Analysis of the DETROIT, MICH., HOUSING MARKET

as of October 1, 1964

HOUSING AND HOME FINANCE AGENCY
ADMINISTRATOR
LIBRARY
WASHINGTON 25, D.C.
21 1965

A Report by the
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411
A constituent of the Housing and Home Finance Agency

March 1965

Analysis of the Detroit, Michigan Housing Market

DATE	ISSUED TO
~~10-17-69~~	~~Boba~~
	~~Urban Institute Library~~
	~~Due: 11-14-69~~
~~3/4/70~~	~~Urban Institute Library~~
	Due: 4/3/70

ANALYSIS OF THE

DETROIT, MICHIGAN, HOUSING MARKET

AS OF OCTOBER 1, 1964

FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
Housing and Home Finance Agency

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.

Table of Contents

ANALYSIS OF THE DETROIT, MICHIGAN, HOUSING MARKET AS OF OCTOBER 1, 1964

Summary and Conclusions

With the upturn of automobile sales in the past three years, there has been a revival of the Detroit economy. Employment has increased and out-migration of population has slowed or stopped. There has been a reduction in rental vacancy levels, and a sharp upturn in new construction, particularly of rental housing. Nevertheless, the sales and rental markets are firm. This report projects economic and demographic growth and, hence, housing demand, for the remainder of this decade at levels below the 1962-1963 experience, but much above that of the recession period, 1958 to 1961. The basis for these findings is summarized below and presented in detail in the main body of this report.

1. Total nonagricultural employment in the Detroit area averaged 1,363,000 in the last 12 months, the highest average since 1957. The total is expected to reach 1,450,000 in 1970, or an average annual increment of 16,000 jobs from 1964 to 1970.

2. The unemployed totaled just 40,000 in September 1964, equal to 2.7 percent of the labor force, the lowest ratio for any month in the past eight years. Both declining labor force size and increased numbers of jobs are responsible for the improvement.

3. The median after-tax income for all families in the area is estimated to be $7,500; for all tenant families, $5,550.

4. The present population of the area is estimated to be 3,967,000, up 5 percent since April 1960. Growth has been confined to suburban areas. By April 1, 1970, the population is expected to reach 4,280,000, an average increment of 56,900 a year.

5. There are estimated to be 1,135,300 households in the area as of October 1, 1964, an increase of 55,080 since April 1960. Growth at the rate of 17,000 households a year is anticipated for the next 5½ years.

6. Residential building activity has been trending upward since 1961. In 1964, it is likely that the total will exceed the 1963 figure of 18,100. Multifamily activity has been increasing at a more rapid rate than has single-family house construction. There has been an average of 2,600 recorded demolitions of residential units each year in the past decade. Recorded demolitions are anticipated at the 2,000 a year level for the next 5½ years.

7. It is estimated that the number of owner-occupied units has increased by 59,600 and that the number of occupied rental units has declined by 4,950 since the April 1960 census. Available vacancies for sale are estimated to have remained virtually unchanged at 1.4 percent of the sales housing inventory, while rental vacancies have declined from 10.6 to 7.1 percent of the available rental housing inventory.

8. During the remainder of this decade it is estimated that housing demand will average 22,000 units a year, including 15,000 sales-type units and 7,000 rental units. More than half of the demand for sales housing is concentrated in the $16,000-$25,000 price range. Details are shown on page 30. The total annual rental demand is distributed by unit size on page 31.

ANALYSIS OF THE DETROIT, MICHIGAN, HOUSING MARKET AS OF OCTOBER 1, 1964

A revival of the economy of the Detroit area in recent years has led to much improved conditions in the housing market and, in turn, to expanded interest on the part of builders and lenders in new construction, particularly of multifamily housing. This study has been requested by the Detroit Insuring Office of the Federal Housing Administration in order to provide guidance as to an appropriate level of construction activity in the Detroit area.

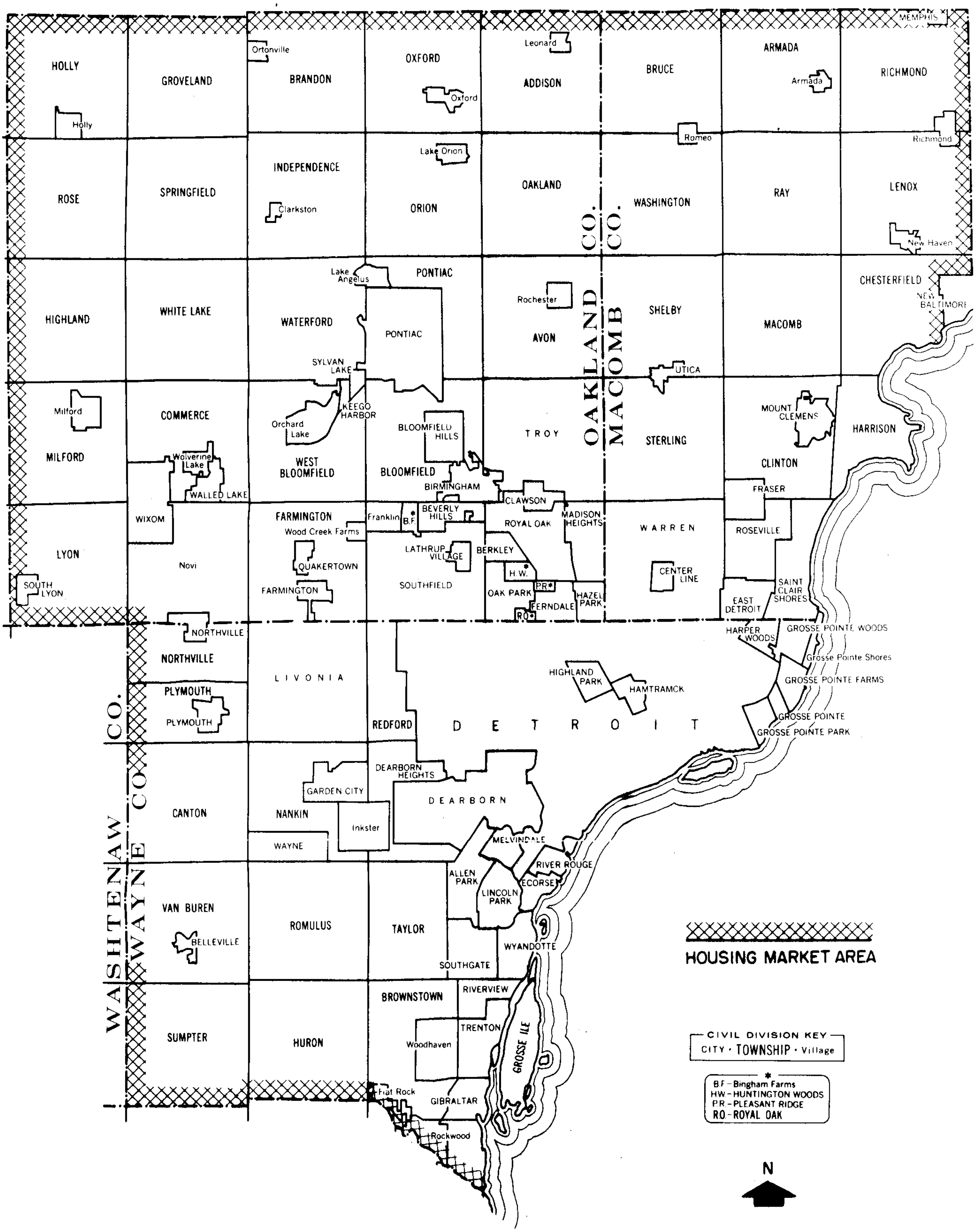
Housing Market Area

For purposes of this report, the Detroit Housing Market Area is defined as being coextensive with the Detroit Standard Metropolitan Statistical Area (SMSA) which is defined by the Bureau of the Budget as consisting of Macomb, Oakland, and Wayne Counties in Michigan. This definition of the Detroit area is maintained because of the availability of basic data on this basis. A more exact definition of the housing market area might exclude the northern townships of Macomb and Oakland Counties and might include the easternmost tier of townships in Washtenaw County. It is unlikely, however, that these adjustments would affect the conclusions appreciably as Wayne County, including Detroit, accounts for two-thirds of the population of the SMSA. In addition to the city of Detroit, the SMSA includes 13 communities with current populations in excess of 50,000 and 17 communities in the 25,000 to 50,000 category.

The Detroit SMSA is located in the southeastern portion of the State of Michigan, 60 miles north of Toledo, Ohio, and about 300 miles northeast of Chicago, Illinois. Detroit borders the Detroit River and Lake St. Clair, which form the connection between Lake Erie and Lake Huron, and it is therefore on the St. Lawrence Seaway. The Interstate Highway System provides Detroit with easy access to the Chicago-East Coast toll road systems and the area is served by many major airlines and railroads, so that all forms of transportation are well represented.

While there is extensive daily commutation within the SMSA, there is little daily travel into the SMSA to work or travel by SMSA residents to employment elsewhere. Data on "journey to work" in the 1960 census suggest a net inward movement of about 2,100 persons daily.

DETROIT, MICHIGAN, STANDARD METROPOLITAN STATISTICAL AREA



Economy of the Area

Character and History

The strategic position of the Detroit area in the "narrows" of the Great Lakes led to the establishment of a settlement at this site in 1701. Early stimulants to growth were the completion of the Erie Canal in 1825 and the later railroad building era for which Detroit became a source of supplies. Although Detroit was already established as a metal-fabricating city (in common with most Great Lakes ports), it was largely historical accident that, of the many automobiles made in this country, those made around Detroit, notably by Henry Ford, were most successful. Established as the center of the automobile industry, Detroit has grown with that industry and the Detroit economy is still attuned to the fortunes of the automobile business.

Although the big three auto makers reputedly provide only about 15 percent of total employment currently, for with the exception of office machinery, ordnance and, perhaps, some chemical plants, it would be hard to find a large employer in the area, from basic steel to textiles, that is not closely tied to the automobile business.

Employment

Current Estimate. In the twelve months ending September 1964, total nonagricultural employment in the Detroit SMSA averaged nearly 1,363,600, higher than the average for any year since 1957, but still 5.5 percent below the 1956 level, as shown in table I. In the month of September 1964, itself, total nonag employment reached a peak of 1,404,100 (but still below 1957 levels) only to decline in the subsequent two months (on the basis of preliminary estimates), reflecting the recent General Motors strike. The recent sharp rise in employment levels in the Detroit area has not yet resulted in complete recovery from the recession which began in 1958 and reached bottom in 1961.

Total nonag employment is made up of two components, wage and salary workers and the self-employed (which includes domestics). As shown in table I, the number estimated to be self-employed has been declining in the Detroit SMSA, although a slight gain is calculated in the 1963-1964 period. These figures are comparatively crude estimates, but the decline in private proprietorship in retail trade as a result of the rise of the shopping center and the decline in old neighborhood shopping streets, suggests that they may not be inaccurate.

Wage and salary employment in the twelve months ending September 1964 was 118,400 (10.5 percent) above the 1961 low, reaching a total of 1,284,000 in September. By October 15, 1964, largely as a result of labor-management disputes, wage and salary employment dropped 53,000 to 1,231,000. This 30-day decline was thus equal to 44 percent of the gain in the previous three years and provides a vivid illustration of the volatility of the Detroit economy, dependent as it is on a single industry, albeit a very large one.

Manufacturing, particularly durable goods manufacturing, dominates the Detroit economy. At the 1956 peak, as shown in table I, manufacturing provided 46 percent of all wage and salary jobs in the SMSA, compared with 44 percent for nonmanufacturing industries and almost 10 percent for government employment. In the subsequent recession and recovery there has been a substantial decline in manufacturing employment and gains in both nonmanufacturing and government employment, so that, in the 12 months ended September 1964, manufacturing accounted for less than 42 percent of all wage and salary jobs, compared with nearly 47 percent in nonmanufacturing and 11 percent in government. In the country as a whole during this period, in comparison, manufacturing provided just 30 percent of all nonagricultural wage and salary jobs, nonmanufacturing, 53 percent and government, 17 percent.

The decline in manufacturing employment in the past seven years (81,000 jobs) has been concentrated in durable goods manufacturing (77,000 jobs) as each durable goods industry registered a decline. The decline in nondurable manufactures was fairly general, with only textiles registering a gain. The decline in manufacturing employment since 1956 should not obscure the fact that manufacturing employment has been increasing steadily since the 1961 low and, at 542,000 in September 1964, was at the highest level since January 1960 and at the highest September level since 1957.

At an average of over 583,000 in the 12 months ending September 1964, nonmanufacturing employment was slightly (5,200 jobs; 0.9 percent) above the 1956 level, but 45,000 higher than in 1961. Gains have been general when employment is compared with the 1961 low; when comparison is made with 1956, however, there have been employment gains only in the finance, insurance, and real estate (6,600 jobs; 13.7 percent) and services (21,300 jobs; 14.6 percent) sectors.

There was no 1958-1961 recession in government; as shown in table I, employment growth has been steady in this sector. The growth of 17,600 jobs since 1956 has been concentrated in Federal and local employment with comparatively small growth in the number of State jobs. Relative to the number employed in 1956, however, State employment has climbed 34 percent and Federal employment 28 percent, while the nearly 9,000 additional jobs in local government represent a gain of just over 9 percent.

Participation rate. The ratio of employment to the population of the area may be termed the employment participation rate. Census data indicate that the ratio declined from 39.21 in 1950 to 35.09 in 1960 in the Detroit SMSA. The decline is estimated to have continued since, although at a much slower rate. Calculated on a slightly different basis (total employment rather than resident employment), the participation rate is estimated to have declined from 34.75 in 1959 to 34.35 at the present time.

The decline in the proportion of the population that is gainfully employed, suggested by these declining ratios, is consistent with the drop in the total number of jobs over the past seven years. During a period of declining employment opportunity, there is delayed entrance into the labor force as more students tend to stay in school, a lower participation by women (about half the female labor force is married and many leave the labor force as job opportunities decline), and a tendency towards earlier retirement.

Principal Employers

The Automobile Industry. The increased sales of automobiles in the United States is the largest single factor in the recovery from the 1960-1961 recession in the Detroit area. The degree of dominance of this single industry has been suggested earlier in this report; the data in table I indicate that nearly 36 percent of the gain in the total number of nonagricultural jobs since 1961 is in the motor vehicles industry itself and a substantial part of the remaining increase represents employment by suppliers of component parts and the secondary effect of gains in this basic industry.

It is likely that 1964 will end up as the second-best production calendar year in automotive history with an output of 7.75 million passenger cars, compared with 7.64 million in 1963 and 7.94 million in 1955. It is possible that the 1964 total would have exceeded that of 1955 had it not been for strikes at Ford and General Motors. In any event, the parallel between these production figures and total employment in the Detroit area is obvious.

There is some evidence, however, that employment in the motor vehicles industry is not as important (relatively) in the Detroit area as it once was. In 1956, employment in this industry constituted 19 percent of all wage and salary jobs in the area compared with 17.5 percent in the 12 months ending September 1964. Furthermore, a smaller proportion of the total automobile industry is now located in the Detroit area. In the peak production year of 1955, roughly 35 percent of all motor vehicle industry employment was concentrated in the Detroit area; by 1963, the proportion had dropped to under 28 percent.

The increased productivity of labor, reflecting greater use of automated machinery reduces the impact of increased physical production on employment. In the peak 1955 auto year, 8.9 cars were assembled per employee; in 1963, the figure was 10.3 cars. Had this ratio not changed, automobile employment in the country as a whole would have been about 120,000 higher in 1963 than it was; in Detroit, therefore, motor vehicle industry employment would have been about 35,000 higher.

The following table provides comparative data for 1963 and 1964 output of passenger cars by manufacturer for comparable periods of just under one year. These data represent production, not forecasts, and hence do not agree exactly with the annual totals discussed earlier:

U. S. Passenger Car Production, 1963 - 1964

Manufacturer	1/1/63-12/28/63	1/1/64-12/26/64	Percentage change
Chrysler	1,041,795	1,221,744	17.3
Ford	1,951,532	2,115,852	8.4
General Motors	4,049,115	3,895,303	-3.8
American	476,565	386,958	-18.8
Checker	7,144	6,294	-11.9
Studebaker	67,746	-	-
Total	7,593,897	7,626,151	0.4

Source: Automotive News.

Since Chrysler assembles about 2/3 of its cars in the Detroit area compared with 1/3 for General Motors and only 1/5 for Ford, the rapid growth at Chrysler in the past year has been especially stimulating to the economy of the Detroit area.

Unemployment

In September 1964, the most recent month for which data are available (preliminary estimates indicate a slight increase in October), there were 49,000 unemployed in the Detroit SMSA, equal to just 2.7 percent of the work force, the lowest ratio for any month in the 1956-1964 period for which comparable data are available. Of the total estimated unemployment in September, nearly 63 percent consisted of "insured" unemployment, about 25 percent of new entrants and re-entrants to the work force, and the remaining 12 percent of other unemployed.

The current level of unemployment is substantially lower than the average for the 12 months ended in September 1964; although that figure was, itself, much below the average for any earlier period shown in the table below. Compared with the year of peak unemployment, 1958, it is significant to note that the decline of over 169,000 in the number unemployed was composed of a decline of 72,000 in the size of the work force, and an increase of about 97,000 in the number of jobs. The decline in work force size has been reflected both in a declining employment participation rate and in out-migration of population over the period.

Work Force and Unemployment Trends
Detroit, Michigan SMSA, 1956 - 1964
(annual average, in thousands)

Year	Total work force	Unemployed: Number	Unemployed: Pct. of work force
1956	1571.5	117.4	7.5
1957	1538.4	101.8	6.6
1958	1505.8	230.4	15.3
1959	1449.7	129.7	8.9
1960	1428.3	98.7	6.9
1961	1418.3	157.3	11.1
1962	1384.9	94.9	6.9
1963	1400.3	69.8	5.0
12 mos. ending Sept. 1964	1433.7	61.0	4.3

Source: Michigan Employment Security Commission.

Estimated Future Employment

Depending on the interval selected, the trend of employment in the recent past in the Detroit Standard Metropolitan Statistical Area can be said to be declining (1956 to 1964), to be growing by about 11,000 a year (1959-1960 to 1964), or to be growing by over 40,000 a year (1962 to 1964). In any case, the reported drop, even if temporary, of 52,000 wage and salary jobs from mid-September to mid-October 1964 suggests the difficulty of making any projection of employment into the future. Balancing the various factors leading to either growth or decline in the local economy and after considering the best informed local judgments in the Detroit area, it is estimated that total nonagricultural employment in the Detroit SMSA will reach 1,450,000 in 1970. Compared with the average employment of nearly 1,363,000 in the most recent twelve-month period, this equals an annual average increment of about 16,000.

Income

In September 1964, manufacturing production workers in the Detroit area earned an average of $3.32 an hour and worked 44.3 hours, or average weekly earnings of $147.08. Earnings varied from a high of $184 a week in metal stamping plants to a low of $91 in furniture plants. In such nonmanufacturing industries as laundries, however, earnings were as low as $1.89 an hour and $63 a week. Average weekly earnings in manufacturing in Detroit in September were slightly under the average in Flint and Saginaw, but higher than in other Michigan cities and noticeably higher than in such nearby major metropolitan centers as Cleveland ($128) or Chicago ($117).

The current median family income after deduction of Federal income taxes for all families in the Detroit SMSA is estimated at $7,500 and that of all tenant families at $5,550 annually. By 1967, at which time rental housing projects now under consideration may be ready for occupancy, after-tax incomes should be 9 or 10 percent above present levels. Current median incomes for the SMSA and some of the principal cities are shown below. Distributions of current and 1967 income in the SMSA are presented in table II.

TO: Boba

ROOM: Urban Inst. Lib.

DUE IN LIBRARY ON OR BEFORE

11-14-69

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

LIBRARY
WASHINGTON, D.C. 20410

CHARGE SLIP

☐ YOUR INFORMATION

☐ YOUR REQUEST

☐ HOUSING AND PLANNING REFERENCES
NO.______, ITEM__________.

☐ BORROWED FROM ____________________

____

See Page ________________.

This publication is charged to you. It is not to be reloaned without notifying the Library.

PLEASE REVERSE SLIP WHEN RETURNING THIS PUBLICATION

RETURN TO:
Library
Room 8141
Washington, D.C. 20410
Stop 98

229355-P HUD-Wash., D.C.

HUD-74 (7-68) PREVIOUS EDITION IS OBSOLETE

Median After-Tax Family Income
Detroit SMSA, 1964

All families, SMSA $7,500
All renter families, SMSA $5,550

Place	Income	Place	Income
Allen Park	$9,160	Lincoln Park	$7,710
Berkley	8,240	Livonia	8,910
Birmingham	11,360	Madison Heights	7,800
Center Line	7,590	Melvindale	7,295
Clawson	8,240	Mt. Clemens	6,720
Dearborn	8,860	Northville	8,300
Detroit	6,700	Oak Park	9,350
East Detroit	8,370	Plymouth	8,410
Ecorse	6,095	Pontiac	6,640
Farmington	9,320	River Rouge	5,940
Ferndale	7,710	Roseville	7,570
Garden City	8,000	Royal Oak	8,850
Grosse Point Farms	14,090	St. Clair Shores	8,410
Grosse Point Park	11,810	Southfield	9,055
Grosse Point Woods	11,790	Southgate	7,920
Hamtramck	5,960	Troy	8,240
Harper Woods	8,700	Warren	7,590
Highland Park	6,315	Wayne	7,570
Inkster	7,300	Wyandotte	7,390

Source: Estimated by housing market analyst from 1960 census data.

Demographic Factors

Population

Current Estimate. The population of the Detroit Standard Metropolitan Statistical Area is about 3,967,000 as of October 1, 1964, an increase of 204,600, or 5.4 percent, since the April 1, 1960 census. The average annual growth of 45,490 (1.2 percent) shown in table III compares with the average annual growth of 74,616 (2.5 percent) in the previous decade (see table IV for 1950-1960 population data).

The present population of the core area (Detroit, Hamtramck and Highland Park) is estimated at 1,669,000, representing a decline at a rate of about one percent a year since 1960, while the rest of the SMSA has been growing at a rate of slightly over 3 percent a year. In the previous decade there was also a decline of one percent a year in the population of the core area, but there was growth of nearly 9 percent a year in the population of the remainder of the SMSA. As shown in table III, population growth in the Detroit SMSA in the past 4½ years has been negative only in the core area, while it has been positive, but low, in a number of the older, built-up suburban communities, and very rapid in a few areas, notably Warren (11.7 percent a year), Southfield (8.3 percent a year), the Bloomfield Hills area, and the remainder of Macomb County. In the previous decade, as shown in table IV, a number of communities had registered annual population gains of 10 to 29 percent.

Nonwhite Population. In the 1950-1960 decade, as shown in table IV, the nonwhite population of the Detroit SMSA increased much more rapidly than the population as a whole, so that the ratio of the nonwhite population to the total increased from 12.0 percent in 1950 to 15.1 percent in 1960. There is some evidence, however, that the great bulk of this gain occurred in the 1950-1954 period. It is estimated, therefore, that the relative proportion of nonwhite persons in the population of the Detroit SMSA has increased comparatively slowly since the mid-1950's and that the nonwhite population now totals 604,000, equal to 15.2.

Estimated Future Population. Based on the assumption that the economy of the Detroit area will expand and that the employment participation rate will continue to decline slowly, the population of the Detroit SMSA will reach 4,280,000 by April 1, 1970. This indicates an average annual population increment of 56,900.

Natural Increase and Migration. From 1960 to the present time, there has been an average of 83,000 births and 30,000 deaths each year in the Detroit SMSA, or an average net natural increase of about 53,000 a year. When compared with the estimated average annual population increment of about 45,500 since April 1, 1960, it can be calculated that an average of about 7,500 persons have left the SMSA each year. As shown in table III, it is estimated that there has been out-migration of population in the past 4½ years from nearly all of the older, established, communities in the SMSA, with in-migration occurring only in the more outlying suburban areas that have just begun their periods of rapid growth.

The experience during the period since April 1960 with regard to migration patterns is somewhat different from that of the previous decade when there was an annual average inward movement of nearly 10,000 and only the core cities and one or two others experienced out-migration. Local estimates suggest, however, that much greater in-migration during the 1950-1954 period was balanced by out-migration in the 1955-1959 period, resulting in the level of in-migration shown in table IV.

Annual data on family movement into and out of the city of Detroit, shown below, suggest that there was a sharp reduction in the rate of out-migration in the 1963-64 school year. There has been expression of opinion in Detroit that the outward population movement has ceased and may even have reversed, and some tentative confirmation may be derived from these data.

Net Annual Movement of Families with School-Age Children Out of the City of Detroit, 1957-1964

School year	Number of families	School year	Number of families
1957-1958	3,240	1960-1961	3,148
1958-1959	2,780	1962-1963	3,413
1959-1960	3,024	1963-1964	1,208

Source: Detroit Board of Education.

Although the total losses in the most recent school year shown are sharply reduced, net population movements from Detroit to communities in the suburban area have not declined appreciably from earlier periods, while the number of families leaving the city for other parts of the country is now negligible and, on balance, Detroit has been receiving new families from the rest of the country.

Components of Family Migration
Detroit, Michigan 1961-1964

Migration	1960-61	1963-1964
Net loss	-3,148	-1,208
To SMSA	-1,712	-1,691
Other Michigan	-1,094	-47
All other areas	-342	530

Source: Detroit Board of Education.

Distribution by Age. From 1950 to 1960, census data indicate that (relatively) the population increased most rapidly in the 5-14 year old age group and among those 65 years old and older. By 1970, a combination of lower birth rates and a slowed rate of increment in the aged population will affect the age distribution. As shown in table V, there is expected to be a decline in the number under age 5 and somewhat slowed growth in those 65 and over. The big post-war population cohorts will be in the 15-19 year old group by 1970 and there will be a very minor increase in the 30-64 year old group. The most significant change will occur in the group 20-29 years old. Whereas the number of persons in this age bracket declined by 88,000 from 1950 to 1960, by 1970 there is expected to be an increase of 161,000 over the 1960 total. An increase of this size in this marrying and family formation age-group will have an impact on the demand for small apartments and houses, but an expansion of economic opportunity will be required if these young people are to be profitably employed.

Households

Current Estimate. From April 1960 to October 1964, the number of households in the Detroit SMSA increased to a total of about 1,135,300, an increase of 55,080 (5 percent) over the 1960 census total of 1,080,220. As shown in table VI, the average annual increment of about 12,250 households since 1960 is about 51 percent lower than the annual household growth of over 25,000 in the previous decade. In part this slowed rate of growth reflects the smaller average annual population increment in the current period and, in part, the 1950-1960 change was inflated by a "definitional increment" whereby a number of furnished-room type of units were classified as housing units, and their occupants as households, for the first time im the 1960 census.

Future Households. Based on the estimated population increments discussed earlier in this report and on the assumption that the average household size in the area will decline somewhat during the rest of the current decade, it is estimated that there will by 1,228,800 households in the Detroit SMSA on April 1, 1970, or an average increment over the next 5½ years of 17,000 households a year.

Household Size. The average household size in the Detroit SMSA declined from 3.49 persons per household reported in the 1950 census to 3.44 persons per household in the 1960 census report. Some portion of this decline results from the "creation" of a number of small households by the change in household definition referred to earlier. The current population and household estimates, prepared separately for each of 33 segments of the SMSA, result in a calculated average household size of 3.45 persons at this time. These minor fluctuations are expected to continue; the 1970 estimates presume an average of 3.44 persons in each household.

Housing Market Factors

Housing Supply

Current Estimate. Based on a rather complete record of building activity insofar as it is reflected in authorizations by building permits, expanded school census results in the city of Detroit and in Macomb County, electric meter data, and evaluations by the Population and Housing Committee of the Regional Planning Commission, it is estimated that there are 1,196,925 housing units in the Detroit SMSA as of October 1, 1964. As shown in table VII, the total inventory has increased by an average of about 9,700 units a year since 1960; that of the "core" cities declining by over 6,200 annually and the suburban inventory increasing by nearly 16,000 units a year. From 1950 to 1960, the number of residential units in the Detroit SMSA increased from 858,000 to 1,153,200, an average annual increment of about 29,500 units.

Type of Structure. In April 1960, on the basis of census reports, single-family houses accounted for 75.4 percent of the housing inventory, two-family houses for 10.9 percent, and larger multifamily structures for the remaining 13.7 percent of the housing units in the Detroit SMSA. Based on the records of new construction since that time and on the assumption that the very extensive volume of demolitions has been distributed, by type of structure, in accordance with the 1960 housing inventory, it is roughly estimated that one-family houses now constitute 75.9 percent of the inventory, two-family houses, 10.3 percent, and larger multifamily structures 13.8 percent of the total, proportions which are very little changed since 1960.

Year Built. As of April 1, 1960, the census reported that about 30 percent of the housing inventory of the Detroit SMSA had been built since 1950, another 30 percent between 1930 and 1950, and the remaining 40 percent in 1929 or earlier. As a result of the addition of new units and the demolition of a large number of housing units, most of which, it is assumed, were built prior to 1930, it is estimated that seven percent of the current inventory has been built since 1960, 29 percent between 1950 and 1960, another 29 percent between 1930 and 1950, and the remaining 35 percent before 1930.

Condition. Housing units which were classified as dilapidated or which lacked one or more plumbing facilities comprised about 5½ percent of the housing inventory as of April 1, 1960, on the basis of census reports. There was very little variation in this ratio among the three counties making up the Detroit SMSA. On the assumption that the units added to the inventory in the past 4½ years are of acceptable quality and that demolitions have been largely of substandard units, the proportion of substandard units may have been halved since the 1960 census.

Value and Rent. The median value of owner-occupied houses in the Detroit SMSA was reported to be $13,300 in the April 1960 census. The reported value was highest in Macomb County, $14,200, and lowest in Wayne County at $13,000. Asking prices of vacant units were generally reported to be several hundred dollars higher than the value of occupied units. The median gross rent in the SMSA was $79, with a reported high of $92 in Macomb County and a low of $78 in Wayne County. Asking prices in vacant rental units were consistently lower than gross rents being charged in occupied units with an overall median of $62, suggesting that, in 1960, vacant rental units were of generally lower quality than occupied rental units.

Residential Building Activity

Trends. In the first nine months of 1964, a total of nearly 17,300 units, net (new construction less demolitions), was authorized by building permits in the Detroit SMSA. It seems likely, therefore, that the total for the entire year will exceed the 1963 total of 18,100 and will represent a continuation of an upward trend from the low of 12,260 units in 1961. The totals for each year of the current decade are far below the average of about 31,200 units a year in the 1950-1959 decade. Areas of heavy building activity are highly concentrated. As shown in table VIII, about one-third of the building so far in 1964 has been concentrated in Warren, Southfield, and Livonia.

The number of units in multifamily structures authorized each year has been climbing steadily for the past five years, as shown in table IX. The total of 6,375 multifamily units in the first nine months of 1964 has already exceeded the total for all of 1963. When the annual total jumped more than 200 percent from 1961 to 1962, however, the figure was higher than the annual average of the 1950-1959 period (about 1,750 a year) for the first time. Warren, Royal Oak Township, and Detroit have been the leading areas in multifamily activity. While multifamily construction in Southfield was non-existent prior to this year, recent changes in zoning in that rapidly growing area lead to the expectation that it will be a leader in multifamily activity in the next few years.

Units Under Construction. Postal vacancy surveys, conducted in late October 1964, enumerated a total of nearly 9,250 units under construction in the Detroit SMSA, including 4,750 residences and 4,500 apartment units. Since the surveys covered less than half of the entire SMSA, although most areas of high building activity were included, the total number of units under construction certainly exceeds 10,000 at the present time. As shown in table X, leading areas of residential construction were Warren, Mt. Clemens, and Southfield, while the most active multifamily areas were Detroit, Warren, Royal Oak, and Southfield. Note that Warren and Southfield ranked high in both categories.

Demolitions. In the ten years 1954-1963, demolitions averaged about 2,600 a year. The total of 2,386 demolitions in the first nine months of 1964 is, however, about 14 percent lower than the total for the comparable period in 1963. As shown below, the bulk of the demolition activity has taken place in the city of Detroit.

Demolition Trends
Detroit SMSA, 1954-1964

Year	Demolitions	Detroit	Remainder of SMSA
1954	3,172	N.A.	N.A.
1955	3,424	N.A.	N.A.
1956	1,471	N.A.	N.A.
1957	897	670	227
1958	924	563	361
1959	1,541	1,222	316
1960	2,235	1,719	536
1961	3,540	2,704	836
1962	5,169	3,831	1,338
1963	3,728	2,498	1,230
1964, Jan.- Sept.	2,386	1,713	673

N.A. - Not available.

Source: Detroit Metropolitan Area Regional Planning Commission.

It is notoriously difficult to predict the future level of demolition activity, dependent as it is on decisions by a wide variety of individuals and government bodies including the courts, in many cases. On the basis of the best information now available as to future urban renewal and highway activity, however, it is estimated that a total of about 2,000 units a year will be recorded as demolished in the Detroit SMSA over the next 5½ years.

In evaluating these data, it must be remembered that they represent "recorded" demolitions, i.e., the number of units in each structure wrecked as recorded on the wrecking permit. There is evidence that, while this number may represent the number of dwelling units for which the structure was built, it does not account at all for the number of households actually resident in the structure just prior to demolition. This is particularly true in the city of Detroit where the areas in which clearance has taken place, for both highway and urban renewal purposes, have been areas of poor housing in which there have been many conversions, legal and illegal, and many of the furnished-room variety of housing unit. This factor, together with the loss of units through conversions to other uses results in an estimated reduction in housing units substantially higher than the number of recorded demolitions.

Tenure

It is estimated that 27 percent of the current number of occupied housing units in the Detroit SMSA are renter occupied compared with 29 percent in 1960 and 38 percent in 1950.

Over 37 percent of the 313,100 renter-occupied dwelling units in 1960 were one-family houses and another 33 percent were in structures of 2-4 units, so that just 30 percent of all renters lived in multifamily structures of 5 or more units (see rental vacancy table below).

Vacancy

Last Census. In April 1960, there were 48,144 vacant, available, housing units in the Detroit SMSA, equal to 4.3 percent of the housing inventory (unavailable vacancies excluded). As shown in table VII, over 77 percent of the available vacancies were in rental units, so that the rental vacancy rate was 10.6 percent compared with 1.4 percent for sales housing. Census data for principal cities in the SMSA indicate over-all vacancy rates ranging from a low of 0.6 percent in Allan Park to a high of 9.8 percent in River Rouge. Of the available units, 355 sales vacancies and 6,096 rental vacancies lacked some or all plumbing facilities.

The renter vacancy rate was much lower in single-family houses than in larger structures. As shown below, the single-family vacancy rate was 7 percent, compared with 11 to 15 percent in larger structures.

Rental Vacancy by Type of Structure
Detroit, Michigan, SMSA, April 1960

Type of structure	Number of occupied units	Vacant Number	Vacant Percent
One unit	116,862	8,787	7.0
2-4 unit	101,808	13,067	11.4
5-9 unit	20,873	2,744	11.6
10 or more units	73,503	12,467	14.5
Total	313,046	37,065	10.6

Source: 1960 Census of Housing.

Postal Vacancy Survey. A postal vacancy survey was conducted in October and November 1964 by 25 post offices in the Detroit SMSA, covering seven out of 26 stations in the city of Detroit and 35 other communities in the SMSA, generally the suburban areas immediately surrounding the city of Detroit. The survey covered a total of nearly 553,700 possible deliveries, or about 46 percent of the estimated SMSA total. The postal vacancy survey revealed an overall vacancy rate of 1.7 percent in the surveyed area, with a 1.4 vacancy in residences and a 4.4 percent vacancy in apartments. Details for each area included in the survey are shown in table X.

A previous postal survey, covering 14 of the same post offices, was conducted in May and June 1959. As shown in table XI, the overall vacancy rate declined in 13 of the 14 post office territories and remained the same only in Ferndale. While coverage was not identical in the two periods, the conclusion that there has been a substantial decline in vacancy levels seems unescapable.

Vacancies in FHA-Insured Rental Projects. As shown below, vacancies in FHA-insured Section 608 and Section 207 rental projects have declined sharply, particularly from 1963 to 1964.

Vacancy Rates in FHA-Insured Rental Projects
Detroit SMSA, 1959-1964
March of Each Year

Section	1959	1961	1962	1963	1964
Sec. 608	12.9	6.2	7.4	8.1	2.0
Sec. 207	21.4	9.3	12.0	4.8	1.4
Total	15.7	N.A.	N.A.	6.8	1.8

N.A. Not available.

Source: Federal Housing Administration.

In addition to the nearly 2,900 units in Section 608 projects and 1,800 units in Section 207 projects insured at this time in the Detroit SMSA, there are over 800 units insured under Section 213 and nearly 1,500 units insured under Section 220. There are, of course, substantial vacancies in other, newer, renewal-area projects which have just been completed or are still under construction.

Other Vacancy Data. School census counts in the spring of 1964 in both Macomb County and the city of Detroit included a question on vacant dwellings. As of June 1, 1964, there were reported to be 5,851 unoccupied dwellings in Macomb County and 30,889 vacant dwellings in the city of Detroit. These figures are not inconsistent with the findings of this report.

Current Estimate. Based on the postal vacancy survey and other data on vacancies in the Detroit Area described above, there are now about 34,900 housing units in the SMSA available for sale or rent. Of this total, 11,525 are available for sale and 23,375 are available for rent (see table VII), or sales and rental vacancy rates of 1.4 percent and 7.1 percent, respectively. An estimated 350 of the sales vacancies and 3,800 of the rental vacancies are units lacking some or all plumbing facilities.

In an area where the prospective growth in population is expected to be quite moderate, a sales housing vacancy rate of about 1.0 percent and a rental vacancy rate of 4.0 percent would be adequate. On this basis, current vacancy levels in the Detroit SMSA are still somewhat above satisfactory levels.

It will be noted that the current vacancy rate is considerably higher than that in the postal vacancy survey. The difference results from the fact that a very substantial proportion (nearly 75 percent) of the dwellings in the city of Detroit itself was not included; had these areas, particularly in the central city, been included, the observed vacancy rate would have been much higher.

The Sales Market

General Market Conditions. The sales market of the Detroit SMSA is vigorous. The number of sales and average sales prices in the existing home market are up over last year and builders report that their sales of new homes are limited only by their ability to obtain building lots and a work force. While the typical small home in the Detroit area might easily be built in three months, builders cannot promise delivery in less than five months at present, the delay being the result of shortages of building labor. It is reported that substantial numbers of craftsmen left the area in the slow years 1960-1962 and are now not available.

Subdivision Activity. Areas of subdivision activity are determined by the locations at which sewer and water are available. The most active areas, currently, are in "close-in" Warren and as far out as 18 Mile Road in Sterling Township, where land prices permit the construction of houses at about $13,000. More expensive houses, at $20,000 to $30,000, are being built in Southfield and West Bloomfield. The absolute minimum house is probably being built in Clinton Township at about 14-Mile Road where a 3-bedroom, 925 square foot house can be built to sell for $10,000 (frame) or $11,000 (brick veneer). The usual "extras" bring the typical sales price for a minimum house up to $12,000 in most cases, however.

Speculative Building. There is almost no speculative building in the Detroit area at this time, except for model houses. The typical subdivision consists of a half-dozen or so flag-bedecked models on a main highway, with available lots extending back from the road, and almost no small home building other than the models, is done in advance of sale.

Price Trend. Based on the records of the United Northwestern Realty Association, the largest of the Detroit area multiple listing organizations, sales prices averaged $14,449 on 5,500 sales in the first nine months of 1964 compared with $13,577 for 4,200 sales in the same period last year. Over the 1958-1962 period, average sales prices reported by this group ranged between $13,700 and $13,950, so that the $14,450 figure so far in 1964 seems to represent a real upward trend.

Unsold Inventory of New Houses. In January 1964, the Detroit FHA office surveyed 346 subdivisions in the SMSA in which five or more houses had been completed in 1963. A total of 7,565 houses had been completed, of which 7,265 (96 percent) had been sold before the beginning of construction. Of the 300 houses built speculatively, just 33 (11 percent) remained unsold at the time of the survey. The 1963 completions were distributed by price, as follows:

Price Distribution, New House Completions
Detroit SMSA, 1963

Price	Percentage distribution
Under $10,000	1.9
$10,000 - 12,499	22.8
12,500 - 14,999	30.5
15,000 - 17,499	14.7
17,500 - 19,999	15.0
20,000 - 24,999	10.5
25,000 - 29,999	3.6
30,000 - 34,999	-
35,000 and over	1.0
Total	100.0

Source: Federal Housing Administration.

Foreclosures. In the first ten months of 1964, there have been a total of 3,026 foreclosures in the three-county SMSA, compared with 4,358 in 1963 and a peak of 4,682 in 1962, including nonresidential foreclosures which comprise a comparatively small proportion of the total. For Wayne County, the 3,157 foreclosures in 1962 represent the highest total since 1936, but this number was still far below the 1934 total of 15,029 foreclosures in Wayne County.

Foreclosure Trends
Detroit, Michigan, SMSA
1960-1964

Year	Macomb County	Oakland County	Wayne County	Total
1960	N.A.	483	1,576	-
1961	479	789	2,801	4,069
1962	626	899	3,157	4,682
1963	575	848	2,935	4,358
1964 Jan.-Oct.	359	613	2,054	3,026

N. A. Not available.

Source: Register of Deeds, each county.

It is likely that the totals for all 12 months of 1964 will be below the 1963 level and will represent a continuation of the declining trend which began in 1962.

Data on FHA foreclosures and property acquisitions are shown in table XII. While these data are for the entire insuring office jurisdiction, they represent the SMSA situation quite well; probably 80 to 90 percent of the total acquired property inventory is in the SMSA. Note that FHA defaults and foreclosures seem to have reached a peak at the end of 1962 and have been declining since, although the trend is not completely clear. As might be expected, the trend in the inventory of acquired property has lagged somewhat and did not begin to decline until 1964. A more hopeful indicator can be found in the mortgagee inventory (potential FHA acquisitions) which began to decline in early 1962, after a climb which began in the fall of 1957. The October 1964 totals (2,569 properties in inventory, 1,827 foreclosures in process, 3,441 defaults, 1,739 properties in mortgagee inventory) suggest, however, that the end of this problem is not yet in sight.

Rental Market

As suggested by the sharp decline in rental vacancies in the past year, the rental market of the Detroit SMSA is in the best condition it has been in for years. At the present time vacancies are low in good-quality existing rental projects and new rental projects have achieved ready market acceptance. A large number of small garden apartments have been built in the outer edges of Detroit (between 7 and 8 Mile Roads) and in many suburban areas. These rental units are reported to have been absorbed primarily by elderly households who have sold homes, many in "transition" areas, and by new families i.e., the "young marrieds".

It is likely that the 4.4 percent vacancy ratio reported for apartments in the postal vacancy survey represents the situation in the areas covered in the survey quite well and this suggests that the rental market in the outer fringes of Detroit and in close-in suburban areas is in balanced condition.

These favorable comments do not apply with equal force to the rental market in the near downtown urban renewal area. This is, in part, a reflection of the continued reluctance of many people to live in what was formerly a slum area, but it is a reflection even more of the high rents charged for apartments in the high-rise buildings which have dominated the renewal program. The more modestly priced garden apartments and town house units in the renewal areas have done quite well. On the other hand, the first example of a suburban high-rise project, in Dearborn, has also done well, so that the difficulties of the renewal area high-rise projects probably result from a combination of location and high-rent.

The lowest rents available in the Detroit area for new multifamily construction are for projects financed at subsidized interest rates. As this program has developed in the Detroit SMSA, it has consisted almost entirely of townhouse units (4-6 unit row housing) sold on a cooperative (management-type) basis. This financing has permitted monthly charges as low as $60 a month, with a maximum of about $110 a month. Garden apartments, whether FHA or conventional, obtain rents in the $125-$160 range (some project rents are about $10 a month less).

The high-rise projects require rents beginning at about $150 a month for studio units and, more important, have rentals extending as high as $475 a month for their largest units. While the less expensive apartments have been renting quite readily, there appears to be real difficulty in renting any apartment at more than $250 a month and it is the conclusion of some observers of the Detroit market that, therefore, there is no real demand for "luxury" apartments in this area.

One fairly new project in the Gratiot area has had a very satisfactory level of occupancy. It was reported that the rents asked are substantially below the maximum permitted by the mortgagee. One of the first projects in the Lafayette area has rented 43 percent of its units. Demand has been negligible for the expensive 4-BR suites, but studio apartments and 2-BR apartments have been doing well.

Any evaluation of the success of housing in the Gratiot and Lafayette areas must consider that current charges for many of the units, particularly the original townhouses, are currently based on taxes which are, in turn, based on an assessment below that which will apply when the area is fully developed. It is yet to be demonstrated that housing in the area can be successful if full charges are met.

FHA Activity. The records of the Detroit Insuring Office indicate that a total of over 1,000 rental units have recently been completed and another 2,100 units are under construction. The office has outstanding commitments for 400 multifamily units and is processing applications for 600 additional units. If the potential of 1,400 units in cases submitted for preliminary processing is included, the Detroit Insuring Office is involved in a total of over 5,500 rental units.

Mortgage Market

Sources of Funds. The mortgage market of the Detroit SMSA is amply supplied with funds at the present time, as is illustrated by the fact that, for the first time in decades, conventional financing has been made available for high-rise rental housing in the area. With regard to home financing, savings and loan associations, commercial banks, and mortgage companies (for out of town insurance company and savings bank principals, it is assumed) provide approximately equal shares of the total mortgage financing, except for new FHA loans where mortgage companies are dominant.

Percentage Distribution of FHA Home Mortgage Loans by Source of Financing Detroit SMSA, 1961-1963

Type of lender	FHA home loans	
	New	Existing
Savings and loan assn.	5	38
Commercial bank	16	25
Insurance company	3	2
Mortgage company and other	76	35
Total	100	100

Source: FHA, Division of Research and Statistics.

FHA participation in the home financing market in the Detroit area appears to be pretty consistently 30 to 40 percent of the total. For the existing home market, the best available indicator is the records of the United Northwestern Realty Association.

Percentage Distribution, by Method of Financing of Listings Sold by United Northwestern Realty Assn. 1962-1964

Type of financing	Oct. 1961-July 1962	January-Oct. 1964
Cash	10	15
Assume mortgage	15	14
FHA	38	36
VA	8	6
Conventional	10	16
Land contract	13	8
Other	6	5
	100	100

Source: United Northwestern Realty Association.

Note that cash sales and conventional financing have increased and land contracts have decreased, all of which are indicators of increased availability of mortgage financing.

The FHA share of the new home market can be approximated by comparing permits issued for new single-family homes with the number of Section 203 loans on new houses insured.

FHA Sec. 203 Loans on New Construction,
Single-Family Permit Activity
Detroit SMSA, 1961-1963

Year	Single-family permits issued	FHA Sec. 203 loans Number	As pct. of permits
1961	14,403	5,271	36.6
1962	14,475	4,536	31.3
1963	16,192	4,190	25.9

Source: Detroit Metropolitan Area Regional Planning Commission; FHA.

The decline in the FHA share of the market has taken place concurrently with increased acquired property inventories. This factor does not appear to have slowed the over-all market at all.

Urban Renewal Activity

The most recent (June 30, 1964) directory of urban renewal projects lists a total of 45 in the Detroit SMSA, excluding those of a purely planning nature. Of this total, 16 were in the planning stage, 24 were in execution, and 5 were reported to have been completed. Residential uses were reported to be the predominant re-use in only 10 projects, although some areas will be partially devoted to residential re-use in a number of other instances. To the extent that information is available, these projects are discussed below:

Detroit. The Gratiat (U1-1) project is a pioneering effort, begun as early as 1947, prior to Federal legislation in this field, and now completed to the extent that all land in the area has been disposed of. A total of about 1,200 structures were demolished and about 2,750 families were displaced. The renewal involves a total of about 1,700 dwelling units in a wide variety of high-rise buildings, townhouses, and garden apartments.

While the Gratiot project appears to be approaching a successful conclusion and it is reported that assessed values will increase in the area from $2.8 million to $15 million, it should be noted that many of the units in the area are not now being taxed at full value, in recognition of their pioneering in a new redevelopment area. When this situation ends in about a year, there will be a further test of the strength of this area.

The Gratiot area is less than a mile from the heart of downtown Detroit and is bounded by Lafayette, Dequindre, Gratiot, and the Chrysler Freeway.

Adjoining the Gratiot area to the south is the Lafayette Project (R-12). A total of 280 buildings were removed and 336 families were displaced. Planning for this project began in 1952 and land acquisition in 1959. Almost all of the parcels have been committed except for some commercial parcels along Jefferson Avenue.

Projects in this area include the 30-story, 1300 Lafayette East project which is now being completed and the 92-unit, 2½ story Central Park Plaza. A housing for the elderly project will be built by the Ferndale Cooperative with CFA assistance (Section 202). Applications are on hand in FHA for Lafayette Terrace, which propose 204 units in high- and low-rise structures. This is a "Section 220-234" project which may therefore be sold as a condominium. Adjoining 1300 Lafayette East to the south is a project of 60 townhouse units to be built by the same sponsors and sold as a condominium.

The Elmwood Park Project (R-40) is to the east of the Gratiot and Lafayette projects. Clearance has been completed and there have been commitments for some of the parcels. The plan calls for 1,100 units of low and medium density multiple residences in this area. As Elmwood II and III are developed to the east of the present area, space will be created for another 2,000 residential units.

Clawson, R-106. Still in the planning stage, this project is essentially a commercial area at the intersection of 14 Mile Road and Main Street. Multifamily housing units are tentatively proposed. It is estimated that 96 families will be displaced.

Highland Park. The Neighborhood 6 Project (R-26) is in the execution stage. A total of 287 families have been displaced and 400 more will move in the next two years. The area is just to the east of Woodward Avenue in Highland Park. While there will be extensive industrial and commercial re-use, a parcel is reserved for residential re-use.

Mt. Clemens. Both renewal projects in this community, R-7 and R-78, involve partial clearance and partial rehabilitation. In R-7, 117 new one-family houses have been built and a 28-unit apartment house is under construction. In R-78, 112 structures are being demolished.

River Rouge. Project No. 1 (R-41) entered the execution stage in August 1963. Between 1963 and 1965, a total of 207 families will be displaced. It is proposed to build 100 units of housing in the area. housing in the area.

Royal Oak Township. Urban renewal has had a long history in this area just north of 8-Mile Road and Wyoming and has involved a substantial portion of the entire land area of the community. There has been some new construction in the cleared area. Sales housing offered at $13,500 to $14,950 ($98 to $105 a month after downpayment of $500 to $700) has been moderately successful. A cooperative sold 82 units of "town houses" in two weeks and sales are proceeding in a second section. Down payments of $100 and monthly payments of about $100 are required for three- and four-bedroom row houses.

Military Housing

Selfridge Air Force Base, just east of Mt. Clemens, is the only military establishment of any significance in the SMSA, with 5,733[1/] personnel, including 620 civilians. There are 3,027 military families attached to Selfridge AFB of whom 1,053 live in on-base housing. There are no current proposals for additional on-base housing at this facility.

Public Housing

There are public housing programs in 12 communities in the Detroit SMSA, involving a total of over 11,000 units. Of this total, the bulk (8,650 units) are in the city of Detroit. There are 9,900 units completed and under management, 200 units under construction (in Inkster), and 900 units in planning. Of the 8,131 completed units in Detroit, 68 were vacant on October 1, 1964.

Data for 2,150 tenants in Detroit public housing whose eligibility was examined in the third quarter of 1964 are of interest. The average rent paid was $50.61, equal to 19 percent of the median income of $2,621; 60 percent of the families had no employed member, 39 percent had a head over age 62, and 21 percent contained only one adult (not counting one-person households).

1/ As of early March 1965, the number of personnel was reported to have been reduced to about 4,200.

Demand for Housing

Quantitative Demand

Based on the projected level of household growth, the likelihood that there will continue to be a substantial volume of residential demolitions, the changes in the tenure of occupancy in the inventory, the current level of vacancies, and the current level of new construction, it is estimated that there will be an average annual demand for 22,000 net additional residential units each year over the next five years, including 15,000 sales-type units and 7,000 rental-type units. The condominium units in townhouse row construction, currently so popular in the Detroit area, are included in the rental total.

The projection of housing demand for the remainder of the decade at these comparatively high levels presupposes that the area will continue to be prosperous. The experience of the past indicates, however, that rather sudden changes in economic activity may be expected in the Detroit area; any such fluctuations over the forecast period would, of course, affect the demand for housing. In addition, it must be noted that a very substantial proportion of the rental housing demand in the Detroit area is concentrated in the lower end of the rent ranges possible in new construction and that there is apparently a very thin market for expensive apartments, particularly in high-rise structures.

Qualitative Demand

Sales Housing. Based on the distribution of families by income in the Detroit SMSA and the relationship between net income and purchase price found to be typical in the area, it is believed that 15,000 units of new sales housing will be absorbed most readily if distributed, by price, as follows. Housing priced below $10,000 cannot be produced in this area at the present time.

Estimated Annual Demand for New Sales Housing
Detroit, Michigan, SMSA, 1964-1970

Sales price	Units
$10,000 -$11,999	900
12,000 - 13,999	1,250
14,000 - 15,999	1,550
16,000 - 17,999	2,650
18,000 - 19,999	2,400
20,000 - 24,999	3,300
25,000 - 29,999	1,950
30,000 and over	1,000
Total	15,000

The distribution shown above differs markedly from that on page 21 which reflects experience during the year 1963. It must be noted that the 1963 data do not include new construction in subdivisions of five units or less, nor do they reflect contract construction. It is likely that the more expensive housing construction is concentrated in the smaller building operations and in contract construction; the demand estimates shown above indicate a substantially greater concentration in the higher price ranges than the FHA 1963 survey would indicate

Rental Housing. Based on projected 1967 tenant family incomes and the rent-income ratios found to be typical in new rental construction in the past, the estimated annual demand for additional rental units (through new construction or rehabilitation) has been distributed by unit size and rent level in the following table. It is estimated that the minimum gross rents achievable without benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition, are $100 for efficiencies, $115 for one-bedroom units, $125 for two-bedroom apartments, and $135 for three-bedroom units. The production of units in the higher ranges of rent will competitively effect a filtering of existing accommodations.

Estimated Annual Demand for New Rental Housing
by Gross Monthly Rent and Size of Unit
Detroit, Michigan, SMSA, 1964-1970

Gross rent[a/]	Efficiency	1-BR	2-BR	3-BR
$90 and over	750	-	-	-
95 " "	650	3,200	-	-
100 " "	600	3,000	2,400	-
105 " "	575	2,800	2,300	650
110 " "	550	2,500	2,100	620
115 " "	525	2,300	1,950	590
120 " "	500	2,200	1,800	560
125 " "	465	2,100	1,600	540
130 " "	410	1,700	1,400	520
135 " "	350	1,500	1,300	500
140 " "	300	1,350	1,200	425
150 " "	230	1,000	975	350
160 " "	150	700	750	250
170 " "	90	550	575	200
180 " "	65	400	425	150
190 " "	40	275	300	125
200 " "	25	250	275	110
220 " "	10	200	225	90
240 " "	5	125	150	65
260 " "	-	50	75	50
280 " "	-	25	50	30
300 " "	-	10	25	15

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

Note: The figures above are cumulative, i.e., the columns cannot be added vertically. For example, annual demand for two-bedroom units at gross monthly rents of $125 to $140 is 400 units (1,600 less 1,200)

APPENDIX TABLES

Table I

Total Nonagricultural Employment, Employment of Wage and Salary Workers by Industry
Detroit Standard Metropolitan Statistical Area, 1956 - 1964
(in thousands)

Industry	1956	1958	1961	1963	Twelve months ending Sept. 1964
Total nonag. employment	1,443.8	1,261.3	1,247.8	1,323.1	1,363.6
Wage and salary workers	1,303.5	1,138.8	1,126.6	1,207.2	1,245.0
Manufacturing, total	601.4	473.9	454.6	502.7	520.2
Durable goods	512.5	392.9	374.9	418.4	435.7
Metals	122.0	93.6	91.1	99.8	103.5
Primary	51.4	42.2	40.7	42.8	43.8
Fabricated	70.6	51.4	50.4	57.0	59.7
Machinery (non-elec.)	91.5	73.8	74.4	79.9	80.4
Elec. machinery	9.4	7.5	6.7	8.0	8.6
Transportation equipment	257.7	187.0	178.4	208.3	221.3
Motor vehicles	(251.9)	(183.3)	(174.7)	(204.3)	(217.5)
Other durables	32.0	31.0	24.5	22.3	21.6
Nondurable goods	89.0	81.0	79.7	84.3	84.5
Food products	28.1	25.7	23.2	23.3	23.5
Textiles, apparel	5.8	6.2	8.1	10.5	11.1
Printing & publishing	16.5	15.8	14.9	15.0	14.4
Chemicals & petroleum	21.4	19.5	19.1	19.5	19.5
Other nondurables	17.2	13.8	14.3	16.0	15.9
Nonmanufacturing, total	577.9	538.5	538.1	563.9	583.1
Construction	63.5	47.3	44.3	46.7	50.5
Trans., commun., pub. utils.	77.4	69.9	66.9	66.6	68.1
Trade	242.2	230.4	226.8	233.1	241.8
Wholesale	62.6	59.4	56.7	59.5	62.0
Retail	179.6	171.0	170.1	173.6	179.8
Finance, ins., real estate	48.1	48.6	51.2	53.6	54.7
Services	145.8	141.4	148.1	163.0	167.1
Mining	0.9	0.8	0.8	0.8	0.8
Government	124.2	126.5	133.9	140.6	141.8
Federal	21.4	21.9	24.1	26.1	27.4
State	8.2	9.5	10.9	11.2	11.0
Local	94.7	95.1	98.9	103.2	103.4
Self-employed	140.3	122.5	121.2	115.9	118.6

Source: Michigan Employment Security Commission.

Table II

Percentage Distribution of Estimated Family Income by Tenure
After Deduction of Federal Income Tax
Detroit, Michigan, Standard Metropolitan Statistical Area, 1964-1967

Family income	Total 1964	Total 1967	Renter 1964	Renter 1967
Under $ 2,000	7	6	14	13
$2,000 - 2,999	4	4	9	8
3,000 - 3,999	6	5	9	8
4,000 - 4,999	7	6	11	9
5,000 - 5,999	9	7	13	11
6,000 - 6,999	11	10	13	13
7,000 - 7,999	12	10	9	11
8,000 - 8,999	10	11	6	7
9,000 - 9,999	8	8	5	5
10,000 - 14,999	19	24	9	12
15,000 and over	7	9	2	3
Total	100	100	100	100
Median	$7,500	$8,200	$5,550	$6,100

Source: Estimated by Field Market Analysis Service, FHA.

Table III

Population, Net Natural Increase, Migration
Detroit Standard Metropolitan Statistical Area
April 1960-October 1964

Area	April 1960 census	Oct. 1, 1964 estimate	Annual average: Change No.	Annual average: 1960-1964 Pct.	Annual average: Net natural increase	Annual average: Net migration
East Detroit	45,756	47,500	390	0.8	670	-280
Mt. Clemens	21,016	20,500	-115	-0.5	1,400	-1,515
Roseville	50,195	56,000	1,300	2.6	1,175	125
St. Clair Shores	76,657	85,000	1,850	2.4	1,700	150
Warren a/	99,410	152,000	11,700	11.7	3,350	8,350
Remainder of county	112,770	150,000	8,275	7.2	1,575	6,700
Macomb County, total	405,804	511,000	23,400	5.7	9,870	13,530
Berkley	23,275	23,500	50	0.2	340	-290
Birmingham	25,525	27,000	330	1.3	530	-200
Clawson	14,795	15,800	220	1.5	300	-80
Ferndale	31,347	31,700	80	0.2	500	-420
Hazel Park	25,631	26,000	80	0.3	460	-380
Madison Heights	33,343	34,700	300	0.9	1,050	-750
Oak Park	36,632	37,600	215	0.6	520	-305
Royal Oak	80,612	88,000	1,650	2.0	1,375	275
Southfield	31,531	43,400	2,650	8.3	580	2,070
Remainder of county	387,568	444,300	12,600	3.2	6,175	6,425
Bloomfield Hills b/	(2,378)	(3,250)	(190)	(8.0)	(-)	(-)
Farmington b/	(32,407)	(41,500)	(2,000)	(6.2)	(-)	(-)
Oakland County, total	690,259	772,000	18,175	2.6	11,830	6,345
Detroit	1,670,144	1,600,000	-15,600	-0.9	14,550	-30,150
Hamtramck	34,137	32,500	-360	-1.0	170	-530
Highland Park	38,063	36,500	-350	-0.9	130	-480
Core area, total	(1,742,344)	(1,669,000)	(-16,310)	(-0.9)	(14,850)	(-31,160)
Dearborn	112,007	114,700	600	0.5	2,250	-1,650
Garden City	38,017	40,200	490	1.3	1,450	-960
Inkster c/	36,119	39,000	640	1.8	780	-140
Melvindale	13,089	13,900	180	1.4	230	-50
Southgate	29,404	29,700	65	0.2	590	-525
Wayne c/	19,071	20,300	270	1.4	1,725	-1,455
Wyandotte	43,519	44,100	130	0.3	670	-540
Remainder of county	632,727	713,100	17,850	2.8	8,825	9,025
Dearborn Heights c/	(61,118)	(72,500)	(2,504)	(4.1)	(-)	(-)
Northville b/	(11,491)	(11,550)	(15)	(0.1)	(-)	(-)
Plymouth b/	(17,130)	(20,600)	(760)	(4.5)	(-)	(-)
Nankin Twp. c/	(60,743)	(67,000)	(1,375)	(2.3)	(-)	(-)
Redford Twp.	(71,276)	(74,000)	(600)	(0.8)	(-)	(-)
Taylor Twp.	(49,658)	(56,400)	(1,475)	(3.0)	(-)	(-)
Wayne County, total	2,666,297	2,684,000	3,915	0.1	31,370	-27,455
SMSA, total	3,762,360	3,967,000	45,490	1.2	53,070	-7,580

a/ Includes Centerline.
b/ Includes both the village and the township.
c/ 1960 totals adjusted for annexation activity in the 1960-1964 period.

Source: 1960 U. S. Census of Population
1964 estimated by Housing Market Analyst, net natural increase from N.O.V.S. and Michigan Health Department data.

Table IV

Population, Net Natural Increase, Migration
Detroit Standard Metropolitan Statistical Area
1950-1960

Area	April 1950 Census	April 1960 Census	Average annual change: Change 1950-1960 No.	Average annual change: Change 1950-1960 Pct.	Average annual change: Net nat'l Increase a/	Average annual change: Migration
SMSA, total	3,016,197	3,762,360	74,616	2.5	64,650	9,960
Central Core area, total	1,939,316	1,742,344	-19,697	-1.0	18,855	-38,550
Detroit	1,849,568	1,670,144	-17,942	-1.0	18,061	-36,003
Hamtramck	43,355	34,137	-922	-2.1	411	- 1,333
Highland Park	46,393	38,063	-833	-1.8	383	- 1,216
Rest of SMSA, total	1,076,881	2,020,016	94,313	8.8	45,800	48,525
Wayne County, except core	495,919	923,953	42,803	8.6	26,000	16,800
Dearborn	94,994	112,007	1,701	1.8	2,952	-1,250
Wyandotte	36,846	43,519	667	1.8	1,450	-800
Rest of county	364,079	768,427	40,435	11.1	21,600	18,850
Macomb County, total	184,961	405,804	22,084	11.9	7,425	14,659
East Detroit	21,461	45,756	2,429	11.3	1,040	1,389
Mt. Clemens	17,027	21,016	399	2.3	1,201	-802
Roseville	15,816	50,195	3,438	21.7	1,222	2,216
St. Clair Shores	19,823	76,657	5,683	28.7	1,422	4,261
Rest of county	110,834	212,180	10,135	9.1	2,540	7,595
Oakland County, total	396,001	690,259	29,426	7.4	12,414	17,012
Berkley	17,931	23,275	534	3.0	513	21
Birmingham	15,467	25,525	1,006	6.5	741	265
Ferndale	29,675	31,347	167	0.6	784	-617
Hazel Park	17,770	25,631	786	4.4	707	79
Royal Oak	46,898	80,612	3,372	7.2	2,082	1,290
Rest of county	268,260	503,869	23,561	8.8	7,587	15,974

a/ Partially estimated.

Source: 1950 and 1960 Censuses of Population; vital statistics from National Office of Vital Statistics, Michigan Health Department, and analyst's estimates.

Table V

Age Distribution of the Population
Detroit SMSA, 1950-1960-1970

Age group	1950	1960	1970 (estimate)	Change 1950-1960		Change 1960-1970	
				Number	Percent	Number	Percent
0-4	325,536	467,469	424,600	141,933	43.6	-42,860	-9.2
5-14	459,974	768,734	864,600	308,760	67.1	95,850	12.5
15-19	187,679	246,892	419,000	59,213	31.6	172,100	69.7
20-29	514,503	426,417	587,200	-88,086	-17.1	160,800	37.7
30-64	1,364,180	1,583,533	1,606,300	219,353	16.1	22,750	1.4
65 or older	164,325	269,315	378,300	104,990	63.9	109,000	40.5
Total	3,016,197	3,762,360	4,280,000	746,163	24.7	517,640	13.8

Source: 1950 and 1960 Censuses of Population.
1970 estimated by the housing market analyst from Community Renewal Program data.

Table VI

Household Trends
Detroit Standard Metropolitan Statistical Area
1950-1960-1964

Area	April 1, 1950 census	April 1, 1960 census	Oct. 1, 1964 estimate	Average annual change 1950-1960	Average annual change 1960-1964
East Detroit	5,582	12,027	12,600	645	125
Mt. Clemens	4,822	6,179	6,000	136	-40
Roseville	4,257	12,405	14,000	815	350
St. Clair Shores	5,462	19,933	22,050	1,447	470
Warren a/	13,186	26,613	41,000	1,343	3,200
Remainder of county	16,156	29,487	39,000	1,333	2,125
Macomb County, total	49,465	106,644	134,650	5,719	6,230
Berkley	4,829	6,138	6,200	131	15
Birmingham	4,658	7,624	8,150	297	120
Clawson	1,457	3,809	4,200	235	85
Ferndale	8,456	9,612	9,750	116	30
Hazel Park	4,800	7,218	7,350	242	30
Madison Heights	2,719	8,545	8,850	583	65
Oak Park	1,446	9,678	9,950	823	60
Royal Oak	13,284	22,803	25,350	952	570
Southfield b/	4,000	8,740	12,150	474	760
Remainder of county	63,590	104,741	120,000	4,115	3,400
Bloomfield Hills c/	(1,384)	(6,622)	(9,125)	(524)	(560)
Farmington c/	(3,580)	(8,739)	(10,875)	(516)	(470)
Oakland County, total	109,239	188,908	211,950	7,968	5,135
Detroit	512,414	514,837	495,000	242	-4,400
Hamtramck	11,931	10,767	10,200	-116	-125
Highland Park	14,426	13,820	13,200	-61	-135
Core area, total	(538,771)	(539,424)	(518,400)	(65)	-4,660
Dearborn	26,692	33,898	35,000	721	240
Garden City	2,329	9,109	9,650	678	120
Inkster d/	3,952	8,604	9,500	465	200
Melvindale	1,103	3,731	4,000	263	60
Southgate	2,736	7,226	7,350	449	30
Wayne d/	2,584	5,843	6,200	326	80
Wyandotte	10,271	12,396	12,700	213	65
Remainder of county	81,690	164,437	185,900	8,275	4,775
Dearborn Heights d/	-	(16,935)	(19,200)	-	(500)
Northville c/	(1,401)	(2,133)	(2,425)	(73)	(65)
Plymouth c/	(3,102)	(4,732)	(5,725)	(163)	(220)
Nankin Twp. d/	(11,048)	(14,296)	(16,300)	(325)	(450)
Redford Twp.	(5,216)	(18,165)	(18,850)	(1,295)	(150)
Taylor Twp.	(4,712)	(12,613)	(14,400)	(790)	(400)
Wayne County, total	670,128	784,668	788,700	11,455	910
SMSA, total	828,832	1,080,220	1,135,300	25,142	12,265

a/ Includes Centerline. b/ 1950 data estimated by Housing Market Analyst.
c/ Includes both the village and the township.
d/ 1960 totals adjusted for annexations in the 1960-1964 period.

Source: 1950, 1960 Censuses of Population.
1964 estimated by Housing Market Analyst.

3.2

Table VII

The Housing Inventory by Occupancy and Tenure
Detroit Standard Metropolitan Statistical Area
April 1960-October 1964

Area and tenure	April 1, 1960 census	October 1, 1964 estimate	Annual average change No.	Annual average change Pct.
SMSA				
Housing inventory, total	1,153,243	1,196,925	9,710	0.8
Occupied, total	1,080,649	1,135,300	12,150	1.1
By owner	767,603	827,200	13,250	1.7
By renter	313,046	308,100	-1,100	-0.4
Vacant, total	72,594	61,625	-2,440	-3.4
Available	48,144	34,900	-2,940	-6.1
For sale	11,036	11,525	110	1.0
For rent	37,108	23,375	-3,050	-8.2
Other vacant	24,450	26,725	500	2.0
Core area a/				
Housing inventory, total	579,881	551,800	-6,235	-1.1
Occupied, total	539,424	518,400	-4,675	-0.9
By owner	310,322	305,225	-1,125	-0.4
By renter	229,102	213,175	-3,550	-1.5
Vacant, total	40,457	33,400	-1,560	-3.9
Available	32,429	24,100	-1,840	-5.6
For sale	2,917	4,300	310	10.6
For rent	29,512	19,800	-2,150	-7.3
Other vacant	8,028	9,300	280	3.5
Remainder of SMSA				
Housing inventory, total	573,362	645,125	15,945	2.8
Occupied, total	541,225	616,900	16,825	3.1
By owner	457,281	521,975	14,375	3.1
By renter	83,944	94,925	2,450	2.9
Vacant, total	32,137	28,225	-880	-2.7
Available	15,715	10,800	-1,100	-7.0
For sale	8,119	7,225	-200	-2.4
For rent	7,596	3,575	-900	-11.8
Other vacant	16,422	17,425	220	1.3

a/ Detroit, Hamtramck, Highland Park.

Source: 1960 Census of Housing.
1964 estimated by the Housing Market Analyst.

Table VIII

Net Additions to the Housing Inventory Authorized by Building Permits a/
Detroit Standard Metropolitan Statistical Area
1950-1964

Area	Annual Average 1950-1959	1960	1961	1962	1963	Jan.-Sept. 1964
East Detroit	650	97	79	128	97	66
Roseville	825	320	129	251	656	257
St. Clair Shores	1,550	432	291	295	469	391
Warren b/	1,350	3,259	3,295	3,131	2,995	3,487
Clinton Twp.	445	128	199	446	587	539
Shelby Twp.	300	271	183	275	340	293
Sterling Twp.	250	532	451	471	514	497
Rest of county	730	376	122	362	368	665
Macomb County, total	6,100	5,415	4,749	5,359	6,026	6,195
Beverly Hills	-	50	56	149	233	294
Birmingham	320	38	95	90	272	48
Clawson	250	43	34	27	102	323
Farmington	NA	82	114	242	131	26
Royal Oak	1,000	352	401	655	793	883
Southfield	760	376	638	761	1,029	1,156
Troy	430	158	150	218	243	142
Bloomfield Twp.	540	365	451	475	829	548
Farmington Twp.	370	408	277	282	317	262
Royal Oak Twp.	580	107	-28	234	563	96
Waterford Twp.	620	327	234	220	371	287
West Bloomfield Twp.	NA	129	126	215	327	332
Rest of county	3,780	1,517	1,134	1,223	1,483	1,748
Oakland County, total	8,650	3,952	3,682	4,791	6,693	6,145
Allen Park	640	99	232	157	258	228
Dearborn	740	130	129	111	176	161
Dearborn Heights	1,200	640	497	387	510	767
Detroit	4,140	-352	-1,103	-703	-301	-97
Garden City	740	100	36	117	204	114
Harper Woods	NA	25	143	188	160	212
Inkster	600	155	143	121	476	53
Livonia	1,400	1,199	1,129	1,189	1,532	1,095
Nankin Twp.	1,500	913	888	609	479	356
Taylor Twp.	800	473	459	186	315	220
Rest of county	4,690	1,445	1,275	1,233	1,593	1,838
Wayne County, total	16,450	4,827	3,828	3,595	5,402	4,947
SMSA, total	31,200	14,194	12,259	13,745	18,121	17,287

a/ New construction plus conversions, less recorded demolitions.
b/ Includes Centerline.

Source: Detroit Metropolitan Area Regional Planning Commission.

Table IX

Multifamily Housing Units Authorized by Building Permits [a]
Detroit Standard Metropolitan Statistical Area
1959-1964

Area	1959	1960	1961	1962	1963	Jan.-Sept. 1964
East Detroit	16	10	20	58	40	7
Mt. Clemens	16	16	14	96	19	113
Roseville	4	4	-	9	397	171
St. Clair Shores	20	-	46	196	386	174
Warren	33	170	-	59	136	1,128
Clinton Twp.	-	-	-	165	-	-
Shelby Twp.	2	2	-	-	46	54
Rest of county	2	6	4	20	40	119
Macomb County, total	93	208	84	603	1,064	1,766
Birmingham	34	4	59	40	258	36
Clawson	10	19	12	4	34	105
Farmington	-	-	22	142	74	-
Pontiac	-	-	-	-	-	127
Royal Oak	40	95	286	509	714	825
Southfield	-	-	-	-	-	144
Bloomfield Twp.	-	-	-	-	276	118
Royal Oak Twp.	-	104	-	216	523	53
Rest of county	118	96	84	108	253	365
Oakland County, total	202	318	463	1,019	2,132	1,773
Dearborn	-	-	-	8	30	72
Dearborn Heights	160	-	-	90	-	360
Detroit	443	402	615	2,260	1,275	1,605
Harper Woods	-	13	113	167	136	188
Inkster	-	-	2	125	377	8
Livonia	-	-	-	-	224	44
Melvindale	12	-	22	12	50	46
River Rouge	-	-	-	100	-	2
Wyandotte	-	7	4	77	35	181
Nankin Twp.	26	-	-	42	144	22
Rest of county	59	252	94	10	366	308
Wayne County, total	700	674	849	2,891	2,637	2,836
SMSA, total	995	1,200	1,396	4,513	5,833	6,375

a/ New construction only.

Source: Detroit Metropolitan Area Regional Planning Commission.

Table X

Detroit, Michigan Area Postal Vacancy Survey

October 19-November 4, 1964

Postal Area	TOTAL RESIDENCES AND APARTMENTS: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	RESIDENCES: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	APARTMENTS: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	HOUSE TRAILERS: Total Possible Deliveries	Vacant: No.	Vacant: %
The Survey Area Total	553,690	9,387	1.7	7,418	1,969	9,243	503,622	7,162	1.4	5,855	1,307	4,750	50,068	2,225	4.4	1,563	662	4,493	4,662	80	1.7
Detroit Post Office 1/	181,203	3,351	1.8	2,994	357	1,362	152,390	1,953	1.3	1,835	118	154	28,813	1,398	4.9	1,159	239	1,208	188	3	1.6
Inside City:	138,939	2,832	2.0	2,651	181	556	113,495	1,590	1.4	1,562	28	45	25,444	1,242	4.9	1,089	153	511	3	2	66.7
Stations																					
Gratiot	19,334	1,229	6.4	1,153	76	73	16,272	701	4.3	697	4	-	3,062	528	17.2	456	72	73	2	1	50.0
Kensington	19,593	73	0.4	73	-	-	18,572	66	0.4	66	-	-	1,021	7	0.7	7	-	-	-	-	-
Mount Elliot	17,385	190	1.1	181	9	229	17,374	190	1.1	181	9	9	11	-	-	-	-	220	1	1	100.0
North End	18,692	869	4.6	854	15	-	4,527	296	6.5	296	-	-	14,165	573	4.0	558	15	-	-	-	-
Park Grove	22,894	161	0.7	147	14	25	19,750	97	0.5	95	2	9	3,144	64	2.0	52	12	16	-	-	-
Redford	21,211	163	0.8	137	26	172	18,403	134	0.7	125	9	17	2,808	29	1.0	12	17	155	-	-	-
Seven Oaks	19,830	147	0.7	106	41	57	18,597	106	0.6	102	4	10	1,233	41	3.3	4	37	47	-	-	-
Outside City:	42,264	519	1.2	343	176	806	38,895	363	0.9	273	90	109	3,369	156	4.6	70	86	697	185	1	0.5
Branches:																					
Beech	13,837	102	0.7	74	28	40	13,360	101	0.8	73	28	16	477	1	0.2	1	-	24	185	1	0.5
Ferndale	10,535	212	2.0	154	58	177	9,658	154	1.6	114	40	27	877	58	6.6	40	18	150	-	-	-
Oak Park	10,764	158	1.5	73	85	580	8,749	61	0.7	44	17	57	2,015	97	4.8	29	68	523	-	-	-
Redford Heights	7,128	47	0.7	42	5	9	7,128	47	0.7	42	5	9	-	-	-	-	-	-	-	-	-
Other Cities and Towns	372,487	6,036	1.6	4,424	1,612	7,881	351,232	5,209	1.5	4,020	1,189	4,596	21,255	827	3.9	404	423	3,285	4,474	77	1.7
Macomb County	120,571	1,772	1.5	1,134	638	3,495	113,679	1,657	1.5	1,041	616	2,493	6,892	115	1.7	93	22	1,002	1,920	11	0.5
Centerline	2,841	12	0.4	11	1	88	2,825	12	0.4	11	1	8	16	-	-	-	-	80	-	-	-
East Detoit	12,607	67	0.5	59	8	54	12,220	57	0.5	49	8	46	387	10	2.6	10	-	8	-	-	-
Fraser	3,205	58	1.8	34	24	38	3,172	55	1.7	31	24	38	33	3	9.1	3	-	-	-	-	-
Mount Clemens	16,631	286	1.7	225	61	398	15,929	248	1.6	189	59	362	702	38	5.4	36	2	36	866	1	0.1
Roseville	14,079	210	1.5	192	18	41	13,878	201	1.4	183	18	41	201	9	4.5	9	-	-	185	-	-
St. Clair Shores	22,115	256	1.2	182	74	200	20,967	233	1.1	169	64	134	1,148	23	2.0	13	10	66	31	-	-
Utica	10,618	288	2.7	158	130	344	10,496	273	2.6	143	130	325	122	15	12.3	15	-	19	1	-	-
Warren	38,475	595	1.5	273	322	2,332	34,192	578	1.7	266	312	1,539	4,283	17	0.4	7	10	793	837	10	1.2

(cont'd)

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, and 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.

1/ Represents only selected portions and localities served by the Detroit Post Office.

Table X (continued)

Detroit, Michigan Area Postal Vacancy Survey

October 19-November 4, 1964

Postal Area	TOTAL RESIDENCES AND APARTMENTS: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	RESIDENCES: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	APARTMENTS: Total Possible Deliveries	Vacant Units: All	Vacant Units: %	Vacant Units: Used	Vacant Units: New	Under Const.	HOUSE TRAILERS: Total Possible Deliveries	Vacant: No.	Vacant: %
Oakland County	101,859	1,576	1.5	1,090	486	2,883	95,182	1,284	1.3	959	325	1,282	6,677	292	4.4	131	161	1,601	898	5	0.6
Birmingham	18,651	345	1.8	154	191	372	17,537	288	1.6	143	145	315	1,114	57	5.1	11	46	57	-	-	-
Bloomfield Hills	4,621	129	2.8	43	86	223	4,433	101	2.3	39	62	161	188	28	14.9	4	24	62	-	-	-
Clawson	4,167	72	1.7	18	54	151	4,032	24	0.6	18	6	119	135	48	35.6	-	48	32	-	-	-
Farmington	10,867	218	2.0	140	78	224	10,444	164	1.6	114	50	221	423	54	12.8	26	28	3	898	5	0.6
Hazel Park	7,004	112	1.6	99	13	25	6,865	96	1.4	83	13	25	139	16	11.5	16	-	-	-	-	-
Royal Oak Post Office	43,859	609	1.4	560	49	991	39,181	520	1.3	486	34	72	4,678	89	1.9	74	15	919	-	-	-
Berkley	8,398	108	1.3	101	7	30	7,463	84	1.1	79	5	18	935	24	2.6	22	2	12	-	-	-
Madison Heights	8,971	254	2.8	243	11	13	8,824	247	2.8	236	11	12	147	7	4.8	7	-	1	-	-	-
Oak Ridge 2/	13,412	111	0.8	97	14	221	11,413	82	0.7	68	14	35	1,999	29	1.5	29	-	186	-	-	-
Royal Oak	13,078	136	1.0	119	17	727	11,481	107	0.9	103	4	7	1,597	29	1.8	16	13	720	-	-	-
Southfield	12,690	91	0.7	76	15	897	12,690	91	0.7	76	15	369	-	-	-	-	-	528	-	-	-
Wayne County	150,057	2,688	1.8	2,200	488	1,503	142,371	2,268	1.6	2,020	248	821	7,686	420	5.5	180	240	682	1,656	61	3.7
Dearborn Post Office	56,112	477	0.9	328	149	557	52,729	354	0.7	279	75	219	3,383	123	3.6	49	74	338	265	-	-
Dearborn	32,624	162	0.5	111	51	161	30,168	108	0.4	75	33	70	2,456	54	2.2	36	18	91	69	-	-
Dearborn Heights	19,622	281	1.4	184	97	341	18,811	219	1.2	178	41	140	811	62	7.6	6	56	201	196	-	-
Melvindale	3,866	34	0.9	33	1	55	3,750	27	0.7	26	1	9	116	7	6.0	7	-	46	-	-	-
Garden City	15,142	269	1.8	243	26	28	14,718	269	1.8	243	26	19	424	-	-	-	-	9	310	-	-
Inkster	10,901	682	6.3	642	40	40	10,719	647	6.0	613	34	19	182	35	19.2	29	6	21	386	5	1.3
Northville	2,794	31	1.1	31	-	46	2,562	24	0.9	24	-	46	232	7	3.0	7	-	-	236	-	-
Plymouth	7,044	157	2.2	82	75	282	6,435	93	1.4	60	33	156	609	64	10.5	22	42	126	-	-	-
Romulus	3,330	36	1.1	32	4	20	3,302	36	1.1	32	4	20	28	-	-	-	-	-	113	56	49.6
Taylor	14,605	228	1.6	194	34	61	14,070	228	1.6	194	34	56	535	-	-	-	-	5	-	-	-
Wayne	18,620	403	2.2	367	36	293	18,268	402	2.2	366	36	241	352	1	0.3	1	-	52	286	-	-
Wyandotte Post Office	21,509	405	1.9	281	124	176	19,568	215	1.1	209	6	45	1,941	190	9.8	72	118	131	60	-	-
Riverview	1,973	33	1.7	33	-	8	1,954	32	1.6	32	-	7	19	1	5.3	1	-	1	-	-	-
Southgate	6,835	66	1.0	65	1	12	6,832	66	1.0	65	1	12	3	-	-	-	-	-	60	-	-
Wyandotte	12,701	306	2.4	183	123	156	10,782	117	1.1	112	5	26	1,919	189	9.8	71	118	130	-	-	-

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, and 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.

2/ Represents the localities of Huntington Woods and Pleasant Ridge.

Source: FHA Postal Vacancy Survey conducted by cooperating postmasters.

Table XI

Comparison of Vacancy Rates
Postal Vacancy Surveys, Detroit SMSA
1959 - 1964

Area	Vacancy rate, residences and apartments: May 1959	October 1964
Birmingham 1/	3.5	1.8
Berkley	3.0	1.3
Centerline	1.3	0.4
East Detroit	1.3	0.5
Ferndale	2.0	2.0
Hazel Park	2.0	1.6
Oak Park	3.1	1.5
Oak Ridge 2/	2.9	0.8
Madison Heights	3.6	2.8
Roseville	2.1	1.5
St. Clair Shores	1.7	1.2
Southfield 1/	1.8	0.7
Taylor	2.0	1.6
Warren	2.0	1.5

1/ Territory served by these offices changed somewhat between 1959 and 1964.

2/ Serves Huntington Woods and Pleasant Ridge.

Source: Local postmasters, in cooperation with the Housing Market Analyst.

Table XII

Default Status and Acquisitions of FHA Home Mortgages
Detroit Insuring Office, 1959-1964

Period ending	Total defaults	Foreclosure imminent	Foreclosure started	FHA acquired prop. inventory	Mortgagee inventory
June 1959	821	254	176	228	231
Dec. 1959	990	336	201	240	406
June 1960	1,156	400	272	310	601
Dec. 1960	1,641	602	397	500	791
June 1961	2,379	630	627	848	1,169
Dec. 1961	2,803	750	770	1,209	1,568
June 1962	3,107	934	840	1,447	2,117
Dec. 1962	3,691	1,064	1,172	2,224	2,062
June 1963	3,778	1,076	1,085	2,668	1,934
Dec. 1963	2,709	891	674	2,799	1,894
June 1964	3,081	1,048	589	2,675	1,865
Oct. 1964	3,441	1,131	696	2,569	1,739

Source: Federal Housing Administration.