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Analysis of the
**LITTLE ROCK, ARKANSAS
HOUSING MARKET**

as of January 1, 1968

(A supplement to the January 1, 1965 analysis)

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

1968

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

August 1968

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AUG 9 1968

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
LITTLE ROCK, ARKANSAS, HOUSING MARKET
AS OF JANUARY 1, 1968

(A supplement to the January 1, 1965 analysis)

Summary and Conclusions

1. The economy of the Little Rock Housing Market Area (HMA) is based upon trade, government, manufacturing, and services. Total nonagricultural employment averaged 120,750 during the year ending September 30, 1967, reflecting an increase of 1,900 over the average for the preceding year. An increase of 4,950 was achieved one year earlier and an increase of 4,550 was reported between September 1964 and September 1965. The unusually large increases in employment during 1965 and 1966 paralleled national trends. Gains in the Little Rock area were concentrated in the private segment of the economy and in state and local government. The lower rate of growth during 1967 also reflects the national trend and includes relatively small employment gains in manufacturing, trade, and construction in the HMA. Unemployment averaged only 2.5 percent in the Little Rock HMA during the year ending September 30, 1967. Based on the outlook for expansion of existing industries, it is estimated that nonagricultural employment will increase by an average of 3,500 persons a year during the January 1, 1968 to January 1, 1970 forecast period.
2. As of January 1, 1968, the median annual incomes, after deduction of federal income taxes, are \$6,300 and \$4,900, respectively, for all families and for renter households of two persons or more. By January 1, 1970, median annual after-tax incomes are expected to increase to about \$6,650 and \$5,200.
3. As of January 1, 1968, the nonfarm population of the HMA was 304,500, reflecting an average gain of 9,000 persons a year since January 1, 1965. Nonfarm households (occupied housing units) totaled about 90,700, reflecting an average gain of 2,800 annually during the three-year period. Based on anticipated employment gains, it is estimated that the nonfarm population of the HMA will increase by an average of 7,750 persons a year during the next two years, reaching a level of 320,000 by January 1, 1970. It is estimated that nonfarm households will expand by an average of 2,550 a year during the next two years, reaching a level of 95,800 by January 1, 1970.
4. As of January 1, 1968, there were 95,500 nonfarm housing units in the HMA, representing an increase of about 8,600 units over the January 1, 1965 estimate of 86,900 nonfarm housing units. The increase in the inventory resulted from the construction of approximately 9,650 new units, the addition of about 450 trailers, and the loss of about 1,500 units through demolition and other causes.

5. On January 1, 1968, there were about 600 vacant housing units available for sale in the HMA, reflecting a homeowner vacancy rate of 1.0 percent. Vacant units available for rent, including units in single-family structures, totaled about 2,300, indicating a rental vacancy rate of 6.5 percent. The current vacancy levels reflect fewer sales vacancies than there were in January 1965, but more rental vacancies. The homeowner vacancy rate was 1.7 percent in January 1965 and the rental vacancy rate was 5.5 percent. New construction has been absorbed at a satisfactory rate, both sales and rental units; a surge in multifamily construction during 1965 created a temporary over-supply of rental units.
6. Demand for new housing units in the Little Rock HMA during the January 1, 1968 to January 1, 1970 forecast period is calculated at 2,750 units a year. The projected demand includes a demand for 2,200 single-family houses and 550 multifamily units, including 200 multifamily units that could be marketed at the lower rents achievable by use of public benefits or assistance in financing or land acquisition and cost. Demand for units in multifamily structures includes those in structures with two, three, and four units. The annual demand estimates do not include public low-rent housing or rent-supplement accommodations. Demand for single-family houses is distributed by price range on page 25 and demand for multifamily units is distributed by unit size and gross monthly rent on page 26.

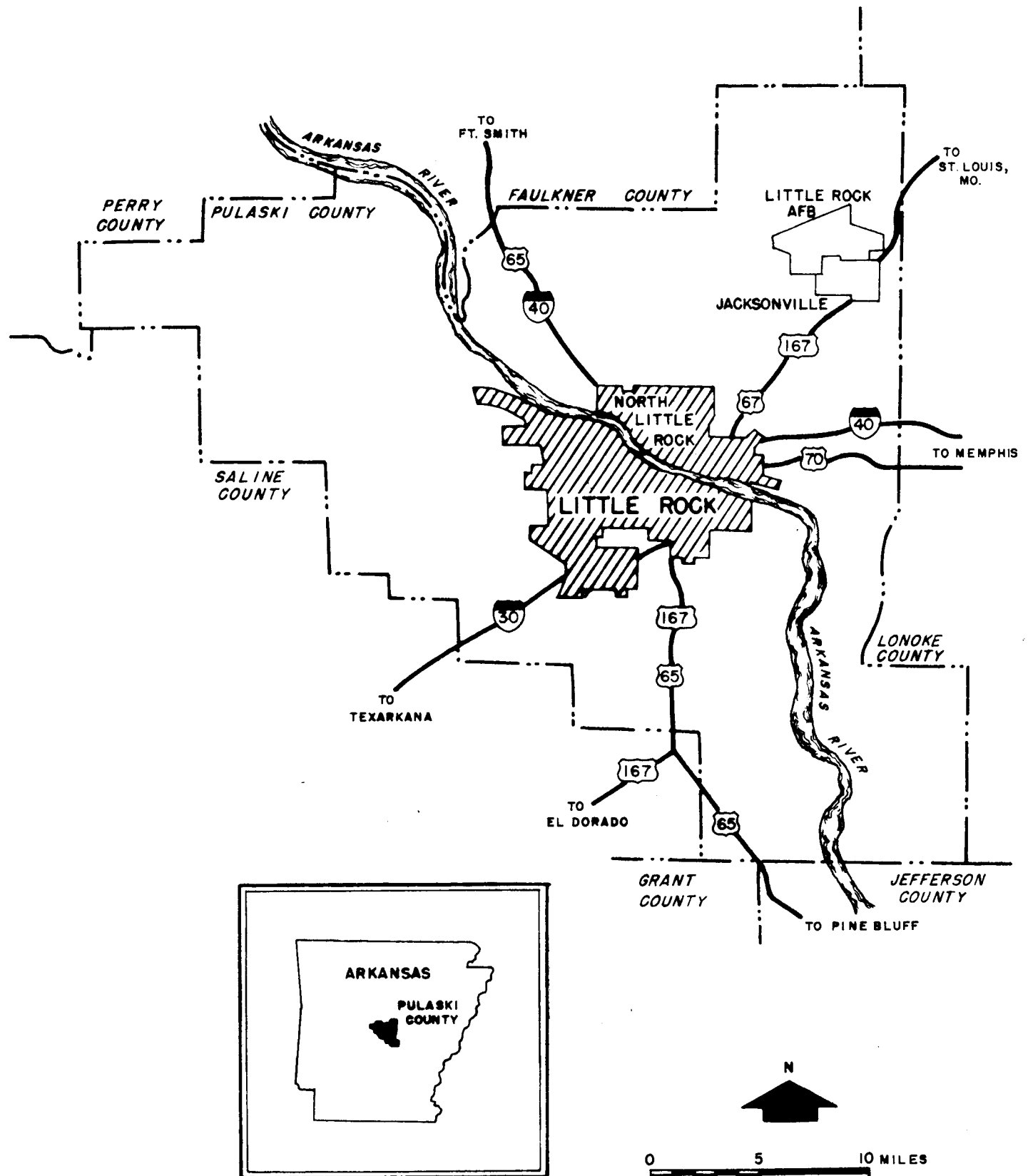
ANALYSIS OF THE
LITTLE ROCK, ARKANSAS, HOUSING MARKET
AS OF JANUARY 1, 1968
(A supplement to the January 1, 1965 analysis)

Housing Market Area

The Little Rock, Arkansas, Housing Market Area (HMA) is defined, as in previous analyses, to be coterminous with Pulaski County. As thus defined, the HMA is coextensive with the Little Rock-North Little Rock, Arkansas, Standard Metropolitan Statistical Area (SMSA) as used in the 1950 and 1960 Censuses of Population and Housing. Saline County, Arkansas was added to the SMSA by the Bureau of the Budget in March 1967, but it does not, as yet, meet the criteria for inclusion in the housing market area.

As of the April 1960 Census, the nonfarm population of the HMA totaled 239,200 persons. Little Rock had a 1960 population of 107,800 persons and North Little Rock had a 1960 population of 58,000. Other principal communities in the HMA include Jacksonville, about 10 to 15 miles north of Little Rock-North Little Rock, with a 1960 population of 14,500; Cammack Village, population 1,350; and Sherwood, population 1,200. Little Rock Air Force Base, located just north of Jacksonville, was completed in 1955 and since then has had an average strength of about 5,500 to 6,000 permanently assigned military personnel. All demographic and housing data used in the January 1965 analysis and in the current analysis refer to nonfarm data only (see Appendix A, paragraph 1).

LITTLE ROCK - NORTH LITTLE ROCK, ARKANSAS HOUSING MARKET AREA



Economy of the Area

Character

The economy of the Little Rock HMA continues to be centered around trade, government, manufacturing, and services. During the year ending September 30, 1967, wholesale and retail trade provided 18.5 percent of all nonagricultural jobs in the HMA, government accounted for 17.0 percent, manufacturing for 16.9 percent, and services for 12.5 percent.

Work Force

As reported by the Arkansas Employment Security Division, the civilian work force in the Little Rock HMA averaged 125,475 persons during the year ending September 30, 1967. The average work force included 121,600 employed persons, 3,175 unemployed workers (2.5 percent of the work force), and 700 persons involved in labor-management disputes. Agricultural employment averaged 850 persons, equal to less than one percent of the work force. The work force expanded by 2,800 workers during the year ending September 30, 1967, by 4,075 workers the previous year, and by 4,300 workers the year prior to that. Year-to-year changes in the major components of the civilian work force since 1964 are shown in table I.

Employment

Current Estimate and Recent Trend. Total nonagricultural employment in the Little Rock HMA averaged 120,750 during the year ending September 30, 1967, reflecting an increase of 1,900 over the average for the preceding year, compared with an increase of 4,950 one year earlier, and an increase of 4,550 between September 1964 and September 1965. The employment trend in the HMA during the past three years paralleled the national trend, with unusually large increases in employment during 1965 and 1966. However, growth in the Little Rock area resulted primarily from expansion in the private segment of the economy and in state and local government, while growth nationally reflected, in large part, greatly increased expenditures for Vietnam. The lower rate of growth during 1967 reflects a leveling off in overall consumer demand, reduced capital expenditures, reduction of record inventory accumulation, a relatively low level of residential construction, and an increase in personal savings. The impact of these economic factors on the rate of growth in the Little Rock area during 1967 is especially evident in the relatively small employment increases in manufacturing, trade, and construction.

Major employment gains in the HMA during the past three years included an increase of 1,325 in government during the year ending September 30, 1965, followed by an increase of 900 the following year, and an increase of 775 during the past year; an increase of 475 in the metals industries for the year ending September 1965, followed by annual gains of 950 and 775; an increase of 675 in services followed by gains of 350 and 600. Contract construction employment expanded by 1,300 during the year ending September 1966, followed by a nominal increase of 225 during the past year. Employment increases averaging about 300 workers a year between 1964 and 1967 were recorded in wholesale trade, transportation and public utilities, and in finance, insurance, and real estate.

The rise in government employment during the past three years was attributable primarily to expansion of education facilities, increased employment at government hospitals, work on the Arkansas River Navigation project, operation of a Neighborhood Youth Corps program, and expansion of nonprofessional employment in various agencies of the state government, especially in the tax and highway departments. The increases in employment in the metals industries, mostly in communications equipment and electrical machinery, were attributable to extensive expansion of existing firms and the addition of two new firms employing a total of 300 workers. The employment gains in trade and services reflect the opening of a major new shopping center, expansion of hotel and motel facilities, and expansion of privately-owned hospitals. Increased construction employment resulted from a surge in the construction of new industrial and commercial buildings, shopping centers, and from new highway construction programs. Industry employment trends since 1964 are shown in table I.

Nonagricultural Employment Trend
Little Rock, Arkansas, HMA
1964-1967^{a/}

<u>Year ending</u> <u>September 30</u>	<u>Nonagricultural</u> <u>employment</u>	<u>Year-to-year changes</u>	
		<u>Number</u>	<u>Percent</u>
1964	109,350	-	-
1965	113,900	4,550	4.2
1966	118,850	4,950	4.3
1967	120,750	1,900	1.6

^{a/} 1966 and 1967 data subject to revision when annual benchmark data become available.

Source: Employment Security Division, Arkansas Department of Labor.

Little Rock Air Force Base

The mission of Little Rock AFB continues to be support of Strategic Air Command elements, including B-58 bomber, KC-135 tanker, and Titan II missile units. The assigned military personnel strength of the base was 5,774 as of October 30, 1967, down slightly from a level of 6,108 reported as of January 1, 1965. Civil service civilian employees totaled 552 as of September 30, 1967, indicating a slight drop from a March 31, 1967, level of 602, but reflecting a sizable increase over the January 1, 1965 level of 373. Current authorized strength levels for the base call for approximately 5,500 military personnel and 650 civil service civilian employees. The Department of the Air Force reports that little change is anticipated in base strength during the next two years. Present plans call for an authorized military strength level of 5,700 personnel as of 1970, with no significant change in authorized civil service civilian personnel.

Military and Civilian Personnel Strength Little Rock AFB Selected Dates, 1965-1967

<u>Date</u>	<u>Assigned military personnel</u>	<u>Civil service civilian employees</u>	<u>Total military and civilian personnel</u>
January 1, 1965	6,108	373	6,481
June 30, 1965	5,860	381	6,241
June 30, 1966	5,589	473	6,062
October 30, 1967	5,774	552 _{a/}	6,326

a/ Civil service civilian employee strength as of September 30, 1967.

Source: Department of the Air Force.

Unemployment

As reported by the Arkansas Employment Security Division, unemployment in the Little Rock HMA averaged 2.5 percent of the civilian work force during the year ending September 30, 1967; an average of 3,175 persons were actively seeking work. The rate of unemployment for the past year was just one-tenth of a percentage point higher than the average rate for the preceding year, but otherwise reflects a steady reduction in the rate of unemployment during the past three years, from an average rate of 3.2 percent during the year ending September 30, 1964.

Unemployment Trend
Little Rock, Arkansas, HMA
1964-1967^{a/}

<u>Year ending</u> <u>September 30</u>	<u>Number</u> <u>unemployed</u>	<u>Percent of</u> <u>civilian</u> <u>work force</u>
1964	3,700	3.2
1965	3,650	3.1
1966	2,950	2.4
1967	3,175	2.5

a/ 1966 and 1967 data subject to revision when annual benchmark data become available.

Source: Employment Security Division, Arkansas Department of Labor.

Estimated Future Employment

Based on the outlook for expansion of existing industries, and considering the prospective impact of national and regional economic trends on the economy of the HMA, it is estimated that total nonagricultural employment in the Little Rock HMA will increase by an average of about 3,500 persons a year during the January 1968 to January 1970 forecast period of this analysis. Although the growth projected is well above the average for the year just ended, it is a little below the average increase achieved during the past three years; it approximates the average over the longer-run period from 1959 to 1967. Growth at about the level projected also is suggested by a comprehensive skill survey conducted by the Arkansas Employment Security Division during 1965, which analyzed the anticipated employment needs of firms in the area for the five-year period from March 1965 to March 1970.

It is estimated that manufacturing employment will expand by approximately 1,000 workers a year during the next two years. Employment increases are expected as a result of expansion of manufacturing facilities by the Teletype Corporation, which is now nearing completion, and by Controls Corporation of America as a result of plant expansion in Jacksonville. Two new firms have announced plans to locate in the HMA during the forecast period; they are Prospect Farms, a frozen chicken processing firm, and Rainbo Photo Color, Inc., a film processing company. The Armstrong Rubber Company has announced the selection of Little Rock as the location for a new inner tube plant, but, with financing and construction of the new plant

still to be completed, it is doubtful that any operating employees will be hired during the two-year forecast period of this analysis. Based on industry trends, employment may be expected to increase by about 50 workers a year in the food and kindred products field and by a like amount in the printing and publishing category. Only minor changes are anticipated in other manufacturing industries. Declining employment in lumber and wood products (down 75), furniture and fixtures (down 125), and apparel (down 250) during the past year was largely attributable to the closing of a furniture plant and to a labor dispute in the apparel industry; employment in these industries should continue at about current levels during the forecast period. Employment in miscellaneous nondurable goods manufacturing reasonably may be expected to expand at its recent pace of about 150 workers annually.

Nonmanufacturing wage and salary employment may be expected to grow by an average of about 2,850 workers annually during the next two years. It is estimated that government employment will provide about 800 new jobs a year, with most of the growth attributable to the expansion of educational and medical facilities. Wholesale and retail trade may be expected to increase employment by an average of about 600 workers a year. New facilities are now under construction at the large regional shopping complex at West Markham Street and University Avenue in Little Rock and at various smaller shopping centers in the HMA. It is estimated that services will provide about 600 new jobs a year during the forecast period, with expansion of private hospitals contributing significantly to the growth in this field. Employment in finance, insurance, and real estate can be expected to increase substantially, with a gain of about 300 to 400 workers annually. Three local financial institutions now have major new facilities under construction which undoubtedly will result in additional employment. At least moderate increases are expected in contract construction and in transportation and public utilities. Employment in the "all other nonagricultural employment" category, which includes self-employed persons, domestics, and unpaid family workers, is expected to continue to decline as it has during the past two years, with a loss of about 300 to 350 persons a year during the forecast period.

Income

The current median annual income, after deduction of federal income taxes, of all families in the Little Rock HMA is estimated at \$6,300; the median income of renter households of two or more persons is estimated at \$4,900. It is expected that by January 1970, the median annual after-tax income of all families in the HMA will approximate \$6,650 and the median after-tax income of all renter households of two or more persons will approximate \$5,200. Detailed distributions of families and renter households by annual after-tax income as of January 1, 1968, and January 1, 1970, are presented in table II.

Demographic Factors

Nonfarm Population

Current Estimate and Recent Trend. As of January 1, 1968, the non-farm population of the Little Rock HMA was approximately 304,500, reflecting an increase of 27,000 persons, an average gain of 9,000 persons annually, since January 1, 1965, when the estimated nonfarm population of the HMA was about 277,500 persons. During the April 1, 1960 to January 1, 1965 period, the nonfarm population of the HMA increased by 38,350, an average of about 8,075 persons annually. The increase in the rate of population growth is readily explained by a parallel increase in the rate of employment growth.

The population of the city of Little Rock was about 146,200 as of January 1, 1968, equal to about 48 percent of the HMA total. The January 1, 1968 population of Little Rock reflects an increase of a little more than 17,250 since June 8, 1964, when a special census indicated a population of 128,929 for the city. A small portion of the recent population growth is attributable to annexation; about 575 people were added to the city population through annexation of about six square miles of land. The population of the city shown by the June 8, 1964 special census reflected a gain of approximately 21,100 persons over the April 1, 1960 population of 107,813; however, about 86 percent of the increase during this period was attributable to annexations, which added more than 22 square miles to the area of the city, nearly doubling its previous area.

As of January 1, 1968, the population of North Little Rock is estimated to be 69,400, representing close to 23 percent of the HMA total. The January 1, 1968 population of North Little Rock indicates an increase of about 11,400 over the April 1, 1960 population of 58,032, as reported by the census. North Little Rock growth since 1960 includes about 1,250 persons gained through annexations.

Estimated Future Nonfarm Population. It is estimated that the non-farm population of the Little Rock HMA will increase by an average of 7,750 persons a year during the next two years, reaching a level of approximately 320,000 by January 1, 1970. The projected growth is based on anticipated employment gains approximating 3,500 a year during the two-year forecast period (compared with an average gain of about 3,825 workers a year during the January 1, 1965-January 1, 1968 period) and on the assumption that the employment participation rate will continue to increase slightly during the forecast period.

Nonfarm Population Trends
Little Rock, Arkansas, HMA, 1960-1970

<u>Date</u>	<u>Nonfarm population</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percenta/</u>
April 1, 1960	239,154	-	-
January 1, 1965	277,500 ^{b/}	8,075	3.1
January 1, 1968	304,500	9,000	3.1
January 1, 1970	320,000	7,750	2.5

^{a/} See Appendix A, paragraph 2.

^{b/} Revised.

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

Nonfarm Households

Current Estimate and Recent Trends. As of January 1, 1968, there were about 90,700 nonfarm households (occupied housing units) in the Little Rock HMA, reflecting an increase of 8,400, an average of 2,800 annually, over the January 1, 1965 estimate of 82,300 nonfarm households. During the April 1, 1960 to January 1, 1965 period, nonfarm households increased by 11,400, an average of 2,400 a year.

Household Size. The average nonfarm household size in the Little Rock HMA as of January 1, 1968 was about 3.24 persons, down slightly from the average of 3.25 persons estimated as of January 1, 1965, and equal to the average nonfarm household size indicated by the April 1960 Census. The decline in average household size since January 1965 reflects a general trend towards smaller households, a fact demonstrated by an increase in new multifamily construction and occupancy during the period. The recent trend toward smaller household size is attributable to a decline in the birth rate and to changes in the age composition of the population. A sizeable increase in the number of people in their early twenties during the past several years has contributed to an increase in new household formation. These new households are typically small, consisting largely of young married couples without children and small "individual" households made up of persons living alone or with another individual. An increasing number of elderly persons continuing to maintain their own households also has contributed to the decline in the average household size. Average household size is expected to decline to about 3.23 persons during the two-year forecast period of this analysis.

Estimated Future Households. On the basis of anticipated employment and population growth and the assumption that there will be a slight decline in average household size, it is estimated that the number of nonfarm households in the Little Rock HMA will increase by an average of 2,550 a year during the next two years, reaching a level of approximately 95,800 by January 1, 1970.

Nonfarm Household Trends
Little Rock, Arkansas, HMA, 1960-1970

<u>Date</u>	<u>Nonfarm households</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent^{a/}</u>
April 1, 1960	70,897	-	-
January 1, 1965	82,300 ^{b/}	2,400	3.1
January 1, 1968	90,700	2,800	3.2
January 1, 1970	95,800	2,550	2.7

^{a/} See Appendix A, paragraph 2.

^{b/} Revised.

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

Housing Market Factors

Housing Supply

As of January 1, 1968, there were approximately 95,500 nonfarm housing units in the Little Rock HMA. The January 1, 1968 inventory represented a net increase of about 8,600 units over the January 1, 1965 estimate of 86,900 nonfarm housing units.^{1/} This increase in the nonfarm housing inventory resulted from the construction of approximately 9,650 new units, the addition of about 450 trailers, and the loss of about 1,500 units through demolition and other causes. The increase in the nonfarm housing inventory since January 1, 1965 has averaged about 2,875 units a year, compared with an average annual net addition of about 2,400 during the April 1, 1960 to January 1, 1965 period.

Residential Building Activity

Recent Trend. Based on building permits issued, which cover about 63 percent of all new residential construction in the HMA, and various data reflecting construction in nonpermit-issuing portions of the HMA, it is estimated that new residential building in the HMA totaled about 3,000 units in each of the years 1967 and 1966, and approximately 4,275 during 1965. Residential building averaged about 3,375 units a year during the three-year period from 1962 to 1964, and about 1,500 units a year during the preceding two-year period.

New residential construction during the past three years includes 196 units of rent-supplement housing started in North Little Rock during 1967 and 415 units of low-rent public housing placed under contract during 1965, of which 136 units were in Little Rock and 279 were in North Little Rock. Residential construction during the 1960 to 1964 period included 75 units of low-rent public housing placed under contract in North Little Rock in 1963.

^{1/} January 1, 1965 housing data and residential building activity for the April 1, 1960-January 1, 1965 period have been adjusted on the basis of more complete information developed since 1965 relative to new housing construction in nonpermit-issuing portions of the HMA.

It is estimated that new privately-financed single-family construction averaged about 2,400 units a year during 1967 and 1966, following the construction of almost 2,700 single-family units in 1965. Approximately half of the single-family construction during this period was in areas not covered by building permits. Based on the adjusted data for the 1960 to 1964 period, it is judged that new single-family construction averaged 2,675 units a year from 1962 through 1964, following an average of about 1,400 annually during the preceding two years.

Nearly all new multifamily construction in the HMA during the 1960 to 1967 period was in areas requiring building permits. Privately-financed multifamily construction totaled about 400 units in 1967, about 575 units in 1966, and 1,150 during 1965. As reported in the January 1965 market analysis, privately-financed multifamily construction, as measured by building permits issued, totaled approximately 550 units in 1964, about 750 in 1963, and slightly over 575 in 1962, following a period of two years during which multifamily construction averaged less than 100 units a year.

Residential building activity in the cities of Little Rock, North Little Rock, and Jacksonville, as reflected by building permits, is shown for the three-year period from 1965 through 1967 in table III.

Units Under Construction. Based on a postal vacancy survey conducted in November 1967, on building permit data, supplemental data obtained in the Little Rock area, and personal observation, it is estimated that there were about 1,200 housing units under construction in the Little Rock HMA as of January 1, 1968. There were approximately 600 single-family homes under construction and about 600 units in multifamily structures. The 600 multifamily units under construction included the 196 units of rent-supplement housing sponsored by Shorter College in North Little Rock.

Demolitions and Other Inventory Losses. About 1,500 housing units were removed from the housing inventory of the HMA between January 1, 1965 and January 1, 1968. According to city demolition records, 775 housing units were eliminated from the housing inventory of the city of Little Rock. Based on records available, the condition of the housing inventory, and previous loss experience, it is estimated that losses totaled about 500 units in North Little Rock and about 225 in the remainder of the HMA. On the basis of recent experience and on such factors as planned urban renewal and highway construction, code enforcement, and other removals, it is estimated that demolitions and other losses will average about 600 units a year during the next two years.

Tenure

Reflecting the relatively low volume of new multifamily housing construction during the April 1960 to January 1968 period, owner-occupancy in the Little Rock area has been on the rise. As of January 1, 1968, about 63.3 percent of all occupied nonfarm housing units in the HMA were owner-occupied, compared with 61.0 percent as of January 1, 1965, and 59.1 percent as of April 1, 1960.

Nonfarm Household Tenure Trends Little Rock, Arkansas, HMA April 1, 1960-January 1, 1968

<u>Tenure</u>	<u>April 1, 1960</u>	<u>January 1, 1965</u>	<u>January 1, 1968</u>
Total occupied housing units	<u>70,897</u>	<u>82,300</u>	<u>90,700</u>
Owner-occupied	41,897	50,200	57,400
Percent of total	59.1%	61.0%	63.3%
Renter-occupied	29,000	32,100	33,300
Percent of total	40.9%	39.0%	36.7%

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

Vacancy

November 1967 Postal Vacancy Survey. A postal vacancy survey conducted in the Little Rock HMA in November 1967 by the three post offices having city delivery routes covered 91,716 possible deliveries to residences and apartments and 2,198 possible deliveries to trailers, about 98 percent of the total housing inventory. An over-all vacancy rate of 3.1 percent was indicated in residences and apartments. There were 1,796 vacant residences and 1,059 vacant apartments reported, reflecting vacancy rates of 2.2 percent and 9.1 percent, respectively, based on Post Office Department definitions and methods of enumeration.^{1/} The vacant residences included 362 newly-completed units that had never been occupied and the vacant apartments included 197 newly-completed units. The survey results for each of the participating post offices are shown in table IV.

^{1/} See Appendix A, paragraph 7.

January 1, 1968, Estimate. Based on the November 1967 postal vacancy survey, other vacancy data, and personal observation, it is estimated that there were about 2,900 vacant housing units available for sale or rent in the HMA as of January 1, 1968, reflecting a total available vacancy rate of 3.1 percent. There were about 600 vacant units available for sale, representing a homeowner vacancy rate of 1.0 percent. Vacant units available for rent, including single-family units for rent, totaled about 2,300, reflecting a rental vacancy ratio of about 6.5 percent. It is estimated that about 400 of the vacant rental units lacked one or more plumbing facilities.

As shown in the following table, the January 1, 1968 vacancy levels reflect fewer sales vacancies than there were in January 1965, but more rental vacancies. It is judged that slightly over one-half (53 percent) of the current rental vacancies are in single-family structures. Approximately 55 percent of all vacant units available for rent in 1960 were in one-unit structures. The vacancy trends shown in the table reflect adjustments in the January 1965 estimates based on information developed since the preparation of the 1965 analysis.

Nonfarm Vacancy Trends
Little Rock, Arkansas, HMA, 1960-1968

	<u>April 1, 1960</u>	<u>January 1, 1965</u>	<u>January 1, 1968</u>
Vacant housing units	<u>4,634</u>	<u>4,600</u>	<u>4,800</u>
Available vacant units	<u>2,788</u>	<u>2,750</u>	<u>2,900</u>
For sale	788	875	600
Homeowner vacancy rate	1.8%	1.7%	1.0%
For rent	2,000	1,875	2,300
Rental vacancy rate	6.5%	5.5%	6.5%
Other vacant units ^{a/}	1,846	1,850	1,900

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

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

Sales Market

General Market Conditions. The market for sales housing in the Little Rock HMA has been seriously affected by a shortage of mortgage funds and high interest and discount rates since early 1966. As a result, sales volume has been down in both new and existing houses, in spite of a high level of demand arising from large increases in employment and household growth during 1965 and 1966. Total mortgages recorded in the HMA declined by 28 percent between 1965 and 1966, and the number of mortgages recorded during the first ten months of 1967 was about six percent below the number recorded for the first ten months of 1966.

A slight upturn in sales activity is noted beginning in August 1967, when a total of 614 residential mortgages were recorded in the HMA compared with 533 in August 1966. Mortgages recorded in September 1967 totaled 676, compared with 535 in September 1966, and mortgages reported for October 1967 totaled 628, reflecting an increase of 50 percent over the October 1966 volume of 418 mortgages recorded. Indicating some improvement in the sales market during 1967, the number of single-family houses authorized by building permits increased by more than 10 percent with 1,105 units being authorized during the year, compared with 1,000 in 1966. Also indicating improvement in the sales market, FHA unsold inventory surveys reflected fewer speculatively-built housing units remaining unsold at the end of 1967 (23 percent) than at the end of 1966 (34 percent). A strong potential market for both new and existing sales housing in the Little Rock HMA is indicated by the January 1, 1968 home-owner vacancy level of 1.0 percent and the projected level of employment and household growth for the next two years.

Unsold Inventory of New Homes. For several years the Little Rock Insuring Office has made an annual survey of subdivisions in which five or more houses were completed during the preceding twelve months. The results of the surveys completed since 1965 are summarized in the following table.

New Sales Housing Completed in Selected Subdivisions^{a/}
Little Rock, Arkansas, 1965-1967

<u>Sales price</u>	<u>Total completions</u>	<u>Pre-sold</u>	<u>Speculative construction</u>			
			<u>Total</u>	<u>Sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
Under \$12,500	75	12	63	49	14	22
\$12,500 - 14,999	260	56	204	169	35	17
15,000 - 17,499	197	35	162	134	28	17
17,500 - 19,999	117	24	93	64	29	31
20,000 - 24,999	197	55	142	115	27	19
25,000 - 29,999	85	40	45	29	16	36
30,000 - 34,999	96	37	59	40	19	32
35,000 and over	<u>62</u>	<u>29</u>	<u>33</u>	<u>20</u>	<u>13</u>	<u>39</u>
Total 1967	1,089	288	801	620	181	23
Total 1966	1,380	398	982	646	336	34
Total 1965	1,955	497	1,458	1,017	441	30

^{a/} Selected subdivisions are those with five or more completions during the year.

Source: Annual FHA Survey of Unsold New Houses conducted by Little Rock Insuring Office.

Of the speculative units completed during 1967, 23 percent were unsold at the time of the survey in January 1968. Approximately three-fourths of the homes remaining unsold at the time of the January 1968 survey had been on the market for three months or less (133 units). There were 33 unsold units that had been available for more than three months, but not more than six months; and 15 units that had been available for more than six, but no more than twelve months. An additional 8 units were reported by the survey to have been on the market for over twelve months. Approximately 34 percent of the units built on a speculative basis during 1966 were unsold at the end of the year; however, 60 percent of the unsold units had been on the market for less than four months.

As shown in the table, there was some concentration of new houses in 1967 in the subdivisions in the \$12,500 to \$14,999 and the \$15,000 to \$17,499 price ranges. Less than seven percent of the units constructed during the year were offered for sale at less than \$12,500. About 22 percent of the new units were offered for sale at \$25,000 or more. A rather high proportion (35 percent) of the speculatively-built units in the \$25,000 or over price ranges remained unsold at the end of the year. The unsold inventory also was a little high (31 percent) in the \$17,500 to \$19,999 price range. Since the units in the FHA unsold inventory surveys represent only about half of recent single-family construction in the Little Rock area, the results may not be representative of all new single-family building and sales activity in the HMA.

FHA Home Mortgage Activity. The number of home mortgages insured by FHA during the first nine months of 1967 totaled 702, reflecting a decline of about 21 percent from the 892 home mortgages insured during the first nine months of 1966. Between 1965 and 1966, FHA home mortgages insured declined from 1,688 to 1,034, or by almost 39 percent. The recent downturn in mortgage insurance activity largely reflects the shortage of mortgage funds beginning in 1966. Home mortgages insured averaged about 1,575 a year during 1965 and 1964, following an average of about 1,100 annually during the 1960-1963 period. Insurance of mortgages on new homes has accounted for over 55 percent of FHA home mortgage activity since 1964, compared with less than 51 percent during the 1960 to 1964 period.

Acquisition of home properties in the Little Rock HMA by FHA has averaged about 70 units a year since 1964. Acquisitions averaged about 40 units a year during the 1960 to 1963 period.

FHA Home Mortgage Activity
Little Rock, Arkansas, HMA, 1960-1967

<u>Year</u>	<u>Home mortgages insured</u>		
	<u>Existing</u>	<u>New</u>	<u>Total</u>
1960	515	532	1,047
1961	590	520	1,110
1962	614	535	1,149
1963	530	571	1,101
1964	656	786	1,442
1965	760	928	1,688
1966	448	586	1,034
<u>First nine months:</u>			
1966	385	507	892
1967	351	351	702

Source: Federal Housing Administration, Division of Research and Statistics.

Rental Market

General Market Conditions. The rental market in the Little Rock HMA as of January 1, 1968, was generally sound. Since January 1, 1965, an average of about 700 new privately-financed multifamily rental units have been absorbed annually in the HMA. Excluding units that had been opened for occupancy for six months or less, the occupancy level of all new privately-financed rental units marketed during this period averaged about 93 percent, indicating an acceptable rate of absorption. During the same period, approximately 280 low-rent public housing units also were absorbed by the market. The relatively high level of new multifamily construction in the HMA during the past three years, however, did contribute to a rise in the overall rental vacancy rate, which increased from 5.5 percent as of January 1, 1965 to 6.5 percent as of January 1, 1968. The recent strength of the rental market in the HMA is attributable largely to a four-year period of relatively high employment and household growth from 1963 through 1966, and reflects the fact that most of the new households were typically small, consisting largely of young married couples and small "individual" households made up of persons living alone or with another individual; such households initially are mainly in the market for rental housing. The tight money market during the second half of 1966 and early 1967 undoubtedly aided in the absorption of rental units because some prospective home buyers could not obtain financing or preferred to wait, hoping for lower interest rates and other financing costs.

FHA Market Absorption Survey. The Little Rock Insuring Office has collected data on the rate of absorption of about 2,425 new multifamily housing units opened for occupancy in the Little Rock HMA since January 1, 1963. As of October 10, 1967, an average occupancy level of 85 percent was reported for five rental projects totaling 334 units that had been on the market for a period of six months or less (excluding a 224-unit FHA Section 221(d)(3) (BMIR) project which reported 45 percent occupancy after being on the market for a period of two months). Four projects with a total of 210 rental units that had been on the market for a period of seven to 12 months reported an average occupancy rate of about 92 percent. An average occupancy level of 92 percent was indicated for a group of 1,004 rental units in 16 projects that had been on the market for 13 to 24 months, and an average occupancy rate of 91 percent was reported in 27 projects, totaling 874 units, that had been open for occupancy for a period of 25 to 49 months (excluding a 240-unit FHA Section 221(BMIR) project which reported four vacancies as of October 10, 1967).

Almost half (1,204) of the units covered in the market absorption survey were one-bedroom units, about 41 percent (1,000 units) were two-bedroom units. About five percent (123 units) of the units in the survey were three-bedroom units and four percent (95 units) were efficiencies. It is estimated that the absorption survey covered about 90 percent of all privately-financed multifamily housing units completed for occupancy between January 1, 1963 and October 10, 1967. Most of the units not covered by the survey were in structures of fewer than 10 units. The results of the market absorption survey are shown in detail in table V.

General Marketing Experience. As reflected by the FHA Market Absorption Survey (excluding FHA-insured BMIR projects) rents for the new garden type rental units placed on the market since January 1, 1965 vary substantially, with significant differences in rental charges based on location, type of construction, space provided, and the amount of luxury-type amenities offered. As shown in the following table, most new one-bedroom units were being placed on the market at gross monthly rents ranging from \$90 to \$149, and new two-bedroom units were concentrated in the \$110 to \$149 rental range. In addition to the new rental units shown in the table there were 35 new three-bedroom units added to the inventory during the period; these included 20 units renting at \$110 to \$119 a month, and 15 units renting at \$230 to \$340 a month.

Distribution of Recently Completed Garden-Type Rental Units^{a/}
By Units Size and Gross Monthly Rent
Little Rock, Arkansas, HMA

<u>Gross monthly rent^{b/}</u>	<u>Efficiency</u>		<u>One-bedroom</u>		<u>Two-bedroom</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$ 90 - 109	22	48	225	34	120	18
110 - 129	4	9	150	23	270	39
130 - 149	20	43	215	32	180	26
150 - 209	-	-	65	10	70	10
210 - 300	-	-	5	1	50	7
Total	46	100	660	100	690	100

^{a/} Completed since January 1, 1965.

^{b/} Includes utilities.

Source: Market Absorption Survey conducted by Little Rock Insuring Office, Federal Housing Administration.

Gross rental charges in older garden-type rental projects cover a rather wide range depending upon facilities provided, location, and condition. Based on data collected by the Little Rock Insuring Office covering a group of about 300 rental units completed between 1948 and 1962, typical rents for older one-bedroom rental units as of mid-October 1967 ranged from \$70 to \$165 a month. Older two-bedroom units were available at rents ranging from \$90 to \$190 a month. Several of the older projects reported vacancy rates of about 18 to 20 percent. Older projects in the relatively low rental ranges reported vacancy rates of only 5 to 6 percent.

Three new high-rise apartment projects with a total of 388 rental units have been completed in the Little Rock HMA since January 1, 1965. A 108-unit project which opened for occupancy in May 1966 achieved 90 percent occupancy within six months. Occupancy subsequently has fluctuated between 80 and 91 percent, with 81 percent occupancy reported as of mid-October 1967. This project provides one-bedroom units at \$155 to \$175 a month, two-bedroom units at \$185 to \$280 a month, three-bedroom units at \$225 a month, and pent-house units at \$300 to \$450 a month. All utilities are furnished. Most of the vacant units as of October 1967 were one-bedroom units; only two two-bedroom and two three-bedroom units were vacant. A 136-unit project completed in July 1966 obtained 88 percent occupancy in six months and 100 percent occupancy in nine months, and 100 percent occupancy was reported as of mid-October 1967. Units include efficiencies at \$85 a month and one-bedroom units at \$100 a month. The newest high-rise apartment in the HMA opened for occupancy as of June 1, 1967, and reported 85 percent occupancy as of mid-October 1967, four and one-half months after opening. This 144-unit project offers one-bedroom units at \$137 to \$180 a month gross rentals, two-bedroom units at \$180 to \$250, and three-bedroom units at \$250 to \$325. Vacancies as of mid-October were concentrated in the three-bedroom units, 14 vacant; while only four one-bedroom and four two-bedroom units still were available.

Urban Renewal Activity

As of January 1, 1968, a total of 20 urban renewal projects had been initiated in the Little Rock HMA. Including two neighborhood renewal plans, and one feasibility study, there were 13 projects in the city of Little Rock. Six projects in Little Rock were completed, five were in the execution stage, and two were in the planning stage. Including the preparation of a Community Renewal Program and one neighborhood renewal plan, there were seven projects in North Little Rock. Two projects in North Little Rock were completed, three were in the execution stage, and two were in the planning stage. Major projects not covered in the January 1965 market analysis are described below:

Coliseum (ARK R-17). The Coliseum project in the city of Little Rock, covers an area of 197 acres adjacent to the Arkansas Livestock Show Grounds. As of October 1967, a total of 160 housing units in the area had been rehabilitated, and rehabilitation was in process on 104 housing units. About 174 additional units were scheduled for rehabilitation. Plans for redevelopment include provision for 48 lots for new single-family houses and 12 lots for new two-family structures. About 20 tracts of land will be devoted to public use, providing for additional facilities at the Arkansas Livestock Show Grounds.

Market Plaza (ARK R-48). The Market Plaza project, located in downtown North Little Rock, was approved in November 1965. The area to be redeveloped borders on Second, Poplar, and Magnolia Streets, the site of "the curb market," a North Little Rock landmark for over 30 years. The commercial buildings in the area were largely rundown and overcrowded. A new, modern, air-conditioned Farmers Market will be constructed in the center of the project area, and redevelopment will include a shoppers mall and off-street parking for about 700 cars. A new bank building recently has been completed in the project area.

Two slum clearance, conservation, and redevelopment projects in North Little Rock, Glenview (ARK R-27) and Westgate (ARK R-63) still are in the early planning stage. An application has been submitted for planning funds for another new project to be known as the Pike Plaza project. This project will consist primarily of rehabilitation, and street and sanitation improvement in an area adjacent to Memorial Hospital.

Public Housing

The Housing Authority of the city of Little Rock had 1,178 low-rent public housing units under management in eight projects as of January 1, 1968. The Housing Authority of the city of North Little Rock had 594 units under management in five projects, including 201 units in the 11-story high-rise Heritage House project completed in February 1967. The Heritage House project was designed especially for elderly occupants. Construction was started in mid-1967 on an additional 200 low-rent units to be operated by the North Little Rock Housing Authority, with completion anticipated by September 1968.

Military Housing

Little Rock Air Force Base, located adjacent to the city of Jacksonville, provides on-base family housing for 1,535 military families in public quarters. A survey of family housing covering all personnel assigned to the base as of February 28, 1967, indicated that there were 1,818 military families living off-base at that time, of whom 958 rented housing units, 499 owned homes, and 361 owned trailers. Since current military strength at the base is almost identical to the strength reported at the time of the February 1967 housing survey, it is judged that off-base living arrangements of military personnel also are about the same as shown in the February 1967 survey. At present, there are no plans for the construction of additional family housing units at the base.

Demand for Housing

Quantitative Demand

Based on an anticipated annual increase of about 2,550 households; on the need to replace approximately 600 housing units a year expected to be lost from the inventory because of highway construction, urban renewal, code enforcement, conversion, and other causes and on current supply-demand relationships in the housing market, the demand for additional privately-owned housing units in the Little Rock HMA is estimated at 2,750 units a year during the January 1968 to January 1970 forecast period. The projected demand includes a demand for 2,200 single-family houses and 550 multifamily units annually, including 200 multifamily units that could be marketed at the lower rents achievable by use of public benefits or assistance in financing or land acquisition and cost. The demand for 350 multifamily units at rents possible with market-interest-rate financing includes units in structures with two, three, and four units. The demand estimate does not include public low-rent housing or rent-supplement accommodations.

The projected demand for 2,750 privately-financed housing units a year during the next two years represents a decrease from the average of about 3,200 units a year constructed during the 1965-1967 period. The anticipated demand is only slightly below the average of 2,885 privately-financed units a year produced during 1966 and 1967. The 2,550 new households expected each year during the forecast period represent a reduction from an average net addition of about 2,800 new households annually during the 1965 to 1967 period, while residential inventory losses are expected to increase by about 100 units a year over the average for the 1965 to 1967 period. The suggested rate of new construction assumes that employment gains of 3,500 a year will be realized. If the gains are significantly less than 3,500, the demand estimates may need to be revised accordingly. The distribution of the projected demand by single-family and multifamily units is based on considerations of expected tenure trends, current vacancy levels, and the current rates of new construction. As reflected by the FHA market absorption survey, an average of 700 new privately-financed multifamily housing units have been absorbed annually during the past three years; but, as a result of an unusually high level of multifamily construction during 1965 (1,150 privately-financed multifamily units authorized by building permits), a temporary over-supply of rental units was created. The suggested rate of new multifamily construction reflects the need to reduce current rental vacancies somewhat to establish a better balance between supply and demand.

Qualitative Demand

Single-family Housing. Based on current family income after deduction of federal income tax, on the relationship between family income and purchase price found to be typical in the Little Rock HMA, and on recent market experience, the annual demand for 2,200 new single-family houses is expected to approximate the sales price pattern presented in the following table.^{1/}

Estimated Annual Demand for New Single-family Housing
Little Rock, Arkansas, HMA
January 1, 1968-January 1, 1970

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$12,500	110	5
\$12,500 - 14,999	525	24
15,000 - 17,499	425	19
17,500 - 19,999	265	12
20,000 - 22,499	400	18
22,500 - 24,999	175	8
25,000 - 29,999	150	7
30,000 - 34,999	85	4
35,000 and over	<u>65</u>	<u>3</u>
Total	2,200	100

Multifamily Housing. The gross monthly rentals at which 350 privately-owned net additions to the aggregate multifamily housing inventory might best be absorbed by the rental market at rents achievable without public benefits or assistance in financing or in land acquisition and cost are indicated for various size units in the following table.^{2/}

^{1/} See Appendix A, paragraph 9.

^{2/} See Appendix A, paragraphs 10 and 11.

Estimated Annual Demand for New Multifamily Housing
by Gross Monthly Rent and Size of Units
Little Rock, Arkansas, HMA
January 1, 1968-January 1, 1970

<u>Gross</u> <u>monthly rent</u> ^{a/}	<u>Efficiency</u>	<u>One-</u> <u>bedroom</u>	<u>Two-</u> <u>bedroom</u>	<u>Three-</u> <u>bedroom</u>
Under \$ 90	10	-	-	-
90 - 109	5	50	-	-
110 - 129	-	35	40	-
130 - 149	-	25	30	15
150 - 169	-	15	25	15
170 - 189	-	10	20	10
190 - 210	-	10	15	5
210 and over	-	-	10	5
Total	15	145	140	50

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

The annual demand for 200 additional multifamily rental units that may be marketed at the lower rents achievable with the aid of public benefits or assistance in financing or land acquisition and cost includes 45 one-bedroom units, 90 two-bedroom units, 50 three-bedroom units, and 15 four-bedroom units.^{1/}

^{1/} See Appendix A, paragraph 12.

APPENDIX A
OBSERVATIONS AND QUALIFICATIONS
APPLICABLE TO ALL FHA HOUSING MARKET ANALYSES

1. When the rural farm population constitutes less than five percent of the total population of the HMA, all demographic and housing data used in the analysis refer to the total of farm and non-farm data; if five percent or more, all demographic and housing data are restricted to non-farm data.
2. All average annual percentage changes used in the demographic section of the analysis are derived through the use of a formula designed to calculate the rate of change on a compound basis.
3. Because of the change in definition of "farm" between 1950 and 1960 censuses, many persons living in rural areas who were classified as living on farms in 1950 would have been considered to be rural nonfarm residents in 1960. Consequently, the decline in the farm population and the increase in nonfarm population between the two census dates is, to some extent, the result of this change in definition.
4. The increase in nonfarm households between 1950 and 1960 was the result, in part, of a change in the definition of "farm" in the two censuses.
5. The increase in the number of households between 1950 and 1960 reflects, in part, the change in census enumeration from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census. Certain furnished-room accommodations which were not classed as dwelling units in 1950 were classed as housing units in 1960. This change affected the total count of housing units and the calculation of average household size as well, especially in larger central cities.
6. The basic data in the 1960 Census of Housing from which current housing inventory estimates are 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.
7. Postal vacancy survey data are not entirely comparable with the data published by the Bureau of 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.
8. Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of the 1950 enumeration procedures.
9. The distribution of the qualitative demand for sales housing differs from any selected experience such as that reported in FHA unsold inventory surveys. The latter data do not include new construction in subdivisions with less than five completions during the year reported upon, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction and some of the lower-value homes are concentrated in the smaller building operations, which are quite numerous. The demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.
10. Monthly rentals at which privately owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the demand section of each analysis. These net additions may be accomplished by either 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. The production of new units in higher rental ranges than indicated may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result of the availability of an ample rental housing supply.
11. Distributions of average annual demand for new apartments are based on projected tenant-family incomes, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration also is given to the recent absorptive experience of new rental housing. Thus, they represent a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. However, individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements. Specific market demand opportunities or replacement needs may permit the effective marketing of a single project differing from these demand distributions. Even though a deviation from these distributions may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless a thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.
12. The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships. Proximity to or quick and economical transportation to place of work frequently is a governing consideration in the place of residence preferred by families in this group.

Table I

Work Force and Employment Trends
Little Rock, Arkansas, HMA, 1964-1967^{a/}

<u>Industry</u>	<u>12 months ending September 30</u>			
	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Total civilian work force	<u>114,200</u>	<u>118,600</u>	<u>122,675</u>	<u>125,475</u>
Unemployment	3,700	3,650	2,950	3,175
Percent unemployment	3.2%	3.1%	2.4%	2.5%
Agricultural employment	1,150	1,050	875	850
Nonagricultural employment	<u>109,350</u>	<u>113,900</u>	<u>118,850</u>	<u>120,750</u>
Wage and salary employment	<u>93,400</u>	<u>97,800</u>	<u>103,000</u>	<u>105,575</u>
Manufacturing	<u>17,750</u>	<u>18,625</u>	<u>19,850</u>	<u>20,375</u>
Durable goods	<u>10,025</u>	<u>10,600</u>	<u>11,625</u>	<u>12,225</u>
Lumber and wood products	1,500	1,500	1,525	1,450
Furniture and fixtures	1,050	1,150	1,250	1,125
Stone, clay, and glass products	800	800	775	800
Metals industries	6,450	6,925	7,875	8,650
Electrical machinery	(1,625)	(1,575)	(1,875)	(2,050)
Other durable goods	225	225	200	200
Nondurable goods	<u>7,725</u>	<u>8,025</u>	<u>8,200</u>	<u>8,150</u>
Food and kindred products	3,050	3,075	3,100	3,150
Apparel and related products	1,800	1,850	1,750	1,500
Printing and publishing	1,350	1,425	1,475	1,525
Other nondurable goods	1,525	1,675	1,875	1,975
Nonmanufacturing	<u>75,650</u>	<u>79,175</u>	<u>83,150</u>	<u>85,250</u>
Contract construction	7,575	7,800	9,100	9,325
Transportation and public utilities	8,150	8,625	9,000	9,125
Trade	<u>21,000</u>	<u>21,525</u>	<u>22,200</u>	<u>22,350</u>
Wholesale	6,825	7,200	7,575	7,675
Retail	14,175	14,325	14,625	14,675
Finance, insurance, and real estate	7,225	7,475	7,800	8,100
Services	13,475	14,150	14,500	15,100
Government	17,550	18,875	19,775	20,550
Other nonmanufacturing	675	725	775	700
All other nonagricultural	15,950	16,100	15,850	15,175
Involved in labor-management disputes	-	-	100	700

^{a/} 1966 and 1967 data subject to revision when annual benchmark data become available.

Source: Employment Security Division, Arkansas Department of Labor.

Table II

Estimated Percentage Distribution
of All Families and Renter Households^{a/} by Annual Income
After Deduction of Federal Income Tax
Little Rock, Arkansas, HMA, 1968 and 1970

<u>Income</u>	<u>All families</u>		<u>Renter households^{a/}</u>	
	<u>1968</u>	<u>1970</u>	<u>1968</u>	<u>1970</u>
Under \$ 2,000	10	9	14	13
\$ 2,000 - 2,999	8	8	12	11
3,000 - 3,999	10	9	13	12
4,000 - 4,999	10	10	12	12
5,000 - 5,999	9	9	12	11
6,000 - 6,999	10	9	10	10
7,000 - 7,999	8	9	8	9
8,000 - 8,999	8	8	5	6
9,000 - 9,999	7	7	4	4
10,000 - 12,499	9	10	6	6
12,500 - 14,999	4	5	2	3
15,000 - 19,999	4	4	1	2
20,000 and over	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>
Total	100	100	100	100
Median	\$6,300	\$6,650	\$4,900	\$5,200

^{a/} Excludes one-person households.

Source: Estimated by Housing Market Analyst.

Table III

Number of New Housing Units Authorized by Building Permits
Little Rock, Arkansas, HMA, 1965-1967

<u>Year</u>	<u>One- family</u>	<u>2- to 4- family</u>	<u>5-family or more</u>	<u>Total</u>
(HMA total)				
1965	1,639	169	1,406 ^{a/}	3,214 ^{a/}
1966	1,000	82	496	1,578
1967	1,105	97	506 ^{b/}	1,708 ^{b/}
(Little Rock)				
1965	956	36	1,029 ^{a/}	2,021 ^{a/}
1966	583	14	458	1,055
1967	631	18	306	955
(North Little Rock)				
1965	484	77	322 ^{a/}	883 ^{a/}
1966	308	64	8	380
1967	336	31	200 ^{b/}	567 ^{b/}
(Jacksonville)				
1965	139	56	55	250
1966	84	4	30	118
1967	80	48	-	128
(Remainder of HMA)				
1965	60	-	-	60
1966	25	-	-	25
1967	58	-	-	58

^{a/} Totals include 136 units of public housing in Little Rock and 279 units in North Little Rock.

^{b/} Includes 196 units of rent-supplement housing in North Little Rock.

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

Table IV

Little Rock, Arkansas, Area Postal Vacancy Survey

November 14-15, 1967

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	91,716	2,855	3.1	2,296	559	1,046	80,052	1,796	2.2	1,434	362	529	11,664	1,059	9.1	862	197	517	2,198	149	6.8
Little Rock	58,481	2,109	3.6	1,650	459	580	49,358	1,243	2.5	958	285	278	9,123	866	9.5	692	174	302	920	82	8.9
Main Office	11,296	418	3.7	405	13	1	7,441	155	2.1	153	2	1	3,855	263	6.8	252	11	-	-	-	-
Stations:																					
Asher	18,506	579	3.1	434	145	286	17,209	459	2.7	322	137	103	1,297	120	9.3	112	8	183	595	60	10.1
Forest Park	6,656	220	3.3	142	78	95	6,228	175	2.8	97	78	95	428	45	10.5	45	-	-	15	2	13.3
Pulaski Heights	10,913	327	3.0	298	29	101	9,197	189	2.1	166	23	24	1,716	138	8.0	132	6	77	2	2	100.0
South Side	11,110	565	5.1	371	194	97	9,283	265	2.9	220	45	55	1,827	300	16.4	151	149	42	308	18	5.8
North Little Rock	27,900	634	2.3	563	71	434	25,439	451	1.8	395	56	221	2,461	183	7.4	168	15	213	550	28	5.1
Main Office	9,663	283	2.9	271	12	41	8,270	163	2.0	160	3	11	1,393	120	8.6	111	9	30	149	4	2.7
Stations:																					
Levy	5,383	96	1.8	78	18	255	5,176	82	1.6	68	14	82	207	14	6.8	10	4	173	27	3	11.1
Park Hill	7,728	198	2.6	166	32	111	7,077	155	2.2	125	30	101	651	43	6.6	41	2	10	51	2	3.9
Rose City	5,126	57	1.1	48	9	27	4,916	51	1.0	42	9	27	210	6	2.9	6	-	-	323	19	5.9
Jacksonville	5,335	112	2.1	83	29	32	5,255	102	1.9	81	21	30	80	10	12.5	2	8	2	728	39	5.4

The distributions of total possible deliveries to residences, apartments, and house trailers were estimated by the postal carriers. The data in this table, therefore, are not strictly comparable to the distribution of deliveries by structural type for surveys prior to 1966. The total possible deliveries for the total of residences, apartments, and house trailers, however, are as recorded in official route records.

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

Table V

Absorption of Recently Completed Multifamily Housing Units
Little Rock, Arkansas, HMA, January 1, 1963-November 1, 1967

Size of Unit and occupancy status ^{a/}	Length of time opened for occupancy				Total
	6 months or less	7-12 months	13-24 months	25-49 months	
<u>Efficiency</u>					
Total	-	4	52	39	95
Number vacant	-	0	2	1	3
Percent vacant	-	0	3.8	2.6	3.2
<u>One-bedroom</u>					
Total	124	130	528	422	1,204
Number vacant	10	11	36	50	107
Percent vacant	8.1	8.5	6.8	11.8	8.9
<u>Two-bedroom</u>					
Total	174	72	386	368	1,000
Number vacant	26	3	29	26	84
Percent vacant	14.9	4.2	7.5	7.1	8.4
<u>Three-bedroom</u>					
Total	36	4	38	45	123
Number vacant	15	2	12	3	32
Percent vacant	41.7	50.0	31.6	6.7	26.0
<u>Total all sizes</u>					
Total	334	210	1,004	874	2,422
Number vacant	51	16	79	80	226
Percent vacant	15.3	7.6	7.9	9.2	9.3

^{a/} In addition to the units shown in the table, eight four-bedroom units were completed for occupancy in projects covered by the absorption survey. Two four-bedroom units were reported vacant as of mid-October 1967. Tabulation does not include 464 units in two FHA Section 221 projects completed during the survey period.

Source: FHA Market Absorption Survey conducted by the Little Rock Insurance Office.