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1969

Analysis of the

**GARY-HAMMOND-EAST CHICAGO
INDIANA
HOUSING MARKET**

as of September 1, 1969

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

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

January 1970

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FHA Housing Market Analysis
Gary-Hammond-East Chicago, Indiana, as of September 1, 1969

Foreword

This analysis has been prepared for the assistance and guidance of the Federal Housing Administration 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 Field Market Analysis Service 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
Field Market Analysis Service
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - GARY-HAMMOND-EAST CHICAGO, INDIANA
AS OF SEPTEMBER 1, 1969^{1/}

The Gary-Hammond-East Chicago, Indiana, Housing Market Area (HMA) consists of Lake and Porter Counties and is located in the northwestern corner of Indiana, about 30 miles from the Chicago Loop.

The production of durable goods, especially steel, is basic to the economy of the Gary area and is responsible for most of the employment fluctuations evident during the 1960's. Most significant, however, has been the opening of two new steel mills in Porter County in 1963-1965; planned expansion of these mills to fully-integrated facilities is expected to stimulate employment and population growth in the near future. Despite fluctuations in the local economy, divergent trends in the rates of in-migration, resident births, and the employment participation rate have resulted in relatively stable population and household growth levels in recent years. This stability also was manifest in the local housing market, which is currently characterized by low vacancy rates and good absorption of new units.

Anticipated Housing Demand

Demand for nonsubsidized housing in the Gary area during the September 1969-September 1971 forecast period is estimated at about 4,200 nonassisted new privately-financed housing units a year during the period from September 1, 1969 to September 1, 1971, including 2,600 single-family units and 1,600 multifamily units. Distribution of demand for single-family houses by price class is shown in table I and the distribution of multifamily units by gross monthly rents is shown in table II.

^{1/} Data in this analysis are supplementary to a previous FHA analysis of the area dated June 1, 1966.

Of the total annual demand, about 1,700 single-family units and 1,200 multifamily units may be absorbed in Lake County; demand for nonassisted housing in Porter County will total 900 single-family units and 400 multifamily units. The demand levels forecast for the two-county area are higher than recent construction volume in the HMA and reflect the expectation that sustained levels of economic expansion will result in population and household growth rates above those of the 1966-1969 period. Household growth in the area during the 1969-1971 period is expected to reach that of the 1963-1965 period, but demand for housing will be higher because, unlike the earlier period, very little vacant housing is currently available to satisfy a portion of the demand. It would be appropriate, however, to maintain a careful check on the absorption of additions to the housing supply so that appropriate adjustments could be made in the event of slowed rates of absorption.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through four different programs administered by FHA--monthly rent-supplement payments, principally in rental projects financed with market-interest-rate mortgages insured under Section 221(d)(3); partial payments for interest for home mortgages insured primarily under Section 235; partial payment for interest for project mortgages insured under Section 236; and below-market-interest-rate financing for project mortgages insured under Section 221(d)(3).

Household eligibility for federal subsidy programs is determined for the most part by evidence that household or family income is below established limits. Some families may be alternatively eligible for assistance under one or more of these programs or under other assistance programs using Federal or State support. Since the potential for each program is estimated separately, there is no attempt to eliminate the overlaps among program estimates. Accordingly, the occupancy potentials discussed for various programs are not additive. Furthermore, future approvals under each program should take into account any intervening approvals under other programs which serve the same requirements. The potentials^{1/} discussed in the following paragraphs reflect estimates adjusted for housing provided under alternative FHA or other programs.

^{1/} The occupancy potentials referred to in this analysis have been calculated to reflect the capacity of the market in view of existing vacancy strength or weakness. The successful attainment of the calculated potential for subsidized housing may well depend upon construction in suitable accessible locations, as well as upon the distribution of rents and sales prices over the complete range attainable for housing under specified programs.

The annual occupancy potentials for subsidized housing in FHA programs discussed below are based upon 1969 incomes, on the occupancy of substandard housing, on estimates of the elderly population, on September 1, 1969 income limits, and on available market experience^{1/}.

Section 221(d)(3)BMIR. If federal funds are available^{2/}, a total of about 800 units of Section 221(d)(3)BMIR housing probably could be absorbed annually during the next two years in the Gary HMA. About three-quarters of the first year potential will be met by the 600 units of BMIR housing which were under construction in the area on September 1, 1969.

Rent-Supplement. The potential for rent-supplement units in the Gary-Hammond-East Chicago area is estimated at 1,350 units annually during the September 1969-September 1971 period, including 1,050 units in Lake County and 300 units in Porter County. Included in the total potential for Lake County are 700 units for families and 350 units annually for elderly individuals and couples; all of the potential for Porter County is expected to be for family units. Occupancy potentials for families and elderly households are distributed by unit size in table III, part B.

Most of the families and individuals included under rent-supplement are eligible for public housing; as of September 1, 1969, there were 75 single-family and 200 multifamily public housing units under construction in the city of Gary under the turnkey program.

Section 235, Sales Housing. Sales housing for low- and moderate-income families can be provided under the provisions of Section 235. Utilizing exception income limits, there is an occupancy potential for 500 units in Lake County and 300 houses a year in Porter County (see table III, part A); these potentials will be reduced by about 30 percent with regular income limits. All of the families in the potential for Section 235 housing are also part of the potential estimated below for the Section 236 program but are not additive thereto; also, about 75 percent have incomes within the Section 221(d)(3)BMIR range.

^{1/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing. However, little or no housing has been provided under some of the subsidized programs and absorption rates remain to be tested.

^{2/} At the present time, funds for allocations are available only from recaptures resulting from reductions, withdrawals, and cancellations of allocations.

Section 236, Rental Housing. Under Section 236, the annual occupancy potential under exception income limits is estimated at 800 units for families and 150 for elderly households (see table III); with regular income limits, the potential will be reduced by approximately 25 percent. Included in the potential for family units are 500 annually in Lake County and 300 a year in Porter County. Families eligible under this program also are eligible under the Section 235 program, and about 75 percent are eligible under Section 221(d)(3)BMIR. About 15 percent of all households and 60 percent of the elderly eligible under this program also are eligible for public low-rent housing or rent-supplements.

Sales Market

The market for new and existing sales units in the Gary-Hammond-East Chicago metropolitan area in September 1969 was relatively unchanged from the sound condition evident in 1966. Throughout the 1966-1969 period, homeowner vacancy rates remained at about one percent in both Lake and Porter Counties, speculative construction continued to account for less than ten percent of total single-family building volume, and existing units offered for resale usually were absorbed quickly.

New sales housing in Lake County in recent years has been concentrated in the \$20,000-\$25,000 price range, primarily in moderate-sized subdivisions (20-50 homes) in the Griffith, Highland, Crown Point, and Schererville areas. The utilization of scattered lots for construction of new sales housing is common throughout Lake County, with prices ranging from \$15,000-\$22,500 in the central cities of Gary, Hammond, and East Chicago to homes priced above \$30,000 in the suburban areas of Merrillville, Hobart, Griffith, and Highland.

In Porter County, new sales units have been offered in almost all price ranges. More than 150 units per year in the \$12,500-\$17,500 price range have been marketed recently in Porter County, especially along McCool Road in Portage Township. Rising land and construction costs, however, are expected to make it unlikely that additional new sales housing can be built in the area for under \$15,000. About one-half of all new homes built recently in the county have been on scattered sites, primarily around Valparaiso and in the Chesterton area; these are usually priced in the \$20,000-\$30,000 range. More expensive sales housing has been built on small subdivisions along the lake in Portage.

Rental Market

The tight condition evident in the rental market in the HMA in June 1966 has not changed appreciably since that time. Renter vacancy rates declined slightly during the 1966-1969 period in all major geographical submarkets in the area and were exceptionally low in the central cities of Gary, Hammond, and East Chicago. Renter vacancy rates

in September 1969 ranged from 4.5 percent in Porter County to 0.2 percent in East Chicago; in general, renter vacancy rates were highest in the suburban areas of the HMA. Despite a continuously growing number of new multifamily units marketed each year, absorption of recently-completed apartments has been excellent.

The rental market in Lake County is characterized by very low vacancy rates in existing projects and good absorption of new units. Most of the recently-completed rental projects in Lake County are garden-type developments in Hammond, Griffith, and outlying areas of Ross Township. Typical monthly gross rents in these projects range from \$135 to \$155 for one-bedroom units and from \$150 to \$180 for two-bedroom apartments. Multifamily projects built in the mid-1960's are concentrated in Hammond and Griffith and have rents for one-bedroom units in the \$115-\$125 range; these projects reported excellent occupancy throughout the 1966-1969 period.

Renter vacancy rates in Porter County declined during the 1966-1969 period, despite a record number of multifamily units marketed in 1967 and 1968. New multifamily units in the area are almost exclusively in garden apartments in Valparaiso or Chesterton. Monthly gross rents in the newer developments typically range from \$120 to \$135 for one-bedroom units and \$145 to \$155 for a two-bedroom apartment. All available indicators suggest a tight market in the county.

Economic, Demographic, and Housing Factors

Economic Factors. The economy of the Gary-Hammond-East Chicago HMA is dominated by durable goods-oriented industries and, as a result, is subject to extreme fluctuations in the level of economic activity. Employment trends in the area during the 1960's reflected the pattern of national business cycles, with declines between 1960 and 1962, rapid growth during the expansionary 1963-1966 period, and relative stability in 1967 and 1968. Table IV presents a detailed distribution of employment trends in the area between 1960 and 1969.

Durable goods employment is the most volatile segment of the economy and accounts for about 40 percent of total nonagricultural wage and salary employment in the area. Fluctuations in durable goods employment primarily result from changes at the five major steel mills in the area: U.S. Steel, Inland Steel, Youngstown Sheet and Tube, Midwest Steel, and Bethlehem Steel. The impact of the steel industry on the Gary economy increased with the opening of Midwest and Bethlehem Steel in the Burns Harbor-Chesterton area of Porter County in the mid-1960's.

Employment in nonmanufacturing industries increased steadily between 1961 and 1968, but at growth rates apparently dependent on changes in durable goods employment. Small increases were recorded during 1961 and 1962, but the construction of new steel plants in Porter County and a generally improving economic situation in the area caused nonmanufacturing employment gains to reach an average of 5,650 new jobs annually during the 1963-1967 period. Between 1967 and 1968, however, declines in durable-goods employment were paralleled by nonmanufacturing employment growth of only 2,100 jobs. Within the nonmanufacturing category, employment in trade, service, and government grew steadily during the 1963-1969 period, but contract construction employment varied with construction staging at the new Bethlehem Steel facility at Burns Harbor.

Employment increases in the HMA during the 1969-1971 forecast period are expected to be substantial, primarily as a result of growth in the primary and fabricated metal industries. Employment in area steel mills will reach record levels during 1970 when the Burns Harbor facility of Bethlehem Steel is totally operational as a fully-integrated mill and other steel producers have completed expansion of existing facilities. The primary source of new employees at area mills will be migration of workers from areas outside the Gary-Hammond-East Chicago HMA. Commutation of workers from the Chicago metropolitan area is not expected to increase substantially because: (1) new employment sources in Porter County are more than 45 miles from the Chicago Loop, and (2) unemployment in the Chicago area is very low.

Employment gains in the fabricated metals industries are expected to result from the opening of a container producer in Gary and increased production of automobile bodies at area firms. Continued automation in the petroleum refining industry probably will result in steady employment declines in this sector, thereby partially offsetting the anticipated gains in primary and fabricated metals industries and resulting in a net employment increase of about 2,500-3,500 new jobs annually in manufacturing industries.

Nonmanufacturing employment can be expected to increase at a rate commensurate with gains forecast for the manufacturing sector, particularly in trade, services, and government. Employment in contract construction is near capacity levels in the Gary area and probably will not grow significantly during the forecast period. Based on the above considerations, it is anticipated that nonagricultural wage and salary employment in the Gary-Hammond-East Chicago metropolitan area will increase at about 5,000-6,000 jobs annually over the 1969-1971 forecast period. Principal manpower sources for these employment gains will be in-migration of workers from outside the HMA and an increased utilization of area residents (a rising employment participation rate.)

The current median income, after deduction of federal income tax, of all families in the HMA is \$8,175, and the median after-tax income of two- or more-person renter households is \$6,650. Comparable median annual family incomes in June 1966 were \$7,125 and \$5,675, respectively. Detailed distributions of all families and renter households by income classes are presented in table V.

Demographic Factors. Despite a volatile economic base, the Gary metropolitan area experienced relatively steady population growth during the 1960-1969 period. As of September 1, 1969, the population of the HMA totaled 668,300 persons, including 190,300 in Gary, 118,900 in Hammond, and 55,400 in East Chicago. The 1966-1969 average population growth of 9,875 persons annually is below the 1960-1966 average of 10,150, principally because of a declining birth rate during the more recent period; as a result of migration to the suburbs, however, the area outside the three principal cities grew at a faster rate during the 1966-1969 period.

Increasing in-migration in response to job opportunities and recruitment by local manufacturers is expected to be the primary source of population growth in the Gary-Hammond-East Chicago area during the 1969-1971 forecast period. Based on economic conditions foreseen for the area during 1970 and 1971, it is anticipated that population will grow by about 11,350 persons annually over the forecast period, reaching 691,000 by September 1, 1971.

There were 187,600 households in the two-county Gary metropolitan area on September 1, 1969, representing an average increase of about 2,925 households yearly between June 1966 and September 1969. Based on a continuing decline in the average household size and on future population growth anticipated for the area, it is probable that there will be 194,300 households in the Gary area by September 1971, indicating a gain of 3,350 new households annually during the forecast period. Demographic trends in the Gary-Hammond-East Chicago area are presented in detail in table VI.

Housing Factors. There were 195,700 units in the housing inventory of the Gary-Hammond-East Chicago HMA on September 1, 1969, including 54,500 units in Gary, 36,300 in Hammond, and 16,900 in East Chicago. The net addition of 9,300 housing units in the area between June 1966 and September 1969 was the result of the completion of 11,700 new units and the loss of 2,400 units through demolition and other causes. The majority of the demolitions during the 1966-1969 period occurred in the urban renewal areas of Midtown West Number One (R-62) in Gary, Turner Area Number One (R-37) in Hammond, and Indiana Harbor (R-1) in East Chicago.

As with population and household trends, the housing inventory of the suburban portion of the HMA grew rapidly during the 1966-1969 period, while net increases in the number of units in the central cities were minor. Housing inventory and vacancy trends in the major submarkets of the Gary HMA are presented in detail in tables VII and VIII.

The total number of privately-financed new housing units authorized for construction in the Gary metropolitan area each year remained relatively unchanged during the 1960's, averaging about 3,400 units annually. New construction by type of structure, however, has varied somewhat over the decade. Single-family authorizations declined steadily from the high of over 3,000 units in 1961 to an average of fewer than 2,350 between 1966 and 1968, whereas the number of privately-financed multifamily units authorized for construction increased steadily during the 1960-1968 period, reaching a record high of 1,342 units in 1968. Moreover, multifamily authorizations in the first seven months of 1969 were almost 75 percent above the level during a comparable period in 1968.

On September 1, 1969 there were about 2,550 housing units under construction in the Gary metropolitan area, consisting of 850 single-family units and 1,700 units in multifamily structures. Included in the total were 75 single-family and 200 multifamily public housing units started in the city of Gary under the turnkey housing program. Trends in the volume of residential building activity in the major submarkets of the HMA between 1960 and 1969 are shown in table IX.

Vacant, nondilapidated, nonseasonal housing units available for sale or rent in the Gary-Hammond-East Chicago HMA were in short supply on September 1, 1969. Based on available data, there were 1,250 vacant sales units and 1,750 vacant rental units available at that time, indicating vacancy rates of 1.0 percent and 2.8 percent, respectively. As seen in table VIII, vacancy rates in all of the major geographic segments of the metropolitan area stayed at relatively low levels throughout the 1966-1969 period and indicated especially tight markets in the three central cities.

Table I

Estimated Annual Demand
For Nonsubsidized Single-Family Sales Housing
Gary-Hammond-East Chicago, Indiana, Housing Market Area
September 1, 1969 to September 1, 1971

| <u>Sales price</u> | <u>Lake County</u> | <u>Porter County</u> | <u>Total HMA</u> | |
|--------------------|------------------------|--------------------------|----------------------------|-----------------------------|
| | | | <u>Number of units</u> | <u>Percent of total</u> |
| Under \$17,500 | 25 | 200 | 225 | 8.7 |
| \$17,500 - 19,999 | 250 | 250 | 500 | 19.2 |
| 20,000 - 22,499 | 375 | 150 | 525 | 20.2 |
| 22,500 - 24,999 | 500 | 125 | 625 | 24.0 |
| 25,000 - 29,999 | 400 | 75 | 475 | 18.3 |
| 30,000 - 34,999 | 100 | 75 | 175 | 6.7 |
| 35,000 and over | <u>50</u> | <u>25</u> | <u>75</u> | <u>2.9</u> |
| Total | 1,700 | 900 | 2,600 | 100.0 |

Table II

Estimated Annual Demand
For Nonsubsidized Multifamily Rental Housing
Gary-Hammond-East Chicago, Indiana, Housing Market Area
September 1, 1969 to September 1, 1971

Lake County

| <u>Gross monthly rent^{a/}</u> | <u>Efficiency</u> | <u>One bedroom</u> | <u>Two bedrooms</u> | <u>Three or more bedrooms</u> |
|--|-------------------|------------------------|-------------------------|-----------------------------------|
| Under \$140 | 20 | - | - | - |
| \$140 - 159 | 25 | 275 | . | - |
| 160 - 179 | 15 | 110 | . | - |
| 180 - 199 | - | 40 | 255 | - |
| 200 - 219 | - | 35 | 150 | 30 |
| 220 - 239 | - | - | 75 | 25 |
| 240 - 259 | - | - | 50 | 20 |
| 260 - 279 | - | - | 15 | 10 |
| 280 and over | - | - | 15 | 35 |
| Total | 60 | 460 | 560 | 120 |

Porter County

| <u>Gross monthly rent^{a/}</u> | <u>Efficiency</u> | <u>One bedroom</u> | <u>Two bedrooms</u> | <u>Three or more bedrooms</u> |
|--|-------------------|------------------------|-------------------------|-----------------------------------|
| Under \$140 | 10 | - | - | - |
| \$140 - 159 | 5 | 75 | - | - |
| 160 - 179 | - | 40 | - | - |
| 180 - 199 | - | 20 | 70 | - |
| 200 - 219 | - | 5 | 40 | 15 |
| 220 - 239 | - | - | 35 | 15 |
| 240 - 259 | - | - | 25 | 10 |
| 260 - 279 | - | - | 10 | 10 |
| 280 and over | - | - | 10 | 5 |
| Total | 15 | 140 | 190 | 55 |

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

Table III

Estimated Annual Occupancy Potential for Subsidized Housing
Gary-Hammond-East Chicago, Indiana, Housing Market Area
September 1969-September 1971

A. Subsidized Sales Housing, Section 235

| <u>Family Size</u> | <u>Number of units^{a/}</u> | |
|----------------------|-------------------------------------|----------------------|
| | <u>Lake County</u> | <u>Porter County</u> |
| Four persons or less | 300 | 180 |
| Five persons or more | <u>200</u> | <u>120</u> |
| Total | 500 | 300 |

B. Privately-Financed Subsidized Rental Housing

| <u>Unit size</u> | <u>Lake County</u> | | | |
|-----------------------|------------------------|----------------|--------------------|----------------|
| | <u>Rent-supplement</u> | | <u>Section 236</u> | |
| | <u>Families</u> | <u>Elderly</u> | <u>Families</u> | <u>Elderly</u> |
| Efficiency | - | 250 | - | 80 |
| One bedroom | 125 | 100 | 70 | 70 |
| Two bedrooms | 300 | - | 220 | - |
| Three bedrooms | 175 | - | 150 | - |
| Four bedrooms or more | <u>100</u> | <u>-</u> | <u>60</u> | <u>-</u> |
| Total | 700 | 350 | 500 | 150 |

| <u>Unit size</u> | <u>Porter County</u> | | | |
|-----------------------|------------------------|----------------|--------------------|----------------|
| | <u>Rent-supplement</u> | | <u>Section 236</u> | |
| | <u>Families</u> | <u>Elderly</u> | <u>Families</u> | <u>Elderly</u> |
| Efficiency | - | - | - | - |
| One bedroom | 20 | - | 40 | - |
| Two bedrooms | 140 | - | 130 | - |
| Three bedrooms | 100 | - | 90 | - |
| Four bedrooms or more | <u>40</u> | <u>-</u> | <u>40</u> | <u>-</u> |
| Total | 300 | - | 300 | - |

^{a/} All of the families eligible for Section 235 housing are also eligible for the Section 236 program, and about 75 percent are eligible for Section 221(d)(3) BMIR housing.

Table IV

Labor Force Trends
Gary-Hammond-East Chicago, Indiana, Housing Market Area
1960-1969
(annual averages in thousands)

| <u>Industry Group</u> | <u>1960</u> | <u>1961</u> | <u>1962</u> | <u>1963</u> | <u>1964</u> | <u>1965</u> | <u>1966</u> | <u>1967</u> | <u>1968</u> | <u>First six months</u> | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------------|--------------|
| | | | | | | | | | | <u>1968</u> | <u>1969</u> |
| Total labor force | <u>221.4</u> | <u>215.4</u> | <u>214.0</u> | <u>211.0</u> | <u>219.0</u> | <u>228.3</u> | <u>231.5</u> | <u>234.0</u> | <u>235.7</u> | <u>236.0</u> | <u>235.3</u> |
| Unemployment | 12.2 | 15.3 | 14.1 | 11.0 | 7.4 | 7.4 | 6.3 | 6.9 | 7.9 | 7.3 | 7.0 |
| Percent of labor force | 5.5% | 7.1% | 6.6% | 5.2% | 3.4% | 3.2% | 2.7% | 2.9% | 3.3% | 3.1% | 3.0% |
| Involved in labor mgt. disputes | - | - | - | - | - | - | - | 0.2 | 0.7 | 0.7 | 0.4 |
| Employed | <u>209.1</u> | <u>199.9</u> | <u>199.2</u> | <u>199.7</u> | <u>211.7</u> | <u>220.5</u> | <u>225.0</u> | <u>226.9</u> | <u>227.1</u> | <u>228.0</u> | <u>227.9</u> |
| Nonag. wage and salary | <u>192.0</u> | <u>183.1</u> | <u>182.7</u> | <u>183.3</u> | <u>195.5</u> | <u>204.8</u> | <u>210.5</u> | <u>212.8</u> | <u>213.4</u> | <u>214.3</u> | <u>214.2</u> |
| Manufacturing | <u>105.9</u> | <u>100.2</u> | <u>99.3</u> | <u>98.9</u> | <u>102.9</u> | <u>106.8</u> | <u>108.2</u> | <u>105.8</u> | <u>104.3</u> | <u>106.6</u> | <u>104.1</u> |
| Durable goods | 84.7 | 79.9 | 79.9 | 80.4 | 85.1 | 89.4 | 90.5 | 88.5 | 87.3 | 89.7 | 87.7 |
| Nondurable goods | 21.2 | 20.3 | 19.4 | 18.5 | 17.8 | 17.5 | 17.7 | 17.3 | 17.0 | 16.9 | 16.4 |
| Petroleum refining | 9.7 | 8.6 | 8.0 | 7.3 | 7.0 | 6.5 | 6.3 | 6.1 | 6.1 | 6.1 | 5.6 |
| Primary metals | 62.7 | 59.3 | 60.2 | 61.0 | 65.4 | 69.2 | 69.6 | 68.4 | 68.5 | 70.6 | 69.1 |
| Steel mills | 56.6 | 53.5 | 54.1 | 54.8 | 59.0 | 62.9 | 62.7 | 61.7 | 61.8 | 63.9 | 62.5 |
| Fabricated metals | 9.8 | 8.9 | 8.8 | 8.3 | 8.0 | 7.2 | 7.4 | 6.8 | 7.0 | 7.0 | 7.3 |
| All other manufacturing | 23.7 | 23.4 | 22.3 | 22.3 | 22.5 | 23.9 | 24.9 | 24.5 | 22.7 | 22.9 | 22.1 |
| Nonmanufacturing | <u>86.1</u> | <u>82.9</u> | <u>83.4</u> | <u>84.4</u> | <u>92.6</u> | <u>98.0</u> | <u>102.3</u> | <u>107.0</u> | <u>109.1</u> | <u>107.7</u> | <u>110.1</u> |
| Construction | 12.1 | 8.8 | 7.3 | 7.9 | 12.7 | 13.7 | 13.2 | 14.0 | 13.6 | 13.4 | 13.0 |
| Trans., comm., & utilities | 13.3 | 12.4 | 12.0 | 12.0 | 12.3 | 12.6 | 12.8 | 13.2 | 13.1 | 12.9 | 13.4 |
| Trade | 28.6 | 28.3 | 29.1 | 28.9 | 30.1 | 32.1 | 33.6 | 34.0 | 35.0 | 34.4 | 35.1 |
| Finance, ins., & real estate | 4.8 | 4.9 | 5.0 | 5.0 | 5.2 | 5.3 | 5.5 | 5.6 | 5.7 | 5.6 | 5.8 |
| Services | 13.8 | 14.3 | 14.9 | 15.3 | 16.4 | 17.0 | 17.9 | 19.4 | 20.8 | 20.6 | 21.5 |
| Government | 13.5 | 14.2 | 15.1 | 15.3 | 15.9 | 17.3 | 19.3 | 20.8 | 20.9 | 20.8 | 21.4 |
| All other nonag. employment <u>a/</u> | 14.5 | 14.2 | 14.2 | 14.2 | 14.2 | 13.9 | 13.0 | 12.7 | 12.4 | 12.4 | 12.4 |
| Agricultural employment | 2.6 | 2.6 | 2.3 | 2.2 | 2.0 | 1.8 | 1.5 | 1.4 | 1.3 | 1.3 | 1.3 |

a/ Includes proprietors, self-employed and unpaid family workers and domestic workers in private households.

Note: Subtotals may not add to totals due to rounding.

Source: Indiana Employment Security Division and U.S. Department of Labor.

Table v

Estimated Percentage Distribution of All Families and Renter Households^{a/} By Annual Income
After Deduction of Federal Income Tax
Gary-Hammond-East Chicago, Indiana, HMA, 1969

| <u>Annual Income</u> | <u>HMA total</u> | | <u>Lake County</u> | | <u>Porter County</u> | |
|----------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|----------------------|---------------------------------------|
| | <u>All families</u> | <u>Renter households^{a/}</u> | <u>All families</u> | <u>Renter households^{a/}</u> | <u>All families</u> | <u>Renter households^{a/}</u> |
| Under \$3,000 | 5 | 11 | 5 | 11 | 5 | 10 |
| \$3,000 - 3,999 | 3 | 7 | 3 | 7 | 3 | 8 |
| 4,000 - 4,999 | 7 | 10 | 7 | 10 | 6 | 9 |
| 5,000 - 5,999 | 8 | 13 | 9 | 13 | 9 | 13 |
| 6,000 - 6,999 | 11 | 13 | 11 | 13 | 12 | 13 |
| 7,000 - 7,999 | 13 | 10 | 13 | 11 | 12 | 11 |
| 8,000 - 8,999 | 10 | 9 | 10 | 8 | 9 | 9 |
| 9,000 - 9,999 | 9 | 6 | 9 | 6 | 8 | 6 |
| 10,000 - 12,499 | 14 | 11 | 14 | 11 | 15 | 10 |
| 12,500 - 14,999 | 9 | 4 | 10 | 5 | 8 | 4 |
| 15,000 and over | <u>11</u> | <u>6</u> | <u>9</u> | <u>5</u> | <u>13</u> | <u>7</u> |
| Total | 100 | 100 | 100 | 100 | 100 | 100 |
| Median | \$8,175 | \$6,650 | \$8,175 | \$6,650 | \$8,275 | \$6,750 |

^{a/} Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table VI

Demographic Trends
Gary-Hammond-East Chicago, Indiana, Housing Market Area
1960 - 1971

| | <u>April</u> <u>1960</u> | <u>June</u> <u>1966</u> | <u>September</u> <u>1969</u> | <u>September</u> <u>1971</u> | <u>Average annual</u> <u>change from preceding date</u> | | |
|-------------------|-----------------------------|----------------------------|---------------------------------|---------------------------------|--|------------------|------------------|
| | | | | | <u>1960-1966</u> | <u>1966-1969</u> | <u>1969-1971</u> |
| <u>Population</u> | | | | | | | |
| Total market area | <u>573,548</u> | <u>636,200</u> | <u>668,300</u> | <u>691,000</u> | <u>10,150</u> | <u>9,875</u> | <u>11,350</u> |
| Lake County | <u>513,269</u> | <u>560,000</u> | <u>582,600</u> | <u>596,700</u> | <u>7,575</u> | <u>6,950</u> | <u>7,050</u> |
| Gary | <u>178,320</u> | <u>189,200</u> | <u>190,300</u> | <u>190,700</u> | <u>1,760</u> | <u>335</u> | <u>200</u> |
| Hammond | <u>111,698</u> | <u>117,300</u> | <u>118,900</u> | <u>119,900</u> | <u>910</u> | <u>490</u> | <u>500</u> |
| East Chicago | <u>57,669</u> | <u>55,000</u> | <u>55,400</u> | <u>55,700</u> | <u>-435</u> | <u>125</u> | <u>150</u> |
| Rest of county | <u>165,582</u> | <u>198,500</u> | <u>218,000</u> | <u>230,400</u> | <u>5,340</u> | <u>6,000</u> | <u>6,200</u> |
| Porter County | <u>60,279</u> | <u>76,200</u> | <u>85,700</u> | <u>94,300</u> | <u>2,575</u> | <u>2,925</u> | <u>4,300</u> |
| <u>Households</u> | | | | | | | |
| Total market area | <u>160,395</u> | <u>178,100</u> | <u>187,600</u> | <u>194,300</u> | <u>2,875</u> | <u>2,925</u> | <u>3,350</u> |
| Lake County | <u>143,688</u> | <u>157,000</u> | <u>163,700</u> | <u>168,300</u> | <u>2,150</u> | <u>2,065</u> | <u>2,300</u> |
| Gary | <u>50,275</u> | <u>52,700</u> | <u>53,200</u> | <u>53,500</u> | <u>390</u> | <u>155</u> | <u>150</u> |
| Hammond | <u>32,997</u> | <u>34,900</u> | <u>35,500</u> | <u>35,800</u> | <u>305</u> | <u>185</u> | <u>150</u> |
| East Chicago | <u>16,837</u> | <u>16,650</u> | <u>16,750</u> | <u>16,900</u> | <u>-30</u> | <u>30</u> | <u>75</u> |
| Rest of county | <u>43,579</u> | <u>52,750</u> | <u>58,250</u> | <u>62,100</u> | <u>1,485</u> | <u>1,695</u> | <u>1,925</u> |
| Porter County | <u>16,707</u> | <u>21,100</u> | <u>23,900</u> | <u>26,000</u> | <u>725</u> | <u>860</u> | <u>1,050</u> |

Sources: 1960 Censuses of Population and Housing, and estimates
by Housing Market Analyst.

Table VII

Housing Inventory Trends
Gary-Hammond-East Chicago, Indiana, Housing Market Area
1960-1969

| | Lake County | | | | | | |
|----------------------------------|---------------|----------------|-------------------------|---------------------------|-------------------------|------------------|----------------|
| | | | | | Lake County total | Porter County | HMA total |
| <u>Inventory characteristics</u> | <u>Gary</u> | <u>Hammond</u> | <u>East Chicago</u> | <u>Rest of county</u> | | | |
| <u>April 1, 1960</u> | | | | | | | |
| Total housing inventory | <u>52,289</u> | <u>33,921</u> | <u>17,475</u> | <u>46,498</u> | <u>150,183</u> | <u>18,857</u> | <u>169,040</u> |
| Occupied units | <u>50,275</u> | <u>32,997</u> | <u>16,837</u> | <u>43,579</u> | <u>143,688</u> | <u>16,707</u> | <u>160,395</u> |
| Owner-occupied | <u>28,626</u> | <u>22,001</u> | <u>6,016</u> | <u>35,591</u> | <u>92,234</u> | <u>12,911</u> | <u>105,145</u> |
| Percent of total occ. | 56.9% | 66.7% | 35.7% | 81.7% | 64.2% | 77.3% | 65.6% |
| Renter-occupied | <u>21,649</u> | <u>10,996</u> | <u>10,821</u> | <u>7,988</u> | <u>51,454</u> | <u>3,796</u> | <u>55,250</u> |
| Percent of total occ. | 43.1% | 33.3% | 64.3% | 18.3% | 35.8% | 22.7% | 34.4% |
| Vacant units | <u>2,014</u> | <u>924</u> | <u>638</u> | <u>2,919</u> | <u>6,495</u> | <u>2,150</u> | <u>8,645</u> |
| <u>June 1, 1966</u> | | | | | | | |
| Total housing inventory | <u>54,050</u> | <u>35,750</u> | <u>16,900</u> | <u>56,500</u> | <u>163,200</u> | <u>23,200</u> | <u>186,400</u> |
| Occupied units | <u>52,700</u> | <u>34,900</u> | <u>16,650</u> | <u>52,750</u> | <u>157,000</u> | <u>21,100</u> | <u>178,100</u> |
| Owner-occupied | <u>30,800</u> | <u>22,850</u> | <u>6,075</u> | <u>44,275</u> | <u>104,000</u> | <u>16,900</u> | <u>120,900</u> |
| Percent of total occ. | 58.4% | 65.5% | 36.5% | 83.9% | 66.2% | 80.1% | 67.9% |
| Renter-occupied | <u>21,900</u> | <u>12,050</u> | <u>10,575</u> | <u>8,475</u> | <u>53,000</u> | <u>4,200</u> | <u>57,200</u> |
| Percent of total occ. | 41.6% | 34.5% | 63.5% | 16.1% | 33.8% | 19.9% | 32.1% |
| Vacant units | <u>1,350</u> | <u>850</u> | <u>250</u> | <u>3,750</u> | <u>6,200</u> | <u>2,100</u> | <u>8,300</u> |
| <u>September 1, 1969</u> | | | | | | | |
| Total housing inventory | <u>54,500</u> | <u>36,300</u> | <u>16,900</u> | <u>62,000</u> | <u>169,700</u> | <u>26,000</u> | <u>195,700</u> |
| Occupied units | <u>53,200</u> | <u>35,500</u> | <u>16,750</u> | <u>58,250</u> | <u>163,700</u> | <u>23,900</u> | <u>187,600</u> |
| Owner-occupied | <u>31,100</u> | <u>22,900</u> | <u>6,150</u> | <u>48,450</u> | <u>108,600</u> | <u>19,100</u> | <u>127,700</u> |
| Percent of total occ. | 58.5% | 64.5% | 36.7% | 83.2% | 66.3% | 79.9% | 68.1% |
| Renter-occupied | <u>22,100</u> | <u>12,600</u> | <u>10,600</u> | <u>9,800</u> | <u>55,100</u> | <u>4,800</u> | <u>59,000</u> |
| Percent of total occ. | 41.5% | 35.5% | 63.3% | 16.8% | 33.7% | 20.1% | 31.9% |
| Vacant units | <u>1,300</u> | <u>800</u> | <u>150</u> | <u>3,750</u> | <u>6,000</u> | <u>2,100</u> | <u>8,100</u> |

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

Table VIII

Vacancy Trends
Gary-Hammond-East Chicago, Indiana, Housing Market Area
1960-1969

| | <u>Lake County</u> | | | | | <u>Porter</u> | <u>HMA</u> |
|----------------------------------|--------------------|----------------|---------------------|-----------------------|---------------------|---------------|--------------|
| | <u>Gary</u> | <u>Hammond</u> | <u>East Chicago</u> | <u>Rest of county</u> | <u>County total</u> | <u>County</u> | <u>total</u> |
| <u>April 1, 1960</u> | | | | | | | |
| Total vacant units | <u>2,014</u> | <u>924</u> | <u>638</u> | <u>2,919</u> | <u>6,495</u> | <u>2,150</u> | <u>8,645</u> |
| Available vacant units | <u>1,332</u> | <u>634</u> | <u>438</u> | <u>948</u> | <u>3,352</u> | <u>539</u> | <u>3,891</u> |
| For sale | 207 | 121 | 26 | 555 | 909 | 203 | 1,112 |
| Homeowner vacancy rate | 0.7% | 0.5% | 0.4% | 1.5% | 1.0% | 1.5% | 1.0% |
| For rent | 1,125 | 513 | 412 | 393 | 2,443 | 336 | 2,779 |
| Renter vacancy rate | 4.9% | 4.5% | 3.7% | 4.7% | 4.5% | 8.1% | 4.8% |
| Other vacant units ^{a/} | 682 | 290 | 200 | 1,971 | 3,143 | 1,611 | 4,754 |
| <u>June 1, 1966</u> | | | | | | | |
| Total vacant units | <u>1,350</u> | <u>850</u> | <u>250</u> | <u>3,750</u> | <u>6,200</u> | <u>2,100</u> | <u>8,300</u> |
| Available vacant units | <u>800</u> | <u>600</u> | <u>100</u> | <u>1,250</u> | <u>2,750</u> | <u>400</u> | <u>3,150</u> |
| For sale | 125 | 100 | 25 | 875 | 1,125 | 175 | 1,300 |
| Homeowner vacancy rate | 0.4% | 0.4% | 0.4% | 1.9% | 1.1% | 1.0% | 1.1% |
| For rent | 675 | 500 | 75 | 375 | 1,625 | 225 | 1,850 |
| Renter vacancy rate | 3.0% | 4.0% | 0.7% | 4.2% | 3.0% | 5.1% | 3.1% |
| Other vacant units ^{a/} | 550 | 250 | 150 | 2,500 | 3,450 | 1,700 | 5,150 |
| <u>September 1, 1969</u> | | | | | | | |
| Total vacant units | <u>1,300</u> | <u>800</u> | <u>150</u> | <u>3,750</u> | <u>6,000</u> | <u>2,100</u> | <u>8,100</u> |
| Available vacant units | <u>750</u> | <u>550</u> | <u>50</u> | <u>1,250</u> | <u>2,600</u> | <u>400</u> | <u>3,000</u> |
| For sale | 100 | 75 | 25 | 875 | 1,075 | 175 | 1,250 |
| Homeowner vacancy rate | 0.3% | 0.3% | 0.4% | 1.8% | 1.0% | 0.9% | 1.0% |
| For rent | 650 | 475 | 25 | 375 | 1,525 | 225 | 1,750 |
| Renter vacancy rate | 2.9% | 3.6% | 0.2% | 3.7% | 2.7% | 4.5% | 2.8% |
| Other vacant units ^{a/} | 550 | 250 | 100 | 2,500 | 3,400 | 1,700 | 5,100 |

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

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

Table IX

Privately-financed Housing Units Authorized by Building Permits
Gary-Hammond-East Chicago, Indiana, Housing Market Area
1960-1969

| | <u>1960</u> | <u>1961</u> | <u>1962</u> | <u>1963</u> | <u>1964</u> | <u>1965</u> | <u>1966</u> | <u>1967</u> | <u>1968</u> | <u>First</u> <u>seven months</u> | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------------------------|--------------|
| | | | | | | | | | | <u>1968</u> | <u>1969</u> |
| <u>Total units</u> | <u>3,053</u> | <u>3,297</u> | <u>3,228</u> | <u>3,460</u> | <u>3,248</u> | <u>3,655</u> | <u>3,212</u> | <u>3,457</u> | <u>3,783</u> | <u>2,045</u> | <u>2,583</u> |
| <u>Single-family units:</u> | | | | | | | | | | | |
| HMA total | <u>2,835</u> | <u>3,007</u> | <u>2,765</u> | <u>2,655</u> | <u>2,647</u> | <u>2,648</u> | <u>2,146</u> | <u>2,446</u> | <u>2,441</u> | <u>1,293</u> | <u>1,258</u> |
| Lake County | <u>2,461</u> | <u>2,462</u> | <u>2,055</u> | <u>1,827</u> | <u>1,968</u> | <u>1,804</u> | <u>1,546</u> | <u>1,819</u> | <u>1,721</u> | <u>1,009</u> | <u>697</u> |
| East Chicago | 20 | 33 | 50 | 29 | 48 | 27 | 17 | 82 | 41 | 39 | 7 |
| Gary | 643 | 471 | 313 | 276 | 360 | 320 | 237 | 198 | 191 | 123 | 155 |
| Griffith | 210 | 206 | 105 | 110 | 151 | 178 | 131 | 127 | 117 | 77 | 34 |
| Hammond | 207 | 201 | 131 | 116 | 98 | 103 | 72 | 72 | 162 | 147 | 15 |
| Highland | 339 | 253 | 318 | 202 | 201 | 194 | 174 | 159 | 223 | 147 | 97 |
| Munster | 131 | 137 | 113 | 99 | 156 | 189 | 200 | 238 | 264 | 166 | 109 |
| Rest of county | 911 | 1,161 | 1,025 | 995 | 954 | 793 | 715 | 943 | 723 | 310 | 280 |
| Porter County | <u>374</u> | <u>545</u> | <u>710</u> | <u>828</u> | <u>679</u> | <u>844</u> | <u>600</u> | <u>627</u> | <u>720</u> | <u>284</u> | <u>561</u> |
| Portage | 170 | 185 | 184 | 206 | 205 | 277 | 156 | 126 | 79 | NA | 51 |
| Valparaiso | 52 | 60 | 84 | 60 | 91 | 124 | 61 | 66 | 84 | NA | 50 |
| Rest of county | 152 | 300 | 442 | 562 | 383 | 443 | 383 | 435 | 557 | NA | 460 |
| <u>Multifamily units:</u> | | | | | | | | | | | |
| HMA total | <u>218</u> | <u>290</u> | <u>463</u> | <u>805</u> | <u>601</u> | <u>1,007</u> | <u>1,066</u> | <u>1,011</u> | <u>1,342</u> | <u>752</u> | <u>1,325</u> |
| Lake County | <u>218</u> | <u>288</u> | <u>450</u> | <u>732</u> | <u>568</u> | <u>885</u> | <u>747</u> | <u>768</u> | <u>1,205</u> | <u>548</u> | <u>1,020</u> |
| East Chicago | - | - | 34 | 97 | 2 | 230 | - | - | - | - | - |
| Gary | 2 | 224 | 231 | 4 | 40 | 175 | 82 | 188 | 161 | 214 | 508 |
| Griffith | 126 | 10 | - | 5 | 33 | 72 | 214 | 306 | 148 | - | 82 |
| Hammond | 29 | 28 | 50 | 508 | 370 | 176 | 289 | 59 | 552 | 175 | 70 |
| Highland | 11 | 5 | 30 | 23 | 29 | 61 | 99 | 81 | 71 | 23 | 13 |
| Munster | 24 | 2 | 83 | 32 | - | - | - | 14 | 21 | - | - |
| Rest of county | 26 | 19 | 22 | 63 | 94 | 171 | 63 | 120 | 240 | 136 | 347 |
| Porter County | - | <u>2</u> | <u>13</u> | <u>73</u> | <u>33</u> | <u>122</u> | <u>319</u> | <u>243</u> | <u>137</u> | <u>204</u> | <u>305</u> |
| Portage | - | 2 | 13 | - | 4 | 42 | 96 | 22 | 40 | NA | 20 |
| Valparaiso | - | - | - | 71 | 23 | 58 | 32 | 134 | 31 | NA | 35 |
| Rest of county | - | - | - | 2 | 6 | 22 | 191 | 87 | 66 | NA | 250 |

Sources: U.S. Bureau of the Census, Construction Reports C-40 and C-42.
 Bell Savings and Loan Association.
 Local Building Inspectors.

728.1 :308 F22 Gary-Hammond-East
Chicago, Ind. 1969

U.S. Federal Housing Administra-
tion
Analysis