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Analysis of the
**MONTGOMERY, ALABAMA
HOUSING MARKET**

as of November 1, 1970

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
U.S. FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411

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FHA Housing Market Analysis

Montgomery, Alabama, as of November 1, 1970

Foreword

This analysis has been prepared for the assistance and guidance of the Federal Housing Administration in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - MONTGOMERY, ALABAMA
AS OF NOVEMBER 1, 1970

The Montgomery, Alabama, Housing Market Area (HMA) is defined as including Montgomery and Elmore Counties and is coterminous with the Montgomery Standard Metropolitan Statistical Area (SMSA) as defined by the Bureau of the Budget. Montgomery is the capital of the state and is located in southeastern Alabama about 80 miles southeast of Birmingham. The HMA had an estimated total population of 208,000 persons as of November 1, 1970.

Montgomery is the capital of Alabama and the site of military installations with substantial civilian employment. Government, the largest single source of employment, provided over 25 percent of all wage and salary jobs in the area in 1969. Largely as a result of job gains in the nonmanufacturing sector (1/3 in government), wage and salary employment increased each year from 1960 to 1970, somewhat more rapidly than population. Since job gains were concentrated in industries in which there is substantial female employment, the number of workers per household increased sharply. It is also likely that there has been increased daily commutation to jobs in Montgomery from areas outside the HMA on new interstate highways.

Anticipated Housing Demand

Taking into consideration the projected expansion of employment and household gains during the next two years, the current supply-demand relationships, and the anticipated loss of units through demolition and other causes, there will be an estimated demand for about 1,450 new nonsubsidized housing units a year during the period from November 1, 1970 to November 1, 1972. The most desirable supply-demand balance would be achieved if annual construction volume included about 900 single-family houses, 400 units in multifamily structures, and about 150 mobile homes (including units not covered by building permits). Annual demand distributions for single-family homes by price classes and for multifamily units by gross monthly rents are shown in table I.

The projected demand for new single-family houses in the HMA approximates the amount of new construction that has taken place over the last two years, excluding that portion that was eventually financed under FHA's Section 235 subsidy program. The projected demand for 400 multifamily units annually is somewhat above the amount of construction that has taken place in the private rental market over the last few years, with the exception of 1970. The current market indicates the need to observe closely the absorption of new multifamily units coming on the market so that construction volume can be adjusted to conform with the indicated rate of absorption.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through a number of different programs administered by FHA: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under these programs and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below the established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under one or more of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and the Section 236 housing program. For the Montgomery HMA, the total occupancy potential is estimated to be 995 units annually. Future approvals under each program should take into account any intervening approvals under other programs which serve the same families and individuals.

The annual occupancy potential^{1/} for subsidized housing discussed below is based upon 1970 incomes, the occupancy of substandard housing, estimates

^{1/} The occupancy potentials referred to in this analysis have been calculated to reflect the strength of the market in view of existing vacancy. The successful attainment of the calculated potentials for subsidized housing may well depend upon construction in suitably accessible locations, as well as distribution of rents and sales prices over the complete range attainable for housing under the specified program.

of the elderly population, income limits in effect on November 1, 1970, and on available market experience.^{1/}

Sales Housing Under Section 235. Sales housing can be provided for low- to moderate-income families under the provisions of Section 235. Based on exception income limits and past absorption rates, about 265 houses a year could be absorbed in the HMA during the two-year forecast period of this report. Using regular income limits, the potential would be reduced to about 225 units a year. Over fifteen percent of the families eligible under this program are five or more person households.

As of July 1, 1970, there were 259 homes insured under Section 235, including 44 existing homes and 215 new homes. As of October 1, 1970, the cumulative total of homes insured under Section 235 had risen to 422, with only 16 of these units being in Elmore County. There is no breakdown available at this time on the total Section 235 units with respect to whether they are new or existing; however, construction trends in the area do indicate that at least four subdivisions with Section 235 homes are under development in the Montgomery area. The projected annual occupancy potential stated above is estimated from current market conditions and the number of eligible households in the area; absorption of these units should be observed closely for appropriate adjustment, especially in view of the 163 units insured under Section 235 during the third quarter of 1970.

Rental Housing Under the Public Housing and Rent Supplement Programs. These two programs serve households in essentially the same low-income group. The principal differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Montgomery HMA, the annual occupancy potential for public housing is estimated at 480 units for families and 225 units for the elderly. About five percent of the families and forty percent of the elderly also are eligible for housing under Section 236. In the case of the somewhat more restrictive rent supplement program, the potential for families would be about two-thirds of the figure shown above, but the market among the elderly would be unchanged.

There are currently 3,646 public housing units in the HMA, including 498 units of leased housing, under the supervision of the housing authorities of Montgomery and Tallassee. One hundred of the units are in Tallassee in Elmore County. There is a waiting list of approximately 925 families in Montgomery; however this figure should drop as some of the 350 vacancies are filled. These vacancies comprise 9.9 percent of the total units of public housing. As a new public housing complex in which only one-half of the 400 units have been occupied approaches total occupancy, the overall vacancy

^{1/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

rate should decline. The housing authority stated that a large part of the vacancies are because of the three offerings each applicant has to be given and the time between these offerings creates short term vacancies. The one hundred units in Tallassee are completely occupied and vacancies occur only as tenants move in and out. Tallassee is about twenty-five miles northeast of Montgomery and the Tallassee Authority has higher income limits for the public housing than Montgomery. The total occupancy potential is based upon income limits in Montgomery, and therefore, there is reason to adjust the potential upward to accommodate families with higher incomes, but only in the Tallassee area, and by not more than five percent of the total potential. The existence of public housing in this smaller area is indicative of expanded acceptance of public housing in small urban areas.

Rental Housing Under Section 236.^{1/} Moderately-priced rental units can be provided under Section 236. With exception income limits, there is an annual occupancy potential for 390 units of Section 236 housing, including 125 units for elderly families and individuals; based on regular income limits, the potential for families would be reduced to 225 units; that for elderly households would be unchanged.

Only about five percent of the families eligible under this section are alternatively eligible for public housing and about seventy percent of the elderly households would qualify for public housing. It should also be noted that in terms of eligibility, the Section 236 potential for families and the Section 235 potential draw from essentially the same population and are, therefore, not additive.

Currently, there are no Section 236 units in the Montgomery HMA, nor are there any in planning stages. There is one Section 221(d)(3) BMIR project of 300 units in Montgomery that was completed in November 1969 and is currently filled.

Sales Market

According to the three most recent unsold inventory surveys conducted by the Birmingham HUD Area Office on the first of January in 1968, 1969, and 1970, the percentage of speculative homes built and still unsold over a twelve month period has been increasing until 32 percent of the homes built

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

in the Montgomery HMA during 1969 were still unsold at year's end. This represents 250 homes in twenty-seven subdivisions. The price range that was most active in 1969, both for speculative and total completions, was the \$30,000 to \$35,000 range. The \$25,000 to \$30,000 price range was the next most active, followed by the \$20,000 to \$22,500 range. Construction activity in these three price ranges combined comprised about one-half of the units surveyed on January 1, 1970. One change is indicated by the 1970 survey, as compared to the previous survey in 1969: the amount of construction activity above the \$25,000 level comprised about fifty percent of total units built in 1969, compared to only about forty percent in 1968. The 1968 survey shows an even smaller figure--less than thirty percent. However, the change in 1970 should not be as great as previous changes because of the popularity of the Section 235 program which should effectively lower the average sales price.

The popularity of the Section 235 program has diverted some building activity to the lower price ranges, allowing the inventories of higher priced homes to be absorbed and lowering the homeowner vacancy rate. As of November 1, 1970, the homeowner vacancy rate was an estimated low 0.9 percent, representing only 300 homes available for sale. This rate is only slightly lower than the 1960 homeowner vacancy rate of 1.1 percent, but represents practically the same number of vacant units.

New construction is concentrated mostly within the immediate periphery of the city of Montgomery; some is in the city, and the remaining small amount of activity is scattered throughout Elmore County, primarily in the town of Wetumpka, which is about ten miles north of Montgomery.

The minimum price at which a nonsubsidized house can be built and sold in the HMA is about \$15,000. Lot prices vary considerably, from \$3,000 to \$6,000, preventing very many homes from being built at the minimum price, although some are being built below \$17,500.

The market for existing homes is somewhat less tight than the market for new homes. Local real estate sources indicate that, although most of the existing homes for sale are priced below \$20,000, there is still a shortage of marketable homes in this area of prices. The inventory of existing homes priced over \$20,000 is plentiful enough; however it is judged that many prospective homebuyers in these price ranges are awaiting the opportunity to buy new homes offering more modern equipment and amenities.

As of November 1, 1970, FHA and VA mortgages were predominant in the HMA, except in a few exceptional cases. The conventional mortgage interest rate of eight percent was not as attractive to lenders as the eight and one-half percent mortgages offered by the FHA and VA.

Rental Market

The rental market in the Montgomery HMA has strengthened since 1960; the 4.8 percent renter vacancy rate in November 1970 compares with 6.1 percent in 1960. The current lower renter vacancy rate can be attributed, in part, to a slowdown in construction of multifamily units. As of November 1, 1970, only about 300 multifamily units had been permitted in the HMA during 1970, compared to over 700 in 1969 and about 330 in 1968. This cutback in construction has resulted in high occupancy ratios in practically all standard multifamily structures, with vacancies only in the older units, that is, those fifteen years old or more.

The volume of multifamily construction activity over the last three years mentioned above is the largest recorded by building permits for any period during the decade of the 1960's. At least 1,700 multifamily units in the HMA are no more than four years old, if the 290 units built in 1967 are included. Most of these units are two-story walkup garden apartments. The rents in these newer units range from \$130 to \$150 for one-bedroom units and \$160 to \$200 for two-bedroom units. The older, less desirable units rent for \$50 to \$110 for one-bedroom units and \$50 to \$140 for two-bedroom units. Previous maintenance is an important factor in keeping these units on the market; unit sizes have minimal effect upon the rent, as is observed by the overlap in the rents.

It is obvious that there are two different markets available for rental units: the newer, more modern and expensive units; and the older, less attractive apartments which rent for less and generally are not in as good condition. There is also another source of rental units: those single-family units that have been converted to rental units. The rents, occupancy rates, and condition of these units are very similar to the older rental units described above.

Virtually all of the private multifamily construction that has taken place since 1960 has occurred in the city of Montgomery. Those units built prior to the period of large activity (1967 to 1970) were in structures containing from 10 to 60 units and rent for \$15 to \$30 less than newer units of comparable size. All utilities except electricity generally are included in rents quoted.

Economic, Demographic and Housing Factors

The estimated demand for new nonsubsidized housing is based on the trends in employment, income, population, and housing factors summarized below.

Employment. Total nonagricultural wage and salary employment averaged 68,100 workers for the year 1969 as reported by the Alabama State Employment Service. For the twelve-month period ending November 1, 1970, total nonagricultural wage and salary employment averaged 68,900. Until 1962, annual

increases never exceeded 400 new jobs; however, since 1963, the annual increases have never dropped below 1,100. Three years, 1964, 1966, and 1969, showed increases averaging 2,500 workers a year. Other yearly gains since 1963 ranged from 1,100 to 1,900. The overall average annual rate of change from 1960 to 1969 is 2.9 percent, a product of a 0.6 percent average annual rate between 1960 and 1962 and a 3.5 percent rate between 1962 and 1969, with slight fluctuations during the latter period. The increase of 2,400 in 1969 is much higher than the 1,600 and 1,100 recorded in 1967 and 1968, respectively. Based on data available for 1970, it appears that the 1969 to 1970 increase will be considerably lower than 2,400.

Nonmanufacturing always has made up a majority of the nonagricultural wage and salary employment, and comprised about eighty-five percent (57,700 jobs) of the total figure in 1969. For the twelve-month period ending November 1, 1970, nonmanufacturing employment was 58,200. The proportion of nonmanufacturing employment to total wage and salary employment in 1969 was about the same as in 1960. Nonmanufacturing employment has increased at an average annual rate of 2.8 percent; however, like total wage and salary employment, greater increases have occurred since 1962. The major increases in nonmanufacturing occurred in the government sector (Montgomery is the state capital) which gained 3,900 workers since 1960; the service, mining, and miscellaneous category which gained 2,700 over the same period; and the wholesale and retail trade sector which increased by 2,600 workers. Government employment in 1969 comprised over twenty-five percent of total nonagricultural wage and salary employment. Trends in employment by industry groups are shown in table III.

The manufacturing sector of total nonagricultural wage and salary employment totaled 10,400 workers in 1969, an increase of 2,500 workers since 1960. For the twelve-month period ending November 1, 1970, manufacturing employment was 10,700 workers. This represents an average annual increase of about 275 (3.5 percent). The same growth pattern in total wage and salary employment and in the nonmanufacturing sector is not apparent in the manufacturing employment; however, the years 1965, 1966, and 1969 did show the greatest increases in manufacturing. The primary gains in manufacturing employment were in the "other manufacturing" category which increased by 900 workers since 1960; the textiles and apparel industry which grew by 700 during that period; and the nonelectrical machinery industry which increased by 500 workers. Other gains were small in real numbers (none higher than 300), but they were high in comparison with the previously small gains. There were two areas which showed losses during the 1960's: the chemicals and allied products industry lost 200 workers, and the lumber and wood products industry lost 100 workers.

Over the two-year forecast period ending November 1, 1972, nonagricultural wage and salary employment is expected to increase by an average of 2,300 workers annually to a total of 73,500; about eighty percent of the

increase will be concentrated in the nonmanufacturing sector of the economy. Principal increments in this sector are expected to be in the government category, the service, mining and miscellaneous category, and in wholesale and retail trade. Manufacturing employment is expected to increase only by about 325 workers annually over the forecast period. The most significant increase in this sector should be in the "other manufacturing" category, which includes electrical machinery, fabricated metals, and miscellaneous manufactures.

Military. There are two military installations in the Montgomery HMA, both under the same command. Maxwell and Gunter Air Force Bases are the home of the Air University and had an assigned strength of 4,331 military and 2,311 civilian personnel as of January 1970. As of June 1970, there were 3,352 military personnel and in August 1970 there were 3,680. In general, the number of military personnel at Maxwell and Gunter has dropped since 1960, primarily because of major cutbacks at Gunter which had 1,805 military personnel in 1960 and 240 in August 1970.

The level of civilian personnel at the two bases has not changed much since 1960. The June 1970 total of 2,425 civilians compares to 2,292 in June 1960, showing a small increase in civilian strength at the two bases while significant decreases are shown for military strength at both bases. Based on information obtained at Maxwell Air Force Base, the Air University plans to continue its current expansion program as the size of selected individual schools gradually increases in order to achieve maximum output at a date not yet determined. Military and civil service personnel strength figures are presented in table IV.

Income. As of November 1, 1970, the median annual income of all families in the Montgomery HMA was about \$7,500, after deduction of federal income taxes. The median after-tax income of renter households of two or more persons was \$6,375 a year. The 1970 median after-tax incomes compare with the 1959 after-tax incomes of \$4,275 for all families and \$3,650 for renter households of two or more persons. Detailed distributions of all families and renter households by 1959 and 1970 income classes are presented in table V.

Population and Households. As of November 1, 1970, the population of the Montgomery HMA was approximately 208,000, reflecting an average annual increase of 780 persons (0.4 percent) since the 1960 Census. Annual net out-migration in the HMA has averaged about 1,400 persons since 1960, and net natural increase averaged 2,180 a year.

The increase in population for the total HMA was comprised mostly of increases in the civilian population of the HMA. The average annual increase of the civilian population was about 870 persons for the HMA, representing a rate of gain of 0.5 percent. It is estimated that instead of the out-migration having been steady over the last decade, a majority of the out-migration occurred in the early part of the decade until 1963 when employment gains were small.

The total military strength as of August 1970, at Gunter and Maxwell Air Force Bases was 3,680, including 240 at Gunter and 3,440 at Maxwell. These totals are down from June 1960 totals of 1,805 at Gunter and 4,028 at Maxwell. Gunter Air Force Base has been virtually closed; only a skeleton support staff and the provision of housing for students at the Air University at Maxwell AFB remain. Maxwell, however, is still very active because the Air University is located there. For the two bases combined, the civilian strength actually has increased over the decade, but major military cutbacks at Gunter and minor ones at Maxwell have reduced the total strength at the two bases over the decade.

Enrollment at Alabama State University in Montgomery has had very little effect on the population of the area. For the spring semester of 1970, 2,450 students were registered at Alabama State compared to 2,533 registered for the 1960 fall semester. There have been fluctuations during the decade, with 1,351 enrolled in the fall of 1962; however the 1970 total is the highest since 1960. Only about 40 to 50 households are comprised of students of Alabama State University.

Based on past trends and projected economic growth, the population of the HMA is expected to continue to increase over the two-year forecast period with most of the increase being in civilian population. The rate of growth forecast for the total population is slightly higher than previous gains because of more military activity. The HMA is expected to gain about 1,100 people annually (0.5 percent), and the city of Montgomery will gain about 550 people annually (0.4 percent). The population of the HMA is expected to be 210,200 as of November 1, 1972, and the population of the city of Montgomery is expected to be 139,600 after two years.

There were approximately 60,300 households in the Montgomery HMA as of November 1, 1970, an average annual increase of 590 since the 1960 Census. An estimated 41,300 of these households were in the city of Montgomery, which had an average annual growth rate of about 270 households. Changes in the university-connected population are believed to have had minimal effect on changes in the number of households in the HMA. Military-connected personnel changes did have an effect on both population and households because of sharp declines and increases.

By November 1, 1972, there are expected to be approximately 61,800 households in the HMA, of which 42,000 are expected to be in the city of Montgomery. These projected figures represent annual changes of 750 and 350, respectively, in the HMA and the city. Trends of population and household growth are shown in table VI.

Residential Construction Trends and the Housing Inventory. Although building permit coverage in the HMA is incomplete, about 85 percent of the residential building activity that has ~~taken~~ place since 1960 is covered by permits. Nonsubsidized building activity, as indicated by building permits,

was highest in 1969 when 1,673 private units were authorized. The year 1967 was next highest with 1,369 private units, followed by 1968 with 1,306. Units authorized during the first 10 months of 1970 totaled only 1,204. As indicated in table VII, private multifamily construction activity was strong in 1968 and 1969, but the 305 units authorized during the first 10 months of 1970 indicate a sharp drop from the 709 units authorized in 1969. Single-family permits have not varied greatly during the decade and 1970 appears to be another consistent year for single-family construction. A portion of the new construction of single-family houses in 1970 will be insured under Section 235 which will lower the average sales price of new homes built in 1970, and will reduce the volume of nonsubsidized single-family construction.

As of November 1, 1970, there were approximately 66,300 housing units in the Montgomery HMA, reflecting an increase of about 7,400 units (700 units annually) since the 1960 Census figure of 58,901. The increase resulted from the addition of about 16,725 units through new construction, the loss of about 10,325 units through demolition or other causes, and the net addition of about 1,000 mobile homes. There were approximately 475 units under construction on November 1, 1970, including about 270 single-family houses and 205 units in multifamily structures. The November 1, 1970 inventory for the HMA includes 44,100 housing units in the city of Montgomery, indicating an annual growth rate of only about 30 units since 1960. A high rate of demolitions because of urban renewal and highway construction kept the inventory of the city low. Of the units located in Montgomery, 743 were located at Maxwell Air Force Base; these units included 249 converted Wherry housing quarters with only 680 to 839 square feet of living space. There are an additional 154 units at Gunter Air Force Base, located just outside the city limits of Montgomery on the northeast.

Vacancy. The number of vacant units in the Montgomery HMA has increased since April 1, 1960 from 4,838 to an estimated 6,000 as of November 1, 1970. Approximately 1,700 of the vacant units in November 1970 were nonseasonal, nondilapidated units available for sale or rent--300 for sale and 1,400 for rent, representing homeowner and renter vacancy rates of 0.9 percent and 4.8 percent, respectively; the comparable ratios were 1.1 percent and 6.1 percent in April 1960. Cutbacks in construction of higher priced homes (\$30,000 and over) have allowed for many of those that had already been built to be absorbed while the Section 235 market expands and efforts are made to meet the demand. A cutback in 1970 of multifamily construction has also caused a decrease in the renter vacancy rate and the most recent occupancy surveys show most new units to be occupied.

Table I

Estimated Annual Demand for New Nonsubsidized Housing
Montgomery, Alabama, Housing Market Area
November 1, 1970 to November 1, 1972

A. Single-family Houses

<u>Sales price</u>	<u>Number of units</u>	<u>Percent of total</u>
Under \$17,500	205	23
\$17,500 - 19,999	125	14
20,000 - 22,499	90	10
22,500 - 24,999	110	12
25,000 - 29,999	145	16
30,000 - 34,999	70	8
35,000 and over	155	17
Total	900	100

B. Multifamily Units

<u>Gross monthly rents^{a/}</u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
Under \$120	10	-	-	-
\$120 - 139	5	90	-	-
140 - 159	-	40	50	-
160 - 179	-	20 ^{b/}	75	5
180 - 199	-	-	70 ^{b/}	15
200 and over	-	-	-	20 ^{b/}
Total	15	150	195	40

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

^{b/} Including any higher rentals.

Source: Estimated by Housing Market Analyst.

Table II

Estimated Annual Occupancy Potential for Subsidized Rental Housing
Montgomery, Alabama, Housing Market Area
November 1, 1970 to November 1, 1972

	<u>Section 236^{a/}</u> <u>exclusively</u>	<u>Eligible for</u> <u>both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total for</u> <u>both programs</u>
A. <u>Families</u>				
1 bedroom	25	5	60	90
2 bedrooms	90	10	165	265
3 bedrooms	80	-	135	215
4+ bedrooms	<u>55</u>	<u>-</u>	<u>105</u>	<u>160</u>
Total	250	15 ^{b/}	465 ^{b/}	730
B. <u>Elderly</u>				
Efficiency	20	60	80	160
1 bedroom	<u>20</u>	<u>25</u>	<u>60</u>	<u>105</u>
Total	40 ^{c/}	85 ^{d/}	140 ^{d/}	265

^{a/} Estimates are based upon exception income limits.

^{b/} Approximately two-thirds of these families also are eligible under the rent supplement program.

^{c/} Applications and commitments under Section 202 are being converted to Section 236.

^{d/} All of these elderly couples and individuals also are eligible for rent supplement payments.

Table III

Civilian Work Force Components
Montgomery, Alabama, Housing Market Area
1960-1970

	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	Nov. 1969 thru Oct. 1970 ^{a/}
Total work force	74,700	75,300	74,900	75,900	78,100	78,900	80,900	82,700	83,100	85,500	86,100
Total unemployment	3,600	3,600	3,400	3,300	2,900	2,500	2,500	2,600	2,400	2,300	2,500
Percent	4.8	4.8	4.5	4.3	3.7	3.2	3.1	3.1	2.9	2.7	2.9
Total employment	71,100	71,700	71,500	72,600	75,200	76,400	78,400	80,100	80,700	83,200	83,600
Nonag. wage & salary	<u>54,100</u>	<u>54,400</u>	<u>54,800</u>	<u>56,000</u>	<u>58,500</u>	<u>60,400</u>	<u>63,000</u>	<u>64,600</u>	<u>65,700</u>	<u>68,100</u>	<u>68,900</u>
Manufacturing	<u>7,900</u>	<u>7,700</u>	<u>7,800</u>	<u>8,000</u>	<u>8,400</u>	<u>9,100</u>	<u>9,900</u>	<u>10,000</u>	<u>9,700</u>	<u>10,400</u>	<u>10,700</u>
Food and kindred	2,300	2,400	2,500	2,600	2,600	2,700	2,700	2,700	2,500	2,500	N/A
Textiles and apparel	900	800	900	800	1,000	1,100	1,400	1,500	1,500	1,600	N/A
Lumber and wood	1,100	1,000	1,000	1,000	1,000	1,100	1,200	1,100	1,000	1,000	N/A
Furniture and fixtures	500	400	600	500	500	600	600	600	700	700	N/A
Chemicals & allied	400	400	300	400	300	300	300	300	300	200	N/A
Stone, clay and glass	900	900	800	800	900	1,000	1,100	1,000	1,000	1,200	N/A
Nonelectrical machinery	400	400	400	500	600	600	700	800	700	900	N/A
Other manufacturing	1,400	1,400	1,300	1,400	1,500	1,700	1,900	2,000	2,000	2,300	N/A
Nonmanufacturing	<u>46,200</u>	<u>46,700</u>	<u>47,000</u>	<u>48,000</u>	<u>50,100</u>	<u>51,300</u>	<u>53,100</u>	<u>54,600</u>	<u>56,000</u>	<u>57,700</u>	<u>58,200</u>
Construction	4,400	4,700	4,500	4,600	4,900	5,000	5,100	4,900	5,100	5,500	N/A
Trans., comm., & pub. util.	3,900	3,900	4,000	3,900	4,000	4,000	4,100	4,400	4,400	4,400	N/A
Wholesale & retail trade	12,500	12,500	12,800	13,000	13,500	13,800	14,100	14,700	14,900	15,100	N/A
Fin., ins., & real estate	3,600	3,500	3,400	3,600	3,800	3,900	4,000	4,000	4,100	4,300	N/A
Service, mining & misc.	7,800	7,700	7,900	8,300	8,700	9,000	9,300	9,700	10,100	10,500	N/A
Government	14,000	14,400	14,400	14,600	15,200	15,600	16,500	16,900	17,400	17,900	N/A
Other nonagricultural	12,700	13,100	12,700	12,500	12,800	12,500	12,200	12,400	12,000	12,200	N/A
Agricultural employment	4,300	4,200	4,000	4,100	3,900	3,500	3,200	3,100	3,000	2,900	N/A

^{a/} Figures based on monthly data from Alabama State Employment Service and U.S. Department of Labor, Bureau of Labor Statistics. October 1970 data are preliminary figures.

Source: Alabama State Employment Service.

Table IV

Military and Civil Service Personnel Strength
Maxwell And Gunter Air Force Bases, Alabama
June 1960 to June 1970

	<u>Maxwell Air Force Base</u>			<u>Gunter Air Force Base</u>		
	<u>Military</u>	<u>Civilian</u>	<u>Total</u>	<u>Military</u>	<u>Civilian</u>	<u>Total</u>
June 1960	4,028	1,873	5,901	1,805	419	2,224
June 1961	3,940	1,815	5,755	2,188	437	2,625
June 1962	4,020	1,846	5,866	2,130	432	2,562
June 1963	3,873	1,815	5,688	2,089	424	2,513
June 1964	3,896	1,781	5,677	2,337	417	2,754
June 1965	3,844	1,786	5,630	2,242	433	2,675
June 1966	3,634	1,847	5,481	1,927	556	2,483
June 1967	3,696	1,924	5,620	1,255	560	1,815
June 1968	3,179	2,010	5,189	1,088	595	1,683
June 1969	2,966	1,980	4,946	986	473	1,459
June 1970	3,099	1,995	5,094	253	430	683
August 1970	3,440	N/A	N/A	240	N/A	N/A

Sources: Department of Defense and Maxwell Air Force Base.

Table V

Estimated Percentage Distribution of All Families and Renter Households
By Annual Income After Deduction of Federal Income Tax
Montgomery, Alabama, Housing Market Area
1959 and 1970

<u>Annual after tax income</u>	<u>1959</u>		<u>1970</u>	
	<u>All families</u>	<u>Renter households^{a/}</u>	<u>All families</u>	<u>Renter households^{a/}</u>
Under \$ 2,000	20	25	9	12
\$ 2,000 - 2,999	14	15	7	9
3,000 - 3,999	13	15	9	10
4,000 - 4,999	11	13	7	8
5,000 - 5,999	11	10	8	8
6,000 - 6,999	8	7	7	8
7,000 - 7,999	6	4	6	7
8,000 - 8,999	4	4	6	7
9,000 - 9,999	3	2	6	6
10,000 - 12,499	5	1	12	10
12,500 - 14,999	2	1	9	5
15,000 and over	<u>3</u>	<u>3</u>	<u>14</u>	<u>10</u>
Total	100	100	100	100
Median	\$4,275	\$3,650	\$7,500	\$6,375

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

Source: Estimated by Housing Market Analyst

Table VI

Population and Household Trends
Montgomery, Alabama, Housing Market Area
April 1, 1960 to November 1, 1972

Component	April 1, 1960	November 1, 1970	November 1, 1972	Average annual change			
				1960-1970		1970-1972	
				Number ^{a/}	Percent ^{b/}	Number ^{a/}	Percent ^{b/}
<u>Population</u>							
Montgomery HMA	<u>199,734</u>	<u>208,000</u>	<u>210,200</u>	<u>780</u>	0.4	<u>1,100</u>	0.5
Montgomery County	<u>169,210</u>	<u>174,300</u>	<u>176,200</u>	<u>480</u>	0.3	<u>950</u>	0.5
Montgomery City	<u>134,393</u>	<u>138,500</u>	<u>139,600</u>	<u>390</u>	0.3	<u>550</u>	0.4
Remainder of county	<u>34,817</u>	<u>35,800</u>	<u>36,600</u>	<u>90</u>	0.3	<u>400</u>	1.1
Elmore County	<u>30,524</u>	<u>33,700</u>	<u>34,000</u>	<u>300</u>	1.0	<u>150</u>	0.4
<u>Households</u>							
Montgomery HMA	<u>54,063</u>	<u>60,300</u>	<u>61,800</u>	<u>590</u>	1.0	<u>750</u>	1.2
Montgomery County	<u>46,050</u>	<u>50,600</u>	<u>51,750</u>	<u>430</u>	0.9	<u>575</u>	1.1
Montgomery City	<u>38,433</u>	<u>41,300</u>	<u>42,000</u>	<u>270</u>	0.7	<u>350</u>	0.8
Remainder of county	<u>7,617</u>	<u>9,300</u>	<u>9,750</u>	<u>160</u>	1.9	<u>225</u>	2.4
Elmore County	<u>8,013</u>	<u>9,700</u>	<u>10,050</u>	<u>160</u>	1.8	<u>175</u>	1.8

a/ Rounded.

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

Sources: 1960 Censuses of Population and Housing; 1970 and 1972 estimates by Housing Market Analyst.

Table VII

Housing Units Authorized by Building Permits
Montgomery, Alabama, Housing Market Area
1960 to 1970^{a/}

<u>Year</u>	<u>Total</u>	<u>Single-family</u>	<u>Multifamily</u>
1960	841	794	47
1961	962	880	82
1962	1,126	1,043	83
1963	1,346	1,076	270
1964	1,051	953	98
1965	1,057	991	66
1966	942	850	92
1967	1,369 ^{b/}	1,080	289 ^{b/}
1968	1,306 ^{c/}	972	334 ^{c/}
1969	1,673	964	709
1970 (10 mos.)	1,204	899	305

^{a/} Over 15 percent of total new residential construction is estimated to have taken place outside of permit-issuing areas.

^{b/} Excludes 600 public housing units.

^{c/} Excludes 501 public housing units and 300 units of Section 221(d)(3) housing.

Source: U.S. Bureau of the Census, Construction Reports, C-40; and local permit issuing places.

Table VIII

Components of the Housing Inventory
Montgomery, Alabama, Housing Market Area
1960-1970

	<u>April 1, 1960</u>	<u>November 1, 1970</u>
Total housing inventory	58,901	66,300
Total occupied	54,063	60,300
Owner-occupied	28,140	32,785
Percent of all occupied	52.1	54.4
Renter-occupied	25,923	27,515
Percent of all occupied	47.9	45.6
Total vacant	4,838	6,000
Available vacant	1,989	1,700
For sale	299	300
Homeowner vacancy rate	1.1	0.9
For rent	1,690	1,400
Renter vacancy rate	6.1	4.8
Other vacant ^{a/}	2,849	4,300

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

Sources: 1960 Census of Housing; 1970 estimates by Housing Market Analyst.

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