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Analysis of the

KENT, OHIO

HOUSING MARKET

as of January 1, 1967

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

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HOUSING MARKET ANALYSIS - KENT, OHIO

The Federal Housing Administration today released its analysis of the Kent, Ohio housing market. The housing market area consists of Franklin Township in Portage County, Ohio, including the city of Kent. Demand for new housing is estimated at 275 units a year for the two years dating from January 1967.

The 275 units of demand includes 100 single-family houses for sale and 175 units in multifamily structures, excluding public low-rent housing and rent-supplement accommodations. If assistance is made available in the acquisition and cost of land or in the cost of financing, a part of the demand for privately-financed units in multifamily structures could be met effectively at the lower rents possible with such assistance.

Vacancies were nominal in the Kent area in January 1967. There were 60 vacant, available, housing units of which 20 were for sale and 40 were for rent.

There were 7,375 housing units in the inventory, an addition of 1,550 new units since April 1960. In January 1967 there were 90 units under construction, including 80 apartment units.

The economy of the area is dominated by Kent State University. The 24,000 students enrolled in the fall of 1966 was more than double the fall 1960 total. About 250 added jobs a year are expected in Franklin Township in 1967 and 1968.

The growing student population is the principal factor in recent population growth. The January 1, 1967 population of 32,050 represented an average annual gain of 1,425 since April 1960. Students accounted for about 56 percent of this growth. In the two-year forecast period, annual population growth is expected to average 2,100 persons, including 1,550 students.

(more)

The 7,175 households in the Kent area in January 1967 represent an increase of 240 a year since 1960. From January 1967 to January 1969, the number of households is expected to increase by 225 a year.

Requests for copies of this analysis should be directed to Mr. William H. Hackman, Director, Federal Housing Administration, 1240 East Ninth Street, Cleveland, Ohio 44199.

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(MC-FHA-MA-67-67)

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ANALYSIS OF THE
KENT, OHIO, HOUSING MARKET
AS OF JANUARY 1, 1967

Field Market Analysis Service
Federal Housing Administration
Department of Housing and Urban Development

Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE
KENT, OHIO, HOUSING MARKET
AS OF JANUARY 1, 1967

Summary and Conclusions

1. The economy of the Kent Housing Market Area (HMA), consisting of the city of Kent and the remainder of Franklin Township, is dominated by Kent State University. The economic expansion of the Kent area has paralleled university growth. The estimated 24,000 students enrolled in the fall of 1966 was more than double the fall-term enrollment in 1960. The influx of resident students as well as the growth in commuting students in recent years has generated growth in secondary supporting industries such as trade and services, and the campus development program has resulted in additional construction jobs in the area. Total nonagricultural employment in Portage County averaged around 25,600 in 1966, up 3,600 (16 percent) over the average for 1963. Employment growth in the area can be expected to continue at a rate of around 1,000 jobs a year for each of the next two years, principally in response to anticipated gains in trade, services, and construction industries. Of the 1,000 jobs expected to materialize over the forecast period, 250 are expected to occur each year in Franklin Township.
2. The current median annual incomes of all families and of renter households of two or more persons, after deduction of federal income taxes, were \$8,100 and \$6,575, respectively as of January 1, 1967 (about 30 percent above 1959 levels). By January 1, 1969, median annual after-tax incomes are expected to increase by approximately five percent to \$8,500 for all families and \$6,900 for renter households.
3. The January 1, 1967 population of the Kent HMA was 32,050, an average annual gain of 1,425 persons (5.3 percent) since the April 1960 Census. The population gain in recent years has been substantially higher than in the 1950-1960 period, when growth averaged 590 persons (3.0 percent) each year. The growing student population is the principal factor in the population growth during the more recent period; the increase in the student population (excluding the 57 percent who commute from outside Franklin Township) accounted for 56 percent of the total population growth since 1960, compared with nearly 30 percent of the 1950-1960 increase. By January 1, 1969, the population of the HMA is expected to reach 36,250, an annual gain of 2,100 persons (6.6 percent), including 1,550 students, over the present total.

4. The estimated 7,175 households in the HMA as of January 1, 1967 represents an increase of 240 (3.9 percent) a year over the 1960 total, a much higher rate of growth than the 140 households (2.9 percent) added each year during the 1950-1960 period. The number of households is expected to total around 7,625 by January 1, 1969, 225 (3.1 percent) a year above the present total.
5. There were about 7,375 housing units in the housing inventory of the Kent HMA on January 1, 1967 reflecting the addition of around 1,550 new units to the 1960 housing supply as well as a small number of conversions and demolitions. There were 90 residential units under construction in the Kent area, including 80 apartment units.
6. Vacancies were nominal in the Kent area. An estimated 60 housing units were vacant and available in the HMA; 20 for sale (a homeowner vacancy ratio of 0.5 percent) and 40 for rent (a rental vacancy ratio of 1.4 percent). Homeowner and rental vacancy ratios declined sharply from the 1960 vacancy ratios of 1.1 percent and 4.0 percent, respectively.
7. Over the two-year forecast period, there is expected to be an annual demand for 275 new privately-owned housing units in the Kent HMA, consisting of 100 single-family houses for sale and 175 units in multifamily structures. Demand for single-family houses for sale by price class is expected to approximate the distribution in the table on page 16. Prospective demand for multifamily units by size and monthly gross rent is presented on page 17. If assistance is made available in the acquisition and cost of land or in the cost of financing, a part of the demand for privately-financed units in multifamily structures could be met effectively at the lower rents possible with such assistance.

ANALYSIS OF THE
KENT, OHIO, HOUSING MARKET
AS OF JANUARY 1, 1967

Housing Market Area

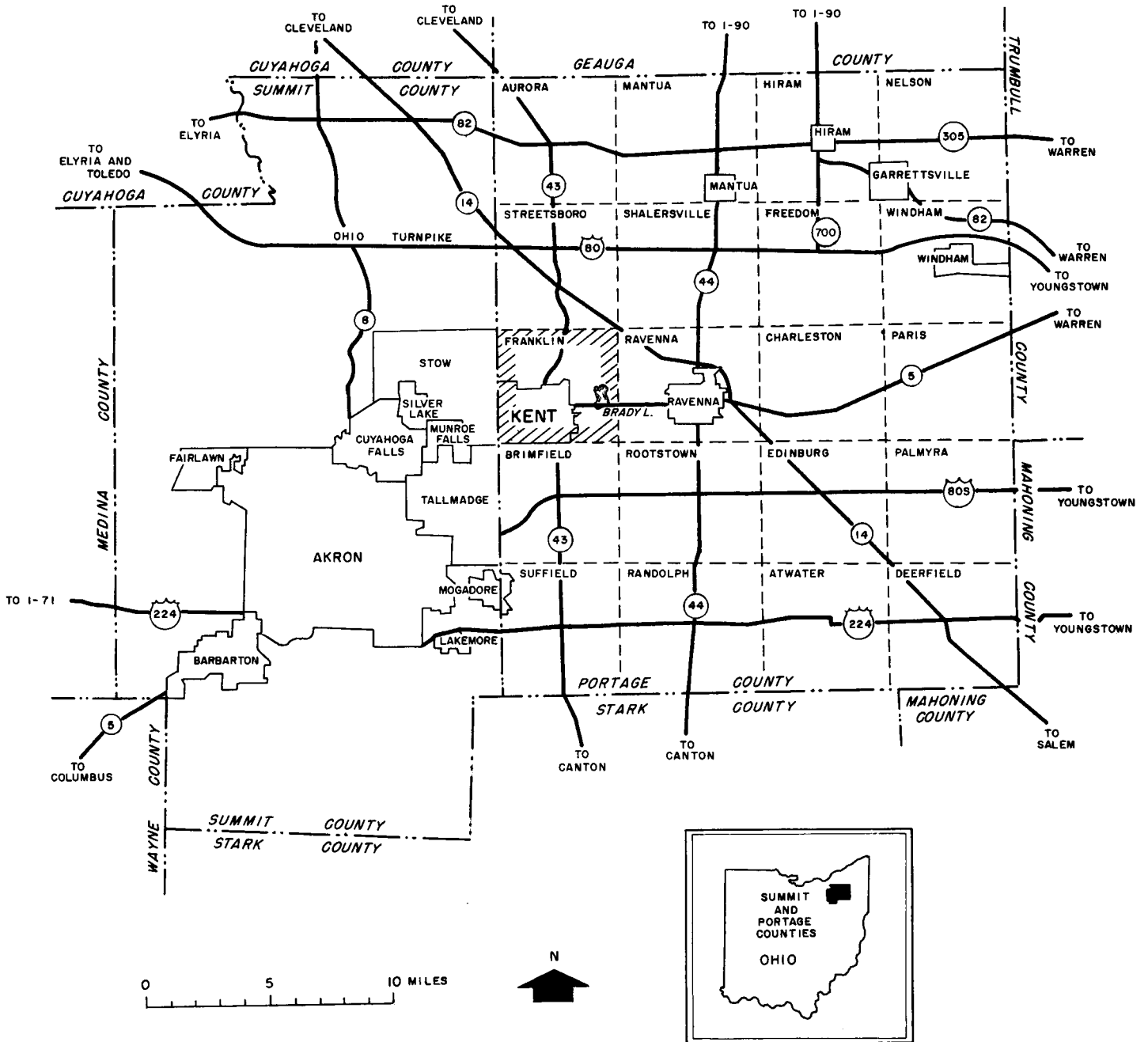
The Kent, Ohio, Housing Market Area (HMA) is defined as the city of Kent and the remainder of Franklin Township in Portage County. Franklin Township had a population of nearly 22,400 persons in April 1960.^{1/} While Portage County, Ohio (including the Kent HMA) is currently classified as part of the Akron Standard Metropolitan Statistical Area (Portage and Summit Counties), the ties of the HMA to Akron (and Summit County in general) are not very strong. Data from the 1960 Census for the city of Kent indicate, for example, that in 1960, 85 percent of the employed residents of Kent worked in Portage County and just 15 percent in Summit County. The proportions were similar for Franklin Township in 1960. However, in 1960, about 42 percent of the employed residents of Brimfield Township, bordering the HMA on the south, commuted to jobs in Summit County as did 80 percent of the employed residents of the Summit County township of Stow, bordering the HMA on the west.

The Akron SMSA, including the Kent HMA, is situated in the approximate center of the northeastern Ohio urban complex, with the Cleveland, Ohio, SMSA located immediately northwest, the Youngstown-Warren, Ohio, SMSA to the east, and the Canton, Ohio, SMSA to the south.

State routes 5 (east-west) and 43 (north-south) intersect in the city of Kent while the Ohio Turnpike (I-80) passes through Portage County seven miles north of Kent and I-80S passes through the county four miles south of Kent. The Erie-Lackawana, Baltimore and Ohio, and Nickel Plate railroads serve Kent, and limited air taxi service is available from the Kent State University Airport (two miles west of Kent in Stow) to the Akron-Canton and Cleveland Hopkins Airports. There is bus service to Akron where excellent transportation connections are available.

^{1/} Inasmuch as the rural farm population of the HMA constituted less than five percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

KENT, OHIO, HOUSING MARKET AREA



Economy of the Area

Character and History

Kent is a city with an economy based on higher education and secondary supporting industries, such as trade and services. Kent State University was founded in 1910. Total enrollment was estimated at about 24,000 students for the most recent fall term (57 percent of whom commute to Kent from areas outside Franklin Township). The growth of the city has paralleled that of the school.

The university has initiated a long-range campus development program scheduled to be completed by 1974 which will result in the construction of 40 additional buildings on campus at a cost of roughly \$100 million. Included in the expansion program are residence halls which will house a large number of additional students. In addition, a private developer has proposed to build dormitory-type living accommodations off-campus in the city of Kent; the number of spaces which would be made available is not yet known. This project would conform to the standards for residence halls set by KSU officials and rents would be comparable to housing fees on campus.

Employment

Past Trend. No data are available to indicate either the current levels or recent trends of employment in the Kent HMA. Census data for 1960 indicate that 7,861 residents of the HMA were employed out of 29,515 employed residents in Portage County. The number of jobs in the Kent HMA probably exceeded the number, with more in-commuting than out-commuting. Since 1960, nonagricultural employment in Portage County (measured by place of employment rather than place of residence) has increased about 4,800, from a 1960 average of 21,700 to a 1966 average of about 26,500. It is estimated that about one-fourth of this increase occurred in the Kent HMA. Two-thirds of the 1960-1966 non-agricultural employment gain in Portage County occurred subsequent to 1963 when 3,600 jobs were added (1,200 annually). During the three years preceding 1963, nonagricultural employment in Portage County grew modestly by 400 jobs a year.

Employment by Industry. The most complete employment data for Franklin Township (the HMA) are provided by the 1960 Census; these data represent the employment of residents of the area and do not reflect the employment pattern of local employers. Slightly over 68 percent of the 1960 nonagricultural employment of residents in the Kent HMA was concentrated in nonmanufacturing industries, the detail of which is presented in table I. Educational services, the largest single source of employment in the area in 1960, which remains true currently, accounted for about 22 percent of the nonagricultural employment, totalling almost

1,725 workers. Other than employment in trade, which accounted for 18 percent (1,450) of the 1960 nonagricultural jobs in Franklin Township, no other nonmanufacturing industry segment comprised more than six percent of the employment total. Nearly 2,500 workers were engaged in manufacturing jobs in 1960, slightly less than one-third of the total nonagricultural employment.

Principal Employment Sources

The 1965 Directory of Ohio Manufacturers listed a total of 45 manufacturing firms in the Kent HMA, the most prominent of which include Lamb Electric, with over 700 employees in 1964 producing a variety of electrical machinery and equipment; Highway Products, Incorporated, with over 350 persons engaged in the manufacture of automotive accessories; C. L. Gougler Machine Company (approximately 400 employees); the Lamson and Sessions Company, which employs over 350 persons in the production of steel alloys; and the Davey Compressor Company, with over 200 employees engaged in the manufacture of gas compressors and pumping equipment. Local sources indicate that employment levels have increased in each of these firms in the past two years. These employment data include non-residents as well as residents of Franklin Township.

Kent State University is the largest single source of employment in Franklin Township. Full-time employment (residents and non-residents) totalled almost 2,375 in December 1966, according to university officials. Of the total, about 775 were academic employees (including administrative faculty) and the remainder were nonacademic employees. In addition, the university employs over 4,500 part-time employees, virtually all of whom are students. Since the 1960 fall-term, full-time employment is estimated to have increased by about 850 persons.

Future Employment Prospects

Total nonagricultural employment in Portage County is expected to increase by approximately 1,000 a year for the next two years; some 250 jobs a year are expected to materialize in the Kent HMA. A large part of the growth will occur in response to the expansion program currently underway at KSU. As work progresses on the dormitories and classroom and laboratory facilities, construction employment should rise rapidly. Many of these workers will commute daily to jobs in the HMA. Trade employment also will grow in response to the growing school enrollment. Officials at the university are confident that the additional facilities now under construction will serve to induce research and development firms to locate in the Kent HMA, although none has located there as yet.

Income

The median income of all families in the Kent HMA, after deducting federal income taxes, was estimated at \$8,100 annually on January 1, 1967; the median after-tax income of renter households of two or more persons was \$6,575. January 1967 median annual incomes were about 30 percent above 1959 levels.

Median After-Tax Income of All Families and of Renter Households
Kent, Ohio, Housing Market Area
1967 and 1969

<u>Year</u>	<u>All families</u>	<u>Renter households</u> ^{a/}
1967	\$8,100	\$6,575
1969	8,500	6,900

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

Source: Estimated by Housing Market Analyst.

Twenty-nine percent of all families and 43 percent of renter households of two or more persons had annual incomes of less than \$6,000 in January 1967 (see table II). About nine percent of all families and four percent of the renter households have incomes in excess of \$15,000 annually.

By 1969, median incomes in Kent are expected to increase by about five percent to \$8,500 for all families and \$6,900 for renter households. Approximately 26 percent of all families and 40 percent of the renter households will be receiving less than \$6,000 yearly. About 11 percent of all families and four percent of the two- or more-person renter households are expected to have annual incomes in excess of \$15,000 in 1969. Income distributions, including annual median incomes discussed above and presented in table II, are deflated to some extent by the inclusion of married student families, whose income levels generally are lower. If these families could be excluded from the basic data utilized in deriving incomes, the median levels of income would be somewhat higher than indicated.

Demographic Factors

Population

Current Estimate and Past Trend. The January 1, 1967 population of the Kent HMA was about 32,050 persons. Eighty-three percent (26,600) of the population was in the city of Kent and the remainder (5,450) in suburban Franklin Township.

From April 1960 to January 1967, the population of the Kent HMA increased at an average rate of 1,425 persons (5.3 percent) yearly.^{1/} The population gain recorded in recent years is nearly two and one-half times the average annual increment of 590 persons (3.0 percent) during the 1950-1960 decade; growing student population is a principal factor in the recent rapid population gains. Students accounted for 56 percent of the population gain since 1960, compared with only 29 percent of the 1950-1960 increase.

Over 90 percent of the 1960-1967 population growth was in the city of Kent, which added some 1,300 persons (6.0 percent) a year. Suburban Franklin Township grew much less rapidly than the central city, adding about 125 persons (2.7 percent) annually. Both areas recorded lower population gains during the 1950's than in the subsequent period; over 540 persons (3.7 percent) were added each year in Kent and just under 50 persons (1.0 percent) a year in the remainder of the HMA.

The increasing importance of students in the Kent HMA warrants separate analytical treatment of the trends of the student and nonstudent populations. The total of 10,400 college students in the Kent HMA in January 1967 comprised slightly less than one-third of the total population of the HMA and was more than twice the number of students residing in the HMA in 1960. The following table shows population trends in the Kent HMA since 1950, including the student and nonstudent segments.

^{1/} All average annual percentage changes in demographic data, as used in this analysis, are derived through the use of a formula designed to calculate the rate of change on a compound basis.

Population Trends
Kent, Ohio, HMA
April 1, 1950-January 1, 1967

<u>Segment</u>	<u>Apr. 1,</u> <u>1950</u>	<u>Apr. 1,</u> <u>1960</u>	<u>Jan. 1,</u> <u>1967</u>	<u>Average annual change</u>	
				<u>1950-1960</u>	<u>1960-1967</u>
Student population	3,300	5,025	10,400	173	800
Nonstudent population	<u>13,227</u>	<u>17,359</u>	<u>21,650</u>	<u>413</u>	<u>625</u>
Total population	16,527	22,384	32,050	586	1,425

Sources: Total 1950 and 1960 population from Censuses of Population; 1967 estimated by Housing Market Analyst. Student and non-student populations for all periods estimated by Housing Market Analyst based on fall semester enrollment data.

While both segments of the population have increased more rapidly in recent years than during the 1950-1960 decade, the above table shows that the student population has increased more rapidly than the nonstudent population.

Nonhousehold Population. Persons living in Kent State University residence halls, fraternity and sorority houses, and hospitals account for almost all of the nonhousehold population in the Kent HMA. On the basis of 1960 Census reports, the nonhousehold population amounted to over 3,600 persons. The combined effect of 3,575 new dormitory spaces at the university and a rise in the hospital population in the area has resulted in an increase in the nonhousehold population to a total of around 7,750 persons in January 1967. A small portion of the student increase since 1960 represented a gain in the household population, either as roomers in established households or as joint tenants of new households.

Estimated Future Population. By January 1, 1969, the population of the Kent area is expected to reach 36,250, representing an annual increment of 2,100 persons. The projected annual population increment is expected to be composed of around 1,550 students and 550 nonstudents. Anticipated population growth is premised upon prospective employment gains discussed previously and on the best available enrollment forecasts for Kent State University. The 1969 population is expected to be comprised of a nonhousehold population of 10,500 persons and of 25,750 persons living in households; the anticipated population levels suggest annual increments of 1,375 and 725, respectively.

Net Natural Increase and Migration. Over the 1950-1960 decade, the net natural increase (excess of resident births over resident deaths) in the Kent HMA numbered 2,000, while the total population increased by 5,850 persons. The difference (3,850, or 66 percent of the total population gain) represents in-migration into the Kent area. The population gain

of nearly 9,675 since 1960 resulted from a net natural increase of about 2,050 persons and in-migration totalling 7,625 persons. In-migration during the more recent interval accounted for just under 80 percent of the total population increase. Assuming the increase in the student population since 1950 resulted entirely from in-migration, students accounted for 44 percent of the 1950-1960 in-migration and 70 percent of the in-migration since 1960.

Components of Population Change
Kent, Ohio, Housing Market Area
April 1, 1950-January 1, 1967

<u>Source of change</u>	<u>Average annual change</u>	
	<u>1950-1960</u>	<u>1960-1967</u>
Total population change	586	1,425
Net natural increase	200	300
Migration	386	1,125

Sources: U.S. Department of Health, Education, and Welfare;
Vital Statistics of the U.S.; and estimates by
Housing Market Analyst.

Households

Current Estimate and Past Trend. There were 7,175 households in the HMA on January 1, 1967 of which 5,650 (79 percent) were in the city of Kent and the remainder (1,525) in suburban Franklin Township. The total represents an annual increment of about 240 (3.9 percent) since April 1960, a substantially higher rate of growth than during the previous ten years when the number of households increased by an average of 140 (2.9 percent) each year. A part of the increase in households during the decennial period results from a change in census definition which added to the 1960 household count a number of residential units which were not considered to be housing units in 1950; this affects the city of Kent, particularly.

In the city of Kent, an average of 210 households (4.3 percent) were added each year since 1960, accounting for 87 percent of the added households in the HMA; an average of 30 households (2.5 percent) were added annually in the rest of Franklin Township. During the ten years preceding 1960, the number of households in Kent increased by an average of 130 (3.7 percent) a year, while the number in the remainder of Franklin Township increased modestly (see table III).

The dominant influence of the university is evident in the accelerated rate of growth in the number of households since 1960. An increased number of students have formed households and the number of faculty and staff personnel have increased substantially. The trend of student and nonstudent households is shown in the following table.

Household Trends					
Kent, Ohio, HMA					
April 1, 1950-January 1, 1967					
Segment	Apr. 1, 1950	Apr. 1, 1960	Jan. 1, 1967	Average annual change	
				1950-1960	1960-1967
Student households	300	600	950	30	50
Nonstudent households	3,834	4,930	6,225	110	190
Total households	4,134	5,530	7,175	140	240

Sources: Total 1950 and 1960 households from Census of Housing. 1967 estimated by Housing Market Analyst. Student and nonstudent households estimated by Housing Market Analyst based on data provided by Kent State University.

Estimated Future Households. Based on anticipated population gains over the next 24 months, including the substantial increase in the student population forecast, and on the assumption that the average household size will decline slightly over the next two years, there will be 7,625 households in the Kent HMA by January 1, 1969. This represents an expected addition of 225 households each year, about 60 of which will be student households. About 185 new households will be added each year in Kent and 40 in the remainder of the HMA.

Household Size Trends. The average number of persons per household in the Kent HMA was about 3.39 persons in January 1967, no change from 1960, but down from 3.42 in 1950. The average household size has been declining in Kent since 1950, while the reverse has occurred in the remainder of the HMA (see table III). These offsetting trends have resulted in a static average household size for the HMA between 1960 and 1967. Households in the city are much smaller in average size because of the concentration of multifamily units there; typically, these units are occupied by smaller households. The formation of student households undoubtedly has contributed toward the declining trend in average household size in Kent since 1950. A small additional decline in household size is anticipated over the two-year forecast period as student households continue to comprise a greater portion of households in the HMA (14 percent by January 1, 1969).

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. The estimated 7,375 housing units in the January 1967 housing inventory of the HMA represented a net increase of around 1,575 (27 percent) since April 1960, or an average annual gain of 230 units. The net addition to the housing inventory of the Kent HMA resulted from the construction of around 1,550 units and a small amount of conversion and demolition. There were about 5,750 units in the city of Kent and another 1,625 units in suburban Franklin Township. Between 1950 and 1960, the housing supply in the HMA increased by 150 a year, 140 a year in Kent and about ten units annually in the remainder of Franklin Township. Some part of these increases resulted from a more inclusive definition of "housing unit" in the 1960 Census than that of "dwelling unit" in the 1950 Census.

Units in Structure. Because rather sizeable multifamily projects were completed in recent years, the distribution of the housing inventory in the Kent area by units in structure has undergone significant changes. Three-fourths of the January 1967 housing inventory was in single-family structures, including trailers, 13 percent in structures containing five or more units, and a slightly smaller percentage in smaller multifamily structures (two to four units). In 1960, only two percent of the housing inventory of the Kent HMA was in structures containing five or more units and 86 percent was composed of single-family structures. Structures with two to four family units accounted for 12 percent of the housing stock in both 1960 and 1967 (see following table).

Housing Inventory by Units in Structure
Kent, Ohio, Housing Market Area
April 1, 1960-January 1, 1967

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>January 1, 1967</u>	
	<u>Number of units</u>	<u>Percent of total</u>	<u>Number of units</u>	<u>Percent of total</u>
1 unit	4,936	85.6	5,500	74.6
2 to 4 units	706	12.2	885	12.0
5 or more units	128	2.2	990	13.4
Total	5,770 ^{a/}	100.0	7,375	100.0

^{a/} Total differs from inventory total (5,792) shown in table IV because units by units in structure were enumerated on a sample basis.

Sources: 1960 Census of Housing.
1967 estimated by Housing Market Analyst.

Year Built. Twenty-one percent of the current housing stock has been built since 1960 and 22 percent was added during the 1950's. A large portion (47 percent) of the housing inventory was constructed prior to 1940 (see below).

Distribution of Housing Inventory by Year Built^{a/}
Kent, Ohio, Housing Market Area
January 1, 1967

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-January 1967	1,550	21.0
1950-March 1960	1,650	22.4
1940-1949	700	9.5
1939 or earlier	<u>3,475</u>	<u>47.1</u>
Total	7,375	100.0

^{a/} The basic data in the 1960 Census of Housing from which the above estimates were developed reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.

Sources: 1960 Census of Housing adjusted by Housing Market Analyst for units built, units under construction, and units demolished since 1960.

Condition. The condition of the housing stock of the Kent HMA is quite good. In January 1967, only seven percent of the housing supply was dilapidated or lacking one or more plumbing facilities. This represents an improvement over the condition reported in the 1960 Census when ten percent was classified substandard. Demolitions of a number of old inadequate units, general upgrading, and the addition of 21 percent of the housing stock since 1960 were the prime contributors toward the improved housing stock. About one-fourth of the units classified as substandard were rentals, some of which were occupied by student households who, with typically lower annual incomes, tend to occupy cheaper and less desirable rental accommodations.

Residential Building Activity

Past Trend. All of the Kent HMA is covered by the building permit system. Since 1960, over 1,375 privately-financed dwelling units have been authorized for construction in the HMA, 1,150 in Kent and the remainder in suburban Franklin Township. In addition, 250 units were authorized in Kent

for married students attending the university, 100 in 1961 and 150 in 1964. Nearly one-half of the privately-financed dwelling units authorized since 1960 are in structures containing five or more family units, 40 percent single-family houses, and the remainder multifamily structures of two to four family units.

The level of building activity in the Kent area has been erratic in recent years, influenced by the sporadic construction of sizable apartment projects. From 110 units authorized in 1960, the level rose to 250 units in 1961, only to decline over the next two years back to the 1960 level of 110 units. From 1963 to 1964, the volume tripled, increasing to a seven-year peak of nearly 320 units; since 1964, however, building volume has been declining. Under 260 units were authorized in 1965 and about 180 in 1966 (see table V).

For the past seven years, the level of single-family construction has been rather stable, varying by no more than 30 units from year to year. Single-family authorizations reached a peak of nearly 110 units in 1960 and dipped as low as 60 in 1965. Over the entire seven-year period, single-family authorizations averaged slightly under 80 a year.

There were two years (1960 and 1963) during the past seven years when no permits were issued for structures containing five or more family units. Over 150 multifamily units were authorized in 1961, but the level declined to 40 in the following year. No permits were issued for structures containing five or more units in 1963, but nearly 220 units were authorized in 1964, 170 in 1965, and 95 last year. Permit authorizations for smaller multifamily structures (two to four units) have averaged 20 units a year since 1960. The volume of permits for structures containing two to four family units peaked in 1962 when nearly 55 units were authorized; no more than 30 units were authorized for construction in any other year during the past seven years.

With the exception of a few duplexes in the outlying areas of Franklin Township, all multifamily units, including two- to four-unit structures, have been built in the city of Kent. Nearly 60 percent of the single-family houses authorized since 1960 have been built in Kent. For the most part, the construction of multifamily projects and, to a lesser extent, single-family houses is dictated by the availability of central water and sewage facilities in the HMA. Consequently, virtually all apartment construction and a large portion of the single-family construction takes place within Kent.

Units Under Construction. The November 1966 postal vacancy survey, supplemented by building permit data and other information obtained locally, indicated about 90 residential units under construction in January 1967, including 80 apartment units and ten single-family houses. All of the units were in the city of Kent.

Demolition. Demolition activity in the Kent area has been minimal since 1960. Only 25 residences have been removed from the HMA housing stock over the past seven years, all single-family units in the city of Kent. Approximately 40 units are expected to be demolished over the next 24 months, however, as work progresses on the State route 5 by-pass immediately south of the downtown business district of Kent. Although this project involves no more than one mile of additional road, it is routed through one of the more heavily populated areas of the city of Kent.

Tenure of Occupancy

As of January 1, 1967, 61.0 percent of the occupied housing inventory of the HMA was estimated to be owner-occupied, compared with 69.2 percent in 1960, and 65.7 percent in 1950. The influence of multifamily construction since 1960 is reflected in the drop in the proportion of homeowners. The following table summarizes the trend of the tenure composition of households in the HMA. Greater detail is provided in table IV.

Trend of Tenure Change
Kent, Ohio, HMA
1950, 1960, and 1967

<u>Tenure</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>January 1, 1967</u>
Total occupied	<u>4,134</u>	<u>5,530</u>	<u>7,175</u>
Owner-occupied	2,717	3,824	4,375
Percent of total	65.7	69.2	61.0
Renter-occupied	1,417	1,706	2,800

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Vacancy

1960 Census. According to the 1960 Census of Housing, there were some 110 vacant available housing units in the HMA, equal to 2.0 percent of the available housing inventory. Just over 40 units were available for sale, a homeowner vacancy ratio of 1.1 percent, and the remainder were

available for rent, a renter vacancy rate of 4.0 percent. Vacancies lacking plumbing facilities were negligible. Table IV presents the trend of vacancies for the HMA since 1950.

Postal Vacancy Survey. A postal vacancy survey was conducted in the HMA in November 1966 by the Kent Post Office, the results of which are presented in table VI. The survey covered a total of approximately 9,300 possible deliveries (excluding nearly 200 trailers). A comparison with the current housing inventory (7,375 units) indicates that the Kent Post Office serves a wider area than the HMA. The survey shows that vacancies were practically nonexistent in the Kent area. A vacancy ratio of less than 0.1 percent was reported in residences and a ratio of 1.0 percent was reported in apartments.

An earlier postal vacancy survey was conducted in the Kent area in late February 1965. At that time, an over-all vacancy ratio of 3.1 percent was reported. Three percent of the residences surveyed and 5.0 percent of the apartment units were reported vacant. Although the two surveys differ slightly with respect to time of year, a marked improvement in the level of vacancies in the past 21 months is indicated, which can be attributed principally to the rapid growth at the university.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses, and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Vacancies in the Kent HMA were nominal in January 1967. Available vacancies numbered around 60 units, an over-all vacancy ratio of 0.8 percent. Twenty vacant units were available for sale, a homeowner vacancy ratio of 0.5 percent and 40 units were vacant and available for rent, a rental vacancy ratio of 1.4 percent; virtually all of the available vacancies contained all plumbing facilities. These estimates are based on the postal vacancy survey, with adjustments for

units not enumerated in the survey area, seasonal units, and units which have been sold or rented and are awaiting occupancy. Additional adjustments were made to bring the survey data into conformity with the current tenure composition as used in this analysis rather than with the post office definitions of residences and apartments.

Sales Market

The sales market in the HMA continues to be excellent. This condition results principally from the stability afforded by a university-oriented town and several years of exceptionally steady construction of new single-family houses. In the past, sales houses have been presold and construction has been limited to lots scattered throughout the HMA. More recently, the rapid growth of the university and increasing employment opportunities in nearby Akron have prompted builders to undertake substantial developments of subdivisions in the Kent area.

Rental Market

Since 1960, new rental units have been built and occupied in unprecedented numbers. Demand generated by enrollment expansion of Kent State University and by increasing employment in the remaining segments of the economy of the HMA has tightened the rental market. Some part of the firm rental market also can be attributed to late 1966 mortgage terms, which tended to postpone home purchase and prolong the renter status of households. Vacancies were nonexistent or low in all rental projects in the HMA. The market was especially tight with respect to single-family rentals, with released units remaining vacant only for negligible periods.

Apartment projects built in recent years have had no difficulty obtaining occupancy, including those projects which, because of design, location, etc., are considered inferior by local realtors and apartment managers and owners. Most of the projects completed since 1960 are of the garden type, consisting generally of one- and two-bedroom units, which typically rent from \$90 to \$125 a month and \$125 to \$150 a month, respectively, including utilities. Only a small number of three-bedroom units have been constructed in recent years and these have rents ranging from \$150 to \$180 a month. Very few efficiency units have been built. Construction of apartment projects is concentrated in southeast Kent near the university.

Public Housing and Urban Renewal

There are no public housing or urban renewal programs in the HMA.

Demand for Housing

Quantitative Demand

The demand for new housing in the Kent HMA is based on anticipated continued expansion of the Kent economy and on corresponding growth in the number of households in the HMA (225 annually); additional adjustments have been made for a small number of residential demolitions anticipated over the next two years, and recent trends in the tenure composition. A final adjustment was made to reflect the probability that an increasing number of workers in Akron will prefer to locate in the Kent HMA because of the relatively short commuting time involved. Based on these factors, it is estimated that the demand for new housing units will average about 275 units a year for each of the next two years, including 100 units of new single-family sales houses and 175 units of new multifamily housing, excluding public low-rent housing and rent-supplement accommodations.

The annual demand for 100 units of single-family sales houses which is expected to develop over the forecast period is about 25 percent above the average number of single-family units authorized each year for the past seven years (80). The demand for new multifamily units in the next two years is close to the average 180 multifamily units authorized for construction in the past three years.

Future building activity is expected to be distributed within the HMA much as in the past. New multifamily units will be concentrated in Kent, where students are a major source of rental demand; single-family development will be more evenly divided between the city of Kent and suburban Franklin Township, with Kent accounting for a slightly larger share.

Qualitative Demand

Single-family Housing. Based on January 1967 family after-tax incomes, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 100 single-family sales units is expected to be distributed by sales price as shown in the following table. During the past few years, few houses have been built to sell for less than \$12,000.

Estimated Annual Demand for New Single-family Sales Housing
by Price Class, Kent, Ohio, Housing Market Area
January 1, 1967 to January 1, 1969

<u>Price range</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$15,000	9	9
\$15,000 - 17,499	13	13
17,500 - 19,999	18	18
20,000 - 24,999	23	23
25,000 - 29,999	16	16
30,000 - 34,999	13	13
35,000 and over	8	8
Total	100	100

Multifamily Housing. On the basis of January 1967 construction and land costs and terms of financing, the minimum gross rents achievable without public benefits or assistance in financing or land acquisition are estimated at \$105 for efficiencies, \$125 for one-bedroom units, \$145 for two-bedroom units, and \$165 for three-bedroom units.^{1/} The various unit sizes at which the annual demand for 175 net additions to the aggregate rental inventory might best be absorbed are indicated as follows: ten efficiencies, 70 one-bedroom units, 75 two-bedroom units, and 20 three-bedroom units. Most of the 175-unit annual rental demand for the various unit sizes is expected to be dispersed close to the minimum gross rents achievable without public benefits or assistance in financing or land acquisition. If assistance is made available in the acquisition and cost of land or in the cost of financing, a part of the demand for privately-financed units in multifamily structures could be met effectively at the lower rents possible with such assistance.

The preceding distribution of average annual demand for new apartments is based on projected incomes of renter households of two or more persons, the size distribution of renter households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or submarket requirements.

^{1/} Calculated on the basis of a long-term mortgage (40 years) at 6 percent interest and 1½ initial annual curtail; changes in these assumptions will affect minimum rents accordingly.

Table I

Nonagricultural Employment by Industry Group for Residents of
Kent, Ohio, Housing Market Area^{a/}
April 1, 1960

<u>Industry group</u>	<u>Number of employees</u>	<u>Percent of total</u>
Nonagricultural employment	<u>7,861</u>	<u>100.0</u>
Manufacturing	2,498	31.8
Nonmanufacturing	<u>5,363</u>	<u>68.2</u>
Construction	351	4.5
Transportation	295	3.7
Communication and utilities	171	2.2
Wholesale and retail trade	1,437	18.3
Business and repair services	157	2.0
Personal services	350	4.4
Hospitals	73	0.9
Educational services	1,722	21.9
Other professional and related services	226	2.9
Public administration	143	1.8
Other nonmanufacturing	438	5.6

^{a/} Franklin Township.

Source: 1960 Census of Population.

Table II

Percentage Distribution of All Families and Renter Households
by Income and Tenure After Deduction of Federal Income Tax
Kent, Ohio, Housing Market Area^{a/}
January 1, 1967 and January 1, 1969

<u>Annual</u> <u>after-tax incomes</u>	<u>January 1, 1967</u>		<u>January 1, 1969</u>	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{b/}</u>	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{b/}</u>
Under \$2,000	3	10	1	9
\$2,000 - 2,999	4	6	4	6
3,000 - 3,999	6	8	6	7
4,000 - 4,999	7	9	7	9
5,000 - 5,999	9	10	8	9
6,000 - 6,999	10	13	11	11
7,000 - 7,999	10	12	9	13
8,000 - 8,999	10	10	9	9
9,000 - 9,999	10	6	9	7
10,000 - 12,499	14	8	17	11
12,500 - 14,999	8	4	8	5
15,000 - 19,999	6	3	7	2
20,000 and over	<u>3</u>	<u>1</u>	<u>4</u>	<u>2</u>
Total	100	100	100	100
Median	\$8,100	\$6,575	\$8,500	\$6,900

a/ Franklin Township.

b/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table III

Population and Household Changes
Kent, Ohio, Housing Market Area^{a/}
April 1, 1950-January 1, 1967

<u>Population</u>	April 1, 1950	April 1, 1960	January 1, 1967	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1967</u>	
				<u>Number</u>	<u>Pct.^{b/}</u>	<u>Number^{c/}</u>	<u>Pct.^{b/}</u>
City of Kent	12,418	17,836	26,600	542	3.7	1,300	6.0
Remainder of HMA	<u>4,109</u>	<u>4,548</u>	<u>5,450</u>	<u>44</u>	<u>1.0</u>	<u>125</u>	<u>2.7</u>
HMA total	16,527	22,384	32,050	586	3.0	1,425	5.3
 <u>Households</u>							
City of Kent	2,928	4,240	5,650	131	3.7	210	4.3
Remainder of HMA	<u>1,206</u>	<u>1,290</u>	<u>1,525</u>	<u>9</u>	<u>.7</u>	<u>30</u>	<u>2.5</u>
HMA total	4,134	5,530	7,175	140	2.9	240	3.9
 <u>Household size</u>							
City of Kent	3.42	3.35	3.34	-	-	-	-
Remainder of HMA	3.41	3.53	3.57	-	-	-	-
HMA total	3.42	3.39	3.39	-	-	-	-

^{a/} Franklin Township.

^{b/} Derived through the use of a formula designed to calculate the average annual percentage change on a compound basis.

^{c/} Rounded.

Sources: 1950 and 1960 Censuses of Population and Housing.
1967 estimated by Housing Market Analyst.

Table IV

Components of the Housing Inventory
Kent, Ohio, Housing Market Area ^{a/}
April 1, 1950-January 1, 1967

<u>Tenure and vacancy</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>January 1, 1967</u>
Total housing supply	<u>4,312</u>	<u>5,792</u>	<u>7,375</u>
Occupied housing units	<u>4,134</u>	<u>5,530</u>	<u>7,175</u>
Owner-occupied	2,717	3,824	4,375
Percent of all occupied	65.7	69.2	61.0
Renter-occupied	1,417	1,706	2,800
Percent of all occupied	34.3	30.8	39.0
Vacant housing units	<u>178</u>	<u>262</u>	<u>200</u>
Available	<u>26</u>	<u>113</u>	<u>60</u>
For sale	NA	42	20
Homeowner vacancy rate	NA	1.1	0.5
For rent	NA	71	40
Renter vacancy rate	NA	4.0	1.4
Other vacant ^{b/}	152	149	140

^{a/} Franklin Township.

^{b/} Includes dilapidated units, seasonal units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners or for other reasons.

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Table V

Privately-financed Dwelling Units Authorized by Building Permits
Kent, Ohio, Housing Market Area^{a/}
January 1960-January 1967

<u>Area</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
City of Kent:							
1 unit	73	53	43	47	29	32	53
2-4 units	4	20	53	14	22	22	6
5 or more units	-	<u>154^{b/}</u>	<u>39</u>	-	<u>218</u>	<u>173</u>	<u>96</u>
Total	<u>77</u>	<u>227</u>	<u>135</u>	<u>61</u>	<u>269</u>	<u>227</u>	<u>155</u>
Remainder of HMA:							
1 unit	34	26	27	42	45	30	22
2-4 units	-	-	-	2	4	2	-
5 or more units	-	-	-	-	-	-	-
Total	<u>34</u>	<u>26</u>	<u>27</u>	<u>44</u>	<u>49</u>	<u>32</u>	<u>22</u>
HMA:							
1 unit	107	79	70	89	74	62	75
2-4 units	4	20	53	16	26	24	6
5 or more units	-	<u>154</u>	<u>39</u>	-	<u>218</u>	<u>173</u>	<u>96</u>
Total	<u>111</u>	<u>253</u>	<u>162</u>	<u>105</u>	<u>318</u>	<u>259</u>	<u>177</u>

^{a/} Franklin Township.

^{b/} Excludes the following student accommodations constructed with public funds in the city of Kent: 100 units in 1961 and 150 units in 1964.

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

Table VI

Kent, Ohio, Area Postal Vacancy SurveyNovember 15-17, 1966

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
Kent	<u>9,310</u>	<u>16</u>	<u>0.2</u>	<u>16</u>	-	<u>86</u>	<u>8,329</u>	<u>6</u>	<u>0.1</u>	<u>6</u>	-	<u>6</u>	<u>981</u>	<u>10</u>	<u>1.0</u>	<u>10</u>	-	<u>80</u>	<u>196</u>	<u>4</u>	<u>2.0</u>

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i. e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).