRUARY 1, 1968

(A supplement to the February 1, 1966 analysis)

Housing Market Area

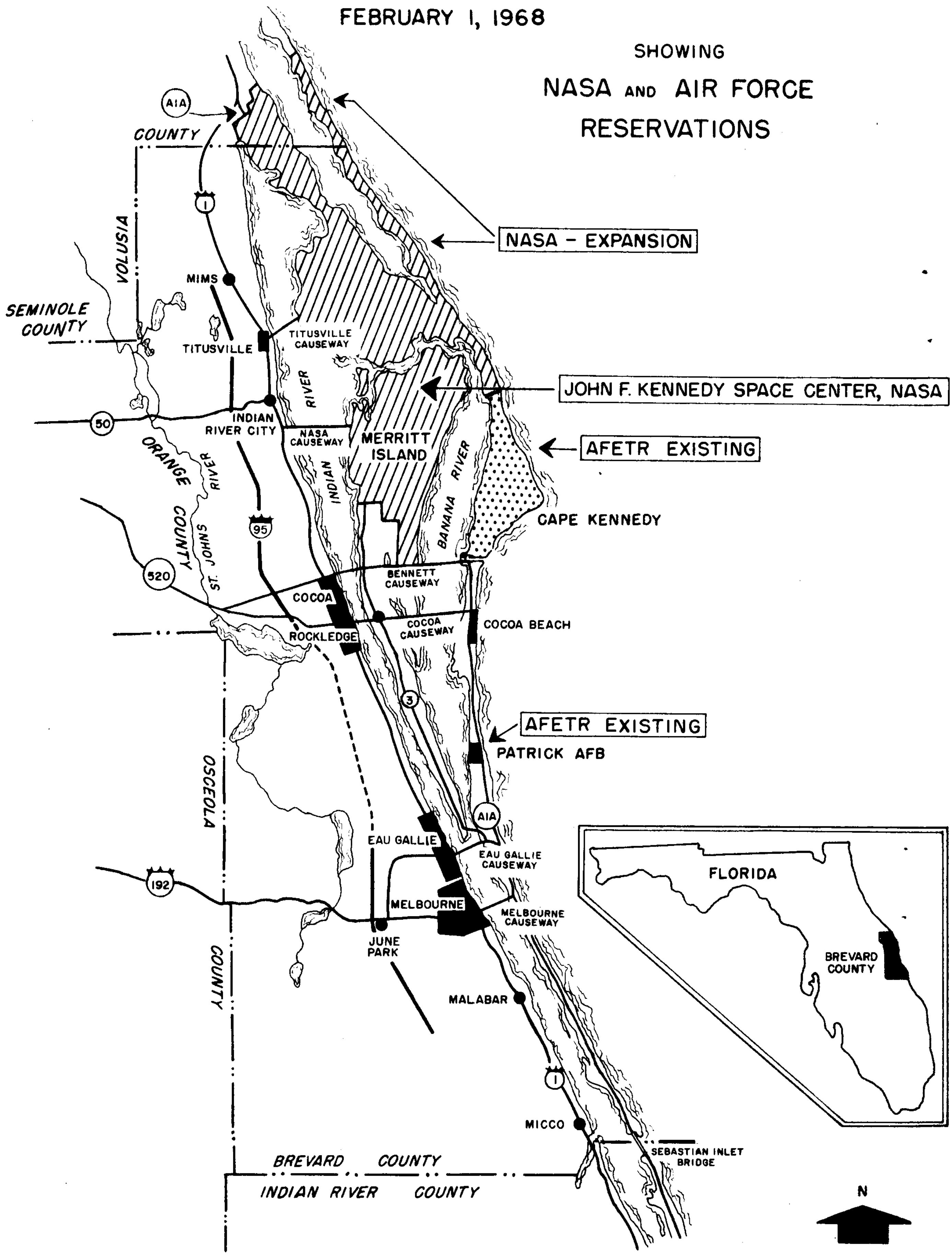
Brevard County in its entirety is considered as the Housing Market Area (HMA) for the purposes of this analysis (see map). The county had an estimated total population of about 207,000 persons in February 1966, of which less than one percent was rural farm population (See Appendix A, paragraph 1). About 50 percent of the population resided in the mainland area from the city of Cocoa southward to the county boundary, while 17 percent lived in the mainland area north of Cocoa to the northern boundary line. Approximately 22 percent lived on Merritt Island and the beach area between the southern boundary of Cape Kennedy and Patrick Air Force Base, while only 11 percent lived in the beach area below Patrick AFB.

Since February 1, 1966, some additional improvement has been made in transportation facilities in the HMA. Construction of Interstate 95 is progressing and final completion is expected by 1969. The bridges on the four-lane Cocoa Causeway have been widened to four lanes since 1966. Highway bottlenecks remain, however, because the Titusville, Bennett, Eau Gallie, and Melbourne Causeways are still only two lane facilities. Two highway proposals are now being discussed by county and state officials: the "Beeline" highway, a four-lane highway connecting the Bennett Causeway to the Orange County Expressway, and the Max K. Rodes Causeway just south of Patrick AFB, which would connect Route A1A on the beaches with Interstate 95 on the mainland. Additional commercial air service will become available in the county within a year or so. The north-south runway of the Titusville-Cocoa (TiCo) Airport is being lengthened and the terminal facilities are being expanded.

Because of the size of Brevard County and its skewed growth pattern, the HMA has been divided into five areas for presentation of demographic, housing, and demand data. They are: (1) the North Mainland area--Titusville City and the surrounding unincorporated area; (2) the Central Mainland area--Cocoa and Rockledge Cities and the contiguous unincorporated area; (3) the South Mainland area--Eau Gallie and Melbourne and the unincorporated area from Melbourne south to the county line; (4) the North Beach area--Cape Canaveral, Cocoa Beach, non-government owned land on Merritt Island, and the unincorporated area from Cape Kennedy to the southern boundary of Patrick AFB; and (5) the South Beach area--Satellite Beach, Indialantic, Melbourne Beach, and the unincorporated area from Patrick AFB south to the county line.

BREVARD COUNTY, FLORIDA, HOUSING MARKET AREA

FEBRUARY 1, 1968



Economy of the Area 1/

Character

The economy of Brevard County is dominated by firms engaged in missile and spacecraft research, development, and testing. As of December 31, 1967, about 40 percent of a total of 86,500 nonagricultural wage and salary workers in the HMA were engaged in some type of missile- or space-oriented activity. In addition, there were nearly 4,100 uniformed military personnel stationed in the county, most of whom also were connected with the missile and space programs.

The rapid population and employment growth in the county since 1960 has caused substantial increases in the support industries such as trade, services, and local government. Manufacturing in the HMA has been dominated primarily by missile- and space-oriented production, but there has been an increasing number of firms established in the area engaged in non-aerospace production. A growing sector of the Brevard County economy has been the tourist industry. This growth has been accelerated by the opening of the NASA Interim Visitor Information Center on Merritt Island. Since the opening of the Center in July 1966, slightly over 843,000 persons have visited the space installations on Merritt Island and Cape Kennedy. This total includes 733,000 persons who toured the installations on the Trans World Airlines-operated bus tours and 110,000 persons who toured the space centers in their own automobiles. Daily tour attendence at the Visitor Center has been averaging around 1,100 to 1,300 persons. The National Park Service has estimated that 1,300,000 persons will tour the space centers in 1969.

A nearby tourist attraction which probably will have a great impact on the tourist trade in Brevard County is the Disney World development, scheduled to open in January 1971. Disney officials estimate that 6.7 million people will visit this new facility in the first year of operation. Disney World will be located near Kissimmee, some 50 to 60 miles west of Cocoa, and it appears reasonable to assume that some portion of the many visitors to the Disney facility will be attracted to the missile and space installations in Brevard County (and vice versa).

1/ The projections of employment, population, households, and future demand for housing presented in this analysis are based on data available as of February 1, 1968 and are subject to the increasing possibility of major changes in national space goals and objectives as related to budget requirements and allocations as determined by the Congress and the Administration. For that reason, estimates of future trends in employment, population, and housing demand may be affected substantially, and housing construction programs should be geared closely to changes which may occur in the space program.

Employment

Current Estimate and Recent Trend. Total nonagricultural employment in Brevard County averaged 96,700 in 1967, representing an increase of 15,700 workers (19 percent) over the 1965 total of 81,000. During the 1965-1967 period, nonagricultural wage and salary employment increased by 15,000 (22 percent) and all other nonagricultural employment by 700 (six percent). In addition, agricultural employment totaled 1,300 workers in 1967, a gain of 300 (30 percent) over the 1965 level (see table I).

Virtually all of the 1965-1967 nonagricultural wage and salary employment increase occurred in manufacturing, trade, services, and government. Manufacturing industries were the employment leaders with a two-year gain of 6,500 workers, concentrated in the ordnance and electrical equipment and the transportation equipment industries, which are closely allied with aerospace activities in the area. Employment in services grew by 5,800 workers and the various governmental agencies in the county added 2,700 employees (see table I). Almost all of the gains over the 1965-1967 period were attributable to increases in aerospace employment.

The only other substantial gain during the 1965-1967 period was in trade, which grew by 1,700 workers. Virtually all of this gain reflected increases at retail trade establishments. The finance, insurance, and real estate industry showed gains of 300 employees during the period and the transportation, communications, and public utility group increased employment by 500.

The only industry in which employment declined was contract construction, which decreased by 2,500 (26 percent) from 9,700 in 1965 to 7,200 in 1967. The large 1965-1967 loss reflects the rapidly diminishing needs for construction workers by the AFETR and NASA; most of the major construction work on Merritt Island and Cape Kennedy has been completed.

Aerospace Employment Impact. The impact of aerospace employment on the economy of Brevard County, though declining for a number of years, is still of high magnitude. It is estimated that the NASA payroll is $260 million annually and $240 million for the AFETR. During the September 1965-December 1967 period, total civilian aerospace employment (consisting of all civil service, contractor, and construction personnel of the U.S. Armed Forces and NASA) increased from about 32,800 to 36,400 persons, a gain of 3,600. During the same period, total nonagricultural wage and salary employment grew from 71,200 in September 1965 to 86,500 in December 1967, a gain of 15,300. A comparison of total wage and salary employment with aerospace employment indicates that the relative direct impact of civilian aerospace personnel on the economy has decreased from about 46 percent in September 1965 to 42 percent in December 1967; in 1960, the ratio was about 51 percent. Inasmuch as the number of military personnel in the county has remained fairly steady during the past several years (around 4,100), the relative impact from this segment also has decreased.

AFETR-NASA Employment. As of December 31, 1967, the combined permanent civilian employment (excluding military and construction workers) at AFETR and NASA facilities in Brevard County was approximately 34,360 personnel, including 9,463 for the AFETR and 24,897 for NASA. NASA employment has increased rapidly since 1965 and has provided all of the combined AFETR-NASA growth; employment at the AFETR has declined substantially since 1965.

The following table presents AFETR and NASA permanent civilian employment totals for the 1965-1967 period.

AFETR and NASA Permanent Employment [a/]
Brevard County, Florida, 1965-1967

				Annual change		
Date	AFETR	NASA	Total	AFETR	NASA	Total
September 30, 1965	14,289	13,305	27,594	-	-	-
December 31, 1966	11,778	20,782	32,560	-2,511	7,477	4,966
December 31, 1967	9,463	24,897	34,360	-2,315	4,115	1,800

a/ Excludes construction workers and uniformed military personnel.

Sources: AFETR and NASA reports.

The employment decline at the AFETR over the 1965-1967 period was the result of the phase-out of some of the major programs of the Air Force. The large employment gains experienced by NASA during the past two years resulted from the continuing personnel build-up for the Apollo/Saturn V lunar program. Table II presents the location within Brevard County of AFETR-NASA employment during the 1965-1967 period, with projections to 1971.

AFETR-NASA Construction Employment. From a level of about 5,200 workers as of September 30, 1965, AFETR- and NASA-connected construction employment plummetted to about 1,250 in December 1966, a reduction of 76 percent. This large loss reflected the elimination of many construction jobs in the area as most of the NASA facilities on Merritt Island were completed, e.g., the Vehicle Assembly Building, Launch Complex 39, and the industrial complex. By December 31, 1967, however, construction employment had increased to 2,050 workers, a result of new building projects on the Cape (the Bio-Astronautical Building, the U. S. Army "Dragon Weapon" range, modifications of launch pads, and facilities for the U. S. Navy "Poseidon" program) and the construction of Pad "B" at Launch Complex 39 at the Kennedy Space Center.

Unemployment

Unemployment in Brevard County has been at low levels for the past several years. During the entire 1963-1967 period, the unemployment rate ranged between 1.8 percent and 2.1 percent of the civilian work force. In 1967, the Florida State Employment Service estimated that 2.0 percent of the total civilian work force was unemployed (see table I).

Future Employment Prospects

AFETR-NASA Prospects. During the three-year period ending in fiscal year 1971, only a small net employment gain is anticipated for the AFETR and NASA; a large gain in civil service employment will be almost completely offset by large losses of contractor employees. The most current projections indicate that civil service employment in Brevard County will increase by 1,050 by the end of FY 1971. This large gain reflects, primarily, the replacement of military personnel in non-military jobs by civil service employees; however, a small portion of the civil service gain will be attributable to additional work force needs for the NASA lunar program. During the same period, aerospace contractor employment is projected to decline by nearly 1,000 workers, a reflection of the reduction of research and development contractor work forces at the Cape and at the Kennedy Space Center. Thus, the total net permanent civil service and contractor employment increase during the next three years is only 50 jobs. The U. S. Armed Forces are projecting a gain of 570 uniformed military personnel in the county during the forecast period (see table II).

Projections of AFETR- and NASA-connected construction employment indicate that there will be a continual loss during the next three years. From a level of 2,050 workers in December 1967, the number of construction workers is expected to decrease by 950, to a total of nearly 1,100 employees by the end of FY 1971.

In summary, AFETR-NASA civil service employment in Brevard County will increase by almost 1,050 employees by the end of FY 1971, but this large gain will be completely offset by a substantial loss of 1,000 aerospace contractor jobs and a decrease of 950 aerospace construction workers. Thus, during the three-year forecast period, there will be a total net loss of about 900 aerospace jobs in the HMA.

It should be noted that AFETR-NASA projections of future manpower needs can be changed very quickly. Such changes can be brought about by budget cuts, changes in defense and space exploration goals, and other variables of this nature. In view of present administration and congressional policies, however, the projections appear to be reasonable.

Total Employment Prospects. Despite the large losses of aerospace contractor and construction jobs expected to occur in the county, substantial employment gains totaling about 11,650 (3,875 a year) are anticipated over the forecast period. 1/ All industries, except construction, are expected to show gains, but most of the growth is anticipated in manufacturing, trade, services, and government.

The largest single gain in future employment is expected to occur in manufacturing with a projected increase of about 3,000 jobs (1,000 a year), about half of which will occur in the ordnance and electrical equipment industry. Although some of the increase in this industry will be attributable to aerospace production, about one-half of the gain will be contributed by the staffing of the new McDonnell Aircraft defense plant near Titusville. It is expected that the new U. S. Army anti-tank "Dragon Weapon" will be produced there. About half of the remaining projected growth in manufacturing will be in the transportation equipment industry, a reflection of the continuing production of aerospace components for the existing AFETR-NASA programs. The rest of the manufacturing gain will be contributed by several of the smaller non-aerospace manufacturers in the area.

Government employment is expected to increase by approximately 2,750 jobs (about 915 a year), with over a third of this gain consisting of additional civil service personnel at Patrick AFB and the Kennedy Space Center. The remainder of the growth will occur in state and local governmental agencies. Additional needs for educational personnel will account for a large portion of this gain.

Jobs in the trade and service industries are expected to increase significantly. Trade employment is projected to grow by 2,400 during the forecast period, an average annual gain of 800 jobs. This increase reflects the staffing of new establishments recently completed or under construction. Employment at various service establishments in the county will grow by 3,000 (1,000 annually). Growth in trade and services not only is a reflection of the staffing of new facilities and increased demand from a growing population, but also

---

1/ AFETR-NASA employment projections are compiled on a fiscal year basis, but this does not necessitate the modification of total employment prospects for the February 1968-February 1971 period since anticipated aerospace employment changes will occur by February 1, 1971.

is a reflection of the need of these two industries to catch up with past growth; these industries have lagged behind the needs of the area for several years. Finally, moderate gains are anticipated for all other industries in the county with the exception of the construction industry. Construction employment will decline by about 1,000 jobs (335 a year) over the forecast period, a result of decreased aerospace construction needs.

The employment increase of 11,650 jobs forecast for the February 1968-February 1971 period represents an annual gain of approximately 3,875. The projected yearly increase is considerably below the gains of the 1965-1967 period which averaged about 7,850 a year and the gains of the 1960-1965 period when employment increased by about 7,975 annually. The substantial employment increases in the county which occurred during the entire 1960-1967 period resulted, however, from very significant gains in aerospace employment; the most current information indicates that aerospace employment in the HMA will decline considerably during the forecast period. A comparison of aerospace and non-aerospace employment gains during the 1960-1967 period shows that non-aerospace jobs increased by an average of nearly 4,700 a year. The projected increase is substantially below this average and reflects a lessening of demand for some support type industries because of the loss of aerospace jobs.

Incomes

As of February 1, 1968, the estimated median annual income of all families in Brevard County, after deduction of federal income taxes, was about $9,000; the median income of all renter households of two or more persons was $7,650. About 42 percent of all families in the area had after-tax incomes in excess of $10,000 a year, while 14 percent earned yearly incomes of $4,000 or less. By 1971, the median annual after-tax income of all families in the area is expected to rise to $9,800, while the median after-tax income of all renter households is expected to approximate $8,300 (see table III).

Demographic Factors

Population

Current Estimate and Past Trend. The estimated total population of Brevard County was approximately 239,000 persons as of February 1, 1968, an increase of 32,000 (16 percent) since February 1, 1966, an average of 16,000 persons annually. Between April 1960 and February 1, 1966, the population in the county grew by 16,375 persons a year. The very large population gains in the HMA since 1960 have been caused, primarily, by the rapid employment growth of the AFETR and NASA, which brought nearly 20,800 aerospace personnel into the area during the past seven years. These large gains caused accelerated growth in all industries in the county.

As shown in the following table, nearly a third of the 1966-1968 population gain in the county occurred in the North Beach area which grew by 10,200 persons (23 percent). Close behind was the North Mainland area which accounted for slightly over a fourth of the total gain, 8,400 persons (24 percent). Both of these areas have been the growth leaders for several years, reflecting their proximity to the AFETR-NASA facilities on Merritt Island and the Cape.

The Central and South Mainland areas accounted for a third of the 1966-1968 population growth, with the Central Mainland area gaining 4,750 persons (14 percent) and the South Mainland area gaining 5,400 (nine percent). Growth in both of these areas has been somewhat below past trends, however, reflecting a leveling out of employment growth in the South Mainland area and a public utilities problem in the Central Mainland area which inhibited growth to a small degree. The slowest growing area in the county has been the South Beach, where gains since 1966 totaled only 2,250 persons (ten percent).

Population Trends
Brevard County, Florida
February 1, 1966-February 1, 1971

	Feb. 1, 1966	Feb. 1, 1968	Feb. 1, 1971	Change 1966-1968 Number	Percent	1968-1971 Number	Percent
North Mainland	35,150	43,550	51,500	8,400	23.9	7,950	18.3
Central Mainland	40,900	46,650	51,500	5,750	14.1	4,850	10.4
South Mainland	62,950	68,350	73,200	5,400	8.6	4,850	7.1
North Beach	45,250	55,450	67,700	10,200	22.5	12,250	22.1
South Beach	22,750	25,000	27,100	2,250	9.9	2,100	8.4
County Total	207,000	239,000	271,000	32,000	15.5	32,000	13.4

Source: Estimates by Housing Market Analyst.

Future Population Growth. On the basis of anticipated employment gains totaling 11,650 during the next three years, the total population in Brevard County is expected to increase by about 32,000 (13 percent) to a February 1971 total of 271,000 persons. On an annual basis, the prospective growth will be approximately 10,675 a year, significantly below the 16,000 average annual gain of the 1966-1968 period and the 16,375 average yearly increase of the 1960-1966 interval.

The data presented in the preceding table, when converted to an annual basis, indicate that all areas in the county will grow at a substantially reduced annual rate. The fastest growing areas will continue to be the North Mainland and North Beach areas.

Households

Current Estimate and Past Trend. Since February 1966, the number of households (occupied housing units) in Brevard County has increased by about 9,400 (15 percent) to a February 1, 1968 total of 70,500 households, an annual gain of about 4,700. Between April 1960 and February 1966, household growth averaged about 4,875 a year. The greatest rates of household gain occurred, of course, in the areas of most rapid population growth.

Household Trends
Brevard County, Florida
February 1, 1966-February 1, 1971

				Change			
				1966-1968		1968-1971	
	Feb. 1, 1966	Feb. 1, 1968	Feb. 1, 1971	Number	Percent	Number	Percent
North Mainland	10,100	12,500	14,800	2,400	13.8	2,300	18.4
Central Mainland	11,850	13,500	14,800	1,650	13.9	1,300	9.6
South Mainland	18,850	20,400	21,900	1,550	8.2	1,500	7.4
North Beach	13,650	16,800	20,600	3,150	23.1	3,800	22.6
South Beach	6,650	7,300	7,900	650	9.8	600	8.2
County total	61,100	70,500	80,000	9,400	15.4	9,500	13.5

Source: Estimates by Housing Market Analyst.

Future Household Growth. On the basis of anticipated population gains and average household size, the number of households in the county is expected to increase by 9,500 (14 percent) to a total of 80,000 as of February 1, 1971. The prospective increase represents a gain of 3,165 a year, considerably below both the 1966-1968 average annual increment of approximately 4,700 households and the 1960-1966 yearly gain of 4,875. The largest annual increases are expected to occur in the North Mainland (775) and the North Beach (1,275) areas.

Household Size. The average size of households in the HMA as of February 1, 1968, was estimated at about 3.35 persons, about the same as the 1960 and 1966 averages. It is anticipated that household size will remain at about the 1968 level of 3.35 persons during the three-year forecast period.

Housing Market Factors

Housing Supply

As shown in table IV, there were about 76,700 housing units in Brevard County as of February 1, 1968, a net addition of 8,600 units since February 1966. The net inventory increase resulted from the completion of about 8,600 new housing units, the addition of nearly 350 trailers, and the loss by demolition and casualty of 350 units. About 60 percent of the inventory gain occurred in the North Mainland and North Beach areas.

Residential Building Activity

The number of new housing units authorized by building permits has been declining for a number of years. As shown in table V, over 4,575 new housing units were authorized in 1965, 4,050 in 1966, and 3,450 in 1967, a decrease of 25 percent during the two-year period. 1/ Construction in all areas of the county declined; the North Mainland area dropped by 23 percent, the Central Mainland area by 26 percent, the South Mainland area by 31 percent, the North Beach area by 21 percent, and the South Beach area by 32 percent. The decline in the construction volume in the past two years resulted from the tight mortgage market conditions in 1966 and the continuing over-supply of units on the market.

The number of single-family houses authorized in the county decreased by nearly 21 percent, from a total of around 3,550 in 1965 to 2,825 in 1967. All of the mainland areas showed losses during the past two years, with the North Mainland area experiencing the greatest loss of 43 percent from 1,350 homes in 1965 to 770 units in 1967. In contrast, the North Beach area showed an increase of 13 percent in single-family construction, while the South Beach area maintained a fairly stable yearly volume (see table V).

The greatest drop in new construction activity in the HMA has been in units in multifamily buildings. Between 1965 and 1967, the number of new multifamily units authorized declined by 39 percent, from about 1,025 units in 1965 to nearly 620 units in 1967. The beach areas showed the largest decline; multifamily construction in the North Beach communities decreased from 550 units in 1965 to only 140 units in 1967 (74 percent) and the South Beach areas dropped from 110 units to virtually none during the same period. The only area in the county in which there was an increase was the North Mainland area where construction more than tripled, from 105 units to 360 units during the 1965-1967 period. This large increase resulted, primarily, from

1/ The building permit system in the HMA covers the entire land area of the county.

construction in the rapidly-growing city of Titusville. In January 1968, nearly 400 multifamily units were authorized in Brevard County, but this reflected the authorization of three special projects, one of 156 units for the elderly in Melbourne, one of 65 rent-supplement units in Melbourne, and one of 85 rent-supplement units on Merritt Island (see table V).

As in the past, most of the new construction activity has been in the North Mainland and North Beach areas. These two areas accounted for nearly two-thirds of all units authorized in the entire county during the past two years. The Central and South Mainland areas each accounted for 15 percent of the total volume, while construction in the South Beach area represented only about six percent of the total.

Units Under Construction. On the basis of a postal vacancy survey conducted in the HMA during February 1968, on building permit data, and on data compiled by the Southern Bell Telephone Company, it is judged that there were approximately 830 units in some stage of construction in the county on February 1, 1968. Of these units, about 430 (52 percent) were single-family houses and 400 were multifamily units, including 54 units of public housing.

Losses to the Inventory. Housing losses in the HMA since February 1966 have totaled about 350 units, 250 single-family and 100 multifamily units. Nearly three-fourths of these losses occurred in the mainland areas. During the forecast period, about 115 units a year are expected to be lost through code enforcement programs and casualty losses.

Tenure of Occupancy

There were 70,500 occupied housing units in Brevard County as of February 1, 1968, of which 52,100 units, 73.9 percent, were owner-occupied This ratio is about the same as that in February 1966 (see table IV).

Vacancy

Postal Vacancy Survey. During the month of February 1968, a postal vacancy survey was conducted by ten post offices in Brevard County. The survey covered slightly over 95 percent of the housing inventory (including trailers) in the HMA. As shown in table VI, about 3,150 units were vacant out of about 66,725 total possible deliveries, a vacancy ratio of 4.7 percent. Of the total vacant units, approximately 2,075 were vacant residences, 3.7 percent of all deliveries to residences, and nearly 1,075 were vacant apartments, 10.8 percent of all deliveries to apartments. In addition, about 340 trailers out of nearly 6,525 surveyed were vacant, a vacancy ratio of 5.2 percent. Approximately 620 residences and 340 apartments were reported to be under construction at the time of the survey.

The data in table VI indicate the variations in the vacancy situation among the several sections of the county. Vacancies were highest in the South Mainland area, particularly in Eau Gallie with 350 (4.1 percent) vacant and in Melbourne with 340 (3.2 percent) vacant. Closely following these areas were Merritt Island with 310 vacant residences, (4.4 percent), Titusville with 310 (4.5 percent), and Cocoa with 250 (3.4 percent). The North and South Beach areas accounted for over 62 percent of all apartment vacancies recorded; Merritt Island was the leader with 240 (16.4 percent) vacant, followed by Satellite Beach with 190 (14.6 percent), and by Cape Canaveral with 160 (9.7 percent). The mainland cities of Cocoa, Eau Gallie, and Melbourne, each had about 100 vacant apartments.

Brevard County has been surveyed fairly regularly over the past few years, and the following table presents comparisons between the most current postal vacancy survey (February 1968) with those conducted in the past.

Summary of Results
Post Office Vacancy Surveys
Brevard County, Florida
1965-1968

Date of survey	Total units surveyed	Units vacant	Percent vacant
November 1965	60,295	4,390	7.3
January 1967	65,486	3,599	5.5
February 1968	66,733	3,145	4.7

Source: Postal vacancy surveys conducted by collaborating postmasters.

The data in the preceding table indicate a continuing improvement in the vacancy situation in the county since November 1965. This improvement reflects the reduction in building in the area since 1965, a result of the over-supply of units on the market and the tight mortgage market conditions in 1966. A more detailed examination of the postal vacancy survey results indicates that the greatest improvement was in the apartment category. Although the volume of construction of both single-family and multifamily units declined since 1965, the decrease was larger in the multifamily sector. Thus, the decline in new apartment construction and a recent increase in apartment occupancy caused by the high cost of home mortgage funds in the area and a deferment of home buying by persons uncertain about future aerospace employment in the county helped to reduce the number of apartment vacancies (see Appendix A , paragraph 7).

Current Estimate. On the basis of postal vacancy survey results, other surveys, and information from local realtors, mortgagees, and project managers, it is judged that there were approximately 3,600 available vacant housing units in Brevard County as of February 1, 1968, an overall net vacancy ratio of 4.9 percent. Of the total number of available vacancies, about 1,675 were for sale, a homeowner vacancy ratio of 3.1 percent, and 1,925 were for rent, a rental vacancy ratio of 9.5 percent (see table IV). Virtually all of these available vacancies were considered acceptable and competitive from the standpoint of not being dilapidated or lacking one or more plumbing facilities.

The February 1968 vacancy ratio of 4.9 percent represented a considerable improvement in the market during the past 24 months; the net available vacancy in February 1966 was estimated at 7.0 percent. Both sales and rental vacancies in 1968 were below the levels of 1966. Sales vacancy declined from 4.2 percent in February 1966 to 3.1 percent in February 1968; the rental vacancy ratios were 14.2 percent in 1966 and 9.5 percent in 1968 (see table IV). Despite the continued high growth of Brevard County and the substantial decline in vacancies, the February 1968 sales and rental vacancy ratios still were considerably above those which represent a balanced market.

Sales Market

General Market Conditions. The market for new and existing sales housing in Brevard County has improved somewhat during the past two years. This is evidenced by the decline in sales vacancies from 4.2 percent in February 1966 to 3.1 percent in February 1968. The improvement probably was the result of a decreased building volume (the 1967 building volume was 12 percent below the 1966 level and 21 percent below the 1965 volume), which resulted in part at least from the restrictions placed on the issuance of conditional commitments by both federal and private organizations. Although the overall sales market was fairly firm in February 1968, there were several locations within the county which showed some weakness.

The Central Mainland and North Beach areas had strong sales markets during the summer and fall of 1967, but the market slackened somewhat during the winter. The North Mainland area exhibited a similar pattern. Most realtors and mortgagees interviewed agreed that a continuing high cost of mortgage money and an uneasiness in the area about the future of space activities in the county were the main factors behind the minor downturn. The South Mainland area showed considerable improvement in the late 1967-early 1968 period, but this market may well slacken in the near future, because employment at most of the larger firms in the area has leveled off. The market in the South Beach areas has been fairly stable during the past several years.

Unsold Inventory Surveys. Some important market characteristics, such as price trends, speculative construction volume, and unsold inventory trends can be gained from the annual unsold inventory surveys conducted by the Tampa Insuring Office. Such surveys were conducted as of January 1, 1967 and 1968 (see table VII). The surveys covered only subdivisions in which five or more houses were completed in the twelve months preceding the survey date. Despite this limitation, a comparison of survey totals with estimated housing completions for the years 1966 and 1967 suggests that virtually all new homes completed were covered by the surveys.

The surveys revealed that about 46 percent of a total of 2,742 houses completed in 1967 were located in the North and Central Mainland areas (Titusville, Cocoa, and Rockledge) and 28 percent were on Merritt Island. In 1966, the North and Central Mainland areas accounted for nearly 61 percent of the 3,506 houses enumerated, while the total for Merritt Island represented less than one-fifth of the completions. The only areas to register an increase in the total number of houses completed during 1966 and 1967 were Cocoa Beach and Merritt Island.

Of the 2,742 units enumerated in the January 1968 survey of 1967 completions, 1,550 (57 percent) were built speculatively, of which 365 remained unsold at the time of the survey, a ratio of unsold to completed speculative houses of 23.5 percent. The comparable 1967 survey revealed that 2,141 (61 percent) of a total of 3,506 completions in 1966 were speculatively built. A total of 284 units remained unsold in January 1967, an unsold ratio of 13.3 percent. A ratio of about 16 percent, suggesting an inventory of about 60 days supply, may be considered reasonable.

Of the 365 unsold houses completed in 1967, 68 percent (249) had been unsold for three months or less, 16 percent (59) for four to six months, and 16 percent (57) for six to twelve months. Another 12 homes had been available for twelve months or more, of which 10 were located in the Cocoa-Rockledge area.

Of the 284 unsold units completed in 1966, about 84 percent (237 houses) had been on the market three months or less, 11 percent (33 houses) had been completed for four to six months, and five percent (14 units) had been for sale for six to twelve months. In addition, 11 homes had been on the market for twelve months or more, with 10 of these located in the Cocoa-Rockledge area.

As shown in the following table, there has been a substantial increase in the number of units priced to sell in the higher price ranges ($20,000 and above). The January 1967 survey indicated that nearly 39 percent of all 1966 completions were priced at $20,000 and above; the 1968 survey showed almost 56 percent in that range. The proportions of new homes in the price ranges below $20,000 generally declined between the 1967 and 1968 survey dates. Rising land, labor and material costs, as well as the increased demand for more amenities by home buyers, caused the large increase in prices.

Distribution of New Houses Completed by Sales Price
Brevard County, Florida, 1966 and 1967

Sales price	Percent of total completions 1966	1967
Under $12,500	2.7	3.1
$12,500 - 14,999	8.6	3.5
15,000 - 17,499	24.1	19.1
17,500 - 19,999	25.9	18.5
20,000 - 24,999	26.1	30.8
25,000 or more	12.6	25.0
Total	100.0	100.0

Source: Unsold inventory surveys conducted by Tampa Insuring Office.

Of the total unsold homes enumerated in the January 1968 survey which were on the market for less than twelve months, approximately 63 percent were priced in the $17,500 to $25,000 price range; in the January 1967 survey, about 48 percent of the unsold homes were in that price range. The $12,500 to $17,500 price class accounted for 42 percent of the 1967 unsold units and 20 percent of the 1968 unsold inventory. There was an increase in the proportion of unsold houses priced above $25,000, with the 1967 survey showing ten percent unsold compared with fourteen percent in 1968.

Rental Market

General Market Conditions. The rental market in Brevard County has improved considerably during the past 24 months, as evidenced by the decline in rental vacancies from 14.2 percent in February 1966 to 9.5 percent in February 1968. The 1968 rental vacancy ratio indicated, however, that the market was still over-supplied. The significant improvement in the market was the result of a large decline in new multifamily construction during the past two years (a drop of 39 percent) and possibly the occupancy of rental units by families who have deferred purchase of a home until mortgage market conditions become more favorable and until the future employment outlook becomes firmer.

The rental market in the county was quite competitive in February 1968; most of the vacant rental housing were in projects built since 1962. Much of this rental housing is concentrated in the beach areas (including Merritt Island). Occupancy reports from FHA-insured developments and a special survey of conventionally-financed apartments conducted by the FHA revealed that vacancy in over 2,775 apartment units located in the North and South Beach areas was about 19 percent in February 1968. Also those FHA-insured projects which were in financial difficulties in February 1968 are located in the beach areas, a reflection of the very competitive nature of this market.

The mainland communities were the strongest rental markets in February 1968, particularly the Central and South Mainland areas. The North Mainland area, mainly Titusville, has had a fairly firm market for several of the past few years, but the market weakened somewhat in the late 1967-early 1968 period because of some overbuilding.

The 2,775 units covered in the two occupancy surveys mentioned above had typical rents (including only water, sewer, and trash collection) ranging as follows for unfurnished units located in various mainland and beach communities.

Rental Ranges for Unfurnished Garden Apartments
Brevard County, Florida
February 1, 1968

Area	Efficiency	One-bedroom	Two-bedroom	Three-bedroom
Titusville	$100-$115	$110-$145	$125-$190	---
Cocoa	100- 115	115- 120	130- 155	$175
Melbourne	100	100- 125	125- 145	175
Cape Canaveral	90- 108	100- 130	115- 145	165-$187
Cocoa Beach	100	140- 155	150- 200	220
Merritt Island	100-118	110- 130	120- 150	160- 170
South Beach	---	100- 137	129- 150	155- 175

Rental Housing Under Construction. As of February 1, 1968, there were about 345 privately-financed garden apartments in some stage of construction in the county. Approximately 220 of these units were located in the Titusville area, 80 units in the North Beach area, 40 in the Central Mainland area, and five in the South Mainland area. Most of these units should be completed by mid-summer 1968. Also, there were 54 public housing units under construction in Melbourne.

In addition to the rental units under construction in February 1968, two commitments were outstanding on about 150 units of rent-supplement housing. One of these projects will be built on Merritt Island and will contain 85 units; the other, in Melbourne, will consist of 65 units. Two other rent-supplement projects totaling 190 units were in the planning stage in February 1968. One project of about 150 apartments will be located in Melbourne and the other 40-unit development will be in Titusville. Additional public low-rent housing for the elderly totaling 121 units will be started in Titusville during 1968.

Military Housing

There were 1,682 on-base housing units at Patrick AFB as of February 1, 1968, including 999 Capehart units, 680 Wherry units, and three appropriated fund housing units. All but three of these units were considered adequate as quarters, and all adequate quarters were occupied. There appears to be no need for additional military housing in Brevard County, as the private market is capable of taking care of the moderate military personnel increases projected for the next three years.

Public Housing

As of February 1, 1968, there were 911 public housing units in operation in Brevard County, including 75 units for the elderly. All of these units were occupied and the Brevard County Housing Authority reported a waiting list of over 800 persons. In addition, there were 54 units (including 16 for the elderly) under construction in Melbourne in February 1968. Construction should begin in June 1968 on a 121-unit, high-rise housing project for the elderly in Titusville. Also, the housing authorities of Brevard County and Eau Gallie City had obtained reservation approval for 290 additional units for the elderly, and the cities of Titusville and Melbourne were planning for an additional 400 units of public housing.

Demand for Housing 1/

Quantitative Demand

Annual demand for additional housing in Brevard County during the three-year period from February 1, 1968 to February 1, 1971, is based on an expected increase of about 9,500 households (of which about 900 will represent households in trailers), on the need to replace a small number of housing units expected to be lost from the inventory, and on the need to reduce the substantial number of vacancies which were on the market in February 1968 to levels consistent with the long-term needs of the area. Consideration also is given to the existing tenure composition of households and to the number of units under construction in the county.

To accommodate the anticipated household increase and to allow for expected occupancy and inventory changes, an average of approximately 2,100 additional housing units will need to be added in each of the next three years. This rate of addition is significantly below the 1967 volume of about 3,450 units, and is more substantially below the 4,575 and 4,050 units authorized in 1965 and 1966, respectively. This considerable reduction in the building volume will be required if a continuing surplus of housing is to be avoided.

Market conditions existing in February 1968 indicated that additions to the inventory to meet the anticipated demand for an average of 2,100 units annually should include 2,000 single-family houses and 100 multifamily units; all of the demand for multifamily units is at the lower rents possible only with public benefits or assistance in financing or land acquisition and cost. The demand estimates do not include public low-rent housing, rent-supplement accommodations, or housing provided by other types of direct subsidy. The projected annual demand for an average of 2,000 single-family units over the next three years is substantially below any of the yearly building volumes of the 1961-1967 period. Lower levels of single-family house construction are necessary to prevent a continuing accumulation of surplus sales housing on the market. It must be recognized, however, that there has been an over-supply of sales housing in the county for some time and that the attainment of a balanced demand-supply market for all types of sales housing will be gradual.

The satisfaction of the average annual demand for single-family houses and the gradual reduction of the surplus of sales housing on the market can be accomplished most effectively with a severely reduced rate of construction during the early part of the forecast period.

1/ See footnote on page 3.

An orderly rate of production in each of the next three years to accomplish the objective of a balanced market probably will be realized best by the construction of 1,500 single-family units in the first year of the forecast period, 2,000 units in the second year, and 2,500 units in the third year. Close observation of the absorption of new houses should be maintained. If sales during the first year of the forecast period are not strong, reductions in the demand estimates for the second and third years may be necessary.

Much of the surplus of vacant single-family houses is concentrated in the mainland areas, particularly the North and Central Mainland areas. Construction in these areas should be reduced considerably so that the surplus may be absorbed more rapidly. Although the North Beach area has, in the past, been heavily over-supplied with single-family houses, the strength of this market in the recent past has helped to eliminate much of the surplus; thus, a smaller reduction of new building activity is indicated. In order to satisfy the demand for new single-family houses, while attaining a more balanced demand-supply relationship in the market, the graduated construction volume should be distributed by area approximately as shown in the following table.

Estimated Annual Demand for New Single-Family Houses by Location
Brevard County, Florida
February 1, 1968 to February 1, 1971

Area	Year beginning February 1, 1968	1969	1970
North Mainland	375	500	625
Central Mainland	225	300	375
South Mainland	225	300	375
North Beach	600	800	1,000
South Beach	75	100	125
Total	1,500	2,000	2,500

The estimated annual demand for 100 multifamily units to be provided at the lower rents which probably can be attained only with some form of public benefits or assistance in financing or land acquisition and cost reflects the need to supply a demand which has not been fully satisfied in the past. Construction of additional multifamily units at the higher rents necessary with market-interest-rate financing does not appear to be warranted now. The high rental vacancy rate, the number of apartment units under construction, and the number of units now planned or committed, assure an adequate supply of such rental facilities over the forecast period.

Qualitative Demand

Single-family Housing. Based on the 1968 after-tax income of families in the county, on typical ratios of income to purchase price, and more especially on recent market experience, the three-year demand for 6,000 single-family houses is expected to approximate the patterns shown in the following table for each year in the forecast period. It is judged that acceptable single-family houses cannot be produced in the county to sell for much less than about $10,000.

Estimated Annual Demand for New Single-family Houses by Price Class
Brevard County, Florida
February 1, 1968 to February 1, 1971

Price range	Year beginning February 1, 1968	1969	1970
Under $12,499	45	60	75
$12,500 - 14,999	75	100	125
15,000 - 17,499	330	440	550
17,500 - 19,999	330	440	550
20,000 - 24,999	360	480	600
25,000 - 29,999	270	360	450
30,000 and over	90	120	150
Total	1,500	2,000	2,500

Nearly half of the projected annual demand for new single-family houses is in the $15,000 to $20,000 price range, a price class in which homes have been most readily sold, as indicated by the 1968 unsold inventory survey. In contrast, projected demand for units in the $20,000 to $25,000 price class has been reduced substantially from past volume because unsold inventories have been rather high in this price range.

Multifamily Housing. The annual demand in Brevard County for 100 multifamily units at lower rents achievable only with below-market-interest-rate financing or assistance in land acquisition and cost should be distributed about equally between one-, two-, and three- or more bedroom units. About 16 percent of the demand should be concentrated in the North Mainland, 20 percent in the Central Mainland, 10 percent in the South Beach areas, and the remaining demand (54 percent) should be equally divided between the South and North Beach areas.

Nursing Homes

Existing Nursing Homes. According to the latest data compiled by the Brevard County Health Department, there were approximately 250 nursing home beds in four projects in the area as of February 1, 1968. Of the total number of beds, only 40 were in a non-profit home. All of the nursing homes in the county were classified as "skilled" and "acceptable" facilities. In February 1968, between 85 and 90 percent of all nursing home accommodations in the area were being utilized. The latest data on charges for nursing home facilities indicated that the average cost of ward accommodations was $10 a day, semi-private beds cost about $12, and private accommodations were $15 a day.

Nursing Homes Under Construction or Approved. In addition to the existing nursing home facilities in the county, there were 220 beds in two homes under construction or definitely approved for construction in February 1968. One project in Melbourne, which will contain 120 beds, was under construction in February 1968 and final completion was scheduled for December 1968. The other 100-bed project, which also will be in Melbourne was recently approved for construction and should be underway before the end of 1968.

Characteristics of Patients. The Brevard County Health Department reported that nearly all nursing home patients in the county were from county communities. Approximately one-fourth of the patients in Brevard County were welfare patients. Welfare rates in the area average about $100 a month and are paid directly to the nursing home. Most of the patients in nursing homes in the county were between 70 and 80 years of age.

Nursing Home Demand. According to the latest "need factors" developed from data published by the U. S. Department of Health, Education, and Welfare, it is judged that 32 beds per 1,000 elderly persons is an appropriate formula for planning purposes to be used for areas in Florida. Applying this formula to the projected 1971 elderly population of 10,850 persons 65 years of age or over in the county, a total need for about 350 nursing home beds in the area by 1971 is indicated. All of this need will be satisfied, however, by the number of existing beds in the county (250) and the number of beds in new homes being built or approved for construction (220). A small number of additional nursing home beds might be justified during the forecast period for areas in the county which do not contain nursing homes or are not close to existing facilities and which have a concentration of elderly persons. Before such facilities are committed, however, a careful check of the mobility of the elderly population in the subject area and a check of current vacancy levels in existing nursing homes should be made.

Demand for Mobile Home Court Spaces

Existing Mobile Home Courts. According to data compiled by the Industrial Council of Brevard County, there were about 8,950 trailer spaces in the county in July 1967. This survey did not cover all mobile home spaces in the area, however; excluded were those spaces on private lots outside of recognized mobile home parks and subdivisions and those containing less than five occupied spaces. It is judged, however, that the survey did cover the majority of spaces in the county. Of the total number of spaces in the area in July 1967, 6,100 were occupied and 2,850 were vacant, a vacancy ratio of 31.9 percent.

Characteristics of Mobile Home Courts. Of the total number of trailer spaces surveyed in the county, about 7,440 were in parks, where typically the space is rented on a monthly basis, and 1,510 were in subdivisions, where usually the individual spaces are purchased by the mobile home owner. In July 1967, vacancy in the parks surveyed equalled 32.1 percent and in the subdivisions, 30.9 percent. Most of the courts in the area were small or moderate in size. According to the survey, about half of a total of 149 courts contained 39 spaces or less, 30 percent had between 40 and 79 spaces, 11 percent contained 80 to 119 spaces, and only nine percent had over 120 spaces.

Mobile home space rents ranged from a low of $17 to a high of $50 a month in July 1967. This wide range reflected various factors, such as services and facilities provided, area in which the park was located, and location of the space within the court. Nearly all monthly rentals exclude the cost of gas and electricity.

The greatest number of trailer parks in the county were located in the Central and South Mainland areas. In July 1967, these two areas accounted for half of the 7,440 trailer park spaces in the county. Of the 1,510 spaces contained in mobile home subdivisions, 53 percent were located in the Central Mainland area in July 1967. The following table presents the results of the July 1967 survey.

Trailer Park and Subdivision Data
Brevard County, Florida, July 1967

Area	Trailer parks: Total spaces	Total occupied	Percent vacant	Trailer subdivisions: Total spaces	Total occupied	Percent vacant
North Mainland	1,453	1,101	24.2	382	254	33.5
Titusville	620	548	11.6	40	26	35.0
Rest of area	833	553	33.6	342	228	33.3
Central Mainland	1,654	1,008	39.1	800	562	29.8
Cocoa	774	433	44.1	71	44	38.0
Rest of area	880	575	34.7	729	518	28.9
South Mainland	2,092	1,474	29.5	132	81	38.6
Eau Gallie	216	121	44.0	-	-	-
Melbourne	517	469	9.3	-	-	-
Palm Bay	607	391	35.6	-	-	-
Rest of area	752	493	34.4	132	81	38.6
North Beaches	1,530	1,026	32.9	196	146	25.5
Cape Canaveral	544	347	36.2	10	7	30.0
Merritt Island	875	586	33.0	186	139	25.3
Rest of area	111	93	16.2	-	-	-
South Beaches	712	447	37.2	-	-	-
Brevard County Total	7,441	5,056	32.1	1,510	1,043	30.9

Source: Industrial Council of Brevard County.

Demand for New Mobile Home Courts. Between April 1960 and July 1967, the number of trailers in Brevard County grew from 3,800 to 6,100 a gain of nearly 325 a year. Assuming that past growth trends will continue, there will be a need for about 900 additional mobile home spaces by February 1971. A comparison of this growth with the number of vacant spaces existing in the county in 1967 (2,850) indicates that there is little need for additional mobile home spaces in the near future. It must be recognized, however, that there will continue to be a demand for the well-designed, well-located, full-service type of park. If such a proposal is presented, its feasibility should be evaluated in terms of a definite market need in the specific location.

APPENDIX A

OBSERVATIONS AND QUALIFICATIONS

APPLICABLE TO ALL FHA HOUSING MARKET ANALYSES

1. When the rural farm population constitutes less than five percent of the total population of the HMA, all demographic and housing data used in the analysis refer to the total of farm and nonfarm data; if five percent or more, all demographic and housing data are restricted to nonfarm data.

2. All average annual percentage changes used in the demographic section of the analysis are derived through the use of a formula designed to calculate the rate of change on a compound basis.

3. Because of the change in definition of "farm" between 1950 and 1960 censuses, many persons living in rural areas who were classified as living on farms in 1950 would have been considered to be rural nonfarm residents in 1960. Consequently, the decline in the farm population and the increase in nonfarm population between the two census dates is, to some extent, the result of this change in definition.

4. The increase in nonfarm households between 1950 and 1960 was the result, in part, of a change in the definition of "farm" in the two censuses.

5. The increase in the number of households between 1950 and 1960 reflects, in part, the change in census enumeration from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census. Certain furnished-room accommodations which were not classed as dwelling units in 1950 were classed as housing units in 1960. This change affected the total count of housing units and the calculation of average household size as well, especially in larger central cities.

6. The basic data in the 1960 Census of Housing from which current housing inventory estimates are developed reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.

7. Postal vacancy survey data are not entirely comparable with the data published by the Bureau of 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.

8. Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of the 1960 enumeration procedures.

9. The distribution of the qualitative demand for sales housing differs from any selected experience such as that reported in FHA unsold inventory surveys. The latter data do not include new construction in subdivisions with less than five completions during the year reported upon, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction and some of the lower-value homes are concentrated in the smaller building operations, which are quite numerous. The demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

10. Monthly rentals at which privately owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the demand section of each analysis. These net additions 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 rental ranges than indicated may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result of the availability of an ample rental housing supply.

11. Distributions of average annual demand for new apartments are based on projected tenant-family incomes, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration also is given to the recent absorptive experience of new rental housing. Thus, they represent a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. However, individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements. Specific market demand opportunities or replacement needs may permit the effective marketing of a single project differing from these demand distributions. 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 sub-markets.

12. 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. Proximity to or quick and economical transportation to place of work frequently is a governing consideration in the place of residence preferred by families in this group.

MARKET ANALYSIS AND RESEARCH SECTION
FEDERAL HOUSING ADMINISTRATION

APPENDIX TABLES

Table I

Civilian Work Force, Unemployment, and Employment by Type of Industry
Brevard County, Florida
Annual Averages, 1965-1967

Work force components and industries	1965	1966	1967b/
Civilian work force	83,700	94,500	100,000
Unemployment	1,700	1,800	2,000
Percent of work force	2.0%	1.9%	2.0%
Agricultural employment	1,000	1,200	1,300
Nonagricultural employment	81,000	91,500	96,700
Wage and salary employment	69,700	79,600	84,700
Manufacturing	10,500	14,200	17,000
Ordnance and electrical equip.	6,400	8,200	9,300
Transportation equipment	2,600	4,100	5,700
Other manufacturing	1,500	1,900	2,000
Contract construction	9,700	7,800	7,200
Transportation, commun., pub. util	2,100	2,400	2,600
Trade	11,400	12,800	13,100
Wholesale trade	2,400	2,600	2,500
Retail trade	9,000	10,200	10,600
General merchandise	1,900	2,200	2,400
Food	1,300	1,700	1,800
Auto dealers and services	1,800	2,000	1,900
Eating and drinking places	1,900	2,100	2,200
Other retail trade	2,100	2,200	2,300
Finance, insurance, real estate	2,200	2,400	2,500
Services and miscellaneous	21,400	26,000	27,200
Government	12,400	14,000	15,100
Federal	6,700	7,300	7,500
Other	5,700	6,700	7,600
Other nonagricultural employmenta/	11,300	11,900	12,000

a/ Includes the self-employed, unpaid family workers, and domestic workers.
b/ Preliminary data.

Source: Florida State Employment Service.

Table II

1965-1967 Employment and Fiscal Year 1968-1971 Forecasts
By Installation and Type of Personnel for the AFETR and NASA
Brevard County, Florida

Installation and type of personnel	Sept. 30, 1965	Dec. 31, 1966	Dec. 31, 1967	End of Fiscal Year 1968	1969	1970	1971
Patrick AFB							
Military	2,546	2,826	2,796	2,904	2,946	2,934	2,938
Civil Service	2,437	3,020	2,803	3,347	3,539	3,546	3,554
Contractor	3,511	3,384	2,830	2,871	2,868	2,873	2,873
Total	8,494	9,230	8,429	9,122	9,353	9,353	9,365
Cape Kennedy AFS							
Military	1,550	1,394	1,284	1,407	1,527	1,580	1,714
Civil Service	746	580	567	636	650	657	662
Contractor	12,038	12,050	10,542	9,994	9,828	9,394	9,384
Total	14,334	14,024	12,393	12,037	12,005	11,631	11,760
Kennedy Space Center, NASA							
Military	-	-	-	-	-	-	-
Civil Service	2,337	2,621	2,632	2,809	2,843	2,834	2,834
Contractor a/	6,525	10,905	14,986	15,373	15,707	15,901	15,107
Total	8,862	13,526	17,618	18,182	18,550	18,735	17,941
Brevard County total							
Military	4,096	4,220	4,080	4,311	4,473	4,514	4,652
Civil Service	5,520	6,221	6,002	6,792	7,032	7,037	7,050
Contractor	22,074	26,339	28,358	28,238	28,403	28,168	27,364
Total	31,690	36,780	38,440	39,341	39,908	39,719	39,066
NASA total b/	13,305	20,782	24,897	25,181	25,326	25,027	23,283

a/ Includes non-appropriated fund personnel.

b/ Includes all personnel, except construction workers, at Patrick AFB, Cape Kennedy AFS and the Kennedy Space Center.

Sources: Air Force Eastern Test Range Tab F report and NASA Manpower Projections.

Table III

Estimated Percentage Distribution of All
Families and Renter Households by Annual Income
After Deduction of Federal Income Tax
Brevard County, Florida
1968 and 1971

	1968		1971	
Annual income	All families	Renter households[a/]	All families	Renter households[a/]
Under - $2,000	5	7	5	6
$2,000 - 2,999	4	5	3	5
3,000 - 3,999	5	7	5	5
4,000 - 4,999	6	7	4	7
5,000 - 5,999	6	9	6	7
6,000 - 6,999	7	9	6	9
7,000 - 7,999	9	9	7	9
8,000 - 8,999	8	8	8	8
9,000 - 9,999	8	8	8	7
10,000 - 12,499	15	15	16	15
12,500 - 14,999	11	8	11	11
15,000 and over	16	8	21	11
Total	100	100	100	100
Median income	$9,000	$7,650	$9,800	$8,300

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Trend of Household Tenure and Vacancy
Brevard County, Florida
1960-1968

Tenure and vacancy	April 1, 1960	February 1, 1966	February 1, 1968	Change 1960-1966 Number	Change 1960-1966 Percent	Change 1966-1968 Number	Change 1966-1968 Percent
Total housing inventory	36,852	68,100	76,700	31,250	84.8	8,600	12.6
Total occupied	32,655	61,100	70,500	28,450	87.1	9,400	15.4
Owner-occupied	22,576	45,300	52,100	22,725	100.7	6,800	15.0
Percent of total occupied	69.1%	74.1%	73.9%	-	-	-	-
Renter-occupied	10,079	15,800	18,400	5,725	56.8	2,650	16.5
Percent of total occupied	30.9%	25.9%	26.1%	-	-	-	-
Vacant housing units	4,197	7,000	6,200	2,800	66.8	-800	-11.4
Available vacant	2,220	4,600	3,600	2,375	107.2	-1,000	-21.7
For sale	1,003	1,975	1,675	975	96.9	-300	-15.2
Homeowner vacancy rate	4.3%	4.2%	3.1%	-	-	-	-
For rent	1,217	2,625	1,925	1,400	115.7	-700	-26.7
Rental vacancy rate	10.8%	14.2%	9.5%	-	-	-	-
Other vacant a/	1,977	2,400	2,600	425	21.4	200	8.3

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

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

Table V

Total Housing Units Authorized By Building Permits, By Type of Structure
In Brevard County by Major Geographic Area and Selected Places
1965, 1966, 1967 and January 1968

Area	1965 Single-family	1965 Multi-family	1965 Total	1966 Single-family	1966 Multi-family	1966 Total	1967 Single-family	1967 Multi-family	1967 Total	January 1968 Single-family	January 1968 Multi-family	January 1968 Total
Brevard County total	3,558	1,019	4,577	3,217	821	4,038	2,819	619	3,438	131	399	530
North Mainland	1,362	105	1,467	1,135	187	1,322	771	362	1,133	40	78	118
Titusville	913	81	994	949	135 d/	1,084	532	362	894	32	78	110
Uninc. area a/	449	24 b/	473	186	52	238	239	0	239	8	0	8
Central Mainland	531	84	615	672	31	703	416	40	456	10	0	10
Cocoa	134	28	162	134	22	156	124	40	164	0	0	0
Rockledge	252	0	252	409	0	409	189	0	189	6	0	6
Uninc. area a/	145	56 b/	201	129	9	138	103	0	103	4	0	4
South Mainland	592	175	767	412	29	441	453	74	527	20	220	240
Eau Gallie	221	0	221	188	0	188	153	0	153	11	0	11
Melbourne	114	34	148	36	21	57	47	74 e/	121	1	220 f/	221
Melbourne Village	9	0	9	2	0	2	3	0	3	0	0	0
Palm Bay	74	41	115	108	0	108	127	0	127	3	0	3
West Melbourne	42	0	42	1	0	1	3	0	3	0	0	0
Uninc. area a/	132	100 b/	232	77	8	85	120	0	120	5	0	5
North Beach	825	545	1,370	787	574	1,361	938	141	1,079	50	101	151
Cape Canaveral	0	414	414	0	181	181	0	129	129	0	12	12
Cocoa Beach	113	49	162	147	100	247	186	0	186	6	0	6
Merritt Island	662	82 c/	744	613	293	906	737	0	737	36	85 g/	121
Uninc. area a/	50	0	50	27	0	27	15	12	27	8	4	12
South Beach	248	110	358	211	0	211	241	2	243	11	0	11
Indialantic	11	0	11	8	0	8	10	0	10	1	0	1
Indian Harbour Beach	54	100	154	62	0	62	73	0	73	2	0	2
Melbourne Beach	17	0	17	9	0	9	19	0	19	1	0	1
Satellite Beach	116	10	126	90	0	90	85	2	87	6	0	6
Uninc. area a/	50	0	50	42	0	42	54	0	54	1	0	1

a/ Estimated by Housing Market Analyst.
b/ All public housing.
c/ Includes 70 public housing units.
d/ Includes 50 public housing units.
e/ Includes 54 public housing units.
f/ Includes 156 units in a Section 202 elderly housing project and 65 units in a rent-supplement project.
g/ All rent-supplement units.

Source: Local Building Inspectors.

Table VI

Brevard County, Florida, Area Postal Vacancy Survey

February 14-21, 1968

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	66,733	3,145	4.7	2,436	709	963	56,878	2,079	3.7	1,417	662	620	9,855	1,066	10.8	1,019	47	343	6,518	341	5.2
Cape Canaveral	2,170	170	7.8	169	1	58	502	9	1.8	9	-	-	1,668	161	9.7	160	1	58	495	76	15.4
Cocoa	8,951	348	3.9	305	43	75	7,215	246	3.4	203	43	39	1,736	102	5.9	102	-	36	2,181	100	4.6
Main Office	8,215	348	4.2	305	43	75	7,215	246	3.4	203	43	39	1,000	102	10.2	102	-	36	2,181	100	4.6
Patrick AFB	736	-	0.0	-	-	-	-	-	-	-	-	-	736	-	0.0	-	-	-	-	-	-
Cocoa Beach	4,774	157	3.3	105	52	48	3,478	80	2.3	44	36	26	1,296	77	5.9	61	16	22	124	12	9.7
Eau Gallie	14,942	767	5.1	675	92	83	13,025	490	3.8	398	92	83	1,917	277	14.4	277	-	-	874	32	3.7
Main Office	9,223	445	4.8	408	37	36	8,579	354	4.1	317	37	36	644	91	14.1	91	-	-	752	25	3.3
Satellite Beach Branch	5,719	322	5.6	267	55	47	4,446	136	3.1	81	55	47	1,273	186	14.6	186	-	-	122	7	5.7
Melbourne	11,503	436	3.8	383	53	116	10,674	337	3.2	289	48	111	829	99	11.9	94	5	5	1,045	27	2.6
Main Office	9,632	335	3.5	304	31	92	8,841	246	2.8	220	26	87	791	89	11.3	84	5	5	791	17	2.1
Palm Bay Station	1,871	101	5.4	79	22	24	1,833	91	5.0	69	22	24	38	10	26.3	10	-	-	254	10	3.9
Melbourne Beach	987	25	2.5	17	8	5	868	25	2.9	17	8	5	119	-	0.0	-	-	-	147	-	0.0
Merritt Island (3-5-68)	8,604	551	6.4	391	160	115	7,147	312	4.4	152	160	115	1,457	239	16.4	239	-	-	595	72	12.1
Mims	849	26	3.1	25	1	9	849	26	3.1	25	1	9	-	-	-	-	-	-	56	-	0.0
Rockledge	3,616	179	5.0	108	71	16	3,470	152	4.4	81	71	16	146	27	18.5	27	-	-	40	1	2.5
Titusville	10,337	486	4.7	258	228	438	9,650	402	4.2	199	203	216	687	84	12.2	59	25	222	961	21	2.2
Main Office	7,482	387	5.2	210	177	354	6,816	308	4.5	156	152	204	666	79	11.9	54	25	150	958	20	2.1
Indian River City Station	2,855	99	3.5	48	51	84	2,834	94	3.3	43	51	12	21	5	23.8	5	-	72	3	1	33.3

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: a residence represents one possible stop with one possible delivery on a carrier's route; and apartment represents one possible stop with more than one possible delivery.

The estimates of total possible deliveries to residences, apartments, and house trailers were made by the postal carriers. The data in this table, therefore, are not strictly comparable to the corresponding data for surveys conducted prior to 1966. The combined totals, however, are as recorded in official route records.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).

Table VII

Summary of Results of FHA Survey of Unsold New Houses
Brevard County, Florida
As of January 1, 1967 and 1968

Area	Number of subdivisions covered[a]	Total completions	Presold	Speculative construction Completions	Unsold	Percent unsold
		Housing completed in 1966				
Mainland:						
Cocoa and Rockledge	17	902	428	474	73	15.4
Eau Gallie	11	195	85	110	8	7.3
Melbourne	4	113	93	20	7	35.0
Titusville	36	1,228	300	928	125	13.5
Beaches:						
Cocoa Beach	5	119	89	30	10	33.3
Merritt Island	24	659	274	385	40	10.4
South Beach area	15	290	96	194	21	10.8
Brevard County total	112	3,506	1,365	2,141	284	13.3
		Housing completed in 1967				
Mainland:						
Cocoa and Rockledge	14	528	274	254	71	28.0
Eau Gallie	9	175	135	40	1	2.5
Melbourne	5	113	81	32	17	53.1
Titusville	26	736	224	512	132	25.8
Beaches:						
Cocoa Beach	7	179	84	95	15	15.8
Merritt Island	24	776	301	475	100	21.1
South Beach area	8	235	93	142	29	20.4
Brevard County total	93	2,742	1,192	1,550	365	23.5

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

Source: Annual Unsold Inventory Survey conducted by the Tampa Insuring Office