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Analysis of the
**CHICAGO, ILLINOIS
STANDARD METROPOLITAN
STATISTICAL AREA
HOUSING MARKET**

as of September 1, 1965

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

June 1966

ANALYSIS OF THE HOUSING MARKET
OF THE CHICAGO, ILLINOIS
STANDARD METROPOLITAN STATISTICAL AREA
AS OF SEPTEMBER 1, 1965

FEDERAL HOUSING ADMINISTRATION
FIELD MARKET ANALYSIS SERVICE
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, of course, be differences of opinion 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.

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ANALYSIS OF THE HOUSING MARKET
OF THE CHICAGO, ILLINOIS
STANDARD METROPOLITAN STATISTICAL AREA
AS OF SEPTEMBER 1, 1965

Summary and Conclusions

1. The Chicago, Illinois, Housing Market Area is defined as being coterminous with the Chicago Standard Metropolitan Statistical Area (SMSA). Chicago was incorporated as a town in 1833, and subsequently developed a diversified economic base with meat packing, wholesale and retail trade, petroleum refining, and machinery manufacture being the leading industries at various times. Currently, durable goods manufacturing is of great importance to the broad economic base of Chicago, and the leading industry in this classification is electrical machinery.
2. Nonagricultural wage and salary employment averaged 2,554,000 during 1964, representing an increase of about 45,500 (1.8 percent) over 1963. Excepting 1958 and 1961, when national economic recessions were reflected in lowered employment in the Chicago SMSA, nonagricultural wage and salary employment has shown an increase during each of the past ten years. In the period of uninterrupted economic growth from 1961 through 1964, there was an increase of about 107,000 jobs, or about 35,700 a year. There has been a recent spurt in job creation, and the average number of wage and salary workers in the first seven months of 1965 (2,594,300) is 70,300 (2.8 percent) above the same period in the previous year. During 1964, unemployed persons averaged 109,000, or 3.7 percent of the work force, representing the lowest annual average level of unemployment since 1957.
3. The current median annual income of all families in the Chicago SMSA is about \$8,250, after the deduction of Federal income tax, and the median income of renter families is \$6,925. By 1967, median after-tax annual incomes are expected to increase to \$8,525 for all families.
4. The current population of the Chicago SMSA is about 6,841,000, representing an increase of about 620,100 (114,400 annually) since the April 1960 Census total of 6,220,900. The population of the SMSA is expected to increase by about 121,500 during each of the next two years.

5. Households currently number about 2,089,000, representing an increase of about 191,100 (35,250 annually) since the April 1960 enumeration. During the two-year forecast period, households are expected to increase by about 37,500 annually.
6. The housing inventory of the Chicago SMSA currently totals about 2,186,000 units. Since January 1960, about 217,550 private housing units have been authorized for construction, of which about 44 percent were in multifamily structures. Currently, about 6,600 single-family housing units and 13,100 multifamily units are under construction.
7. There are presently about 13,000 vacant housing units which are available for sale in the SMSA, representing a homeowner vacancy rate of 1.2 percent, and approximately 47,700 units are for rent, indicating a rental vacancy rate of 4.5 percent. The current total number of available vacancies (60,700 units) represents an over-all net available vacancy ratio of 2.8 percent, down from the April 1960 rate of 3.3 percent; the homeowner vacancy ratio is unchanged from the level of 1960, but the rental ratio has dropped from 5.4 percent to the current level.
8. During the next two years, there is expected to be an annual demand for about 39,450 new housing units in the Chicago SMSA, including 20,650 units of sales housing and 18,800 rental units. An additional 2,525 units of private rental housing might be marketed annually in the city of Chicago at the lower rents achievable with public benefits or assistance in financing. **This demand does not include public low-rent housing or rent-supplement accommodations.**

Distributions of the demand in the Chicago SMSA for both sales and rental housing are shown on pages 38, 39, and 40. Sales and rental demand schedules are also shown for each of the constituent areas comprising the SMSA (see table of contents).

In addition to the demand indicated, which arises essentially from expected household growth and the demolition of existing housing, aggressive marketing would enable additional housing of good quality at moderate prices and rents to be rented and sold in appropriate locations in and near the city of Chicago. This might have the effect of increasing vacancy levels in the present large stock of poor-quality housing, but this acceleration of the filtration and replacement process would not be undesirable.

ANALYSIS OF THE HOUSING MARKET
OF THE CHICAGO, ILLINOIS
STANDARD METROPOLITAN STATISTICAL AREA
AS OF SEPTEMBER 1, 1965

Housing Market Area

The Chicago, Illinois, Housing Market Area is defined as being coterminous with the six-county Chicago Standard Metropolitan Statistical Area (SMSA), which, as currently defined, consists of Cook, Du Page, Kane, Lake, McHenry, and Will Counties, Illinois. The 1960 Census reported a population of about 6,221,000 persons in the Chicago SMSA.^{1/} The area is located in northern Illinois on the southwest shore of Lake Michigan.

There are many other cities and villages in the area in addition to the city of Chicago. The nine largest (Aurora, Berwyn, Cicero, Elgin, Evanston, Joliet, Oak Park, Skokie, and Waukegan) each contain a population of 50,000 to 100,000 persons. Most of the larger suburban incorporated places are contiguous to or near Chicago, but several are sufficiently isolated to have a degree of separate demographic and geographic, as well as political, identity (see map on page 2).

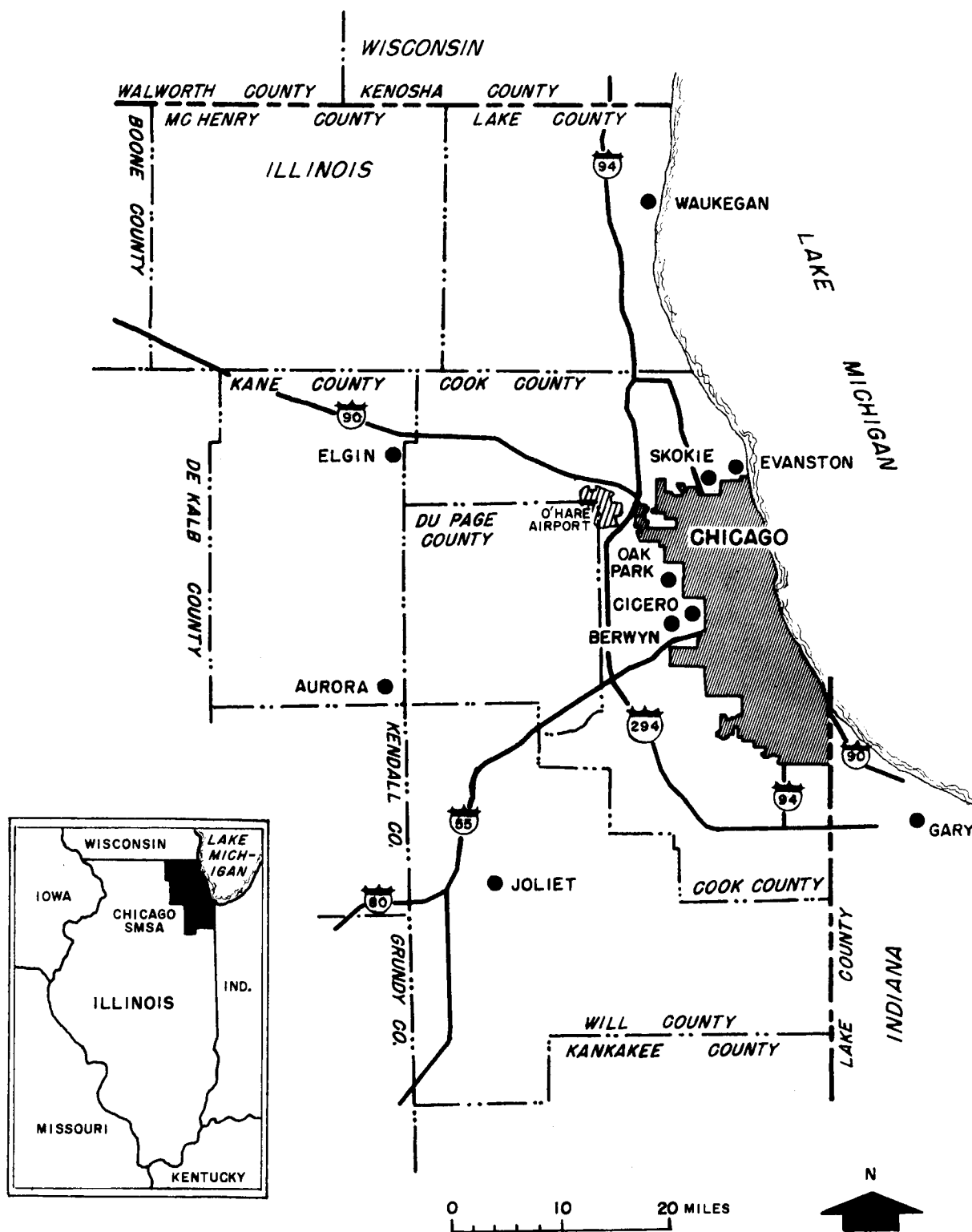
The Chicago SMSA is served by five Interstate routes as well as by a complex network of other highways. For many years, Chicago has served as one of the Nation's most important junction points for rail transportation, and more recently has become a major transfer point for airlines as well. The location of the area on Lake Michigan gives access to water transportation, and the St. Lawrence Seaway, linking the Great Lakes with the Atlantic Ocean, makes world-wide oceanic shipment available.

According to the 1960 Census, there was a net in-commutation to the Chicago SMSA of about 12,550 workers, with around 36,550 area residents working outside the area and about 49,100 persons commuting into the SMSA. About half of the out-commuters traveled to, and around one-fourth of the in-commuters traveled from, the neighboring Gary, Indiana, SMSA. Table I provides a detailed treatment of worker commutation patterns within the area and between the SMSA and other places.

^{1/} Inasmuch as the rural farm population of the Chicago SMSA constituted only 0.6 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

CHICAGO, ILLINOIS

STANDARD METROPOLITAN STATISTICAL AREA



Economy of the Area

Character and History

The recorded history of the Chicago area began in 1673 when it was traversed by French explorers. The territory was first claimed by France and then by Great Britain, but development did not begin until after the American Revolution. Fort Dearborn, located in what is now downtown Chicago, was completed in 1804, but settlement of the area did not start in earnest until resistance from the Indian population was ended in 1832. In 1833, Chicago was incorporated as a town and in 1837, having grown in population to over 4,000, Chicago became a city.

A canal connecting Lake Michigan with the rivers of the interior had been an obvious possibility to the earliest explorers of the Chicago area. The completion of the Illinois and Michigan Canal in 1848, connecting Lake Michigan with the Illinois River and, hence, to the entire Mississippi River system, established Chicago as a distribution center and was instrumental in attracting railroads to the area.

The growth of manufacturing in Chicago was slow until the development of iron mining in Michigan during 1854 led to the creation and evolution of the Great Lakes-Pittsburgh iron and steel production complex which is today of such great importance to the local and national economies. The growth of the area, although retarded for a time by the great fire of 1871, was steady during the subsequent years. Chicago developed a diversified economic base with meat packing, wholesale and retail trade, petroleum refining, and machinery manufacture being the leading industries at various times.

Employment

Current Estimate. According to the Illinois State Employment Service, the employment of nonagricultural wage and salary workers in the Chicago SMSA averaged 2,594,300 in the first seven months of 1965. In addition, 253,600 persons were employed in other nonagricultural jobs so that total nonagricultural employment averaged 2,847,900 from January to July 1965. Agricultural employment averaged 16,400.

Past Trend. Excepting 1958 and 1961, when national economic recessions were reflected in lowered employment in the Chicago SMSA, nonagricultural wage and salary employment has shown an increase in each of the past ten years. Between 1955 and 1964 there was an average annual gain of about 18,450 in nonagricultural wage and salary employment. In the period of uninterrupted economic growth from 1961 through 1964, the job total increased by 107,000, or 35,700 a year. The average number of wage and salary jobs in the first seven months of this year is 70,300 (2.8 percent) above the same period in 1964.

Annual Average Nonagricultural Wage and Salary Employment
Chicago, Illinois, SMSA, 1955-1965
(thousands)

Year	Nonagricultural wage and salary employment				Change in total from preceding year
	Manufacturing		Non- manufacturing	Total	
	Durable	Nondurable			
1955	575.4	335.5	1,476.9	2,387.8	-
1956	604.4	334.6	1,531.3	2,470.3	82.5
1957	598.3	329.7	1,563.1	2,491.1	20.8
1958	525.5	314.8	1,548.6	2,388.9	- 102.2
1959	553.2	315.2	1,573.4	2,441.8	52.9
1960	547.2	315.7	1,608.3	2,471.2	29.4
1961	520.8	311.0	1,615.2	2,447.0	- 24.2
1962	545.3	310.9	1,638.5	2,494.7	47.7
1963	542.3	309.3	1,656.9	2,508.5	13.8
1964	554.2	310.6	1,689.2	2,554.0	45.5

First seven months

1964	546.0	308.3	1,669.7	2,524.0	-
1965	578.7	314.1	1,701.5	2,594.3	70.3

Source: Illinois State Employment Service.

The above table reveals the especially marked effect of the 1958 recession on employment in the Chicago SMSA, particularly in manufacturing industries. Whereas total nonagricultural wage and salary employment in 1962 exceeded the level attained in 1957, employment in manufacturing is still below that of the 1956 peak. The gain since the 1958 low, therefore, has been confined largely to the nonmanufacturing sector.

Major Industries. The following table compares the industrial employment mix of the Chicago SMSA with that of the United States as a whole.

Relative Employment Concentration of Major Nonagricultural Industries
And Comparison of Chicago SMSA with U.S. Total, 1963

<u>Industry</u>	<u>Percent of total nonfarm jobs</u>		<u>Percent relationship Chicago/U.S.</u>
	<u>Chicago</u>	<u>U. S.</u>	
Manufacturing	34.03	30.02	113.4
Durable goods	21.67	16.99	127.5
Electrical machinery	5.49	2.75	199.6
Fabricated metals	3.84	2.03	189.2
Nonelectrical machinery	4.44	2.70	164.4
Primary metals	2.62	2.07	126.6
Nondurable goods	12.35	13.03	94.8
Printing & publishing	3.31	1.64	201.8
Nonmanufacturing	65.97	69.98	94.3
Finance, ins., & real estate	6.22	5.07	122.7
Government	10.47	16.24	64.5

Source: U.S. Department of Labor.

As indicated by the table, manufacturing is of greater relative importance to Chicago than for the U.S. as a whole. Within the manufacturing classification, durable goods manufacture is both absolutely and relatively dominant, although the nondurable printing and publishing category is apparently the field of greatest specialization in the SMSA. Based on the growth in employment in recent years, however, the importance of Chicago as a printing and publishing center seems to be diminishing; employment in that industry in other areas of the country has been growing at slightly faster rates than in Chicago, indicating tendencies toward geographic decentralization in the printing industry.

The concentration of employment in durable goods manufacturing is especially striking. Note that specialization within that sector is responsible for the concentration in over-all manufacturing employment, since nondurable manufactures represent a less than usual proportion

of total nonagricultural employment in the Chicago SMSA. The relatively important durable goods manufacturing industries are electrical machinery, fabricated metal products, nonelectrical machinery, and primary metals.

The relative lack of concentration in government employment is also significant, since government is usually a stable employer. Generally, employment in the Chicago area is relatively concentrated in industries (such as durable goods manufacturing) which are especially susceptible to cyclical fluctuations. This industrial mix is largely responsible for the volatile year-to-year performance of the economy, as shown in the table on page 4.

Manufacturing Employment. According to data from the Illinois State Employment Service, employment in manufacturing industries in the Chicago SMSA averaged 864,800 during 1964, including 554,200 in durable goods manufacture and 310,600 in nondurables. Between 1955 and 1964, average employment in manufacturing industries declined by about 46,100 (5.0 percent); about 45 percent of the decline was in durable goods industries and the remainder was in nondurables (see table III).

Between 1955 and 1964, total national average nonagricultural wage and salary employment increased by 13.3 percent, while that of the Chicago SMSA increased by only 7.0 percent. This relative lack of job creation is partially explained by the heavy dependence of the Chicago economy on manufacturing employment, which has been growing at considerably slower rates during recent years than has nonmanufacturing. Nationally, during this period, employment in manufacturing grew by 1.6 percent while non-manufacturing employment increased by about 19.7 percent. Also significant is the distribution of the new growth manufacturing industries; in recent years these have favored the western and southwestern parts of the country. This has resulted in significantly lower rates of manufacturing employment expansion in the area around the Great Lakes than have been experienced nationally.

Durable Goods Manufacturing. Within the durable goods manufacturing category, the production of electrical equipment (principally radio and television sets and other communication equipment) is the source of the greatest number of jobs. Electrical machinery manufacturing is an industry in which employment is unstable, as reflected in past employment trends (see table III). The average 1964 employment of 137,000 persons in that classification represents a net decline of about 5,800 since 1955. Sales in an industry dealing largely in consumer

products, the purchase of which may easily be postponed, and in capital goods are especially sensitive to changes in general economic conditions. During recent months there has been a resurgence in electrical machinery manufacture, principally as a result of the huge demand for color TV sets.

The second largest group of employers (in terms of the number of jobs) in the manufacture of durable goods is producers of nonelectrical machinery. This segment, which generally is tied to capital investment decisions which are, in turn, greatly influenced by general economic conditions, is very unstable in employment and tends to react most markedly to business recessions. Most of the firms in this category have shown little growth during the past ten years; the average number of employees during 1964 was virtually unchanged from the 1955 average. However, certain more specific sub-categories, such as metalworking machinery manufacture, have shown an upward trend, and during the first seven months of 1965 employment in nonelectrical machinery manufacture was about 3,500 (3.1 percent) above the same period in 1964.

Other important durable goods manufacturing industries are primary and fabricated metals, both of which showed a net decline in employment during the 1955-1964 period. Technological improvements were largely responsible for these decreases, especially in the primary metals industry; employment in primary metals declined during the ten-year period in the Nation as a whole. However, both primary and fabricated metals have shown fairly steady increases since the 1961 business recession, and they show gains of about 3,900 (5.8 percent) and 4,000 (4.1 percent) jobs, respectively, for the first seven months of 1965 compared with the same period in 1964.

Most of the other durable goods manufacturing categories show modest gains during 1955-1964. One exception is transportation equipment, which declined largely because of lower activity in railroad equipment manufacture.

A comparison of activity in durable goods manufacture during the first seven months of 1965 with the same period in 1964 shows that the more recent period is about 32,700 (6.0 percent) employees above the earlier one, a reflection of the especially good economic climate of 1965 which has stimulated consumer demand and manufacturers' investment decisions. Every industry within the durable goods sector, as shown in table III, has higher average employment in 1965 than in the same months of 1964; this has been true of no other year-to-year period since 1955.

Nondurable Goods Manufacturing. The manufacture of nondurables is less important in the Chicago area than is durable goods production, but employment in nondurables declined more markedly over the 1955-1964 period. The decline was concentrated in a few industries; most non-durable manufacturing industries showed net gains in employment during the period.

Printing and publishing, not quite the largest nondurable goods industry in Chicago, is one of the few "basic" (export) industries in the nondurable sector. It also is apparently the greatest single sector of specialization within the economy (see table on page 5). Printing and publishing gained about 3,200 (4.0 percent) in employment during the 1955-1964 period.

Although still a relatively large employer, the food production industry is far less important to the Chicago SMSA today than it was in past years. The trend has been toward increased decentralization as processors move closer to the centers of production of agricultural products. Employment in food production declined by about 22,400 (20.8 percent) during the 1955-1964 period. Employment in apparel production also declined during this period as Chicago area manufacturers followed the industry's pattern of migration to the south.

Nonmanufacturing. As indicated, growth in nonagricultural wage and salary employment has depended largely upon the nonmanufacturing sector. During the 1955-1964 period, that sector gained about 212,300 workers (14.4 percent) to offset the declines in manufacturing employment. This growth rate is somewhat below the comparable national growth rate of 19.7 percent.

The generally steady increases exhibited by most of the local service and supply types of nonmanufacturing employment in the Chicago SMSA were typical of national trends of the 1955-1964 period. As was the case nationally, the transportation, communication, and public utilities categories showed a general downward trend in the Chicago SMSA, caused largely by technological improvements and changes in transportation preferences.

Average annual employment in contract construction, which showed a net decline of 7,900, was the only major category moving counter to national trends during 1955-1964. Reductions in highway construction activity, reduced investment in new manufacturing plants, and technological changes were instrumental in the decline.

A nonmanufacturing category important to the Chicago area is finance, insurance, and real estate (see table on page 5). Chicago is the location of the main offices of several large insurance companies and the

SMSA functions as a financial center. This category grew by about 17,200 jobs between 1955 and 1964.

Although numerically large, employment in governmental activities in the Chicago area is not relatively as important to the economy as in the Nation as a whole. Further, the disparity is apparently growing; between 1955 and 1964 such employment increased at the rate of about 27 percent (58,400) in the Chicago SMSA compared to about 36 percent in the Nation as a whole. Employment in Federal government in the area is expanding at a rate comparable to national trends in that segment, but the rate of increase in State and local government jobs (which comprised 74 percent of total government employment in the SMSA during 1964) was only about 34 percent (51,600) in the area during the 1955-1964 period, compared to about 50 percent in the Nation as a whole.

The nonmanufacturing categories which showed the most growth during the 1955-1964 period, other than government, are wholesale and retail trade, which grew by 27,100 and 49,700 jobs, respectively. Nationally, these categories have been growth industries for some time, and Chicago, with its long history as a trade center (especially of the mail order variety), shared in the trend.

Employment Participation Rate. The ratio of civilian nonagricultural employment to the total population is termed the employment participation rate. In the Chicago SMSA, census data indicate that this figure was 40.10 percent in 1960, which represents a decrease from the 1950 ratio of 42.76. These figures for the SMSA are relatively high in comparison to national rates of participation (the 1960 national rate was 32.89), reflecting the wide range of employment opportunity available in the Chicago area and the in-migration of young people of working age. Since 1960, the decline in the participation ratio has continued at a slightly higher rate than that registered during the previous decade, reflecting increasing liberality of retirement programs, greater delay in students' entry into the work force because of the demands for longer schooling, and, especially most recently, marriages among people born during the World War II baby boom period which tend to produce greater population in age groups too young for the work force. A moderate decline in the participation ratio is expected over the two-year forecast period.

Principal Employers

In an area with an employment total in excess of 2½ million, there are obviously many large employers. Eleven of the largest manufacturing firms (in terms of the number of employees) are representative of the industrial mix of the manufacturing segment of the economy. The following table identifies these employers.

Major Manufacturing Employers
Chicago, Illinois, SMSA, 1965

<u>Company name</u>	<u>Industry group</u>
United States Steel Corporation	Primary steel
Ford Motor Company	Automotive parts and equipment
Caterpillar Tractor Company	Construction machinery
International Harvester Company	Construction machinery
Sunbeam Corporation	Electric housewares
Zenith Radio Corporation	Radio, television, and phonographic equipment
Western Electric Company	Telephonic equipment
Automatic Electric Company	Communication equipment
General Motors Electro-Motive	Transportation equipment
R. R. Donnelly and Sons Company	Commercial printing
Abbott Laboratories	Pharmaceutical products

Source: Chicago Association of Commerce and Industry.

In the nonmanufacturing categories, there are large concerns in the field of air transportation (United Air Lines), public utilities, retail trade (Marshall Field and Sears, Roebuck & Company), banking and insurance (Bankers Life & Casualty Company and Continental Casualty Company), and higher education (University of Chicago).

Military-Connected Employment. The Chicago SMSA is the location of several important military installations, including the Fifth Army Headquarters and, in Lake County, the Great Lakes Naval Training Center, which is one of the Navy's two basic military training centers for enlisted men. Military and military-connected civilian personnel are currently estimated to number about 23,350, representing a relatively small proportion of total employment in the area.

Military and Military-Connected Civil Service Personnel^{a/}
Chicago, Illinois, SMSA, 1955-1965

<u>Date</u>	<u>Military</u>	<u>Civilian</u>	<u>Total</u>
December 1955	17,101	15,557	32,658
" 1956	16,849	14,573	31,422
" 1957	15,524	13,137	28,661
" 1958	14,305	12,865	27,170
" 1959	13,375	12,340	25,715
" 1960	14,663	12,068	26,731
" 1961	12,948	12,156	25,104
" 1962	14,129	11,785	25,914
" 1963	11,989	11,366	23,355
" 1964	12,817	11,019	23,836
July 1965	12,500	10,850	23,350

^{a/} Excludes temporarily-assigned recruits, trainees, and other non-permanent personnel.

Source: Department of Defense.

As the table shows, there has been a general decline during the past ten years in the number of both military and military-connected civilian employees within the Chicago SMSA. This decline should be halted (at least temporarily), however, as the effects of the military effort in Southeast Asia lead to a build-up in personnel, especially at the Naval Training Center. It should be noted that the table lists only permanent party personnel, and not temporarily-assigned recruits and trainees.

Unemployment

During 1964, unemployed persons averaged 109,000, or 3.7 percent of the total work force (see table II). This figure represents the lowest annual average level of unemployment in the SMSA since 1957 when 3.3 percent of the work force was reported to be seeking employment; in 1956 unemployment was 3.1 percent of the work force. The highest rate of joblessness during the past ten years prevailed in 1958, when it was 6.2 percent; the 1961 business recession produced a rate of 5.4 percent. Unemployment conditions have steadily improved since 1961; data for the first seven months of 1965 indicate an unemployment rate of 3.2 percent. The U.S. Department of Labor classifies Chicago as an area of "moderate" unemployment, but if the rate of joblessness continues its downward trend, it will soon be reclassified as having "low" unemployment, a classification justified when the rate drops below three percent.

Future Employment

Depending on the base year selected, employment in the Chicago SMSA can be shown to be growing at widely divergent rates. For example, using 1957 as the base, nonagricultural employment grew at the annual average rate of about 7,975 jobs through 1964, but, by using 1958 as the base year, the annual average increment is computed to be about 26,050. There have been brief periods of declining employment (1957-1958) and periods in which employment has increased (as in the 1958-1960 recovery period, when there was an increase of about 3.1 percent). Estimated future employment growth is an especially hazardous undertaking in an area whose economy is heavily dependent upon the volatile durable goods manufacturing industries.

Based on the trend of nonagricultural employment which has been established during the past ten years and allowing for certain recent developments, especially the current military build-up, it is estimated that about 70,000 (35,000 annually) nonagricultural jobs will be created in the Chicago area during the next two years. Since it has been established that growth in the SMSA is closely tied to national economic developments, the generally favorable prognosis for the country's economy for the next two years also has been incorporated in this forecast. Most of the increase will occur in the nonmanufacturing sectors, but a small increment should take place in manufacturing industries. It should be emphasized, however, that even a relatively minor change in the national rate of economic expansion would affect very markedly the number of new jobs actually realized in manufacturing industries, which in turn would affect the increment in total nonagricultural employment.

Income

Manufacturing Wages. The Chicago SMSA is a relatively high wage area, as the table on page 13 illustrates. In 1964 average weekly earnings of workers on manufacturing payrolls were \$115, compared with \$103 for the Nation as a whole. Between 1959 and 1964, weekly earnings increased by 17.4 percent in the SMSA compared with 16.7 percent in the Nation.

Annual Average Weekly Earnings, Hourly Earnings,
And Hours Worked by Manufacturing Production Workers
Chicago, Illinois, SMSA and United States Total
1959-1964

<u>Year</u>	<u>Chicago SMSA</u>			<u>United States</u>		
	<u>Weekly earnings</u>	<u>Hourly earnings</u>	<u>Hours worked</u>	<u>Weekly earnings</u>	<u>Hourly earnings</u>	<u>Hours worked</u>
1959	\$ 98.12	\$2.41	40.7	\$ 88.26	\$2.19	40.3
1960	99.59	2.49	40.1	89.72	2.26	39.7
1961	102.53	2.55	40.2	92.34	2.32	39.8
1962	107.21	2.63	40.7	96.56	2.39	40.4
1963	110.43	2.71	40.8	99.63	2.46	40.5
1964	115.16	2.80	41.2	102.97	2.53	40.7

Source: U. S. Bureau of Labor Statistics.

The gradual upward movement in hours worked is partially a reflection of the tightening labor market condition, as indicated by the downward trend in unemployment.

Family Income. The current median income, after the deduction of Federal income tax, of all families in the Chicago SMSA is approximately \$8,250 and the median after-tax income of all tenant families is about \$6,925. Approximately 19 percent of all families and 29 percent of all tenant families have after-tax incomes of less than \$5,000. About ten percent of all families and four percent of all tenant families have after-tax incomes in excess of \$15,000 a year. Table II provides a detailed distribution of families by income class.

By 1967, the median after-tax income of Chicago area families is expected to increase to about \$8,525, and that of tenant families to about \$7,150. The table on the following page summarizes median family income by major area for 1965 and 1967.

Estimated Median Annual Family Income, by Area,
After Deduction of Federal Income Tax
Chicago, Illinois, SMSA, 1965 and 1967

<u>Area</u>	<u>Median incomes</u>	
	<u>1965</u>	<u>1967</u>
SMSA	\$8,250	\$8,525
Chicago	7,650	7,900
Suburban Cook County	9,425	9,750
Du Page County	9,575	9,900
Kane County	8,075	8,350
Lake County	9,600	9,925
McHenry County	7,875	8,150
Will County	7,625	7,875

Source: Estimated by Housing Market Analysts.

Demographic Factors

Population

Current Estimate. The population of the Chicago SMSA is approximately 6,841,000 as of September 1965, representing an increase of 620,100 since the April 1960 Census total of 6,220,900. Approximately 53 percent (3,621,000) of the current population resides in Chicago and about 28 percent in the rest of Cook County; much of this latter group is concentrated in areas which are close to the boundary of the central city, where many incorporated places are contiguous with each other and to Chicago. The remaining 19 percent live in the other five counties of the SMSA.^{1/} The density of population in those counties, except along the shore of Lake Michigan and the most important transportation corridors, is generally lower as the distance from Chicago increases.

Past Trend. The current population represents an average growth of 114,400 annually (1.8 percent)^{2/} since 1960, just slightly higher than the average increment of 104,300 (1.8 percent) persons annually during the previous decade. Details of population growth trends in the six counties and in selected incorporated areas in the SMSA are shown in table VI. The table below shows a summary of trends since 1950 and a two-year projection to 1967.

Population Growth Trends
Chicago, Illinois, SMSA
April 1950-September 1967

<u>Date</u>	<u>Total number of persons</u>	<u>Average annual change from preceding date</u>	
		<u>Number^{a/}</u>	<u>Percent</u>
April 1950	5,177,868	-	-
April 1960	6,220,913	104,300	1.8
September 1965	6,841,000	114,400	1.8
September 1967	7,084,000	121,500	1.8

a/ Rounded.

Sources: 1950 and 1960 Censuses of Population.
1965 and 1967 estimated by Housing Market Analysts.

1/ See the "county summaries" for a discussion of population growth trends within the constituent areas of the Chicago SMSA.

2/ 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.

While the average annual rate of population increase has remained stable during the past decade and a half, and no alteration is seen for the immediate future, changes have taken place in the pace of expansion of various areas within the SMSA. The population of Chicago declined by an average of about 7,050 (0.2 percent) persons annually during the 1950-1960 decade, but since April 1960 there has been an average net increment of about 13,050 (0.4 percent) annually in the population of the city. The suburban areas of the SMSA grew by an average of about 111,400 persons (5.3 percent) each year during the 1950's, and have been growing at the reduced annual rate of around 101,400 (3.5 percent) since 1960.

A continuation of such factors as urban renewal, the increased cost of suburban living (including transportation costs), and the current trend toward apartment living seem to have slowed the exodus to the suburbs. The increased appeal of the city should continue for the next few years, although the bulk of the population growth will continue to take place in suburban areas.

Estimated Future Population. On the basis of expected gains in employment in the Chicago SMSA and continued declines in the number of jobs needed to support a given population because of anticipated future increases in productivity, the population of the SMSA is expected to grow by about 121,500 persons a year to a total of about 7,084,000 persons by September 1967. The rate of increase which this figure represents (an average annual gain of about 1.8 percent) is the same as that which has prevailed in the recent past. The slight relative shift toward the city of Chicago is expected to continue. The city is expected to account for about 15 percent of the anticipated two-year increase in population, compared with 11 percent of the gain since 1960. Conversely, rates of population increase in suburban areas are expected to continue to show a slight downward trend.

Net Natural Increase and Migration. Between the 1950 and 1960 Censuses, the net natural increase (excess of resident births over resident deaths) in the population of the Chicago SMSA accounted for about 79,200 (76 percent) of the 104,300 average annual change in the total population. The remainder of the gain came about through the net in-migration (excess of in-migrants over out-migrants) of about 25,100 people annually. The table below summarizes the components of population change during the 1950-1960 and 1960-1965 periods for the Chicago SMSA and Chicago City.

Components of Population Change
Chicago, Illinois, SMSA
April 1950-September 1965

<u>Area</u>	<u>Average annual changes^{a/}</u>		
	<u>Net natural increase</u>	<u>Net migration</u>	<u>Total population change</u>
Chicago SMSA			
1950-1960	<u>79,200</u>	<u>25,100</u>	<u>104,300</u>
1960-1965	<u>85,000</u>	<u>29,400</u>	<u>114,400</u>
Chicago City			
1950-1960	44,700	-51,750	-7,050
1960-1965	41,600	-28,550	13,050
Remainder of SMSA			
1950-1960	34,500	76,850	111,350
1960-1965	43,400	57,950	101,350

^{a/} Rounded.

Sources: U. S. Bureau of the Census, State of Illinois Department of Health, and estimates by Housing Market Analysts.

Since 1960, net migration into the SMSA has averaged about 29,400 persons annually, a figure somewhat above the experience of the previous decade. The proportion of net natural increase to total population increase since April 1960 is about 74 percent, compared with a ratio of 76 percent during the 1950-1960 period. The greater rate of in-migration in recent years is partially the result of the recent spurt in employment opportunity (as discussed in the previous section of this analysis) which has served to increase the attractiveness of the area.

While Chicago City has continued to experience net out-migration in recent years (principally to the suburban areas of the SMSA), the absolute number of out-migrants since April 1960 has been only about 55 percent of that of the 1950-1960 decade. This lowered rate of out-migration during recent years has enabled the city to show a net population gain of modest proportions. Since a large proportion of the in-migration to the suburban areas of the SMSA had been furnished by out-migrants from Chicago, the decrease in that exodus during recent years is reflected in lower rates of migration to the suburban areas (see table VII).

Distribution by Age. The median age of the population in the Chicago SMSA showed a comparatively rapid decline during the intercensal period; the SMSA median age decreased from 33.2 years in 1950 to 31.3 in 1960, compared with a drop of from 30.2 to 29.5 years in the Nation as a whole. In both cases, the decline reflected the high birth rates of the post-World War II and Korean conflict periods. In the Chicago area, the number of persons in the 20- through 29-year age group showed a net decline of about 9.5 percent during the decade, which is a reflection of the low birth rates of the economically depressed 1930's. The most rapid rates of increase, as shown by table VIII, were in the two youngest age groups, consisting of persons under 20 years of age. It is judged that these young individuals will exert an important influence on the housing market of the SMSA in future years, as they come of age and form new households. Of more immediate interest, however, especially to the sales housing market, is the relatively slow rate of increase (3.4 percent) exhibited by those aged 30 through 39 years (an important home-buying age group) during the intercensal period.

During the 1950-1960 decade, the decline in the number of persons in the 20-29 age group was confined to the city of Chicago. The number in this age group decreased by 24 percent in Chicago. However, in the remainder of the SMSA the number of persons in their 20's increased by 29 percent. Also, while the number aged 30 through 39 decreased by 12 percent in the city during the 1950's, in the suburbs there was a substantial gain of 58 percent in the number of persons in these age groups.

Households

Current Estimate. There are about 2,089,000 households (occupied housing units) in the Chicago SMSA as of September 1965, which represents an increase of about 191,100 since the April 1960 Census enumeration. The city of Chicago accounts for about 57 . percent (1,201,000) of the current number of households, which represents a decline from the 1960 proportion of 61 percent. Most of the 888,000 households located outside the city are within the suburban portion of Cook County, and are especially concentrated in those areas contiguous to Chicago, northward along the shore of Lake Michigan, and along several axes of transportation radiating from the city.^{1/}

^{1/} See "county summaries" for a discussion of household growth trends within the constituent areas of the Chicago SMSA.

Past Trend. The current number of households represents an average annual gain of about 35,250 (1.8 percent) since 1960, compared with an average increment of 37,800 households annually (2.3 percent) which prevailed during the 1950-1960 period. Table IX provides a detailed presentation of household growth trends in each of the six counties and in selected incorporated areas in the SMSA.

It should be noted that the 1950-1960 annual rate of increase in the number of households (2.3 percent) is higher than the rate of population growth (1.8 percent) which prevailed during the same period (see table below). However, the increase in the number of households 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. A large number of furnished-room type of accommodations which were not classed as dwelling units in 1950 were classed as housing units in the 1960 Census. Some portion of the more rapid increase in the number of households than in total population is explained by a small decline in average household size as more people, both young and old, maintained separate households.

Household Growth Trends
Chicago, Illinois, SMSA
April 1950-September 1967

<u>Date</u>	<u>Total number of households</u>	<u>Average annual change from preceding date</u>	
		<u>Number^{a/}</u>	<u>Percent</u>
April 1950	1,520,062	-	-
April 1960	1,897,917	37,800	2.3
September 1965	2,089,000	35,250	1.8
September 1967	2,164,000	37,500	1.8

^{a/} Rounded.

Sources: 1950 and 1960 Censuses of Housing.
1965 and 1967 estimated by Housing Market Analysts.

Future Household Growth. Based on the anticipated increase in job opportunities, and on other conditions favorable to continued immigration and family formation, it is expected that the number of households will increase by about 37,500 (1.8 percent) during each of the next two years to a September 1967 total of 2,164,000. The suburban areas of the SMSA will continue to exhibit the highest rates of growth, but Chicago should maintain about the same rate of household increase that has prevailed in the city since 1960 (8,050 a year).

Household Size Trends. The average number of persons per household declined in the Chicago area during the 1950-1960 decade; in 1950 there were about 3.25 persons per household, and in 1960 the figure had declined to about 3.20. The impact of the change in census definition of household was a one-time factor which has not continued. The average household in the SMSA is believed to be about the same size currently as in 1960, about 3.20 persons.

Housing Market Factors

Housing Supply

Current Estimate. As of September 1965, there are approximately 2,186,000 housing units in the Chicago, Illinois, SMSA (see table X). The current housing inventory represents a net gain of about 188,600 units (9.4 percent) since April 1960. The net increase in the inventory results from the construction of about 211,400 new housing units and a loss of about 22,400 units through demolition, fire, catastrophe, and other causes. Almost 83 percent (1,812,000 units) of the current housing inventory is located in Cook County and just over 69 percent (1,255,000 units) of the Cook County total is located in the city of Chicago. Du Page County, to the west of Cook County, and Lake County, to the north, currently have the second and third largest housing inventories in the SMSA. Du Page County, contains about 5.0 percent (108,600 units) of the SMSA housing stock, and Lake County accounts for about 4.5 percent (97,450 housing units). These two counties have exchanged relative size positions since April 1960 as residential building activity in Du Page County has exceeded that of Lake County.

Past Trend. Growth of the SMSA housing inventory from April 1960 to date has been somewhat slower than the growth experienced during the 1950-1960 decade, but a portion of the decennial "growth" is a definitional increment attributable to the conceptual change from "dwelling unit" in 1950 to "housing unit" in 1960. An average net addition of about 34,800 housing units annually during the most recent period compares with an average net addition of around 43,350 housing units annually between April 1950 and April 1960. Both the city of Chicago and the remainder of the SMSA were affected by the apparent slowing in the rate of growth. In the city, average growth of about 7,375 annually since April 1960 compares with about 10,900 during the 1950-1960 intercensal period; the suburban portion of the SMSA has shown annual gains of about 27,400 since 1960 compared with an average annual increment of around 32,500 during the previous decade. Since Chicago contained a much larger proportion of units of the type affected by the census definitional change than did the rest of the SMSA, it is judged that the real decline in the growth rate of the city was much less marked than that of the suburbs. Du Page County showed the greatest relative decline in the rate of housing stock expansion, from an average annual gain of 4,335 a year during the 1950's to 3,825 a year since April 1960. However, Du Page was the fastest growing of the five suburban counties during both of these periods.

Type of Structure. Little change has taken place in the composition of the SMSA housing inventory between April 1960 and the current date (see following table). The single-family structure share of the inventory increased from 46 percent of the total housing stock in April 1960 to 47 percent currently. The proportion of duplex structures dropped from 15 percent of the total inventory in 1960 to about 14 percent at the present time, while the ratio of housing units in three- or more-unit structures remained virtually unchanged. As in the SMSA as a whole, the distribution of the inventory by type of structure in the city of Chicago changed little between 1960 and 1965, as the large volume of multifamily building activity was balanced by the large volume of demolition activity. In the remainder of the SMSA, however, this was not the case. The relatively large increase in the proportion of housing units in three- or more-unit structures during the 1960-1965 period reflects the apartment construction "boom" which has occurred in the suburbs since 1960. In 1960, structures containing three or more units accounted for about 12 percent of the suburban SMSA housing unit inventory, compared with 15 percent currently. Since 1960, the proportion of single-family units in the remainder of the SMSA has declined from almost 80 percent in April 1960 to 78 percent currently; the proportion of units in duplex structures also declined from about 8 percent in 1960 to approximately 7 percent currently.

Housing Inventory by Units in Structure
Chicago, Illinois, SMSA
1960 and 1965

<u>Units in structure</u>	<u>April 1960</u>		<u>September 1965</u>	
	<u>Number of units</u>	<u>Percent of total</u>	<u>Number of units^{c/}</u>	<u>Percent of total</u>
1 unit ^{a/}	924,818	46.3	1,033,000	47.3
2 units	300,310	15.1	306,700	14.0
3 or more units	771,513	38.6	846,300	38.7
Total	1,996,641 ^{b/}	100.0	2,186,000	100.0

^{a/} Includes trailers.

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

^{c/} Rounded.

Sources: 1960 Census of Housing.

1965 estimated by Housing Market Analysts.

Year Built. Based on the 1960 Census of Housing and estimates derived from building permit and demolition data, it is judged that about ten percent of the current SMSA housing inventory has been added since April 1960. As might be anticipated, the housing inventory of the city of Chicago is quite old while most of the suburban inventory has been built rather recently. As shown in the table below, almost three-fourths of the Chicago City inventory was built before 1930, while over one-half of the inventory in the remainder of the SMSA has been constructed since 1950.

Distribution of the Housing Inventory by Year Built
Chicago SMSA and Chicago City, 1965

<u>Year built^{a/}</u>	<u>Percentage distribution</u>		
	<u>Chicago City</u>	<u>Remainder of SMSA</u>	<u>SMSA total</u>
April 1960 - September 1965	4	16	10
1959 - March 1960	1	6	3
1955 - 1958	4	16	9
1950 - 1954	5	15	9
1940 - 1949	4	11	7
1930 - 1939	8	7	7
1929 or earlier	74	29	55
Total	100	100	100

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

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

Condition. An important trend in the SMSA housing supply from 1950 to 1960 was a marked decline in the number of substandard housing units. In April 1960 there were about 198,900 housing units classed as dilapidated or lacking one or more plumbing facilities, about ten percent of the total housing inventory. Ten years earlier, in April 1950, there were about 328,400 housing units in these categories, equal to 21 percent of the SMSA housing stock at that time.^{1/} As might be expected, most substandard units were located in Chicago in both 1950 and 1960 (almost 81 percent of the 1960 total and 75 percent of the 1950 total). A sharp difference in condition is noted when the owner-occupied and the renter-occupied portions of the inventory are compared.

^{1/} Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of 1960 enumeration procedures.

In April 1960, two percent of the owner-occupied inventory was reported to be dilapidated or lacking one or more plumbing facilities, compared with about 16 percent in the renter-occupied inventory; ten years earlier these proportions were eleven percent and 28 percent, respectively.

Residential Building Activity

Trends. During the 1955-1964 period, the volume of private residential construction in the Chicago SMSA, as measured by units authorized by building permits, has exhibited a downward trend (see following table) as the occasional upward movements failed to reach previous peaks. The lowest volume reported for the period was in 1964, when about 37,050 units were authorized; the peak year was 1955 when almost 47,200 units were authorized. Between 1955 and 1958, construction volume declined by almost 21 percent (9,825 units), rose by about 19 percent (7,050 units) between 1958 and 1959, slumped again between 1959 and 1960 by 16 percent (7,125 units), and increased by 15 percent (5,700 units) between 1960 and 1961. Since 1961, the volume of units authorized has been declining each year, from about 43,000 in 1961 to about 37,100 in 1964, a decrease of almost 14 percent (5,900 units). The decline has continued into 1965; authorizations during the first seven months are about five percent (1,125 units) below the corresponding period in 1964.

Since 1955, the volume of single-family construction in the Chicago SMSA, as measured by building permit activity, has declined in most years, from 41,900 units in 1955 to about 19,150 units in 1963; in 1964, 19,200 single-family units were authorized for construction. The proportion of multifamily authorizations increased in most years during the last decade, from about eleven percent of total units authorized in 1955 to about 49 percent in 1963. In 1964, the ratio declined to 48 percent. During the first seven months of 1965, the proportion of multifamily authorizations has dropped to 44 percent. Also significant is the fact that single-family unit authorizations during the first seven months of 1965 are about three percent ahead of single-family authorizations in the same period in 1964. Although this increase is small, it represents a reversal of the trend established since 1959. Tables XI and XII show total private and private multifamily housing units authorized since 1960 in each of the six counties comprising the Chicago SMSA, and for selected areas within each county.

In addition to the private housing authorized for construction since 1960, there also have been about 13,600 public housing units authorized in the SMSA, 92 percent of which were in Cook County. Nearly 98 percent of the Cook County total were authorized in the city of Chicago.

Private Housing Units Authorized by Building Permits
Chicago, Illinois, SMSA, 1955-1965

<u>Year</u>	<u>Type of structure</u>			<u>Percent multifamily</u>
	<u>Single family</u>	<u>Multifamily^{a/}</u>	<u>Total</u>	
1955	41,900	5,283	47,183	11.2
1956	37,770	7,071	44,841	15.8
1957	29,267	8,588	37,855	22.7
1958	29,162	8,195	37,357	21.9
1959	33,159	11,249	44,408	25.3
1960	24,628	12,648	37,276	33.9
1961	24,534	18,440	42,974	42.9
1962	22,700	20,263	42,963	47.2
1963	19,158	18,333	37,491	48.9
1964	19,179	17,893	37,072	48.3

First seven months:

1964	10,672	10,222	20,894	48.9
1965	11,021	8,757	19,778	44.3

a/ Includes all units in structures containing two or more units.

Sources: U.S. Bureau of the Census, Construction Reports C-40 and Bell Savings and Loan Association.

Units Under Construction. Based on building permit data, a postal vacancy survey conducted during September-October 1965, on other data obtained in the Chicago area, and on average construction time for single-family homes, garden-type apartments, and high-rise rental projects, there are estimated to be about 19,700 housing units under construction in the Chicago, Illinois, SMSA as of September 1, 1965. Approximately 6,600 of these units are single-family homes and about 13,100 are in multifamily projects. About 58 percent of the single-family units and almost 88 percent of the multifamily units are under construction in Cook County. Of the multifamily housing units under construction in the SMSA, about 1,100 are public housing units.

Demolition. Wrecking permits issued by the city of Chicago and estimates of housing unit losses in the remainder of the SMSA indicate that approximately 22,400 residential units have been demolished in the SMSA since 1960 (see table below). Over 81 percent of these losses occurred in Chicago City. Most of the units demolished in

Chicago City were located in urban renewal areas or in the path of new expressways. As shown in the following table, almost 83 percent of the units demolished in Chicago were in multifamily structures. Records of the Chicago Department of Buildings indicate that creation or loss of units through conversion has been negligible since 1960.

Demolition Trends
Chicago, Illinois, SMSA and Chicago City
January 1, 1960 through July 31, 1965

<u>Type of structure</u>	<u>Number of units demolished</u>		
	<u>Chicago City</u>	<u>Remainder of SMSA</u>	<u>SMSA total</u>
Single-family	3,150	3,350	6,500
Two or more units	<u>15,050</u>	<u>850</u>	<u>15,900</u>
Total	18,200	4,200	22,400

Sources: Department of Buildings, Chicago City,
and estimates by Housing Market Analysts.

It is anticipated that 5,775 families will be relocated by the local housing agencies in the city of Chicago during 1965 and 1966. Based on this figure, plus an allowance for inventory losses resulting from fire, etc., it is anticipated that about 6,850 units will be removed from the Chicago housing inventory during the two-year forecast period to September 1967. This figure does not include losses which will result from the construction of the proposed Interstate 494. Although final plans for this route have not been released to the public, informed local sources indicated that demolition activity could begin during the next two years. I-494 will tie in on the north at the intersection of the John F. Kennedy and Edens Expressways, travel south through the city of Chicago in the vicinity of Cicero Avenue, turn east in the vicinity of Marquette Road, and tie in to the Dan Ryan Expressway. It is estimated that about 1,800 units will be removed from the housing inventory in the remainder of the SMSA during the two-year forecast period, so that losses in the SMSA through demolition will total about 8,650 units.

Tenure of Occupancy

As shown in table X, owner occupancy has been increasing in the Chicago SMSA since 1950. Currently, approximately 51.0 percent of the 2,089,000 occupied housing units in the SMSA are owner occupied, compared with 50.6 percent in April 1960 and 40.9 percent in April 1950. The deceleration in the trend toward homeownership since April 1960 reflects the increased interest in multifamily housing in the past few years.

Presently, about 34.0 percent of the 1,201,000 occupied housing units in the city of Chicago are owner occupied, a slight decrease since April 1960, when 34.3 percent were owner occupied. Of the 888,000 occupied housing units in the remainder of the SMSA, about 74.0 percent are owner occupied, down from the April 1960 proportion of 76.2 percent. The table below gives a brief summary of trends in tenure since 1950 for the Chicago SMSA.

Trends in Owner Occupancy
Chicago, Illinois, SMSA
1950, 1960, and 1965

<u>Area</u>	<u>April 1950</u>	<u>April 1960</u>	<u>September 1965</u>
Total SMSA occupied units	<u>1,520,062</u>	<u>1,897,917</u>	<u>2,089,000</u>
Owner occupied	<u>620,987</u>	<u>960,897</u>	<u>1,065,000</u>
Percent of total	40.9%	50.6%	51.0%
Chicago City	1,087,258	1,157,409	1,201,000
Owner occupied	329,993	396,727	408,200
Percent of total	30.4%	34.3%	34.0%
Remainder of SMSA	432,804	740,508	888,000
Owner occupied	290,994	564,170	656,800
Percent of total	67.2%	76.2%	74.0%

Sources: 1950 and 1960 Censuses of Housing.
1965 estimated by Housing Market Analysts.

Note that the proportion of owner occupancy increased in the SMSA as a whole from 1960 to 1965, while declining in each of the two components of the SMSA shown above. This is explained by the increasing relative importance of the suburbs in which homeownership is dominant.

Vacancy

Last Census. As of April 1, 1960 there were about 65,450 vacant available nondilapidated housing units in the Chicago SMSA, equal to 3.3 percent of the available housing inventory (excludes unavailable vacant units). As shown in table XIII, about 12,150 of the available units were for sale, indicating a homeowner vacancy rate of 1.2 percent, and 53,300 units were available for rent, a rental vacancy rate of 5.4 percent. Of the available vacant units, 14,200 rental vacancies and 360 sales vacancies lacked some or all plumbing facilities.

Postal Vacancy Survey. The results of a postal vacancy survey conducted during September-October 1965 are shown in table XIV. The postal survey was conducted on selected postal routes in the service area of the Chicago Post Office and covered about 50 percent of the total possible postal deliveries. For areas not served by the Chicago Post Office, 35 cities and towns were selected and the survey results cover all of the possible deliveries to dwelling units in each of the incorporated areas selected. Vacancies in residences numbered 4,650, or 0.9 percent of the residences surveyed. As shown in the survey, apartment vacancies totaled 13,500 units, or 2.5 percent of the 545,700 apartments surveyed. The results of the postal vacancy survey are expressed in quantitative terms only because it was not feasible to collect qualitative data in this type of survey. Analysis of the results suggests, however, that the letter carriers have not enumerated most vacant units of unacceptable quality or vacant units unavailable for rent or sale.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. 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. Data furnished by the Commonwealth Edison Company show that "inactive" residential electric meters in the Chicago area^{1/} increased from about 32,600 (1.8 percent of the residential meters) in April 1960 to about 49,900 (2.5 percent of the residential meters) in September 1965. Based on this information, it would appear that vacancy levels in the Chicago SMSA have risen since 1960. However, most of the increase in the number of idle electric meters reported for the current period, as compared with 1960, reflects: (1) a sharp increase in the number of multifamily units under construction, and (2) a change in electric company policy with regard to how long idle meters are kept in vacant units. Currently, there are about 13,100 rental units under construction in the SMSA, many of which have had electric meters installed which are being carried as "idle" meters although the housing

^{1/} Represents reports of six divisions of the Commonwealth Edison Company which corresponds roughly to the Chicago SMSA.

units may not be completed and are not available for occupancy (nearly all of the new rental units constructed in recent years have been individually metered).

In the early 1960's, it was electric company policy to remove the meter from a vacant unit when it was in an idle status for eight months. At this point it was removed from both the "total" and "inactive" accounts. In 1964, it was decided that the "idle" meters would be left in vacant units for as long as twelve months and that the precise time that the meter would be removed would be left to the discretion of local divisional managers. To some extent, the eventual removal of meters from vacant units depends on the likelihood of occupancy of the unit within a reasonable time and the opinion of the local manager as to whether or not the meter equipment is subject to damage from vandalism if left in place.

In summary, the "inactive" meter count would include units of acceptable quality in good locations, plus meters in multifamily units under construction. A small number of poor quality units would be included in the "inactive" count at any one time, but if the chance of renting or selling these units is slight, the meter would be removed as soon as possible and not carried as "inactive" for the usual twelve months. Units of acceptable quality in, or bordering on, poor quality areas might also be vacant and available but not included in the count of "inactive" electric meters on this basis.

Another vacancy indicator for the SMSA is the current experience of six large property management firms. Records of these companies pertaining to established apartment projects (walkup and elevator) at scattered locations throughout the SMSA show a September 1965 vacancy rate of about 2.0 percent in 23,200 units. While earlier data are not available for comparative purposes, most of the property management firm representatives are of the opinion that rental vacancies have been trending downward, particularly in recent months.

Vacancies in FHA-Insured Projects. Based on projects completed and reporting, the March 1965 survey of FHA-insured rental projects with over 17,000 units revealed an over-all vacancy ratio of 2.4 percent. While these data represent projects completed and reporting within the entire jurisdiction of the Chicago FHA Insuring Office, which includes 19 northern Illinois counties, the majority of the units are located in the Chicago SMSA. The following table summarizes vacancy trends in FHA-insured rental projects.

Vacancy Ratios in Reporting FHA-Insured Rental Projects
Chicago, Illinois, Area
1960-1965

<u>As of</u> <u>March 15</u>	<u>Percent</u> <u>vacant</u>
1960	2.3
1961	1.4
1962	3.2
1963	2.3
1964	5.1
1965	2.4

Source: FHA Division of Research
and Statistics.

The vacancy ratio of the reporting units for 1965 is considerably below that of the previous year, and would have been even lower if a relatively large number of insured units had not recently come on the market. A similar condition existed in 1964.

Current Estimate. On the basis of postal vacancy survey results, surveys conducted by various organizations in the SMSA (including the FHA), information provided by the Commonwealth Edison Company and other utilities, and on personal observation, it is judged that there are currently about 60,700 available vacant housing units in the Chicago SMSA, an over-all net available vacancy ratio of 2.8 percent. Of the total available vacancies, 13,000 units are for sale, representing a homeowner vacancy ratio of 1.2 percent; 47,700 units are available for rent, indicating a rental vacancy rate of 4.5 percent. As shown in table XIII, the current number of available sales vacancies is slightly above the 1960 Census figure, while the number of rental vacancies has declined since April 1960. The drop in rental vacancy reflects the large number of demolitions during the past five years (particularly in the city of Chicago), as well as the increased desire for rental accommodations in the city of Chicago and adjacent areas. While the level of rental vacancy has dropped since April 1960, there are reports of excess vacancies in various sections of the city, particularly in areas that are not easily accessible to rapid transit.

Approximately 350 of the currently available vacant sales units and 11,400 of the available vacant rental units are judged to be substandard in that they are dilapidated or do not contain all plumbing facilities. The present proportion of "substandard" vacancies is substantially below that reported by the 1960 Census, reflecting the elimination of a large amount of poor quality housing through demolition activity.

Sales Market

General Market Conditions. The market for new sales housing in the Chicago SMSA is firm although demand has been falling off for several years, as evidenced by the trend of single-family housing unit authorizations (see table on page 25). Despite declining single-family activity, the rate of house construction is apparently keeping pace with demand for such units since the current homeowner vacancy ratio (1.2 percent) is unchanged from that of April 1960.

Major Subdivision Activity. There are a great many subdivisions of varying size scattered about the Chicago SMSA, especially along the most important commuter transportation corridors. Northern Cook County is a particularly active area; the most recent FHA subdivision survey of new homes constructed in the SMSA (see following discussion) indicates that about two-fifths of the completions were in that area. One of the largest, if not the largest, single-family building operations is located northwest of Chicago in Cook County. Construction was started in 1957; it is being built according to a master plan by the developer. Approximately 3,500 houses have been built to date and construction of the units is continuing.

Unsold Inventory of New Homes. Some guidance as to the nature of the sales market can be obtained from the annual surveys of unsold new houses which were conducted by the Chicago FHA Insuring Office in January of 1964 and 1965 (see table XV). The surveys were conducted in subdivisions in which five or more houses were completed in the twelve months preceding the survey dates. Analysis of both surveys suggests that a very large proportion of single-family construction in the Chicago SMSA occurs in very small subdivisions or on scattered lots, and hence was not included in the surveys.

The January 1965 survey covered 140 subdivisions in the Chicago SMSA in which about 6,200 houses were completed during 1964. Of that number, about 4,150 (67 percent) were sold before the start of construction and the remainder were built speculatively. Of the speculatively-built homes, about 260 were unsold, a ratio of 13 percent. This is an

indication of a strengthening market (in the January 1964 survey, the comparable ratio was 39 percent). The survey indicated that 23 percent of the unsold units had been on the market for one month or less, 36 percent for two to three months, 29 percent for four to six months, and 12 percent for seven to twelve months. There were 70 units reported to have been on the market for more than twelve months. This low figure also points to an improvement in the sales market which occurred over last year; in the January 1964 survey, 230 units had been on the market more than twelve months.

The comparable January 1964 survey covered 140 subdivisions with about 4,525 houses completed during 1963. About 3,025 (67 percent) of the completions were reported to have been sold prior to the start of construction and about 1,500 units were speculatively built. Of the speculatively-built houses, about 590 were unsold (39 percent). However, a substantial portion of the unsold units was the product of a single builder in Lake County. The 1964 survey showed that 33 percent of the unsold homes had been on the market for one month or less, 29 percent for two to three months, 24 percent for four to six months, and 14 percent for seven to twelve months.

A median value of \$20,250 for houses built during 1964 can be derived through interpolation from the price ranges shown in table XV. However, since units covered by the survey do not include total houses built (only houses in subdivisions having five or more completions during the year), and since many houses priced in the upper ranges are built on a scattered-lot basis, the median derived from the table is probably somewhat below that of all completed units.

Rental Market

General Market Conditions. The over-all rental market in the Chicago SMSA is in a firm condition. This conclusion is based on information obtained from many sources in the Chicago area (see current vacancy section). **Conversations with the personnel responsible for residential**

property management in six of the larger property management firms in the Chicago area indicated low vacancy rates in most projects managed. The projects managed by these firms were reported to be a good cross-section of the rental market. Included are both new and old high-rise and walk-up apartments at scattered locations throughout the SMSA.

The most often heard comment from these property managers was to the effect that the rental market has firmed-up during the last year. Several managers said that buildings which formerly required advertising can now be rented without this effort. They further stated that a year ago, demand for new units had to be stimulated with rent concessions, drawing tenants from other buildings; this practice has lessened since.

While some project managers reported that most of their vacancies were in the older units, others felt that the high-rise boom in apartment construction has not hurt the occupancy experience in older rental units, provided that these older units are well maintained and at good locations. Many renters prefer the large rooms and high ceilings which are typical in the older rental projects.

While the majority of rental property managers reported low vacancies in their areas, there were exceptions. One Southside branch real estate office of a local property management firm claimed a vacancy rate of over twelve percent in September 1965. Another manager, with an over-all vacancy rate of less than one percent in the properties he managed, reported that most of his vacancies were in two buildings. Even though the over-all rental market could be termed "tight," areas of excess vacant rental units do exist. Local sources indicated that the existence of pockets of vacancies were not uncommon, particularly in the city of Chicago, but this condition also exists at other locations in the SMSA. Changing neighborhood influences are partially responsible, but location is also very important. It was reported that some projects which are not convenient to a rapid transit line are having difficulties in renting.

Absorption of Recent Inventory Additions. One of the large mortgage banking firms in the Chicago area conducted a survey of recently-completed rental projects during August 1965 in an effort to measure the absorptive capacity of the market for new rental housing. The survey was confined largely to the northwest suburban area of Cook County, and covered garden-type projects primarily. Most of the information presented is typical of the new rental projects of

that type in the SMSA outside the central city. The survey covered a total of about 15 finished projects containing 2,950 units, all of which had been completed since 1960. The projects consisted largely of one- and two-bedroom apartments, although some three-bedroom units were included in the survey. Rents averaged about \$150 (excluding electricity) for one-bedroom units of about 700 square feet and approximately \$170 for two-bedroom units containing about 1,000 square feet. Over half of the units were in projects completed since January 1964; these newest units tend to be larger than those completed prior to 1964 (one-bedroom units average about 60 square feet of additional floor space), and offer some additional amenities at very similar rentals. Of the total of 2,950 units, only 35 (1.2 percent) were vacant; further, nine of the projects reported no vacancies and several claimed substantial waiting lists of prospective tenants. There was no significant difference in rates of vacancy between the most recently completed projects and those completed before 1964.

Of the rental units insured under the National Housing Act (see table on page 30), about 7,650 units (21 projects), all of which are in the Chicago SMSA, have been completed since January 1963 (excepting one recently-renovated older project). The latest rental occupancy report (as of March 15, 1965) enumerated 230 vacancies in these recently-completed units, indicating a very modest vacancy rate of 3.0 percent. Of the 4,400 units which had been completed during 1963, about 3.0 percent were vacant as of March 1965; around 2.1 percent of those finished during 1964 were vacant in March 1965; and, of the 635 units in projects completed early in 1965, only 37 units (5.8 percent) remained vacant as of March 15 of this year. Thus, projects insured during the last few years have found very good reception in the housing market. About three-fourths of the units completed since January 1963 are located in the city of Chicago; a great many are in luxury-type buildings in high-rent areas of the city. About 2.6 percent of the 5,650 FHA-insured units in the city were vacant as of March 1965.

(without FHA assistance). As reported by the Federal Home Loan Bank of Chicago, mortgage interest rates and terms have remained nearly constant for almost two years in both the Nation and the Chicago area. Throughout this time the contract rate for mortgages on new homes has remained within a narrow range of 5.75 percent in the Nation as a whole and 5.50 percent in the Chicago area. Fees and charges amounting to an additional 0.5 percent in the Nation and 1.0 percent in the Chicago area are typical. In July 1965, the average new home mortgage in the SMSA was for a term of almost 23 years compared to just over 24 years in the Nation, and the average loan-to-price ratio was 67 percent in the Chicago area compared to 75 percent in the Nation as a whole.

Urban Renewal

As of December 31, 1964, a total of 125 housing and urban renewal projects had been authorized by various governmental agencies for incorporated areas within the Chicago SMSA. The city of Chicago contained the great majority of these projects (116) and the remaining nine projects were distributed, one in each of seven different communities and two in Joliet (Will County). Of the SMSA total, 64 had been completed, 56 were in various stages of execution, and five were in the planning stage. Four agencies are engaged in housing and urban renewal activities in the city of Chicago.

Since the inception of urban renewal, over 2,300 acres of land have been authorized for clearance in the SMSA. According to current plans, up to 12,000 rental units will be built eventually on the cleared land. The vast majority of the new construction will be located in Chicago. A total of around \$81,000,000 in Federal grants has been disbursed to communities in the Chicago SMSA in connection with urban renewal projects through 1964, of which almost 95 percent was to the city of Chicago.

Public Housing

As of the end of 1964, there was a total of about 30,500 units of low-rent public housing managed by various counties and municipalities in the Chicago SMSA, the great majority of which (29,800) were located within Chicago. Included in this figure are 1,325 units (all in Chicago) specifically designed for occupancy by elderly persons. In addition, there were 2,300 units under construction (including 1,625 apartments for senior citizens), and 4,475 units were in planning (inclusive of 2,900 units for the elderly). Of the SMSA total of 6,775 units in planning or under construction, 1,450 were outside the city of Chicago.

Demand for Housing

Quantitative Demand

Based on the expected growth in the number of households during the next two years (37,500 annually), on the anticipated level of demolition activity, and on adjustments to create a balanced market condition throughout the SMSA, demand for new housing units is expected to total 39,450 annually over the forecast period. Of the total annual demand, 20,650 will be for sales units and the remaining 18,800 represents demand for rental housing.

The annual demand for new housing over the next two years is slightly below the rate of construction of the 1960-1964 period, when an average of 39,550 private housing units were authorized annually, but is a little above the average number of authorizations during the 1963-1964 period (37,300 annually). The annual demand for new sales housing is below the annual average of the 1960-1964 period (22,050 units); single-family authorizations have been dropping for several years (see table on page 25). The projected annual demand for rental housing is above the annual average of the last five years (17,500) but about equal to the average number of multifamily authorizations in the SMSA during the 1962-1964 period (18,850 annually). The increased interest in apartment living which has been demonstrated in recent years is responsible for the rising proportion of activity in multifamily housing. The demand estimate does not include public low-rent housing or rent-supplement accommodations.

The table below summarizes annual quantitative demand for new housing during the next two years by area.

Projected Annual Demand for New Housing
Chicago, Illinois, SMSA
September 1, 1965, to September 1, 1967

<u>Area</u>	<u>Number of housing units</u>		
	<u>Sales units</u>	<u>Rental units</u>	<u>Total</u>
SMSA total	<u>20,650</u>	<u>18,800</u>	<u>39,450</u>
Cook County	<u>12,800</u>	<u>16,000</u>	<u>28,800</u>
Chicago	2,500	7,500	10,000
Remainder of county	10,300	8,500	18,800
Du Page County	2,900	1,200	4,100
Kane County	1,050	600	1,650
Lake County	1,850	725	2,575
McHenry County	600	75	675
Will County	1,450	200	1,650

In addition to the demand indicated, which arises essentially from expected household growth and the demolition of existing housing, aggressive marketing would enable additional housing of good quality at moderate prices and rents to be rented and sold in appropriate locations in and near the city of Chicago. This might have the effect of increasing vacancy levels in the present large stock of poor-quality housing, but this acceleration of the filtration and replacement process would not be undesirable.

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 20,650 sales units is expected to be distributed as shown in the following table. It is judged that single-family houses that meet minimum standards cannot be produced in the Chicago area to sell for less than about \$14,000. Similar distributions for each of the sub-market areas will be found in separate sections of this report.

Annual Demand for New Sales Housing by Price Class
Chicago, Illinois, SMSA
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	1,230	6
\$18,000 - 21,999	4,140	20
22,000 - 25,999	4,400	21
26,000 - 29,999	4,290	21
30,000 - 34,999	3,265	16
35,000 - 39,999	1,465	7
40,000 and over	<u>1,860</u>	<u>9</u>
Total	20,650	100

The foregoing distribution differs from that in table XV, which reflects only selected subdivision experience during the years 1963 and 1964. It must be noted that the 1963-1964 data do not include new construction in subdivisions with less than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction is concentrated in the smaller building operations which are quite numerous. The preceding demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Rental Housing. The monthly rental at which privately-owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following tables. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

All of the demand for new rental housing shown in the following tables is at or above the minimum rents achievable in the respective areas with market-interest-rate-financing, and excludes demand for public low-rent housing and rent-supplement accommodations. Minimum rents are lower in some areas (Kane, McHenry, and Will Counties) than in others since such rents are a function of land, labor, and material costs, all of which, to some degree, are variable factors.

Since housing at the lower rents possible with public benefits or assistance through tax abatement or aid in financing or land acquisition, exclusive of public low-rent housing and rent-supplement accommodations, is possible only in areas in which there has been planning for programs of this type, the demand for this housing has been calculated only for the city of Chicago, where it totals about 2,525 units a year (see Chicago summary). An additional small number of such units may be absorbed in those suburban communities in which appropriate programs are in force.

Estimated Annual Demand for New Rental Housing
Cook, Du Page, and Lake Counties, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	Efficiency	One bedroom	Two bedroom	Three bedroom
\$130 and over	2,340	-	-	-
135 " "	2,255	-	--	-
140 " "	2,100	-	-	-
145 " "	2,005	7,425	-	-
150 " "	1,880	6,925	-	-
155 " "	1,750	6,490	-	-
160 " " - - - -	1,640 - - - -	6,075 - - -	6,165	-
165 " "	1,510	5,605	5,675	-
170 " "	1,380	5,100	5,160	-
175 " "	1,270	4,695	4,745	1,995
180 " "	1,135	4,205	4,255	1,810
200 " " - - - -	785 - - - -	2,870 - - -	2,885 - - -	1,285
220 " "	550	2,030	2,050	910
240 " "	400	1,500	1,500	685
260 " "	325	1,210	1,205	565
280 " "	240	900	890	430
300 " "	175	665	665	320

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$165 is 1,320 units (6,925 minus 5,605).

Estimated Annual Demand for New Rental Housing
Kane, McHenry, and Will Counties, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	Efficiency	One bedroom	Two bedroom	Three bedroom
\$120 and over	115	-	-	-
125 " "	105	-	-	-
130 " "	90	-	-	-
135 " "	85	350	-	-
140 " "	75	310	-	-
145 " " - - - - -	70 - - - - -	290	-	-
150 " "	60	260	305	-
155 " "	50	230	270	-
160 " "	45	195	230	-
165 " "	40	175	205	105
170 " " - - - - -	30 - - - - -	155 - - - - -	185 - - - - -	85
175 " "	20	130	155	75
180 " "	15	110	135	65
200 " "	10	50	55	35
220 " "	5	40	40	20
240 " "	-	20	25	10
260 " "	-	15	15	10
280 " "	-	5	10	5

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$165 is 85 units (260 minus 175).

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

HOUSING MARKET SUMMARY
CHICAGO, ILLINOIS

Demographic Factors

Population

Trends. There are currently about 3,621,000 persons residing within the city of Chicago, representing an average annual increment of approximately 13,050 (0.4 percent) since April 1960. This modest rate of population growth is a reversal of the trend which occurred in the city during the 1950-1960 intercensal period. Through that decade, an average decline of about 7,050 persons a year (0.2 percent) was registered. While Chicago experienced population losses during the 1950's, substantial growth occurred in the suburban portions of the SMSA. This was a common development in many large metropolitan areas during the 1950's. By September 1967, it is expected that the population of the city will increase to about 3,657,000, representing an average annual increment of about 18,000 persons.

Net Natural Increase and Migration. During the 1950-1960 decade, the net natural increase in population (excess of resident births over resident deaths) averaged 44,700 persons a year in the city of Chicago, but, as a result of the net out-migration of 51,750 persons annually (principally to suburban areas of the SMSA), the city showed an average net decline in population of about 7,050 a year. In the period since 1960, while net natural increase has declined to an average of about 41,600 annually, net out-migration has slowed to around 28,550 a year (or just a little more than half the rate of the 1950's), so that there have been modest population gains in the city.

Households

Trends. There are about 1,201,000 households in Chicago at the present time, representing an average increase of about 8,050 (0.7 percent) annually since April 1960. During the 1950-1960 intercensal period, in the face of annual population declines of about 0.2 percent, households grew by an average of about 7,025 (0.6 percent) annually. However, it is judged that a large part of the apparent increment in households during the intercensal period was caused by the change in census definition from "dwelling unit" in 1950 to "housing unit" in 1960 (see the main body of this report). Household growth is expected to continue at about the same rate as that established since 1960 and during each of the next two years should show an increase of about 9,000 (0.7 percent) a year to a September 1967 total of 1,219,000.

Household Size. The increase in the number of households during the 1950's, without a proportionate gain in population in households, is reflected in the decline in the average number of persons per occupied housing unit from 3.18 in 1950 to 3.01 in 1960. These average household sizes are the smallest of any of the major areas under discussion in the SMSA. Generally, the city has greatest attraction for the most recent migrants to the area (particularly individuals and childless couples), for recently-formed families, and for households comprised of older persons; all of these tend to exert a downward pressure on the average household size. The trend established during the 1950's toward smaller households has continued to the present time, although at a slower rate as certain moderating influences, such as declining out-migration of population, have taken effect. Current average household size is approximately 2.96 persons.

Housing Market Factors

Housing Supply

Trends. As of September 1965, there are an estimated 1,255,000 housing units in the city of Chicago (see table X), indicating a net addition to the housing stock of approximately 40,100 units since April 1960, when the Census of Housing reported about 1,214,900 housing units in Chicago. The net addition of 40,100 housing units resulted from the completion of an estimated 58,300 new units, and the loss of an estimated 18,200 housing units through demolition. The increase in the housing inventory since April 1960 represents an average annual increment of about 7,375 housing units. During the 1950-1960 decade, the number of housing units rose from about 1,106,100 in 1950 to about 1,214,900 in 1960, representing an average gain of about 10,900 units a year.

Residential Building Activity

Trends. From January 1, 1960, through July 31, 1965, a total of 54,200 private housing units were authorized by building permits in the city of Chicago, an average volume of about 9,700 annually (see table XI). Of the total authorizations, 37,150 (69 percent) were for units in multifamily (structures with two or more units) buildings, and the remaining 17,050 were single-family structures. The peak year of authorizations was 1961, when a total of 12,350 private housing units were authorized. A modest decline was registered the following year to about 11,800. During both 1963 and 1964, construction volume averaged about 8,650 units. In 1965, the volume of new construction has declined

still further; the 3,575 units authorized during the first seven months of 1965 compares with 5,900 during the same period in 1964. Fluctuations in activity have been concentrated in multifamily authorizations; the number of single-family units authorized declined steadily from 4,025 in 1960 to 2,450 in 1964. Private multifamily authorizations increased substantially during the 1960-1961 period, declined between 1961 and 1963, and then increased between 1963 and 1964 (see table XII). The volume of multifamily units authorized during the first seven months of 1965 (2,225 units) represents a marked decline from the comparable period in 1964 when 4,225 units were authorized by building permits.

Units Under Construction. Based on building permit data, the postal vacancy survey conducted in Chicago, and on data gathered from local sources, there are currently estimated to be 7,200 private housing units under construction in the city of Chicago, of which 6,600 are rental housing units (principally high-rise), and 600 are single-family units. In addition, there are about 900 public housing units under construction. Areas of concentrated apartment construction activity are north of the Loop near Lake Michigan, the North Shore area from the 5,200 block northward, the South Shore area south of Jackson Park, and in the Garfield Park area in central Chicago. In the aggregate, these areas currently contain well over half of the current volume of private apartment units under construction. Single-family sales housing construction is generally more widely spread, but there are a few areas of relative concentration, mostly in southern parts of the city.

Demolition. Based on information provided by the Chicago Department of Buildings, there were approximately 18,200 housing units demolished in Chicago during the January 1, 1960-July 31, 1965 period, principally as a result of urban renewal activity and expressway construction programs. About 17 percent of the demolitions were of single-family houses and 83 percent were units in structures with two or more units.

Vacancy

Last Census. In April 1960, there were about 44,625 vacant, available, housing units for rent or sale in the city of Chicago, an over-all net available vacancy ratio of 3.7 percent. Nearly 2,825 of these available vacancies were for sale, a homeowner vacancy ratio of 0.7 percent. The remaining 41,800 available vacancies were for rent, representing a rental vacancy ratio of 5.2 percent (see table XIII). It was reported that about 110 (four percent) of the sales vacancies and 12,650 (30 percent) of the rental vacancies lacked some or all plumbing facilities.

Postal Vacancy Survey. The postal vacancy survey (see table XIV) conducted on selected postal routes in the city of Chicago covered about 50 percent of the total possible postal deliveries in the service area of the Chicago Post Office. Vacancies in residences, as reported by the postal vacancy survey, numbered 1,175, or 0.7 percent, of the 180,200 residences surveyed. Apartment vacancies totaled 10,500 units, or 2.3 percent of the 451,500 apartments surveyed. There are indications that the letter carriers counted good quality vacant units essentially, particularly with regard to apartment vacancies, so that the total number of available vacancies was probably understated.

Other Vacancy Indicators. During 1964, a local utility counted vacant residential units in the city of Chicago on a sample basis. The over-all vacancy rate in all units surveyed was four percent. Vacancy rates for the various size units, as well as the sample size for the various building sizes are detailed in the table below.

Private Housing Vacancy Rates by Building Size
Chicago, Illinois, 1964

<u>Number of units in structure</u>	<u>Percent of inventory surveyed</u>	<u>Percent vacant</u>
1	4.2	1
2	8.3	4
3-5	8.3	7
6-7	8.3	6
8-19	16.7	5
20 or more	<u>a/</u>	<u>2</u>
Average of units surveyed		4

a/ Structures containing 20 to 53 units, 16.7 percent; structures with 54 or more units, 100 percent.

Current Estimate. Based on available information (see current vacancy estimate section in the main body of this report), it is estimated that there are now 39,800 housing units in the city of Chicago which are available for sale or rent, equal to 3.2 percent of the available supply. Of this total, 2,500 are available for sale and 37,300 are available for rent,

indicating homeowner and rental vacancy rates of 0.6 percent and 4.5 percent, respectively. An estimated 100 sales vacancies and 10,000 rental vacancies lack some or all plumbing facilities. While the current levels of available sales and rental housing vacancies are below those prevailing in April 1960, the quality of the available stock, particularly regarding rental housing, has improved considerably. The decline in the available inventory reflects, in part, the large number of demolitions in Chicago in recent years, but also important is the increased demand for accommodations within the city.

Sales Market

The market for new sales housing in Chicago is judged to be relatively sound, despite the earlier-mentioned declining rate of construction. The low current rate of sales housing vacancy, 0.6 percent, is only slightly changed from 1960, indicating that the volume of sales unit construction is just keeping pace with demand.

Rental Market

The over-all market for new rental housing in Chicago is sound, as substantiated by the current rental vacancy rate (4.5 percent) which shows some tightening since 1960 when the rate was 5.2 percent. Most private construction in recent years has been confined to luxury-type accommodations in high-rise buildings. According to all available indicators, including the survey of FHA-insured projects, these units have been absorbed with relative ease. The urban renewal program of the city has removed a very large number of substandard units from the rental inventory of Chicago. The resultant relocation of families into better-quality housing has aided the "filtration" process and helped to prevent overly-high rates of vacancy in moderate-priced rental housing.

Urban Renewal

As of December 31, 1964, there were 116 housing and urban renewal projects authorized for the city of Chicago by the Federal, State, and City governments. Of this total, 63 had been completed, 50 were in execution, and three were in the planning stage. A number of agencies are engaged in the field of housing and urban renewal in the city of Chicago; included are the Chicago Dwellings Association, and the Neighborhood Redevelopment Commission, in addition to the Department of Urban Renewal and the Chicago Housing Authority (public housing).

The 116 authorized projects involve the acquisition and clearance of about 1,850 acres of land, of which about 1,725 acres had been acquired as of December 31, 1964. On this acquired land, the Chicago Housing Authority has constructed nearly 29,800 low-rent public housing units, the Chicago Dwellings Association has built almost 800 single-family homes and apartment units for middle-income families, and private redevelopers have completed almost 6,000 residential units on Department of Urban Renewal project sites. Also constructed on Department of Urban Renewal sites have been large numbers of industrial, commercial, and institutional structures.

A total of 26 projects were under construction at the end of 1964: seven by the Chicago Housing Authority (1,550 units for senior citizens), two by the Chicago Dwellings Association (45 units for middle-income families), and 17 by private redevelopers in the Department of Urban Renewal project areas. When present redevelopment plans on Department of Urban Renewal sites are completed, a total of up to 12,000 housing units will have been built, in addition to a large number of industrial and commercial establishments.

Public Housing

As of December 31, 1964, the Chicago Housing Authority was operating a total of about 29,800 low-rent apartments in the city, of which 1,325 are specifically designed for the elderly. Vacancies are nominal in these units. There were 1,550 public housing units under construction for senior citizens at seven locations in Chicago at the end of 1964. An additional 3,775 units, including 2,450 for elderly persons, were in planning. The Chicago Housing Authority has requested authorizations for a total of 4,000 additional units from the Public Housing Administration. Of this number, 3,000 will be regular units and 1,000 will be designed for the elderly.

Demand for Housing

Quantitative Demand

Based on the expected increase in households during the two-year forecast period (9,000 annually) and on the number of housing units expected to be lost from the inventory through demolition, there will be about 10,000 new private housing units in demand during each of the next two years in Chicago, including 7,500 rental units and about 2,500 sales units. The forecast of demand during each of the next two years is slightly below the average number of private housing units authorized for construction by building permits during the 1960-1964 period (10,150 annually). Demand for new sales houses during the forecast period is expected to be a little below the average annual number of single-family units authorized during the 1960-1964 period (3,150 units). Single-family authorizations declined each year from 4,025 in 1960 to 2,450 in 1964. Annual rental demand over the forecast period is expected to be slightly above the average number of multifamily units authorized by building permits during the 1960-1964 period (7,000 units annually). The demand estimate does not include public low-rent housing or rent-supplement accommodations.

Although almost all new rental housing has been produced in Chicago with customary financing, if public benefits or assistance through tax abatements or aid in financing or in land acquisition are utilized, thereby reducing the minimum rents achievable, the demand for privately-owned rental units could be increased by about 2,525 units a year.

Qualitative Demand

Sales Housing. Based on current family income in Chicago and on sales price to income ratios typical in the area, demand for new sales houses is expected to approximate the pattern presented in the following table. The median price of the new sales units will be about \$23,600.

Annual Demand for New Sales Housing by Price Class
Chicago, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	325	13
\$18,000 - 21,999	700	28
22,000 - 25,999	550	22
26,000 - 29,999	400	16
30,000 - 34,999	325	13
35,000 - 39,999	150	6
40,000 and over	50	2
Total	2,500	100

Rental Housing. The monthly rentals at which privately-owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of additional new units in the higher rental ranges may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result. With market-rate financing, the minimum achievable gross monthly rents^{1/} in Chicago are \$130 for efficiencies, \$145 for one-bedroom units, \$160 for two-bedroom units, and \$175 for units with three bedrooms. The indicated demand at rents below these levels (a total of about 2,525 units exclusive of rent-supplement accommodations and public low-rent housing) can be realized only if public benefits or assistance in financing are utilized.

^{1/} Gross rent is shelter rent plus the cost of utilities.

Estimated Annual Demand for New Rental Housing
Chicago, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	Efficiency	One bedroom	Two bedroom	Three bedroom
\$115 and over	1,340	-	-	-
120 " "	1,250	-	-	-
125 " "	1,180	3,885	-	-
130 " "	1,115	3,670	-	-
135 " "	1,080	3,520	3,370	-
140 " "	1,010	3,270	3,130	-
145 " "	960	3,085	2,940	1,430
150 " " - - - - -	905 - - -	2,910 - -	2,745 - -	1,320
155 " "	845	2,745	2,570	1,225
160 " "	800	2,600	2,430	1,150
165 " "	740	2,410	2,240	1,055
170 " "	675	2,180	2,025	940
175 " "	625	2,040	1,890	870
180 " "	560	1,815	1,685	780
200 " " - - - - -	405 - - -	1,315 - -	1,210 - -	585
220 " "	280	905	835	400
240 " "	205	665	605	295
260 " "	175	580	530	260
280 " "	140	470	425	215
300 " "	105	355	320	160

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 730 units (2,910 minus 2,180).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Specific market demand opportunities or replacement needs may permit effective marketing of a single project differing from this demand distribution. Even though a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for

continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

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

SUMMARY OF THE
SUBURBAN COOK COUNTY, ILLINOIS
HOUSING MARKET

The Suburban Cook County Housing Market Area is defined as being that part of Cook County which is outside the corporate limits of the city of Chicago. References to "suburbs," "suburban area," or "remainder" of Cook County in the following discussion relate to this area.

Demographic Factors

Population

Trends. The current population of the Cook County suburban area is approximately 1,928,000, representing an average annual increment of about 64,350 (3.7 percent) since the 1960 Census enumeration. Population growth trends for twenty-three communities within the Cook County suburbs are shown in table VI. Most of the population of the Cook County suburbs is concentrated in incorporated areas close to the city of Chicago. Several of these cities (Berwyn, Cicero, Evanston, Oak Park, and Skokie) each contain a population of over 50,000, but because they are surrounded by other incorporated areas, they have generally been unable to show much growth during recent years (except Skokie, which has grown by an average of about 3.0 percent annually since 1960).

The population growth in suburban Cook County has accounted for about 56 percent of the increase in population of the entire Chicago SMSA since 1960. This gain represents the highest absolute growth of any of the geographic sub-markets under study, of course, although the relative increase in one of the five suburban counties (Du Page) was slightly higher. Striking as this increase is, it represents a significant decline from the rate of gain which prevailed during the 1950-1960 decade, when an average annual increase of about 69,150 persons (5.8 percent) occurred. This gain represented about 66 percent of the total population growth in the entire SMSA during the period. Several factors are responsible for the declining, although very high, rates of population growth in the Cook County suburbs. The area represents a natural "spilling-over" region from Chicago as physical limitations to growth in the city, as well as other factors, force population over into the county. The rates of growth in the suburbs of Cook County are declining as they, too, become more crowded, and as transportation improvements make longer commutation distances possible.

Population in the suburbs of Cook County is expected to grow by about 67,000 annually during the next two years, to a September 1967 population total of 2,062,000.

Net Natural Increase and Migration. During the 1950-1960 decade, net natural increase in population (the excess of resident births over resident deaths) averaged about 20,300 annually in suburban Cook County, and the remainder of the population increase came about through the net in-migration of about 48,850 persons annually (see table VII). While net natural increase has averaged about 25,200 a year since 1960, net in-migration has been reduced to about 39,100 persons annually, a decline more than sufficient to lower the total population increase to a level below that of the previous decade.

Households

Trends. There are currently about 539,000 households in suburban Cook County, reflecting an average annual increase of about 17,700 (3.6 percent) since the 1960 Census enumeration. Household trends for selected areas in suburban Cook County are shown in table IX. The gain during the previous decade had averaged about 19,450 (5.8 percent) annually. The increase in the number of households 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. During the two-year forecast period, households are expected to increase by about 18,500 a year to a September 1967 total of 576,000.

Household Size. Average household size has been increasing steadily in the Cook County suburbs. In 1950 there was an average of about 3.44 persons per household, in 1960 around 3.50, and the average is about 3.52 currently. An upward movement in household size has been established in all the suburban areas of the Chicago SMSA since most of the young, growing families tend to locate there, but the trend has been tempered somewhat in suburban Cook County by the presence of a large segment of generally older families in many of the long-established incorporated areas of the county. Household size should continue to grow at a decreasing rate in the immediate future, and will reach an average of about 3.53 persons two years hence.

Housing Market Factors

Housing Supply

Trends. The current housing inventory in suburban Cook County is 557,400 units, representing an increase of about 17,700 units a year over the April 1960 Census total of 461,450 (see table X). The net increase in the inventory results from the construction of about 98,450 units and a loss of about 2,500 units through demolition, catastrophe, fire, and other causes. The average net gain during the most recent period compares with an average net addition of about 20,600 housing

units annually between April 1950 and April 1960. Although the suburban Cook County proportionate share of the SMSA suburban housing inventory has been increasing since 1950, the rate of increase has been declining as physical limitations to growth become a factor and as ease in commuting to outlying counties, as well as lower land costs, have made new housing in those areas more attractive. Currently, the remainder of Cook County accounts for nearly 60 percent of the SMSA suburban inventory, compared with 59 percent in April 1960 and 56 percent in April 1950. As shown in table X, owner-occupied housing has accounted for less than 57 percent of the additions to the occupied total since April 1960, compared with nearly 90 percent in the previous decade. As a result of this increased emphasis on multifamily construction, owner-occupied housing, which climbed from 66 percent to 77 percent of the total occupied housing in the remainder of Cook County between 1950 and 1960, declined to 73 percent of the total in 1965.

Residential Building Activity

Trends. During the January 1, 1960 through July 31, 1965 period, a total of about 105,100 private housing units were authorized for construction in the suburbs of Cook County, an average annual volume of about 18,850 units (see table XI). Of the total authorizations, 60,300 (57 percent) were for single-family houses. Since 1960, private housing units authorized for construction in the Cook County suburbs accounted for almost half of the total authorizations in the entire SMSA. The permits were issued by a great many municipalities, no one of which accounted for a significant proportion of the total; approximately six percent of the Cook County total private authorizations were in unincorporated areas within the county. The year of greatest activity was 1962, when a total of 20,200 units were authorized. That year represented the peak of a gradual upward push begun early in the decade, and since 1962 there has been a slow decline; in 1964, 17,250 units were authorized for construction. The table below summarizes building permit activity during the January 1960-July 1965 period.

Private Housing Units Authorized by Building Permits Suburban Cook County, Illinois 1960-1965

<u>Type of structure</u>	<u>Year</u>					<u>First seven months</u>	
	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1964</u>	<u>1965</u>
Total	18,189	19,060	20,198	19,648	17,233	9,759	10,752
Single family	12,493	11,929	11,280	9,527	9,339	5,211	5,726
Multifamily ^{a/}	5,696	7,131	8,918	10,121	7,894	4,548	5,026

^{a/} Includes all units in structures of two or more units.

Sources: U.S. Bureau of the Census and Bell Savings and Loan Association.

Note from the table on the preceding page that, while single-family authorizations have shown steady declines (except for the first seven months of 1965 compared with the same period in 1964), multifamily housing authorizations increased each year until 1964, when a decline was shown, and the decline has apparently been arrested during the first seven months of 1965. The generally increasing trend in multifamily activity, along with declines in single-family authorizations, have resulted in an increase in the proportion of multifamily units authorized to total authorizations of from 31 percent in 1960 to 46 percent in 1964; in 1963, units authorized in multifamily structures actually exceeded the single-family total.

Units Under Construction. Based on building permit data, a postal vacancy survey of selected areas of suburban Cook County, and on information gained from local sources, there are estimated to be 7,250 housing units under construction in the suburbs of Cook County at this time, 3,250 of which are single-family structures. The remaining 4,000 units are in multifamily structures, principally garden-type apartments.

Vacancy

Currently, there are about 11,850 vacant, available housing units in suburban Cook County, an over-all net available vacancy ratio of 2.2 percent (see table XIII). Of the total available vacancies, 5,950 are for sale, representing a homeowner vacancy ratio of 1.5 percent; 5,900 units are available for rent, indicating a rental vacancy rate of 3.9 percent. It is judged that 5,900 of the units available for sale and 5,400 of those available for rent are "adequate" units in that they are not dilapidated and contain all plumbing facilities. The current vacancy picture is an improvement over that of April 1960, when homeowner and rental vacancy rates of 1.6 percent and 6.3 percent, respectively, were reported.

An indicator of the downward trend in over-all vacancies within selected areas of suburban Cook County is furnished by a comparison of the postal vacancy survey conducted in March 1964 with the September 1965 survey (see following table). Note the particularly sharp drop in vacancy levels in Des Plaines and Mount Prospect during the last year and one-half.

Comparison of Postal Vacancy Surveys
Over-All Vacancy Rates, Selected Areas in
Suburban Cook County, Illinois
1964 and 1965

<u>Area</u>	<u>Percent of all units vacant</u>	
	<u>March 1964</u>	<u>September 1965</u>
Arlington Heights	2.8	1.8
Des Plaines	4.6	2.1
Glenview	1.9	1.4
Morton Grove	1.2	.8
Mount Prospect	4.4	2.3
Park Ridge	1.2	.6

Sources: FHA postal vacancy surveys conducted by collaborating postmasters.

Sales Market

The market for new sales housing is generally sound in the Cook County suburbs, although the rate of construction has shown a gradual downward trend from the very high level of the 1950's. Part of the legacy of that decade was a relatively high sales housing vacancy rate in 1960 (1.6 percent); high vacancies are fostered by the optimism in rapidly-growing areas which encourages speculative building. Partial adjustment has taken place, however, and the sales vacancy ratio is currently 1.5 percent.

Status of New House Completions in Selected Subdivisions^{a/}
Suburban Cook County, Illinois
As of January 1, 1964, and January 1, 1965

	<u>Houses completed during</u>	
	<u>1963</u>	<u>1964</u>
Total completions	2,278	3,334
Speculative built	796	1,884
Percent of total	34.9%	56.5%
Unsold at end of year	205	171
Percent of speculative starts	25.8%	9.1%
Pre-sold	1,482	1,450

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

Source: Unsold Inventory Surveys completed by Chicago, Illinois, FHA Insuring Office.

The preceding table is a summary from findings of the annual FHA surveys of new homes completed during 1963 and 1964 in selected subdivisions. The increase in speculative building is especially striking, particularly since the rate of absorption (as measured by unsold speculatively-built houses) was markedly better in the later year. The up-turn in total completions apparently was dependent entirely on gains in speculative activity, since the number of houses sold prior to construction actually declined. The surveys indicate improvement in the sales housing market in the Cook County suburbs. Also of interest is the fact that the number of unsold speculative houses which had been completed for over a year declined sharply from 110 as of January 1, 1964, to 35 as of the first of 1965. Based on the current rate of vacancy and on certain other factors, such as the relative trend away from homeownership in the Chicago area, it is judged that the market supply is about evenly matched with demand in this sales market. The median-priced house built and sold during 1964, according to data from the survey, cost about \$21,200.

Rental Market

As in the SMSA as a whole, the rental market of suburban Cook County has shown a general tightening in recent years; the rental vacancy rate has dropped from the 6.3 percent reported by the 1960 Census to 3.9 percent currently. There has been a gradual increase in apartment living in the area, as reflected in the gain in the renter proportion of the occupied housing inventory from 23 percent in April 1960 to 27 percent most recently.

Urban Renewal

There are four urban renewal projects in suburban Cook County, three in execution and one in planning. The primary land re-use in the three project areas in execution is residential. The East Side (2-1) project area, in Chicago Heights, covers about 55 acres, of which about 31 acres will be used for residential purposes. About 12 acres will be used for street rights-of-way, and there will be also a small amount of commercial and industrial development. Project 1 (R-15), in Maywood, covers about 19 acres, almost 18 acres of which are designated for residential re-use. The third project in execution in suburban Cook County is Project 1 (1-1), in Robbins Village. Residential re-use is planned for about 88 of the 122 acres in the project area. In East Chicago Heights, the North Side (R-63) urban renewal project is in planning.

Demand for Housing

Quantitative Demand

Based on the expected increase in households in the suburbs of Cook County during the two-year forecast period, on the estimated number of housing units which will be lost from the housing inventory through demolitions, and on adjustments to correct certain minor sales market imbalances, there will be around 18,800 privately-owned housing units in demand during each of the next two years, including 10,300 sales units and 8,500 rental units, excluding demand for public low-rent housing and rent-supplement accommodations.

The anticipated level of total demand is close to the annual average rate of privately-owned housing units authorized for construction by building permits during the 1960-1964 period (18,850). The anticipated annual demand for sales units is less than the average annual number of single-family units authorized during the 1960-1964 period (10,900 units), but single-family authorizations declined from 12,500 in 1960 to 9,350 in 1964. There appears to be a reversal of trend, however, as the volume of single-family units authorized during the first seven months of 1965 is ten percent (500 units) higher than in the first seven months of 1964. During the 1960-1964 period, multifamily housing units authorized by building permits have averaged about 7,950 units annually; during the last three years, an average of nearly 9,000 multifamily units have been authorized for construction each year.

Qualitative Demand

Sales Housing. Based on the current income levels of families in suburban Cook County, and on sales price to income relationships typical in the area, the annual demand for new sales houses is expected to approximate the distribution shown in the following table. The median price of new sales units will be about \$27,100.

Estimated Annual Demand for New Rental Housing
Suburban Cook County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$130 and over	1,025	-	-	-
135 " "	985	-	-	-
140 " "	910	-	-	-
145 " "	875	3,620	-	-
150 " "	815	3,345	-	-
155 " "	755	3,120	-	-
160 " " - - - - -	700 - - - - -	2,895 - - -	2,995	-
165 " "	645	2,660	2,755	-
170 " "	590	2,430	2,515	-
175 " "	535	2,210	2,285	860
180 " "	480	1,985	2,055	790
200 " " - - - - -	315 - - - - -	1,295 - - -	1,340 - - -	540
220 " "	230	950	985	400
240 " "	165	690	715	300
260 " "	125	520	535	230
280 " "	85	345	355	155
300 " "	65	255	270	115

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 915 units (3,345 minus 2,430).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

Annual Demand for New Sales Housing by Price Class
Suburban Cook County, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	400	4
\$18,000 - 21,999	1,950	19
22,000 - 25,999	2,175	21
26,000 - 29,999	2,175	21
30,000 - 34,999	1,550	15
35,000 - 39,999	625	6
40,000 and over	<u>1,425</u>	<u>14</u>
Total	10,300	100

Rental Housing. The monthly rental at which privately-owned net additions, exclusive of public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

The decline in the rate of growth during the most recent period has been a common characteristic of all of the Chicago SMSA suburban areas. The construction of owner-occupant single-family structures, which were most desired during the 1950's (as shown by the trend toward homeownership exhibited during the period), was economically more feasible in suburban areas, so rapid migration into these areas was the result. Since 1960, growth in owner occupancy has slowed considerably and, hence, migration to the suburbs has tended to decline. Of the five suburban counties of the Chicago SMSA, Du Page had the highest relative rate of in-migration during the 1950-1960 decade, as measured by the ratio of total migrants to 1950 population (78 percent, compared to an average of 31 percent for the other four suburban counties). A great many of these in-migrants were from urban parts of Cook County. During the two-year forecast period, households are expected to increase by about 4,000 (3.8 percent) a year to a September 1967 total of 112,500.

Household Size. Average household size increased rapidly during the 1950's, from an average of 3.49 persons per household in 1950 to 3.66 in 1960. This trend in household size is largely a reflection of the high proportion of young, child-rearing families who located in the area during the decade. The upward trend in household size established during the 1950-1960 period has continued to the present time (average household size is currently set at 3.74 persons), although at a slower rate since the migration of youthful families to the area has declined.

Housing Market Factors

Housing Supply

Trends. The current housing inventory of Du Page County totals 108,600 units, representing an average increase of about 3,825 units a year over the 1960 Census total of 87,850 (see table X). The net increase in the inventory results from the construction of about 21,200 new housing units and a loss of about 450 housing units through demolition, catastrophe, fire, and other causes. Over 30 percent of the units authorized since 1960 have been in multifamily structures. Du Page County ranks second (behind Cook County) in terms of the number of residential units authorized in the SMSA since 1960 (11 percent of the SMSA total). Housing inventory growth amounted to 4,325 units a year during the 1950-1960 decade. Reflecting the increase in multifamily construction in recent years, rental occupancy has increased from about 13 percent in April 1960 to 17 percent currently. Du Page is the only county in the SMSA (excepting Cook County) in which the ratio of renter occupancy to total occupancy has been rising since 1960.

SUMMARY OF THE
DU PAGE COUNTY, ILLINOIS
HOUSING MARKET

Demographic Factors

Population

Trends. Du Page County, located directly east of Cook County, is the second most populous of the six constituent counties of the Chicago SMSA. The current population numbers about 396,500 persons, representing an average increment of about 15,300 (4.3 percent) annually since 1960. Du Page County is thus the fastest growing county in the Chicago SMSA (see table VI). The high rates of growth in the county are attributable partially to the proximity of the area to the city of Chicago. Most of the largest cities (Elmhurst, with a current population of about 40,850; Lombard, containing around 27,550 persons; Villa Park, about 25,250 individuals; and Wheaton, with 29,600 inhabitants) are located relatively near Chicago. Except for Elmhurst, a comparatively "mature" suburb (which grew by an average of about 1.8 percent annually), all of these cities have maintained rates of growth since April 1960 similar to that of the county as a whole. Growth during the most recent period has been somewhat slower than that of the 1950-1960 decade, when an average of about 15,900 persons (7.1 percent) were added to Du Page County annually. During each of the next two years, the population of Du Page County is expected to increase by about 15,200 to a September 1967 total of 426,900.

Net Natural Increase and Migration. During the decade of the 1950's, the net natural increase in population (excess of resident births over resident deaths) in Du Page County averaged about 3,850 persons each year (24 percent of the total population increase), resulting in a calculated net in-migration of 12,050 persons annually (see table VII). Since April 1960, a considerably larger portion of the gain in total population is attributed to net natural increase, averaging about 5,475 persons annually, or about 36 percent of the total population change.

Households

Trends. There are currently about 104,500 households in Du Page County, an average annual increment of about 3,750 (4.0 percent) since the 1960 Census enumeration (see table IX). During the previous decade, the annual gain had averaged about 4,125 (6.7 percent). The increase in the number of households 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. Since the suburban counties had relatively few structures of the type affected by the change, however, the definitional increment should have been small in Du Page County.

Residential Building Activity

From January 1, 1960, through July 31, 1965, a total of 23,100 private housing units were authorized for construction in Du Page County, representing an average annual volume of about 4,125 units (see table XI). Of the total, 7,050 (31 percent) were in multifamily (two units or more) structures. Total building permit authorizations remained essentially the same between 1960 and 1962 (averaging 4,475 a year), but in 1963, authorizations dropped to 2,850 units. Full recovery was reached in 1964, however, and 4,425 units were authorized that year. Multifamily authorizations have been more erratic, but some upward movement in the rate of construction of such units may be detected; there were 1,500 multifamily units authorized in 1964, compared with 1,000 in 1960. Currently, there are estimated to be 1,225 single-family housing units and 580 multifamily units under construction in Du Page County, which represents a slight excess above the rate of construction necessary for a balanced market.

Vacancy

The current over-all net available vacancy level in Du Page County is 2.2 percent (2,400 units). There are about 1,725 units available for sale, a homeowner vacancy ratio of 2.0 percent, and 675 units available for rent, indicating a rental vacancy rate of 3.7 percent. In April 1960, homeowner and rental vacancy rates of 2.0 percent and 6.7 percent, respectively, were reported. The sharp decline in rental vacancies since 1960, despite the rapid pace of construction of new rental units, is noteworthy.

Sales Market

The rate of household growth has been higher in Du Page County than in any other area in the Chicago SMSA (4.0 percent annually since 1960), and most of the householders were homebuyers, so that the level of sales housing construction has also been the highest. The homeowner vacancy rate, too, is among the highest; currently it is 2.0 percent, the same as that reported in the April 1960 Census. High vacancy rates are often evidenced in rapidly-growing areas such as Du Page County.

The FHA surveys of houses completed in subdivisions with five or more completions during 1963 and 1964 give some indication of the condition of the Du Page County sales market. In the subdivisions surveyed, there was a total of 1,725 units completed in 1964, of which 350 were built speculatively and the remainder were sold before the start of

construction. Of the speculative starts, 50 (14 percent) were unsold at the end of the year and an additional ten units were on hand which had been built prior to 1964. This represents an improvement in the housing market over the previous year. The survey of units completed during 1963 covered a total of 760 houses, of which 150 were speculative starts. Some 59 percent of the speculatively-built units were unsold at the end of 1963, and an additional 70 houses had been completed and unsold for over one year.

Rental Market

The rental market in Du Page County is essentially sound, as reflected by the current rental vacancy rate (3.7 percent), which is the lowest of any area in the Chicago SMSA. Until 1960, rental units had been a minor item in the housing inventory of Du Page County (only 13 percent of the occupied inventory was renter occupied in 1960). The general increase in apartment living in the Chicago suburbs has led to a strengthening of the market for rental housing in Du Page County. Owing to the relative close-in location of the county and the resultant ease of commutation to Chicago, Du Page offers a favorable location for the garden-type apartments which are especially attractive to young married couples.

Demand for Housing

Quantitative Demand

Based on the expected increment of about 4,000 households during each of the next two years and on anticipated demolition activity as well as the current rate of construction activity, annual demand for new privately-owned housing will total about 4,100 units a year during the two year forecast period, including 2,900 sales units and 1,200 rental units, but excluding demand for public low-rent housing and rent-supplement accommodations.

The anticipated level of demand is slightly below that of the 1960-1964 period, when an average of 4,150 private units were authorized annually for construction, but above the average annual rate of the 1963-1964 period (3,625 units). The rate of rental housing construction should remain near the level of multifamily authorizations maintained during the 1963-1964 period (an average of about 1,200 a year), but demand for new sales units will be above the average number of single-family authorizations during the recent two-year period (about 2,425 a year).

Qualitative Demand

Sales Housing. Based on the current income levels of families in Du Page County, and on sales price to income relationships typical in the area, the annual demand for sales housing has been distributed by price as shown below. The median price of new sales units will be about \$28,000.

Annual Demand for New Sales Housing by Price Class
Du Page County, Illinois
September 1, 1965 to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	175	6
\$18,000 - 21,999	290	10
22,000 - 25,999	610	21
26,000 - 29,999	635	22
30,000 - 34,999	665	23
35,000 - 39,999	350	12
40,000 and over	175	6
Total	2,900	100

Rental Housing. The monthly rental at which privately-owned net additions, exclusive of public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Rental Housing
Du Page County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	Efficiency	One bedroom	Two bedroom	Three bedroom
\$130 and over	130	-	-	-
135 " "	125	-	-	-
140 " "	120	-	-	-
145 " "	110	470	-	-
150 " "	105	440	-	-
155 " " - - - - -	95 - - - - -	405	-	-
160 " "	90	375	450	-
165 " "	80	345	415	-
170 " "	75	315	375	-
175 " "	70	285	340	150
180 " " - - - - -	60 - - - - -	255 - - - - -	305 - - - - -	135
200 " "	40	165	200	90
220 " "	25	110	135	60
240 " "	20	90	105	50
260 " "	15	75	90	45
280 " "	10	60	75	40
300 " "	5	45	60	35

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 125 units (440 minus 315).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

SUMMARY OF THE
KANE COUNTY, ILLINOIS
HOUSING MARKET

Demographic Factors

Population

Trends. Kane County is the westernmost county of the Chicago SMSA. The current population of the county is approximately 235,900, which represents an average growth of about 5,100 persons (2.3 percent) annually since 1960 (see table VI). Important are Elgin (with around 53,300 persons currently) and Aurora^{1/}, both of which are long-established cities. The third largest incorporated area is Carpentersville (with about 20,600 persons currently), which is relatively new and has a recent history of very rapid growth. All three of these are located in the extreme eastern part of the county (a small part of Elgin is actually in Cook County), within easy commuting distance of Chicago. The population growth of the county during the 1950's was about 5,775 (3.2 percent) annually. During the two-year forecast period, it is expected that the population will grow by about 5,000 annually to a September 1967 total of 245,900.

Net Natural Increase and Migration. During the 1950-1960 period, net natural increase accounted for about 2,550 of the average annual addition to the population, and the remaining growth (3,225 persons annually) was the result of migration to the county (see table VII). Since 1960, there has been a higher average level of net natural increase (about 3,200 annually), but net in-migration has declined to an average of about 1,900 each year, so that the rate of population growth has slowed considerably, as noted earlier.

Households

Trends. There are currently about 66,750 households in Kane County (see table IX). Since 1960, there has been an average gain of about 1,425 (2.3 percent) households annually. Between 1950 and 1960, households increased by an average of about 1,650 a year (3.3 percent). The increase in the number of households 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. Over the two-year forecast

^{1/} Complete data are not available on which to base a current population estimate for Aurora. The 1960 Census reported a population of 63,700, and indications are that it has grown since.

period, households are expected to increase by about 1,475 (2.2 percent) each year to a September 1967 total of 69,700 households.

Household Size. The average household size increased during the 1950-1960 decade from 3.24 persons per household in 1950 to 3.34 in 1960. Again, the generally low age of in-migrating families and the resultant high proportion of child-rearing couples largely was responsible for the upward trend in household size. The tendency toward increasing size of households should have continued into the present, but at a lower rate as the rate of in-migration has been reduced. Currently, average household size is about 3.36 persons per household.

Housing Market Factors

Housing Supply

Trends. The September 1, 1965, housing inventory of Kane County totals about 69,450 units, compared with 61,450 in 1960 (see table X). The average annual increase of 1,475 units is somewhat below the 1,750 average annual gain of the previous decade. Inventory growth during the most recent period results from the construction of about 8,325 new housing units and the demolition of about 325 units. Owner-occupancy currently (as in April 1960) accounts for about 69 percent of the occupied units; in April 1950, 65 percent of the occupied units were reported to be owner occupied. The leveling-off in the trend toward owner-occupancy during the last few years results from the substantial volume of rental-type multifamily construction in this outlying county and the satisfactory absorption of the new rental units.

Vacancy

According to census reports, 2.3 percent of the Kane County net available housing supply was vacant and available for sale or rent in April 1960 (see table XIII). The vacancy rates were 1.1 percent in housing available for sale and 4.8 percent in housing available for rent. The over-all vacancy change since 1960 has been negligible; sales vacancies have risen slightly and rental vacancies have declined moderately. There are currently about 625 units available for sale, a homeowner vacancy rate of 1.3 percent, and 925 units available for rent, a rental vacancy rate of 4.3 percent. About 575 of the units available for sale and 700 of those available for rent contain all plumbing facilities.

Sales Market

The sales market of Kane County is sound, although the volume of construction has shown an almost steady decline during recent years. In 1960, 1,300 houses were authorized for construction by building permits, and in 1964, the number of authorizations had slipped to 1,025. The declining production of single-family houses in recent years has apparently more than met the demand for such units as the homeowner vacancy rate has risen from 1.1 percent in April 1960 to about 1.3 percent currently.

Rental Market

The current rental vacancy rate of 4.3 percent in Kane County indicates that the rental market is firm and that the production of new rental units in recent years has approximated demand for such housing (in April 1960, a rental vacancy rate of 4.8 percent was reported). Between 1960 and 1964, an average of about 510 multifamily units (in structures with two or more units) were authorized annually, but the trend in most years has been upward (authorizations amounted to 270 in 1960 and 620 in 1964).

Urban Renewal

The Central (R-44) urban renewal project, in execution in Elgin, is the only urban renewal project in Kane County. Most of the 24 acres in the project area are scheduled for street rights-of-way and other public re-use. No residential development is planned. A general neighborhood renewal program is planned in Aurora.

Demand for Housing

Quantitative Demand

Based on the annual increment of about 1,475 households during each of the next two years, on expected demolition activity, and on other market conditions, demand for new housing will total about 1,650 units a year during the two-year forecast period, including 1,050 sales units and 600 rental units, excluding public low-rent housing and rent-supplement accommodations.

This level of total demand is identical to the average annual rate of private housing unit authorizations established during the 1960-1964 period, but is slightly below the average during the 1963-1964 period (about 1,725 annually). The slightly higher rate of construction during the recent two-year period is largely the result of an upward movement in multifamily authorizations (see table XII). Except for 1964, multifamily housing authorizations have risen each year since 1960; conversely, single-family authorizations declined most years during the same period.

Qualitative Demand

Sales Housing. On the basis of the current family income and on the relationship of sales price to income typical in the area, the annual demand for new sales housing is expected to approximate the pattern shown in the following table. The median price of new sales units will be about \$24,500.

Annual Demand for New Sales Housing by Price Class
Kane County, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	55	6
\$18,000 - 21,999	320	30
22,000 - 25,999	235	22
26,000 - 29,999	230	21
30,000 - 34,999	105	10
35,000 - 39,999	55	6
40,000 and over	50	5
Total	1,050	100

Rental Housing. The monthly rental at which privately-owned net additions, excluding public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Rental Housing
Kane County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$120 and over	85	-	-	-
125 " "	80	-	-	-
130 " "	70	-	-	-
135 " "	65	245	-	-
140 " "	60	220	-	-
145 " "	55	205	-	-
150 " " - - - - -	45 - - - - -	185 - - - - -	205	-
155 " "	40	160	180	-
160 " "	35	140	155	-
165 " "	30	125	140	65
170 " "	25	110	125	55
175 " "	20	95	105	45
180 " " - - - - -	15 - - - - -	80 - - - - -	90 - - - - -	40
200 " "	10	35	40	20
220 " "	5	30	30	15
240 " "	-	20	25	10
260 " "	-	15	15	10
280 " "	-	5	10	5

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 75 units (185 minus 110).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

SUMMARY OF THE
LAKE COUNTY, ILLINOIS
HOUSING MARKET

Demographic Factors

Population

Trends. Lake County is the extreme northeastern county of the Chicago SMSA, and of the State (its northern boundary abuts Wisconsin). The population of Lake, currently at 340,800, is the third largest of the six constituent counties of the SMSA. Since 1960, population growth has averaged about 8,700 (2.7 percent) annually (see table VI). The three largest incorporated areas, Waukegan (with a current population of about 62,900), Highland Park (with about 28,300 persons), and North Chicago (approximately 22,500 persons)^{1/}, are all located near the Lake Michigan shore, as are all of the areas of greatest population density in the county. During the 1950-1960 decade, population growth averaged about 11,450 (5.0 percent) each year. Population is expected to increase by about 8,450 persons during each of the next two years to a September 1967 total of 357,700.

Net Natural Increase and Migration. During the 1950-1960 period, as indicated in table VII, net natural increase (excess of resident births over resident deaths) averaged about 4,375 each year, and net in-migration amounted to around 7,075 annually to make up the total population increment. Since 1960, the increased rate of net natural increase (averaging 5,025 annually) has been more than offset by declines in the yearly level of net in-migration (to 3,675), so that the rate of population growth has declined. All of the Chicago SMSA suburban counties showed declines in average annual in-migration in the current period compared with the decrease of the 1950's, but the relative slowing in Lake County was apparently the greatest. The rate during the most recent period was only half that of the 1950 decade in this county.

Households

Trends. Currently, there are about 88,500 households in Lake County, which indicates an average annual increase of about 2,200 (2.7 percent) since the 1960 Census enumeration (see table IX). During the previous decade, the annual gain had averaged about 2,975 (4.9 percent). Part of the 1950-1960 gain was the result of the change in census concept, as discussed previously; however, since the suburban counties

^{1/} Note that the population figures for North Chicago are exclusive of certain areas. See footnotes on table VI.

had relatively few structures of the type affected by the change, the definitional increment should have been small in Lake County. As in other suburban parts of the Chicago SMSA, the reduction in the household growth rate in Lake County is judged to be a reflection of the reduced migration of home-purchasing families into the county. During the two-year forecast period, households are expected to increase by about 2,275 (2.5 percent) each year to a September 1967 total of 93,050.

Household Size. Household size increased during the 1950-1960 intercensal period, from the 1950 average of 3.42 persons per household to 3.52 in 1960. This upward movement, caused by the migration of many, typically large, young households into the county during the 1950's, has continued to the present time. Currently, the average household contains about 3.58 persons.

Housing Market Factors

Housing Supply

Trends. There are about 97,450 units in the current housing inventory of Lake County (see table X). Since 1960, the inventory has increased by around 2,175 units a year compared with growth of about 2,975 a year in the previous decade. Although an important proportion (25 percent) of the housing units authorized in Lake County since 1960 have been in rental-type structures containing two or more units, the trend toward owner occupancy established during the 1950's has continued to the current date, although at a somewhat slower rate than occurred between 1950 and 1960. Owner occupancy currently accounts for 71.0 percent of the total occupied units, compared with 70.6 percent in April 1960 and 63.7 percent in April 1950.

Vacancy

The April 1960 Census indicated that about 2,250, or 2.9 percent, of the available housing inventory of Lake County was vacant, with vacancy ratios of 1.7 percent in the sales housing inventory and 5.6 percent in rental housing (see table XIII). There are currently about 2,550 available vacancies, an over-all net available vacancy ratio of 2.8 percent, with a homeowner vacancy rate of 1.8 percent and a rental vacancy rate of 5.2 percent.

Sales Market

In terms of recent activity, the Lake County sales housing market is the second largest of any of the five suburban counties of the Chicago SMSA. From January 1, 1960 through July 31, 1965, an annual average of 1,775 single-family units were authorized for construction by building permits.

No trend is discernible in the volume of activity, but there were fluctuations around the average. The lowest volume reported for the period was in 1960 when 1,600 single-family units were authorized. The volume of single-family permits issued rose to 2,100 in 1961, slumped to 1,800 in 1962, rose slightly to 1,825 in 1963, and dropped again in 1964 to about 1,725 units.

The FHA surveys of new sales houses completed during 1963 and 1964 in subdivisions containing five or more completions provide some measure of the sales market. The survey conducted in January 1964 covered a total of about 630 houses completed during the prior year, of which a relatively large proportion (280 units) were speculatively built. Of the total speculative houses finished in 1963, 240 were unsold at the end of the year, and an additional 25 units had been completed for over one year and were unsold. However, the great majority of the reported unsold speculative sales units were actually small apartment structures originally intended for lease and which, when the lease agreements failed to materialize, were offered for sale and reported as "speculative houses". The January 1965 survey covered 330 units completed during 1964, of which 40 units were speculatively built. About 21 percent of the speculative starts were unsold at the end of the year, and an additional four units were on hand which had been finished for more than one year. The marketability of the most recent speculative construction is an indication of the essentially sound sales market in Lake County.

Rental Market

Since 1960, there has been an average of about 590 rental housing units authorized by building permits for construction annually in Lake County. There has been a recent spurt in multifamily construction; the levels of authorizations in 1963 and 1964 (840 and 810 units, respectively) were about double those of each of the years 1960 to 1962, and the number of authorizations during the first seven months of 1965 is equal to the similar period in 1964 (390 units). Despite the recent increase in multifamily housing construction, the current rate of rental housing vacancy, at 5.2 percent, would indicate an essentially sound market.

Urban Renewal

The only urban renewal project in Lake County is located in North Chicago. The North Argonne (R-19) project, which is now in execution, covers an area of almost 173 acres. Approximately 108 acres of the land are scheduled for residential re-use. In 1962, 125 public housing units were constructed in the project area. About one-fifth of the land is reserved for streets, alleys, and public rights-of-way. The remaining land area is scheduled for commercial and public re-use.

Demand for Housing

Quantitative Demand

Based on the expected increment of about 2,275 households during each of the next two years, on anticipated demolition activity, and on other minor adjustments within the market, there will be an annual demand for about 2,575 new housing units during each of the next two years, including 1,850 sales units and 725 rental units, excluding public low-rent housing and rent-supplement accommodations.

The expected annual level of demand is a little above the annual average number of private housing units authorized for construction during the 1960-1964 period. The annual number of single-family units expected to be in demand is essentially the same as the number of authorizations maintained from 1960 through 1964 (an average of 1,825 units annually). Anticipated rental demand is slightly above the average number of private multifamily authorizations during the 1962-1964 period (about 680 annually).

Qualitative Demand

Sales Housing. On the basis of the current level of family income in Lake County and on the relationship of sales price to income typical in the area, the annual demand for new sales houses is expected to approximate the pattern presented in the following table. The median price of such units is about \$27,400.

Annual Demand for New Sales Housing by Price Class
Lake County, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	130	7
\$18,000 - 21,999	280	15
22,000 - 25,999	370	20
26,000 - 29,999	420	23
30,000 - 34,999	350	19
35,000 - 39,999	190	10
40,000 and over	<u>110</u>	<u>6</u>
Total	1,850	100

Rental Housing. The monthly rental at which privately-owned net additions, excluding public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher ranges than indicated in the following table may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Rental Housing
Lake County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$130 and over	70	-	-	-
135 " "	65	-	-	-
140 " "	60	-	-	-
145 " "	60	250	-	-
150 " "	55	230	-	-
155 " "	55	220	-	-
160 " " - - - - -	50 - - - - -	205 - - - - -	290	-
165 " "	45	190	265	-
170 " "	40	175	245	-
175 " "	40	160	230	115
180 " "	35	150	210	105
200 " " - - - - -	25 - - - - -	95 - - - - -	135 - - - - -	70
220 " "	15	65	95	50
240 " "	10	55	75	40
260 " "	10	35	50	30
280 " "	5	25	35	20
300 " "	-	10	15	10

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 55 units (230 minus 175).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

SUMMARY OF THE
McHENRY COUNTY, ILLINOIS
HOUSING MARKET

Demographic Factors

Population

Trends. McHenry County, located in the extreme northwestern part of the Chicago SMSA, is the least populated and least urban of the six constituent counties of the metropolitan area. The current population is estimated at 98,700, representing an average growth of about 2,675 (2.9 percent) a year since 1960 (see table VI). The population of McHenry County is spread among several villages and unincorporated areas, none of which had a population of as much as 10,000 in 1960. The greatest population density exists in the southeastern section of the county, closest to Chicago, where commutation to the central city is relatively convenient. During the 1950's, the average annual population growth was about 3,350 (5.1 percent). Population growth during each of the next two years will be about 2,450, bringing the September 1967 county total to 103,600 persons.

Net Natural Increase and Migration. As indicated in table VII, between 1950 and 1960, net natural increase (excess of resident births over resident deaths) averaged about 975 persons a year. The remainder of the average yearly population increase came about through the net in-migration of about 2,375 persons. Since 1960, as in the other suburban counties, natural increase in McHenry County has increased (to about 1,250 annually), but a reduction in migration to about 1,425 a year has resulted in a lowered rate of population increase.

Households

Trends. There are currently about 27,450 households in McHenry County, representing an average growth of about 600 (2.3 percent) annually since the 1960 Census enumeration (see table IX). During the previous decade, household growth had been considerably greater, averaging about 940 (4.9 percent) each year. Part of the 1950-1960 gain was the result of the intercensal change in census concept, as discussed previously; however, since the suburban counties had relatively few structures of the type affected by the change, the definitional increment should have been small in McHenry County. Households are expected to increase by about 625 (2.2 percent) during each of the next two years to reach 28,700 by September 1967.

Household Size. Average household size increased during the 1950-1960 period; in 1950, the average size was 3.37 persons per household and in 1960 it was 3.45 persons per household. The rapid in-migration during the intercensal period is judged to have been largely responsible for the increase in average household size, since most in-migrants were home-buying families with children.

Housing Market Factors

Housing Supply

Trends. There are now about 32,650 housing units in McHenry County, compared with approximately 29,300 units in April 1960 and 19,450 units in April 1950 (see table X). The inventory has thus grown by an average of about 610 units a year during the most recent period, as compared with an average annual increase of nearly 1,000 units a year during the 1950-1960 decennial period. Most of the increase in occupied housing units (nearly 88 percent) has been in owner-occupied housing, which now constitutes nearly 78 percent of the total, compared with 76 percent in April 1960 and 67 percent in April 1950.

Vacancy

There are currently about 800 available vacant housing units in McHenry County, equal to an over-all net available vacancy ratio of 2.8 percent. Of the available units, 425 are for sale (400 with plumbing facilities), a homeowner vacancy ratio of 2.0 percent, and 375 are for rent (325 with all plumbing facilities), indicating a rental vacancy rate of 5.7 percent. The current over-all level of net available vacant units is slightly below that of April 1960, when a ratio of 2.9 percent was reported by the census; the level of sales vacancies has risen slightly while rental vacancies have dropped moderately. In April 1960, homeowner and rental vacancy rates of 1.9 percent and 6.2 percent, respectively, were reported.

Housing Market Conditions

McHenry County, geographically the most remote from Chicago and the least populated of the five suburban counties, has the most limited market for new housing. McHenry County has accounted for less than two percent of the total units authorized in the SMSA since 1960. Between January 1, 1960, and July 31, 1965, a total of about 3,800 housing units were authorized for construction in the county, 3,350 of which were single-family structures. Although current market information is sketchy, the recent production of new housing units has apparently approximated demand as the current over-all level of vacancies is down only slightly from the April 1960 level.

Demand for Housing

Quantitative Demand

Based on an increment of about 625 households during each of the next two years, and on minor market adjustments, there is expected to be an annual demand for about 675 new privately-owned housing units during each of the next two years, including 600 sales units and 75 rental units. This level of demand is about the same as the average annual number of private housing units (680) authorized for construction during the January 1960 through July 1965 period. The demand estimate does not include public low-rent housing or rent-supplement accommodations.

Qualitative Demand

Sales Housing. On the basis of the current income levels of families in McHenry County and on the relationship of sales price to income typical in the area, the annual demand for new sales units is expected to approximate the pattern presented in the following table.

Annual Demand for New Sales Housing by Price Class
McHenry County, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	55	9
\$18,000 - 21,999	170	29
22,000 - 25,999	130	21
26,000 - 29,999	120	20
30,000 - 34,999	70	12
35,000 - 39,999	35	6
40,000 and over	<u>20</u>	<u>3</u>
Total	600	100

Rental Housing. The monthly rental at which privately-owned net additions, excluding public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals.

Estimated Annual Demand for New Rental Housing
McHenry County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit		
	One bedroom	Two bedroom	Three bedroom
\$135 and over	30	-	-
140 " "	25	-	-
145 " "	25	-	-
150 " " - - - -	20 - - - -	30	-
155 " "	20	30	-
160 " "	15	25	-
165 " "	15	20	15
170 " " - - - -	15 - - - -	20 - - - -	10
175 " "	10	15	10
180 " "	10	15	10
200 " "	5	5	5
220 " "	5	5	-

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$140 to \$160 is 10 units (25 minus 15).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

SUMMARY OF THE
WILL COUNTY, ILLINOIS
HOUSING MARKET

Demographic Factors

Population

Trends. Will County, which is located in the extreme southern part of the Chicago SMSA, has a current population of around 220,100, representing an average annual gain of about 5,275 (2.6 percent) since 1960 (see table VI). The largest city in Will County is the county seat, Joliet, which had a 1960 population of 66,500. There are many other incorporated areas throughout the county, but all contained fewer than 10,000 persons in 1960. The population of Will County grew by an average of about 5,725 (3.6 percent) a year during the 1950's. During the two-year forecast period, the population is expected to grow by about 5,550 persons annually to a September 1967 total of about 231,200.

Net Natural Increase and Migration. During the 1950-1960 period, net natural increase in population (excess of resident births over resident deaths) averaged about 2,450 a year in Will County, and the remainder of the annual population increase resulted from the average net in-migration of about 3,275 persons each year. Since 1960, net natural increase has averaged 3,250 each year, but in-migration is down to about 2,025 annually so that population growth has slowed during the current period. Table VII presents a summary of the components of population change.

Households

Trends. As shown in table IX, there are currently around 61,800 households in Will County, reflecting an average annual increment of about 1,525 households (2.7 percent) since 1960. The previous decade had produced higher rates of household growth as a great many families moved into the area to purchase homes. Households increased by an average of about 1,625 (3.7 percent) a year during the 1950-1960 period. Part of the gain in households in this period was the result of the intercensal change in census concept, as discussed in the main body of this report; however, since the suburban counties have relatively few structures of the type affected by the change, the definitional increment should have been small in Will County. Households should increase by about 1,625 (2.6 percent) during each of the next two years to a total of 65,050 by September 1967.

Household Size. During the decade of the 1950's, average household size increased from 3.42 to 3.44 persons per household. Every suburban county of the Chicago SMSA showed increases in average household size during the 1950's, which was closely tied to the in-migration of young growing families. Average household size is currently judged to be essentially unchanged from 1960.

Housing Market Factors

Housing Supply

Trends. There are now about 65,450 housing units in Will County, an increase of 1,625 a year over the April 1960 total of about 56,700 units (see table X). This most recent growth compares with an average addition of about 1,800 units a year between 1950 and 1960. The great majority of the increase since 1960 (about 90 percent) has been in owner-occupied housing, bringing the proportion of ownership to 74 percent of the occupied inventory currently, an increase from 72 percent in 1960 and 65 percent in 1950.

Vacancy

The April 1960 Census reported that 2.9 percent of the available housing supply of Will County was vacant at that time (see table XIII). The vacancy rates were 1.3 percent in housing available for sale and 6.6 percent in housing available for rent. On the basis of available information, it is judged that there has been virtually no change in the level of vacancies in Will County since 1960. Will County contains the highest proportion of substandard vacant units of all counties in the SMSA. Currently, it is estimated that 50 of the 625 units available for sale and 425 of the 1,125 units available for rent lack one or more plumbing facilities, similar to the condition that existed in 1960.

Sales Market

Currently, the sales market in Will County is firm, as indicated by the current level of sales vacancies. While the number of single-family authorizations has declined each year from 2,000 in 1961 to about 1,125 in 1964, the volume of production has apparently met demand as the current homeowner vacancy rate is unchanged from the April 1960 ratio of 1.3 percent.

The most recent FHA survey in selected subdivisions enumerated a total of 380 houses completed during 1964. Only 30 of the units had been built speculatively, of which two were unsold, and an additional ten speculative units were on hand that were over a year old. The earlier survey of 1963 completions had listed 220 units, only ten of which had been built speculatively, and none of the speculative starts had been sold as of the survey date.

Rental Market

Will County has a limited market for rental housing. Between January 1, 1960, and July 31, 1965, a total of only 720 rental-type units were authorized for construction, 450 of which were in Joliet. Although multifamily housing production in Will County has been small during recent years, it has apparently been meeting the demand as the current rental vacancy rate of 6.6 percent is unchanged from the April 1960 ratio.

Urban Renewal

The plan has been completed for the Bluff Plaza neighborhood in Joliet. Within this area there is one urban renewal project, Bluff Plaza (R-38), which is now in execution. This is the only urban renewal activity in Will County. Re-use of the project land is primarily residential (21 of 39 acres), but a small amount of land has been reserved for commercial and public uses.

Demand for Housing

Quantitative Demand

Based on an increment of about 1,625 households during each of the next two years, and on expected demolition activity, there will be an annual demand for about 1,650 new housing units (1,450 sales units and 200 rental) during each of the next two years. The expected demand is just under the average of 1,675 private housing units authorized for construction annually during the 1960-1964 period, but equal to the 1,650 units authorized during the 1962-1964 period. The demand estimate does not include public low-rent housing or rent-supplement accommodations.

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 1,450 sales units is expected to be distributed as shown in the following table. The median price of such units is about \$24,350.

Annual Demand for New Sales Housing by Price Class
Will County, Illinois
September 1, 1965, to September 1, 1967

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$18,000	90	6
\$18,000 - 21,999	430	30
22,000 - 25,999	330	23
26,000 - 29,999	310	21
30,000 - 34,999	200	14
35,000 - 39,999	60	4
40,000 and over	30	2
Total	<u>1,450</u>	<u>100</u>

Rental Housing. The monthly rental at which privately-owned net additions, excluding public low-rent housing and rent-supplement accommodations, to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals. The production of new units in higher rental ranges than indicated on the following page may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Rental Housing
Will County, Illinois
September 1, 1965, to September 1, 1967

Monthly gross rent ^{a/}	Size of unit			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedroom</u>	<u>Three bedroom</u>
\$120 and over	30	-	-	-
125 " "	25	-	-	-
130 " "	20	-	-	-
135 " "	20	75	-	-
140 " "	15	65	-	-
145 " " - - - - -	15 - - - - -	60	-	-
150 " "	15	55	70	-
155 " "	10	50	60	-
160 " "	10	40	50	-
165 " "	10	35	45	25
170 " "	5	30	40	20
175 " " - - - - -	- - - - -	25 - - - - -	35 - - - - -	20
180 " "	-	20	30	15
200 " "	-	10	10	10
220 " "	-	5	5	5
240 " "	-	-	-	-

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

Note: The figures above are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$150 to \$170 is 25 units (55 minus 30).

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements.

APPENDIX TABLES

Table I
Commutation Patterns
Chicago, Illinois, SMSA, 1960^{a/}

<u>Workers</u>	<u>Cook County</u>	<u>Du Page County</u>	<u>Kane County</u>	<u>Lake County</u>	<u>McHenry County</u>	<u>Will County</u>	<u>SMSA total</u>
Employed residents	<u>2,068,100</u>	<u>114,100</u>	<u>81,850</u>	<u>119,200</u>	<u>31,650</u>	<u>66,200</u>	<u>2,481,100</u>
Place of work unknown	141,700	5,000	2,950	5,725	1,700	2,400	159,500
Place of work known	<u>1,926,400</u>	<u>109,100</u>	<u>78,900</u>	<u>113,500</u>	<u>29,950</u>	<u>63,800</u>	<u>2,321,600</u>
Work in SMSA	<u>1,898,500</u>	<u>107,200</u>	<u>76,600</u>	<u>111,200</u>	<u>29,400</u>	<u>62,200</u>	<u>2,285,100</u>
Chicago City	<u>1,514,300</u>	<u>37,750</u>	<u>4,300</u>	<u>13,750</u>	<u>3,475</u>	<u>4,075</u>	<u>1,577,700</u>
Suburban balance	<u>384,200</u>	<u>69,400</u>	<u>72,300</u>	<u>97,450</u>	<u>25,900</u>	<u>58,100</u>	<u>707,400</u>
Suburban Cook Co.	<u>365,100</u>	<u>21,400</u>	<u>2,550</u>	<u>7,775</u>	<u>1,725</u>	<u>7,475</u>	<u>406,000</u>
Du Page County	9,300	45,400	1,875	220	130	950	57,850
Kane County	2,725	1,950	66,950	170	1,025	700	73,500
Lake County	5,125	240	250	88,750	1,475	90	95,950
McHenry County	360	50	520	500	21,550	5	23,000
Will County	1,600	380	180	20	10	48,950	51,100
Work outside SMSA	<u>27,900</u>	<u>1,925</u>	<u>2,300</u>	<u>2,275</u>	<u>570</u>	<u>1,575</u>	<u>36,550</u>
Lake County, Indiana	<u>17,200</u>	<u>70</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>425</u>	<u>17,700</u>
Balance	<u>10,700</u>	<u>1,875</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>1,150</u>	<u>18,800</u>
Total employment	<u>2,019,100</u>	<u>58,350</u>	<u>77,800</u>	<u>99,700</u>	<u>24,850</u>	<u>54,400</u>	<u>2,334,200</u>
Reside and work in SMSA	1,983,600	57,850	73,500	95,950	23,000	51,100	2,285,100
Reside outside SMSA	<u>35,450</u>	<u>500</u>	<u>4,275</u>	<u>3,775</u>	<u>1,850</u>	<u>3,275</u>	<u>49,100</u>
Lake County, Indiana	<u>12,250</u>	<u>NA</u>	<u>NA</u>	<u>60</u>	<u>NA</u>	<u>70</u>	<u>12,450</u>
Balance	<u>23,150</u>	<u>NA</u>	<u>NA</u>	<u>3,725</u>	<u>NA</u>	<u>3,200</u>	<u>36,700</u>

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

Source: 1960 Census of Population.

Table II

Civilian Work Force Components
Chicago, Illinois, SMSA
Annual Averages, 1955-1964
(thousands)

<u>Work force components</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>First seven months</u>	
											<u>1964</u>	<u>1965</u>
Total civilian work force	<u>2,785.1</u>	<u>2,837.5</u>	<u>2,871.0</u>	<u>2,849.6</u>	<u>2,865.9</u>	<u>2,875.0</u>	<u>2,889.9</u>	<u>2,905.2</u>	<u>2,908.0</u>	<u>2,937.5</u>	<u>2,920.5</u>	<u>2,963.6</u>
Unemployment	113.0	86.0	96.0	176.0	133.0	120.0	156.0	128.0	126.0	109.0	122.0	96.4
Percent unemployed	4.1%	3.1%	3.3%	6.2%	4.6%	4.2%	5.4%	4.4%	4.3%	3.7%	4.2%	3.2%
Agricultural employment	21.0	20.1	19.4	18.5	17.7	16.9	16.8	16.6	16.6	16.5	16.5	16.4
Total nonagricultural employment	<u>2,649.4</u>	<u>2,728.8</u>	<u>2,754.3</u>	<u>2,653.8</u>	<u>2,707.4</u>	<u>2,736.9</u>	<u>2,716.0</u>	<u>2,759.5</u>	<u>2,764.0</u>	<u>2,810.1</u>	<u>2,781.0</u>	<u>2,847.9</u>
Wage and salary employment	2,387.8	2,470.3	2,491.1	2,388.9	2,441.8	2,471.2	2,447.0	2,494.7	2,508.5	2,554.0	2,524.0	2,594.3
Other nonagricultural employment	261.6	258.5	263.2	264.9	265.6	265.7	269.0	264.8	255.5	256.1	257.0	253.6
Persons involved in labor-management disputes	1.7	2.6	1.3	1.3	7.8	1.2	1.1	1.1	1.4	1.9	1.0	2.9

Source: Illinois State Employment Service.

Table III

Nonagricultural Wage and Salary Employment
Chicago, Illinois, SMSA
Annual Averages, 1955-1964
(thousands)

Industry	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	First seven months	
											1964	1965
Nonagricultural wage and salary employment	2,387.8	2,470.3	2,491.1	2,388.9	2,441.8	2,471.2	2,447.0	2,494.7	2,508.5	2,554.0	2,524.0	2,594.3
Manufacturing	910.9	939.0	928.0	840.3	868.4	862.9	831.8	856.2	851.6	864.8	854.3	892.8
Durable goods	575.4	604.4	598.3	525.5	553.2	547.2	520.8	545.3	542.3	554.2	546.0	578.7
Furniture and fixtures	23.2	23.6	23.8	22.8	23.7	22.7	22.7	23.8	23.9	23.5	23.1	23.6
Primary metals	73.5	75.6	74.2	62.2	65.1	65.3	62.2	65.6	65.0	68.2	66.9	70.8
Fabricated metals	98.4	102.7	102.8	95.3	99.4	98.5	92.0	95.5	96.5	98.1	97.6	101.6
Nonelectrical machinery	114.8	122.6	119.2	100.2	107.2	106.1	101.0	107.6	111.0	114.9	114.3	117.8
Electrical machinery	142.8	154.5	153.7	136.2	145.7	143.6	138.3	141.7	136.8	137.0	133.1	146.9
Transportation equipment	39.8	42.0	41.6	29.1	28.4	26.2	23.5	28.1	27.0	28.9	28.8	31.4
Professional and scientific instruments	25.4	26.6	26.3	25.3	27.2	29.0	26.7	26.3	25.6	26.2	25.8	27.4
Miscellaneous manufacturing industries	57.5	56.8	56.7	54.4	56.5	55.8	54.4	56.7	56.5	57.4	56.4	59.2
Nondurable goods	335.5	334.6	329.7	314.8	315.2	315.7	311.0	310.9	309.3	310.6	308.3	314.1
Food	107.5	103.9	101.2	95.8	92.8	90.3	88.5	86.2	84.5	85.1	84.5	85.3
Apparel	38.2	37.0	35.8	32.9	33.2	32.6	31.0	29.8	28.9	27.8	27.3	28.6
Paper and allied products	25.6	25.9	25.3	24.3	25.4	26.4	26.6	28.1	29.0	29.7	29.4	30.7
Printing and publishing	81.0	82.9	84.2	82.9	82.9	84.6	84.1	83.7	83.6	84.2	83.9	84.4
Chemicals	37.2	38.3	38.5	37.4	37.4	38.4	38.9	39.8	40.3	40.9	40.6	42.3
Rubber and miscellaneous products	19.3	20.0	19.3	18.2	19.9	20.3	20.6	22.7	22.7	23.2	23.0	23.3
Other nondurable goods	26.7	26.6	25.4	23.3	23.6	23.1	21.3	20.6	20.3	19.7	19.6	19.5
Nonmanufacturing	1,476.9	1,531.3	1,563.1	1,548.6	1,573.4	1,608.3	1,615.2	1,638.5	1,656.9	1,689.2	1,669.7	1,701.5
Mining and quarrying	5.3	5.4	5.7	6.0	6.0	6.2	6.6	6.4	6.3	6.4	6.3	6.4
Contract construction	105.8	115.4	115.0	112.4	110.9	111.5	109.6	103.7	98.7	97.9	95.5	95.2
Transportation and trans. services	150.7	155.3	153.1	139.9	143.3	143.1	136.9	137.5	137.8	138.3	137.1	136.8
Communication and public utilities	63.9	63.9	64.3	62.9	60.6	59.5	57.3	55.9	54.8	54.2	54.1	54.7
Wholesale trade	158.4	164.8	169.6	168.1	171.6	174.7	173.6	175.8	179.3	185.5	183.4	188.1
Retail trade	323.8	336.9	346.6	341.0	348.1	358.9	356.2	361.6	366.4	373.5	366.1	372.1
Finance, insurance, and real estate	138.8	141.4	145.0	145.3	145.8	149.5	152.8	153.5	154.9	156.0	155.8	156.4
Service and miscellaneous industries	315.7	331.6	344.8	349.1	358.0	365.6	370.9	384.0	392.6	404.5	400.8	414.5
Government	214.5	216.6	219.0	223.9	229.1	239.3	251.3	260.1	266.1	272.9	270.6	277.3
Federal	64.2	64.6	65.2	66.2	65.7	68.7	71.9	72.5	70.8	71.0	70.1	66.8
State and local	150.3	152.0	153.8	157.7	163.4	170.6	179.4	187.6	195.3	201.9	200.5	210.5

Source: Illinois State Employment Service.

Table IV

Military and Military-Connected Civilian Personnel
Chicago, Illinois, SMSA, 1955-1965

Dec.	Great Lakes		Glenview		Headquarters		Fort		All other		Total	
	Naval Tng. Center		Naval Air Station		Fifth Army		Sheridan					
	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian
1955	5,609	3,895	888	179	4,965	6,284	2,553	929	3,086	4,270	17,101	15,557
1956	5,925	3,798	1,070	182	4,395	5,685	2,414	932	3,045	3,976	16,849	14,573
1957	5,691	3,635	1,156	169	3,716	4,820	2,217	876	2,744	3,637	15,524	13,137
1958	5,023	3,632	1,189	167	3,387	4,683	2,246	920	2,460	3,463	14,305	12,865
1959	5,156	3,497	1,104	159	3,436	4,450	2,369	914	1,310	3,320	13,375	12,340
1960	5,550	3,414	1,159	169	3,359	4,181	1,979	943	2,616	3,361	14,663	12,068
1961	5,742	3,412	1,181	161	2,872	4,075	1,801	1,068	1,352	3,440	12,948	12,156
1962	6,827	3,369	1,201	157	3,022	2,949	1,815	1,375	1,264	3,935	14,129	11,785
1963	5,488	3,271	1,180	150	2,710	2,585	1,406	1,331	1,205	4,029	11,989	11,366
1964	5,731	3,135	1,248	137	3,004	2,788	1,608	919	1,226	4,040	12,817	11,019
1965	5,740 ^{a/}	3,154 ^{a/}	1,212 ^{a/}	148 ^{a/}	2,860 ^{b/}	2,750 ^{c/}	1,405 ^{b/}	913 ^{b/}	1,250 ^{d/}	3,900 ^{d/}	12,500 ^{d/}	10,850 ^{d/}

Note: Excludes temporarily-assigned recruits, trainees, and other non-permanent personnel.

^{a/} July.

^{b/} May.

^{c/} May estimate.

^{d/} July estimate.

Source: Department of Defense.

Table V

Estimated Percentage Distribution of Families by Annual Income
After Deduction of Federal Income Tax
Chicago, Illinois, SMSA, 1965 and 1967

Annual family income	Chicago City		All families in suburban areas of SMSA							SMSA total	
	All families	Tenant families	Suburbs of Cook Co.	Du Page County	Kane County	Lake County	McHenry County	Will County	Suburban total	All families	Tenant families
* * * 1965 * * *											
Under \$2,000	6	8	2	3	4	5	5	7	3	5	8
\$ 2,000 - 2,999	5	6	2	1	3	2	4	2	2	4	5
3,000 - 3,999	6	7	3	2	4	3	6	5	3	4	7
4,000 - 4,999	7	9	3	4	6	3	7	7	4	6	9
5,000 - 5,999	9	12	6	5	9	4	8	9	7	8	11
6,000 - 6,999	11	11	9	8	12	6	10	12	10	10	11
7,000 - 7,999	10	10	11	10	11	11	11	13	11	11	11
8,000 - 8,999	9	8	10	12	11	10	10	10	10	10	9
9,000 - 9,999	8	8	9	10	10	10	9	9	9	8	7
10,000 -14,999	21	16	29	30	22	29	21	20	29	24	18
15,000 -19,999	4	3	8	8	4	13	5	3	5	5	2
20,000 and over	4	2	8	7	4	4	4	3	7	5	2
Total	100	100	100	100	100	100	100	100	100	100	100
Median	\$7,650	\$6,750	\$9,425	\$9,575	\$8,075	\$9,600	\$7,875	\$7,625	\$9,100	\$8,250	\$6,925
* * * 1967 * * *											
Under \$ 2,000	6	8	2	2	3	4	5	6	2	5	7
\$ 2,000 - 2,999	4	6	1	1	3	2	4	2	2	3	5
3,000 - 3,999	6	7	3	2	3	3	5	5	3	4	7
4,000 - 4,999	7	8	3	4	6	3	7	7	4	6	8
5,000 - 5,999	9	11	6	5	9	4	8	9	6	8	10
6,000 - 6,999	10	10	8	8	11	6	9	11	9	9	11
7,000 - 7,999	9	10	10	9	11	9	10	11	10	10	11
8,000 - 8,999	9	9	10	11	11	10	10	11	10	10	9
9,000 - 9,999	8	8	9	9	9	10	9	9	9	8	8
10,000 -14,999	23	18	30	32	25	31	23	22	31	25	19
15,000 -19,999	5	3	9	9	5	14	5	3	6	6	3
20,000 and over	4	2	9	8	4	4	5	4	8	6	2
Total	100	100	100	100	100	100	100	100	100	100	100
Median	\$7,900	\$6,975	\$9,750	\$9,900	\$8,350	\$9,925	\$8,150	\$7,875	\$9,400	\$8,525	\$7,150

Source: Estimated by Housing Market Analysts.

Table VI

Population Trends
Chicago, Illinois, SMSA
1950, 1960, and 1965

Area	Number of persons			Average annual change			
	April	April	September	1950-1960		1960-1965	
	1950	1960	1965	Number	Rate ^{a/}	Number ^{b/}	Rate ^{a/}
Chicago SMSA total	5,177,868	6,220,913	6,841,000	104,304	1.8	114,400	1.8
Cook County	4,508,792	5,129,725	5,549,000	62,092	1.3	77,350	1.5
Arlington Heights	8,768	27,478	41,050	1,211	11.6	2,425	7.1
Bellwood	8,746	20,729	23,750	1,198	8.6	500	2.5
Berwyn	51,280	54,224	55,100	294	.6	160	.4
Brookfield	15,472	20,429	21,000	496	2.8	100	.6
Calumet City	15,799	25,000	23,250	920	4.6	600	2.3
Chicago	3,620,962	3,550,404	3,621,000	-7,056	-.2	12,050	.4
Chicago Heights	24,551	34,331	41,450	978	3.4	1,325	3.5
Des Plaines	14,994	34,886	49,950	1,989	8.5	2,775	6.6
Dolton	5,558	18,746	22,850	1,319	12.1	760	3.6
Evanston	73,641	79,283	82,400	564	.8	760	1.0
Franklin Park	8,899	18,322	20,650	942	7.2	430	2.2
Glenview	6,142	13,132	23,050	1,192	10.8	910	4.4
Harvey	20,683	29,071	34,700	839	3.5	1,050	3.3
Lansing	8,682	18,098	23,000	942	7.3	900	4.4
Maywood	27,473	27,330	29,400	-14	-.1	375	1.4
Melrose Park	13,366	22,291	26,350	892	5.1	750	3.1
Morton Grove	3,926	20,533	26,150	1,661	16.5	1,025	4.4
Mount Prospect	4,009	18,906	27,750	1,490	15.5	1,625	7.1
Oak Lawn	8,751	27,471	45,000	1,872	11.4	3,225	9.0
Oak Park	63,529	61,093	63,600	-244	-.4	460	.8
Park Forest	8,138	29,993 ^{c/}	32,400	2,185	13.0	440	1.4
Park Ridge	16,602	32,659	39,300	1,606	6.8	1,225	3.4
Skokie	14,832	52,364	69,700	4,453	13.8	1,900	3.0
Wilmette	18,162	28,268	32,150	1,011	4.5	720	2.4
Remainder of county	445,827	852,284	1,068,000	40,646	6.5	39,800	4.1
Du Page County	154,599	313,459	346,500	15,836	7.1	15,300	4.3
Downers Grove	11,886	21,154	24,150	927	5.3	550	2.5
Elmhurst	21,273	36,991	40,950	1,572	5.6	710	1.8
Lombard	9,817	22,561	27,450	1,274	8.3	920	3.7
Villa Park	8,821	20,391	25,250	1,157	8.4	900	3.9
Wheaton	11,638	24,312	29,600	1,267	7.3	930	3.6
Remainder of county	91,164	183,050	249,100	9,689	7.2	11,250	5.2
Kane County	150,388	208,246	235,900	5,786	3.2	5,100	2.2
Carpentersville	1,523	17,424 ^{d/}	20,600	1,590	24.4	590	3.1
Elgin	44,223	49,447 ^{d/}	53,300	523	1.1	710	1.4
Remainder of county	104,642	141,375	162,000	3,673	3.0	3,800	2.5
Lake County	179,097	293,656	340,800	11,456	5.0	8,700	2.7
Highland Park	16,808	25,532 ^{e/}	28,300	873	4.2	510	1.9
North Chicago	8,628	20,517 ^{e/}	22,500 ^{f/}	1,189	8.7	370	1.7
Waukegan	38,946	55,719	62,900	1,677	3.6	1,325	2.3
Remainder of county	114,715	191,888	227,100	7,717	5.1	6,500	3.1
McHenry County	50,656	84,210	98,700	3,355	5.1	2,675	2.9
Will County	134,336	191,617	220,100	5,728	3.6	5,275	2.6

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

^{b/} Component may not add to totals because of rounding.

^{c/} A small portion of Park Forest is actually in Will County.

^{d/} A small portion of Elgin is actually in Cook County.

^{e/} Excludes that part of North Chicago within Great Lakes Naval Training Center.

^{f/} Excludes Great Lakes NTC and all other areas annexed since 1960; data are not available.

Sources: 1950 and 1960 Censuses of Population.

1965 estimated by Housing Market Analysts.

Table VII

Components of Population ChangeChicago, Illinois, SMSAApril 1950 - September 1965

<u>Area</u>	<u>Average annual changes a/</u>		
	<u>Total</u> <u>population</u> <u>change</u>	<u>Net</u> <u>natural</u> <u>increase</u>	<u>Net</u> <u>migration</u>
Chicago SMSA total			
1950-1960	<u>104,300</u>	<u>79,200</u>	<u>25,100</u>
1960-1965	<u>114,400</u>	<u>85,000</u>	<u>29,400</u>
Cook County			
1950-1960	<u>62,100</u>	<u>65,000</u>	<u>-2,900</u>
1960-1965	<u>77,350</u>	<u>66,800</u>	<u>10,550</u>
Chicago City			
1950-1960	-7,050	44,700	-51,750
1960-1965	13,050	41,600	-28,550
Remainder of Cook Co.			
1950-1960	69,150	20,300	48,850
1960-1965	64,300	25,200	39,100
Du Page County			
1950-1960	15,900	3,850	12,050
1960-1965	15,300	5,475	9,825
Kane County			
1950-1960	5,775	2,550	3,225
1960-1965	5,100	3,200	1,900
Lake County			
1950-1960	11,450	4,375	7,075
1960-1965	8,700	5,025	3,675
McHenry County			
1950-1960	3,350	975	2,375
1960-1965	2,675	1,250	1,425
Will County			
1950-1960	5,725	2,450	3,275
1960-1965	5,275	3,250	2,025

a/ Rounded by formula.

Sources: Current Population Reports, U.S. Department of Commerce;
 State of Illinois Department of Health; and estimates by
 Housing Market Analysts.

Table VIII

Distribution of the Population by Age
Chicago, Illinois, SMSA
April 1950 and April 1960

<u>Age groups</u>	<u>April 1950</u>		<u>April 1960</u>		<u>Change 1950-1960</u>	
	<u>Number</u>	<u>Percent of total</u>	<u>Number</u>	<u>Percent of total</u>	<u>Number</u>	<u>Percent</u>
<u>SMSA</u>						
Under 10	877,014	16.9	1,325,998	21.3	448,984	51.2
10 - 19	607,751	11.7	924,588	14.9	316,837	52.1
20 - 29	827,686	16.0	749,238	12.0	- 78,448	- 9.5
30 - 39	866,641	16.8	896,003	14.4	29,362	3.4
40 - 49	747,368	14.4	846,175	13.6	98,807	13.2
50 - 59	624,391	12.1	680,041	10.9	55,650	8.9
60 - 69	409,216	7.9	482,947	7.8	73,731	18.0
70 and over	217,801	4.2	315,923	5.1	98,122	45.1
Total	5,177,868	100.0	6,220,913	100.0	1,043,045	20.1
Median age	33.2	-	31.3	-	-1.9	-5.7
<u>Chicago City</u>						
Under 10	583,326	16.1	693,601	19.5	110,275	18.9
10 - 19	407,737	11.3	493,623	13.9	85,886	21.1
20 - 29	597,882	16.5	451,699	12.7	-146,183	-24.5
30 - 39	614,922	17.0	485,831	13.7	-129,091	-21.0
40 - 49	524,386	14.5	486,820	13.7	- 37,566	- 7.2
50 - 59	447,111	12.3	421,512	11.9	- 25,599	- 5.7
60 - 69	296,403	8.2	315,526	8.9	19,123	6.5
70 and over	149,195	4.1	201,792	5.7	52,597	35.3
Total	3,620,962	100.0	3,550,404	100.0	- 70,558	-1.9
Median age	33.6	-	32.9	-	-.7	-2.1
<u>Suburban Cook County</u>						
Under 10	167,863	18.9	373,176	23.6	205,313	122.3
10 - 19	109,703	12.4	245,777	15.6	136,074	124.0
20 - 29	129,916	14.6	170,578	10.8	40,662	31.3
30 - 39	146,862	16.5	247,684	15.7	100,822	68.7
40 - 49	130,675	14.7	220,489	14.0	89,814	68.7
50 - 59	102,593	11.6	157,221	10.0	54,628	53.2
60 - 69	63,025	7.1	98,790	6.2	35,765	56.7
70 and over	37,193	4.2	65,606	4.1	28,413	76.4
Total	887,830	100.0	1,579,321	100.0	691,491	77.9
Median age	32.5	-	30.0	-	-2.5	-7.7
<u>Remainder of SMSA suburban area</u>						
Under 10	125,825	18.8	259,221	23.8	133,396	106.0
10 - 19	90,311	13.5	185,188	17.0	94,877	105.1
20 - 29	99,888	14.9	126,961	11.6	27,073	27.1
30 - 39	104,857	15.7	162,488	14.9	57,631	55.0
40 - 49	92,307	13.8	138,866	12.7	46,559	50.4
50 - 59	74,687	11.2	101,308	9.3	26,621	35.6
60 - 69	49,788	7.4	68,631	6.3	18,843	37.8
70 and over	31,413	4.7	48,525	4.4	17,112	54.5
Total	669,076	100.0	1,091,188	100.0	422,112	63.1
Median age	31.8	-	28.0	-	-3.8	-11.9

Source: 1950 and 1960 Censuses of Population.

Table IX

Household Trends
Chicago, Illinois, SMSA
1950, 1960, and 1965

Area	Number of households			Average annual change			
	April 1950	April 1960	September 1965	1950-1960		1960-1965	
				Number	Rate ^{a/}	Number ^{b/}	Rate ^{a/}
Chicago SMSA total	1,520,062	1,897,917	2,089,000	37,785	2.3	35,250	1.8
Cook County	1,335,771	1,600,499	1,740,000	26,473	1.8	25,750	1.6
Arlington Heights	2,493	7,175	10,450	468	10.7	600	6.7
Bellwood	2,400	5,642	6,450	324	8.6	150	2.4
Berwyn	15,916	18,870	19,900	296	1.8	190	1.0
Brookfield	4,402	6,072	6,300	167	3.1	40	.7
Calumet City	4,574	7,255	8,200	268	4.6	170	2.3
Chicago	1,087,258	1,157,409	1,201,000	7,015	.6	8,050	.7
Chicago Heights	6,919	9,553	11,450	264	3.2	350	3.4
Des Plaines	4,222	9,670	13,800	545	8.3	760	6.5
Dolton	1,521	4,721	5,750	320	11.3	190	3.6
Evanston	20,624	25,817	28,050	519	2.3	410	1.5
Franklin Park	2,365	4,995	5,675	263	7.5	130	2.4
Glenview	1,632	4,842	5,875	321	10.9	190	3.6
Harvey	5,957	8,816	10,650	286	3.9	340	3.5
Lansing	2,339	4,765	6,050	243	7.1	240	1.4
Maywood	7,919	8,102	8,775	18	.2	120	1.5
Melrose Park	3,584	6,426	7,725	284	5.8	240	3.4
Morton Grove	1,108	5,340	6,525	423	15.8	220	3.7
Mount Prospect	1,141	4,842	6,750	370	14.4	350	6.1
Oak Lawn	2,436	7,094	11,250	466	10.6	770	8.4
Oak Park	20,053	20,897	22,350	84	.4	250	1.2
Park Forest	2,308	7,522 ^{c/}	8,125	521	11.8	110	1.4
Park Ridge	4,788	9,289	10,850	450	6.6	290	2.9
Skokie	4,287	16,522	19,200	1,224	13.5	490	2.8
Wilmette	4,923	7,669	8,750	275	4.5	200	2.4
Remainder of county	120,602	231,194	290,200	11,059	6.5	10,900	4.2
Du Page County	42,944	84,147	104,500	4,120	6.7	3,750	4.0
Downers Grove	3,422	6,003	6,850	258	5.7	160	2.4
Elmhurst	6,120	10,371	11,400	425	5.2	180	1.8
Lombard	2,763	5,992	7,200	323	7.8	220	3.4
Villa Park	2,463	5,381	6,475	292	7.8	200	3.4
Wheaton	2,957	6,213	7,525	325	7.4	240	3.5
Remainder of county	25,219	50,187	65,050	2,497	6.9	2,750	4.8
Kane County	42,425	58,998	66,750	1,657	3.3	1,425	2.3
Carpentersville	444	3,951	4,400	351	21.8	85	2.0
Elgin	11,753	14,276 ^{d/}	15,700	252	1.9	260	1.8
Remainder of county	30,228	40,771	46,650	1,054	3.0	1,075	2.5
Lake County	46,844	76,547	88,500	2,970	4.9	2,230	2.7
Highland Park	4,676	7,107	7,850	243	4.2	140	1.8
North Chicago	2,449	5,629 ^{e/}	6,100 ^{f/}	318	8.3	85	1.5
Waukegan	11,294	16,785	18,950	549	4.0	400	2.3
Remainder of county	28,425	47,021	55,600	1,860	5.0	1,575	3.1
McHenry County	14,858	24,218	27,450	936	4.9	600	2.3
Will County	37,220	53,508	61,800	1,629	3.7	1,525	2.7

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

^{b/} Components may not add to totals because of rounding.

^{c/} A small portion of Park Forest is actually in Will County.

^{d/} A small portion of Elgin is actually in Cook County.

^{e/} Excludes that part of North Chicago within Great Lakes Naval Training Center.

^{f/} Excludes Great Lakes NTC and all other areas annexed since 1960; data are not available.

Sources: 1950 and 1960 Censuses of Housing.

1965 estimated by Housing Market Analysts.

Table X

Trend of Household Tenure
Chicago, Illinois, SMSA
1950, 1960, and 1965

<u>Occupancy and tenure</u>	<u>Cook County</u>		<u>Du Page</u>	<u>Kane</u>	<u>Lake</u>	<u>McHenry</u>	<u>Will</u>	<u>SMSA</u>
	<u>Chicago</u>	<u>Remainder</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>total</u>
* * * <u>April 1950</u> * * *								
Total housing inventory	<u>1,106,119</u>	<u>255,244</u>	<u>44,503</u>	<u>43,864</u>	<u>55,872</u>	<u>19,432</u>	<u>38,683</u>	<u>1,563,717</u>
Total occupied units	<u>1,087,258</u>	<u>248,513</u>	<u>42,944</u>	<u>42,425</u>	<u>46,844</u>	<u>14,858</u>	<u>37,220</u>	<u>1,520,062</u>
Owner occupied	<u>329,993</u>	<u>164,714</u>	<u>34,785</u>	<u>27,553</u>	<u>29,832</u>	<u>9,955</u>	<u>24,155</u>	<u>620,987</u>
Percent of total occupied	30.4%	66.3%	81.0%	64.9%	63.7%	67.0%	64.9%	40.9%
Renter occupied	<u>757,265</u>	<u>83,799</u>	<u>8,159</u>	<u>14,872</u>	<u>17,012</u>	<u>4,903</u>	<u>13,065</u>	<u>899,075</u>
Total vacant units	<u>18,861</u>	<u>6,731</u>	<u>1,559</u>	<u>1,439</u>	<u>9,028</u>	<u>4,574</u>	<u>1,463</u>	<u>43,655</u>
* * * <u>April 1960</u> * * *								
Total housing inventory	<u>1,214,958</u>	<u>461,454</u>	<u>87,860</u>	<u>61,451</u>	<u>85,627</u>	<u>29,345</u>	<u>56,694</u>	<u>1,997,389</u>
Total occupied units	<u>1,157,409</u>	<u>443,090</u>	<u>84,147</u>	<u>58,998</u>	<u>76,547</u>	<u>24,218</u>	<u>53,508</u>	<u>1,897,917</u>
Owner occupied	<u>396,727</u>	<u>339,345</u>	<u>72,837</u>	<u>40,933</u>	<u>54,065</u>	<u>18,456</u>	<u>38,534</u>	<u>960,897</u>
Percent of total occupied	34.3%	76.6%	86.6%	69.4%	70.6%	76.2%	72.0%	50.6%
Renter occupied	<u>760,682</u>	<u>103,745</u>	<u>11,310</u>	<u>18,065</u>	<u>22,482</u>	<u>5,762</u>	<u>14,974</u>	<u>937,020</u>
Total vacant units	<u>57,549</u>	<u>18,364</u>	<u>3,713</u>	<u>2,453</u>	<u>9,080</u>	<u>5,127</u>	<u>3,186</u>	<u>99,472</u>
* * * <u>September 1965^{a/}</u> * * *								
Total housing inventory	<u>1,255,000</u>	<u>557,400</u>	<u>108,600</u>	<u>69,450</u>	<u>97,450</u>	<u>32,650</u>	<u>65,450</u>	<u>2,186,000</u>
Total occupied units	<u>1,201,000</u>	<u>539,000</u>	<u>104,500</u>	<u>66,750</u>	<u>88,500</u>	<u>27,450</u>	<u>61,800</u>	<u>2,089,000</u>
Owner occupied	<u>408,200</u>	<u>393,700</u>	<u>86,700</u>	<u>46,300</u>	<u>62,800</u>	<u>21,300</u>	<u>46,000</u>	<u>1,065,000</u>
Percent of total occupied	34.0%	73.0%	83.0%	69.4%	71.0%	77.6%	74.4%	51.0%
Renter occupied	<u>792,800</u>	<u>145,300</u>	<u>17,800</u>	<u>20,450</u>	<u>25,700</u>	<u>6,150</u>	<u>15,800</u>	<u>1,024,000</u>
Total vacant units	<u>54,000</u>	<u>18,400</u>	<u>4,100</u>	<u>2,700</u>	<u>8,950</u>	<u>5,200</u>	<u>3,650</u>	<u>97,000</u>

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

Sources: 1950 and 1960 Censuses of Housing.
1965 estimated by Housing Market Analysts.

Table XI

Total Private Housing Units Authorized by Building Permits
Chicago, Illinois, SMSA
1960 - 1965

Area	1960	1961	1962	1963	1964	First seven months		Total 1/60-7/65
						1964	1965	
Chicago SMSA total	<u>37,276</u>	<u>42,974</u>	<u>42,963</u>	<u>37,491</u>	<u>37,072</u>	<u>20,894</u>	<u>19,778</u>	<u>217,554</u>
Cook County total	<u>27,430</u>	<u>31,414</u>	<u>31,984</u>	<u>27,753</u>	<u>26,397</u>	<u>15,647</u>	<u>14,318</u>	<u>159,296</u>
Arlington Heights	592	554	503	483	914	531	616	3,662
Bellwood	168	264	139	122	35	26	46	774
Berwyn	375	113	136	170	91	78	78	963
Brookfield	31	27	29	27	76	47	31	221
Calumet City	275	231	126	97	130	43	111	970
Chicago	9,241	12,354	11,786	8,105	9,164	5,888	3,566	54,216
Chicago Heights	653	486	512	184	150	94	78	2,063
Cook County ^{a/}	2,366	2,667	1,936	2,497	2,289	1,379	1,453	13,208
Des Plaines	667	712	859	1,260	507	332	270	4,275
Dolton	248	216	196	96	146	87	76	978
Evanston	532	196	344	285	510	460	174	2,041
Franklin Park	237	218	126	65	70	34	6	722
Glenview	196	243	196	159	154	81	154	1,102
Harvey	340	429	347	579	96	75	57	1,848
Lansing	179	199	198	211	470	158	234	1,491
Maywood	72	87	126	216	191	172	6	698
Melrose Park	349	355	360	138	74	63	15	1,291
Morton Grove	435	309	177	151	103	68	52	1,227
Mount Prospect	187	162	546	417	555	190	133	2,000
Oak Lawn	595	336	404	406	747	482	481	2,969
Oak Park	94	125	387	497	240	92	215	1,558
Park Forest	208	84	105	93	22	11	40	552
Park Ridge	451	351	300	262	129	84	80	1,573
Skokie	592	615	399	398	526	330	221	2,751
Wilmette	179	282	198	227	110	43	76	1,072
Remainder of county	8,168	9,799	11,549	10,608	8,898	4,799	6,049	55,071
Du Page County total	<u>4,239</u>	<u>4,656</u>	<u>4,562</u>	<u>2,842</u>	<u>4,416</u>	<u>2,291</u>	<u>2,395</u>	<u>23,110</u>
Addison	380	605	623	557	460	270	201	2,826
Downers Grove	133	230	126	130	241	189	246	1,106
Du Page County ^{a/}	1,417	1,205	976	1,021	1,463	691	773	6,855
Elmhurst	157	320	288	159	167	107	100	1,191
Lombard	162	234	287	168	323	189	122	1,296
Wheaton	218	374	606	79	83	50	71	1,431
Remainder of county	1,772	1,688	1,656	728	1,679	795	882	8,405
Kane County total	<u>1,591</u>	<u>1,587</u>	<u>1,619</u>	<u>1,789</u>	<u>1,644</u>	<u>866</u>	<u>781</u>	<u>9,011</u>
Aurora	376	253	297	583	502	321	297	2,308
Carpentersville	239	116	55	47	24	5	42	523
Elgin	185	268	471	305	270	169	169	1,668
Kane County ^{a/}	341	346	338	320	335	191	136	1,816
Remainder of county	450	604	458	534	513	180	137	2,696
Lake County total	<u>2,020</u>	<u>2,532</u>	<u>2,196</u>	<u>2,671</u>	<u>2,541</u>	<u>1,248</u>	<u>1,183</u>	<u>13,143</u>
Highland Park	124	174	220	236	214	96	100	1,068
Lake County ^{a/}	501	588	475	415	479	310	176	2,634
North Chicago	82	74	94	106	31	12	6	393
Waukegan	362	332	201	426	729	421	353	2,403
Remainder of county	951	1,364	1,206	1,488	1,088	409	548	6,645
McHenry County total	<u>609</u>	<u>759</u>	<u>751</u>	<u>748</u>	<u>672</u>	<u>266</u>	<u>273</u>	<u>3,812</u>
Crystal Lake	64	98	169	138	102	68	67	638
McHenry County ^{a/}	349	402	312	315	305	181	152	1,835
Remainder of county	196	259	270	295	265	17	54	1,339
Will County total	<u>1,387</u>	<u>2,026</u>	<u>1,851</u>	<u>1,688</u>	<u>1,402</u>	<u>576</u>	<u>828</u>	<u>9,182</u>
Joliet	211	252	261	388	367	237	243	1,722
Will County ^{a/}	808	1,277	1,167	871	479	272	438	5,040
Remainder of county	368	497	423	429	556	67	147	2,420

^{a/} Includes all of county except incorporated areas with their own permit system.

Sources: U.S. Department of Commerce and Bell Savings and Loan Association.

Table XII

Private Multifamily Housing Units Authorized by Building Permits^{a/}
Chicago, Illinois, SMSA
1960 - 1965

Area	1960	1961	1962	1963	1964	First seven months		Total 1/60-7/65
						1964	1965	
Chicago SMSA total	12,648	18,440	20,263	18,333	17,893	10,222	8,757	96,334
Cook County total	10,923	16,031	17,589	15,550	14,596	8,765	7,257	81,946
Arlington Heights	130	125	80	77	352	206	236	1,000
Bellwood	116	66	80	83	20	12	-	365
Berwyn	344	84	119	152	77	67	72	848
Brookfield	-	6	12	8	23	13	7	56
Calumet City	74	71	4	7	54	-	60	270
Chicago	5,227	8,900	8,671	5,429	6,702	4,217	2,231	37,160
Chicago Heights	118	230	368	74	40	36	10	840
Cook County ^{b/}	449	833	475	1,273	1,214	706	1,002	5,246
Des Plaines	154	80	302	707	60	22	29	1,332
Dolton	12	23	84	-	28	4	22	169
Evanston	342	99	281	250	472	436	166	1,610
Franklin Park	127	186	94	26	19	-	-	452
Glenview	16	92	38	12	18	-	26	202
Harvey	163	289	200	509	18	16	20	1,199
Lansing	28	92	54	93	332	82	123	722
Maywood	41	77	103	211	167	167	-	599
Melrose Park	273	348	359	133	68	62	10	1,191
Morton Grove	-	2	-	-	2	2	-	4
Mount Prospect	-	-	403	160	312	24	-	875
Oak Lawn	219	34	59	-	267	185	136	715
Oak Park	73	111	377	492	233	87	211	1,497
Park Forest	-	-	-	-	-	-	-	-
Park Ridge	186	146	106	152	14	10	16	620
Skokie	295	316	144	174	348	214	135	1,412
Wilmette	-	165	48	104	24	-	28	369
Remainder of county	2,536	3,656	5,128	5,424	3,732	2,197	2,717	23,193
Du Page County total	1,009	1,433	1,546	902	1,508	626	650	7,048
Addison	114	468	344	289	265	137	71	1,551
Downers Grove	35	75	61	36	146	132	126	479
Du Page County ^{b/}	178	18	-	81	542	175	179	998
Elmhurst	-	110	153	27	6	-	19	315
Lombard	6	4	38	14	130	78	-	192
Wheaton	130	290	534	6	4	-	-	964
Remainder of county	546	468	416	449	415	104	255	2,549
Kane County total	270	453	575	650	623	356	298	2,869
Aurora	154	49	102	240	325	208	181	1,051
Carpentersville	-	10	2	38	-	-	6	56
Elgin	35	150	339	174	120	72	58	876
Kane County ^{b/}	4	-	29	4	22	10	2	61
Remainder of county	77	244	103	194	156	66	51	825
Lake County total	413	423	402	840	808	393	394	3,280
Highland Park	10	13	22	46	63	18	9	163
Lake County ^{b/}	-	2	-	4	24	6	-	30
North Chicago	39	21	34	22	13	3	-	129
Waukegan	149	130	97	227	531	296	259	1,393
Remainder of county	215	257	249	541	177	70	126	1,565
McHenry County total	18	63	82	171	95	4	40	469
Crystal Lake	16	45	44	44	3	-	10	162
McHenry County ^{b/}	-	-	-	10	-	-	-	10
Remainder of county	2	18	38	117	92	4	30	297
Will County total	15	37	69	220	263	78	118	722
Joliet	-	15	16	178	124	76	116	449
Will County ^{b/}	-	-	-	-	-	-	-	-
Remainder of county	15	22	53	42	139	2	2	273

^{a/} Includes all units in structures of two or more units.

^{b/} Includes all of county except incorporated areas with their own permit system.

Sources: U.S. Department of Commerce and Bell Savings and Loan Association.

Table XIII

Vacancy Trends
Chicago, Illinois, SMSA
1950, 1960, and 1965

<u>Component</u>	<u>Cook County</u>		<u>Du Page</u>	<u>Kane</u>	<u>Lake</u>	<u>McHenry</u>	<u>Will</u>	<u>SMSA</u>
	<u>Chicago</u>	<u>Remainder</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>total</u>
* * * <u>April 1950</u> * * *								
Total vacant units	<u>18,861</u>	<u>6,731</u>	<u>1,559</u>	<u>1,439</u>	<u>9,028</u>	<u>4,574</u>	<u>1,463</u>	<u>43,655</u>
Available vacant	<u>9,126</u>	<u>2,870</u>	<u>382</u>	<u>340</u>	<u>572</u>	<u>205</u>	<u>335</u>	<u>13,830</u>
For sale only	<u>1,546</u>	<u>1,686</u>	<u>310</u>	<u>156</u>	<u>339</u>	<u>120</u>	<u>154</u>	<u>4,311</u>
Homeowner vacancy rate	.5%	1.0%	.9%	.6%	1.1%	1.2%	.6%	.7%
For rent	<u>7,580</u>	<u>1,184</u>	<u>72</u>	<u>184</u>	<u>233</u>	<u>85</u>	<u>181</u>	<u>9,519</u>
Rental vacancy rate	1.0%	1.4%	.9%	1.2%	1.4%	1.7%	1.4%	1.0%
Other vacant	<u>9,735</u>	<u>3,861</u>	<u>1,177</u>	<u>1,099</u>	<u>8,456</u>	<u>4,369</u>	<u>1,128</u>	<u>29,825</u>
* * * <u>April 1960</u> * * *								
Total vacant units	<u>57,549</u>	<u>18,364</u>	<u>3,713</u>	<u>2,453</u>	<u>9,080</u>	<u>5,127</u>	<u>3,186</u>	<u>99,472</u>
Available vacant	<u>44,619</u>	<u>12,600</u>	<u>2,281</u>	<u>1,368</u>	<u>2,260</u>	<u>733</u>	<u>1,580</u>	<u>65,441</u>
For sale only	<u>2,814</u>	<u>5,609</u>	<u>1,471</u>	<u>457</u>	<u>914</u>	<u>349</u>	<u>516</u>	<u>12,130</u>
Homeowner vacancy rate	.7%	1.6%	2.0%	1.1%	1.7%	1.9%	1.3%	1.2%
For rent	<u>41,805</u>	<u>6,991</u>	<u>810</u>	<u>911</u>	<u>1,346</u>	<u>384</u>	<u>1,064</u>	<u>53,311</u>
Rental vacancy rate	5.2%	6.3%	6.7%	4.8%	5.6%	6.2%	6.6%	5.4%
Other vacant	<u>12,930</u>	<u>5,764</u>	<u>1,432</u>	<u>1,085</u>	<u>6,820</u>	<u>4,394</u>	<u>1,606</u>	<u>34,031</u>
* * * <u>September 1965^{a/}</u> * * *								
Total vacant units	<u>54,000</u>	<u>18,400</u>	<u>4,100</u>	<u>2,700</u>	<u>8,950</u>	<u>5,200</u>	<u>3,650</u>	<u>97,000</u>
Available vacant	<u>39,800</u>	<u>11,850</u>	<u>2,400</u>	<u>1,550</u>	<u>2,550</u>	<u>800</u>	<u>1,750</u>	<u>60,700</u>
For sale only	<u>2,500</u>	<u>5,950</u>	<u>1,725</u>	<u>625</u>	<u>1,150</u>	<u>425</u>	<u>625</u>	<u>13,000</u>
Homeowner vacancy rate	.6%	1.5%	2.0%	1.3%	1.8%	2.0%	1.3%	1.2%
For rent	<u>37,300</u>	<u>5,900</u>	<u>675</u>	<u>925</u>	<u>1,400</u>	<u>375</u>	<u>1,125</u>	<u>47,700</u>
Rental vacancy rate	4.5%	3.9%	3.7%	4.3%	5.2%	5.7%	6.6%	4.5%
Other vacant	<u>14,200</u>	<u>6,550</u>	<u>1,700</u>	<u>1,150</u>	<u>6,400</u>	<u>4,400</u>	<u>1,900</u>	<u>36,300</u>

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

Sources: 1950 and 1960 Censuses of Housing.
1965 estimated by Housing Market Analysts.

Table XIV

Chicago, Illinois, Area Postal Vacancy Survey

September-October, 1965

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	1,067,660	18,167	1.7	15,616	2,551	15,260	521,993	4,644	0.9	3,297	1,347	4,220	545,667	13,523	2.5	12,319	1,204	11,040	5,841	85	1.5
Cook County	955,945	16,166	1.7	14,110	2,056	13,406	428,510	3,419	0.8	2,396	1,023	3,011	527,435	12,747	2.4	11,714	1,033	10,395	4,474	57	1.3
Chicago	631,749	11,682	1.8	10,881	801	6,864	180,213	1,176	0.7	891	285	544	451,536	10,506	2.3	9,990	516	6,320	344	-	-
Other Post Offices	324,196	4,484	1.4	3,229	1,255	6,542	248,297	2,243	0.9	1,505	738	2,467	75,899	2,241	3.0	1,724	517	4,075	4,130	57	1.4
Arlington Heights	19,851	358	1.8	243	115	981	17,922	267	1.5	188	79	598	1,929	91	4.7	55	36	383	196	5	2.6
Bellwood	6,248	31	0.5	31	-	95	5,023	12	0.2	12	-	83	1,225	19	1.6	19	-	12	-	-	-
Berwyn	20,043	78	0.4	63	15	40	12,475	24	0.2	20	4	4	7,568	54	0.7	43	11	36	-	-	-
Brookfield	6,574	23	0.3	22	1	28	6,026	15	0.2	14	1	17	548	8	1.5	8	-	11	-	-	-
Calumet City	7,494	45	0.6	38	7	165	6,634	12	0.2	10	2	6	860	33	3.8	28	5	159	125	-	-
Chicago Heights	15,039	615	4.1	474	141	232	10,981	236	2.1	211	25	70	4,058	379	9.3	263	116	162	270	-	-
Des Plaines	19,562	403	2.1	247	156	731	16,106	221	1.4	122	99	203	3,456	182	5.3	125	57	528	630	-	-
Dolton	5,575	29	0.5	24	5	66	5,331	28	0.5	23	5	23	244	1	0.4	1	-	43	-	-	-
Evanston	27,978	325	1.2	259	66	275	12,465	75	0.6	68	7	14	15,513	250	1.6	191	59	261	-	-	-
Franklin Park	6,259	99	1.6	97	2	26	4,940	8	0.2	6	2	8	1,319	91	6.9	91	-	18	-	-	-
Glenview	10,272	148	1.4	102	46	220	9,786	112	1.1	77	35	75	486	36	7.4	25	11	145	207	14	6.8
Harvey	16,466	449	2.7	375	74	115	11,259	214	1.9	171	43	25	5,207	235	4.5	204	31	90	322	-	-
Lansing	5,984	73	1.2	43	30	746	5,479	37	0.7	19	18	104	505	36	7.1	24	12	642	-	-	-
Lemont	3,887	103	2.6	90	13	213	3,471	60	1.7	47	13	213	416	43	10.3	43	-	-	131	-	-
Maywood	16,654	187	1.1	157	30	87	13,077	83	0.6	64	19	31	3,577	104	2.9	93	11	56	-	-	-
Melrose Park	17,963	218	1.2	210	8	90	13,501	47	0.3	43	4	36	4,462	171	3.8	167	4	54	1,176	14	1.2
Morton Grove	6,680	53	0.8	30	23	42	6,484	51	0.8	28	23	42	192	2	1.0	2	-	-	-	-	-
Mount Prospect	10,312	235	2.3	158	77	334	8,528	126	1.5	49	77	112	1,784	109	6.1	109	-	222	-	-	-
Oak Lawn	28,256	446	1.6	147	299	1,328	26,849	337	1.3	114	223	579	1,407	109	7.7	33	76	749	1,038	24	2.3
Oak Park	25,840	144	0.6	115	29	351	13,083	43	0.3	36	7	8	12,757	101	0.8	79	22	343	-	-	-
Park Forest	8,866	158	1.8	152	6	25	8,039	122	1.5	116	6	25	827	36	4.4	36	-	-	-	-	-
Park Ridge	11,231	67	0.6	34	33	43	9,956	46	0.5	21	25	34	1,275	21	1.6	13	8	9	-	-	-
Skokie	18,165	166	0.9	96	70	192	12,432	39	0.3	27	12	64	5,733	127	2.2	69	58	128	35	-	-
Wilmette	8,997	31	0.3	22	9	117	8,450	28	0.3	19	9	93	547	3	0.5	3	-	24	-	-	-

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

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

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

Table XIV (cont'd)

Chicago, Illinois, Area Postal Vacancy Survey

September-October, 1965

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.	%
DuPage County	<u>53,743</u>	<u>785</u>	<u>1.5</u>	<u>531</u>	<u>254</u>	<u>849</u>	<u>50,057</u>	<u>622</u>	<u>1.2</u>	<u>411</u>	<u>211</u>	<u>760</u>	<u>3,686</u>	<u>163</u>	<u>4.4</u>	<u>120</u>	<u>43</u>	<u>89</u>	<u>123</u>	-	-
Downers Grove	11,674	258	2.2	131	127	224	11,166	204	1.8	103	101	200	508	54	10.6	28	26	24	2	-	-
Elmhurst	13,486	149	1.1	110	39	133	12,343	132	1.1	94	38	109	1,143	17	1.5	16	1	24	121	-	-
Lombard	10,799	92	0.9	66	26	215	10,732	74	0.7	51	23	213	67	18	26.9	15	3	2	-	-	-
Villa Park	8,043	92	1.1	76	16	201	7,178	50	0.7	42	8	163	865	42	4.9	34	8	38	-	-	-
Wheaton	9,741	194	2.0	148	46	76	8,638	162	1.9	121	41	75	1,103	32	2.9	27	5	1	-	-	-
Kane County	<u>22,095</u>	<u>461</u>	<u>2.1</u>	<u>401</u>	<u>60</u>	<u>130</u>	<u>16,611</u>	<u>258</u>	<u>1.6</u>	<u>223</u>	<u>35</u>	<u>114</u>	<u>5,484</u>	<u>203</u>	<u>3.7</u>	<u>178</u>	<u>25</u>	<u>16</u>	<u>268</u>	<u>17</u>	<u>6.3</u>
Carpentersville	4,982	97	1.9	91	6	27	4,800	94	2.0	88	6	27	182	3	1.6	3	-	-	-	-	-
Elgin	17,113	364	2.1	310	54	103	11,811	164	1.4	135	29	87	5,302	200	3.8	175	25	16	268	17	6.3
Lake County	<u>33,194</u>	<u>724</u>	<u>2.2</u>	<u>547</u>	<u>177</u>	<u>810</u>	<u>24,132</u>	<u>314</u>	<u>1.3</u>	<u>240</u>	<u>74</u>	<u>270</u>	<u>9,062</u>	<u>410</u>	<u>4.5</u>	<u>307</u>	<u>103</u>	<u>540</u>	<u>956</u>	<u>10</u>	<u>1.0</u>
Highland Park	8,587	184	2.1	119	65	318	7,419	88	1.2	63	25	118	1,168	96	8.2	56	40	200	22	-	-
North Chicago	3,661	57	1.6	57	-	18	2,773	21	0.8	21	-	2	888	36	4.1	36	-	16	-	-	-
Waukegan	20,946	483	2.3	371	112	474	13,940	205	1.5	156	49	150	7,006	278	4.0	215	63	324	934	10	1.1
Will County																					
Lockport	<u>2,683</u>	<u>31</u>	<u>1.2</u>	<u>27</u>	<u>4</u>	<u>65</u>	<u>2,683</u>	<u>31</u>	<u>1.2</u>	<u>27</u>	<u>4</u>	<u>65</u>	-	-	-	-	-	-	<u>20</u>	<u>1</u>	<u>5.0</u>

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

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

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

Table XV

Status of New House Completions in Selected Subdivisions^{a/}Chicago, Illinois, SMSAAs of January 1, 1964, and January 1, 1965

<u>Sales price</u>	<u>Total completions</u>	<u>Pre-sold</u>	<u>Speculative construction</u>			<u>Percent unsold</u>
			<u>Total</u>	<u>Sold</u>	<u>Unsold</u>	
<u>Houses completed in 1963</u>						
Under \$10,000	9	9	-	-	-	-
\$10,000 - 12,499	6	6	-	-	-	-
12,500 - 14,999	305	293	12	8	4	33.3
15,000 - 17,499	885	740	145	94	51	35.2
17,500 - 19,999	850	561	289	195	94	32.5
20,000 - 24,999	1,240	614	626	314	312	49.8
25,000 - 29,999	615	381	234	174	60	25.6
30,000 - 34,999	381	249	132	85	47	35.6
35,000 and over	<u>231</u>	<u>158</u>	<u>73</u>	<u>48</u>	<u>25</u>	<u>34.2</u>
Total	4,522	3,011	1,511	918	593	39.2
<u>Houses completed in 1964</u>						
Under \$10,000	12	12	-	-	-	-
\$10,000 - 12,499	11	9	2	2	-	-
12,500 - 14,999	393	343	50	34	16	32.0
15,000 - 17,499	1,161	942	219	196	23	10.5
17,500 - 19,999	1,403	863	540	465	75	13.9
20,000 - 24,999	1,946	1,146	800	716	84	10.5
25,000 - 29,999	457	260	197	183	14	7.1
30,000 - 34,999	439	331	108	91	17	15.7
35,000 and over	<u>374</u>	<u>234</u>	<u>140</u>	<u>107</u>	<u>33</u>	<u>23.6</u>
Total	6,196	4,140	2,056	1,794	262	12.7

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

Source: Unsold Inventory Surveys completed by the Chicago, Illinois, FHA Insuring Office.