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Analysis of the

LANSING, MICHIGAN HOUSING MARKET

as of October 1, 1964



A Report by the
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411

A constituent of the Housing and Home Finance Agency

June 1965

ANALYSIS OF THE
LANSING, MICHIGAN, HOUSING MARKET
AS OF OCTOBER 1, 1964

FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
Housing and Home Finance Agency

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, of course, be differences of opinion 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.

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ANALYSIS OF THE
LANSING, MICHIGAN, HOUSING MARKET
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Summary and Conclusions

1. The economy of the Lansing SMSA derives its support from manufacturing, government, and education. Employment in manufacturing accounted for 34 percent of the total nonagricultural wage and salary employment in 1964. Over two-thirds of the people in manufacturing are involved in the production of motor vehicles (Oldsmobiles). Government employment accounted for 28 percent of the nonagricultural wage and salary jobs in 1964. Employment in government reflects the location of the Michigan State Capital in Lansing which accounted for 65 percent of the total government employment in 1964. Education is dominated by Michigan State University in East Lansing.
2. Thus far in 1964, nonagricultural employment averaged 108,300, an increase of about 1,450 (1.4 percent) annually over the 1960 average. Employment increases in nonmanufacturing accounted for the bulk of the increase in nonagricultural employment since 1960.
3. The current median income for all nonfarm families after deducting Federal income tax, is approximately \$6,650. The current nonfarm renter family median income is approximately \$5,230, after deducting Federal income tax. Approximately 26 percent of all nonfarm families and 46 percent of all nonfarm renter families currently have after-tax incomes below \$5,000 annually, while 18 percent of all nonfarm families and 7 percent of all nonfarm renter families have annual incomes in excess of \$10,000.
4. As of October 1964, the nonfarm population of the Lansing SMSA is about 306,150 representing an annual increment of about 8,180 (3.0 percent) since April 1960. The nonfarm population is projected to increase by 7,320 (2.4 percent) annually to total 319,200 in October 1966.
5. The number of nonfarm households in the area is presently about 84,700, an annual increment of about 1,725 (2.2 percent) over the 1960 level of 76,993. There will be approximately 88,300 nonfarm households in the SMSA by October 1966, an increase of approximately 1,800 (2.1 percent) annually.

6. Since January 1960, approximately 1,950 new dwelling units have been authorized by building permits annually in the Lansing SMSA. The volume of new construction has increased from 1960 to 1963, but the monthly average of units authorized thus far in 1964 is slightly below the 1963 level. Ingham County accounted for 74 percent of the permits issued since 1960, followed by Eaton County (16 percent) and Clinton County (10 percent). Approximately 76 percent of the permits issued in the SMSA in the past 4½ years have been for single-family structures.
7. Currently, there are about 2,400 vacant available units in the Lansing area, a net vacancy ratio of 2.8 percent. Of the available vacancies, about 900 are available for sale, yielding a homeowner vacancy rate of 1.4 percent. The remaining 1,500 are for rent, representing a rental vacancy rate of 6.5 percent.
8. During the October 1964-October 1966 forecast period, there is a housing demand for 2,000 units annually; 1,640 sales units and 360 rental units. About 80 percent of the sales demand will be for units priced below \$25,000. Rental demand, with minimum rents achievable with market rate financing, is estimated at 275 units annually: 45 efficiency units, 135 one-bedroom units, 80 two-bedroom units, and 15 three-bedroom units. The remaining 85 unit rental demand will be for units with rents achievable only with public benefit or assistance financing, including 10 efficiency units, 30 one-bedroom units, 30 two-bedroom units and 15 three-bedroom units.
9. The demand for housing designed for elderly occupancy (excluding special services) at market rates, will total 50 units annually for each of the next two years. Inasmuch as some elderly will choose to live in regular rental units, the demand for units designed specifically for the elderly, at rents achievable with market interest rate financing, will be limited to 25 units for each of the next two years.
10. Based on the projected elderly population in the SMSA, the existing supply of nursing beds in suitable structures, the level of vacancies and the proportion of beds in proprietary homes, there is no need for additional nursing beds in the Lansing SMSA. Any additional nursing home facilities which might be required by Clinton and Eaton County residents can be satisfied by the large number of beds available at the present time or expected to become available shortly in Ingham County.

ANALYSIS OF THE
LANSING, MICHIGAN, HOUSING MARKET
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Housing Market Area

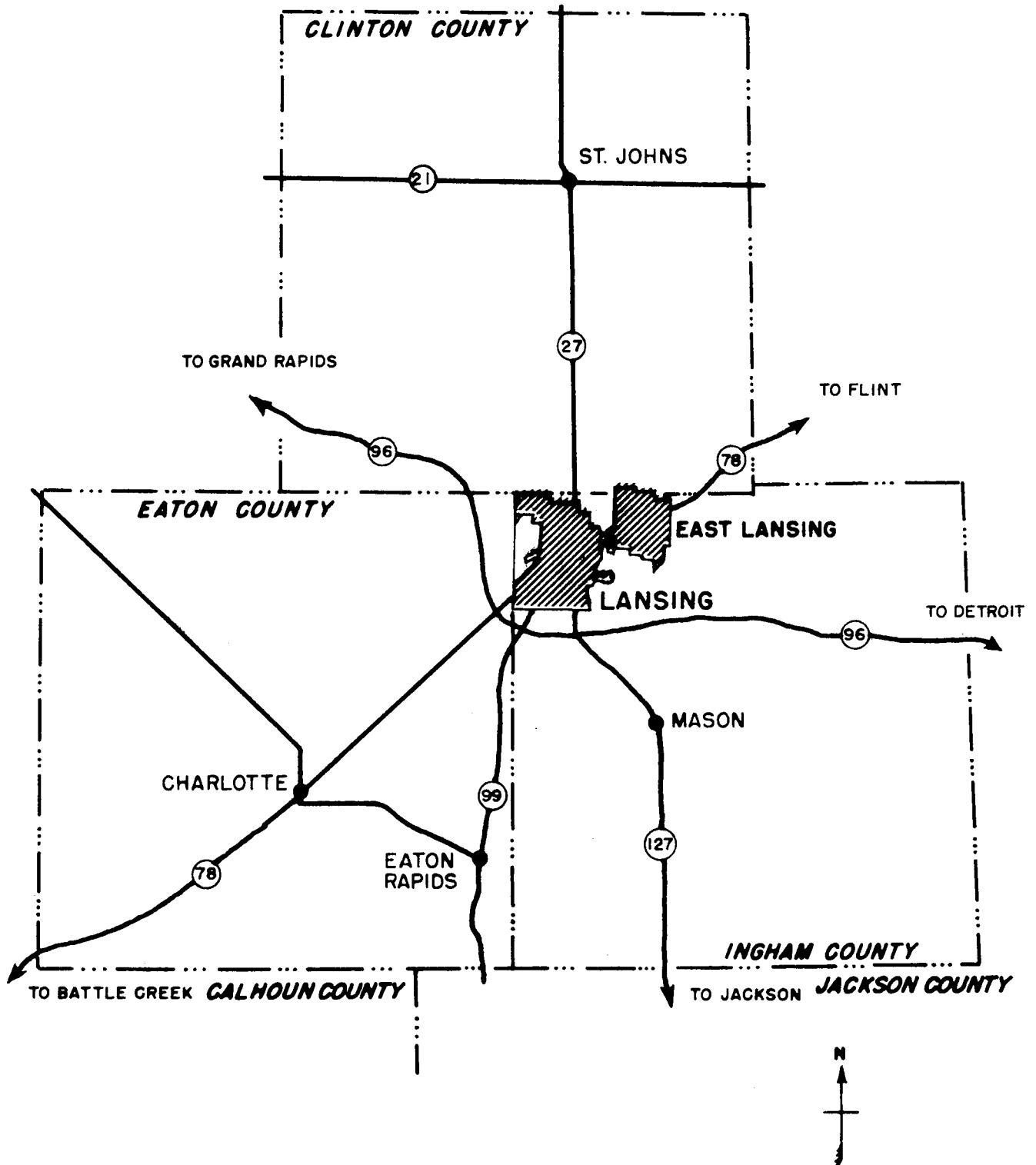
The Lansing Michigan, Housing Market Area is defined as being co-terminous with the Lansing Standard Metropolitan Statistical Area (SMSA), which is composed of Clinton, Eaton, and Ingham Counties in Michigan. The cities of Lansing and adjoining East Lansing together contain over one-half of the SMSA nonfarm population and serve as the trade and employment center for the three-county area. Although there has been rapid suburbanization in the vicinity of Lansing and East Lansing, the outlying areas of each county are predominantly rural with the exception of several small semi-independent cities, including St. Johns in Clinton County; Charlotte, Eaton Rapids, Grand Ledge, and Olivet in Eaton County; and Mason and Williamston in Ingham County. Although the housing market area might well be defined as Lansing, East Lansing and the eight surrounding townships, for convenience in compilation, comparison, and presentation of data, the entire three-county area is included in the market area (see map).

Except where otherwise stated, the data in this analysis exclude rural farm population and rural farm housing, since the rural farm population does not form part of the market for urban housing.

Located in south central Michigan, the Lansing SMSA covers a relatively level land area of 1,698 square miles. Scattered throughout the SMSA are a number of small lakes and swamps originally formed by glaciation. The Grand River flows northwest through the SMSA passing through Lansing. The Maple, Looking Glass, and Red Cedar Rivers are small tributaries of the Grand River joining in Lansing.

The city of Lansing is situated in Ingham County near the geographic center of the three-county SMSA. Lansing is located 84 miles northwest of Detroit, 62 miles southeast of Grand Rapids, 104 miles northwest of Toledo, Ohio, and 135 northeast of South Bend, Indiana. Excellent highways provide rapid access to major urban centers in Michigan and the Great Lakes area. Interstate 96 (northwest-southeast) links Grand Rapids with Detroit passing through the SMSA just south of Lansing. In addition, two U. S. highways and numerous state and county highways traverse the area. Air transport service is furnished by North Central Airlines, Capital Airlines, and United Airlines through the Capitol City Airport in Lansing.

LANSING, MICHIGAN, HOUSING MARKET AREA



According to the U. S. Bureau of the Census, there was a net in-commutation of 1,325 to the SMSA from surrounding counties in 1960, 4,908 out-commuters and 6,233 in-commuters. Of the 4,908 out-commuters, 20 percent (986) traveled south to Jackson County where Jackson City is located; 14 percent (692) traveled southwest to Calhoun County where the city of Battle Creek is located; and 10 percent (478) traveled northeast to Shiawassee County. The bulk of the remaining out-commuters traveled to Ionia, Livingston, Wayne, and Washtenaw Counties. Of the 6,233 commuters to the SMSA, 23 percent (1,413) traveled from Ionia County. Within the SMSA, 40 percent of the Clinton County resident workers and 36 percent of the Eaton County resident workers traveled to jobs in Ingham County, the majority to jobs in Lansing.

While no current information is available, it is estimated that commutation patterns are unchanged, although the number of net in-commuters is believed to have increased as a result of highway improvements.

Economy of the Area

Character and History

The economic base of the Lansing SMSA is quite stable, drawing the bulk of its support from manufacturing, government, and education. As in the past, the principal sources of employment are the Oldsmobile Division of General Motors Corporation located in Lansing; the State government in the capital city of Lansing; and Michigan State University in East Lansing. Presently, these three employers account for approximately 33 percent of the area total nonagricultural employment. In recent years, Michigan State University has increased in significance reflected more in terms of attracting private research firms and as a leading participant in community development, rather than as a direct source of employment.

Initial impetus to the growth of Lansing was created in 1830 by a decision to establish the Michigan State Capitol at this spot on the Grand River. Early employers included gristmills, machine shops, and a bank. The Michigan Agricultural College, forerunner of Michigan State University, was established in 1852. The village of "Agricultural College" grew rapidly and later was renamed East Lansing. The economic future of Lansing was solidly established in 1886 with the decision of R.E. Olds to relocate his first horseless carriage plant in Lansing. By the late 19th century, Lansing had developed its present solid economic base of three independent sources of employment.

Employment

In the nine months ended September 1964, the Michigan Employment Security Commission reported that there were an average of 108,300 workers employed in nonagricultural industries in the Lansing SMSA. Of this total, 96,600 (89 percent) were classified as wage and salary workers and 11,700 were classified as self-employed, domestics, and unpaid family workers. Approximately 32,400 (34 percent) of the total nonagricultural wage and salary workers were employed in manufacturing industries and 64,200 (66 percent) were employed in nonmanufacturing industries.

The 1964 average of 96,600 nonagricultural wage and salary workers represents the highest level reported since 1956^{1/} or an increase of 6,800 (7.6 percent) over the past eight years. Gains in the non-manufacturing segment accounted for 82 percent (5,600) of total

^{1/} Comparable employment data are available for the years 1956 to 1964 only.

gain in nonagricultural wage and salary employment during this period. Annual changes in wage and salary employment from 1956 to the present and shown below.

Annual Average Employment Trends
Lansing, Michigan, SMSA
1956 - 1964^{a/}
(in thousands)

<u>Year</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total wage and salary employ.^{b/}</u>	<u>Change in total from preceding year</u>
1956	31.2	58.6	89.8	-
1957	30.2	59.0	89.2	-.6
1958	26.8	57.8	84.6	-4.6
1959	29.1	58.5	87.6	3.0
1960	29.9	60.1	90.0	2.4
1961	26.0	60.9	86.9	-3.1
1962	29.1	62.1	91.2	4.3
1963	30.0	63.6	93.6	2.4
1964 ^{a/}	32.5	64.1	96.6	2.9

^{a/} Through September 1964.

^{b/} Includes workers involved in labor-management disputes.

Source: Michigan Employment Security Commission.

With the exception of declines during the 1957-1958 and 1961 recessions, wage and salary employment has increased each year.

Major Industries. As table I indicates, an average of 29,500 persons were employed in durable goods industries in 1964, or 91 percent of the total manufacturing employment. The motor vehicles and equipment industry, with current employment of 21,600, represents 22 percent of the wage and salary employment and 67 percent of the manufacturing employment. The large number of employees in the transportation equipment industry primarily reflects jobs at Oldsmobile and Fisher Body, both subsidiaries of the General Motors Corporation. The Oldsmobile factory is primarily an assembly plant; Fisher Body produces bodies for Oldsmobile. There are, in addition, a number of smaller firms producing automobile parts for General Motors. These jobs are included in the 3,500 employees of the metal products industry and 2,800 employees in the nonelectrical machinery industry. Employment in nondurable goods accounted for 2,900 (9 percent) of the total manufacturing employment in 1964. The largest employers in this segment are food products and printing and publishing.

The government sector, which has employed an average of 27,200 persons thus far in 1964, is the largest single source of employment in the SMSA, accounting for 28 percent of the nonagricultural wage and salary employment. The predominance of government employment reflects the presence of the State capital, Michigan State University, and other local, State and Federal agencies in the Lansing area. Wholesale and retail trade employed 16,900 in 1964 (18 percent of the wage and salary employment) and service industries employed 9,700 (10 percent). The large trade and service industries reflect the expanding resident population and the increasing number of students enrolled at MSU. The remainder of nonmanufacturing employment is rather evenly distributed among construction (3,800), transportation, communications, and public utilities (3,300), and finance, insurance, and real estate (3,300).

From 1956 to 1964, average manufacturing employment in the SMSA increased by 1,200 (4 percent). A gain of 1,400 in durable goods employment was offset somewhat by a loss of 200 in nondurable goods employment. With the exception of furniture and fixtures, which remained unchanged, and electrical machinery, which decreased by 200 from 1956 to the present, employment in all other segments of the durable goods sector increased over this period. Nonelectrical machinery increased by 900 (47 percent) from 1956 to the present, accounting for the largest proportional employment gain in the SMSA over the past eight years. Although jobs in transportation equipment increased by only 300 (1.4 percent) since 1956, the annual changes reflect the automobile industry's sensitivity to local and national business conditions. From 1957 to 1958, transportation equipment decreased by 2,700 (13 percent) and from 1960 to 1961 it decreased by 3,400 (17 percent), reflecting the recessions in both periods. Since 1961, however, jobs in the transportation equipment industry have increased by 5,000 (30 percent) reflecting three successful years of automobile sales and production.

Employment in nondurable goods industries decreased by 200 (6.5 percent) over the past eight years. Losses of 500 jobs in food and related industries and 100 in "other" nondurable goods industries offset employment gains of 200 in printing, publishing, and allied industries and 200 in the chemicals industry.

Nonmanufacturing employment grew by 5,600 (10 percent) from 58,600 in 1956 to 64,200 in 1964. All segments showed increases over the eight-year period, except construction (down 700) and transportation, communication and public utilities (down 100). From 1956 to 1964, government registered the largest gain in nonmanufacturing (3,800 jobs or 16.2 percent) followed by services (1,100 or 12.8 percent), trade (900 or 5.6 percent), and finance, insurance, and real estate (600 or 22.2 percent) (see table I).

Principal Employment Sources

As table I indicates, of the average of 32,400 persons employed in manufacturing in 1964, 21,600 (67 percent) held jobs in the motor vehicles and equipment industry. Most of the employment in this industry reflects two General Motors subsidiaries, Oldsmobile and Fisher Body. Current monthly employment at Oldsmobile is reported to be at the highest level since 1955.

Government provided an average of 27,200 jobs (28 percent of the total nonagricultural wage and salary employment) in the first nine months of 1964. The State government accounted for approximately 65 percent (17,600) of total government employment in the SMSA. Most of the employees at the State level work at the Capitol in Lansing. Local government employment, including county, township, city, and village governments, accounted for 29 percent (7,900) of total government employment, while Federal employment accounted for the remainder.

Michigan State University provided employment for approximately 7,300 persons including 4,500 faculty and administrative personnel and 2,800 maintenance employees. In addition, the school provides 1,400 jobs for graduate assistants and part-time work for some 4,800 under-graduate students.

As the table below indicates, enrollment has been increasing rapidly in recent years. From 1955 to 1960, the level of fall-term enrollment has increased by 795 (4.6 percent) annually. From 1960 to 1964, enrollment increased by 2,528 (12 percent) annually. Enrollment is expected to continue increasing at the rapid rate of recent years. It has been rumored that enrollment at MSU will be limited to 40,000, but this has not been confirmed.

Total Enrollment at Michigan State University Fall Term 1955-1964

<u>Year</u>	<u>Enrollment</u>	<u>Year</u>	<u>Enrollment</u>
1955	17,184	1960	21,157
1956	19,161	1961	22,724
1957	18,818	1962	25,040
1958	18,539	1963	27,597
1959	19,217	1964	31,268

Source: Registrar, Michigan State University.

Unemployment

Thus far in 1964, the number of unemployed persons in the SMSA has averaged 3,700, equal to 3.2 percent of the total work force. The unemployment level has decreased annually for the past three years and is currently at the lowest level achieved in the past eight years. As shown in table I, the sensitivity of the automobile industry to local and national business conditions is reflected in the peak unemployment levels of the 1958 and 1961 recessions when layoffs in this industry accounted for a large number of unemployed persons.

Employment Prospects

Based on the past trend of employment and information obtained from local sources, it is estimated that total nonagricultural wage and salary employment in the Lansing SMSA will grow by 2,300 jobs each year over the next two years including approximately 800 jobs a year in manufacturing and 1,500 jobs in the nonmanufacturing segment.

Employment prospects, as in the past, depend directly or indirectly upon the automobile market, government (particularly at State and local levels) and Michigan State University. The market for automobiles has been strong since 1961 and, despite recent strikes by the United Auto Workers throughout the industry, the 1965 models are expected to be as successful as those of the past three years. The level of automobile production for the 1964 calendar year is the highest since the peak year of 1955. While the industry as a whole produced 1.3 percent more cars than in the previous year, Oldsmobile production dropped 10.5 percent. Oldsmobile production has been declining as a proportion of total industry production, decreasing from 5.1 percent in 1962 to 4.9 percent in 1963 and to 4.3 percent in 1964, so that the impact of another good year of total automobile sales may be dampened for Oldsmobile and, hence, for the Lansing area.

While the Oldsmobile plant in Lansing has no locational advantage with regard to mass markets, its increased efficiency (via automation) has strengthened its competitive position without a loss of jobs. Officials at Oldsmobile have recently purchased and demolished 125 to 150 homes in the vicinity of the plant to provide space for expansion.

Government employment is expected to continue to be the largest single source of employment in the Lansing area, reflecting the anticipated growth of State and local governments and Michigan State University. The increasing enrollment at Michigan State University will generate jobs in trade and service industries, particularly in East Lansing.

Income

As of October 1964, manufacturing workers in the Lansing area earned an average of \$135.77 compared with \$134.44 for the State of Michigan. The average weekly income of manufacturing workers in Lansing compares quite favorably with Flint (\$149.31) and Detroit (\$140.34), considering the higher concentration of heavy industry in these areas.

The current median family income for all nonfarm families in the SMSA, after deducting Federal income tax, is approximately \$6,650. The current nonfarm renter median income is about \$5,230, after deducting Federal income tax (see table II). Approximately 26 percent of all nonfarm families and 46 percent of all nonfarm renter families have an after-tax income below \$5,000 annually. Approximately 18 percent of all nonfarm families and 7 percent of all nonfarm renter families have an after-tax income in excess of \$10,000 annually.

The median after-tax income of all nonfarm families is projected to \$7,000 in October 1966, 5.3 percent above the current median income. The median after-tax income for nonfarm renter families is expected to rise to \$5,500.

Demographic Factors

Population

Current Estimate. The nonfarm population of the Lansing SMSA presently totals 306,150, an increase of about 8,180 (3.0 percent) annually since 1960. Most of this gain (74 percent) took place in Ingham County which grew by about 6,020 (3.0 percent) persons annually, although this rate of growth was slower than that of Clinton County (2.9 percent annually) or Eaton County (3.5 percent annually). The rapid growth in East Lansing since 1960 (8.9 percent annually) can be attributed to the influx of students who attended Michigan State University. In the past four years, the level of enrollment at this institution has grown by 10,000. The large numerical gain in population since 1960 in the city of Lansing (approximately 3,830, or 3.6 percent, persons annually) resulted from annexing an estimated 9,700 persons from Delhi and Lansing Townships since 1960 (see table III).

Population Trends
Lansing, Michigan, SMSA, 1950-1966

<u>Year</u>	Total nonfarm population	<u>Annual average change</u> <u>from previous date</u>	
		<u>Number</u>	<u>Percent</u>
April 1950	204,558	-	-
April 1960	269,336	6,477	3.2
October 1964	306,150	3,180	3.0
October 1966	320,800	7,325	2.4

Source: 1950 and 1960 Censuses of Population.
1964 and 1966 estimated by Housing Market Analyst.

The U. S. Bureau of the Census reports that the nonfarm population of the Lansing SMSA grew by 6,477 (3.2 percent) annually from April 1950 to April 1960. Ingham County accounted for the largest proportion of this growth (67 percent) although the rate of growth was slower than the annual 4.7 percent increment experienced by Clinton and Eaton Counties during this period. As table III reveals, most of the gain in Ingham County occurred in the balance of the county which grew by 1,803 (3.9 percent) annually compared with a gain of 1,568 annually (1.7 percent) for the city of Lansing. Although East Lansing grew by 987 (4.9 percent) annually from 1950 to 1960, it would have declined by 96 persons annually had it not been for adding some 10,835 persons by annexing territory to the city.

Group Population. The population of any area consists of two major components, the persons who are members of households and the "group" population which consists of residents of institutions and other group accommodations, primarily barracks and dormitories. Because of the presence of Michigan State University in East Lansing, the dormitory population (including rooming houses, fraternities, and the like) is particularly significant in this area.

A complicating factor is the change in definition of households by the Bureau of the Census between 1950 and 1960, as a result of which many furnished-room accommodations were classified as housing units in the 1960 Census (and their residents, therefore, as members of households) whereas they were not included in the dwelling unit total in 1950. As a result, the nonhousehold population of East Lansing increased by only 350 persons between 1950 and 1960, a net increase of about 2,500 in the number of dormitory residents being offset by a definitional transfer of 2,150 other persons to the household population. Since 1960, however, there has been a much larger increase in the number of dormitory accommodations available at MSU, accommodating about 8,200 students (and no further definitional problems). Together with increments in other student housing, it is estimated that the nonhousehold population of East Lansing now totals about 18,000 people compared with 8,800 in 1960. Assuming that the nonhousehold population of the rest of the SMSA has increased only slightly in the past 4½ years, the total nonhousehold population of the HMA is approximately 21,200. Since 1960, therefore, the population gain of 36,800 has been made up of an increase of 27,400 (6,100 a year compared with about 6,500 a year in the previous decade in the population in households) and 9,400 in the "group" population compared with 350 in the 1950-1960 period.

Estimated Future Population. The nonfarm population of the Lansing SMSA is projected to increase by 7,325 (3.0 percent) annually to 320,800 in October 1966. The projected rate of growth is slightly lower than the annual rate of growth registered over the 1960-1964 period, reflecting the slightly lower rate of employment gain anticipated over the next two years.

Natural Increase and Migration. Over the April 1960-October 1964 period, the annual net natural increase (excess of births over deaths) in the Lansing SMSA averaged 5,350 a year while the nonfarm population increased by 8,180 annually, indicating a net in-migration of 2,830 annually. Thus, in-migration accounted for 35 percent of the population growth from 1960 to the present. Approximately 85 percent of the annual in-migration during this period is due to growth at Michigan State University.

During the 1950-1960 decade, the annual net natural increase in the Lansing area totaled 5,300 while the nonfarm population grew by 6,477 annually, indicating a net yearly in-migration of 1,177 into the SMSA. In-migration accounted for 18 percent of the annual population increment during the 1950-1960 period, compared with 31 percent of the growth since 1960.

Age Distribution. The 1960 age distribution of the nonfarm population of the SMSA is presented in the table below. The distribution for each of the individual counties is quite similar in that there is a heavy concentration of young persons (age group 0-19) with a more even distribution in all age groups 20 years old and over. The heavy concentration of persons age 20 to 29 in East Lansing reflects the student population at Michigan State University, while the comparatively heavy concentration of older people (age group 40 and over) in Lansing reflects those employed with the State government.

Age Percentage Distribution of the Nonfarm Population
Lansing, Michigan, SMSA, 1960

<u>Area</u>	<u>Total</u>	<u>0-19</u>	<u>20-29</u>	<u>30-39</u>	<u>40-59</u>	<u>60 and over</u>
SMSA - total	100	41.4	15.2	13.2	19.5	10.7
Clinton County	100	44.4	13.4	13.3	18.2	10.7
Eaton County	100	43.4	12.1	13.5	19.5	11.5
Ingham County	100	40.6	16.1	13.1	19.6	10.6
East Lansing	100	39.5	33.4	9.3	12.5	5.3
Lansing	100	38.5	13.0	13.3	22.1	13.1
Rest of county	100	44.6	13.2	14.6	18.9	8.7

Source: 1960 Census of Population.

Households

Current Estimate. The number of nonfarm households in now about 84,700, an annual gain of 1,715 (2.2 percent) since 1960. This rate of household growth compares with an average increase of 1,759 a year in the previous decade. Part of the increase in the 1950-1960 period reflects the conceptual change made by the Census Bureau from "dwelling units" in 1950 to "housing units" in 1960. The slower rate of growth in the current period also reflects the slightly smaller annual increments in the population in households and a slower rate of growth in average nonfarm household size. Since 1960, Eaton County has experienced the most rapid rate of growth in the number of households, adding 310 (2.8 percent) households annually, followed by Clinton County with 170 (2.3 percent), and Ingham County which added about 1,235 (2.1 percent) households annually. Ingham County accounted for 72 percent of the average annual household growth in the SMSA since 1960 with a concentration of growth in the two main cities. East Lansing added 230 (3.0 percent) households annually and Lansing 1,200 (3.6 percent) annually since 1960. The annual household increment to Lansing includes approximately 600 households added via annexations during this period (see table IV).

Estimated Future Households. Based on the estimated nonfarm population growth and average household size trends, the number of nonfarm households is projected to a total of 88,300 in October 1966, an increase of 1,800 (2.1 percent) annually.

Nonfarm Household Change
Lansing, Michigan, SMSA, 1950-1966

<u>Year</u>	<u>Households</u>	<u>Average annual change from previous year shown</u>	
		<u>Number</u>	<u>Percent</u>
1950 (April)	59,408	-	-
1960 (April)	76,993	1,759	3.0
1964 (October)	84,700	1,715	2.2
1966 (October)	88,300	1,800	2.1

Source: 1950 and 1960 Censuses of Housing.
1964 and 1966 estimated by Housing Market Analyst.

As the table below indicates, the average number of persons in nonfarm households in the SMSA is currently estimated to be 3.37 persons compared with 3.34 in April 1960 and 3.24 in April 1950. While there is estimated to have been an increase in average household size in each of the three counties of the SMSA, average household size in East Lansing is estimated to have decreased slightly, reflecting the concentration of young families in that city, many of whom are students. The increase in average household size in Lansing is believed to reflect annexations of former suburban areas. Average households sizes are expected to be slightly higher in October 1966 than they are now, except in the cities of Lansing and East Lansing.

Average Nonfarm Household Size
Lansing, Michigan, SMSA, 1950-1964

<u>Area</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1964</u>	<u>October 1966</u>
SMSA	3.24	3.34	3.37	3.38
Clinton County	3.37	3.59	3.69	3.73
Eaton County	3.24	3.46	3.56	3.62
Ingham County	3.23	3.29	3.30	3.31
East Lansing	3.14	3.07	3.05	3.04
Lansing	3.15	3.17	3.17	3.17
Rest of county	3.41	3.61	3.67	3.70

Source: 1950 and 1960 Censuses of Population.
1964 estimated by Housing Market Analyst.

Housing Market Factors

Housing Supply

Current Estimate. As of October 1, 1964, there are 90,200 nonfarm housing units in the Lansing SMSA (see table V). This represents an annual average increment of about 1,600 (2 percent) from the April 1960 total of 82,959. From April 1950 to April 1960, the housing inventory in the SMSA increased by 2,126 (3.4 percent) annually. In 1960, Ingham County accounted for 75 percent of the nonfarm housing inventory, followed by Eaton County with 15 percent and Clinton County with 10 percent. The distribution by county has remained virtually unchanged since 1960, while each of the major cities is estimated to have increased its share of the housing inventory.

Past Trends. The increase in the nonfarm housing inventory in the 1950-1960 decade results in part from factors other than construction of additional housing units. A change in definition of "rural farm" resulted in the inclusion of dwellings in the nonfarm inventory in 1960 which were classified as farm dwellings in 1950. In addition, as already indicated, a number of housing units of the furnished-room variety were classed as housing units in 1960 but were not considered to be dwelling units in 1950. In contrast, net additions to the inventory since 1960 are below the volume of new construction; the difference resulting from demolitions over the past 4½ years and an increased number of units in the construction pipeline.

Type of Structure. Single-family units accounted for 83 percent of the nonfarm housing inventory of the SMSA in April 1960, while structures containing 2-4 units accounted for 11 percent and structures with five or more units accounted for the remaining 6 percent. It is estimated that this distribution has remained essentially the same since April 1960, with the exception of structures of 2-4 units which currently account for an estimated 10 percent of the nonfarm housing inventory and structures with five or more units which are estimated to account for 7 percent of the housing inventory. Were it not for demolitions since 1960, which have removed a substantial number of multifamily structures, the present proportion of structures with two or more units would be somewhat larger.

Age of Structure. According to the 1960 U. S. Census of Housing, structures built since 1940 accounted for 42 percent of the housing inventory in 1960, with 11 percent constructed between 1920 and 1940 and the remaining 47 percent constructed prior to 1930. Reflecting the earlier growth of Lansing, in April 1960, 70 percent of the housing inventory in that city was built prior to 1930 compared with 30 percent

in East Lansing. Inasmuch as an estimated 9,210 houses have been built in the SMSA since 1960, representing 10 percent of the current housing stock, and the preponderance of units demolished since 1960 were built prior to 1930, the distribution of homes built prior to 1930 has declined as a proportion of the total.

Condition. The 1960 U. S. Census of Housing reported that 11 percent of the nonfarm housing inventory in the Lansing area was dilapidated or lacking some plumbing facilities. Ingham County was reported to have eight percent of its nonfarm housing inventory in this condition compared with 18 percent in each of the two remaining counties. The cities of Lansing and East Lansing were reported to have 4 percent and 3 percent of their respective housing inventories in dilapidated condition or lacking plumbing facilities. The concentration of residential growth occurring in and around the two major cities, the demolition of a number of substandard units in these areas, and the annexation of better quality units to Lansing have undoubtedly increased the proportion of standard quality units in the cities, Ingham County and the SMSA as a whole.

Value and Rent. In April 1960, the U. S. Census of Housing reported that the median value of all owner-occupied housing in the SMSA was \$11,500. The median in Ingham County, at \$12,000, was higher than the median of \$10,100 in Eaton County and the \$9,300 median in Eaton County. The greatest disparity in 1960 existed between Lansing and East Lansing which were reported to have median owner-occupied values of \$11,600 and \$21,200 respectively. The academic environment of Michigan State University has encouraged development of East Lansing as a prestige area, a status which has been abetted by strict code enforcement and the relative newness of most residential construction in the area. The April 1960 median asking price for vacant units available for sale in the SMSA as a whole was \$12,300, while the median price in Lansing was \$12,400.

The median gross rent in the SMSA in 1960 was \$80 a month. As expected, the median monthly rent was highest in Ingham County (\$81.00), followed by Eaton (\$71.00) and Clinton (\$70.00). The median gross monthly rent in Lansing was \$79.00, while that in East Lansing was \$83.00. The median rent asked for available vacant rental units in the SMSA was \$63.00 a month, with \$66.00 in the city of Lansing.

Residential Building Activity

Recent Trends. In the past two years, in the Lansing SMSA new construction, as measured by building permits, has been proceeding at a rate of about 2,500 units a year. As shown in table VI, this is the highest rate of new construction in the past 14 years and is substantially above the average of just over 1,500 units a year in the 1958 through 1962 period. A similar cyclical pattern was exhibited in the 1950-1957 period, with new construction averaging about 1,500 units a year from 1950 to 1953 and about 2,300 units a year in the 1954-1957 period.

Not all new construction in the area is subject to building permits. Since January 1960, it is estimated that about 450 units have been built in areas where the issuance of building permits is either not required or not recorded.

The bulk of the new construction in the Lansing SMSA has taken place in Ingham County, and has been concentrated in the cities of Lansing and East Lansing. In the last few years in particular, these two cities have shown an upward trend in new construction volume while in other areas (for example, Lansing and Meridian Townships) building volume has grown slowly or not at all. This reflects the increased multifamily activity in the central cities in the past few years.

Data on new construction by type of structure are available only since 1960. Since January 1960, 2,157 multifamily units (454 annually) have been authorized in the SMSA. Approximately 45 percent (975) of the total units have been issued in East Lansing, 29 percent (635) in Lansing, and 23 percent (497) in Lansing Township. Of the total units authorized, 16 percent (341) have FHA-insured mortgages.

The number of multifamily units is estimated to have increased sharply each year from 28 in 1960 to 150 in 1961, 300 in 1962, and 950 in 1963. Thus far in 1964 the monthly average of permits issued for such housing is slightly below the average for 1963. Most of the units have been built in walk-up structures of from 4 to 12 units in a structure, except for Manor House, a high-rise apartment project.

Units Under Construction. A postal vacancy survey conducted in the latter part of October 1964, reported approximately 600 single-family residences and 640 apartment units under construction in the Lansing area at that time. Approximately 350 of the single-family residences under construction were in Ingham County--43 percent of these in the city of Lansing, 8 percent in East Lansing, and 49 percent in the rest of the county. All of the 640 multifamily units under construction were in Ingham County. East Lansing accounted for 340 of these and Lansing accounted for another 100. The remaining 200 apartments under construction were scattered throughout Lansing and Meridian Townships. These figures include a number of units not covered by postal carriers and, hence do not agree with the number of units under construction in table VII.

Demolitions. About 770 housing units have been demolished since 1960, including 500 units in the city of Lansing. Demolitions have involved clearance for the Capitol Redevelopment Area. The Oldsmobile plant expansion already mentioned and a number of highway projects including the downtown connection for I-96, account for a considerable number of demolitions since 1960. Based on tentative plans for the Capitol Redevelopment Area and highway and street projects, it is estimated that 600 units will be demolished over the next two years for public improvements and as many as 100 other units will be lost through fire, other catastrophies, and removal of structures from the housing inventory for other uses.

Tenure

Nonfarm owner-occupied units currently account for approximately 74.3 percent of the occupied nonfarm inventory. The shift from tenant to owner status was more rapid during the 1950-1960 decade than it has been since (see table V). From 1950 to 1960, owner-occupied units increased by 1,670 (4.2 percent) annually, compared with 1,370 (2.4 percent) from 1960 to the present. This decrease is attributed to the large number of new apartments built in recent years.

Vacancy

Last Census. In April 1960, the census reported that there were 2,934 vacant housing units available for sale or rent, yielding a vacancy ratio of 3.7 percent. Of the 2,934 vacant units, 1,015 were for sale, yielding a homeowner vacancy rate of 1.8 percent and 1,919 were for rent, yielding a rental vacancy ratio of 8.7 percent. Of the available vacant units, 114 sales vacancies and 427 rental vacancies lacked some plumbing facility.

Postal Vacancy Survey. A postal vacancy survey conducted in October 1964 by nine post offices in the SMSA covered 72,365 possible deliveries, representing approximately 80.2 percent of the current housing inventory (see table VII). The results of the survey are summarized in the following table.

Lansing, Michigan, Postal Vacancy Survey
October 20-27, 1964

<u>Type of housing unit</u> ^{a/}	<u>Total units surveyed</u>	<u>Vacancies</u>				<u>Units under construction</u>
		<u>Total</u>	<u>Percent vacant</u>	<u>Used</u>	<u>New</u>	
Total units	72,365	1,864	2.6	1,578	286	988
Residences	65,719	1,327	2.0	1,162	165	462
Apartments	6,646	537	8.1	4.6	121	526

^{a/} Residences represent mail delivery with one stop, principally single-family homes but including some duplexes and row houses. Apartments represent mail delivery to one stop with more than one delivery.

Source: Postal Vacnacy Survey conducted for FHA by nine participating postmasters.

Vacancy ratios in the preceding table are not strictly comparable with those reported by the 1960 Census of Housing because of differences in area delineation and in methods of enumeration. In addition, the census reports vacancies by intended tenure, whereas the postal vacancy survey reports vacancies by the type of structure.

Current Estimate. There are currently about 2,400 vacant, available housing units in the SMSA, a vacancy ratio of 2.8 percent. The total includes 900 sales units (1.4 percent vacancy) and 1,500 units available for rent (6.5 percent vacancy). About 450 of the vacancies, 100 sales and 350 rentals, lack some or all plumbing facilities. In a moderately growing area, such as the Lansing SMSA, vacancy rates of 1.5 percent in sales housing and 6.0 percent in rental housing are considered to represent a desirable demand-supply relationship in the market. The decline in vacancies since April 1960 reflects the annual increment of about 1,715 households, compared with the net addition of only 1,600 sales housing annually to the inventory.

Sales Market

The market for sales housing in the Lansing SMSA is reasonably sound at the present time. The Lansing Board of Realtors reported that the level of sales of new and used houses thus far in 1964, is 13 percent above a comparable period in 1963. The monthly volume of new sales-type housing is down slightly from the monthly average for 1963, as indicated by the smaller number of building permits issued, and this has probably contributed to the healthy atmosphere in the sales market.

New sales housing in the Lansing SMSA is currently being built in two distinct price ranges; the \$15,000 to \$18,000 price range and the \$20,000 to \$30,000 price range. New sales housing is either modest or luxurious, depending on the quality of the unit and the location. In recent years, for example, East Lansing has been described as a prestige area with some sections of the city near the university offering homes (new and used) for \$25,000 and up. The average price for new and used homes listed with the Lansing Board of Realtors Listings Exchange was \$16,200 in the January through October 1964 period. This represents an increase of 5.2 percent above the average price for a comparable period in 1963.

Most of the single-family housing is being constructed in the two major cities and several adjacent townships. Since 1960, approximately 792 permits were issued for single-family housing in Delta Township (Eaton County). For a comparable period in Ingham County, 579 permits were issued for single-family housing in Meridian Township, 439 in Lansing Township, and 349 in Delhi Township.

Of the 600 residences currently under construction, Clinton County accounts for 90 (15 percent), Eaton County 160 (27 percent), and 350 (58 percent) are under construction in Ingham County. East Lansing accounts for 30 of the single-family units under construction in Ingham County, while the remainder are almost equally divided between Lansing (150 units) and the rest of the county (170).

The results of the January 1964 survey of unsold houses completed during 1963 in 30 subdivisions are shown below. Sixty-two percent (446) of the units completed were sold before construction started and the remaining 38 percent (268) were speculatively built. Of the speculatively built homes, 26 percent (69) were unsold as of January 1, 1964. Of the total houses built, 47 percent were in the \$10,000 to \$17,500 price range and 39 percent were in the \$20,000 to \$30,000 price range.

Unsold Inventory of New Sales Houses by Price Class
Lansing, Michigan, SMSA
January 1964

<u>Sales price</u>	<u>Houses completed</u>		<u>Speculative houses</u>			
	<u>Number</u>	<u>Sold before const. start</u>	<u>Total</u>	<u>Sold</u>	<u>Unsold</u>	
					<u>No.</u>	<u>Percent</u>
\$10,000 - \$17,499	332	265	67	57	10	14.9
17,500 - 19,999	58	19	39	34	5	12.8
20,000 - 24,999	138	77	61	36	25	41.0
25,000 - 29,999	139	63	76	57	19	25.0
30,000 and over	47	22	25	15	10	40.0
Total	714	446	268	199	69	25.7

Source: Grand Rapids Insuring Office, FHA.

The small number of foreclosed properties held by FHA in the Lansing area reflects the firm sales market. As of October 1964, there were 19 commissioner-owned properties in the SMSA. Twelve of these were located in the city of Lansing, six in Holt (Ingham County), and one in Mason (Ingham County). The sales price of these houses ranged from \$6,900 to \$15,000.

Rental Market

There are current indications of some weakening in the rental market of the Lansing SMSA, particularly among new, luxury units, while new rentals in the medium (\$100 to \$150 a month) range are achieving satisfactory occupancy levels. The new luxury units are offering some concessions in an effort to increase occupancy. Most of the new rentals are being built in Lansing Township and East Lansing with the greater concentration in East Lansing. There are several reasons for this development in East Lansing, all of which seem to reflect, directly or indirectly, the presence of Michigan State University. First, many rental owners attempt to appeal to students and faculty at the school. Secondly, the social life generated by the students of MSU attract many young people to the area, regardless of their place of work. Finally, the physical environment of the college has an appeal which attracts many people.

Most of the newer conventionally-financed rentals built are renting successfully for \$100 to \$135 a month. A prominent realtor in the city of Lansing reported that, of 500 units with rents from \$95 to \$150 a month, vacancies are virtually nonexistent. All of these units were reported to be less than 5 years old. A conventional project of about 100 units, located in the northwest section of East Lansing, reported 100 percent occupancy. Rents in this project run from \$135 to \$150 a month including amenities such as air conditioning and carports. Location is a prime factor in this case, as most of the tenants are young people employed at the nearby medical center and hospital. More expensive projects are experiencing difficulties; a conventional project of 16 units near the university has never achieved full occupancy, two years after completion.

There are 640 rental units under construction at the present time in the SMSA, the great majority (67 percent) in East Lansing. The bulk of these units are in walk-up structures with 4 to 12 units in a structure and monthly rentals of from \$100 to \$135.

There are several proposals for new multifamily construction in the Lansing area. A location one block from the capitol building has been suggested for a 144-unit, high-rise luxury structure. In addition,

reliable sources report that a builder has acquired 1½ acres of land on the southwest corner of North Walnut and Shiawassee Streets in Lansing for the purpose of erecting over 100 units in a luxury high-rise structure. Both of these centrally-located luxury projects hope for success on the basis of a current lack of such units, their proximity to employment in downtown Lansing, and convenience for elderly persons attending government functions in the downtown area.

Urban Renewal

Lansing Project Number One (R-87) is in the planning stage. This 48 acre area is in the central business district and is bounded by Saginaw, Main, and Capitol Streets and the Grand River. The area encompasses the principal commercial and professional establishments of the city. The project will displace 175 families who presently live in substandard units above stores in the area. Most of the structures in the area will be rehabilitated and street and parking facilities will be expanded. Present plans indicate that R-87 will get underway by October 1965.

The Capitol Redevelopment Area is adjacent to the western boundary of Project Number One, extending west to Pine Street. The area is bounded by Genesee and Main Streets on the north and south respectively. The area encompasses the capitol building and is primarily residential. Plans call for upgrading the residential segment, improvement of access, egress, and parking, and the construction of a large government office building complex. This project, which began early in 1964, is expected to remove an estimated 50 families by the time it is completed in February 1966.

Demand for Housing

Quantitative Demand

The demand for new housing over the October 1964-October 1966 forecast period is derived from the projected level of household growth (1,800 annually), the number of units expected to be demolished, and the desirability of maintaining a level of vacancies conducive to a balanced demand-supply relationship in the market. Consideration is also given to the trend for increased home ownership and a current excess in the rate of construction above a rate considered adequate during the forecast period. On the basis of these adjustments, the annual demand for new housing for each of the next two years is estimated at 2,000 units, including 1,640 sales units and 360 rental units. Of the total rental demand, it is estimated that 275 units could be marketed annually at rents achievable with market interest rate financing and 85 units could be absorbed only with public benefit or assistance financing.

Qualitative Demand

Sales Demand. Based on the typical income-housing expense ratio in the Lansing SMSA, the annual demand for 1,640 new sales houses is expected to be distributed approximately as shown in the table below.

Estimated Annual Demand for New Sales Houses
Lansing, Michigan, SMSA
October 1964 to October 1966

<u>Sales price</u>	<u>Number of units</u>	<u>Percentage distribution</u>
\$10,000 - \$11,999	130	8
12,000 - 13,999	180	11
14,000 - 15,999	230	14
16,000 - 17,999	245	15
18,000 - 19,999	195	12
20,000 - 24,999	330	20
25,000 - 29,999	215	13
30,000 and over	<u>115</u>	<u>7</u>
Total	1,640	100

Source: Estimated by the Housing Market Analyst.

The preceding distribution shows that 80 percent of the sales demand will be for units priced below \$25,000. Above this price, demand thins out rapidly. It is estimated that the construction of single-family residences is not economically feasible for less than \$10,000 in the Lansing area. The greatest appeal for single-family units is in East Lansing, in south Lansing out to Meridian Township, and westward from Lansing to Grand Ledge.

Rental Demand. On the basis of projected renter-family incomes and on ratios of income to rent typically paid by renter-families in the area, the annual demand for 360 rental units is expected to be distributed by monthly gross rent levels and by unit sizes indicated in the table below. Net additions in these rentals may be accomplished either by (1) new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition, or (2) production of units at higher rentals which competitively effect a filtering of existing accommodations to the rentals specified.

Estimated Annual Demand for Net Additional Rental Housing
By Gross Monthly Rent and by Size of Unit
Lansing, Michigan, SMSA, October 1964-October 1966

<u>Gross rent^{a/}</u>	<u>Efficiency</u>	<u>One- bedroom</u>	<u>Two- bedroom</u>	<u>Three- bedroom</u>
\$ 85 and over	55	-	-	-
90 " "	50	-	-	-
95 " "	45	165	-	-
100 " "	35	155	110	-
105 " "	30	145	100	30
110 " "	25	135	95	25
120 " "	20	105	80	20
130 " "	15	70	55	15
140 " "	10	45	35	10
150 " "	5	25	25	5
160 " "	-	15	15	-
170 " "	-	10	10	-
180 " "	-	5	5	-

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

Note: The above figures are cumulative, i.e., the columns cannot be added vertically. For example, the annual demand for one-bedroom units at \$110 to \$130 is 65 units (135 minus 70).

Source: Estimated by Housing Market Analyst.

The market for rental units is concentrated in East Lansing, Lansing, and Lansing Township.

Demand for Rental Housing Among Elderly

The elderly population, age 60 and over, has increased by 520 persons annually (1.6 percent) since 1960, to a total of 35,800 in October 1964. The annual rate of growth in the past 4½ years is considerably slower than the estimated rate of 2.8 percent for the total nonfarm population during the same period. As a result, the elderly population has decreased as a proportion of the total nonfarm population, from 12.4 percent in April 1960 to 11.8 percent in October 1964. The elderly population will increase by approximately 450 annually (1.3 percent) to a total of 36,700 in October 1966.

Elderly households currently total approximately 21,000, or an increase of 375 (two percent) annually since 1960. Of the current number of elderly households, 15,000 contain two- or more- persons, and 6,000 are single-persons households. Of the two- or more- person households, 10 percent (1,550) are renters, whereas 31 percent (1,850) of the single-person households are renters. The fact that the number of elderly households is increasing at a faster rate than the elderly population, reflects the decreasing size of elderly households.

The median after-tax income of elderly renter families of two or more persons is currently \$3,760, approximately \$1,470 less than the median for all renter families. The elderly renter median income is projected to \$3,920 in October 1966, about \$1,580 less than the projected median income for all renter families.

On the basis of the current ratio of elderly population to total population and subsequent adjustments for rent levels, natural aging, and migration, the demand for rental units in the Lansing SMSA by the elderly will total 50 units for each of the next two years. There are from 50 to 75 single-family and multifamily units currently in the area which are designed to attract the elderly population. None of these developments are designed to provide special services for the elderly, however. Inasmuch as some elderly households will choose to live in regular rental units, the demand for units designed specifically for the elderly, at rents achievable with market interest rate financing, is approximately 25 units annually over the next two years.

Nursing Homes

There are currently 24 proprietary nursing homes in the SMSA, with a total capacity of 840 beds. In addition, there are 40 beds in a nonprofit institution. Of the 880 beds in the Lansing SMSA, 430 are in fire-proof structures. The remaining 450 beds are located in old, converted structures of combustible material and are therefore considered unsuitable.

There are only two new nursing homes in the area, the Holt Nursing Home in suburban Holt and Capitol City Convalescence Center Number 3, generally referred to as CCCNo. 3 in Lansing. A shortage of qualified personnel was reported to be primarily responsible for a large number of vacancies in one of these nursing homes. Occupancy in the older homes with lower rates, however, was found to be at more satisfactory levels. In October 1964, approximately 35 percent of the patients had their nursing home expenses paid by local welfare funds. Maximum payments for welfare patients varied from \$175 to \$250.

At present, there are 300 beds under construction in the Lansing area in three different projects. Of the 300 beds under construction, 200 are located in Ingham County and the remainder in Eaton County. In addition, there is a tentative proposal for an additional 400 beds, to be conventionally financed.

The need for additional nursing home beds is a derivative of the projected elderly population (age 65 years and over), since most nursing home patients are elderly persons. Consideration is also given to the number of existing suitable beds and new beds under construction or definitely planned. On this basis, it is estimated that there is no need for additional nursing beds in the Lansing SMSA. A current survey by the Michigan Hospital and Medical Facilities Division to determine nursing bed requirements in Ingham County has determined that the existing number of beds plus those definitely planned or under construction does not warrant provision of additional beds at this time. Any additional nursing home facilities which might be required by Clinton and Eaton County residents can be satisfied by the large number of beds available at the present time or expected to become available shortly in Ingham County.

Table I

Distribution of the Work Force
Lansing, Michigan, SMSA
1956 - 1964
Annual Averages
(in thousands)

<u>Industry</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u> ^{a/}
Total work force	<u>114.1</u>	<u>112.3</u>	<u>112.3</u>	<u>111.7</u>	<u>112.0</u>	<u>112.7</u>	<u>112.3</u>	<u>114.2</u>	<u>116.9</u>
Unemployment	5.9	5.2	10.2	6.6	4.6	8.6	4.6	4.3	3.7
Percent of work force	5.2%	4.6%	9.1%	5.9%	4.1%	7.6%	4.1%	3.8%	3.2%
Agricultural employment	7.0	6.6	6.3	5.9	5.7	5.4	5.1	4.9	4.9
Nonag. employment ^{b/}	<u>101.2</u>	<u>100.5</u>	<u>95.8</u>	<u>99.2</u>	<u>101.7</u>	<u>98.7</u>	<u>102.6</u>	<u>105.0</u>	<u>108.2</u>
Nonagri. wage & sal. empl.	<u>89.8</u>	<u>89.2</u>	<u>84.6</u>	<u>87.6</u>	<u>90.0</u>	<u>86.9</u>	<u>91.2</u>	<u>93.6</u>	<u>96.6</u>
Manufacturing	<u>31.2</u>	<u>30.2</u>	<u>26.8</u>	<u>29.1</u>	<u>29.9</u>	<u>26.0</u>	<u>29.1</u>	<u>30.0</u>	<u>32.5</u>
Durable goods	<u>28.1</u>	<u>27.2</u>	<u>23.8</u>	<u>26.1</u>	<u>26.9</u>	<u>23.1</u>	<u>26.2</u>	<u>27.1</u>	<u>29.5</u>
Furniture & fixtures	.4	.4	.4	.4	.4	.4	.4	.4	.4
Metal products	3.3	3.1	2.8	3.3	3.4	3.1	3.4	3.5	3.5
Nonelec. machinery	1.9	1.9	1.6	2.0	2.0	1.9	2.5	2.6	2.8
Elec. machinery	.4	.4	.2	.3	.3	.3	.2	.3	.2
Motor vehicles	21.3	20.6	17.9	19.3	20.1	16.6	19.0	19.5	21.6
Other durable goods	.8	.8	.9	.8	.7	.8	.7	.8	1.0
Nondurable goods	<u>3.1</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>
Food and kindred	1.5	1.5	1.5	1.5	1.4	1.3	1.4	1.2	1.0
Textiles and apparel	.1	.1	.1	.1	.1	.1	.1	.1	.1
Print. publish. & rel.	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.2
Chemical & rel. prod.	.3	.3	.3	.3	.3	.3	.2	.4	.5
Other nondurable goods	.2	.1	.1	.1	.1	.1	.1	.1	.1
Nonmanufacturing	<u>58.6</u>	<u>59.0</u>	<u>57.8</u>	<u>58.5</u>	<u>60.1</u>	<u>60.9</u>	<u>62.1</u>	<u>63.6</u>	<u>64.1</u>
Construction	4.5	4.5	4.1	4.0	4.0	4.1	3.8	4.0	3.8
Trans., comm., & util.	3.4	3.4	3.3	3.3	3.3	3.3	3.3	3.2	3.3
Trade	16.0	16.1	14.9	15.2	15.5	15.6	16.3	16.7	16.9
Fin., ins., & real est.	2.7	2.8	2.9	3.0	3.0	3.0	3.2	3.4	3.3
Services	8.6	8.7	8.8	8.8	8.9	9.0	9.4	9.7	9.7
Government	<u>23.4</u>	<u>23.5</u>	<u>23.8</u>	<u>24.2</u>	<u>25.4</u>	<u>25.9</u>	<u>26.1</u>	<u>26.6</u>	<u>27.2</u>
Federal	1.4	1.5	1.5	1.5	1.6	1.6	1.5	1.6	1.7
State	15.5	15.5	15.6	15.8	16.6	17.0	17.2	17.3	17.6
Local	6.5	6.5	6.7	6.9	7.2	7.3	7.4	7.7	7.9
All other nonag. empl. ^{a/}	11.4	11.3	11.2	11.6	11.7	11.8	11.4	11.4	11.7

^{a/} Through September.

^{b/} Includes workers involved in labor-management disputes.

^{c/} Self-employed, domestics, and unpaid family workers.

Source: Michigan Employment Security Commission.

Table II

Estimated Distribution of Family Income
After Deduction of Federal Income Tax
Lansing, Michigan, SMSA, 1964-1966

<u>Annual family income</u>	<u>Percentage distribution</u>			
	<u>1964</u>		<u>1966</u>	
	<u>All</u>	<u>Tenant</u>	<u>All</u>	<u>Tenant</u>
Under \$ 4,000	17	32	16	30
\$4,000 - 4,999	9	14	8	13
5,000 - 5,999	15	17	11	15
6,000 - 6,999	14	12	15	13
7,000 - 7,999	11	8	11	9
8,000 - 8,999	9	6	10	6
9,000 - 9,999	7	4	7	5
10,000 - 12,499	11	5	13	5
12,500 and over	<u>7</u>	<u>2</u>	<u>9</u>	<u>4</u>
Total	100	100	100	100
Median	\$6,650	\$5,230	\$7,000	\$5,500

Source: Estimated by Housing Market Analyst. Based on 1960 census report of 1959 incomes adjusted for underreporting and subsequent increases in income.

Table III

Nonfarm Population Trends
Lansing, Michigan, SMSA
April 1950 - October 1964

<u>Area</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1964</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1964 a/</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Clinton County	18,692	27,395	31,000	870	4.7	800	2.9
Eaton County	26,779	39,273	45,400	1,249	4.7	1,360	3.5
Ingham County	<u>159,087</u>	<u>202,668</u>	<u>229,750</u>	<u>4,358</u>	<u>2.7</u>	<u>6,020</u>	<u>3.0</u>
East Lansing	<u>20,325</u>	<u>30,198</u>	<u>42,300</u>	<u>987</u>	<u>4.9</u>	<u>2,690</u>	<u>8.9</u>
Lansing	<u>92,129</u>	<u>107,807</u>	<u>125,050</u>	<u>1,568</u>	<u>1.7</u>	<u>3,830</u>	<u>3.6</u>
Rest of county	<u>46,633</u>	<u>64,663</u>	<u>62,400</u>	<u>1,803</u>	<u>3.9</u>	<u>-500</u>	<u>-.8</u>
SMSA total	204,558	269,336	306,150	6,477	3.2	8,180	3.0

a/ Rounded.

b/ Reflects annexations to Lansing of territory with about 9,700 population in 1960.

Source: 1950 and 1960 Census of Population.
1964 estimated by Housing Market Analyst.

Table IV

Nonfarm Household Trends
Lansing, Michigan, SMSA
1950-1964

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>October</u> <u>1964</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1964</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Clinton County	5,475	7,571	8,350	210	3.8	170	2.3
Eaton County	8,153	11,170	12,550	302	3.7	310	2.8
Ingham County	<u>45,780</u>	<u>58,252</u>	<u>63,800</u>	<u>1,247</u>	<u>2.7</u>	<u>1,235</u>	<u>2.1</u>
East Lansing	<u>3,794</u>	<u>6,967</u>	<u>8,000</u>	<u>317</u>	<u>8.4</u>	<u>230</u>	<u>3.3</u>
Lansing	<u>28,472</u>	<u>33,558</u>	<u>38,950</u>	<u>509</u>	<u>1.8</u>	<u>1,200</u>	<u>3.6</u>
Rest of county	<u>13,514</u>	<u>17,727</u>	<u>16,850</u>	<u>421</u>	<u>3.1</u>	<u>-195</u>	<u>1.1</u>
SMSA-Total	59,408	76,993	84,700	1,759	3.0	1,715	2.2

a/ Rounded.

Source: 1950 and 1960 Census of Housing.
1964 estimated by Housing Market Analyst.

Table V

Housing Inventory and Characteristics
Lansing, Michigan, SMSA
1950-1964

<u>Tenure and occupancy status</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1964</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1964 ^{a/}</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total inventory	<u>61,700</u>	<u>82,959</u>	<u>90,200</u>	<u>2,126</u>	<u>3.4</u>	<u>1,610</u>	<u>1.9</u>
Occupied housing units	<u>59,408</u>	<u>76,993</u>	<u>84,700</u>	<u>1,759</u>	<u>3.0</u>	<u>1,710</u>	<u>2.2</u>
Owner occupied	40,100	56,791	62,950	1,670	4.2	1,370	2.4
Percent of occupied	67.5%	73.8%	74.3%	-	-	-	-
Renter occupied	19,308	20,202	21,750	89	.5	340	1.7
Percent of occupied	32.5%	26.2%	25.7%	-	-	-	-
Vacant housing units	<u>2,292</u>	<u>5,966</u>	<u>5,500</u>	<u>367</u>	<u>16.0</u>	<u>-100</u>	<u>-1.7</u>
Available	<u>544</u>	<u>2,934</u>	<u>2,400</u>	<u>239</u>	<u>43.9</u>	<u>-120</u>	<u>-4.1</u>
For sale only	250	1,015	900	77	30.6	-25	-2.5
Homeowner vacancy rate	.6%	1.8%	1.4%	-	-	-	-
For rent only	294	1,919	1,500	163	55.3	-95	-4.8
Renter vacancy rate	1.5%	8.7%	6.5%	-	-	-	-
Other	<u>1,748</u>	<u>3,032</u>	<u>3,100</u>	<u>128</u>	<u>7.4</u>	<u>20</u>	<u>.5</u>

^{a/} Rounded.

Source: 1950 and 1960 Census of Housing.
1964 estimated by the Housing Market Analyst.

Table VI

Dwelling Units Authorized by Building Permits for Selected Areas
and the Lansing, Michigan, SMSA, 1950-1964

<u>Area</u>	<u>Average 1950-1953</u>	<u>Average 1954-1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964 ^{a/}</u>
Clinton County	146	226	180	162	158	154	193	242	178
Eaton County	73	228	247	255	234	223	278	410	245
Ingham County	<u>1,318</u>	<u>1,889</u>	<u>1,278</u>	<u>1,185</u>	<u>919</u>	<u>959</u>	<u>1,208</u>	<u>1,926</u>	<u>1,437</u>
Delhi twp.	158	229	158	147	95	48	55	66	85
East Lansing	72	353 ^{b/}	98	133	93	95	140	622	378
Lansing	558	372	411	519	387	416	526	761	664
Lansing twp.	294	542	274	168	140	198	279	193	126
Meridian twp.	211	330	200	127	100	97	106	147	149
Rest of county	<u>25</u>	<u>63</u>	<u>137</u>	<u>91 ^{c/}</u>	<u>104</u>	<u>105</u>	<u>102</u>	<u>137</u>	<u>35</u>
SMSA total	1,537	2,343	1,705	1,602	1,311	1,336	1,679	2,578	1,860

^{a/} First nine months.

^{b/} Includes an average of 336 units of public housing added during this period.

^{c/} Includes 41 units of public housing.

Source: Bureau of the Census, C-40 Construction Reports and local building inspectors.

Table VII

LANSING, MICHIGAN AREA POSTAL VACANCY SURVEY

OCTOBER 20 - 27, 1964

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.	%
The Survey Area Total	72,365	1,864	2.6	1,578	286	988	65,719	1,327	2.0	1,162	165	462	6,646	537	8.1	416	121	526	820	13	1.6
Lansing	44,650	1,183	2.6	957	226	397	42,310	807	1.9	702	105	298	2,340	376	16.1	255	121	99	325	2	0.6
Main Office	11,692	328	2.8	259	69	84	10,605	174	1.6	142	32	52	1,087	154	14.2	117	37	32	-	-	-
Stations:																					
Michigan Avenue	7,210	145	2.0	129	16	83	6,614	99	1.5	85	14	47	596	46	7.7	44	2	36	-	-	-
North Lansing	8,807	223	2.5	199	24	95	8,579	169	2.0	145	24	79	228	54	23.7	54	-	16	112	2	1.8
South Cedar Street	16,941	487	2.9	370	117	135	16,512	365	2.2	330	35	120	429	122	28.4	40	82	15	213	-	-
Suburban Area	27,715	661	2.5	621	60	591	23,409	520	2.2	460	60	164	4,306	161	3.7	161	-	427	495	11	2.2
Bellevue	1,338	62	4.6	61	1	7	1,326	52	3.9	51	1	7	12	10	83.3	10	-	-	26	6	23.1
Charlotte	4,296	58	1.4	58	-	21	4,296	58	1.4	58	-	21	-	-	-	-	-	-	-	-	-
East Lansing	9,354	128	1.4	109	19	475	5,756	69	1.2	50	19	48	3,598	59	1.6	59	-	427	260	-	-
Eaton Rapids	2,545	165	6.5	153	12	12	2,416	124	5.1	112	12	12	129	41	31.8	41	-	-	22	3	13.6
Grand Ledge	2,997	69	2.3	64	5	39	2,799	52	1.9	47	5	39	198	17	8.6	17	-	-	4	-	-
Holt	1,941	10	0.5	-	10	6	1,941	10	0.5	-	10	6	-	-	-	-	-	-	84	-	-
Saint Johns	3,337	121	3.6	115	6	16	2,993	103	3.4	97	6	16	344	18	5.2	18	-	-	57	2	3.5
Williamston	1,907	68	3.6	61	7	15	1,882	52	2.8	45	7	15	25	16	64.0	16	-	-	42	-	-

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, and 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 cooperating postmasters.