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Moorhead, Minn.

1965

Analysis of the
**FARGO, NORTH DAKOTA
MOORHEAD, MINNESOTA
HOUSING MARKET**

as of May 1, 1965



A Report by the
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411

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ANALYSIS OF THE
FARGO, NORTH DAKOTA-MOORHEAD, MINNESOTA, HOUSING MARKET
AS OF MAY 1, 1965

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.

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ANALYSIS OF THE
FARGO, NORTH DAKOTA-MOORHEAD, MINNESOTA, HOUSING MARKET
AS OF MAY 1, 1965

Summary and Conclusions

1. Nonagricultural employment in the HMA totaled 36,850 as of March 1965, an increase of 2,310 (6.7 percent) since March 1963. The largest gain between March 1963 and March 1965 was in government employment which rose by 1,110 employees (18.2 percent). Nonagricultural employment within the Fargo-Moorhead urban area, which comprises approximately four-fifths of the total nonagricultural work force in the HMA, rose from 23,450 in February 1960 to 28,500 in February of 1965, an annual increase of 1,010 or 4.3 percent. Nonagricultural employment in the HMA is expected to increase to 39,150 by March 1967, an annual increase of about 1,150 persons.
2. The current median nonfarm income for all families, after deduction of Federal income taxes, is approximately \$6,900. The current all-family renter median after tax income is \$5,950. Median renter-family income projected to 1967 is about \$6,200, an increase of \$250 over current median renter income.
3. The current nonfarm population of the Fargo-Moorhead HMA is approximately 99,500, an annual increase of about 1,750 since April 1960. The Fargo-Moorhead urban area population currently is 81,100, an annual increase of about 1,650 since April 1960. By May 1, 1967 the nonfarm population in the HMA is expected to increase to 104,000, an annual increase of 2,250.
4. As of May 1, 1965, there were approximately 29,000 nonfarm households in the Fargo-Moorhead HMA, an average increment of about 570 households annually since the April 1960 total of 26,117. Households in Fargo now total about 15,350, Moorhead contains 7,275, and Southwest Fargo has 1,050 households. Average annual increases, between April 1960 and May 1965 were 260 households for Fargo, 225 for Moorhead, and 50 for Southwest Fargo. Household growth in the HMA during the two-year forecast period will average around 625 annually in similar proportions.

5. There are about 30,400 nonfarm housing units in the HMA at the present time, a net addition to the housing inventory of 2,375, or 470 annually, since April 1960. The net addition to the housing stock resulted from the completion of an estimated 2,800 new units minus close to 400 housing units lost through demolitions. At present, about 75 single-family units and 75 apartment units are under construction in the HMA.
6. There are an estimated 570 available vacant housing units for sale or rent in the Fargo-Moorhead HMA. Of this total, 180 (about 35 units lacking some plumbing facility) are available for sale and 390 units (including about 125 units lacking some plumbing facility) are available for rent, indicating homeowner and rental vacancy rates of 1.0 percent and 3.4 percent, respectively.. In April 1960, the homeowner and rental vacancy rates were reported to be 1.6 percent and 5.6 percent.
7. During the May 1965-May 1967 forecast period, there will be a prospective housing demand for 650 housing units annually, including 300 sales units and 350 rental units. An additional 125 rental units could be absorbed annually at the lower rents associated with public benefit or assistance programs. Demand for new sales housing by sales price ranges is expected to approximate the pattern indicated on page 24. Total annual demand for rental units by monthly gross rent levels and by unit size is expected to approximate the pattern shown on page 26.

ANALYSIS OF THE
FARGO, NORTH DAKOTA-MOORHEAD, MINNESOTA, HOUSING MARKET
AS OF MAY 1, 1965

Housing Market Area

The Fargo-Moorhead Housing Market Area (HMA) is delineated as encompassing the area defined in 1960 by the Bureau of the Budget as the Fargo-Moorhead SMSA. This SMSA includes Cass County, North Dakota and Clay County, Minnesota which are separated by the Red River of the North, the designated boundary between the two States. Population density and residential and commercial development within the HMA are concentrated in the twin cities of Fargo, North Dakota, and Moorhead, Minnesota. Although these two cities are separated by the Red River, they are mutually interdependent economically and will for the purpose of this analysis be considered a single contiguous entity. Dillworth, Minnesota, two miles east of Moorhead, and Southwest Fargo, 5 miles west of Fargo, are the only other communities in close enough proximity to be significant to the metropolitan area. All other residential development is in scattered small villages or is randomly dispersed throughout the two large counties. The Fargo-Moorhead HMA lies in the Great North Central Plains, a region topographically characterized by vast expanses of flat fertile farmlands. A rich dark loam of topsoil reaching the unusual depth of six feet has made a virtual certainty of good crop yields despite the short (137 days) growing season. Climatic extremes are severe in the HMA. However, monthly averages range between 58 degrees and 84 degrees Fahrenheit.

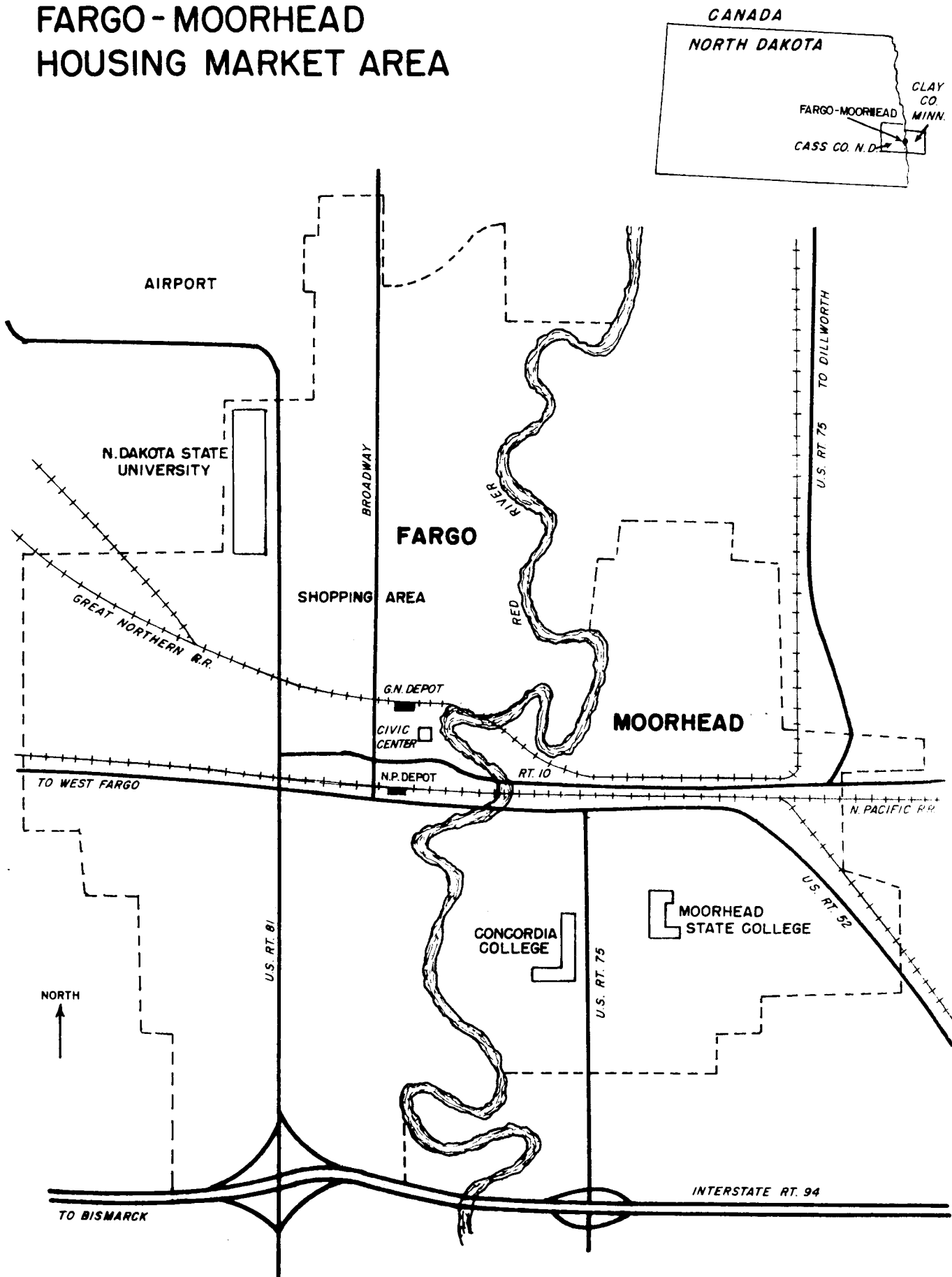
The Fargo-Moorhead Metropolitan area is the largest distribution area between Minneapolis, Minnesota, and Spokane, Washington. The closest major urban market to Fargo is Minneapolis, 250 miles to the southeast. Bismarck, North Dakota, the State capital, is 200 miles west of Fargo-Moorhead and Winnipeg, Canada is 250 miles to the north. The central location of Fargo relative to these distant markets explains why the city has become the major retail and wholesale distributor for North Dakota and northwestern Minnesota.

Transportation facilities and highways in the HMA are excellent. U.S. Highways 81 and 75, serve as a north-south link with the rest of the U.S. and Canada. East-west access to and from the area is provided by U.S. Highways 10 and 52. Two highways of the Interstate Highway System #94 running east and west and #29 running north and south will intersect west of Fargo-Moorhead upon completion. Two transcontinental railways, the Great Northern and the Northern Pacific, offering passenger and freight connections to all parts of the country, have main lines

intersecting the city. Twenty daily scheduled bus departures make this a convenient form of passenger transportation in the HMA. City bus service is available to Fargo-Moorhead residents. However, financial difficulties have made this a limited service and the future feasibility of the operation is uncertain without some form of subsidy. Hegtor airport located in northwest Fargo has 14 flights daily, ten by Northwest Orient Airlines and four by Central Airlines. Charter flight service is also available at this modern facility. The twenty-one truck firms with regularly scheduled routes and a number of truck lines with irregular routes have made Fargo-Moorhead a transportation hub in the northwest.

Although commutation to and from the SMSA is negligible because of the inaccessability of other urban areas, there is considerable movement between the two counties. In 1960 the Bureau of the Census reported that 5,025 workers commuted from Moorhead to Fargo and 202 went to the rest of Cass County, North Dakota. Since only 624 persons commuted daily from Fargo to Moorhead and 96 to the rest of Clay County, Minnesota, it is evident that most commutation is into the city of Fargo. In 1960, 317 persons commuted from Moorhead to the best of Clay County while 957 left the city of Fargo daily to the rest of Cass County.

FARGO - MOORHEAD HOUSING MARKET AREA



Economy of the Area

Character and History

The historical development of Fargo-Moorhead can be traced to the era of the land speculating "Boomers" who preceded the westward movement of the "Iron Horse." When, in 1870, railroad land company officials made their decision as to where the Great Northern Railroad would cross the Red River, the rush was on and Fargo sprang-up as fortune seekers squatted on the west banks of the Red. The Moorhead town plat was surveyed in 1871, two years prior to the Fargo survey. The year 1874 marked the incorporation of Fargo, which has experienced substantial growth since that date as a result of its strategic location in the north central region.

The economic base of the Fargo-Moorhead HMA has evolved from activities related to wholesaling, retailing, grain storage, and distribution. Wholesale and retail trade exceeds that of numerous other cities of comparable size. Two colleges and one university located within the twin cities have made the pursuit of higher learning a significant economic factor in the local economy. Manufacturing is of small importance, employing only a small portion of the labor force. Future industrial development, if it is to take place, would probably be in the processing and manufacturing of farm related products. At present, local efforts to attract new firms have been hampered by the shortage of water for industrial purposes and have had only negligible success.

Employment

In the SMSA. Some 40,850 persons were employed in the Fargo-Moorhead SMSA in March of 1965 (see table I). Of this total, 36,850 persons worked in nonagricultural pursuits and 4,000 persons in agriculture. Between March of 1963 and March of 1965 nonagricultural employment rose by 2,310 persons or 6.7 percent. During the same period employment in agriculture declined by 900 (18 percent); losses were both in agricultural self-employed, 700 (17 percent) and in agricultural wage and salary employment, 200 (22 percent).

Industry components of nonagricultural wage and salary employment reveal that the largest gain between March 1963 and March 1965 was in government employment, which rose by 1,110 persons (18.2 percent). Service classifications increased by 660 persons (11.9 percent), yielding the second most rapid rise. Another significant increase was in transportation, communications, and public utilities, which provided an additional 190 new jobs (7.0 percent) in the two years since March 1963. Wholesale and retail trade as of March 1965 employed 10,010 persons,

240 (2.5 percent) more than in March of 1963. It is important that while two industry categories, finance, insurance, and real estate, and mining, failed to gain in employment, none experienced an actual loss. This is representative of the steady growth occurring in the HMA.

In the Urban Area. Approximately four-fifths of the total nonagricultural work force in the HMA is located within the twin cities of Fargo-Moorhead. Employment in this area, to a large extent, determines labor market trends. Data for the month of February 1960 through 1965 are available on a comparable basis (table II).

Nonagricultural employment within the Fargo-Moorhead urban area rose from 23,450 in February 1960 to 28,500 in February of 1965, an annual increase of 1,010 or 4.3 percent. Around 64 percent of this employment increase took place between February 1963 and February 1965, the period of recovery from the mild recession occurring in the HMA early in 1963. Wholesale and retail trade accounted for the largest portion of the total with 8,810 persons, 780 (12.5 percent) more than in 1960. Government employment with an increment of 2,175 (59.6 percent) experienced the sharpest increase since 1960. Most of the government increase was on the State and local levels and resulted primarily through the expansion of educational facilities in the two cities. The expansion of existing medical facilities and the construction of the new North Dakota State Clinic gave the service industry classification the second highest growth rate with an increase of 1,725 persons (38.6 percent) since February 1960. Manufacturing employment lost 35 persons between February 1960 and February 1965 and there are now 1,924 workers in this category. The only other employment category to decline within the city was that of transportation, communication, and public utilities.

Female Employment. Women constitute a substantial portion of employed labor force in the Fargo-Moorhead HMA. Of the 34,150 nonagricultural jobs reported by the 1960 census, 13,250 (39 percent) were held by women, an increase of about a tenth over the 35 percent reported in 1950. The 1950-1960 trend of increasing participation by women in the work force has continued to the present but at a much slower rate. The nature of the local economy, Fargo being primarily a sales and distribution center, has proved an ideal source for the utilization of a female labor supply. A growing medical complex containing several hospitals and a State clinic, along with other government employment sources, has helped to inflate the female participation in the service classification. The number of female domestic servants also is rising and should continue to do so during the forecast period. Of those women who worked in 1960, nearly 71 percent found jobs in the whole-sale and retail trade and service categories.

Principal Employment Sources

The principal employment sources in the HMA are the three institutions of higher learning, the medical centers, and the numerous wholesale and retail distributors. The North Dakota State University, Moorhead State College, and Concordia college have a combined enrollment of nearly 9,000 and at present employ around 3,500 persons during the fall and spring semesters. Employment drops in the summer with the diminution in enrollment. During the projected period all three of these institutions expect to expand their physical facilities in hope of keeping pace with the tremendous demand for advanced training resulting from the post-war population explosion. On this basis, an expansion of employment opportunities is expected.

The construction of a new clinic, along with additions to the capacity of the existing hospitals, has in the past few years served the two-fold purpose of providing medical services and increased employment in the HMA. The North Dakota Clinic, Saint Lukes Hospital, Saint Johns Hospital, and the VA Center of Fargo provide the majority of the positions within the medical complex with a combined total of around 1,400 employees. Recent government action ordering the closing of some VA installations will effect neither the hospital nor the regional office. The other hospitals in the city can expect small increments to their staffs during the projected two year period.

Manufacturing activities which nationally are responsible for three out of every ten jobs account for just over one out of every twenty nonagricultural workers in the Fargo-Moorhead HMA. What manufacturing does exist is heavily dependent on food processing for the surrounding agricultural region. Wholesale and retail trade, the largest source of employment in the HMA consists of numerous small firms selling and distributing farm implements, building materials, agricultural products, and consumer goods. Steady, if small, employment increments can be expected in this sector.

Unemployment

As of March 1, 1965 there were 2,400 workers unemployed in the Fargo-Moorhead HMA, 5.5 percent of the 43,250 persons in the total work force. The 1965 figure was 110 persons more than in March of 1963 when 2,290 persons (5.5 percent) of the total work force were unemployed. The unemployment rates reported in March for the last three years are relatively high in comparison to the early fall (around 2 percent) when the peak of the agricultural season is at hand. At present there appear to be no serious problems developing in the area.

Employment Forecast

As of March 1965 nonagricultural employment in the Fargo-Moorhead HMA was approximately 36,850 and should rise to about 39,150 by March of 1967, an annual increase of about 1,150. The majority of the increase in employment will be in three categories, government, service, and wholesale and retail trade. Of the three, the government and service classifications will continue to rise at a faster rate than will wholesale and retail trade. Constant expansion of educational facilities, both private and State operated, and of the numerous medical facilities have resulted in the steep upward trend in the government and service categories. Judging from projected enrollment figures this trend should continue. The demand for service workers will continue to be heavy as the area follows the national trend toward a higher proportion of service workers in relation to the total work force. Manufacturing employment will remain a relatively minor portion of the nonagricultural labor force, but slight gains can be expected in this sector of the economy.

Income

The current annual median family income after deduction of Federal income taxes for all families in the Fargo-Moorhead HMA is about \$6,900, and the current median after-tax income earned by all renter families is approximately \$5,950. Approximately 16 percent of families in the HMA had an after-tax income of less than \$4,000 while 19 percent earned \$10,000 or more. As for renter families 23 percent had after-tax incomes below \$4,000, and 10 percent had earnings of \$10,000 or above.

Median all family income projected to 1967 is about \$7,300, an increase of \$400 over current median income. Median renter family income will rise an estimated \$250 to \$6,200 during the forecast period. The following table shows current and projected income distributions for families in Fargo-Moorhead HMA.

Estimated Nonfarm Family Income Percentage Distribution After Federal Tax
Fargo-Moorhead, HMA
1965-1967

<u>Annual income</u>	<u>1965</u>		<u>1967</u>	
	<u>All families</u>	<u>Renter families</u>	<u>All families</u>	<u>Renter families</u>
Under \$ 3,000	9	13	9	12
\$ 3,000 - 3,999	7	10	6	9
4,000 - 4,999	9	13	8	12
5,000 - 5,999	12	15	11	15
6,000 - 6,999	14	15	13	14
7,000 - 7,999	12	11	13	12
8,000 - 8,999	10	7	11	9
9,000 - 9,999	8	6	9	6
10,000 - 14,999	14	8	15	8
15,000 and over	<u>5</u>	<u>2</u>	<u>5</u>	<u>3</u>
Total	100	100	100	100
Median	\$6,900	\$5,950	\$7,300	\$6,200

Source: Estimated by Housing Market Analyst.

Demographic Factors

Population

Current Estimate. The nonfarm population of the Fargo-Moorhead HMA, as of May 1, 1965, is approximately 99,500. Since 1960, nonfarm population has grown from 90,700 to the current level, yielding an annual average of around 1,750. As of May 1, 1965, Fargo, Moorhead, and Southwest Fargo have a combined population of 81,100, of which 49,800 is in Fargo, 27,300 in Moorhead, and 4,000 in Southwest Fargo. Between April 1960 and May 1965, the urban area grew by about 8,175, while population in the rest of the HMA rose only about 600 persons.

Past Trend. Between 1950 and 1960, nonfarm population of the HMA rose from 70,500 to 90,700, an increase of 20,200 over the decade. As the rise in total population was much smaller than that of nonfarm, it is assumed that much of this growth was in actuality a result of the change in definition of rural farm population in the 1960 census, together with the continuing actual movement of population from farms.

In 1960 there was a total of 72,900 people residing in the cities of Fargo, Moorhead, and Southwest Fargo, 18,750 more than in 1950. The population of Fargo in 1960 was 46,650, or 8,400 (22.0 percent) more than in 1950; Moorhead had 22,950 residents, 8,050 (54.3 percent) more than in 1950; and Southwest Fargo 3,325, or 2,300 (222.5 percent) more than in 1950. From these figures it can be seen that 93 percent of the population growth within the Fargo-Moorhead HMA between 1950 and 1960 occurred in the Fargo-Moorhead urban area. The table below illustrates nonfarm population growth in the Fargo-Moorhead HMA between April 1950 and May 1965.^{1/}

Nonfarm Population Trends
Fargo-Moorhead HMA, 1950-1965

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>May</u> <u>1965</u>	<u>Annual average change</u>			
				<u>1950-1960</u> <u>Number</u>	<u>Percent</u>	<u>1960-1965</u> <u>Number</u>	<u>a/</u> <u>Percent</u>
HMA total	70,515	90,719	99,500	2,020	2.9	1,750	1.9
Fargo	38,256	46,662	49,800	840	2.2	625	1.3
Moorhead	14,870	22,934	27,300	806	5.4	875	3.7
Southwest Fargo	1,032	3,328	4,000	230	22.3	135	4.0
Rest of HMA	16,357	17,795	18,400	144	.9	120	.7

a/ Numbers rounded.

Source: 1950 and 1960 Censuses of Population; January 1965 Special Census of Population; May 1965 estimated by Housing Market Analyst.

^{1/} About 55 percent of the growth in the urban area 1950-1960 was attributable to the annexation of territory during the decade.

Future Population Growth. Nonfarm population in the Fargo-Moorhead HMA is expected to total around 104,000 by May 1967. This is an increase of 4,500 persons or an annual increment of 2,250 persons over the current estimate. The combined population of the Fargo-Moorhead-Southwest Fargo metropolitan area will total an estimated 85,000 by May 1967.

Natural Increase and Migration. The Fargo-Moorhead HMA as reported by the Department of Commerce, recorded 27,150 births and 7,725 deaths (farm and nonfarm), or a net natural increase of 19,425 between 1950-1960. Total population rose by 16,775. Therefore, by deduction a net total out-migration of 2,650 (265 annually) occurred during the ten-year period. From 1960 through 1964, there was a net natural increase of 6,970 persons in the HMA. This continues to be above the estimated rise in population during this period, and it is calculated that the rate of out-migration has decreased about a fourth below the annual levels of the 1950-1960 decade. Comparative data relative to the components of population change are shown below.

Components of Population Change
Fargo-Moorhead HMA
April 1950-December 1964

<u>Component</u>	<u>1950-1960</u>	<u>1960-1964</u>	<u>Annual average change</u>	
			<u>1950-1960</u>	<u>1960-1964 a/</u>
Net natural increase	19,416	6,970	1,942	1,475
Out-migration	2,629	970	263	200
Total increase	16,787	6,000	1,679	1,275

a/ Rounded.

Source: Department of Commerce; Department of Health, Education and Welfare, Vital Statistics; and estimates by the Housing Market Analyst.

Since vital statistics are not available exclusively for nonfarm population, it is necessary to use figures corresponding to the total population of the Fargo-Moorhead HMA. A substantial portion of the out-migration probably consisted of rural farm population.

Distribution by Age. Rising birth rates and expanding student population generated a substantial increase (over 40 percent) in the under 20 year age group during the 1950-1960 decade. The constantly expanding student population in the area has helped to dampen the decrease (5.9 percent) in the 20-29 age group (actually showing more in the 20-29 age group in 1960 than in the 10-19 age group in 1950). Nationally, also, the 20-29 age group declined from 1950 to 1960, reflecting low

birth rates in the 1930's. The 30-49 age categories are of special significance in housing, because they include those growing families with established buying power; they experienced moderate increases.

The 60 and over category followed the national trend toward increasing longevity and a general aging of the population with an increase of 28 percent. The age distribution of the population is shown in the following table.

Population Distribution by Age
Fargo-Moorhead HMA
1950-1960

<u>Age group</u>	<u>1950</u>	<u>1960</u>	<u>Decennial change</u>	
			<u>Number</u>	<u>Percent</u>
Under 10	18,117	25,458	7,341	40.5
10 - 19	13,365	18,803	5,438	40.7
20 - 29	15,736	14,811	-925	-5.9
30 - 39	12,429	13,089	660	5.3
40 - 49	10,414	11,509	1,095	10.5
50 - 59	9,049	9,360	311	3.4
60 and over	<u>10,130</u>	<u>12,997</u>	<u>2,867</u>	<u>28.3</u>
Total	89,240	106,027	16,787	18.8

Source: 1950 and 1960 Censuses of Population.

Households

Current Estimate. As of May 1, 1965, nonfarm households (occupied housing units) in the HMA total approximately 29,000, an increase of 2,875 (11.0 percent) over 1960. The city of Fargo currently has about 15,350 households, 1,300 or 9.3 percent more than in 1960. Moorhead, at present, has 7,275 households, 1,150 more than in 1960. Southwest Fargo contains 1,050 occupied housing units, an increase of 250 or 30.7 percent since 1960.

Past Trend. Households in Fargo grew at a rate of 31.8 percent during the 1950-1960 decade, increasing from 10,650 to 14,050. Between 1950 and 1960 Moorhead experienced a marked increase in households (58.5 percent). Its growth as a percentage of total households was exceeded only by Southwest Fargo which increased its occupied housing units by 182.7 percent (from 284 to 803). The increase in households between 1950 and 1960 in part was due to a conceptual change in definition from "dwelling unit" in the 1950 census to "housing unit" in 1960.

The following table compares the change and annual rates of change in the number of nonfarm households for the Fargo-Moorhead HMA and the cities of Fargo, Moorhead, and Southwest Fargo for the 1950-1965 period.

Nonfarm Household Trends
Fargo-Moorhead HMA
1950, 1960 and 1965

<u>Households</u>	<u>April 1950</u>	<u>April 1960</u>	<u>May 1965 ^{a/}</u>	<u>Annual average change</u>			
				<u>1950-1960</u>		<u>1960-1965 ^{a/}</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
HMA total	<u>19,380</u>	<u>26,117</u>	<u>29,000</u>	<u>673</u>	<u>3.5</u>	<u>570</u>	<u>2.2</u>
Fargo	10,665	14,053	15,350	338	3.2	255	1.8
Moorhead	3,864	6,125	7,275	226	5.8	225	3.7
Southwest Fargo	284	803	1,050	52	18.3	50	6.1
Rest of HMA	4,567	5,136	5,350	57	1.2	40	.8

^{a/} Numbers rounded.

Source: 1950 and 1960 Censuses of Housing.
1965 estimated by Housing Market Analyst.

Future Household Growth. Household growth during the two-year forecast period is expected to total about 1,250 households, an average increase of around 625 annually. Fargo and Moorhead will have almost identical shares of this increase which will amount to about 285 households each. Southwest Fargo will continue to grow at about the same rate as between 1960 and 1965. The remainder of the HMA will experience only slight household growth.

Household Size. Since April 1950, the average number of persons per household has been decreasing. As of May 1965, there were about 3.28 persons per household in the Fargo-Moorhead HMA, compared with 3.32 persons in April of 1960 and 3.61 in April of 1950. The substantial decline in the number of persons per household came as a result of the vast increase in building activity since 1950 which helped to alleviate the housing shortage of that period. Household

size in the HMA, as estimated on the basis of projected increases in population and dwelling units to be constructed, is expected to change but little over the projected period (see table below).

Household Size Trends
Fargo-Moorhead HMA
1950-1967

<u>Date</u>	<u>Persons per household</u>
April 1950	3.61
April 1960	3.32
May 1965	3.28
May 1967	3.27

Source: 1950 and 1960 Censuses of Housing and Population.
1965 and 1967 estimated by the Housing Market Analyst.

The decline in household size from 1950 to 1960 also reflects the change in definition, since the households added in this way consisted of one and two persons for the most part.

Housing Market Factors

Housing Supply

Current Estimate. As of May 1, 1965, there are approximately 30,400 nonfarm housing units in the Fargo-Moorhead HMA. This represents an increase of about 470 units annually over the 28,000 nonfarm housing units recorded by the 1960 census. The net addition of about 2,375 units resulted from the completion of an estimated 2,800 new units minus approximately 400 housing units lost through demolitions.

During the 1950-1960 decade, the number of housing units rose by about 8,100 (41 percent) from 19,900 to 28,000 representing an average annual increase of about 810 units over the ten-year period. A portion of this unusually high growth resulted from a definitional change from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census, as well as a redefinition of "rural farm".

Characteristics of the Supply. The distribution of the Fargo-Moorhead HMA housing inventory by type of structure is indicative of the change that has taken place since 1960. Single-family units currently comprise an estimated 69.0 percent of the total housing inventory, a decrease from the 70.2 percent in April 1960. Structures containing two units as of May 1, 1965 accounted for 10.5 percent of the total housing stock, a decrease from 11.0 percent since 1960. Based on collected data and observation of the HMA, it is estimated that most demolitions occurring since 1960 were in one- and two-unit structures. Between April 1960 and May 1965 the ratios of three- and four-unit structures remained stable at 7.5 percent. The only category to increase as a percentage of the total since 1960 was that of structures with five or more units. A substantial increment in the number of apartment buildings resulted in an increase from 11.3 to 13.0 percent of the total housing inventory in multifamily units.

Housing Inventory by Size of Structure Fargo-Moorhead HMA, 1960 and 1965

<u>Size of structure</u>	<u>April 1960</u>		<u>May 1965</u>	
	<u>Number of units</u>	<u>Percent of total</u>	<u>Number ^{b/} of units</u>	<u>Percent of total</u>
1 unit ^{a/}	19,658	70.2	20,900	69.0
2 units	3,084	11.0	3,200	10.5
3 & 4 units	2,079	7.5	2,325	7.5
5 or more units	<u>3,171</u>	<u>11.3</u>	<u>3,975</u>	<u>13.0</u>
Total	27,992	100.0	30,400	100.0

^{a/} Includes trailers

^{b/} Rounded.

Source: 1960 Census of Housing and estimates by the Housing Market Analyst.

Year Structure Built. About 2,750 units (9.0 percent) of the current nonfarm housing supply in the Fargo-Moorhead HMA have been added to the inventory since April 1960 (see table below). Of the current total housing supply, 5,250 (17.3 percent) nonfarm units were built between 1955 and 1960 and 3,700 (12.0 percent) were constructed between 1950 and 1954. A total of 2,900 (9.5 percent) were constructed during the 1940-1949 period and a total of 15,800 (52.0 percent) nonfarm units were built prior to 1940.

Age of Housing Inventory
Fargo-Moorhead Housing Market Area
May 1965

<u>Year structure built</u>	<u>Number of units ^{a/}</u>	<u>Percent of total inventory</u>
April 1960-May 1965	2,750	9.0
1955-March 1960	5,250	17.3
1950-1954	3,700	12.2
1940-1949	2,900	9.5
1939 or earlier	<u>15,775</u>	<u>52.0</u>
Total	30,400	100.0

^{a/} Rounded.

Source: 1960 Census of Housing and estimates by the Housing Market Analyst.

Condition of Housing. In the April 1960 census, almost 75 percent of the housing inventory was reported to be in a sound condition with all plumbing facilities. Comparing the renter-occupied and owner-occupied units in the housing inventory reveals a marked differential. According to the 1960 census nearly 82 percent of all owner-occupied housing units were in sound condition and contained all plumbing facilities. However, only 61 percent of all renter-occupied housing units were in sound condition with all plumbing facilities. The condition of the inventory has improved since 1960 because some deteriorating and dilapidated units have been demolished and some existing units have been upgraded. Currently around 77 percent of the total inventory is in sound condition with all plumbing facilities.

Residential Building Activity

Annually. Number of units authorized by building permits is shown in the following table by type of structure; table IV details permits authorized by area. With the exception of 1964, the annual total since 1958 has varied within relatively narrow limits, from about

540 to 680 a year. The largest number of permits issued since 1958 was in 1963 when there was a total of about 680 units authorized. The following year (1964) witnessed a decline to about 400 units.

Although the total number of permits issued varied only moderately until 1964, the composition of the total has changed substantially. Between 1958 and 1960 the number of single-family units was high in relation to multifamily units. However, at the beginning of the sixties the number of single-family dwelling unit permits issued began to decline, from 590 in 1959, to 390 in 1960, and subsequently, to about 230 in 1964.

In 1960, units in multifamily permits increased to about 150 from only 80 in the previous year. The upward trend in apartment construction continued until 1964, when there was a decline to only 170 units, compared with 430 multifamily units in 1963. Most of the multifamily projects in the HMA built during recent years and are located within the cities of Fargo and Moorhead. Their introduction to the rental market has been favorably received.

New Dwelling Units Authorized by Building Permits ^{a/}
Fargo-Moorhead HMA
1958-1965

<u>Year</u>	<u>Total</u>	<u>Single-family</u>	<u>Multifamily</u>
1958	648	541	107
1959	669	589	80
1960	538	390	148
1961	577	323	254
1962	638	272	366
1963	683	253	430
1964	403	233	170

^{a/} Includes about 95 percent of the nonfarm units built in the HMA.

Source: Department of Commerce, C 40 Construction Reports and local sources.

Units Under Construction. A postal vacancy survey reported 150 housing units under construction in the Fargo-Moorhead HMA in May 1965, including about 75 single-family units and 75 apartment units. The majority of this building activity (around 95 percent) was in Fargo, Moorhead, and the immediate environs. The remaining construction was in scattered locations throughout the HMA.

Demolitions and Conversions. There have been approximately 400 units in residential structures demolished since April 1960. A number of these occurred in downtown urban renewal areas in which many of the structures demolished involved three or four units each. Also it is estimated that some of the older structures demolished contained apartments in converted single-family units. Future urban renewal activity in Fargo-Moorhead, and Southwest Fargo should result in the demolition of about 50 more residences during the projected period.

Tenure of Occupancy

Between 1950 and 1960 there was a continuous trend from renter to owner occupancy. However, since 1960 there has been a reversal and a shift in tenure to renter occupancy has occurred. The turn-about came as a result of the increased rate of apartment construction generated to satisfy the demand of the large number of short-term residents who enter and leave the HMA each year. In 1950, 57.3 percent of the total housing units were owner-occupied. During the next ten years this proportion increased to 62.4 percent of the total. Currently 61.0 percent of the total housing units are owner-occupied.

The tenure trend of nonfarm households is shown in the following table.

<u>Occupied Housing Units by Tenure</u>						
<u>Fargo-Moorhead HMA</u>						
<u>1950, 1960, and 1965</u>						
<u>Type of household</u>	<u>April 1950</u>		<u>April 1960</u>		<u>May 1965</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total	<u>19,380</u>	<u>100.0</u>	<u>26,117</u>	<u>100.0</u>	<u>29,000</u>	<u>100.0</u>
Owner	<u>11,108</u>	<u>57.3</u>	<u>16,284</u>	<u>62.4</u>	<u>17,690</u>	<u>61.0</u>
Renter	<u>8,272</u>	<u>42.7</u>	<u>9,833</u>	<u>37.6</u>	<u>11,310</u>	<u>39.0</u>

Source: 1950 and 1960 Censuses of Housing and estimates by Housing Market Analyst.

Vacancy

Last Census. In April 1960, there were about 850 vacant housing units available for sale or rent, indicating an over-all vacancy ratio of 3.0 percent based on census data. A total of 270 units were available for sale and 580 units were available for rent, a sales housing vacancy rate of 1.6 percent and a rental vacancy rate of 5.6 percent. Of the available units, about 50 sales units and 230 rental units lacked some plumbing facility.

Postal Vacancy Survey. A postal vacancy survey was conducted in April 1965 by the three principal post offices in the Fargo-Moorhead HMA (see table V). The survey covered 21,845 possible deliveries, representing approximately 75 percent of the current housing inventory, and revealed a total vacancy rate of 1.9 percent. A 1.3 percent vacancy rate was reported for residences and a 3.6 percent vacancy rate for apartments. There have been no comparable surveys conducted by the local post offices in past years. It should be noted that postal vacancy data are not entirely comparable with those published by the Bureau of Census because of differences in definition, area delineation, and methods of enumeration. When used in conjunction with other vacancy data, however, the surveys serve a valuable function in formulating estimates regarding local market conditions.

Current Estimate. Based on the postal vacancy survey conducted in April 1965 and other vacancy information obtained in the Fargo-Moorhead area, it is estimated that there are 570 vacant housing units available in the HMA as of May 1, 1965. Of this total, about 185 are available for sale and about 385 units are available for rent. The data suggest sales housing and rental vacancy rates of 1.0 percent and 3.4 percent respectively. However, they include about 35 for sale units, and about 130 rental units lacking one or more plumbing facilities.

Sales Market

General Market Conditions. The market for new homes in the Fargo-Moorhead HMA appears to be healthy. The annual number of sales houses completed, as indicated by building permit information, has declined in recent years but there is still substantial building activity. Sales of new homes built speculatively have not been a drug on the market, and there are currently no indications of overbuilding. Used home sales are rising and, as may be expected, comprise a large segment of the market. Study of the price ranges of new homes being constructed indicates that new sales housing meeting the requirements demanded to withstand severe weather conditions in this locality cannot be produced to sell for much under \$14,000. Most three-bedroom homes in the area are priced above \$15,000. The high cost of new sales housing inhibits demand and promotes the sale of existing homes.

The Fargo-Moorhead urban area is unique in that there is no suburban fringe. Annexations have kept pace with the spread of subdivisions. Patterns of development have remained concentrated in the immediate environs of the city to obtain sewerage and water facilities.

Also because of the severity of the northern winters, it may be expected that commuting distances are desired to be as short as possible.

Major Subdivision Activity. Development has extended north and south along the Red River with choice residential sites located on the high land along its banks. A string of wholesale and distribution warehouses, plus the location of two railroads, has discouraged residential building west of Fargo. The only development of consequential size in this direction is in Southwest Fargo, which is five miles beyond the Fargo city limits. Growth in this community has received its impetus mainly from the construction of modestly priced housing.

Used Home Sales. The market for existing homes in the Fargo-Moorhead area appears to be primarily for homes priced below \$15,000. Data obtained from the Fargo Board of Realtors and the Realtors Multiple Listing Service Incorporated indicate that there were 489 sales in 1964. The average price, computed from monthly sales figures, ranged between \$13,000 and \$15,000 for these homes. During the first four months of 1965, 167 homes were sold with an average value of \$13,300; comparatively, between January and April 1964, 115 sales were concluded. Although sales for the first four months of 1965 were 45 percent above the same period in 1964, it is important to note that the average value fell from \$14,700 to \$13,300. Most used homes in the area have been selling at a price very close to that at which they were originally listed, indicating a firm market. In months for which data were available, sales prices and listings differed by only three to five percent.

Unsold Inventory of New Homes. In January 1965, the Fargo Insuring Office surveyed 1964 completions in fourteen subdivisions involving 27 builders in the Fargo-Moorhead HMA. A total of 197 homes had been completed in 1964, of which 80 (40.6 percent) were sold before construction had started and 117 (59.4 percent) were built speculatively. Of the 117 houses built speculatively in 1964, 90 were sold and 27 remained unsold on January 1, 1965. The unsold houses represented about 23 percent of the speculative construction. However, of the 30 unsold homes, 11 (39 percent) had been on the market less than three months. The remainder were four to six-months old on January 1, 1965. In addition, one unit had been for sale for over 12 months.

The January 1964 survey of 1963 construction covered twelve subdivisions, two fewer than in the 1965 survey, and reported 85 speculatively-built houses. This survey counted 170 completions during 1963 of which 84 were sold before construction started. A total of 27 of the 86 units built speculatively during 1963 remained unsold on January 1, 1965, representing 31 percent of the completions. The ratio of unsold speculative building to total construction was higher in

1964 than in 1965, but all 27 of the speculatively built homes had been on the market three months or less. However, in addition, five homes had been completed for 12 months or more.

Distributions of completions by sale prices reported for the two surveys are compared in the following table.

Houses Completed in the Fargo-Moorhead HMA
During 1963 and 1964

<u>Sales price</u>	<u>1963 completions</u>		<u>1964 completions</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$17,500	35	20.6	3	1.5
\$17,500 - 19,999	63	37.1	51	25.9
20,000 - 24,999	50	29.4	110	55.8
25,000 - 29,999	21	12.3	20	10.2
30,000 - 34,999	0	0	8	4.1
35,000 and over	<u>1</u>	<u>.6</u>	<u>5</u>	<u>2.5</u>
Total	170	100.0	197	100.0

Source: Unsold Inventory Surveys of New Homes conducted by the Fargo Insuring Office.

In 1963, houses priced below \$17,500 accounted for 21 percent of all completions. In 1964, the same category accounted for less than two percent of the total. Nearly 56 percent of all completions in 1964 were priced between \$20,000 and \$24,999; in comparison with 1963, there was a substantial increase in this price bracket both numerically and proportionately. Completions in the \$25,000 - \$29,999 price range fell slightly from 12 percent to 10 percent between 1963 and 1964. However, in terms of absolute numbers they were very close, 21 and 20 respectively. Categories above \$30,000 increased slightly, but were not significant in relation to the total. It should be noted that the HMA surveys do not reflect housing built in subdivisions with fewer than five completions nor individually built homes on scattered sites.

Foreclosures. Acquisitions of FHA-insured properties have been few. Cumulative to December 1964 there had been only 29 in the entire HMA. Although the figure is very low, 18 of the 29 occurred in two years, 1963 and 1964. No homes were acquired in 1961 or 1962.

Rental Market

General Market Conditions. The increased demand for rental units in the Fargo-Moorhead HMA has been occasioned by the large number of short-term residents who, by the nature of their employment, remain in the area for only a few years and consequently are unwilling to purchase a home. Since 1960, construction of rental units has risen sharply in an attempt to meet this demand for good rental units. Judging from the low vacancy rates in apartments these units have been well received in the market.

New Rental Housing. Most new apartment units in the area are of the walk-up garden-type which generally rent for between \$120 and \$140 a month for a two-bedroom unit. Older units are customarily of the four- to eight-unit size. However, as more units have been constructed, tastes have evolved toward modern apartment living. The older units are fast becoming obsolete in terms of space and physical appearances. One high rise building, containing about 30 units and renting for \$240 a month for a two-bedroom unit, rented quickly. It has been on the market for two years. This building has attracted the successful businessman who, having raised his family, desires freedom from maintenance responsibilities as well as proximity to the downtown area. Sixteen more units with similar rents catering to this specialized demand recently have opened in the country club section of Fargo.

Rental Housing Under Construction. Currently there are approximately 75 rental units under construction. These are in two- and three-story garden-type structures and are located in the Fargo-Moorhead urban area. All of the new rental housing in the area is conventionally financed and most will be ready for occupancy by the late summer or early fall of 1965. Monthly rents will average between \$100 and \$140.

In addition to the conventionally financed rental units under construction in the area, a multifamily project of 24 units is planned for the urban renewal tract in Southwest Fargo, with eventual expectations of a 150-unit project.

Mortgage Market

Principal Sources of Funds. Local bankers and realtors report that the mortgage market in the Fargo-Moorhead HMA is balanced, there being neither a substantial deficit or surplus of funds. The principal sources of mortgage funds are the savings and loan associations. Two of the larger are the Gate City Savings and Loan Association and

the Metropolitan Savings and Loan Association. Both of these offer financing on a conventional basis and have similar terms, a minimum downpayment of 20 percent, a maximum maturity of 25 years on new homes, and a six percent interest charge on the outstanding balance.

FHA Participation. FHA participation, which is mainly in the sale of existing homes, increased yearly between 1961 and 1964, rising from 106 to 295 insured mortgages. Participation by FHA in the mortgaging of new homes has been negligible in relation to the total number of new homes built annually.

Urban Renewal

There are three active urban renewal programs in the Fargo-Moorhead urban area. These are located one in each of the three communities Fargo, Moorhead, and Southwest Fargo.

The North Dakota R-2 urban renewal area of Fargo is situated in the central business district. Completion of the first portion of the plan has resulted in a new civic center, a Chamber of Commerce building, and several modern office structures. The objectives of this program and the R-1 program about to be initiated in downtown Fargo are to make the central business district a more efficient and attractive commercial center and, through the R-1 program, to encourage intown living.

Urban renewal in Moorhead also calls for the rehabilitation of the central core of the city with special emphasis on the removal of substandard structures and the improvement of retail store facilities. It is planned to pay particular attention to a problem which has long inhibited growth of the Moorhead business district. The location of the two railroads to the east and the River separating the two cities, Fargo and Moorhead, has presented barriers, both in access to and from the area and in the spread of commercial development. Basic studies have been completed and it is expected that the Moorhead urban renewal plan will be put in execution during the forecast period (May 1965 - May 1967).

The primary objective of the urban renewal area in Southwest Fargo is to develop the area residentially. Particular interest is to be paid to forms of subsidized housing and in housing in the modest income brackets. A public housing project is located in the area and there are proposals for more public housing as well as a low rent project.

Public Housing

The only existing public housing in the HMA is located in Southwest Fargo. This project is managed by the Cass County Housing Authority and contains 24 units, six of which are designated as elderly housing units. Rents in the project range between \$35 and \$75 a month. As of May 1, 1965, there were no vacant units and the waiting list for the existing units is extensive. A proposal for an additional 60 units, 38 efficiencies and 22 one-bedroom units, has been accepted and construction is expected to begin in the near future. It is expected that most of these units which are located in the same area, will be intended for senior citizens.

Demand for Housing

Quantitative Demand

The annual volume of new residential construction during the two-year forecast period (May 1965 - May 1967) that will meet the needs of the anticipated household growth and maintain a balanced demand-supply relationship in the market is estimated to total 650 housing units annually. Of this demand the tenure composition is expected to be 300 for sales type units and 350 for renter type units. In addition to the rental demand of 350 units, however, about 125 units could be absorbed at the lower rents associated with public benefit or assistance programs. The demand estimates reflect the deficiency in vacancies of good quality, the current rate of construction, a continued trend toward renter-occupied housing, and the anticipated increase in employment. Generally, the location pattern of new construction will meet demand preferences best, if similar to that of recent construction years.

Qualitative Demand

Sales Housing. Based on the distribution of families by annual after-tax income and on the proportion of income that families usually pay for sales housing in the Fargo - Moorhead HMA, as well as past distributions of new residential construction, the annual demand for 300 new sales housing units during the next two years is expected to approximate the sales price distribution indicated in the following table.

Estimated Annual Demand for New Sales Housing
Fargo-Moorhead HMA
May 1965-May 1967

<u>Price range</u>	<u>Units</u>	<u>Percentage distribution</u>
\$14,000 - \$15,999	42	14
16,000 - 17,999	66	22
18,000 - 19,999	69	23
20,000 - 24,999	63	21
25,000 - 29,999	33	11
30,000 - 34,999	15	5
35,000 and over	12	4
Total	300	100

Source: Estimated by Housing Market Analyst.

The foregoing distribution differs from that on page 20 which reflects only selected subdivision experience during the 1963-1964 period. It must be noted that the 1964 data do not include new construction in subdivisions with fewer than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that in the Fargo - Moorhead HMA the majority of housing in the \$20,000 - \$24,999 price range has been included in the unsold inventory survey. Conversely, the exclusion of a considerable number of the lower value homes, which are concentrated in the smaller building operations, has resulted in a sample disproportionately weighted in the middle levels. The demand estimates shown reflect all home building in the HMA and indicate a greater concentration in the lower price ranges than a subdivision survey would reveal.

Approximately 35 percent of the projected annual sales demand is for housing in the \$14,000 through \$17,999 price range, 23 percent is in the \$18,000 to \$19,999, 21 percent priced between \$20,000 and \$24,999, and 20 percent of the demand is for houses selling for \$25,000 or more. Construction of single-family units for less than \$15,000 is not economically feasible in the Fargo-Moorhead area. It is expected that the majority of new units will be placed in the Fargo-Moorhead urban area and distributed in locations in proportions comparable to recent production.

Rental Housing. On the basis of the projected renter family incomes and ratios of rent to income which are typical in the HMA, the total annual demand for 350 rental units in the area, as well as the demand for 125 low rent units, is expected to be distributed by monthly gross rent levels and by unit size according to the pattern indicated in the following table. The net addition of these rental units may be accomplished either by newly constructed or rehabilitated units at the specified rent levels with or without public benefits or assistance through tax abatement or aid in financing or land acquisition. The limited production of units in the high ranges of rent will result in a filtering of existing accommodations through competition.

Assuming current costs remain fairly constant during the forecast period, the minimum rents achievable with market interest rate financing are \$105 for efficiencies, \$115 for one-bedroom units, \$120 for two-bedroom units, and \$135 for three-bedroom units. If public benefit or assistance financing is utilized, rental units may be achieved at gross rents as low as \$95 for efficiencies, \$100 for one-bedroom units, \$105 for two-bedroom units, and \$110 for three-bedroom units. The market for new rental housing will be concentrated in the Fargo-Moorhead urban area and in concentrations similar to those of recent years. New concentrations may distort existing patterns, however, if they occur in rent ranges achievable only with public benefit or assistance in financing.

Prospective Annual Demand for New Rental Housing
by Gross Monthly Rent and by Size of Unit, Fargo-Moorhead HMA
May 1965-May 1967

<u>Gross rent</u> ^{a/}	<u>Efficiency</u>	<u>One- bedroom</u>	<u>Two- bedroom</u>	<u>Three- bedroom</u>
\$95 and over	55	-	-	-
100 " "	50	185	-	-
105 " "	50	180	165	-
110 " "	45	165	150	70
115 " "	45	150	140	65
120 " "	40	130	115	50
125 " "	30	115	100	45
130 " "	-	95	80	35
135 " "	-	85	65	30
140 " "	-	70	60	25
145 " "	-	60	50	20
150 " "	-	-	45	15
160 " "	-	-	25	10
170 " "	-	-	-	10
180 " "	-	-	-	5
200 " "	-	-	-	5

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

Note: The figures above are cumulative, i.e., the several columns cannot be added vertically. For example, demand each year over the next two years for two-bedroom units at gross monthly rents of from \$125 to \$140 is 40 units (100-60).

The location of new rental units with the lower rent levels achievable with public benefit or assisted financing is a significant factor affecting demand. It is possible that new locations that require families to break existing church, recreation, and social ties may reduce demand. The achievement of lower rents by the utilization of land in less costly and less acceptable locations may adversely affect the demand for such units. However, the market among young couples, including those attending local colleges, may be offsetting, to some degree.

The preceding distribution of average annual demand for new apartments is based on tenant family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area. It cannot be construed rigidly but represents what may be assumed to be an appropriate pattern over a period of several years. Occasionally, in brief periods and in specific rent ranges, because of special factors for individual projects there may be successful marketing of rental units in other than these quantities. It should not be assumed, however, that such a divergence represents a change in the continuing ability of the area to absorb new rental housing. In any case, specific projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or submarkets.

Table I

Labor Force and Employment Trends
Fargo-Moorhead, HMA
March 1963-March 1965

<u>Industry</u>	<u>March 1963</u>	<u>March 1964</u>	<u>March 1965</u>	<u>Change 1963-1965</u> <u>Number</u>	<u>Percent</u>
Total work force	<u>41,730</u>	<u>42,360</u>	<u>43,250</u>	<u>1,520</u>	<u>3.6</u>
Total unemployment	2,290	2,080	2,400	110	4.8
Percent unemployed	5.5%	4.9%	5.5%		
Total employment	<u>39,440</u>	<u>40,280</u>	<u>40,850</u>	<u>1,410</u>	<u>3.6</u>
Total agricultural employment	<u>4,900</u>	<u>4,500</u>	<u>4,000</u>	<u>-900</u>	<u>-18.4</u>
Agricultural, self-employed, and unpaid family workers	4,000	3,700	3,300	-700	-17.5
Agricultural wage and salary workers	900	800	700	-200	-22.2
Total nonagricultural employment	<u>34,540</u>	<u>35,780</u>	<u>36,850</u>	<u>2,310</u>	<u>6.7</u>
Nonag. self-employed, unpaid family, and domestic service workers	4,430	4,500	4,410	-20	-.5
Total nonagricultural wage and salary	<u>30,110</u>	<u>31,280</u>	<u>32,440</u>	<u>2,330</u>	<u>7.7</u>
Mining	20	20	20	0	0
Construction	1,790	1,800	1,820	30	1.7
Manufacturing	2,070	2,040	2,170	100	4.8
Transportation, communication, and public utilities	2,720	2,830	2,910	190	7.0
Wholesale and retail trade	9,770	9,940	10,010	240	2.5
Fin., ins., & real estate	2,080	2,030	2,080	0	0
Service	5,560	5,900	6,220	660	11.9
Government	6,100	6,720	7,210	1,110	18.2

Source: North Dakota State Employment Service

Table II

Nonagricultural Wage and Salary Trends
Fargo-Moorhead, Urban Area
February 1960-February 1965

<u>Industry</u>	<u>February</u>	<u>February</u>	<u>February</u>	<u>February</u>	<u>February</u>	<u>February</u>	<u>Change 1960-1965</u>	
	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>Number</u>	<u>Percent</u>
Total nonagricultural	<u>23,449</u>	<u>24,357</u>	<u>25,410</u>	<u>25,280</u>	<u>27,251</u>	<u>28,517</u>	<u>5,068</u>	<u>21.6</u>
Construction	1,654	1,383	1,895	1,414	1,711	1,724	70	4.2
Manufacturing	1,968	1,914	2,222	1,806	1,858	1,934	-34	-1.7
Trans., comm., & pub. util.	2,367	2,299	2,317	2,011	2,062	2,279	-88	-3.7
Wholesale and retail trade	7,836	7,893	7,806	8,181	8,426	8,815	979	12.5
Fin., ins., and real estate	1,524	1,739	1,677	1,641	1,801	1,773	249	1.6
Service	4,462	5,122	5,343	5,234	5,791	6,184	1,722	38.6
Government	3,638	4,007	4,150	4,993	5,602	5,808	2,170	59.6

Source: Minnesota Department of Employment Security and
North Dakota State Employment Service.

Table III

Components of the Nonfarm Housing InventoryFargo-Moorhead HMAApril 1950-May 1965

<u>Tenure and vacancy</u>	<u>April</u>	<u>April</u>	<u>May</u>	<u>Change 1950-1960</u>		<u>Change 1960-1965</u>		<u>a/</u>
	<u>1950</u>	<u>1960</u>	<u>1965</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
Total housing supply	19,898	27,992	30,400	8,094	41.0	2,375	8.5	
Occupied housing units	19,380	26,117	29,000	6,737	34.8	2,875	11.0	
Owner occupied	11,108	16,284	17,690	5,176	46.6	1,400	8.6	
Percent of total occupied	57.3%	62.4%	61.0%					
Renter occupied	8,272	9,833	11,310	1,561	18.9	1,475	15.0	
Percent of total occupied	42.7%	37.6%	39.0%					
Vacant housing units	518	1,875	1,400	1,357	262.0	-475	-25.3	
Available	228	848	570	620	271.9	-278	-32.8	
For sale	56	270	183	214	382.1	-87	-32.2	
Homeowner vacancy rate	.5%	1.6%	1.0%					
For rent	172	578	387	406	236.0	-191	-33.0	
Renter vacancy rate	2.0%	5.6%	3.4%					
Other vacant <u>b/</u>	290	1,027	805	737	254.1	-222	-21.6	

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

Source: 1950 and 1960 Censuses of Housing and estimates by the Housing Market Analyst.

Table IV

Housing Units Authorized by Building Permit, by Location
Fargo - Moorhead HMA
1958 - 1964

<u>Year</u>	<u>Fargo</u>	<u>Moorhead</u>	<u>Southwest Fargo</u>	<u>Rest of HMA</u>	<u>HMA total</u>
1958	383	265	NA	NA	648
1959	357	312	NA	NA	669
1960	279	259	NA	NA	538
1961	250	206	72	49	577
1962	284	272	25	57	638
1963	312	303	38	30	683
1964	171	121	45	66	403

Source: Department of Commerce, C 40 Construction Reports.

Table V

Fargo, North Dakota - Moorhead, Minnesota, Area Postal Vacancy Survey

April 26 - 27, 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	<u>21,845</u>	<u>421</u>	<u>1.9</u>	<u>359</u>	<u>62</u>	<u>150</u>	<u>16,276</u>	<u>218</u>	<u>1.3</u>	<u>187</u>	<u>31</u>	<u>77</u>	<u>5,569</u>	<u>203</u>	<u>3.6</u>	<u>172</u>	<u>31</u>	<u>73</u>	<u>501</u>	<u>14</u>	<u>2.8</u>
Fargo	<u>13,868</u>	<u>293</u>	<u>2.1</u>	<u>274</u>	<u>19</u>	<u>76</u>	<u>9,518</u>	<u>146</u>	<u>1.5</u>	<u>134</u>	<u>12</u>	<u>49</u>	<u>4,350</u>	<u>147</u>	<u>3.4</u>	<u>140</u>	<u>7</u>	<u>27</u>	<u>117</u>	<u>1</u>	<u>0.9</u>
City Routes	13,433	279	2.1	262	17	68	9,099	132	1.5	122	10	41	4,334	147	3.4	140	7	27	-	-	-
Rural Routes	435	14	3.2	12	2	8	419	14	3.3	12	2	8	16	-	-	-	-	-	117	1	0.9
Moorhead	<u>7,003</u>	<u>107</u>	<u>1.5</u>	<u>64</u>	<u>43</u>	<u>67</u>	<u>5,876</u>	<u>55</u>	<u>0.9</u>	<u>36</u>	<u>19</u>	<u>21</u>	<u>1,127</u>	<u>52</u>	<u>4.6</u>	<u>28</u>	<u>24</u>	<u>46</u>	<u>259</u>	<u>13</u>	<u>5.0</u>
City Routes	<u>6,457</u>	94	1.5	63	31	64	5,330	42	0.8	35	7	18	1,127	52	4.6	28	24	46	205	13	6.3
Rural Routes	546	13	2.4	1	12	3	546	13	2.4	1	12	3	-	-	-	-	-	-	54	-	-
Other Cities and Towns																					
West Fargo	<u>974</u>	<u>21</u>	<u>2.2</u>	<u>21</u>	<u>-</u>	<u>7</u>	<u>882</u>	<u>17</u>	<u>1.9</u>	<u>17</u>	<u>-</u>	<u>7</u>	<u>92</u>	<u>4</u>	<u>4.3</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>-</u>	<u>-</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).