

728.1
:308
F22
Brunswick, Ga.
1966

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
LIBRARY
WASHINGTON, D.C. 20410

JUL 18 1967

Analysis of the
BRUNSWICK, GEORGIA
HOUSING MARKET

as of October 1, 1966

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

July 1967

ANALYSIS OF THE
BRUNSWICK, GEORGIA, HOUSING MARKET
AS OF OCTOBER 1, 1966

Field Market Analysis Service
Federal Housing Administration
Department of Housing and Urban Development

Foreword

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

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

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

Table of Contents

	<u>Page</u>
Summary and Conclusions	i
Housing Market Area	1
Map of Area	2
Economy of the Area	
Character and History	3
Employment	3
Principal Employment Sources	4
Unemployment	5
Future Employment	5
Income	6
Demographic Factors	
Population	7
Households	8
Housing Market Factors	
Housing Supply	10
Residential Building Activity	11
Tenure of Occupancy	13
Vacancy	13
Sales Market	14
Rental Market	15
Urban Renewal	16
Public Housing	16
Military Housing	16
Demand for Housing	
Quantitative Demand	17
Qualitative Demand	18

ANALYSIS OF THE
BRUNSWICK, GEORGIA, HOUSING MARKET
AS OF OCTOBER 1, 1966

Summary and Conclusions

1. Current nonagricultural employment in the Brunswick Housing Market Area (HMA) is estimated at 17,300. There has been little employment growth in the past eighteen months; however, the growth from 1960 through 1964 averaged about 575 a year. Most of the gain in employment since 1960 has been in paper, chemicals, and trade, while employment in food products has been declining. During the October 1966-October 1969 forecast period, employment in the HMA is expected to expand at an average rate of 400 annually.
2. As of October 1, 1966, the population of the Brunswick HMA numbers about 50,600 persons; yearly population gains have averaged 1,325 in the post-1960 period. Between 1950 and 1960, population gains averaged 1,300 annually. Currently, about 45 percent of the population resides in the city of Brunswick. Since 1960, most of the population growth has occurred in the unincorporated areas of the HMA. During the three-year forecast period, the population is expected to increase by about 1,300 persons annually, reaching a total of 54,500 by October 1969.
3. At the present time, there are about 14,175 households in the Brunswick HMA, indicating average annual increments of 390 since April 1960. By October 1969, households are expected to total 15,325, representing an addition of about 380 annually during the three-year forecast period.
4. There are currently about 15,825 housing units in the Brunswick HMA, representing a net addition to the inventory of about 410 units annually since 1960. During the 1950-1960 intercensal period, the inventory increased by an average of 395 units annually. Since 1960, about 87 percent of the units authorized by building permits have been for single-family houses; this roughly corresponds to the current inventory composition. In the post-1960 period, about three-fourths of the authorized units have been in the unincorporated portion of the HMA.
5. There are approximately 900 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the HMA as of October 1, 1966. Of the total, 225 are for sale, for a homeowner vacancy rate of 2.6 percent, and 675 are for rent, for a rental vacancy rate of 10.5 percent. Both the current homeowner and

rental vacancy rates are about the same as rates reported in 1960, and are above the levels that would represent balanced demand-supply relationships in the sales and rental markets. However, a substantial portion of the vacant units, although they are not dilapidated and have all plumbing facilities, are of a quality or are in locations that make them marginal in competition with better quality existing units or with new units at comparable or somewhat higher prices or rents.

6. The number of additional housing units needed to meet the requirements of anticipated increases in the number of households and result in a more acceptable demand-supply relationship in the market is estimated to be 300 units annually, including 260 units of sales-type housing and 40 units of rental housing, excluding public low-rent housing and rent-supplement accommodations. An additional 50 rental units might be marketed each year at the lower rents possible with below-market-interest-rate financing or assistance in land purchase and cost. Demand for sales units is expected to approximate the distribution by sales price indicated on page 18.

ANALYSIS OF THE
BRUNSWICK, GEORGIA, HOUSING MARKET
AS OF OCTOBER 1, 1966

Housing Market Area

The Brunswick, Georgia, Housing Market Area (HMA) is defined to include Glynn County, which had a population of about 41,950 in 1960.^{1/} About one-half of the population was located in the city of Brunswick and the remainder resided in the urban fringe around the city and on the off-shore islands. Brunswick is the only incorporated area in the county.

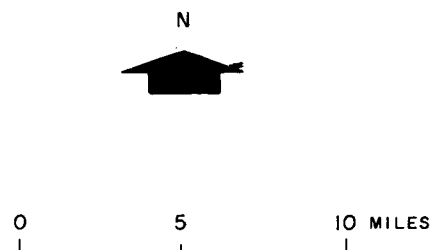
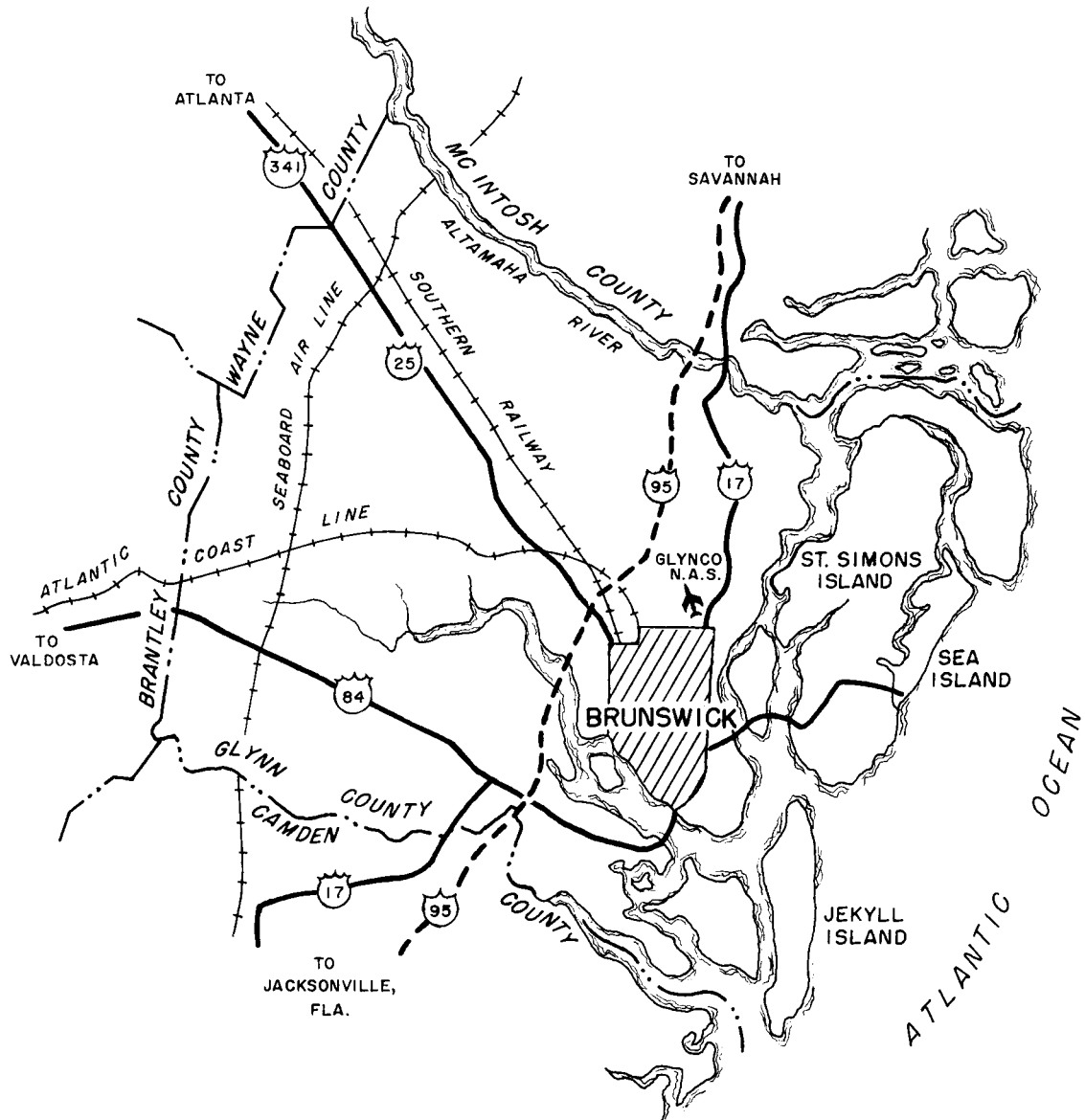
Brunswick is located on the coast of Georgia, about midway between Savannah, Georgia and Jacksonville, Florida. Savannah is about 75 miles to the north and Jacksonville is about 75 miles south of Brunswick. Atlanta, Georgia lies about 275 miles northwest of Brunswick.

The Brunswick HMA has an adequate transportation network. The highway system of the HMA includes four U.S. highways and numerous state roads. Interstate 95, when completed, also will serve the area. Rail service is provided by two railroads (the Southern and the Atlantic Coast Line). One major airline (Delta) and one local airline (Golden Isles) provide ample air transportation. In addition, the Georgia Ports Authority operates a general cargo facility in Brunswick and the Brunswick Port Authority operates a bulk cargo facility adjacent to the general cargo facility. Major expansion programs have been completed recently in each of these facilities.

Brunswick Junior College, operated by the University System of Georgia, has been completed recently in the HMA. There are currently about 500 students enrolled at the college, of which about 350 are full-time students.

^{1/} Inasmuch as the rural farm population of the Brunswick HMA constituted only one-half of one percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of rural farm and nonfarm data.

BRUNSWICK, GEORGIA, HOUSING MARKET AREA



Economy of the Area

Character and History

The history of the Brunswick area dates back to the mid-18th century, with the building of defense fortifications on the offshore islands. The city of Brunswick was incorporated in 1771, and soon became an important trading center for southeastern Georgia. In the late 1880's, tourism became an important aspect of the local economy, and still remains one of the prime economic activities. The city has a protected deep-water port which has stimulated economic growth in the area. The present economy of the Brunswick HMA is fairly well diversified. Principal manufacturing activities include chemicals, paints, paper, and food products. Nonmanufacturing is dominated by trade. The Glynco Naval Air Station, located north of the city, also has provided some measure of economic support.

Employment

Current Estimate and Past Trend. The Brunswick HMA is not one of the labor market areas for which the Georgia Department of Labor provides current estimates of the work force, total employment, and unemployment. Based on the nonagricultural employment reported in the 1960 Census, and available data on recent trends in employment covered by the Georgia Employment Security Law, current nonagricultural employment is estimated to total 17,300, reflecting an average increase of about 420 annually since 1960. However, there has been little, if any, economic growth in the past 18 months; growth over the 1960-1964 period probably averaged about 575 annually.

Employment trend data are available only for employment covered by the Georgia Employment Security Law. For the first three months of 1966, covered employment in the Brunswick HMA averaged 11,150, a decline of 150 from the comparable months of 1965 (see table I). In addition, an employment loss of 175 was experienced between 1964 and 1965. Prior to 1965, covered employment had been expanding at a fairly rapid rate, increasing from 9,350 in 1959 to 11,625 in 1964. During the 1959-1962 period, employment gains ranged between 250 and 300 annually. The 1963 average employment level was 900 above the 1962 level; an employment increase of 525 was recorded in the 1963-1964 period.

The trend of covered employment in manufacturing in the Brunswick HMA has been uneven. Gains have never been recorded for more than two consecutive years. The only significant increase in manufacturing employment occurred between 1962 and 1963 when about 375 jobs were added. From a 1959 level of 4,725, manufacturing employment increased to 4,925 in 1961, fell by 50 in 1962, and increased to 5,250 in 1963.

The 1964 average was only 50 above that of the previous year and represents the peak of the 1959-1965 period. In 1965, a decline of 75 jobs was recorded and, for the first three months of 1966, the average level of manufacturing employment was 100 below the comparable period of 1965. Over the 1959-1965 period, the paper and the chemicals industries provided most of the manufacturing growth, adding 300 and 325 jobs, respectively. The paper industry was the most stable, recording gains in each of the six years. The chemicals category, on the other hand, added 325 jobs between 1960 and 1961 with offsetting gains and losses in the following years. Although the 1965 employment level in the machinery industry was 125 above the 1959 level, gains were registered in only two years (1962 and 1963) with losses experienced in the other four years. A declining employment level in the food products industry has been a major inhibitor of sustained growth in covered employment in manufacturing. Between 1959 and 1965, employment in the food products industry declined by 250, with losses occurring in four of the six years.

In nonmanufacturing activities, 1,575 covered jobs were added between 1959 and 1965. However, the 1965 employment level was 100 below the 1964 level and, for the first three months of 1966, a further loss of 200 jobs was experienced. During the 1959-1964 period, employment gains in nonmanufacturing were recorded annually, ranging from a low of 125 between 1960 and 1961 to a high of 500 recorded between 1962 and 1963. As might be expected, the largest gain in nonmanufacturing was registered by the trade category, which added 800 jobs between 1959 and 1965 and accounted for over half of the total increase in nonmanufacturing. Most of the growth, however, occurred during the earlier portion of the period. The largest gain (325 jobs) was registered between 1959 and 1960; this was followed by a loss of 225 in 1961. Gains of 275 and 250 were recorded in the subsequent two years. Since 1963, increases have been slight; only 125 jobs were added between 1963 and 1964 and only 50 jobs were added in the 1964-1965 period. Covered employment in trade during the first quarter of 1966 was only 25 jobs above the level of the comparable period in 1965. Construction employment increased by 225 between 1959 and 1965, despite a loss of 300 jobs in 1965. Furthermore, employment during the first quarter of 1966 was 125 below the first quarter of 1965. The remaining nonmanufacturing categories registered modest gains over the 1959-1965 period.

Principal Employment Sources

Manufacturers. There is no one industry or firm which dominates the Brunswick economy. There are numerous manufacturers producing a variety of products. Four of the larger firms are Allied Chemical Corporation, Hercules Powder Company, Dixie Paint and Varnish Company, and the Brunswick Pulp and Paper Company. There are, in addition, numerous food processing plants in the area.

Glynco Naval Air Station. The Glynco Naval Air Station is located six miles north of the city of Brunswick. The currently stated mission is to maintain and operate facilities and provide services and material to support operations of aviation activity of the U.S. Naval Air Technical Training Command.

The latest available strength figures of Glynco NAS indicate a total complement of 2,632 as of June 1966, composed of 2,425 military personnel and 207 civilians. The total strength at Glynco NAS has been quite stable since 1962; little change is anticipated during the three-year forecast period. The following table indicates the trend in strength figures reported for Glynco NAS over the past five years.

Military and Civilian Strength
Glynco Naval Air Station
December 1962 - June 1966

	<u>Military</u>	<u>Civilian</u>	<u>Total</u>
December 1962	2,419	174	2,593
" 1963	2,681	168	2,513
" 1964	2,582	167	2,749
" 1965	2,448	167	2,615
June 1966	2,425	207	2,632

Source: Department of Defense.

Unemployment

Georgia Department of Labor data indicate that unemployment in the Brunswick HMA in October 1965 was equal to 3.4 percent of the work force. These are the only available data. However, it is estimated that the level of unemployment has been unchanged since that time.

Future Employment

During the October 1, 1966-October 1, 1969 forecast period, it is anticipated that employment in the Brunswick HMA will regain an upward trend and increase by an average of 400 jobs annually. Total non-agricultural employment is expected to reach 18,500 by October 1969. Although the projected rate of expansion is 30 percent below the 1959-1964 average rate of increase, it represents a reversal of the downward trend which began in 1965.

It is expected that most manufacturing industries will experience modest increases, except the food processing and lumber industries which are expected to maintain their current employment levels. Among the nonmanufacturing categories, most of the increase will be in the trade sector as a result of continued population growth. Smaller gains are expected in the other nonmanufacturing industries. The construction industry, which has been declining since 1965, is expected to maintain its current employment level.

Income

The current median family incomes, after deducting federal income tax, are about \$6,350 annually for all families and \$5,400 annually for renter households^{1/}. About 18 percent of all families have after-tax incomes of less than \$3,000, compared with about 24 percent of renter households. At the upper end of the income distribution, about 19 percent of all families and 11 percent of renter households currently receive after-tax incomes of \$10,000 or more annually. By 1969, median after-tax incomes are expected to be \$6,875 for all families and \$5,850 for renter households.

Detailed distributions of families and households by annual after-tax incomes are presented in table II.

^{1/} Excludes one-person renter households.

Demographic Factors

Population

HMA total. As of October 1, 1966, the population of the Brunswick HMA numbers about 50,600 persons, an increase of 8,650 since April 1960. Yearly population gains have averaged 1,325 (2.9 percent) in the post-1960 period.^{1/} Between 1950 and 1960, the population of the HMA increased by an average of 1,300 persons (3.7 percent) annually, from 29,050 in 1950 to 41,950 in 1960. Although population growth in the 1960-1966 period averaged 1,325, gains over the last one and one-half years have not attained this level. The population trend for the Brunswick HMA since 1950, and a projection to 1969, are shown below. Table III provides a more detailed presentation of population trends.

Population Trend
Brunswick, Georgia, HMA
April 1950-October 1969

<u>Date</u>	<u>Population</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent</u>
April 1950	29,046	-	-
April 1960	41,954	1,291	3.7
October 1966	50,600	1,325	2.9
October 1969	54,500	1,300	2.5

Sources: 1950 and 1960 Censuses of Population.
1966 and 1969 estimated by Housing Market Analyst.

Brunswick. Currently, the population of the city of Brunswick totals about 23,000, reflecting average annual gains of 200 (0.9 percent) since April 1960. The growth rate of the current period is only one-half the growth rate during the 1950-1960 period and reflects the increased suburbanization in the Brunswick HMA. Between April 1950 and April 1960, the population of Brunswick increased from 17,950 to 21,700, reflecting average increases of 375 (1.9 percent) annually.

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

Remainder of HMA. The population of the remainder of the HMA currently numbers about 27,600, equal to 55 percent of the total HMA population. The relatively rapid growth of the unincorporated area is demonstrated by the fact that in 1950 it accounted for only 38 percent of the HMA population, compared with 55 percent at present. The current population total indicates yearly gains of 1,125 (4.8 percent) since April 1960. During the 1950-1960 intercensal period, the population of the unincorporated area increased by an average of 920 persons (6.1 percent) annually, from 11,100 in April 1950 to 20,250 in April 1960.

Net Natural Increase and Migration. Between 1950 and 1960, net natural increase (excess of resident births over resident deaths) averaged about 710 annually, while the total population increased by an average of 1,300 annually, indicating a yearly net in-migration of 590 persons. During the 1960-1966 period, the average annual population increase of 1,325 was composed of an average yearly net natural increase of 875 and an average net in-migration of 450 annually.

Future Population. On the basis of expected increases in employment in the Brunswick HMA, the population is expected to increase by about 1,300 persons (2.5 percent) annually during the three-year forecast period, reaching a total of 54,500 by October 1969. The projected rate of increase is slightly below the 1960-1966 average, but is somewhat above the growth which has occurred since 1964. As has been the case in the past, most of the population growth is expected to occur in the unincorporated area of the HMA.

Households

HMA Total. At the present time, there are about 14,175 households in the Brunswick HMA, reflecting average annual increments of 390 (3.0 percent) since April 1960. This increase compares with average annual gains of 370 (3.9 percent) during the 1950-1960 intercensal period. However, the increase in the number of households between 1950 and 1960 reflects, in part, the change in census concept from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census. Household trends, including a 1969 projection, are shown in the following table. Table III provides a more detailed distribution of household trends.

Household Trend
Brunswick, Georgia, HMA
April 1950-October 1969

<u>Date</u>	<u>Households</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent</u>
April 1950	7,938	-	-
April 1960	11,667	373	3.9
October 1966	14,175	390	3.0
October 1969	15,325	380	2.7

Sources: 1950 and 1960 Censuses of Housing.
1966 and 1969 estimated by Housing Market Analyst.

Brunswick. There are currently about 6,675 households in the city of Brunswick, compared with 6,300 in April 1960. This indicates average gains of 60 households annually since April 1960. The average gain in the current period is less than half of the average annual increments during the 1950's, when over 130 households were added annually, pointing up the increasing trend towards suburbanization.

Remainder of HMA. As of October 1, 1966, there are about 7,500 households in the unincorporated area of the HMA, equal to 53 percent of the HMA total. The current total suggests an average gain of 330 (5.1 percent) households annually in the unincorporated area since April 1960. During the 1950-1960 intercensal period, an average of 240 (5.9 percent) households were added yearly.

Household Size Trends. The current average household size in the Brunswick HMA is about 3.46 persons, and represents only a slight decline from the 1960 average size. Between 1950 and 1960, average household size declined from 3.58 persons to 3.47 persons. In the city of Brunswick, the average size is 3.40 persons while in the unincorporated area, it is 3.52 persons.

Future Households. Based on the expected future population of the HMA, it is expected that the number of households will total 15,325 by October 1969. The projected level suggests average increases of 380 households annually during the next three years. About 65 households a year will accrue to the city of Brunswick, raising the total number of households to 6,875 by the end of the forecast period. Households in the remainder of the HMA will total 8,450 by October 1969, reflecting average annual increases of 315 over the current level.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. There are currently about 15,825 housing units in the Brunswick HMA (see table IV). This represents a net addition to the inventory of about 2,675 units, an average of 410 annually, since April 1960. Between 1950 and 1960, the number of housing units increased from 9,200 to 13,150, an average gain of 395 units annually. The increase in the housing supply between 1950 and 1960 reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

In the city of Brunswick, there are 7,175 housing units at the present time, compared with 6,725 in 1960. This represents an average gain of 70 units annually since 1960; during the 1950's, an average of 120 units were added annually in the city. The remainder of the HMA currently contains about 8,650 housing units, representing an average annual increase of 340 units since 1960. During the 1950-1960 period, increments to the housing supply in the remainder of the HMA averaged only 275 annually, and the housing stock increased from 3,675 in 1950 to 6,425 in 1960.

Characteristics of the Supply. At present, 86.3 percent of the housing units are in one-unit structures (including trailers), slightly higher than the 85.5 percent reported by the 1960 Census. Units in structures with two to four units currently account for 8.8 percent, compared with 9.4 percent in 1960. The percentage of units in structures with five or more units was virtually unchanged between 1960 and 1966, accounting for 5.1 percent in 1960 and 4.9 percent in 1966.

Housing Inventory by Units in Structure Brunswick, Georgia, HMA April 1960 and October 1966

<u>Units in</u> <u>structure</u>	<u>Number of units</u>		<u>Percent of total</u>	
	<u>April</u> <u>1960</u>	<u>October</u> <u>1966</u>	<u>1960</u>	<u>1966</u>
One	11,253	13,650	85.5	86.3
Two to four	1,229	1,400	9.4	8.8
Five or more	676	775	5.1	4.9
Total	13,158	15,825	100.0	100.0

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

A distribution of the housing supply by year built, adjusted to reflect the age of units demolished since 1960, is presented in the following table. About 19 percent of the inventory has been built since 1960. Approximately 29 percent of the units were built during the 1950's and 21 percent between 1940 and 1949.

Distribution of the Housing Supply by Year Built^{a/}
Brunswick, Georgia, Housing Market Area
October 1, 1966

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-September 1966	3,000	19.0
1950-March 1960	4,550	28.8
1940-1949	3,375	21.3
1930-1939	1,525	9.6
1929 or earlier	<u>3,375</u>	<u>21.3</u>
Total	15,825	100.0

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

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

The housing stock of the HMA is in generally poor condition, although it has improved since 1960. In April 1960, almost 25 percent of the housing inventory was classified as either dilapidated or lacking one or more plumbing facilities. At the present time, about 20 percent of the inventory, or 3,100 units, is either dilapidated or lacking one or more plumbing facilities. The condition of the inventory has improved since 1960 because some of the poorer quality and dilapidated units have been demolished and some existing units have been upgraded in quality.

Residential Building Activity

New privately-financed residential construction activity, as measured by the number of building permits issued, is presented in table V for the 1960-1966 period. Building permits are issued for all of the HMA. As shown in the table, the trend of construction activity has been uneven. From a level of 350 units in 1960, the number of authorized units declined to 310 in 1961, the lowest annual total of the six-year

period. The trend of construction activity increased during the next two years; about 440 units were authorized in 1962 and 670 in 1963, an all-time high. Since 1963, the trend has been downward, falling to 540 units in 1964 and 375 units in 1965. Furthermore, for the first eight months of 1966, only 120 units were authorized, less than half the number authorized during the comparable period in 1965.

The trend of single-family authorizations during the 1960-1965 period was upward until 1964 when the volume began to decline sharply. From a 1960 level of 290 single-family units, the number of authorizations increased annually to a peak of 615 in 1963. Since that time, the trend has been downward, falling to 410 in 1964 and 290 in 1965. Based on data for the first eight months of 1966, it appears that the number of single-family units authorized this year will be substantially below the 1965 level.

Since 1960, multifamily units authorized by building permits have accounted for only 13 percent of total authorizations and the trend of these authorizations has been quite erratic. A total of 60 multifamily units were authorized in 1960; in 1962, less than 10 units were authorized. The number of multifamily units authorized increased sharply during the next two years to a peak of 135 in 1964. The level remained relatively high (85 units) in 1965 but has declined to only 10 units thus far in 1966.

Only about one-fourth of the units authorized by building permits since 1960 have been within the city limits of Brunswick. Single-family authorizations averaged 75 units annually between 1960 and 1965, and ranged from a low of 50 units in 1960 and in 1961 to a high of 100 units in 1963. Multifamily authorizations in Brunswick, on the other hand, declined sharply during the 1960-1962 period, from a high of 60 units in 1960 to only two units in 1962. In the past three years (1963, 1964, and 1965) the number of multifamily units authorized has ranged between 40 and 55 units annually. For the first eight months of 1966, however, only two multifamily units have been authorized.

In the remainder of the HMA, virtually all of the new construction prior to 1964 was single-family. The number of single-family units authorized increased from 240 units in 1960 to 510 units in 1963 and subsequently declined to 210 units in 1965. Only in 1964 was there a significant number of multifamily units authorized; almost 100 multifamily units were authorized. In 1965, the number fell to only 30 units.

Units Under Construction. On the basis of a postal vacancy survey and on building permit data, it is judged that there are approximately 155 units under construction in the HMA at the present time. Of these units,

about 60 are single-family structures and 95 are multifamily units, including 84 units of public housing.

Demolitions. Housing unit losses in the HMA as a result of demolition activity have totaled about 300 since April 1960, an average of 45 units annually. Most of these demolitions have resulted from urban renewal activity, code enforcement, and clearance for highway rights-of-way. Because of increased urban renewal activity during the three-year forecast period, the level of demolition activity will more than double, averaging 100 units annually during the 1966-1969 period.

Tenure of Occupancy

The proportion of the occupied housing inventory that is owner-occupied has been increasing since 1950. Currently, about 59.3 percent of the 14,175 occupied housing units are owner-occupied, compared with 57.5 percent in 1960 and 53.4 percent in 1950.

Vacancy

1960 Census. The 1960 Census of Housing reported that there were 750 nonseasonal, nondilapidated vacant housing units available for sale or rent in the Brunswick HMA. Of the total, 175 were available for sale, indicating a homeowner vacancy rate of 2.5 percent. The remaining 575 were available for rent, for a rental vacancy rate of 10.4 percent. About 10 of the sales vacancies and 75 of the rental vacancies lacked one or more plumbing facilities.

Postal Vacancy Survey. The results of a postal vacancy survey conducted during September 1966 are shown in table VI. The survey covered a total of about 13,975 possible deliveries (excluding trailers), or about 88 percent of the current housing supply. At the time of the survey, about 870 units (6.2 percent) were vacant. Of this total, about 620 were residences, a vacancy rate of 5.0 percent, and 250 were apartments, equal to 17.5 percent of the surveyed apartments. An additional 150 units were reported to be under construction (including 84 units of public low-rent housing).

It is important to note that the postal vacancy survey data are not entirely comparable with those published by the Bureau of the Census because of differences in definition, area delineation, 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 it serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the postal vacancy survey and on information obtained from local sources, it is judged that there are approximately 900 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the HMA as of October 1, 1966. Of the total number of available vacancies, about 225 are available for sale, a homeowner vacancy rate of 2.6 percent, and 675 are for rent, a rental vacancy rate of 10.5 percent. About 100 of the available vacancies (15 sales and 85 rentals) lack one or more plumbing facilities.

Both the current homeowner and rental vacancy rates are about the same as rates reported in 1960. The homeowner vacancy rate of 2.6 percent is somewhat above the rate desirable to maintain a reasonable demand-supply balance in the sales market. The rental vacancy rate is about twice the desirable level. Included in the current level of available rental vacancies, however, are a substantial number of marginal units, many of which have been created by conversion, and these units lack the amenities necessary to achieve a satisfactory occupancy level. If these units were excluded, the rental vacancy rate would be about seven to eight percent, still indicating some surplus of rental vacancies.

Sales Market

General Market Conditions. In general, the market for sales housing, both new and existing, in the Brunswick HMA is weak at the present time. The sales market began to weaken in the late 1950's and gradually worsened during the early 1960's. Since the early part of 1965, the sales market has shown gradual improvement; although economic growth since that time has been slight, it has been coupled with a sharply reduced level of construction so that, gradually, excess vacancies are being absorbed. The tight money market depressed new construction further, and also reduced the sale of existing houses. Speculative construction, which typically is a significant portion of total construction, has been virtually halted in the current year by the lack of mortgage funds. As late as 1965, speculative construction accounted for about one-third of total construction in the Brunswick HMA.

The sales market is somewhat stronger on St. Simons Island, which is now developing as an area of year-round occupancy. Most new home construction on the island is in the \$20,000-\$35,000 price range, with houses in the lower ranges (\$20,000-\$25,000) selling somewhat better than the higher-priced homes. New construction on the mainland has been occurring primarily north of Brunswick, in the vicinity of the Glymco Naval Air Station. Prices in this area generally are in the \$12,500 to \$17,500 category.

The existing sales market in the HMA, although slow in the past few months, has shown signs of improving due, in part, to the low level of new construction. Homes priced below \$15,000 generally are easier to sell than homes priced above this level.

Foreclosures. Since 1960, the annual number of foreclosures on residential properties in the Brunswick HMA has been generally upward. A total of only 11 foreclosures were recorded in 1960; the number jumped to 51 in 1961 and then declined to 28 in 1962. Since that time, the trend has been upward, reaching 230 in 1965. It appears that the level of foreclosures in 1966 will exceed the 1965 total.

Trend of Foreclosures on Residential Property
Brunswick, Georgia, HMA
1960-1966

<u>Year</u>	<u>Number of foreclosures</u>
1960	11
1961	51
1962	28
1963	49
1964	56
1965	230
1966a/	186

a/ Total foreclosures through August.

Source: County Clerk of Glynn County.

Rental Market

It is apparent from the current inventory distribution, with only 14 percent of the units in multifamily structures, that the rental inventory in the Brunswick HMA is composed primarily of single-family structures. Currently, the rental market is quite weak (10.5 percent rental vacancy ratio). Although the number of rental vacancies is

excessive, many (possibly as high as one-third) of these units are of poor quality and lack the amenities necessary to attract prospective tenants. The newer units in the HMA are maintaining satisfactory occupancy levels. It should be noted, however, that relatively few new rental units have been placed on the market since 1960. A total of only 360 units in structures with two or more units have been authorized since 1960, an average of only 55 units a year. Most of the rental units added since 1960 have been existing single-family houses which have transferred from owner to renter status. A substantial portion of the new apartments have been built in the vicinity of Glynco NAS and many of the tenants are military personnel.

Urban Renewal

There are three urban renewal projects in the city of Brunswick; one (the Perry Park General Neighborhood Renewal Project, R-47) has been completed, one (Perry Park Project No. 1, R-62) is in execution, and one (Bay Street General Neighborhood Renewal Project, R-81) is currently under study.

The Perry Park Project No. 1 (R-62) is located adjacent to the downtown area and covers about 78 acres. There were about 270 housing units in the area when the project entered execution. To date, about 75 units have been demolished and during the three-year forecast period, the remaining units will be razed. Most of the units are sub-standard. Re-use will be primarily residential, and current plans call for construction of public low-rent housing units, moderate-income rental units, and inexpensive sales housing.

Public Housing

As of October 1966, there are 472 public housing units in the Brunswick HMA. In addition to the current inventory, 84 units are under construction and 51 are in the pre-construction stage; these probably will be located in the urban renewal area.

Military Housing

At the present time, there are 307 on-base housing units at the Glynco Naval Air Station. Of these units, 225 privately financed were constructed in 1962. The remaining 82 units are appropriated fund housing, most of which were constructed in 1957. All of the housing is in good condition and there are no plans for new construction.

Demand for Housing

Quantitative Demand

Annual demand for additional housing in the Brunswick HMA during the three-year forecast period is based on an expected yearly increase of 380 households and on the need to replace a relatively large number of units expected to be removed from the inventory through demolition. Consideration also is given to the existing inventory composition, to the current excess number of adequate vacancies, and to the probability that some part of the demand for rental units will be supplied by single-family houses. Based on these considerations, demand for new housing is expected to total 300 units annually. About 260 units of the annual demand will be for sales units and 40 for rental units.

At the lower rents achievable with below-market-interest-rate financing or assistance in land acquisition and cost, an annual demand for an additional 50 rental units may be developed. The demand estimate excludes demand for low-rent public housing and rent-supplement accommodations.

The projected annual demand for 300 units annually is significantly below the average of 450 units authorized annually during the 1960-1965 period and the 375 units authorized in 1965. The lower demand reflects, primarily, the need to reduce the current level of vacancies, tempered somewhat by the expected increase in demolitions which, during the forecast period, will be almost double the annual average of the 1960-1966 period. Single-family authorizations between 1960 and 1965 averaged 390 units annually; in 1965, a total of 290 single-family houses were authorized. Demand is forecast at 260 sales units annually in order to achieve a better balance in the sales market. During the forecast period, the single-family inventory is expected to satisfy a smaller portion of the rental demand than has been the case in the past. Multifamily unit demand is projected at a rate of 40 units annually during the forecast period, compared with an average authorization of 60 units annually during the 1960-1965 period and 85 units in 1965. The need to reduce substantially the number of rental vacancies will be assisted, in part, by increased demolition activity, as well as by fewer single-family homes transferring from owner to renter status. The provision of 50 additional rental units a year at the lower rents achievable with below-market-interest-rate financing should permit an increase in the upgrading of families from less desirable housing in the area.

Qualitative Demand

Sales Housing. Based on current family income, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 260 new sales units is expected to approximate the pattern shown in the following table.

Annual Demand for New Sales Housing
Brunswick, Georgia, HMA
October 1966-October 1969

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$12,500	45	17
\$12,500 - 14,999	40	16
15,000 - 17,499	45	17
17,500 - 19,999	50	19
20,000 - 24,999	55	21
25,000 and over	<u>25</u>	<u>10</u>
Total	260	100

Rental Housing. The annual demand for 40 units of rental housing produced with market-interest-rate financing will be absorbed best by the construction of units near the minimum gross rent levels achievable with such financing. In the Brunswick HMA, these levels are about \$90 for one-bedroom units, \$105 for two-bedroom units, and \$120 for three-bedroom units.^{1/} Demand is expected to be concentrated in two-bedroom units.

Because of the high rental vacancy rate at the present time, however, the absorption of new rental units should be examined periodically. If the new units have not achieved a desirable occupancy level in a reasonable period of time, a reduction in the number of future additions would be in order.

An annual demand for about 50 additional acceptable rental units at gross rents below these levels probably will require the utilization of below-market-interest-rate financing or assistance in land acquisition and cost. This demand can be best fulfilled if units are provided at the lowest possible rents and primarily with three-bedroom units.

^{1/} Calculated on the basis of a long-term mortgage (40 years) at 6.0 percent interest and 1½ percent initial annual curtail; changes in these assumptions will affect minimum rents accordingly.

APPENDIX TABLES

Table I

Nonagricultural Employment by Industry Group
for Workers Covered by the Georgia Employment Security Law
Brunswick, Georgia, Housing Market Area
1959 - 1966
(Annual averages)

<u>Industry</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>Jan. - March</u>	
								<u>1965</u>	<u>1966</u>
Total insured employment	9,350	9,650	9,900	10,200	11,100	11,625	11,450	11,300	11,150
Manufacturing	4,725	4,800	4,925	4,875	5,250	5,300	5,225	5,225	5,125
Food products	1,725	1,825	1,700	1,500	1,600	1,525	1,475	1,450	1,450
Lumber	325	325	325	350	350	325	300	300	300
Paper	750	775	800	850	975	1,025	1,050	1,025	1,075
Chemicals	1,225	1,250	1,575	1,600	1,575	1,550	1,550	1,575	1,525
Machinery	400	350	325	425	600	550	525	525	550
Other	300	275	200	175	175	350	325	350	225
Nonmanufacturing	4,650	4,850	4,975	5,350	5,850	6,325	6,225	6,075	6,025
Construction	900	675	900	1,000	1,225	1,425	1,125	1,125	1,000
Trans., comm., and util.	275	325	350	300	350	350	375	375	400
Trade	1,900	2,225	2,000	2,275	2,525	2,650	2,700	2,625	2,650
Fin., ins., and real est.	250	250	275	300	325	425	425	425	400
Other	1,325	1,375	1,450	1,450	1,425	1,475	1,600	1,500	1,575

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

Source: Georgia Department of Labor, Employment Security Agency.

Table II

Estimated Percentage Distribution of All Families and Renter Households
By Annual Income, After Deduction of Federal Income Tax
Brunswick, Georgia, HMA
1966 and 1969

<u>Annual family income</u>	<u>1966</u>		<u>1969</u>	
	<u>All families</u>	<u>Renter households^{a/}</u>	<u>All families</u>	<u>Renter households^{a/}</u>
Under \$2,000	9	13	8	11
\$ 2,000 - 2,999	9	11	8	10
3,000 - 3,999	10	12	9	11
4,000 - 4,999	10	11	9	10
5,000 - 5,999	9	10	8	10
6,000 - 6,999	10	12	10	12
7,000 - 7,999	9	9	9	9
8,000 - 8,999	9	7	10	8
9,000 - 9,999	6	4	7	5
10,000 and over	<u>19</u>	<u>11</u>	<u>22</u>	<u>14</u>
Total	100	100	100	100
Median	\$6,350	\$5,400	\$6,875	\$5,850

^{a/} Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table III

Population and Household Trends
Brunswick, Georgia, HMA
1950, 1960, 1966, and 1969

Area	April 1, 1950	April 1, 1960	October 1, 1966	October 1, 1969	Average annual change					
					1950-1960		1960-1966		1966-1969	
					Number	Pct. ^{a/}	Number ^{b/}	Pct. ^{a/}	Number ^{b/}	Pct. ^{a/}
Population Trends										
HMA total	29,046	41,954	50,600	54,500	1,291	3.7	1,325	2.9	1,300	2.5
Brunswick	17,954	21,703	23,000	23,525	375	1.9	200	0.9	175	0.8
Remainder of HMA	11,092	20,251	27,600	30,975	916	6.1	1,125	4.8	1,125	3.8
Household Trends										
HMA total	7,938	11,667	14,175	15,325	373	3.9	390	3.0	380	2.7
Brunswick	4,956	6,294	6,675	6,875	134	2.4	60	0.9	65	0.9
Remainder of HMA	2,982	5,373	7,500	8,450	239	5.9	330	5.1	315	4.0

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

^{b/} Rounded.

Sources: 1950 and 1960 Censuses of Population and Housing.
1966 and 1969 estimated by Housing Market Analyst.

Table IV

Occupancy Characteristics of the Housing Supply
Brunswick, Georgia, HMA
1950, 1960, and 1966

<u>Occupancy and Tenure</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>October 1, 1966</u>
Total housing units	<u>9,204</u>	<u>13,158</u>	<u>15,825</u>
Occupied units	<u>7,938</u>	<u>11,667</u>	<u>14,175</u>
Owner-occupied	4,238	6,714	8,400
Percent	53.4%	57.5%	59.3%
Renter-occupied	3,700	4,953	5,775
Percent	46.6%	42.5%	40.7%
Total vacant	<u>1,266</u>	<u>1,491</u>	<u>1,650</u>
Available vacant	<u>368</u>	<u>747</u>	<u>900</u>
For sale	36	171	225
Homeowner vacancy rate	.8%	2.5%	2.6%
For rent	332	576	675
Renter vacancy rate	8.2%	10.4%	10.5%
Other vacant	898	744	750

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

Table V

Privately-Financed Housing Units Authorized by Building Permits^{a/}
Brunswick, Georgia, HMA
1960 - 1966

	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>First six months</u>	
							<u>1965</u>	<u>1966</u>
HMA total	<u>354</u>	<u>312</u>	<u>439</u>	<u>668</u>	<u>542</u>	<u>375</u>	<u>285</u>	<u>122</u>
One unit	<u>292</u>	<u>302</u>	<u>431</u>	<u>616</u>	<u>407</u>	<u>290</u>	NA	<u>112</u>
Two to four units	<u>62</u>	<u>10</u>	<u>8</u>	<u>26</u>	<u>64</u>	<u>42</u>	NA	<u>2</u>
Five or more units	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>71</u>	<u>43</u>	NA	<u>8</u>
 Brunswick total	 <u>110</u>	 <u>58</u>	 <u>82</u>	 <u>149</u>	 <u>125</u>	 <u>138</u>	 <u>117</u>	 <u>28</u>
One unit	<u>50</u>	<u>50</u>	<u>80</u>	<u>103</u>	<u>86</u>	<u>83</u>	NA	<u>26</u>
Two to four units	<u>60</u>	<u>8</u>	<u>2</u>	<u>20</u>	<u>28</u>	<u>26</u>	NA	<u>2</u>
Five or more units	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>11</u>	<u>29</u>	NA	<u>-</u>
 Remainder of HMA	 <u>244</u>	 <u>254</u>	 <u>357</u>	 <u>519</u>	 <u>417</u>	 <u>237</u>	 <u>168</u>	 <u>94</u>
One unit	<u>242</u>	<u>252</u>	<u>351</u>	<u>513</u>	<u>321</u>	<u>207</u>	NA	<u>86</u>
Two to four units	<u>2</u>	<u>2</u>	<u>6</u>	<u>6</u>	<u>36</u>	<u>16</u>	NA	<u>-</u>
Five or more units	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>14</u>	NA	<u>8</u>

NA Not available.

^{a/} Excludes 225 public housing units.

Sources: Bureau of the Census, C-40 Construction Reports.
 Local Building Inspectors.

Table VI

Brunswick, Georgia, Area Postal Vacancy SurveySeptember 8, 1966

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.	%
Brunswick	13,979	870	6.2	826	44	147	12,561	622	5.0	582	40	55	1,418	248	17.5	244	4	92	555	29	5.2
Main office	11,849	708	6.0	670	38	134	10,510	490	4.7	456	34	50	1,339	218	16.3	214	4	84	500	28	5.6
St. Simons Island	2,130	162	7.6	156	6	13	2,051	132	6.4	126	6	5	79	30	38.0	30	-	8	55	1	1.8

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

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

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