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Analysis of the

# FAYETTEVILLE, ARKANSAS HOUSING MARKET

as of December 1, 1971

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

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## Housing Market Analysis

Fayetteville, Arkansas as of December 1, 1971

### Foreword

This analysis has been prepared for the assistance and guidance of the Department of Housing and Urban Development in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development  
Federal Housing Administration  
Economic and Market Analysis Division  
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - FAYETTEVILLE, ARKANSAS  
AS OF DECEMBER 1, 1971

The Fayetteville, Arkansas, Housing Market Area (HMA) is defined as Washington County, Arkansas. The area is located in the Ozark Mountains in the northwest corner of Arkansas and is bounded on the west by the State of Oklahoma. The nonfarm population of the HMA in December 1971 was 74,150 persons, about 45 percent of whom resided in the city of Fayetteville. The nearest major cities are: Fort Smith, 60 miles south of Fayetteville; Tulsa, Oklahoma, 100 miles to the west; and Springfield, Missouri, 85 miles northeast.

Fayetteville is the county seat as well as the site of the University of Arkansas; together with the smaller city of Springdale, which borders directly on the northern city limits of Fayetteville, it constitutes the trade and service center for a four-county area dominated by Washington County, which is the second largest poultry producing county in the nation. The poultry-processing industry has been one of the major growth industries in the Fayetteville HMA throughout the 1960-1970 decade, although its growth has been slower and more erratic since 1966 than in the first half of the decade. During the past two years, however, moderate gains were recorded in virtually all industries with the exception of durable goods industries. This expansion in economic activity coupled with above average increases in enrollment at the University of Arkansas have supported continued growth in population and households; this growth, in turn, has served to increase the level of residential construction and strengthen the demand for single-family and multifamily housing.

### Anticipated Housing Demand

Based on the expected growth in the number of households and the need to replace units expected to be lost from the inventory, it is estimated that 700 new nonsubsidized housing units could be absorbed annually in the Fayetteville HMA during the two-year forecast period ending December 1, 1973; an additional 200 units of demand are expected to be met annually with mobile homes. The demand estimates reflect consideration of the vacancy level and the current large volume of residential construction. On the basis of these considerations and barring unanticipated changes in economic, demographic, or housing market factors incorporated in this analysis, the most desirable demand-supply balances would be achieved with the annual construction of 500 single family houses and 200 multi-family units (for distributions of demand by sales prices and monthly gross rents, see table I). The demand estimates are not intended to be a prediction of short-term construction, but rather suggestive of levels of construction designed to provide stability in the housing market based on long-term trends evident in the area.

### Occupancy Potential for Subsidized Housing

Federal assistance in financing costs of new housing for low- or moderate-income families may be provided through a number of different programs administered by HUD: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the Fayetteville HMA, the total occupancy potential is estimated to be 350 units annually.

The annual potentials<sup>1/</sup> for subsidized housing discussed in the following paragraphs are based upon 1971 incomes, the occupancy of substandard housing, income limits in effect as of December 1, 1971, and on available market experience.<sup>2/</sup>

Rental Housing Under the Public Housing and Rent-Supplement Programs. These two programs serve essentially the same low-income households. The principal differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Fayetteville HMA the annual occupancy potential for public housing is estimated at 185 units for families and 90 units for the elderly; one-third of the elderly also are eligible for housing under Section 236 (see table II). In the case of the somewhat more restrictive rent-supplement program, the potential for families would be reduced to 110 units, but the market among the elderly would remain unchanged.

As of December 1, 1971, there were 250 public housing units under management in the HMA, including 50 units for the elderly in Springdale. A substantial waiting list of about 200 applicants exists for the 170 units in Springdale, and a waiting list of about 25 families is currently on record for the 80 units in Fayetteville. An additional 120 public housing units for the elderly are very near completion in Fayetteville; this would satisfy about two-thirds of the two-year potential for elderly low-rent housing in the HMA. The market absorption of these 120 units should be observed carefully before a decision is made to expand the supply of low-rent housing for the elderly, especially since some elderly households may enter a proposed Section 236 project. In 1969, the Fayetteville Housing Authority applied for an additional 100 units of public housing suitable for families under the turnkey program; this was recently altered to a request for 100 units under the leased housing program. In mid-1970 the Springdale Housing Authority requested funds for 100 additional housing units for families and 80 units for the elderly. No action has been taken on these requests as yet.

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<sup>1/</sup> The occupancy potentials referred to in this analysis have been calculated to reflect the strength of the market in view of existing vacancies. The successful attainment of the calculated potentials for subsidized housing may well depend upon construction in suitably accessible locations, as well as a distribution of rents and sales prices over the complete range attainable for housing under the specific programs.

<sup>2/</sup> Families with income inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

There currently is an 80 unit 221 (d)(3) BMIR rent supplement project under management in the HMA. The project is located in Springdale and has maintained full occupancy and waiting lists since its completion in October 1970.

Section 235 and Section 236. Subsidized housing for households with low to moderate incomes may be provided under either Section 235 or Section 236. Moderately-priced, subsidized sales housing for eligible families can be made available through Section 235. Alternatively, subsidized rental housing<sup>1/</sup> for the same families may be provided under Section 236; the Section 236 program contains additional provisions for subsidized rental units for elderly couples and individuals.

In the Fayetteville HMA it is estimated (based on regular income limits) that, for the December 1971-December 1973 forecast period, there is an occupancy potential for an annual total of about 50 subsidized family units utilizing either Section 235 or Section 236, or a combination of the two programs. In addition, there is an annual potential for about 55 units of Section 236 rental housing for elderly couples and individuals. About 55 percent of the elderly households would qualify also for public housing. It is estimated that about 45 percent of the households which are prospective occupants of Section 235 housing are five- or more-person households.

An estimated 170 homes have been constructed in the HMA to date under the Section 235 program, and about five existing homes have been financed under the program. Some builders have indicated that it has become increasingly difficult to find qualified buyers; indeed, one such builder has moved out of the program entirely for that reason. Careful study of the market absorption of the current number of Section 235 homes available is recommended, especially in view of the fact that there were three foreclosures on Section 235 homes in 1970 and at least that many again in 1971. There appear to be an increasing number of houses for which it was planned to make Section 235 financing available remaining unsold for several months after their completion.

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<sup>1/</sup> Interest reduction payments may also be made for cooperative housing projects. Occupancy requirements under Section 236 are identical for tenants and cooperative owner-occupants.

As of December 1971, no housing units had been produced in the HMA under the Section 236 program, and none are under construction. Final approval is expected soon, however, on a 120-unit project in Springdale to be constructed under the Section 236 program, and a 128-unit project in Fayetteville is under consideration. If these two projects are approved, they will more than exhaust the occupancy potential for Section 236 housing using regular income limits.

### Sales Market

The market for sales housing has strengthened slightly since April 1970; the current homeowner vacancy rate of 1.7 percent compares to a rate of 1.8 percent as of that time reported in the census. New unsold houses appear to be concentrated in the Section 235 and the over \$30,000 markets. Local realtors report that demand is relatively strong and that sales are up over last year in dollar value, but that the number of sales is down slightly from 1970, in part because of a reduction in the number of available listings. An easing of credit conditions during the last half of 1971 has helped to stimulate demand somewhat.

Most of the subdivision activity in the HMA has taken place in Springdale where 80 to 90 percent of single-family building is done on a speculative basis. Major growth has occurred in the western portion of Springdale, particularly in the new Peaceful Valley subdivision where prices range from \$16,100 minimum for Section 235's to almost \$30,000. There are several smaller subdivisions in the northwestern and southern portions of the city which have new homes selling generally for over \$30,000.

Typically, one-half of the homes in Fayetteville are custom built on scattered sites; they generally cost about \$2,000 more than the same homes would in Springdale because of increased construction costs resulting from the mountainous terrain in Fayetteville. Subdivision activity has been hampered in Fayetteville by a city ordinance which disallowed the subdivision of a portion of a parcel of land of a certain size without platting the rest of the parcel, but this ordinance has been liberalized recently. Small subdivisions of homes priced over \$30,000 are concentrated in the northeastern portions of the city.

There are a substantial number of vacant spaces in mobile home parks in the HMA, more than enough to meet demand during the two-year forecast period.

### Rental Market

The rental market has strengthened considerably since the April 1970 Census count when the rental vacancy rate was 5.9 percent. Because the census was taken during the spring semester when student enrollment is lower than in the fall, a higher vacancy rate was to be expected. As of

December 1, 1972, the rental vacancy rate was 4.6 percent with many of the vacancies occurring in substandard units or in the older, less desirable single-family homes. Despite the large volume of multifamily construction since 1965, all of the new apartment projects, which cater mainly to students, have maintained virtually full occupancy except during summer vacations. Currently, however, there are a large number of multifamily units under construction and in advanced planning stages, including two Section 221(d)(4) projects; it is possible that, with student enrollment increases tapering off somewhat and only moderate expansion in employment, a surplus of rental units could develop. Most new apartments are of the garden- or duplex-type and are located in Fayetteville, with gross rents starting at about \$150 for one-bedroom units and \$170 for two-bedroom units.

#### Economic, Demographic and Housing Factors

The estimated demand for new nonsubsidized housing is premised on the findings and assumptions set forth below.

Employment. Total employment in the Fayetteville HMA has increased every year since 1960, with a total increase of 14,400 jobs over the decade. During the twelve months ending November 30, 1971, total employment averaged 34,150 jobs, reflecting an increase of 750 jobs from the year ending November 30, 1970. Agricultural employment has declined slightly since 1960, falling from an average of 2,900 jobs in 1960 to 2,700 jobs currently. Nonagricultural wage and salary employment has increased every year since 1960, registering a total increase of about 13,400 jobs between 1960 and 1970. The period of greatest growth was from 1963 to 1966 when annual increases averaged almost 1,950 jobs. Since 1966, growth in nonagricultural wage and salary employment has slowed considerably except for the 1968-1969 period when the largest annual increase (2,500 jobs) of the 1960-1970 decade was recorded. For the year ending November 30, 1971, nonagricultural wage and salary employment averaged 27,300 jobs, representing a moderate increase of 600 jobs over the year ending November 30, 1970.

Manufacturing employment averaged 7,400 for the year ending November 30, 1971, representing an increase of 100 jobs from the year ending November 30, 1970. After expanding rapidly in the first half of the 1960's, manufacturing employment dropped somewhat in 1967; there was substantial recovery in 1969, but only during the past year has the number of jobs in the manufacturing sector approached the 1966 level. Most of the workers unemployed during this time were secondary wage-earners and part-time students. Reflecting the slower growth in the latter part of the decade, the proportion of nonagricultural wage and salary employment represented by employment in



Income. As of December 1, 1971, the estimated median annual income of all nonfarm families in the Fayetteville HMA, after the deduction of federal income tax, was \$7,700. The median after-tax income of nonfarm renter households of two or more persons was \$6,600. Detailed distributions of all families and renter households by annual income for the HMA are shown in table IV.

Demographic Factors. The nonfarm population of the Fayetteville HMA was estimated to be 74,150 persons as of December 1, 1971, representing an average annual increase of 3,400 persons since April 1970. This rate of population growth is considerably higher than the average gain of almost 2,200 persons a year during the 1960-1970 decade; most of that population growth occurred during the first half of the decade with the lowest rates of growth concentrated in the 1967-1968 period when employment growth and university enrollment increases slackened considerably. A rising trend became evident in 1969. Much of the recent increase represents an artificial inflation which is caused by the fact that university enrollment is typically lower in the spring than in the fall; thus, a comparison of the HMA population between spring and fall (i.e., April 1970 and December 1971), as in this case, results in a higher annual average than would result if one were comparing population between the same seasons. For example, spring enrollments at the university, have averaged 700 students lower than fall enrollments throughout the 1960-1970 decade, and this drop in enrollment between semesters has increased during the past few years. Part of the recent rise in population, however, represents a real increase caused by a rise in the number of resident births and by higher levels of immigration as the university attracted larger numbers of students and as the HMA became increasingly appealing to retirees. (See table V for a comparison of the trends in university-connected and non-university-connected population and household growth from 1960 to 1971). The population of Fayetteville was estimated at 33,600 in December 1971, and Springdale's population was estimated to be about 18,600 persons.

Since employment, although increasing, is still not expected to increase as rapidly as it did during the 1960's and since university enrollment may taper off somewhat in the next two years, population for the HMA is expected to fall back to an average annual increase of about 2,100 persons over the next two years, somewhat below the average annual increase during the 1960's.

Household growth has generally paralleled population growth during the entire 1960-1971 period. As of December 1, 1971, there were approximately 24,000 nonfarm households in the Fayetteville HMA, indicating an

manufacturing declined slightly from 29 percent in 1960 to about 27 percent currently. Approximately 57 percent of the manufacturing workers are employed in the food processing industry, which is dominated by the HMA's largest manufacturing firm, The Campbell Soup Company. Employment in durable goods manufacturing firms also has grown considerably since 1960, although employment has decreased during the past two years. Important durable goods products are electronic organs, copper fittings, and parts for air conditioning and electrical products.

Nonmanufacturing employment averaged 19,900 jobs for the year ending November 30, 1971, representing an increase of 500 jobs over the year ending November 30, 1970. This was a relatively modest increase compared to the average increase of about 990 jobs a year in the nonmanufacturing sector during the 1960-1970 decade. Most of the growth in nonmanufacturing employment has occurred in the government, trade, and service categories; in turn, most of the growth in the government sector is explained by the steady expansion at the University of Arkansas. The university is the largest employer in the HMA. Employment at the university may not increase as much in the near future because slightly lower enrollment increases are forecast.

Employment in the trade and service categories has expanded steadily since 1960, heavily influenced by the university's expansion. Employment is expected to continue to grow, despite the possibility of slightly lower university enrollment increases, partly because of the job-expansion potential afforded by the huge new shopping center still under construction between Fayetteville and Springdale.

Unemployment averaged 1,450 persons, or 4.1 percent of the work force, during the year ending November 30, 1971. This reflected an increase of about 200 unemployed workers from the year ending November 30, 1970, when the unemployment rate was 3.6 percent.

Based on recent employment trends, local economic conditions, and known plans of existing firms, nonagricultural wage and salary employment is expected to increase by approximately 800 jobs a year during the next two years. Employment in manufacturing should increase by about 200 jobs annually with two new small plants locating in Springdale and the likelihood of Fayetteville's recently completed industrial park attracting more new industries; in addition, many of the existing industries anticipate modest increases in employment. As in the past, most of the growth should take place in the nonmanufacturing sector (600 jobs annually) with the bulk of the gains occurring in the trade, services, and government components as employment increases in manufacturing and continued expansion at the university stimulates demand for goods and services and as the facilities afforded by the new Sears shopping center provide a more attractive potential supply of such goods and services.

average increase of about 1,150 households yearly since April 1, 1970.<sup>1/</sup> This is considerably above the average annual increase of about 770 households during the 1960-1970 decade, but much of the recent gain, as explained above in relation to population, was only a reflection of the fact that the student population is typically lower in the spring than in the fall. The portion of the recent increase explained by rising levels of in-migration is expected to continue during the two-year forecast period at a rate of 800 households a year. This increase is below that of the 1970-1971 period mainly because student enrollment increases are not expected to be as great; the forecast average annual increase is somewhat above that of the 1960-1970 decade, however, because of the rising numbers of retired persons coming into the area plus the fact that the university does not plan to add any dormitory spaces in the near future and consequently students will be forming more off-campus households.

Housing Factors. The housing inventory (including farm houses) of the Fayetteville HMA totaled approximately 28,400 units as of December 1, 1971, including about 17,300 owner-occupied units, 9,400 renter-occupied units, and 1,700 vacant units. The increase in the housing inventory of about 1,850 units since April 1970 resulted from the construction of approximately 1,850 units, the loss of about 220 units through demolition and other causes, and the addition of about 220 mobile homes. There were about 500 housing units under construction on December 1, 1971, of which 150 were single-family houses and 350 were units in multifamily structures. Of the multifamily units under construction, 120 were in a public housing project.

Building permit authorizations<sup>2/</sup> indicate that the volume of new privately-financed residential construction has increased to a fairly high level during the last two years despite rising construction costs and high interest rates (see table VI). After hitting a low of 540 units in 1969, the lowest level of privately-financed units constructed since 1960, volume rose in 1970 to about 720 units and in 1971 to about 860 units, thus topping the peak construction level of the 1960-1970 decade--about 790 units in 1964. The construction of multifamily units has accounted for an increasingly larger proportion of total construction, particularly in the latter part of the 1960's as the number of student households expanded in the community.

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<sup>1/</sup> Nonfarm households do not agree with the number of occupied housing units shown in table VIII because the latter includes farm units.

<sup>2/</sup> It is estimated that building permits issued in Fayetteville and Springdale cover 60 to 70 percent of single-family building activity in Washington County and virtually all multifamily building activity.

Vacancy. There were about 750 vacant, nondilapidated, nonseasonal housing units available in the HMA as of December 1, 1971, including vacant farm units. Approximately 300 were available for sale and 450 were available for rent, indicating homeowner and renter vacancy rates of 1.7 percent and 4.6 percent, respectively. Both the homeowner and renter vacancy rates have decreased since April 1970 because of rising household formation resulting from university expansion and increasing numbers of retired in-migrants.

Table I

Estimated Annual Demand for New, Nonsubsidized Housing  
Fayetteville, Arkansas, Housing Market Area  
December 1, 1971 to December 1, 1973

A. Single-family houses

| <u>Sales Price</u> | <u>Number of<br/>units</u> | <u>Percent of<br/>total</u> |
|--------------------|----------------------------|-----------------------------|
| Under \$15,000     | 40                         | 8                           |
| \$15,000 - 17,499  | 100                        | 20                          |
| 17,500 - 19,999    | 110                        | 22                          |
| 20,000 - 22,499    | 75                         | 15                          |
| 22,500 - 24,999    | 50                         | 10                          |
| 25,000 - 29,999    | 80                         | 16                          |
| 30,000 - 34,999    | 25                         | 5                           |
| 35,000 and over    | <u>20</u>                  | <u>4</u>                    |
| Total              | 500                        | 100                         |

B. Multifamily Units

| <u>Gross monthly rents a/</u> | <u>Efficiency</u> | <u>One<br/>bedroom</u> | <u>Two<br/>bedrooms</u> | <u>Three or more<br/>bedrooms</u> |
|-------------------------------|-------------------|------------------------|-------------------------|-----------------------------------|
| 120 - 139                     | 10                | -                      | -                       | -                                 |
| 140 - 149                     | 5                 | -                      | -                       | -                                 |
| 150 - 159                     | -                 | 30                     | -                       | -                                 |
| 160 - 169                     | -                 | 15                     | -                       | -                                 |
| 170 - 179                     | -                 | 5                      | 75                      | -                                 |
| 180 - 189                     | -                 | -                      | 35                      | -                                 |
| 190 - 199                     | -                 | -                      | 10                      | 10                                |
| 200 and over                  | -                 | -                      | -                       | 5                                 |
| Total                         | <u>15</u>         | <u>50</u>              | <u>120</u>              | <u>15</u>                         |

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

Source: Estimated by Housing Market Analyst.

Table II

Estimated Annual Occupancy Potential for Subsidized Rental Housing  
Fayetteville, Arkansas, Housing Market Area  
December 1, 1971 to December 1, 1973

|                           | <u>Sections 235 and<br/>236 exclusively<sup>a/</sup></u> | <u>Eligible for<br/>both programs</u> | <u>Public housing<br/>exclusively</u> | <u>Total for<br/>both programs</u> |
|---------------------------|--|---------------------------------------|---------------------------------------|------------------------------------|
| <b>A. <u>Families</u></b> |  |                                       |                                       |                                    |
| 1 bedroom                 | 5  | -                                     | 20                                    | 25                                 |
| 2 bedrooms                | 20   | -                                     | 60                                    | 80                                 |
| 3 bedrooms                | 15   | -                                     | 55                                    | 70                                 |
| 4+ bedrooms               | <u>10</u>  | <u>-</u>                              | <u>50</u>                             | <u>60</u>                          |
| Total                     | 50   | -                                     | 185 <sup>b/</sup>                     | 235                                |
| <b>B. <u>Elderly</u></b>  |  |                                       |                                       |                                    |
| Efficiency                | 15   | 20                                    | 35                                    | 70                                 |
| 1 bedroom                 | <u>10</u>  | <u>10</u>                             | <u>25</u>                             | <u>45</u>                          |
| Total                     | 25   | 30 <sup>c/</sup>                      | 60 <sup>c/</sup>                      | 115                                |

<sup>a/</sup> Estimates are based on regular income limits.

<sup>b/</sup> About 110 of these families also are eligible under the rent supplement program.

<sup>c/</sup> All of the elderly couples and individuals also are eligible for rent supplements.

Source: Estimated by Housing Market Analyst.

Table III

Trend of Civilian Work Force Components  
Fayetteville, Arkansas, Housing Market Area  
Annual Averages, 1960-1971

| Components                                    | 1960   | 1961   | 1962   | 1963   | 1964   | 1965   | 1966   | 1967   | 1968   | 1969   | 1970   | Year ending<br>November 30 |        |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------------|--------|
|   |        |        |        |        |        |        |        |        |        |        |        | 1970                       | 1971   |
| Total civilian work force                     | 20,200 | 21,375 | 22,400 | 23,850 | 25,250 | 27,600 | 30,050 | 30,425 | 31,175 | 33,825 | 34,800 | 34,700                     | 35,600 |
| Unemployment                                  | 1,100  | 1,075  | 1,050  | 1,050  | 1,025  | 1,025  | 925    | 1,125  | 1,150  | 1,025  | 1,250  | 1,250                      | 1,450  |
| Percent unemployed                            | 5.4    | 5.0    | 4.7    | 4.4    | 4.1    | 3.7    | 3.1    | 3.7    | 3.7    | 3.0    | 3.6    | 3.6                        | 4.1    |
| Total employment                              | 19,100 | 20,300 | 21,350 | 22,775 | 24,225 | 26,575 | 29,125 | 29,300 | 30,025 | 32,800 | 33,500 | 33,400                     | 34,150 |
| Nonagricultural wage & salary                 | 13,400 | 14,300 | 15,350 | 16,600 | 17,850 | 19,975 | 22,425 | 22,800 | 23,550 | 26,050 | 26,775 | 26,700                     | 27,300 |
| Manufacturing                                 | 3,825  | 4,075  | 4,450  | 4,600  | 5,075  | 6,225  | 7,475  | 6,875  | 6,675  | 7,325  | 7,300  | 7,300                      | 7,400  |
| Durable goods                                 | 775    | 850    | 1,075  | 1,125  | 1,200  | 1,575  | 2,075  | 1,775  | 1,800  | 2,150  | 2,000  | 2,025                      | 1,950  |
| Lumber & wood products                        | 300    | 275    | 275    | 300    | 300    | 300    | 300    | 275    | 275    | 250    | 250    | 250                        | 250    |
| Other durable goods                           | 475    | 575    | 800    | 825    | 900    | 1,275  | 1,775  | 1,500  | 1,525  | 1,900  | 1,750  | 1,775                      | 1,700  |
| Nondurable goods                              | 3,050  | 3,225  | 3,375  | 3,475  | 3,875  | 4,650  | 5,400  | 5,100  | 4,875  | 5,175  | 5,300  | 5,275                      | 5,450  |
| Food & kindred products                       | 2,325  | 2,500  | 2,600  | 2,750  | 2,950  | 3,700  | 4,375  | 4,100  | 3,800  | 4,000  | 4,075  | 4,050                      | 4,250  |
| Other nondurable goods                        | 725    | 725    | 775    | 725    | 925    | 950    | 1,025  | 1,000  | 1,075  | 1,175  | 1,225  | 1,225                      | 1,200  |
| Nonmanufacturing                              | 9,575  | 10,225 | 10,900 | 12,000 | 12,775 | 13,750 | 14,950 | 15,925 | 16,875 | 18,725 | 19,475 | 19,400                     | 19,900 |
| Contract construction                         | 700    | 775    | 825    | 1,025  | 1,050  | 1,000  | 1,100  | 1,125  | 1,275  | 1,375  | 1,300  | 1,275                      | 1,375  |
| Transp. & pub. util.                          | 1,150  | 1,200  | 1,225  | 1,375  | 1,475  | 1,575  | 1,800  | 1,875  | 1,975  | 2,200  | 2,250  | 2,250                      | 2,425  |
| Trade   | 2,875  | 3,150  | 3,400  | 3,650  | 3,975  | 4,350  | 4,550  | 4,850  | 4,500  | 4,925  | 5,200  | 5,175                      | 5,400  |
| Wholesale                                     | 575    | 750    | 900    | 925    | 1,000  | 1,200  | 1,150  | 1,200  | 750    | 900    | 1,050  | 1,025                      | 1,050  |
| Retail  | 2,300  | 2,400  | 2,500  | 2,725  | 2,975  | 3,150  | 3,400  | 3,650  | 3,750  | 4,025  | 4,150  | 4,150                      | 4,350  |
| Fin., ins., & real estate                     | 375    | 400    | 425    | 450    | 475    | 500    | 500    | 525    | 550    | 575    | 575    | 575                        | 575    |
| Services                                      | 1,425  | 1,550  | 1,700  | 1,850  | 1,900  | 2,025  | 2,250  | 2,400  | 2,475  | 2,650  | 2,825  | 2,800                      | 2,950  |
| Government                                    | 2,875  | 3,000  | 3,225  | 3,500  | 3,650  | 4,050  | 4,525  | 4,925  | 5,600  | 6,500  | 6,775  | 6,800                      | 6,625  |
| Other nonmanufacturing                        | 175    | 150    | 100    | 150    | 250    | 250    | 225    | 225    | 500    | 500    | 550    | 525                        | 550    |
| All other nonagricultural empl. <sup>a/</sup> | 2,800  | 3,075  | 3,150  | 3,275  | 3,500  | 3,700  | 3,875  | 3,750  | 3,675  | 3,975  | 4,025  | 4,000                      | 4,150  |
| Agricultural employment                       | 2,900  | 2,925  | 2,850  | 2,900  | 2,875  | 2,900  | 2,825  | 2,750  | 2,800  | 2,775  | 2,700  | 2,700                      | 2,700  |
| Workers involved in labor-mgt. disputes       | -      | -      | -      | 25     | -      | -      | -      | -      | -      | -      | 50     | 50                         | -      |

<sup>a/</sup> Includes self-employed, domestic, and unpaid family workers.

Source: Arkansas Employment Security Division.

Table IV

Estimated Percentage Distribution of All Nonfarm Families and Renter Households  
By Annual Income, After Deduction of Federal Income Tax  
Fayetteville, Arkansas, Housing Market Area  
1959 and 1971

| <u>Income</u>   | <u>1959</u>         |                                       | <u>1971</u>         |                                       |
|-----------------|---------------------|---------------------------------------|---------------------|---------------------------------------|
|                 | <u>All families</u> | <u>Renter households<sup>a/</sup></u> | <u>All families</u> | <u>Renter households<sup>a/</sup></u> |
| Under \$4,000   | 56                  | 66                                    | 20                  | 27                                    |
| 4,000 - \$4,999 | 14                  | 14                                    | 8                   | 9                                     |
| 5,000 - 5,999   | 10                  | 9                                     | 8                   | 9                                     |
| 6,000 - 6,999   | 8                   | 4                                     | 8                   | 9                                     |
| 7,000 - 7,999   | 4                   | 2                                     | 8                   | 7                                     |
| 8,000 - 8,999   | 2                   | 1                                     | 6                   | 7                                     |
| 9,000 - 9,999   | 1                   | 1                                     | 7                   | 7                                     |
| 10,000 - 12,499 | 2                   | 2                                     | 14                  | 9                                     |
| 12,500 - 14,999 | 2                   | 1                                     | 7                   | 7                                     |
| 15,000 - 19,999 | 1                   | -                                     | 8                   | 5                                     |
| 20,000 - 24,999 | -                   | -                                     | 3                   | 3                                     |
| 25,000 and over | -                   | -                                     | 3                   | 1                                     |
| Total           | 100                 | 100                                   | 100                 | 100                                   |
| Median          | \$3,600             | \$3,100                               | \$7,700             | \$6,600                               |

<sup>a/</sup> Excludes one-person renter households.

Sources: Calculated from census data for 1959; 1971 estimated by Housing Market Analyst.



Table V

Nonfarm Population and Household Trends  
Fayetteville, Arkansas, Housing Market Area  
April 1960 - December 1973

| Population                         | April 1<br>1960 | April 1<br>1970 | December 1<br>1971 | December 1<br>1973 | Average annual change |                    |              |                    |              |                    |
|------------------------------------|-----------------|-----------------|--------------------|--------------------|-----------------------|--------------------|--------------|--------------------|--------------|--------------------|
|                                    |                 |                 |                    |                    | 1960-1970             |                    | 1970-1971    |                    | 1971-1973    |                    |
|                                    |                 |                 |                    |                    | Number                | Rate <sup>a/</sup> | Number       | Rate <sup>a/</sup> | Number       | Rate <sup>a/</sup> |
| Nonfarm HMA total                  | <u>46,528</u>   | <u>68,470</u>   | <u>74,150</u>      | <u>78,350</u>      | <u>2,200</u>          | 3.9                | <u>3,400</u> | 5.0                | <u>2,100</u> | 2.8                |
| Fayetteville                       | 20,274          | 30,729          | 33,600             | 35,700             | 1,050                 | 4.2                | 1,720        | 5.6                | 1,050        | 3.0                |
| Springdale                         | 10,076          | 16,783          | 18,600             | 20,000             | 670                   | 5.1                | 1,090        | 6.5                | 700          | 3.6                |
| Remainder                          | 16,178          | 20,958          | 21,950             | 22,650             | 480                   | 2.6                | 590          | 2.8                | 350          | 1.6                |
| University-connected <sup>b/</sup> | 7,300           | 15,050          | 18,150             | 19,300             | <u>775</u>            | 7.2                | <u>1,850</u> | 12.3               | <u>575</u>   | 3.1                |
| Non-university-connected           | <u>39,228</u>   | <u>53,420</u>   | <u>56,000</u>      | <u>59,050</u>      | <u>1,425</u>          | 3.1                | <u>1,550</u> | 2.9                | <u>1,525</u> | 2.6                |
| <u>Households<sup>c/</sup></u>     |                 |                 |                    |                    |                       |                    |              |                    |              |                    |
| Nonfarm HMA total                  | <u>14,438</u>   | <u>22,091</u>   | <u>24,000</u>      | <u>25,600</u>      | <u>770</u>            | 4.3                | <u>1,150</u> | 5.2                | <u>800</u>   | 3.2                |
| Fayetteville                       | 6,237           | 9,793           | 10,600             | 11,400             | 360                   | 4.5                | 480          | 4.9                | 400          | 3.6                |
| Springdale                         | 3,168           | 5,460           | 6,150              | 6,650              | 230                   | 5.4                | 410          | 7.6                | 250          | 3.9                |
| Remainder                          | 5,033           | 6,838           | 7,250              | 7,550              | 180                   | 3.1                | 250          | 3.6                | 150          | 2.0                |
| University-connected               | 2,025           | 3,650           | 4,350              | 4,550              | <u>170</u>            | 5.9                | <u>420</u>   | 11.5               | <u>100</u>   | 2.2                |
| Non-university-connected           | <u>12,413</u>   | <u>18,441</u>   | <u>19,650</u>      | <u>21,050</u>      | <u>600</u>            | 4.0                | <u>725</u>   | 3.9                | <u>700</u>   | 3.4                |

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

<sup>b/</sup> "University-connected" includes full time students and their households plus university non-student employees and their households.

<sup>c/</sup> Nonfarm households do not agree with the number of occupied units shown in table VIII because the latter includes farm households.

Sources: 1960 and 1970 Censuses of Population and Housing Registrar and Housing Office at University of Arkansas; estimates by Housing Market Analyst.

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

Table VI

Nonsubsidized Residential Building Activity  
Fayetteville, Arkansas, Housing Market Area  
1960 - 1971

| <u>Year</u>  | <u>HMA totals<sup>a/</sup></u> |                      |                     | <u>Fayetteville</u> |                      |                     | <u>Springdale</u> |                      |                     | <u>HMA Remainder</u> |                      |                     |
|--------------|--------------------------------|----------------------|---------------------|---------------------|----------------------|---------------------|-------------------|----------------------|---------------------|----------------------|----------------------|---------------------|
|              | <u>Total</u>                   | <u>Single family</u> | <u>Multi-family</u> | <u>Total</u>        | <u>Single Family</u> | <u>Multi-family</u> | <u>Total</u>      | <u>Single family</u> | <u>Multi-family</u> | <u>Total</u>         | <u>Single family</u> | <u>Multi-family</u> |
| 1960         | 500                            | 449                  | 51                  | 162                 | 111                  | 51                  | 152               | 152                  | -                   | 186                  | 186                  | -                   |
| 1961         | 580                            | 556                  | 24                  | 127                 | 107                  | 20                  | 241               | 237                  | 4                   | 212                  | 212                  | -                   |
| 1962         | 720                            | 684                  | 36                  | 194                 | 158                  | 36                  | 281               | 281                  | -                   | 245                  | 245                  | -                   |
| 1963         | 740                            | 662                  | 78                  | 259                 | 205                  | 54                  | 243               | 219                  | 24                  | 238                  | 238                  | -                   |
| 1964         | 790                            | 545                  | 245                 | 399                 | 176                  | 223                 | 184               | 162                  | 22                  | 207                  | 207                  | -                   |
| 1965         | 770                            | 680                  | 90                  | 306                 | 248                  | 58                  | 222               | 190                  | 32                  | 242                  | 242                  | -                   |
| 1966         | 750                            | 519                  | 231                 | 276                 | 127                  | 149                 | 273               | 191                  | 82                  | 201                  | 201                  | -                   |
| 1967         | 750                            | 540                  | 210                 | 344                 | 142                  | 202                 | 197               | 189                  | 8                   | 209                  | 209                  | -                   |
| 1968         | 650                            | 523                  | 127                 | 243                 | 148                  | 95                  | 199               | 170                  | 29                  | 208                  | 205                  | 3                   |
| 1969         | 540                            | 485                  | 55                  | 166                 | 125                  | 41                  | 175               | 163                  | 12                  | 199                  | 197                  | 2                   |
| 1970         | 720                            | 545                  | 175                 | 267                 | 101                  | 166                 | 200               | 194                  | 6                   | 253                  | 250                  | 3                   |
| 1971(11 mos) | 860                            | 545                  | 315                 | 375                 | 125                  | 250                 | 265               | 204                  | 61                  | 220                  | 216                  | 4                   |
| Totals       | 8370                           | 6733                 | 1637                | 3118                | 1773                 | 1345                | 2632              | 2352                 | 280                 | 2620                 | 2608                 | 12                  |

<sup>a/</sup> HMA totals are estimated on the basis of local source estimates that 60 to 70 percent of single-family building activity in Washington County occurs in Fayetteville and Springdale and virtually all of the construction of multifamily units occurs in Fayetteville and Springdale.

Sources: U. S. Bureau of Census C-40 Construction Reports and local building inspectors.

Table VII

Subsidized Residential Building Activity  
Fayetteville, Arkansas, Housing Market  
1960 - 1971

| <u>Year</u> | <u>HMA<sup>a/</sup></u><br><u>Total</u> | <u>Section</u><br><u>235</u> | <u>Section</u><br><u>236</u> | <u>Section 221(d)(3)</u><br><u>EMIR</u> | <u>Section 221(d)(3) MIR</u><br><u>rent supplement</u> | <u>Low rent</u><br><u>public housing</u> | <u>University of Arkansas<sup>a/</sup></u><br><u>Dorm spaces</u> | <u>Apts.</u> |
|-------------|---|------------------------------|------------------------------|---|--|--|--|--------------|
| 1960        | -                                       | -                            | -                            | -                                       | -  | -  | -  | 100          |
| 1961        | -                                       | -                            | -                            | -                                       | -  | -  | -  | -            |
| 1962        | -                                       | -                            | -                            | -                                       | -  | -  | 200  | -            |
| 1963        | -                                       | -                            | -                            | -                                       | -  | -  | 533  | -            |
| 1964        | -                                       | -                            | -                            | -                                       | -  | -  | 452  | 100          |
| 1965        | -                                       | -                            | -                            | -                                       | -  | -  | -  | -            |
| 1966        | -                                       | -                            | -                            | -                                       | -  | -  | 452  | -            |
| 1967        | -                                       | -                            | -                            | -                                       | -  | -  | 822  | -            |
| 1968        | 128                                     | -                            | -                            | 128                                     | -  | -  | -  | -            |
| 1969        | 190                                     | 20                           | -                            | -                                       | -  | 170                                      | -  | -            |
| 1970        | 246                                     | 46                           | -                            | -                                       | -  | 200                                      | -  | -            |
| 1971        | 170                                     | 90                           | -                            | -                                       | 80   | -  | -  | -            |
| (11 mos)    |   |                              |                              |   |  |  |  |              |
| Totals      | 734                                     | 156                          | -                            | 128                                     | 80   | 370                                      | 2459   | 200          |

<sup>a/</sup> The University of Arkansas' residential building activity is not included in other totals.

Sources: U. S. Bureau of Census, Construction Reports, C-40, and local building inspectors.

Table VIII

Tenure and Occupancy in the Housing Inventory  
Fayetteville, Arkansas, Housing Market Area  
April 1960 to December 1971

| <u>Tenure and Occupancy</u> | <u>April<br/>1960</u> | <u>April<br/>1970</u> | <u>December<br/>1971</u> |
|-----------------------------|-----------------------|-----------------------|--------------------------|
| Total housing supply        | <u>19,101</u>         | <u>26,555</u>         | <u>28,400</u>            |
| Occupied housing units      | <u>17,204</u>         | <u>24,791</u>         | <u>26,700</u>            |
| Owner-occupied              | 11,379                | 16,078                | 17,300                   |
| Percent of all occupied     | 66.1%                 | 64.9%                 | 64.8%                    |
| Renter-occupied             | 5825                  | 8713                  | 9400                     |
| Percent of all occupied     | 33.9%                 | 35.1%                 | 35.2%                    |
| Vacant housing units        | <u>1897</u>           | <u>1764</u>           | <u>1700</u>              |
| Available vacant            | <u>795</u>            | <u>849</u>            | <u>750</u>               |
| For sale                    | 286                   | 299                   | 300                      |
| Homeowner vacancy rate      | 2.5%                  | 1.8%                  | 1.7%                     |
| For rent                    | 509                   | 550                   | 450                      |
| Renter vacancy              | 8.0%                  | 5.9%                  | 4.6%                     |
| Other vacant <sup>a/</sup>  | 1102                  | 915                   | 950                      |

<sup>a/</sup> Includes dilapidated units, seasonal units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners or other reasons.

Sources: 1960 and 1970 Censuses of Housing.  
1971 estimated by Housing Market Analyst

728.1  
1971  
F22  
Fayetteville  
Ark  
1971

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U.S. Federal Housing Administration.  
Analysis of the...housing market.

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