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DEPARTMENT OF HOUSING
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Analysis of the

HOUSTON, TEXAS HOUSING MARKET

as of October 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

Houston, Texas, as of October 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.

HOUSING MARKET ANALYSIS - HOUSTON, TEXAS
AS OF OCTOBER 1, 1971

The Houston, Texas, Housing Market Area (HMA) is currently defined as Harris County, Texas. Although Brazoria, Montgomery, Liberty, and Fort Bend Counties are included in the Houston Standard Metropolitan Statistical Area, they are not considered to be part of the Houston HMA at the present time. As the urbanized area around the city expands, however, some or all of these other counties may become part of the HMA. The population of Harris County was approximately 1,843,000 on October 1, 1971, including 1,266,000 persons living within the city of Houston.

Economic growth in the HMA has slowed considerably over the past year, with employment in manufacturing declining for the first time in many years, and job gains in the nonmanufacturing sector below those of the previous years. The level of net additions to the housing inventory has exceeded household growth over the last few years, and this has led to a significant increase in the number of vacant units in the HMA. The current sales vacancy ratio of 2.0 percent suggests only a small oversupply of sales housing, but the 13.6 percent rental vacancy rate suggests that there is an excess of rental housing in the Houston area.

Anticipated Housing Demand

An average annual demand for about 15,500 new nonsubsidized housing units is expected in the Houston HMA for the two-year period starting October 1, 1971. Consideration has been given to the expected increase in the number of households, the present level of construction activity, current family incomes, and anticipated losses to the housing inventory resulting from demolition and other causes. The housing marketed to meet this demand would be most readily absorbed if the annual volume of new, unsubsidized units included about 8,500 single-family houses or townhouses, 1,000 mobile homes, and 6,000 multifamily units. The qualitative distributions of demand for single-family houses by price class and for multifamily units by gross monthly rents and unit sizes are shown in table I. The forecast annual demand for 6,000 new, unsubsidized multifamily housing units indicates the desirability of a volume of apartment construction

well below that of the past few years in order to facilitate the future absorption of the existing surplus of vacant rental units and the large number of multifamily units which are under construction.

The estimates of demand are not intended to be predictions of short-term residential construction activity, but rather suggested levels of construction that would promote a sound housing market consistent with trends and conditions evident in the Houston HMA as of October 1, 1971.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for 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 Houston HMA, the total occupancy potential is estimated to be 4,880 units annually. Future approvals under each program should take into account any intervening approvals under other programs which serve the same families and individuals.

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

^{1/} The occupancy potentials referred to in this analysis are dependent upon the market in view of existing vacancy weakness. The successful attainment of the calculated market for subsidized housing may well depend upon construction in suitable accessible locations, attractive and efficient architectural design, and the distribution of rents and selling prices over the complete range attainable for housing under the specified programs.

^{2/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

Rental Housing Under the Public Housing and Rent Supplement Programs. These two programs serve households in basically the same low-income group. The main differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Houston HMA, the annual occupancy potential for public housing is estimated at 1,600 units for families and 670 units for the elderly. Approximately 20 percent of the families and half of the elderly also are eligible for housing under Section 236 (see table II). It should be noted, however, that the addition of 2,270 public housing units annually in the Houston HMA would more than double the number of units currently under management in the area within two years. The administrative difficulties involved in such an effort are recognized. In the case of the more restrictive rent supplement program, the potential for families would be about 25 percent of the figure above, but the potential among the elderly would remain the same. Because there are a large number of rental vacancies in the area at present, the possibility of leasing units in existing rental projects for public housing should be seriously considered.

There are 3,046 units of low-rent public housing in the Houston HMA at present, of which 273 units are under the Section 23 public housing leasing program. An additional 276 units, 252 of which are under construction, are under agreements to lease and will be occupied in the near future. Over 40 percent of the existing units are occupied by elderly couples or individuals. All of the completed public housing units are occupied except for a small number of units that are either being modernized or have become temporarily vacant through normal turnover. Of the 3,322 units existing or under contracts to lease, 3,012 units are located in the city of Houston and the remaining 310 units are in Baytown. There is currently a waiting list of about 500 active applications for public housing in Houston and an additional 525 families are waiting for housing in Baytown.

At the present time there are 1,562 units of rent-supplement housing in the Houston HMA; two projects are experiencing some vacancy difficulties which are related to management, location, or other characteristics of these particular projects, but the other rent-supplement developments have few vacancies. There is one additional project with 284 units under construction, and another 200 unit project will be started within the near future.

Section 235 Sales Housing and Section 236 Rental Housing. Subsidized housing for low- to moderate-income families 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. Subsidized rental housing^{1/} for the same families may be alternatively provided under Section 236; the Section 236 program contains additional provisions for subsidized rental units for elderly couples and individuals. In the Houston HMA, it is estimated (based on regular income limits) that, for the October 1, 1971-October 1, 1973 period, there is an occupancy potential for an annual total of 2,530 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 780 units of Section 236 rental housing for elderly couples and individuals. The use of

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

exception income limits would increase this potential somewhat. An estimated 35 percent of the households which are eligible for Section 235 housing are five-or more-person households.

As of October 1, 1971, there were approximately 1,200 completed new houses in the HMA which had been financed under the provisions of Section 235, and about 400 additional existing houses had been sold to eligible families and financed under the Section 235 program. There also were 1,098 units which had been built under Section 236; an additional 777 Section 236 units are under construction and commitments for construction have been made for another 1,352 units which are expected to be ready for occupancy during 1972. The units being built and those committed for construction will satisfy a substantial portion of the occupancy potential during the forecast period. Except for four new projects in the initial rent-up stage, vacancies in completed units are minimal. Because of the high rental vacancy rate and the large number of unsubsidized rental units under construction, the absorption of new Section 236 projects and vacancies in competing projects should be observed carefully. Wherever possible, Section 236 projects should be designed for less than maximum permissible rents to avoid their competing with lower-priced unsubsidized projects, but architectural and construction quality must be maintained to enable long-term viability of the projects.

Sales Market

As a result of the continued population growth in the area, the Houston sales market has remained fairly strong over the past few years. The rapid growth of the economy during 1968 and 1969 attracted a sufficient number of families into the area who could afford to buy a home to offset the number of families who were forced out of the sales market by rising construction costs and high interest rates. Although in-migration was still substantial during 1970, the continuation of high interest rates and the large supply of readily available rental housing at comparatively low costs encouraged a higher percent of new families to rent rather than buy housing. However, declining interest rates during 1971 persuaded many in-migrating families and families who had been renting housing in the area to buy homes. Construction of single-family houses in the Houston HMA increased from 11,285 units in 1967 to 12,990 units in 1968, dropped slightly to 12,425 in 1969, declined significantly further to 10,897 units in 1970, and increased markedly during the first nine months of 1971 to 11,983 units, a rate well above that for any year during the past decade. This recent growth in construction volume exceeded the growth in demand for sales housing, resulting in an increase in the vacancy rate for sales housing from 1.8 percent in April 1970 to 2.0 percent in October 1971.

Most of the new, single-family construction in the Houston area has been on a speculative basis, but many of the houses built were sold before construction was completed. The largest concentration of subdivision activity over the past several years has been in the southwestern portion of the city with prices in the various developments ranging from \$15,000 to over \$40,000. There also are a number of subdivisions in the northwest and north sections of the HMA, both inside and outside the city limits of Houston. Sales prices in the northwest are in the same range as those in the southwest section, but most of the homes to the north of the city are priced lower, generally from about \$15,000 to \$30,000. Sales in the northwestern and northern portions of the HMA have been growing over the past few years, and this trend is expected to continue during the forecast period. Townhouses have increased significantly in popularity over the past two years, mainly with people between 25 and 35 years old.

Typical townhouse buyers are couples with one or no children who were previously living in an apartment in the area. The most easily sold townhouses have been priced in the \$19,000 to \$21,000 ranges, and are located in developments that have swimming pools, tennis courts, and other recreation facilities.

Employment cutbacks at the NASA Manned Spacecraft Center in the southeastern corner of the HMA have limited sales in the Clear Lake area, but sales to families not connected to NASA have recently started to increase, and optimism concerning the market in that area appears to be warranted. Construction volume of sales housing in the Pasadena and Baytown areas has approximated demand over the last few years, and both markets are in reasonably good condition at present.

The number of mobile home park spaces currently vacant or under development appears to be sufficient to satisfy demand during the near future, but absorption should be observed during the next year to determine if additional spaces will be needed toward the end of the forecast period.

Rental Market

The rental vacancy ratio in the Houston HMA was estimated to be 13.6 percent as of October 1, 1971. This ratio is based on the total of 39,800 rental units that were estimated to be vacant and available for occupancy. The rental vacancy ratio and total rental vacancies have increased markedly since April 1970 when the Census recorded a rental vacancy ratio of 11.8 percent and 29,862 vacant units available for rent. The vacancy rate was relatively low in 1968 as a result of reduced levels of multifamily construction and substantial employment growth during the preceding two years that had helped to absorb the previously existing excess vacancies. Since 1968, however, multifamily construction has increased dramatically and the rate of employment growth has dropped considerably, causing the current excess vacancy problem in the rental market. A few recently completed projects have been renting fairly well, but most newly marketed projects have been experiencing considerable absorption difficulties. Many older developments that had previously been fully occupied now have vacancies as a result of competition from newer projects, but some of the more popular projects still have few or no vacant units. Occupancy rates are reasonably good in the area north and northeast of the city, in some sections to the south and southeast, and in parts of the NASA area, but vacancies are excessive throughout most of the remainder of the HMA, including the Pasadena and Baytown areas. Because of the reduced level of employment growth expected during the forecast period, the current high vacancy rate, the large number of multifamily units under construction, and an anticipated shift toward owner occupancy, demand for additional new rental units during the forecast period will be well below that of the past few years. It is suggested that absorption of existing and added rental units be observed carefully to determine the areas in which more rental housing might effectively be marketed.

Rentals in the multifamily projects completed in the last few years currently average \$125 to \$150 for a one-bedroom unit, \$145 to \$185 for a two-bedroom unit, and \$190 to \$245 for a three-bedroom unit, excluding utilities. Rents in luxury projects, which usually have two or more swimming pools, saunas, exercise rooms, tennis courts, clubhouses, or other extra features, range somewhat higher.

Most new multifamily projects marketed in the Houston HMA in recent years have been garden apartments located along or near major thoroughfares, including Interstate 10 and Westheimer Road to the west, the Southwest Freeway and South Post Oak Road to the south, and South Shaver and Red Bluff Road in Pasadena. There has been very little multifamily construction in the NASA area during the last few years because of employment cutbacks at the Manned Spacecraft Center.

Economic, Demographic, and Housing Factors

The preceding conclusions regarding the requirements for housing in the Houston Housing Market Area are based primarily on the findings and assumptions presented below.

Economic Factors. The Houston Labor Market Area^{1/} (LMA) experienced a period of substantial growth during the last several years, with total employment steadily increasing from 628,400 jobs in 1964 to 879,800 during the first eight months of 1971. The largest gains were recorded in 1966 and 1969 when annual job increases over the previous year totaled 43,500 and 43,900, respectively, with gains in 1967 and 1968 only slightly lower. The rate of employment growth declined somewhat during 1970 when 34,800 jobs were added, and dropped even further during the first eight months of 1971 to an increase of only 20,400 jobs over the same period in 1970. Labor force data for the period 1964 through the first eight months of 1971 are detailed in table III.

Despite their decline in relative importance in recent years, manufacturing industries provided nearly 18 percent of the nonagricultural jobs in the area in 1970 (150,800 persons). Nonelectrical machinery and fabricated metals dominate the durable goods sector as they have for many years, and chemicals, food processing, and petroleum industries continue to be the largest sources of employment among nondurable goods industries. Job totals in manufacturing gradually increased over the entire 1964-1970 period, but there were losses between 1970 and 1971 as a result of the slowdown in the national economy. Growth in manufacturing employment during the next two years is expected to be minimal.

The nonmanufacturing sector is the mainstay of the Houston economy, providing an average of 723,400 jobs during the first eight months of 1971, an increase of 24,100 over the average for the same period in 1970. Services, trade, and government account for over half of the persons currently employed in the Houston area and have provided nearly 65 percent of the new jobs added since 1964. The continued expansion of the Texas Medical Center, which is comprised of 22 medical institutions and 11 support organizations, has been an important stimulus to the economy in recent years. The center itself currently employs about 15,000 persons, and a significant number of workers are employed in construction and other jobs serving the center. With the opening of the Astrodome and the recent expansion of convention-related facilities in the Civic Center, Houston has attracted a growing number of conventions, which has helped to add jobs in several employment categories. The large amount of commercial and residential building undertaken during the past several years has supported a growing number of jobs in construction, but because the market has become overbuilt

^{1/} The Houston Labor Market Area includes Brazoria, Montgomery, Liberty, and Fort Bend Counties in addition to Harris County. Approximately 92 percent of all persons working in the Houston LMA are employed in Harris County.

and construction volume has begun to drop, employment in construction is starting to decline and is expected to continue to do so during the forecast period. Employment in most nonmanufacturing categories is expected to continue to increase during the projection period, but at a rate well below that of recent years. Anticipated overall employment growth in the Houston LMA over the next two years will total about 23,000 jobs annually.

As of October 1971, the median annual income of all families in the Houston HMA was estimated to be \$10,025, after the deduction of federal income taxes. Renter households of two or more persons had an estimated median after-tax income of \$7,075. Nearly one-fourth of all families in the HMA had incomes of \$15,000 or more. Percentage distributions of families and renter households by income are shown in table IV.

Demographic Factors. The U.S. Bureau of the Census counted a total of 1,741,912 persons in the Houston HMA on April 1, 1970. Subsequently, the population has increased by about 101,000 persons (5.8 percent) to a total of approximately 1,843,000 as of October 1, 1971. The substantial employment growth in the Houston area during the last several years resulted in increased in-migration and a population growth rate well above that of the early 1960's. The population of the HMA increased by a total of 498,754 persons between 1960 and 1970, with about 60 percent of that gain taking place during the last half of the decade. This rapid growth continued through 1970, but in-migration began to drop in 1971 as expansion in the area economy slowed, and this trend is expected to extend into the forecast period.

The total number of households in the Houston Housing Market Area as of October 1, 1971 was estimated to be 584,000, reflecting an increase of over 43,000 households (8.0 percent) since April 1970 when the Census recorded a total of 540,855. During the decade from 1960 to 1970, Census data show an average annual gain of about 17,300 households. Actual yearly increases in households generally paralleled population increases except toward the latter part of the decade when the average household size began dropping at a more rapid rate than during preceding years. Average household size in the HMA declined from 3.35 persons in 1960 to 3.19 persons in 1970. Currently, the average household size is estimated at 3.13 persons, reflecting a trend toward smaller households. Over the two-year period ending October 1, 1973, it is anticipated that the Houston HMA will continue to have significant gains in the number of households and in total population, but the yearly increases will not equal those of previous years. The estimated population growth during this period is forecast as about 55,000 persons (2.9 percent) annually. At the same time, the number of households is expected to increase by about 24,000 (3.9 percent) each year. Demographic trends and estimates from 1960 to 1971 are shown in table V.

Housing Factors. The peak of residential building activity over the past decade in the Houston HMA occurred in 1970, when a total of 34,017 electrical connections^{1/} were made to new housing units (see table VII). Residential construction volume had increased from a low for the decade in 1961 of 10,679 units to 15,925 units in 1962 and 23,698 units in 1963, and declined only slightly in 1964 and 1965 despite a growing number of excess vacancies. Over the next few years, households grew more rapidly and construction remained at a somewhat reduced level, so by 1968 many of the excess vacancies had been absorbed. Population and households continued to register significant gains during 1969 and 1970, but construction levels far outstripped demand, resulting in a large number of excess vacancies, mainly in multifamily rental housing. The rate of construction during the first nine months of 1971 was even greater than during 1970, which has helped weaken the condition of the rental market further.

The housing inventory in the Houston HMA totaled about 641,600 units on October 1, 1971, including 331,700 owner-occupied units, 252,300 renter-occupied units, and 57,600 vacant housing units. The increase in the housing inventory of about 233,500 units since April 1960 resulted from the construction of 239,200 new housing units, the addition of 10,000 mobile homes, and the loss of 15,700 units through demolition and other causes. There were about 23,000 housing units under construction in October 1971, of which 4,000 were single-family homes and 19,000 were units in multifamily structures. Of the multifamily units under construction, 1,313 were being built under various subsidy programs.

There were about 6,900 vacant housing units available for sale in the Houston HMA on October 1, 1971, indicating a homeowner vacancy rate of 2.0 percent, up slightly from 1.8 percent in April 1970. Vacant units available for rent in the area totaled 39,800, or 13.6 percent of all rental units, a significant increase over the 11.8 percent rate prevailing at the time of the 1970 Census. The increase in the rental vacancy rate is largely the result of increased multifamily construction activity and a concurrent slowdown in the level of in-migration.

^{1/} Includes connections to mobile homes and a small number of reconnections to units moved into and within the county. Records of electrical connections are believed to be the most accurate count available of residential housing units built; building permits are required for only a portion of the land area of the HMA.

Table I

Annual Demand for New Unsubsidized Housing
Houston, Texas, Housing Market Area
October 1, 1971 to October 1, 1973

A. Single-family houses and townhouses

<u>Price class</u>		<u>Number of units annually</u>
Under	\$15,000	170
\$15,000 -	17,499	670
17,500 -	19,999	400
20,000 -	22,499	1,300
22,500 -	24,999	1,035
25,000 -	27,499	900
27,500 -	29,999	730
30,000 -	34,999	1,035
35,000 -	39,999	800
40,000 -	44,999	510
45,000 and over		950
Total		8,500

B. Multifamily Units

<u>Gross monthly rent^{a/}</u>		<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three bedrooms</u>
Under	\$130	190	-	-	-
\$130 -	139	120	-	-	-
140 -	149	60	-	-	-
150 -	159	45	860	-	-
160 -	169	25	565	-	-
170 -	179	10	370	655	-
180 -	189	-	245	500	-
190 -	199	-	150	365	-
200 -	209	-	260 ^{b/}	280	115
210 -	219	-	-	205	100
220 -	240	-	-	545 ^{b/}	135
240 -	260	-	-	-	110
260 and over		-	-	-	90
Total		450	2,450	2,550	550

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

^{b/} Demand of this rent level and above.

Table II

Estimated Annual Occupancy Potential for Subsidized Housing
Houston, Texas, Housing Market Area
October 1, 1971 to October 1, 1973

	<u>Section 236^{a/}</u> <u>exclusively</u>	<u>Eligible for</u> <u>both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total for</u> <u>both programs</u>
A. <u>Families</u>				
1 bedroom	285	65	200	550
2 bedrooms	885	185	475	1,545
3 bedrooms	645	70	345	1,060
4+ bedrooms	<u>365</u>	<u>30</u>	<u>230</u>	<u>625</u>
Total	2,180	<u>350^{b/}</u>	<u>1,250^{b/}</u>	<u>3,780</u>
B. <u>Elderly</u>				
Efficiency	210	270	240	720
1 bedroom	<u>220</u>	<u>80</u>	<u>80</u>	<u>380</u>
Total	430	<u>350^{c/}</u>	<u>320^{c/}</u>	<u>1,100</u>

^{a/} Estimates are based on regular income limits. These families also are eligible for assistance in home purchase under Section 235.

^{b/} About 25 percent of these families also are eligible for rent supplements.

^{c/} All of these elderly couples and individuals are eligible under the rent supplement program.

Table III
Labor Force Trends
Houston, Texas, Labor Market Area^{a/}
1964-1971
(Annual averages)^{b/}

Work force component	1964	1965	1966	1967	1968	1969	1970	Jan.-August	
								1970	1971
Civilian work force	652,800	684,100	722,900	759,800	801,800	851,800	887,800	882,000	908,600
Unemployment	24,300	22,200	17,200	15,700	15,600	18,600	22,700	22,000	27,700
Percent of work force	3.7%	3.2%	2.4%	2.1%	1.9%	2.2%	2.6%	2.6%	3.0%
Total employment	628,400	660,400	703,900	743,600	785,800	829,700	864,500	859,400	879,800
Nonag. employment	619,600	651,500	695,600	735,100	777,600	821,500	856,200	850,800	871,300
Manufacturing	114,000	121,000	130,200	134,400	139,400	146,800	150,800	151,500	148,000
Durable goods	58,100	63,750	69,900	72,550	75,900	81,600	82,850	83,650	80,100
Lumber & wood prods.	2,700	2,700	2,650	2,700	2,700	2,850	2,750	2,700	2,650
Furniture & fixtures	2,050	2,050	2,150	2,200	2,350	2,500	2,450	2,450	2,500
Stone, clay & glass	4,900	5,400	5,650	5,450	5,700	6,300	6,300	6,300	6,150
Primary metals	7,150	7,800	8,700	8,750	8,650	8,950	9,200	9,350	8,800
Fabricated metals	14,500	15,750	17,700	18,750	19,300	20,050	20,850	20,850	20,500
Nonelectrical machinery	18,900	20,400	21,900	22,850	24,550	27,300	27,250	27,650	25,750
Electrical machinery	1,750	2,100	2,700	3,150	3,400	3,600	3,650	3,700	3,450
Trans. equipment	2,550	3,200	3,400	3,600	3,750	3,000	2,650	2,650	2,650
Other durable goods	3,550	4,250	5,100	5,200	5,500	7,150	7,800	7,950	7,650
Nondurable goods	55,950	57,250	60,250	61,850	63,600	65,200	67,900	67,850	67,900
Food & kindred prods.	12,150	12,150	12,850	13,000	13,450	13,950	14,250	14,250	14,200
Textile products	650	750	800	700	650	550	600	600	500
Apparel	1,500	1,750	1,800	1,600	1,600	1,550	1,450	1,450	1,700
Paper & paper prods.	2,950	3,000	3,100	3,250	3,500	3,750	3,950	4,000	3,850
Printing & publishing	6,600	7,050	7,500	7,800	7,900	8,300	8,700	8,650	9,050
Chemicals	18,000	18,600	20,350	21,750	22,500	23,000	24,200	24,200	24,000
Petroleum prods.	12,100	11,850	11,800	11,450	11,550	11,350	11,800	11,350	11,650
Other nondurable goods	1,950	2,150	2,250	2,350	2,450	2,750	2,900	2,950	2,800

(Continued)

Table III (Continued)

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>Jan.-August</u>	
								<u>1970</u>	<u>1971</u>
Nonmanufacturing	505,600	530,500	565,450	600,800	638,200	674,800	705,400	699,300	723,400
Agri. forest, & fisheries	1,950	1,850	2,200	2,450	2,300	2,350	2,550	2,550	2,700
Mining	25,650	26,200	26,600	27,450	28,150	29,250	30,000	29,800	30,150
Contract construction	53,450	56,550	62,800	67,900	70,900	75,550	77,400	77,350	76,450
Trans., comm., & pub. util.	56,100	56,150	58,400	59,950	62,450	62,850	65,300	65,100	65,850
Trans. & services	40,100	39,400	40,300	41,200	42,750	41,900	42,350	42,350	42,500
Communications	6,850	7,300	8,050	8,200	8,650	9,400	10,500	10,450	10,300
Public utilities	9,150	9,450	10,050	10,550	11,050	11,550	12,450	12,300	13,050
Trade	148,250	157,650	167,500	178,000	188,450	199,000	208,150	205,800	211,300
Wholesale	47,250	52,300	56,300	60,400	62,900	65,250	69,050	68,750	69,450
Retail	101,000	105,300	111,200	117,600	125,550	133,800	139,150	137,050	141,850
Fin., ins., & real estate	32,350	33,950	35,400	37,200	39,300	42,400	45,400	45,050	47,850
Services (exc. priv. hshld.)	102,700	110,250	118,600	128,200	140,400	152,850	159,550	158,700	167,400
Business & pers. serv.	48,950	53,050	56,850	61,000	65,200	70,450	73,850	73,500	78,650
Med. & prof. serv.	53,750	57,200	61,750	67,250	75,200	82,400	85,750	85,100	88,750
Private households	25,550	25,600	25,600	25,700	25,750	26,100	26,400	26,300	26,750
Government	59,650	62,400	68,350	74,000	80,400	84,350	90,700	88,800	95,000
Federal	13,350	14,050	15,750	16,000	16,500	16,550	16,750	16,900	16,900
State	46,310	48,350	52,600	58,000	11,600	12,400	13,200	12,800	14,550
Local	c/	c/	c/	c/	52,300	55,400	60,750	59,100	63,550
Agriculture	8,800	8,900	8,250	8,400	8,200	8,150	8,250	8,600	8,450
Persons involved in Labor- management disputes	100	1,500	1,800	600	400	3,500	600	600	1,100

a/ Includes Brazoria, Fort Bend, Harris, Liberty and Montgomery Counties.

b/ Components may not add to totals due to rounding.

c/ Included in "State" government category.

Source: Texas Employment Commission.

Table V

Population and Household Trends
Houston, Texas, Housing Market Area
April 1960 - October 1971

<u>Population</u>	<u>April 1, 1960</u>	<u>April 1, 1970</u>	<u>October 1, 1971</u>	<u>Average annual change^{a/}</u>	
				<u>1960-1970</u>	<u>1970-1971</u>
HMA total	<u>1,243,158</u>	<u>1,741,912</u>	<u>1,843,000</u>	<u>49,875</u>	<u>67,400</u>
Houston City	938,219	1,232,802	1,266,000	29,450	22,100
Remainder of Harris Co.	304,939	509,110	577,000	20,400	45,300
 <u>Households</u>					
HMA total	<u>367,618</u>	<u>540,855</u>	<u>584,000</u>	<u>17,300</u>	<u>28,800</u>
Houston City	282,626	393,482	414,400	11,100	13,900
Remainder of Harris Co.	84,992	147,373	169,600	6,250	14,800

a/ Rounded, components may not add to totals.

Sources: 1960 and 1970 Censuses of Population and Housing and estimates by Housing Market Analyst.

Table VI

New Residential Electric Connections^{1/}
Houston, Texas, Housing Market Area
1960-1971

	<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>1969</u>	<u>1970</u>	<u>9 mos.</u> <u>1971</u>
<u>Single-family</u>												
Houston	6,795	6,172	6,695	6,983	6,758	6,485	5,737	5,214	5,008	4,018	3,002	2,677
Remainder of HMA	<u>3,250</u>	<u>2,799</u>	<u>3,398</u>	<u>4,699</u>	<u>4,721</u>	<u>6,224</u>	<u>5,767</u>	<u>6,071</u>	<u>7,982</u>	<u>8,407</u>	<u>7,895</u>	<u>9,306</u>
Total	10,045	8,971	10,093	11,682	11,479	12,709	11,504	11,285	12,990	12,425	10,897	11,983
<u>Multifamily</u>												
Houston	1,848	1,602	5,294	10,907	9,493	6,682	4,868	5,002	6,214	12,288	18,029	10,401
Remainder of HMA	<u>88</u>	<u>106</u>	<u>538</u>	<u>1,109</u>	<u>1,291</u>	<u>1,300</u>	<u>1,057</u>	<u>1,767</u>	<u>2,382</u>	<u>4,031</u>	<u>5,091</u>	<u>5,768</u>
Total	1,936	1,708	5,832	12,016	10,784	7,982	5,925	6,769	8,596	16,319	23,120	16,169
Combined total	11,981	10,679	15,925	23,698	22,263	20,691	17,429	18,054	21,586	28,744	34,017	28,152

^{1/} Includes connections to mobile homes, housing units moved into the area, and re-connections to units moved from one location to another within the area.

Source: Houston Lighting and Power Company.

Table VII

Components of the Housing Inventory
Houston, Texas, Housing Market Area
April 1, 1960–October 1, 1971

<u>Component</u>	<u>April 1, 1960</u>	<u>April 1, 1970</u>	<u>October 1, 1971</u>
Total housing inventory	<u>408,138</u>	<u>587,581</u>	<u>641,600</u>
Total occupied units	<u>367,618</u>	<u>540,855</u>	<u>584,000</u>
Owner-occupied	<u>238,260</u>	<u>316,767</u>	<u>331,700</u>
Percent	64.8%	58.6%	56.8%
Renter-occupied	<u>129,358</u>	<u>224,088</u>	<u>252,300</u>
Percent	35.2%	41.4%	43.2%
Total vacant units	<u>40,520</u>	<u>46,726</u>	<u>57,600</u>
Available vacant	<u>29,204</u>	<u>35,738</u>	<u>46,700</u>
For sale	<u>7,966</u>	<u>5,876</u>	<u>6,900</u>
Homeowner vacancy rate	3.2%	1.8%	2.0%
For rent	<u>21,283</u>	<u>29,862</u>	<u>39,800</u>
Rental vacancy rate	14.1%	11.8%	13.6%
Other vacant ^{a/}	<u>11,271</u>	<u>10,988</u>	<u>10,900</u>

^{a/} 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.

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