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Carbondale, Ill.
1967

Analysis of the
CARBONDALE, ILLIONIS
HOUSING MARKET

as of June 1, 1967

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

December 1967

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

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Foreword

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

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

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

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ANALYSIS OF THE
CARBONDALE, ILLINOIS, HOUSING MARKET
AS OF JUNE 1, 1967

Summary and Conclusions

1. The State of Illinois, Department of Labor reported that nonagricultural wage and salary employment in the Carbondale area totalled 17,425 in June 1967, a gain of 3,250 over the June 1962 total. Manufacturing industries accounted for 425 added jobs and nonmanufacturing industries accounted for the remaining 2,825. Expansion at Southern Illinois University is the primary source of growth in the HMA; of the nonmanufacturing gain, 2,500 was in government employment. During the two-year period between June 1, 1967 and June 1, 1969, employment is expected to increase by 770 jobs annually in the HMA.

The highest unemployment rate was reached in June 1962 when 7.8 percent of the work force was unemployed. The unemployment rate declined in each succeeding year until June 1965 when 4.8 percent of the work force was employed. Since that time, unemployment has risen and as of June 1967 about 1,300 persons or 5.8 percent of the work force were jobless.

2. Median annual incomes after deduction of federal income taxes were about \$5,800 for all nonfarm families and \$5,000 for nonfarm renter households of two persons or more in June 1967. It is expected that median after-tax incomes will increase to \$6,300 for all families and to \$5,200 for nonfarm renter households by June 1969.
3. As of June 1, 1967 the nonfarm population of the Carbondale HMA totalled 52,500, an increase of 2,100 persons (4.7 percent) annually since April 1960. About 41 percent of the nonfarm population resided in the city of Carbondale, which had a population of 21,500 persons. By June 1, 1969, the nonfarm population in the Carbondale HMA is expected to total 55,500, a gain of 1,500 persons a year. In April 1960 approximately 8,900 students were enrolled at Southern Illinois University. Since that time enrollment has risen sharply; as of June 1, 1967 about 18,400 students were enrolled at SIU, 35.7 percent of the total nonfarm population in the HMA.
4. There were 14,350 nonfarm households in the HMA in June 1967, an average increase of 430 households (3.3 percent) annually. Since April 1, 1960, about 42 percent (6,000 households) were located in the city of Carbondale. There were approximately 1,850 student households in the HMA, 12.9 percent of all nonfarm households, an increase of 1,000 since 1960. By the end of the forecast period, nonfarm households in the HMA are expected to total 14,650, a gain of 300 a year.

5. There were about 15,750 nonfarm housing units in the Carbondale HMA in June 1967, a net addition to the nonfarm housing stock of about 3,300 units since April 1960. The net gain resulted from the construction of about 2,700 new dwellings, the addition of approximately 850 trailers and the loss of 250 units as a result of demolition, fire, conversion, and other inventory changes. About 6,300 housing units were in the city of Carbondale, about 40 percent of the HMA nonfarm total. Building permits are issued only by the city of Carbondale and Murphysboro and since January 1, 1960, about 1,400 private housing units were authorized by building permits (1,200 in Carbondale). In addition, about 1,050 housing units have been added since 1960 in areas in which building permits are not issued (principally Carbondale township). The total volume of new construction has averaged nearly 350 units a year.
6. As of June 1, 1967, there were about 400 vacant housing units available for sale or rent in the Carbondale area, including 100 units available for sale (a homeowner vacancy rate of 1.0 percent) and 300 units available for rent (a renter vacancy rate of 6.2 percent). Both vacancy ratios are below those of 1960 but the rental vacancy ratio continues to be higher than desirable.
7. There were 9,825 dormitory spaces at SIU in June 1967, of which about 5,000 were privately-owned and 4,825 were university-operated. About 8,100 of these spaces have been added since 1960. The university reported that only about 60 percent of the privately-owned spaces were occupied at the time of this survey. Because of this excess vacancy in dormitory facilities, the university will require most students to live in dormitories beginning in the fall of 1967. During the forecast period, about 2,000 additional dormitory spaces are scheduled to be added at the university, bringing the total number of dormitory accommodations to 11,825 by June 1, 1969.
8. Demand for single-family housing is projected at 175 units annually over the forecast period; no net additional demand for rentals is anticipated because of the potential decrease in the number of students living in private rental housing. The new university policy respecting student residence locations will affect multifamily occupancy adversely.

ANALYSIS OF THE
CARBONDALE, ILLINOIS, HOUSING MARKET
AS OF JUNE 1, 1967

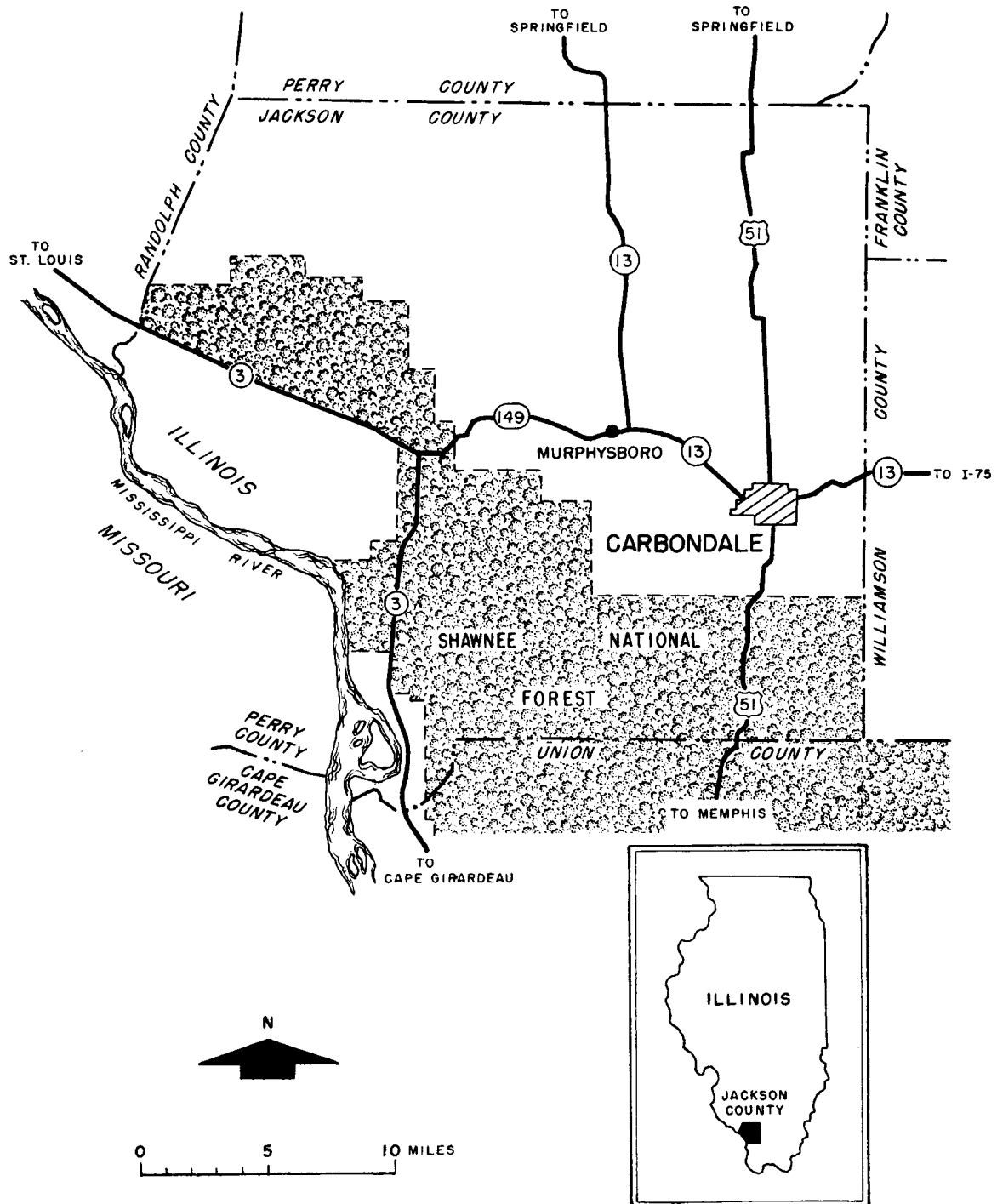
Housing Market Area

The Carbondale, Illinois, Housing Market Area (HMA) is defined as Jackson County, Illinois (see map), coterminous with the Carbondale-Murphysboro Labor Market Area. Carbondale is located in southern Illinois about 300 miles southwest of Chicago and 100 miles southeast of St. Louis.

Since the rural farm population constituted 11.2 percent of the population of Jackson County in April 1960, all demographic and housing data used in this analysis exclude the rural farm component, except where specifically noted. In April 1960, the nonfarm population of the HMA was 37,400. Carbondale is the major city in the area and in April 1960, accounted for over 39 percent of the nonfarm population, or 14,650 persons. There are nine other incorporated areas in the HMA, but only the city of Murphysboro, with a population of 8,675, had a population exceeding 900 persons in April 1960.

The HMA is served by U.S. Route 51 and several state routes including SR 13 which provides access to Interstate Route 57 (14 miles east of Carbondale) which, when completed, will extend north to Chicago and south (via Interstate 55) to Memphis. Carbondale is on the main line of the Illinois Central Railroad; it is served also by two airports.

CARBONDALE, ILLINOIS, HOUSING MARKET AREA



Economy of the Area

Character and History

Carbondale was founded in 1852. Two years later the main line of the Illinois Central Railroad was completed to the city from the south. Late in the 19th century, southern Illinois became a leading producer of soft coal. Although there were large coal deposits in the area, Carbondale never became an important coal mining center. Instead, its economy was based on its importance as a trading and railroad center. The Southern Illinois Normal University was chartered in 1869 and in 1947 was renamed Southern Illinois University. In the twenty years since then, enrollment at SIU has increased from 2,700 to 19,200. Carbondale's present and future economy is tied to that of the university; students constitute 37 percent of the nonfarm population. Employment at the university accounts for about 45 percent of total nonagricultural wage and salary employment.

Employment

Current Estimate. Nonagricultural employment in the Carbondale HMA totaled 19,975 during June 1967, including 17,425 wage and salary workers and 2,550 employees in other nonagricultural jobs, according to the State of Illinois, Department of Labor. In addition, about 975 persons were employed in agricultural jobs. Table I presents the civilian work force components for the month of June since 1962. Prior to 1962, Jackson County was part of a larger labor market area.

Past Trend. Between June 1962 and June 1965, nonagricultural wage and salary employment increased each year by increasing amounts, 675, 825, and 1,275, attributable principally to gains in government employment. Since June 1965, although government employment has continued to increase, total wage and salary employment gained only 350 and 125, respectively in the two following years. The following table presents the trend of nonagricultural wage and salary employment since June 1962.

Trend of Nonagricultural Wage and Salary Employment
Carbondale, Illinois, HMA
For the month of June 1962 - 1967

<u>Year</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total</u>	<u>Change from previous June</u>	
				<u>Number</u>	<u>Percent</u>
1962	1,550	12,625	14,175	-	-
1963	1,975	12,875	14,850	675	4.8
1964	2,100	13,575	15,675	825	5.6
1965	2,175	14,775	16,950	1,275	8.1
1966	2,025	15,275	17,300	350	2.1
1967	1,975	15,450	17,425	125	0.7

Source: State of Illinois, Department of Labor.

Employment by Industry. Manufacturing employment increased from 1,550 in June 1962 to a high of 2,175 in June 1965. Since that time, however, manufacturing employment has declined to 1,975, a loss of 200 jobs. Most of the pre-June 1965 gain in manufacturing is attributed to the opening of the Technical Tape Corporation in 1962. A substantial decline in the apparel and paper industries outweighed some growth in primary metals.

Nonmanufacturing employment has increased by 2,825 since June 1962. Of this gain, 2,500 was in government employment. Employment at Southern Illinois University constitutes the largest single government employment source and has provided most of the growth within that category.

There have been gains in employment in trade and services each year except between June 1966 and June 1967 when employment dropped by 200. Over the 1962-1967 period, however, employment in trade and in services increased by 275 and 225, respectively. Employment in transportation, communication, and utilities and in contract construction has increased only slightly since 1962.

Employment Participation Rate. The ratio of employment to total population is termed the employment participation rate. Department of Labor data indicate that this ratio for the Carbondale HMA was 38.5 percent in April 1960. Since 1960, the rapidly rising university enrollment has caused population to increase more quickly than employment, resulting in a current participation rate of about 38.0 percent. This condition is expected to continue throughout the forecast period and the employment participation rate is expected to be below the present ratio by June 1969.

Principal Employment Source

Southern Illinois University is the largest employer in the area. Since 1960, employment at the university has increased by about 5,450. At present, SIU employs 7,982 persons, of whom 2,859 are faculty, 1,652 are civil service employees, and 3,471 are student workers. The following table presents the increases in university employment in detail for the month of May from 1963 to 1967. In this period, employment has increased by 2,554, of which 958 was faculty, 850 was civil service, and 746 was student employment. In the 1965-1967 period, it has been virtually the only source of economic growth; the expanded employment at the university has balanced declines elsewhere in the economy.

Employment Totals
Southern Illinois University
Carbondale, Illinois
For the month of May 1963 - 1967

<u>Components</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Faculty (full-time)	1,854	1,954	2,341	2,688	2,467
Faculty (part-time)	47	60	62	79	392
Civil service (full-time)	773	807	1,052	1,080	1,568
Civil service (part-time)	29	34	71	32	84
Student (part-time)	<u>2,725</u>	<u>2,912</u>	<u>3,146</u>	<u>3,433</u>	<u>3,471</u>
Total	5,428	5,767	6,672	7,312	7,982

Source: State of Illinois, Department of Labor.

Unemployment

In the Carbondale area, the highest unemployment rate was reached in June 1962, when 7.8 percent of the work force (1,525 persons) was jobless. The unemployment rate declined in each succeeding year until June 1965, when 4.8 percent of the work force was unemployed. Since June 1965, unemployment has risen and as of June 1967, about 1,300 persons were jobless, 5.8 percent of the work force. The recent declines in contract construction, trade, and service employment have contributed to this increase.

Future Employment

As in the past, employment expansion at Southern Illinois University will constitute the primary source of employment growth during the two-year forecast period. A minor increase in trade and service employment also can be expected to occur. Since manufacturing employment and some segments of nonmanufacturing employment may continue to decline, total non-agricultural wage and salary employment is expected to increase by about 400 jobs annually during the two-year forecast period. Although this increase is well below the 1962-1967 gain of 650 jobs annually, it is above the 1965-1967 average gain of 240 jobs a year.

Income

The median annual income of all nonfarm families in the Carbondale HMA was \$5,800 and the median income of nonfarm renter households of two or more persons was \$5,000 in June 1967, after the deduction of federal income taxes. About 43 percent of all nonfarm families and 50 percent of nonfarm renter households had after-tax incomes of less than \$5,000 annually. Approximately eight percent of all nonfarm families and four

percent of nonfarm renter households had annual after-tax incomes of \$12,500 or more. The distributions of nonfarm families and renter households by income classes for 1967 and 1969 are presented in table II. By 1969, it is expected that median after-tax incomes will increase to \$6,300 for all families and to \$5,200 for nonfarm renter households.

It is probable that the income distributions and the median incomes, particularly of renter households, reflect (to an unknown degree) the inclusion of married student families who, presumably, are concentrated in the lower ranges of income.

Demographic Factors

Population

HMA Total. The nonfarm population of the Carbondale HMA totaled approximately 52,500 as of June 1, 1967, an increase of 2,100 persons (4.7 percent)^{1/} annually since April 1, 1960 when the population was about 37,400. During the previous decade, the nonfarm population of the HMA increased at a rate of nearly 720 persons, or 2.2 percent annually (see table III). The greater average annual population increase since 1960 is a result of the large enrollment increases at Southern Illinois University. As indicated below, growth in the student population accounted for 63 percent of the total growth in the 1960-1967 period.

Student and Nonstudent Population Trends Carbondale, Illinois, HMA, 1950 - 1967

<u>Components</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>June</u> <u>1967</u>	<u>Average</u> <u>annual change</u>	
				<u>1950-</u> <u>1960</u>	<u>1960-</u> <u>1967</u>
Nonfarm population	<u>30,250</u>	<u>37,417</u>	<u>52,500</u>	<u>717</u>	<u>2,100</u>
Student enrollment	<u>2,700</u>	<u>8,900</u>	<u>18,400</u>	<u>620</u>	<u>1,325</u>
In households	<u>1,250</u>	<u>5,700</u>	<u>7,700</u>	<u>445</u>	<u>275</u>
Nonhousehold	<u>1,450</u>	<u>3,200</u>	<u>10,700</u>	<u>175</u>	<u>1,050</u>
Nonstudent population	<u>27,550</u>	<u>28,517</u>	<u>34,100</u>	<u>97</u>	<u>775</u>
In households	<u>27,448</u>	<u>28,362</u>	<u>33,850</u>	<u>91</u>	<u>760</u>
Nonhousehold	<u>102</u>	<u>155</u>	<u>250</u>	<u>6</u>	<u>15</u>

Sources: 1950 and 1960 Censuses of Population.
Southern Illinois University.
Estimates by Housing Market Analyst.

Because of the change in definition of "farm" between the 1950 and 1960 Censuses, many persons who were classified as living on rural farms in 1950 were considered to be rural nonfarm residents in 1960. The decline in farm population and the increase in nonfarm population between the two census dates were, to some extent, the result of the change in definition. Total population, including rural farm, in the Carbondale HMA rose from about 38,125 in April 1950 to 42,150 in April 1960, a gain of 4,025 persons. Comparing this increase with the nonfarm population gain of about 7,175 suggests that about 3,150 persons were affected by the 1960 definitional change or had moved from farm residences.

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

City of Carbondale. There were about 21,500 persons residing in the city of Carbondale in June 1967, an average annual gain of 950 (5.3 percent) since the April 1, 1960 total of about 14,650 (see table III). The population of Carbondale equaled about 41 percent of the nonfarm population of the HMA in June 1967. During the last decennial period the population in Carbondale increased from 10,900 in 1950 to 14,650 in 1960 and the proportion of Carbondale's population to total nonfarm population increased from 33 percent in 1950 to 38 percent in 1960. During the decade, Carbondale was engaged in an ambitious annexation program, and about 74 percent of the population growth occurred as a result of annexation. Since 1960, no additional land has been annexed.

Student Population. The number of students enrolled at Southern Illinois University increased moderately during the 1950 decade, from about 2,700 in 1950 to 8,900 in 1960, an average gain of about 620 annually. Since 1960, the total has risen sharply and, as of June 1, 1967, about 18,400 students are enrolled at SIU. The growth since 1960 represents an average annual increase of 1,350. Student enrollment equals 35.7 percent of the total nonfarm population in the HMA. The following table presents the enrollment at Southern Illinois University for the past seven years. The 1965-1966 increase is considerably below that of the 1964-1965 period. This lower rate of increase (a result of expansion at several junior colleges) is expected to be continued during the forecast period.

Enrollment at Southern Illinois University
Carbondale, Illinois
1960-1967

<u>Year</u>	<u>Total enrollment</u>	<u>Year</u>	<u>Total enrollment</u>
Fall 1960	8,898	Fall 1964	13,987
" 1961	10,311	" 1965	17,356
" 1962	11,619	" 1966	18,188
" 1963	12,503	Spring 1967	18,400

Source: Southern Illinois University.

Nonhousehold Population. In 1960, the nonhousehold population of the HMA was reported to be 3,350 of whom about 3,200 were university students. Since the total enrollment at the university was about 8,900 at that time, some 5,700 students were considered to be members of households. Some of these students comprised separate households, but many lived at home or with other households in the community or commuted from outside the HMA. The nonhousehold population has increased to a total of nearly 11,000 as of June 1967, primarily as a result of the increase in the number of dormitory spaces, both university-operated and privately-owned. With an enrollment of 18,400, this indicates that about 7,700 students were members of households in the spring of 1967. Of this total, a substantial number

(estimated at about 1,600) lived at home or with other families either inside or outside the housing market area. Another 2,200 are graduate students, and 1,900 are married undergraduates, leaving about 2,000 students to live in various ad hoc households, including shared apartments and trailers.

Future Population. Based on employment gains expected to occur in the Carbondale HMA and proposed enrollment expansion at Southern Illinois University during the two-year forecast period, it is estimated that total nonfarm population will reach 55,500 by June 1, 1969, an average gain of some 1,500 persons a year, of whom about 800 will be students. Of this annual increase, about 1,000 will be nonhousehold population and 500 will be household population.^{1/}

Households

HMA Total. As of June 1, 1967, nonfarm households in the Carbondale HMA totaled about 14,350, an increase of about 3,075 households, 430 (3.3 percent) a year since April 1, 1960. In the 1950-1960 decade, the number of nonfarm households in the area increased to nearly 11,300, or by 195 (1.9 percent) annually (see table III). Part of this increase is attributable, however, to census definitional changes which tended to inflate the 1960 nonfarm household figure. The conceptual change from "dwelling unit" in 1950 to "housing unit" in 1960, and the change in the definition of "farm", resulted in definitional increments in the number of nonfarm households reported in 1960. Student households accounted for 33 percent of the increase in households since 1960.

City of Carbondale. As of June 1, 1967, there were 6,000 households in the city of Carbondale. The total represents an average annual gain of 240 (4.6 percent) since the April 1960 total of 4,300 (see table III). Households in Carbondale equal about 42 percent of all nonfarm households in the HMA. During the 1950 decade, the number of households in the city increased by about 1,200, from 3,100 to 4,300. About 72 percent of this increase was the result of annexations.

Student Households. There are no specific data available as to the number of households with student heads in the HMA. Assuming that there are about 6,000 students who do not live in identified congregate facilities or with other families, it would appear that there may be as many as 2,000 student households in the area. While data for 1960 are not available at all, it is likely that the number of student households has increased by 85 to 100 a year since the census date. As indicated, because of increased pressure on the student body to occupy dormitory spaces, it is likely that there will be an actual decline in the number of student households over the forecast period.

^{1/} The nonhousehold population growth is expected to be greater than the enrollment increase at SIU because of the new university policy effective in the fall of 1967 requiring dormitory residence for many students now occupying apartments in small groups.

Household Size Trends. Average nonfarm household size in the HMA declined from 3.02 persons in April 1960 to 2.89 persons in June 1967. The primary cause of the decline has been the increase in the number of student households. During the last decennial period, average nonfarm household size decreased from 3.07 persons to 3.02 persons. During the forecast period, household size is expected to increase slightly to 2.90 persons per household.

Future Households. Based on the anticipated decrease in the number of student households and the growth expected in the number of non-student households, there will be approximately 14,650 nonfarm households in the HMA by June 1, 1969, a net average gain of 150 households annually.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. As of June 1, 1967, there were 15,750 nonfarm housing units in the Carbondale HMA, a net addition to the non-farm housing stock of about 3,300 units (26.5 percent), or about 460 annually since April 1, 1960. The net addition resulted from the construction of about 2,700 new dwellings, the addition of approximately 850 trailers, and the loss of 250 units as a result of demolition, fire, conversion, and other inventory changes. There were about 6,300 housing units in the city of Carbondale as of June 1967, about 40 percent of the HMA nonfarm total. These totals do not include either private or university-owned dormitories.

During the April 1950-April 1960 decade, the number of nonfarm housing units in the HMA increased from about 9,700 to almost 12,450, a gain of 2,750 (28.3 percent), or 275 units yearly. Part of this increase, however, may have resulted from a census definitional change from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census, and from the change in definition of "farm" and "nonfarm" between 1950 and 1960. The total number of housing units, including rural farm units, rose from nearly 12,150 in April 1950 to 13,800 in April 1960, an increase of 1,650 during the decade, suggesting that about 1,100 units were reclassified from farm to nonfarm.

Type of Structure. There have been significant changes in the structural composition of the Carbondale HMA nonfarm housing inventory since April 1960. As seen in the following table, the proportion of single-family units has declined from 87.1 percent to 78.7 percent, and the proportion of the housing units in structures with five units or more has increased from 3.1 percent to 7.0 percent. In addition, the proportion of trailers has more than doubled in the last seven years, increasing from 3.7 percent of the housing inventory to 8.3 percent.

Nonfarm Housing Inventory by Units in Structure
Carbondale, Illinois, HMA
April 1, 1960 and June 1, 1967

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>June 1, 1967</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 unit	10,846	87.1	12,400	78.7
2 units	453	3.6	550	3.5
3-4 units	310	2.5	400	2.5
5 units or more	382	3.1	1,100	7.0
Trailers	456	3.7	1,300	8.3
Total	12,447	100.0	15,750	100.0

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

Age of Structure. The following table presents the nonfarm housing inventory by age of structure. It is significant to note that about 40 percent of the nonfarm inventory has been built since 1950, an indication of the rapid growth of the Carbondale area in the last 17 years. Approximately ten percent of the inventory was built during the 1940 decade, nine percent was built during the 1930 decade, and 41 percent was constructed prior to 1930.

Nonfarm Housing Inventory by Age of Structure
Carbondale, Illinois, HMA
June 1967

<u>Year built</u> ^{a/}	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-June 1967	3,550	22.5
1950-March 1960	2,800	17.8
1940-1949	1,600	10.2
1930-1939	1,400	8.9
1929 or earlier	<u>6,400</u>	<u>40.6</u>
Total	15,750	100.0

^{a/} The basic 1960 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.

Sources: 1960 Census of Housing, adjusted to reflect demolitions. Bureau of the Census, C-40 Construction Reports. Estimates by Housing Market Analyst.

Condition of the Inventory. About 3,250 nonfarm housing units, 20.6 percent of the units in the Carbondale HMA, are dilapidated or lack one or more plumbing facilities. This indicates a modest improvement in the nonfarm housing stock since 1960, when 3,375 units, or 27.1 percent of the inventory were reported with substandard qualities. The improving relative condition of the Carbondale housing inventory is a result of the demolition of some substandard units and the fact that 22.5 percent of the housing supply has been built since 1960.

Residential Building Activity

Past Trend. Building permits are issued only by the cities of Carbondale and Murphysboro. Between January 1, 1960 and May 31, 1967, about 1,400 private housing units were authorized by building permits. Of these, 1,200 were authorized for construction in Carbondale and the remaining 200 in Murphysboro. Since 1960, an average of about 200 housing units have been authorized annually. The yearly volume ranged from lows of 119 in 1960 and 107 in 1966 to a high of 286 in 1965.

In addition to the units authorized by building permits, about 1,050 housing units have been added since 1960 in areas in which building permits are not issued (principally Carbondale township), so that total new construction has averaged nearly 350 units a year.

New Construction by Type of Structure. Of the 1,400 units authorized in the cities of Carbondale and Murphysboro between 1960 and 1967, 860 (61.3 percent) were in single-family structures, 155 (11.2 percent) were in structures with two-to-four units, and 385 (27.5 percent) were in structures with five units or more. With the exception of 31 units all multifamily permits have been issued in Carbondale. The following table presents the number of new housing units authorized by building permits by type of structure since 1960. The level of permits issued during the first five months of 1967 is slightly above the level of the comparable 1966 period; authorizations for privately-financed construction in 1966, however, were 63 percent below the record 1965 level.

Private Units Authorized by Building Permits by Type of Structure
Carbondale and Murphysboro, Illinois
January 1, 1960 - May 31, 1967

<u>Year</u>	<u>All units</u>	<u>Single-family</u>	<u>2-4 family</u>	<u>5-family or more</u>
1960	119	102	17	-
1961	208	111	18	79
1962	239 ^{a/}	137	36	66
1963	205	119	36	50
1964	211	122	26	63
1965	286 ^{b/}	144	14	128
1966	107	97	10	-

January-May

1966	21	21	-	-
1967	28	28	-	-

^{a/} Excludes 170 units of public housing.

^{b/} Excludes 130 units of public housing.

Sources: Bureau of the Census, Construction Reports, C-40.
 Local building inspectors.

The year-to-year variation in the total of single-family authorizations has been slight. There was a difference of 47 units between the 1965 and 1966 totals, however, which can be attributed to the lack of sufficient mortgage funds in 1966. Prior to 1961, the number of multifamily authorizations was insignificant in the area. Since that time, multifamily construction has been stimulated, in part, by the in-migration of young persons who attend SIU.

Of the 1,050 units constructed outside Carbondale and Murphysboro about 700 were single-family units and the remaining 350 were in multifamily structures. About one-half of the single-family units and nearly all of those in multifamily structures were built in Carbondale township.

Units Under Construction. On the basis of building permit data and the postal vacancy survey conducted in May 1967, it is estimated that there are about 75 units under construction in the HMA, including 50 single-family houses and 25 units of multifamily housing. A majority of these units are located in Carbondale township.

Demolitions. Since April 1, 1960, about 250 housing units have been removed from the Carbondale housing stock. These units were lost through building code enforcement, conversion, fire, and other causes of inventory change. During the two-year forecast period, about 120 units are expected to be demolished, including 50 units in urban renewal areas.

Tenure of Occupancy.

Current Estimate and Past Trend. As of June 1, 1967, there were approximately 14,350 occupied nonfarm housing units in the Carbondale HMA, of which 9,825 (68.5 percent) were owner-occupied and 4,525 (31.5 percent) were renter-occupied. In April 1960, owner-occupied units represented 68.0 percent of all occupied units. During the 1950-1960 decade, owner-occupancy increased from 65 percent to 68 percent (see table IV).

Vacancy

1960 Census. In April 1960, there were about 420 nondilapidated, non-seasonal vacant housing units available for sale or rent in the Carbondale area, about 3.4 percent of the total inventory. Of these units 125 were available for sale, a homeowner vacancy rate of 1.6 percent. The remaining 295 units were available for rent, a renter vacancy rate of 7.6 percent. Of the vacant units, however, 25 (20.0 percent) of the sales units and 120 (40.7 percent) of the rental units lacked one or more plumbing facilities. The trend of vacancies is presented in table IV.

Postal Vacancy Survey. A postal vacancy survey was conducted in the area in mid-May 1967 by postal carriers in the cities of Carbondale and Murphysboro and covered about 12,935 total possible deliveries, 82.1 percent of the current nonfarm housing inventory (see table V). Of the total possible deliveries, 10,811 were listed as residences and 2,124 were listed as apartments. It is estimated, however, that about 15 percent of the units listed as residences were rented. The survey reported a total of 364 vacant units, 2.8 percent of the total possible deliveries. Of these units, 265 were vacant residences, 2.5 percent of all residences covered; 99 were vacant apartments, indicating an apartment vacancy ratio of 4.7 percent. An additional 66 units (35 residences and 31 apartments) were reported to be under construction. Also counted in the postal vacancy survey were 1,274 trailers, of which 50 (3.9 percent) were in place and vacant.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineation, and methods of enumeration. The census reported 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 houses, 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.

Other Vacancy Indicators. The FHA Insuring Office in Springfield periodically surveys apartment projects that have been completed in recent years. According to the data available in February and March 1967, 24 units (3.2 percent) were vacant in 27 projects with 739 units. All of these projects were in either Carbondale city or township.

Current Estimate. On the basis of the postal vacancy survey and other vacancy data available in the HMA, it is estimated that there were about 400 vacant, nondilapidated, nonseasonal housing units (2.5 percent of the total inventory) available in the Carbondale area as of June 1, 1967. Of these vacant units, 100 are available for sale, a homeowner vacancy rate of 1.0 percent; the remaining 300 are available for rent, a renter vacancy rate of 6.2 percent. Both vacancy ratios are below those of 1960. At the present time, the sales market is in balance although there is a slight excess of vacancies in the rental market. As indicated above, however, rental units constructed since 1960 have done very well. The bulk of the excess, therefore, is in older, noncompetitive units; the number of sales and rental units lacking one or more plumbing facilities is estimated to have been reduced moderately.

Sales Market

General Market Conditions. The market for new and existing sales houses in the Carbondale HMA is strong, as evidenced by the current homeowner vacancy rate of 1.0 percent and by the small number of foreclosures in the area. Most new single-family houses have been built in Carbondale and its suburbs. The sales market in Carbondale is highly sectionalized. The northeast and northwest sections are areas of predominantly older single-family dwellings. The majority of the "native" Carbondale population lives in these areas. Very little new construction has been undertaken since 1960 in these two sections, primarily because of the lack of available land.

Southwest Carbondale, an area extending from Southern Illinois University west toward Murphysboro, is the area of most active sales housing construction. Families new to Carbondale, particularly the faculty at the university, have tended to move into this area. Although some new homes are priced as low as \$15,000, the majority of the new houses in this area range in price from \$25,000 to \$40,000.

In addition, there is some new construction in the area southeast of Carbondale. Most new homes in this section are lower priced, from \$10,000 to \$20,000.

Rental Market

General Market Conditions. Prior to 1960, rental housing in Carbondale was concentrated primarily in single-family structures. Increasing enrollment at SIU stimulated multifamily construction and since 1960 over 38 percent of all units authorized have been in structures with two units or more. New apartment projects have been built principally near the university and are primarily for student occupancy. Virtually all new construction has been in one- and two-story walk-up projects. As indicated previously, the market for new apartments in Carbondale has been very strong, particularly for one- and two-bedroom units. Rentals start at about \$95 for efficiencies, \$110 for one-bedroom units, \$135 for two-bedroom units, and \$165 for three-bedroom units. Rents for furnished units are about \$15-\$20 more. Quoted rents include all utilities.

There appears to be some weakness in the market for rentals in older apartment structures and for those in converted single-family homes. These units are not competitive with the newer units and rents are somewhat lower.

Beginning in the fall of 1967, Southern Illinois University will require most students to live in either private or university-owned dormitories. The university is adopting this policy because occupancy is low in many of the newly-completed dormitory facilities. This policy may result in an increase in the rental vacancy rate although the severity of the impact is not yet known.

Urban Renewal Activity

There is one urban renewal project in execution in the HMA. The Lincoln Neighborhood Project (Illinois R-72) is located in Carbondale and is bounded by Hester Street on the north, State Street on the east, Grand Avenue on the south, and Washington Street on the west. About 50 dwelling units will be demolished. When completed, this area will be used by Southern Illinois University.

There are two other urban renewal projects in Carbondale in the pre-execution stage. The planned re-use of the College Neighborhood Urban Renewal Project (Illinois R-77) is private redevelopment and institutional use. The area is located north of the university. The North Wall Urban Renewal Project (Illinois R-98) is in Northeast Carbondale. Planned re-use will be residential.

Public Housing

All public housing units in the HMA are federally-aided low-rent units. As of June 1, 1967, there were 426 public housing units in the area, all of which were occupied. Of these units, 208 were designated for use by the elderly.

At the present time, the Jackson County Housing Authority reports that 400 additional units of public housing are in either the planning or development stages. Of these units, 200 will be designated for the elderly.

University Housing

As of June 1, 1967, there were 9,825 dormitory spaces at SIU, of which about 5,000 were privately-owned and 4,825 were university-operated. About 8,100 of these spaces have been added since 1960. The university reported that only about 60 percent of the spaces in the privately-owned dormitories were occupied in June 1967. Not included in the total are about 650 spaces in private dormitories that have been leased by the university for office use because they could not be filled. In addition to dormitory facilities, fraternity and sorority housing on campus provides space for about 630 students.

During the forecast period, about 2,000 additional dormitory spaces will be added at the university bringing the total to 11,825 by June 1, 1969. In order to alleviate the serious vacancy situation in the privately-owned dormitories, there will be considerable pressure on students who had been living in non-dormitory housing in the spring of 1967 to move to dormitory accommodations. There were about 2,000 students in this category in the spring of 1967.

Demand for Housing

Quantitative Demand

The estimated demand for new privately-financed housing is based on the expected increase in households during the next two years (150 annually), the anticipated net number of privately-financed housing units which will be required to accommodate households dislocated by demolition, and on adjustments to maintain a balanced market for housing in the HMA. Consideration also has been given to the expected decrease in students living in private rental housing occasioned by the impending requirement for many more students to live in dormitory facilities.

Based on the above considerations, demand for single-family housing is projected at 175 units annually over the forecast period. This projected demand is below the average annual volume of construction over the 1960-1967 period, but is justified in view of the smaller increase in employment expected during the forecast period. The demand for additional multifamily housing can probably be met through units released by students, both single and married, who previously occupied apartments in the community and who will be moving to university-controlled facilities during the forecast period. Until the impact of the change in university policy is known, any new multifamily construction would be inadvisable in view of the anticipated increase in rental vacancies

Qualitative Demand

The annual demand for 175 additional sales housing units is expected to approximate the sales price distribution presented in the following table. The pattern is based on the distribution of families by current annual after-tax income, on the proportion of income that families typically pay for sales housing, and on recent market experience.

Annual Demand for New Single-Family Housing Carbondale, Illinois, Housing Market Area June 1, 1967-June 1, 1969

<u>Sales Price</u>	<u>Number of units</u>	<u>Percentage distribution</u>
Under \$16,000	35	20
\$16,000 - 17,999	20	11
18,000 - 19,999	15	9
20,000 - 24,999	40	23
25,000 - 29,999	30	17
30,000 - 34,999	20	11
35,000 and over	15	9
Total	175	100

Because of current construction and land costs, it is judged that few adequate, single-family homes can be built to sell for less than \$12,000. All the sales demand, therefore, is distributed above this level. As the distribution suggests, demand is widely distributed but with some concentration in homes priced at \$20,000 and over. Sixty percent of the demand is estimated for homes in this price range.

APPENDIX TABLES

Table I

Civilian Work Force Components
Carbondale, Illinois, HMA
For the month of June, 1962-1967

<u>Components</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Total work force	<u>19,575</u>	<u>20,925</u>	<u>20,925</u>	<u>21,900</u>	<u>22,100</u>	<u>22,250</u>
Unemployment	1,525	1,375	1,175	1,050	1,150	1,300
Percent unemployed	7.8%	6.8%	5.6%	4.8	5.2%	5.8%
Agricultural employment	1,325	1,375	1,225	1,075	975	975
Nonagricultural employment	<u>16,725</u>	<u>17,400</u>	<u>18,375</u>	<u>19,775</u>	<u>19,975</u>	<u>19,975</u>
Wage and salary	<u>14,175</u>	<u>14,850</u>	<u>15,675</u>	<u>16,950</u>	<u>17,300</u>	<u>17,425</u>
Manufacturing	1,550	1,975	2,100	2,175	2,025	1,975
Nonmanufacturing	<u>12,625</u>	<u>12,875</u>	<u>13,575</u>	<u>14,775</u>	<u>15,275</u>	<u>15,450</u>
Contract construction	500	350	525	625	600	425
Trans., comm., & utilities	1,000	950	975	1,050	1,000	1,075
Trade	1,925	2,050	2,100	2,125	2,325	2,150
Services	1,650	1,725	1,750	1,825	1,875	1,850
Government	6,975	7,200	7,625	8,500	8,875	9,475
Other nonmanufacturing	2,550	600	600	650	600	475
Other nonagricultural employment	2,550	2,550	2,700	2,825	2,675	2,550
Workers involved in labor-management disputes	-	-	150	-	-	-

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

Source: State of Illinois, Department of Labor.

Table II

Percentage Distribution of Nonfarm Families and Renter Households
By Annual Income After Deduction of Federal Income Tax
Carbondale, Illinois, HMA, 1967 and 1969

<u>Annual income</u>	<u>1967</u>		<u>1969</u>	
	<u>All families</u>	<u>Renter households</u>	<u>All families</u>	<u>Renter households</u>
Under \$3,000	21	27	20	25
\$3,000 - 3,999	10	11	9	10
4,000 - 4,999	12	12	11	11
5,000 - 5,999	10	11	8	11
6,000 - 6,999	8	9	8	9
7,000 - 7,999	8	8	9	8
8,000 - 8,999	7	6	8	7
9,000 - 9,999	6	5	6	6
10,000 - 12,499	10	7	11	8
12,500 and over	8	4	10	5
Total	100	100	100	100
Median	\$5,800	\$5,000	\$6,300	\$5,200

Source: Estimated by Housing Market Analyst.

Table III

Nonfarm Population and Household Growth TrendsCarbondale, Illinois, HMAApril 1, 1950-June 1, 1967

<u>Population</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>June 1, 1967</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1967</u>	
				<u>Number</u>	<u>Percent^{a/}</u>	<u>Number</u>	<u>Percent^{a/}</u>
Carbondale	10,921	14,670	21,500	375	2.9	950	5.3
Remainder of HMA	<u>19,329</u>	<u>22,747</u>	<u>30,000</u>	<u>342</u>	1.5	<u>1,000</u>	3.8
HMA total	30,250	37,417	51,500	717	2.2	1,950	4.4
 <u>Households</u>							
Carbondale	3,090	4,299	6,000	121	3.3	240	4.6
Remainder of HMA	<u>6,250</u>	<u>6,984</u>	<u>8,350</u>	<u>73</u>	1.1	<u>190</u>	2.5
HMA total	9,340	11,283	14,350	194	1.9	430	3.3

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

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

Table IV

Tenure and Vacancy in the Nonfarm Housing Supply
Carbondale, Illinois, HMA
April 1, 1950-June 1, 1967

<u>Tenure and vacancy</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>June 1, 1967</u>
Total housing supply	<u>9,708</u>	<u>12,447</u>	<u>15,750</u>
Occupied housing units	<u>9,340</u>	<u>11,283</u>	<u>14,350</u>
Owner occupied	6,075	7,671	9,825
Percent	65.0%	68.0%	68.5%
Renter Occupied	3,265	3,612	4,525
Percent	35.0%	32.0%	31.5%
Vacant housing units	<u>368</u>	<u>1,164</u>	<u>1,400</u>
Available vacant	<u>96</u>	<u>421</u>	<u>400</u>
For sale	35	126	100
Homeowner vacancy rate	0.6%	1.6%	1.0%
For rent	61	295	300
Renter vacancy rate	1.8%	7.6%	6.2%
Other vacant ^{a/}	272	743	1,000

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

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

Table V

Carbondale, Illinois, Area Postal Vacancy SurveyMay 19, 1967

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	<u>12,935</u>	<u>364</u>	<u>2.8</u>	<u>333</u>	<u>31</u>	<u>66</u>	<u>10,811</u>	<u>265</u>	<u>2.5</u>	<u>236</u>	<u>29</u>	<u>35</u>	<u>2,124</u>	<u>99</u>	<u>4.7</u>	<u>97</u>	<u>2</u>	<u>31</u>	<u>1,274</u>	<u>50</u>	<u>3.9</u>
Carbondale	8,202	230	2.8	208	22	48	6,505	165	2.5	145	20	17	1,697	65	3.8	63	2	31	988	38	3.8
Murphysboro (5-16-67)	4,733	134	2.8	125	9	18	4,306	100	2.3	91	9	18	427	34	8.0	34	-	-	286	12	4.2

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

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