The

CURRENT HOUSING MARKET SITUATION - KALAMAZOO, MICHIGAN

as of August 1, 1973

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D.C. 20411
MAY 1974
The Current Housing Market Situation

Kalamazoo, Michigan, as of August 1, 1973

Foreword

This current housing situation report 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 report 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 of the Detroit office under the direction of John Terranella, Area Economist, on the basis of information available on the "as of" date from both local and national sources. Subsequent market developments may, of course, occasion modifications in the conclusions of this report.

The prospective demand estimates suggested in the report are based upon an evaluation of the factors available on the "as of" date. They should not be construed as forecasts of building activity, but rather as estimates of the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions for the "as of" date.
The Current Housing Market Situation
Kalamazoo, Michigan
As of August 1, 1973

For this analysis the Kalamazoo, Michigan, Housing Market Area (HMA) is defined as Kalamazoo County, Michigan. Kalamazoo County was also the Kalamazoo Standard Metropolitan Statistical Area (SMSA), as defined by the Office of Management and Budget, until recently changed to include Van Buren County.

The current population of the HMA is estimated to be about 214,000. The Kalamazoo HMA is the seventh most populous metropolitan area in Michigan. The HMA is located about 60 miles south of Grand Rapids and is approximately equidistant from Chicago and Detroit. In mid-1973 the economic recovery in the Kalamazoo area was relatively favorable, with job totals going up and unemployment below six percent. Employment gains are expected to slow in the 1973 to 1975 period, however, and this will be reflected in lower rates of population and household growth. Together with the high levels of building activity in 1972, these forecasts suggest that a moderation in the rate of building activity would be appropriate.

Economy of the Area

The Kalamazoo economy is dominated by paper, fabricated metals, nonelectrical machinery, transportation equipment and chemicals production. Government employment, as the result of Western Michigan University, is also significant in terms of its effect on the local economy.

Total nonagricultural wage and salary employment averaged 75,000 in 1972 and was up to 77,000 for the twelve month period ending August 1, 1973. This
gain of 2,700 jobs compares well with the 2,500 increase experienced from 1971 to 1972. Manufacturing employment at a 28,300 average over the last twelve-months was at its highest level since 1970. Nonmanufacturing employment at an average of 49,400 over the twelve-month period ending August 1, 1973 continued its steady upward trend with retail trade, services, and government showing the largest increases.

The Kalamazoo HMA unemployment rate as a percentage of the total labor force, was below four percent consistently from 1965 to 1969 but has fluctuated between five and seven percent since 1969. Unemployment averaged 6.0 percent in 1972, down from the 1971 average rate of 7.0 percent. For the last twelve-months ending August 1, 1973 unemployment averaged 5.1 percent of the labor force (table I).

No significant changes in Kalamazoo's manufacturing mix are perceptible in recent employed data. There is an indication that employment in the local paper industry has leveled off after a continuous decline through the 1960's. Employment at Western Michigan University is expected to be stable after several years of rapid growth.

Total nonagricultural wage and salary employment is expected to increase by about 1,400 annually in the HMA during the forecast period ending August 1, 1975. This relatively slower rate of growth is anticipated as the result of expected declines in automobile related durable goods production and a slower rate of growth in the government sector. The total labor force is expected to be about 92,700 by August 1, 1975, an annual increase of about 1,500 over the current total. Most of the expected employment growth will take place in government, retail trade and services.

Income

The median income in the Kalamazoo HMA in 1973 is estimated at about $14,200 for all families and $9,400 for two-person or larger renter households. Median income in 1969 was $11,037 and $7,300 for all families and two or more person renter households, respectively. In 1969, 9.4 percent of all families and 24.2 percent of two or more renter households had annual incomes below $4,000. It was estimated that as of August 1, 1973 the proportion of all families and two or more person renter households with annual incomes below $4,000 was 5.0 percent and 14.0 percent respectively. For additional information see table III.
Demographic Factors

Population

As of August 1973, the population of the Kalamazoo HMA was estimated at about 214,000. The population of the cities of Kalamazoo and Portage were estimated at 87,500 and 37,400, respectively.

It was estimated that the city of Kalamazoo has been gaining population at an annual rate of about 590 since 1970. This rate is expected to slow to about 400 annually over the next two years. The HMA had been gaining population at an annual rate of about 3,740 since 1970. It is estimated that the HMA will grow by about 3,300 annually over the next two years. This represents a reduction in the growth rate for the HMA from 1.8 percent, 1970-1973, to 1.5 percent during the period 1973-1975. (See table IV).

It is anticipated that most of the population growth in the next two years will take place west of Kalamazoo in Oshtemo and Texas Townships and south in and around Portage.

Net Natural Increase and Migration

Since 1970 total population growth in Kalamazoo County has been greater than the net natural increase in population, suggesting a net in-migration. In recent years resident births have declined significantly which is an indication of a trend toward a smaller household size.

Households

From 1970 to 1973 the number of households increased in the Kalamazoo HMA at an annual rate of 1,910. Between 1960 and 1970 households increased at an annual rate of 1,125 from 48,139, in 1960, to 59,406 in 1970. The increase in the annual number of new households in the HMA was due partially to a larger number of persons in the 18-24 age group. This age group has passed its peak in size and will decline over the next several years. The city of Kalamazoo gained about 500 households annually between 1970 and 1973. From 1960 to 1970 households in the city of Kalamazoo increased from 23,856 to 25,816. The city of Portage experienced an annual household growth of 440 between 1970 and 1973, an increase from the annual rate of 383 between 1960 and 1970. The county exclusive of the cities of Kalamazoo and Portage had a larger absolute annual increase in households, between 1970 and 1973, with 990.

In 1970, the average number of persons per household, for the HMA, was 3.15. It was estimated that there were 3.04 persons per household as of August 1973 and a 3.00 person per household size is anticipated by August 1975.
Housing Market Factors

Housing Supply

Current Estimate and Past Trends. As of August 1, 1973, there were about 68,910 housing units in the Kalamazoo HMA. This represents an increase of about 6,380 since 1970 or an annual increase of about 1,935. The increase in housing units since 1970 of 6,380 is made up of 6,740 new housing units constructed, less 1,110 demolitions, and a 750 net gain in mobile homes. As of August 1, 1973, the city of Kalamazoo had a housing inventory of about 28,810, representing a gain of 1,645 units since 1970. Between 1960 and 1970 the housing inventory increased annually by 1,009 units for the HMA and 166 units for the city of Kalamazoo.

In 1960 owner and renter occupied units as a percentage of total occupied was 75.5 percent and 24.5 percent respectively. By 1970 these percentages had changed to 71.5 percent for owner occupied and 28.5 percent for renter occupied. It is estimated that the percentage of owner occupied to total occupied is currently about 67.5 percent and renter occupied is currently about 32.5 percent.

Residential Building Activity

From 1967 to 1972 residential building activity in the Kalamazoo HMA fluctuated from a low of 1,038 units authorized in 1969 to a high of 2,786 units authorized in 1972. From 1971 to 1972 residential construction authorized increased by about 30 percent or 650 units to a total of 2,786 units. Of the 2,786 units, 749 were single-family and 2,037 were multifamily dwelling units. Multifamily units authorized have outnumbered single-family units authorized in every year since 1968. Until 1972, multifamily construction in the cities of Kalamazoo and Portage was larger than multifamily construction in Kalamazoo County excluding the two cities. In 1972, however, multifamily construction authorized for the county exclusive of the cities was larger than the total multifamily units authorized for the cities of Kalamazoo and Portage. It appears that this trend will continue.

From January 1, 1970 until August 1, 1973 there had been 7,493 housing units authorized in the HMA. Of these 2,465 were single-family houses, and 5,028 were multifamily units. Approximately 1,256 of the 7,493 units authorized were subsidized units.
Kalamazoo, Michigan, HMA

<table>
<thead>
<tr>
<th>Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMA Total</td>
<td>7,493</td>
</tr>
<tr>
<td>Single-Family</td>
<td>2,465</td>
</tr>
<tr>
<td>(Section 235)</td>
<td>(495)</td>
</tr>
<tr>
<td>Multifamily</td>
<td>5,028</td>
</tr>
<tr>
<td>(Section 236)</td>
<td>(761)</td>
</tr>
<tr>
<td>(Condominium)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Vacancy

According to the 1970 Census there were 1,541 vacant housing units available in the Kalamazoo HMA, an available vacancy rate of 2.5 percent. Of these units 389 were available for sale only and 1,152 were available for rent, equivalent to homeowner and renter vacancy rates of 0.9 and 6.4 percent respectively. By August 1973, as indicated in table VI, it is estimated that the number of vacancies had increased a little, and that the homeowner vacancy rate had increased to 1.0 percent and the renter vacancy rate had dropped to 5.8 percent.

Postal Vacancy Survey

Surveys of vacancies were conducted by the local post offices in the Kalamazoo area in January 1972 and March 1973. While not strictly comparable to the census vacancy concept, these surveys suggested that vacancy levels in the area dropped between 1972 and 1973, a sharp drop in apartment vacancies more than balancing an increase in residential vacancies. Generally the overall vacancy rate was down for all areas of the county except for the west and northwest areas which would include the northwest part of the city of Kalamazoo and Oshtemo Township. The only area of the county that showed a decline in the residence vacancy rate was the Vicksburg area.

Sales Market

There had been a strong sales market for single-family dwellings in the Kalamazoo HMA but sales activity had dropped off in mid-summer. According to local sources for the first seven months of the year as a whole sales were up about 15 percent over the same seven month period in 1972. A sampling of local financial experts, builders and realtors indicated a general hesitancy about the current market. It was felt that the then tightening mortgage market was starting to significantly affect the demand for sales units. Most builders that usually build on speculation and on contract have curtailed speculative construction.
Mortgage funds were not as available as of August 1, 1973, as they had been in the early summer months. Most savings and loan institutions has discontinued loans of 90 and 95 percent. This effectively eliminated loans insured by private mortgage insurance via savings and loans. At least one local bank, however, was still lending mortgage money with private mortgage insurance for low down payment mortgages. Interest rates for these loans were running 9 1/4 percent with 5 percent down and 9 1/2 percent with 10 percent down. Generally 75 and 80 percent loans were at 9 1/4 percent interest. It was indicated that few loans were being insured through FHA or VA.

Most single-family development has been taking place south, southwest, and west of Kalamazoo in Portage, Texas Township and Oshtemo Township. Cooper Township, which is north of the city of Kalamazoo, has also shown significant increases in single-family development.

The majority of new single-family housing is priced between $25,000 and $60,000 with the average being around $30,000. Generally, existing housing in the HMA is averaging around $25,000. In July 1973, 55 percent of all listed houses sold were over $20,000 while only 46 percent were over $20,000 in July 1972. Prices are lower in the city of Kalamazoo because of the age of the housing stock and the desirability of obtaining new housing in less congested areas.

**Rental Market**

Multifamily units authorized in the HMA reached a high of 2,037 units in 1972 continuing an upward trend since only 569 units were authorized in 1968. In spite of the large increase in multifamily units constructed, it appears that the rental vacancy situation has improved over the last two years. The vacancy rate for efficiency and one-bedroom apartments appears to be above the average rate and higher than the vacancy rate of two and three-bedroom apartments. The occupancy rate of existing Section 236 developments has generally improved in recent months with new units of a development in Portage being absorbed very well. Most multifamily construction is of the garden and townhouse variety, the typical gross rent for existing apartments built in the past five years is as follows:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiencies</td>
<td>$110-$175</td>
</tr>
<tr>
<td>One Bedroom</td>
<td>130-190</td>
</tr>
<tr>
<td>Two Bedrooms</td>
<td>155-220</td>
</tr>
<tr>
<td>Three Bedrooms</td>
<td>190-350</td>
</tr>
</tbody>
</table>

Most rental housing has been built in the cities of Kalamazoo and Portage, and west of Kalamazoo in Oshtemo Township. Previously most multifamily construction was built in the proximity of Western Michigan University to house the rapidly growing campus student population. It appears that three major factors have led to a change in the pattern of locating multifamily housing. First, student enrollment has levelled off and,
without a significant shift in preference, only building for replacement will be needed to house the off campus student population. Secondly, there has been a significant change in tenure of the nonstudent population which is more distributed throughout the urban area. Thirdly, there is a limitation of land available for housing in certain areas of Kalamazoo.

Condominium Market

Only limited condominium activity has occurred in the Kalamazoo HMA. The first condominium activity was initiated in the summer of 1971 and some units were available for sale in 1972. Condominium activity has totaled only about two percent of total multifamily activity since 1970, or about 100 units.

Most condominium units have been constructed in the Kalamazoo and Portage area. The prices of condominium units sold ranged from $24,000 to over $100,000. All of the higher priced condominiums are in one development in the city of Kalamazoo and have been absorbed well. The degree of success of condominium development is difficult to assess at this time due to the small sample of units that have been introduced to the Kalamazoo market. One development of lower priced units was converted to rentals because of a lack of demand. There is a limited market for the highest priced condominiums and builders entering this market after observing initial successes may find absorption very slow. It appears condominiums will eventually become an integral part of the Kalamazoo Housing Market and units priced $30,000 to $50,000 should have the greatest successes.

Mobile Homes

As of August 1973, mobile homes constituted less than four percent of the housing inventory of the Kalamazoo HMA. According to the 1970 Census there were 1,429 mobile homes in the HMA in 1970, an increase of about 775 since 1960. It is estimated that there has been an increase of about 750 units since 1970 or about 230 a year.

The postal vacancy survey of March 1973 showed a vacancy rate among mobile homes of 2.7 percent. This is a substantial reduction from the vacancy rate of 8.2 percent in January 1972.

Demand for Nonsubsidized Housing

Quantitative Demand

Demand for additional new housing in the Kalamazoo HMA during the forecast period of August 1973 to August 1975, is dependent on an annual increase of 1,515 households and expected annual losses of about 300 units from the housing inventory. Based on these factors, current construction, and recent vacancy estimates, it is anticipated that there will be an annual demand for
about 1,750 new nonsubsidized housing units over the next two year period. The annual demand should include 650 single-family units, 1,000 multifamily rental units, and 100 condominium units. There should also be an annual demand for about 250 additional mobile homes over the next two years.

The estimated demand for single-family units is lower than the number of units authorized in 1970, 1971 or 1972 but higher than single-family units authorized in 1969. This reduction in demand for single-family units is partially due to an anticipated increase in demand for condominium units, which because of price will be purchased predominately by former home owners. Also, it appears that the effects of the tight mortgage market are being severely felt in the single-family housing market.

The estimated annual demand of 1,000 multifamily units over the next two years is substantially below the number of multifamily units authorized in 1972 and 1971, but higher than 1970. This anticipated decline in multifamily activity is due to a declining household formation rate, a levelling off of the student population and an indication that new units are being absorbed at a slower rate in spite of an improved vacancy situation.

Qualitative Demand

Single-Family Houses

The annual demand for 650 new single-family homes is expected to approximate the sales price distribution presented in table VII. This distribution is reflective of current family incomes, recent market experience and current prices in the Kalamazoo HMA.

Multifamily Units

It is estimated that the annual demand for 1,000 multifamily units would be best absorbed if the majority of units were one bedroom apartments renting for $160 to $200 and two bedroom units renting from $190 to $260. Table VII shows a suggested distribution by size and monthly rental.

Occupancy Potential for Subsidized Housing

The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Sections 235/236 housing.
In the Kalamazoo HMA, it is estimated that for the August 1973 to August 1975 forecast period there is an occupancy potential for 150 subsidized family units annually, using regular income limits under Sections 235 and Section 236. There is also an annual occupancy for about 110 units of Section 236 rental housing for elderly couples and individuals. 1/

As of August 1973 there were about 475 homes in the HMA which had been financed as new homes under Section 235. The rate of default for the homes financed under Section 235 has been about equal to the national average of five percent. As of August 1973, there had been 761 units of Section 236 rental housing authorized in the HMA. In addition, there had been about 547 units built under Section 221(d)(3) BMIR in the HMA.

There is no local housing authority operating in the Kalamazoo area and no public housing units have been constructed. There are, however, over 300 units of rent supplement housing, including one project of 200 units. There are 44 rent supplement units now under construction.

In light of new emphasis placed on Section 23 leased housing by the Department of Housing and Urban Development, the possibility of housing low income families in Kalamazoo by this method always exists. For the Kalamazoo HMA the annual occupancy potential for low rent public housing is estimated at 210 units for families and 185 units for the elderly. Approximately 55 elderly households are also eligible under Section 236 exclusively.

1/ The occupancy potentials referred to in this analysis are dependent upon the capacity of the market in view of existing vacancy strength or weakness. The successful attainment of the calculated market for subsidized housing may well depend upon construction in suitable accessible locations, as well as upon the distribution of rents and selling prices over the complete range attainable for housing under the specified programs. These estimates are not affected by the January 1973 "hold" on additional commitments for these programs; they will be applicable if funding is resumed or as a guide to local decisions with regard to the use of special revenue sharing or other alternatives for housing subsidies.
### TABLE I

**LABOR FORCE COMPONENTS**

**KALAMAZOO, MICHIGAN HOUSING MARKET AREA**

**1965 - 1973**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Labor</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>89,700</td>
</tr>
<tr>
<td>Agr. Employment</td>
<td>74,000</td>
<td>77,800</td>
<td>80,300</td>
<td>82,000</td>
<td>83,900</td>
<td>86,300</td>
<td>86,200</td>
<td>87,900</td>
<td>1,300</td>
</tr>
<tr>
<td>Nonfarm Labor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Force</td>
<td>72,400</td>
<td>76,200</td>
<td>78,700</td>
<td>80,500</td>
<td>82,400</td>
<td>84,900</td>
<td>84,900</td>
<td>86,600</td>
<td>88,400</td>
</tr>
<tr>
<td>Unemployment</td>
<td>2,300</td>
<td>2,300</td>
<td>2,700</td>
<td>2,900</td>
<td>2,700</td>
<td>4,600</td>
<td>6,000</td>
<td>5,300</td>
<td>4,500</td>
</tr>
<tr>
<td>Percent</td>
<td>3.1</td>
<td>3.0</td>
<td>3.4</td>
<td>3.5</td>
<td>3.2</td>
<td>5.3</td>
<td>7.0</td>
<td>6.0</td>
<td>5.1</td>
</tr>
</tbody>
</table>
| Workers involved in
| lab. &gmt Dispute| 200   | 300   | 100   | 300   | 100   | 700   | 100   | 100   | -                               |
| Nonfarm Empl.    | 69,900| 73,600| 75,900| 77,300| 79,600| 79,600| 78,800| 81,200| 83,700                           |
| Wage & Salary    | 63,200| 67,000| 69,500| 71,100| 73,300| 73,400| 72,500| 75,000| 77,700                           |
| Other $/         | 6,700 | 6,600 | 6,400 | 6,200 | 6,300 | 6,200 | 6,300 | 6,200 | 6,000                            |

\*a/ Includes self employed and domestics

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage &amp; Salary Empl.</td>
<td>62,200</td>
<td>67,000</td>
<td>69,500</td>
<td>71,100</td>
<td>73,300</td>
<td>73,400</td>
<td>72,500</td>
<td>75,000</td>
<td>77,700</td>
</tr>
<tr>
<td>Manufacturing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Durable Goods</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Durable Goods</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary Metals</td>
<td>300</td>
<td>300</td>
<td>400</td>
<td>400</td>
<td>500</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Fabricated Metals</td>
<td>1,000</td>
<td>2,400</td>
<td>3,200</td>
<td>3,800</td>
<td>3,900</td>
<td>3,600</td>
<td>3,600</td>
<td>3,500</td>
<td>3,600</td>
</tr>
<tr>
<td>Machinery (non-loc.)</td>
<td>3,000</td>
<td>3,300</td>
<td>3,400</td>
<td>3,300</td>
<td>3,200</td>
<td>3,300</td>
<td>3,200</td>
<td>2,800</td>
<td>2,700</td>
</tr>
<tr>
<td>Electrical Machinery</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation Equip.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Durables</td>
<td>6,000</td>
<td>6,300</td>
<td>2,900</td>
<td>2,700</td>
<td>2,500</td>
<td>2,300</td>
<td>2,100</td>
<td>2,100</td>
<td>2,300</td>
</tr>
<tr>
<td>Nondurable Goods</td>
<td>16,400</td>
<td>16,900</td>
<td>16,800</td>
<td>16,000</td>
<td>15,900</td>
<td>15,200</td>
<td>14,300</td>
<td>14,700</td>
<td>15,300</td>
</tr>
<tr>
<td>Food &amp; Kindred Prod.</td>
<td>1,500</td>
<td>1,400</td>
<td>1,300</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
<td>900</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Paper</td>
<td>8,000</td>
<td>8,300</td>
<td>8,000</td>
<td>7,600</td>
<td>7,300</td>
<td>6,800</td>
<td>6,100</td>
<td>6,100</td>
<td>6,400</td>
</tr>
<tr>
<td>Printing</td>
<td>1,100</td>
<td>1,000</td>
<td>1,100</td>
<td>1,100</td>
<td>1,100</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Chemicals</td>
<td>4,300</td>
<td>4,900</td>
<td>5,700</td>
<td>4,800</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>5,100</td>
<td>5,300</td>
</tr>
<tr>
<td>Other nondurables</td>
<td>c</td>
<td>c</td>
<td>1,200</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
<td>1,500</td>
</tr>
<tr>
<td>Nonmanufacturing</td>
<td>36,600</td>
<td>37,800</td>
<td>39,300</td>
<td>41,300</td>
<td>43,800</td>
<td>45,500</td>
<td>46,300</td>
<td>48,300</td>
<td>49,400</td>
</tr>
<tr>
<td>Construction</td>
<td>3,500</td>
<td>3,300</td>
<td>3,400</td>
<td>3,300</td>
<td>3,700</td>
<td>3,100</td>
<td>2,900</td>
<td>3,200</td>
<td>3,300</td>
</tr>
<tr>
<td>Trans., Comm., &amp; Utilities</td>
<td>2,300</td>
<td>2,400</td>
<td>2,400</td>
<td>2,400</td>
<td>2,400</td>
<td>2,700</td>
<td>2,900</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>2,100</td>
<td>2,200</td>
<td>2,400</td>
<td>2,500</td>
<td>2,600</td>
<td>2,600</td>
<td>2,600</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>8,800</td>
<td>9,400</td>
<td>9,500</td>
<td>9,800</td>
<td>10,400</td>
<td>11,200</td>
<td>11,700</td>
<td>12,600</td>
<td>13,400</td>
</tr>
<tr>
<td>Fin., Real Est., Ins.</td>
<td>1,800</td>
<td>2,000</td>
<td>2,100</td>
<td>2,200</td>
<td>2,300</td>
<td>2,400</td>
<td>2,500</td>
<td>2,500</td>
<td>2,700</td>
</tr>
<tr>
<td>Service</td>
<td>7,400</td>
<td>7,500</td>
<td>7,800</td>
<td>8,500</td>
<td>8,800</td>
<td>9,300</td>
<td>10,000</td>
<td>10,900</td>
<td>11,300</td>
</tr>
<tr>
<td>Government</td>
<td>10,700</td>
<td>12,000</td>
<td>11,700</td>
<td>12,600</td>
<td>12,600</td>
<td>14,200</td>
<td>14,200</td>
<td>13,900</td>
<td>13,800</td>
</tr>
</tbody>
</table>

(a) Workers involved in labor management dispute.
(b) Included in other durbles.
(c) Withheld to avoid disclosure.

NOTE: Summations may not equal totals because of rounding.

### TABLE III

**PERCENTAGE DISTRIBUTION OF ALL FAMILIES AND RENTER HOUSEHOLDS BY GROSS INCOME**

**KALAMAZOO, MICHIGAN HOUSING MARKET AREA**

<table>
<thead>
<tr>
<th>Annual Income</th>
<th>1969 All Families</th>
<th>1969 Renter (a) Households</th>
<th>1973 All Families</th>
<th>1973 Renter (a) Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $2,000</td>
<td>3.4</td>
<td>11.1</td>
<td>2.0</td>
<td>4.5</td>
</tr>
<tr>
<td>$2,000-2,999</td>
<td>2.7</td>
<td>6.5</td>
<td>1.0</td>
<td>2.0</td>
</tr>
<tr>
<td>$3,000-3,999</td>
<td>3.3</td>
<td>6.6</td>
<td>2.0</td>
<td>7.5</td>
</tr>
<tr>
<td>$4,000-4,999</td>
<td>3.5</td>
<td>7.3</td>
<td>2.5</td>
<td>5.5</td>
</tr>
<tr>
<td>$5,000-5,999</td>
<td>4.2</td>
<td>8.2</td>
<td>4.0</td>
<td>5.5</td>
</tr>
<tr>
<td>$6,000-6,999</td>
<td>4.6</td>
<td>7.8</td>
<td>3.5</td>
<td>6.5</td>
</tr>
<tr>
<td>$7,000-7,999</td>
<td>6.1</td>
<td>7.5</td>
<td>3.0</td>
<td>7.0</td>
</tr>
<tr>
<td>$8,000-8,999</td>
<td>7.5</td>
<td>8.0</td>
<td>3.0</td>
<td>6.5</td>
</tr>
<tr>
<td>$9,000-9,999</td>
<td>7.2</td>
<td>8.5</td>
<td>5.0</td>
<td>5.5</td>
</tr>
<tr>
<td>$10,000-11,999</td>
<td>14.5</td>
<td>10.0</td>
<td>11.5</td>
<td>13.5</td>
</tr>
<tr>
<td>$12,000-14,999</td>
<td>17.4</td>
<td>10.5</td>
<td>16.0</td>
<td>13.0</td>
</tr>
<tr>
<td>$15,000-17,999</td>
<td>20.1</td>
<td>6.9</td>
<td>30.5</td>
<td>16.0</td>
</tr>
<tr>
<td>$25,000-49,999</td>
<td>4.6</td>
<td>1.0</td>
<td>14.0</td>
<td>4.5</td>
</tr>
<tr>
<td>50,000 Over</td>
<td>.9</td>
<td>.1</td>
<td>2.0</td>
<td>.5</td>
</tr>
<tr>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Median** $11,037  $7,300  $14,200  $9,400

(a) Excludes one person renter households.

Sources: 1970 Census and estimates by Housing Market Analyst.
## TABLE IV

### DEMOGRAPHIC TRENDS

**KALAMAZOO, MICHIGAN HOUSING MARKET AREA**

**1960-1975**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HIA Total</td>
<td>169,712</td>
<td>201,550</td>
<td>214,000</td>
<td>220,600</td>
<td>1,125</td>
<td>1,910</td>
<td>1,515</td>
</tr>
<tr>
<td>Kalamazoo</td>
<td>82,089</td>
<td>85,555</td>
<td>87,500</td>
<td>88,300</td>
<td>345</td>
<td>590</td>
<td>400</td>
</tr>
<tr>
<td>Portage</td>
<td>20,181</td>
<td>33,590</td>
<td>37,400</td>
<td>39,600</td>
<td>1,340</td>
<td>1,150</td>
<td>3.9</td>
</tr>
<tr>
<td>Rest of County</td>
<td>67,442</td>
<td>82,405</td>
<td>89,100</td>
<td>92,700</td>
<td>1,496</td>
<td>2,030</td>
<td>2.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HIA Total</td>
<td>48,139</td>
<td>59,406</td>
<td>65,770</td>
<td>68,800</td>
<td>1,125</td>
<td>1,910</td>
<td>1,515</td>
</tr>
<tr>
<td>Kalamazoo</td>
<td>23,856</td>
<td>25,816</td>
<td>27,450</td>
<td>28,260</td>
<td>195</td>
<td>490</td>
<td>405</td>
</tr>
<tr>
<td>Portage</td>
<td>5,349</td>
<td>9,184</td>
<td>10,630</td>
<td>11,450</td>
<td>380</td>
<td>435</td>
<td>410</td>
</tr>
<tr>
<td>Rest of County</td>
<td>18,934</td>
<td>24,406</td>
<td>27,690</td>
<td>29,090</td>
<td>550</td>
<td>985</td>
<td>700</td>
</tr>
</tbody>
</table>

* Derived through the use of a formula designed to calculate the percentage rate of change on a compound basis.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All Total</td>
<td>1,714</td>
<td>1,275</td>
<td>1,036</td>
<td>1,594</td>
<td>2,136</td>
<td>2,786</td>
<td>377</td>
</tr>
<tr>
<td>Single Family</td>
<td>787</td>
<td>706</td>
<td>447</td>
<td>661</td>
<td>713</td>
<td>749</td>
<td>342</td>
</tr>
<tr>
<td>Multifamily</td>
<td>927</td>
<td>569</td>
<td>591</td>
<td>933</td>
<td>1,423</td>
<td>2,037</td>
<td>635</td>
</tr>
<tr>
<td>Kalamazoo</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>527</td>
<td>283</td>
<td>254</td>
<td>706</td>
<td>615</td>
<td>541</td>
<td>243</td>
</tr>
<tr>
<td>Multifamily</td>
<td>443</td>
<td>224</td>
<td>332</td>
<td>664</td>
<td>570</td>
<td>505</td>
<td>169</td>
</tr>
<tr>
<td>Portage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>321</td>
<td>299</td>
<td>331</td>
<td>302</td>
<td>456</td>
<td>678</td>
<td>264</td>
</tr>
<tr>
<td>Multifamily</td>
<td>52</td>
<td>189</td>
<td>185</td>
<td>14</td>
<td>258</td>
<td>490</td>
<td>146</td>
</tr>
<tr>
<td>Remainder of County</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>346</td>
<td>593</td>
<td>353</td>
<td>586</td>
<td>1,063</td>
<td>1,567</td>
<td>450</td>
</tr>
<tr>
<td>Multifamily</td>
<td>419</td>
<td>437</td>
<td>279</td>
<td>331</td>
<td>468</td>
<td>525</td>
<td>150</td>
</tr>
</tbody>
</table>

a/ Includes subsidized housing units.

Source: U. S. Bureau of the Census, C-40 Construction Reports, Local Building Inspectors and estimates by Housing Market Analyst.
TABLE VI

HOUSING FACTORS

KALAMAZOO, MICHIGAN HOUSING MARKET AREA

April 1970 - August 1973

<table>
<thead>
<tr>
<th>April 1, 1970</th>
<th>IIMA</th>
<th>Kalamazoo</th>
<th>Portage</th>
<th>Remainder of County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Housing Inv.</td>
<td>62,529</td>
<td>27,167</td>
<td>9,483</td>
<td>25,879</td>
</tr>
<tr>
<td>Occupied Housing Units</td>
<td>59,406</td>
<td>28,816</td>
<td>9,184</td>
<td>22,406</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>42,481</td>
<td>14,822</td>
<td>7,868</td>
<td>19,791</td>
</tr>
<tr>
<td>% of Total Occupied</td>
<td>71.5%</td>
<td>57.4%</td>
<td>85.7%</td>
<td>81.1%</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>16,925</td>
<td>10,994</td>
<td>1,316</td>
<td>4,615</td>
</tr>
<tr>
<td>% Total Occupied</td>
<td>28.5%</td>
<td>42.6%</td>
<td>14.3%</td>
<td>18.9%</td>
</tr>
<tr>
<td>Vacant Housing Units</td>
<td>3,123</td>
<td>1,351</td>
<td>299</td>
<td>1,473</td>
</tr>
<tr>
<td>Available Vacant</td>
<td>1,541</td>
<td>902</td>
<td>152</td>
<td>487</td>
</tr>
<tr>
<td>For Sale</td>
<td>389</td>
<td>181</td>
<td>79</td>
<td>109</td>
</tr>
<tr>
<td>Homeowner Vacancy Rate</td>
<td>0.9%</td>
<td>1.2%</td>
<td>1.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>For Rent</td>
<td>1,152</td>
<td>721</td>
<td>73</td>
<td>378</td>
</tr>
<tr>
<td>Renter Vacancy Rate</td>
<td>6.4%</td>
<td>6.1%</td>
<td>5.3%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Other Vacant a/</td>
<td>1,582</td>
<td>486</td>
<td>147</td>
<td>986</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>August 1, 1973</th>
<th>IIMA</th>
<th>Kalamazoo</th>
<th>Portage</th>
<th>Remainder of County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Housing Inv.</td>
<td>68,910</td>
<td>28,810</td>
<td>10,900</td>
<td>29,200</td>
</tr>
<tr>
<td>Occupied Housing Units</td>
<td>65,770</td>
<td>27,450</td>
<td>10,630</td>
<td>27,690</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>44,390</td>
<td>14,760</td>
<td>8,460</td>
<td>21,170</td>
</tr>
<tr>
<td>% of Total Occupied</td>
<td>67.5%</td>
<td>53.8%</td>
<td>79.6%</td>
<td>76.5%</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>21,380</td>
<td>12,690</td>
<td>2,170</td>
<td>6,520</td>
</tr>
<tr>
<td>% Total Occupied</td>
<td>32.5%</td>
<td>46.2%</td>
<td>20.4%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Vacant Housing Units</td>
<td>3,140</td>
<td>1,360</td>
<td>270</td>
<td>1,510</td>
</tr>
<tr>
<td>Available Vacant</td>
<td>1,755</td>
<td>950</td>
<td>205</td>
<td>600</td>
</tr>
<tr>
<td>For Sale</td>
<td>445</td>
<td>200</td>
<td>95</td>
<td>150</td>
</tr>
<tr>
<td>Homeowner Vacancy Rate</td>
<td>1.0%</td>
<td>1.3%</td>
<td>1.1%</td>
<td>0.7%</td>
</tr>
<tr>
<td>For Rent</td>
<td>1,310</td>
<td>750</td>
<td>110</td>
<td>450</td>
</tr>
<tr>
<td>Renter Vacancy Rate</td>
<td>5.8%</td>
<td>5.6%</td>
<td>4.8%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Other Vacant a/</td>
<td>1,385</td>
<td>410</td>
<td>65</td>
<td>910</td>
</tr>
</tbody>
</table>

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

TABLE VI
ESTIMATED ANNUAL DEMAND FOR NEW NON-SUBSIDIZED HOUSING
KALAMAZOO, MICHIGAN 152-A
August 1, 1973-August 1, 1975

A. Single Family Homes

<table>
<thead>
<tr>
<th>Sales Price</th>
<th>Number of Units</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $22,500</td>
<td>110</td>
<td>17</td>
</tr>
<tr>
<td>$22,500- $24,999</td>
<td>80</td>
<td>12</td>
</tr>
<tr>
<td>$25,000- $29,999</td>
<td>100</td>
<td>15</td>
</tr>
<tr>
<td>$30,000- $34,999</td>
<td>120</td>
<td>19</td>
</tr>
<tr>
<td>$35,000- $49,999</td>
<td>160</td>
<td>25</td>
</tr>
<tr>
<td>50,000 and over</td>
<td>80</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>650</td>
<td>100</td>
</tr>
</tbody>
</table>

B. Multifamily Units

<table>
<thead>
<tr>
<th>Gross Monthly Rent a/</th>
<th>Efficiency</th>
<th>One Bedroom</th>
<th>Two Bedrooms</th>
<th>Three or more Bedrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $150</td>
<td>35</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$150 - $159</td>
<td>20</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$160 - $169</td>
<td>15</td>
<td>120</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$170 - $179</td>
<td>10</td>
<td>80</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$180 - $189</td>
<td>-</td>
<td>60</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$190 - $199</td>
<td>-</td>
<td>40</td>
<td>120</td>
<td>-</td>
</tr>
<tr>
<td>$200 - $219</td>
<td>-</td>
<td>30</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>$220 - $239</td>
<td>-</td>
<td>10</td>
<td>70</td>
<td>45</td>
</tr>
<tr>
<td>$240 - $259</td>
<td>-</td>
<td>-</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>$260 - $279</td>
<td>-</td>
<td>-</td>
<td>40</td>
<td>25</td>
</tr>
<tr>
<td>$280 - $299</td>
<td>-</td>
<td>-</td>
<td>30</td>
<td>20</td>
</tr>
<tr>
<td>300 and over</td>
<td>-</td>
<td>-</td>
<td>20</td>
<td>150</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>340</td>
<td>430</td>
<td>150</td>
</tr>
</tbody>
</table>

a/ Gross rent includes the cost of utilities.
Source: Estimated by Housing Market Analyst.
TABLE VII
ESTIMATED ANNUAL OCCUPANCY POTENTIAL FOR SUBSIDIZED RENTAL HOUSING
KALAMAZOO, MICHIGAN, HOUSING MARKET AREA
August 1, 1973 - August 1, 1975

<table>
<thead>
<tr>
<th></th>
<th>Sec 236 a/ Eligible for Rent</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Exclusively both Programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Families</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 BR</td>
<td>30</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>2 BR</td>
<td>60</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>3 BR</td>
<td>40</td>
<td>0</td>
<td>55</td>
</tr>
<tr>
<td>4+BR</td>
<td>20</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>0</td>
<td>210</td>
</tr>
<tr>
<td>B. Elderly</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficiency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 BR</td>
<td>30</td>
<td>25</td>
<td>90</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>45</td>
<td>140</td>
</tr>
</tbody>
</table>

a/ Estimates based on regular income limits.

Source: Estimated by Housing Market Analyst.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

JUN 25 1974

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