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Analysis of the
**MORGANTOWN, WEST VIRGINIA
HOUSING MARKET**

as of July 1, 1966

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

May 1967

ANALYSIS OF THE
MORGANTOWN, WEST VIRGINIA, HOUSING MARKET
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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
MORGANTOWN, WEST VIRGINIA, HOUSING MARKET
AS OF JULY 1, 1966

Summary and Conclusions

1. Nonagricultural wage and salary employment in the Morgantown Housing Market Area (HMA) totaled 18,630 as of April 1966, the highest total for any April in the ten years of records for this area. Employment has been increasing in the area since April 1961. Annual gains since that time have resulted in a 4,840 increase in nonagricultural wage and salary employment. Virtually all of this gain was in nonmanufacturing employment, primarily in the government, services, and contract construction categories. Employment growth has been stimulated by expansion at West Virginia University and in facilities associated with the "Appalachie" program. Employment is expected to increase by 1,400 in the next two years.

In April 1966, unemployment averaged 5.0 percent of the total work force of the HMA, the lowest rate recorded since the 1957 low of 4.9 percent. This rate reflects a substantial decline from the high rates registered in 1958 (15.8 percent) and in 1959 (15.2 percent).

2. In part reflecting incomes of married-student families, the current median income of all families in the Morgantown area is about \$5,400 after the deduction of federal income tax. The median after-tax income of renter household, of two or more persons is about 17 percent below the all-family median at about \$4,600.
3. The estimated current population of the Morgantown HMA is 64,200, an average annual gain of about 1,375 (2.3 percent) since April 1, 1960. Nearly half of the increase consists of increased enrollment at the university. By July 1, 1968, the population of the HMA is expected to total 67,800, reflecting an anticipated gain of 1,750 persons during each of the next two years.
4. As of mid-1966, there are 17,500 households in the HMA, representing an average increment of 235 annually since April 1, 1960. The number of households in the HMA is expected to total 18,150 by July 1, 1968, an anticipated gain of 325 during each of the next two years.
5. There are about 19,100 housing units in the Morgantown HMA, representing a net addition to the housing stock of 1,425 units since April 1960. This net gain resulted from the construction of about 1,450 new housing units, the addition of 100 trailers, and the loss of some 125 units through demolition and other inventory changes. Of the 1,450 dwelling units built since

April 1960, 600 were single-family structures, 50 were duplexes, and 800 were in multifamily structures of three units or more. Currently, about 780 housing units are under construction in the HMA, including 80 single-family units and 700 multifamily units.

6. There are currently about 550 vacant housing units available for sale or rent in the Morgantown area. Of these, about 150 are available for sale only, representing a homeowner vacancy ratio of 1.3 percent, and 400 are vacant available rental units, representing a renter vacancy ratio of 6.3 percent. Rental vacancies should be substantially reduced when West Virginia University resumes full session in the fall.
7. Based on the anticipated net increase in the number of households, and the need to replace housing expected to be lost by demolition, there will be an annual demand for about 175 units of new sales housing during the forecast period. Demand for these sales units by sales price ranges is expected to approximate the pattern indicated on page 17. Because of the volume of multifamily units now under construction, additional rental housing should not be encouraged until it is evident that these units are being readily absorbed.

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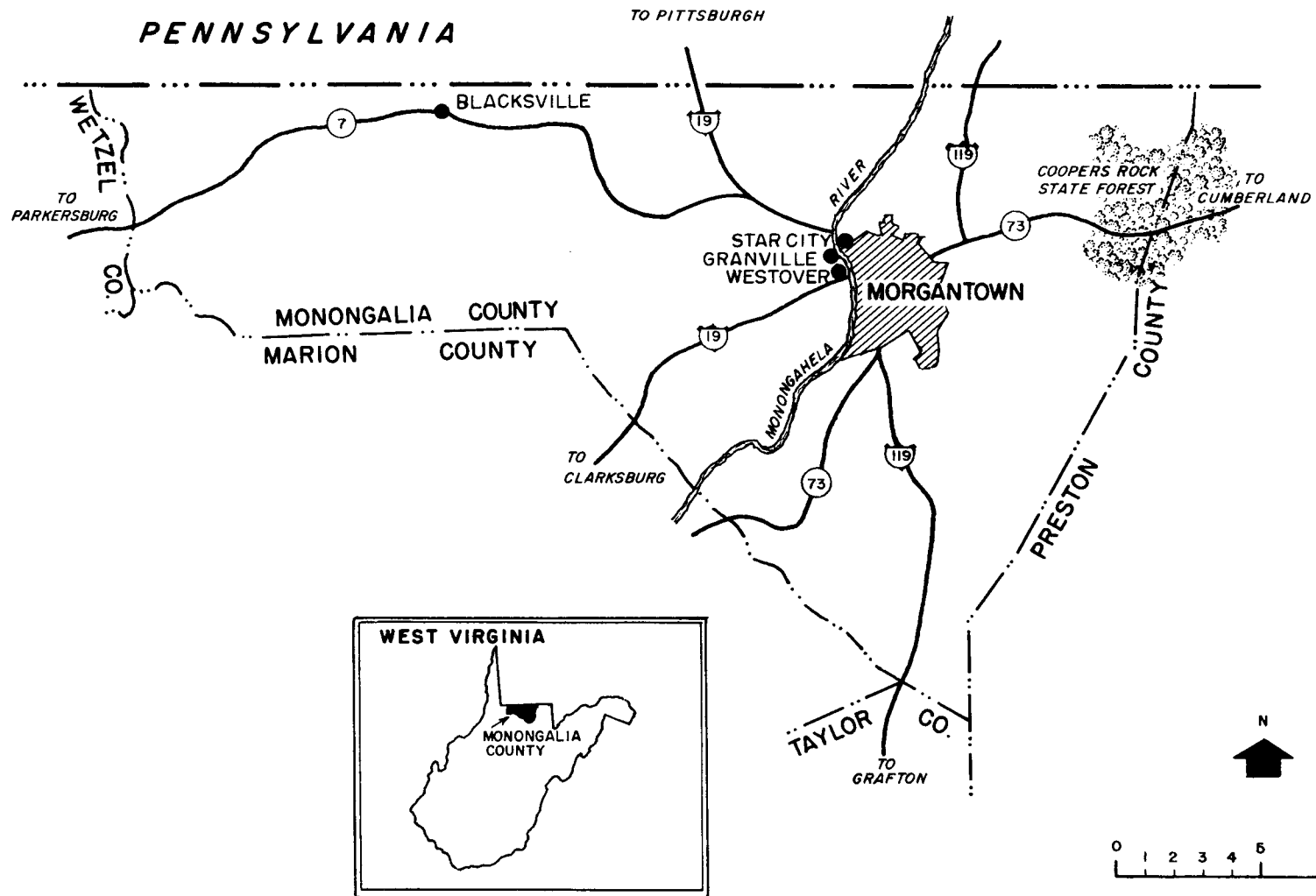
Housing Market Area

The Morgantown, West Virginia, Housing Market Area (HMA) is coterminous with Monongalia County, which had a 1960 population of 55,617. Morgantown, the county seat and principal city, is located close to the West Virginia-Pennsylvania line, about 75 miles south of Pittsburgh (see map). There are several other incorporated places in the HMA, none of which had a population exceeding 5,000 in 1960.

Transportation facilities in the area are very inadequate at present. No rail passenger service is available, only one airline serves the area, and the major highways, U.S. Routes 19 and 119, are in poor condition. However, within a year, construction will begin on Interstate Route 79 through Monongalia County, connecting the area with Pittsburgh and Lake Erie to the north. Eventually, this highway will continue south through West Virginia and connect with other interstate routes to Florida. In addition, plans are being completed for the construction of the Appalachian Development Highway from Morgantown to Hancock, Maryland, connecting Interstate Route 79 with Interstate Route 70-S, which extends from Washington, D.C. to the Pennsylvania Turnpike.

Inasmuch as the rural farm population of the Morgantown HMA constituted only four percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

MORGANTOWN, WEST VIRGINIA, HOUSING MARKET AREA



Economy of the Area

Character and History

Morgantown was chartered in 1785. At the center of one of the world's richest coal fields, Morgantown developed early as an industrial area. West Virginia University, established in 1867, has become dominant in the economy of the city, however. Currently, students and University-related persons constitute over one-half of the Morgantown population.

Both employment and population declined in the HMA during the 1950-1960 period. This situation recently has been reversed, however, because of the present expansion of University facilities, including the completed University Medical Center, the Creative Arts Center now under construction, and the proposed Appalachian Center. In addition, several Federal government facilities are soon to open in Morgantown. The National Training School for Boys is being relocated from Washington, D.C.; the school facility is scheduled for completion early in 1968 and will house 400 boys. Also expected to be completed by early 1968 are the U.S. Department of Agriculture Forestry Science Laboratory (adjacent to West Virginia University) and the Specialized Appalachian Regional Environmental Health Center.

Employment

Current Estimate and Past Trend. As of April 1966, the West Virginia Department of Employment Security estimated nonagricultural wage and salary employment in the Morgantown HMA at 18,630, including 2,880 manufacturing workers (15.5 percent of the total) and 15,750 employed in nonmanufacturing industries. The April 1966 employment total is the highest recorded in the area for any April in the past ten years.

Between April 1957 and April 1961 nonagricultural wage and salary employment declined from almost 16,830 to 13,790 a decrease of 3,040. Virtually all of the loss occurred in 1958, 1959, and 1961, periods of national recession. Over the April 1961-April 1966 period, annual gains in employment, primarily in nonmanufacturing industries, have resulted in a 4,840 increase.

Employment by Industry

In April 1966, government provided 6,450 jobs in the Morgantown HMA, or nearly 29 percent of all wage and salary jobs in the area. As shown in table II, the number of government jobs increased by nearly 3,100, almost doubling between 1957 and 1966. This increase exceeds the net growth in total wage and salary employment (1,800 jobs) over the same period, gains in government being balanced by losses in other industries, primarily mining.

In 1957, mining was the leading source of employment, providing 4,000 jobs, or nearly one-fourth of the total. Employment in this industry declined sharply between 1957 and 1962, however, and even after an increase of 780 jobs in mining between 1962 and 1966, there was a net loss of 1,760 jobs in this industry between 1957 and 1966.

In nonmanufacturing as a whole, employment dropped by 2,000 jobs between 1957 and 1959. The losses were concentrated in mining (down 1,640), contract construction (down 470), and transportation, communication and utilities (down 320), balanced by small gains in other industries, particularly in services. Since April 1959, nonmanufacturing wage and salary employment has increased by 4,600 to the April 1966 total of 15,750. Employment in construction, stimulated by the recent expansion in the Morgantown area, increased by 860 jobs between 1965 and 1966 to the highest level in the past ten years. In addition to the growth in government employment, there have been important gains in employment in services (730 jobs since 1959) and trade. Trade employment, at 2,690 jobs in April 1966, is the second largest source of nonmanufacturing wage and salary employment.

Manufacturing employment equaled 21.9 percent of wage and salary employment (3,680 jobs) in 1957, compared with only 15.7 percent (2,900 jobs) in 1966. The losses in manufacturing resulted from declines in stone, clay, and glass, and fabricated metals employment, and from the closing of an ammonia plant, which alone accounted for a loss of 800 jobs. Employment in manufacturing industries has increased slightly since the 1961 low of 2,640, and since 1963 has been stable at around 2,900 jobs.

Trend of Employment Participation Rate. The ratio of employment to total population is termed the employment participation rate. Between 1950 and 1960, the employment participation rate in the Morgantown area remained at about 31 jobs per 100 residents. This relatively low ratio reflects the large nonworking student population, high unemployment, and the low percentage (30 percent) of women in the work force. Since 1960, these conditions have been altered somewhat. More of the students are working, unemployment has declined considerably, and commutation into the HMA has increased. Based on these considerations, it is judged that the employment participation rate has increased to 33 jobs per 100 population, currently.

Principal Employment Sources

West Virginia University is the largest employer in the area. Full-time employment at the school totaled about 4,800 during the spring semester, 1966, according to University officials. Of the total, about 1,000 were academic employees, and 3,800 were nonacademic workers. In addition, the University currently has about 1,000 part-time employees. Since 1960, employment has been increasing by an average of 100 a year, and this rate should continue into the forecast period.

There are only two other large employers in the area, the Christopher Coal Company and the Sterling Faucet Company. Both of these companies have experienced some growth in recent years and anticipate continued expansion in the forecast period.

Morgantown is the largest hand-blown glass center in the United States, and approximately 800 persons are employed currently in this industry by ten companies. The largest of the glass factories, the Morgantown Glass Guild, Inc., has just been purchased by the Fostoria Glass Company with the expectation that the present employment total will be increased.

Unemployment

As shown in table I, unemployment in the HMA increased sharply between 1957 and 1958, from 4.9 percent to 15.8 percent of the total work force. After 1958, the unemployment rate declined slowly each year, and currently the ratio is just over that of 1957 at 5.0 percent. A continued decline in the unemployment rate is expected during the forecast period.

Future Employment

The "War against Poverty" program is directing much of its attention

to the Appalachian region. Because of the attraction of its educational facilities, Morgantown is becoming a center for many Federal "Appalachia" projects. During the July 1, 1966 to July 1, 1968 forecast period, nonagricultural wage and salary employment in the Morgantown HMA is expected to increase by 1,400. Most of the projected growth is expected to occur in nonmanufacturing industries. About half of the increase will be in government employment resulting from expansion at the University (at least 200 jobs), the specialized Appalachian Regional Environmental Health Center (200 jobs), the U. S. Department of Agriculture Forestry Science Laboratory (40 jobs), and the Fort Martin Power Plant (50 jobs). An increase of about 200 coal mining jobs is expected during the forecast period also.

Employment in contract construction will be sustained, if not increased, over the forecast period as work is begun on the Environmental Health Center, the Forestry Science Laboratory, the University's Creative Arts and Appalachian Centers, and the expansion of facilities at the U. S. Bureau of Mines. In addition, the initial construction of both I-79 and the Appalachian Development Highway is expected within the next two years.

Other employment increases can be expected in services and in the existing government facilities. Also, there is a possibility that there will be some growth in manufacturing employment as an industrial park is developed at the site of the closed ammonia plant.

Income

The current median income, after deduction of federal income tax, of all families in the Morgantown HMA is \$5,400 annually. By July 1968, after-tax family income is expected to increase to \$5,600, representing an increase of about three percent annually. At present, about 34 percent of all families receive after-tax incomes below \$4,000 annually, while an estimated 14 percent of all families have annual after-tax incomes of \$10,000 or above.

The median after-tax income of renter households^{1/} is about \$4,600 annually and is expected to increase to \$4,800 by July 1968. Currently, 42 percent of these households have after-tax incomes below \$4,000 annually and seven percent receive after-tax incomes of \$10,000 or above. Distributions of families and households by income classes are presented in table III.

To some extent, the income distributions and the median incomes reflect the inclusion of married student families which are predominantly in the medium and lower ranges of income.

^{1/} Excluding one-person renter households.

Demographic Factors

Population

HMA total. As of July 1, 1966, the population of the Morgantown HMA totals about 64,200, an increase of nearly 8,600, or about 1,375 (2.3 percent^{1/}) a year since April 1, 1960 (see table IV). During the April 1, 1950 to April 1, 1960 decade, the population of the HMA declined from about 60,800 to 55,600, or by nearly 520 persons (0.9 percent) annually. The decline during the 1950's resulted from a large out-migration of persons, many of whom were unable to obtain work in the HMA. Since 1960, the population decline has ceased as the University has expanded and employment opportunities have increased.

Morgantown City. Currently, Morgantown has a population estimated at 30,000, or about 47 percent of the total population of the HMA. The present population of Morgantown reflects an increase of 7,525 since 1960. About a third of this increase, however, resulted from a 1964 annexation of .55 square miles in which 2,600 persons resided. During the April 1950 to April 1960 decade, the Morgantown population declined from nearly 25,550 to 22,550, or by 300 persons (1.3 percent) a year.

Remainder of the HMA. The present population of the portion of the HMA outside the corporate limits of Morgantown is 34,200 persons (53 percent of the HMA total), an increase of about 1,075 since April 1960. The 1960-1966 increase was reduced, however, by the annexation to Morgantown. During the April 1950 to April 1960 period, the population of the remainder of the HMA declined by an annual average of over 210 persons (0.6 percent) from 35,250 to 33,150.

Student Population. Currently, there are about 12,000 undergraduate and graduate students attending West Virginia University, an increase of about 4,200 over the spring 1960 total enrollment of 7,800. The average gain of approximately 675 students a year since 1960 compares with just 255 a year during the 1950-1960 period. During that decade, student population increased from nearly 5,250 to 7,800. The following table presents the trend of student population growth as compared with that of nonstudent population. It is significant to note that whereas nonstudent population was declining between 1950 and 1960, its present rate of growth is keeping pace with that of student population.

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

Trend of Population Growth
Morgantown, West Virginia, HMA
April 1, 1950 to July 1, 1966

<u>Components</u>	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>Average annual change</u>	
				<u>1950-1960</u>	<u>1960-1966</u>
Student population ^{a/}	5,250	7,800	12,000	255	675
Nonstudent population	<u>55,547</u>	<u>47,817</u>	<u>52,200</u>	<u>-775</u>	<u>700</u>
Total population	60,797	55,617	64,200	-520	1,375

^{a/} Based on Spring enrollment data.

Sources: 1950 and 1960 Censuses of Population, West Virginia University, and estimates by Housing Market Analyst.

Nonhousehold Population. Persons living in dormitories, fraternity and sorority houses, and boarding homes account for almost all of the population in group quarters (nonhousehold population) in the Morgantown HMA. In 1960, the census reported a nonhousehold population of about 2,800 persons. Since then, about 3,000 new dormitory spaces have been built in the area. Also group population has risen in fraternity, sorority, and boarding houses. Based on these considerations, nonhousehold population is judged to total about 6,500 persons, or 10.1 percent of the total population at the present time.

Future Population Growth. According to West Virginia University estimates, the university enrollment is expected to increase by about 1,000 students annually during the next two years. Based on this enrollment increase and on the gain in employment expected in the Morgantown area during the forecast period, it is estimated that population will increase by 3,500 (1,750 annually) to a July 1968 level of 67,800. The construction of new dormitories at the university should raise nonhousehold population to 7,900 by July 1968, a gain of 1,400 persons. At the same time, population in households is expected to increase by 2,100 persons. Increases in student household population will total about 600 by July 1968. This growth is considerably above that of the past six years, and is based on the planned construction of at least 300 efficiency units of private housing designed for students.

Natural Increase and Migration. The population of the HMA declined by some 5,175 persons between April 1, 1950 and April 1, 1960. During this period, net natural increase (excess of resident births over resident deaths) totaled about 7,875, indicating a total net out-migration of 13,050. Since 1960, the trend of migration has been reversed. As shown in the following table, net in-migration during

the 1960-1966 period has amounted to 5,400 persons (including over 4,000 students) or nearly 63 percent of the total population gain.

Components of Population Change
Morgantown, West Virginia, HMA
April 1, 1950 to July 1, 1966

<u>Source of change</u>	April 1, 1950 to <u>April 1, 1960</u>	April 1, 1960 to <u>July 1, 1966</u>
Net natural increase	7,884	3,175
Net migration	<u>-13,064</u>	<u>5,400</u>
Total population change	-5,180	8,575

Sources: 1950 and 1960 Censuses of Population, Monongalia County Clerk's Office, and estimates by Housing Market Analyst.

Households

HMA Total. At present, there are approximately 17,500 households (occupied housing units) in the Morgantown HMA, a gain of about 1,450, or 235 (1.4 percent) a year since April 1960 (see table IV). During the April 1950-April 1960 decade, household gain was slight, (fifteen a year) reflecting the large out-migration of families during the 1950's.

Morgantown City. As of July 1, 1966, there are about 7,700 households in Morgantown, equal to 44 percent of the HMA total, and representing the addition of about 1,075 units since 1960. At least one-half of this growth resulted from the 1964 annexation activity. Between 1950 and 1960, the number of households in Morgantown declined by nearly 15 a year. The intercensal decline was tempered somewhat by the change in census concept from "dwelling unit" in 1950 to "housing unit" in 1960, which caused a definitional increment in the household count.

Remainder of the HMA. Currently, there are about 9,800 households in the portion of the HMA outside the corporate limits of Morgantown, an increase of 400 since 1960. The 1960-1966 household growth was materially reduced because of annexations to Morgantown. In the previous decade, households increased by an average of 30 a year from 9,100 in April 1950 to 9,400 in April 1960.

Student Households. Currently, there are about 2,900 undergraduate and graduate student households in the HMA, indicating an increase of 550 over the spring 1960 total of 2,350. The average gain of

approximately 90 student households a year since 1960 is somewhat above the annual average of 75 during the 1950-1960 decade. During that period, student households increased from about 1,600 to 2,350. The following table presents the trend of student household growth as compared with that of nonstudent households. The number of nonstudent households declined between April 1950 and April 1960, but has increased since 1960 in greater number than student households.

Trend of Household Growth
Morgantown, West Virginia, HMA
April 1, 1950 to July 1, 1966

<u>Components</u>	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>Average annual change</u>	
				<u>1950-1960</u>	<u>1960-1966</u>
Student households	1,600	2,350	2,900	75	90
Nonstudent households	<u>14,283</u>	<u>13,683</u>	<u>14,600</u>	<u>-60</u>	<u>145</u>
Total households	15,883	16,033	17,500	15	235

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

Household Size Trends. Currently, the average size of all households in the HMA is estimated at 3.30 persons, suggesting that the 1950-1960 downward trend has ended. The average household size in April 1950 was 3.62 persons and in April 1960, 3.30 persons. This sharp decrease, for the most part, was the result of the large out-migration of young families and individuals. In addition, household size tended to decrease because of the conceptual change from "dwelling unit" to "housing unit" from 1950 to 1960. Although the number of student households (typically small in size) has increased since 1960, the simultaneous in-migration of young persons with families has resulted in the maintenance of the 1960 household size throughout the 1960-1966 period. This condition is expected to continue, and little change in household size is expected during the forecast period.

Future Household Growth. By July 1, 1968, the total number of households in the HMA is expected to reach 18,150. The projected household increase of 325 a year is based on employment, population, and University enrollment gains, as well as a continuation of average household size trends. Approximately 150 of these will be student households, and 175 will be nonstudent households.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. At present, there are about 19,100 housing units in the Morgantown HMA. This represents a net addition to the housing stock of about 1,425 units (8.0 percent), or an average of 230 annually since April 1, 1960. The net addition of 1,425 units resulted from the construction of about 1,450 new units, the addition of about 100 trailers, and the loss of 125 units by demolition, fire, conversion, and other inventory changes. During the April 1950-April 1960 decade, the total of housing units increased from just over 16,400 to nearly 17,700, a gain of some 1,300 (7.7 percent). A part of this increase may have resulted from the census definitional change from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

Type of Structure. Currently, about 83.5 percent of the housing inventory of the Morgantown HMA is in single-family houses. This represents a slight reduction since April 1960 when the ratio was 86.7 percent. As indicated in the following table, the proportion of units in structures with three units or more has increased during the April 1960-May 1966 period, and the proportion of the units in two-family structures has decreased.

Housing Inventory by Units in Structure
Morgantown, West Virginia, HMA
April 1, 1960 and July 1, 1966

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>July 1, 1966</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 unit ^{a/}	15,328	86.7	15,950	83.5
2 units	1,182	6.7	1,225	6.4
3 or more units	<u>1,176</u>	<u>6.6</u>	<u>1,925</u>	<u>10.1</u>
Total	17,686	100.0	19,100	100.0

^{a/} Includes trailers.

Sources: 1960 Census of Housing.
1966 estimated by Housing Market Analyst.

Age of Structure. The housing inventory of the Morgantown HMA is relatively old, reflecting the slow growth of the area. As the following table indicates, nearly 53 percent of the total inventory was built prior to 1930.

Housing Inventory by Age of Structure
Morgantown, West Virginia, HMA
July 1, 1966

<u>Age^{a/}</u>	<u>Number of units</u>	<u>Percentage distribution</u>
6 years old or less	1,550	8.1
7 to 16 years old	3,025	15.8
17 to 26 years old	2,550	13.3
27 to 36 years old	1,775	9.3
37 or more years old	<u>10,100</u>	<u>52.9</u>
Total	19,100	100.0

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

Sources: 1960 Census of Housing, adjusted to reflect demolitions.
Bureau of the Census, C-40 Construction reports.
Estimates by Housing Market Analyst.

Condition of the Inventory. Currently, about 4,000 housing units in the Morgantown HMA, about 21 percent of the inventory, are dilapidated or lack one or more plumbing facilities, which is an improvement over the April 1960 ratio of 26 percent. The improving condition of the Morgantown housing inventory is the result of the upgrading or demolition of some units of poor quality, as well as new construction.

Residential Building Activity

Past Trend. Accurate building permit data are not readily available in the HMA. On the basis of information obtained from local sources, it is estimated that approximately 1,450 housing units have been constructed in the Morgantown area since 1960. This figure is not the same as the net addition to the housing inventory since 1960 (page 11) because of demolitions and trailers placed in the area. Of the 1,450 units, about 600 were single-family units, about 50 were duplexes, and the remaining 800 were in multifamily structures of three units or more.

Very little single-family construction occurred during the early 1960's. Since 1963, however, home building in the area has picked up in response to the more favorable economic atmosphere. It is estimated that about 150 single-family units were built annually between 1963 and 1966. Over the last six months, home building has dropped off because of shortages in both labor and materials, and because of the tight money situation. Virtually all of the 800

multifamily units have been built over the past two and one-half years in response to the demand created by the expanding university.

Units under Construction. On the basis of the postal vacancy survey conducted at the end of June and on local observation, it is estimated that there are about 780 housing units under construction at the present time. This includes about 80 single-family units and 700 two-family and multifamily units. The majority of the multifamily units are concentrated in three projects: 300-unit high-rise apartment, and two garden-type apartment projects containing nearly 200 units. These projects are located near the West Virginia University Medical Center.

Demolitions. Since April 1960, approximately 125 housing units have been removed from the Morgantown housing stock. The majority of the units were substandard houses removed as a result of building code enforcement. Other units have been removed from the inventory through conversion, fire loss, and other changes in the housing supply. During the July 1966 to July 1968 forecast period, about 60 units are expected to be lost, primarily because of code enforcement.

Tenure of Occupancy

Current Estimate and Past Trend. As of July 1, 1966, there are approximately 17,500 occupied housing units in the Morgantown HMA, of which 11,600 (two-thirds) are owner-occupied and 5,900 are renter-occupied. This current tenure represents a slight shift to renter-occupancy since April 1960. In contrast, as seen in table V, during the April 1950 to April 1960 decade, renter-occupancy decreased from over 42 percent to 33 percent, as the absolute number of renter-occupied units decreased from over 6,725 to about 5,300.

Vacancy

1960 Census. There were nearly 740 nondilapidated, nonseasonal vacant available housing units in April 1960 in the Morgantown area, equal to 4.2 percent of the total inventory. Of these, 170 were available for sale, a homeowner vacancy rate of 1.5 percent; the remaining 570 were available for rent, a renter vacancy rate of 9.7 percent. Of the available units, about 35 (20.6 percent) of the sales units and 160 (28.1 percent) of the rental units were lacking some or all plumbing facilities. The trend of vacancies since 1950 is presented in table V.

Postal Vacancy Survey. A postal vacancy survey was conducted in the area on June 23, 1966. The survey, which included the cities

of Morgantown and Westover and the town of Star City, covered over 14,400 total possible deliveries, or about 75 percent of the current housing inventory (see table VI). About 12,950 of the total possible deliveries were listed as residences, and the remaining 1,450 were listed as apartments. About 30 percent of the units listed as residences are rented.

The survey reported a total of 435 vacant units, three percent of the total possible deliveries. Of these units, 238 were vacant residences, 1.8 percent of all residences covered, and 197 were vacant apartments, indicating an apartment vacancy ratio of 13.6 percent. An additional 758 units (82 residences and 676 apartments) were reported to be under construction. Also counted in the postal vacancy survey were 304 house trailers, of which 16 (5.3 percent) were in place and vacant.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineation, 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 houses, 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 the other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of the postal vacancy survey, vacancy data available in the HMA, and personal observation, there are currently about 550 vacant, nondilapidated, non-seasonal housing units (2.9 percent) available in the Morgantown area. This total is somewhat below the 1960 vacancy level, reflecting a more favorable market situation. Of the 550 available vacancies, 150 are available for sale, a homeowner vacancy rate of 1.3 percent; the remaining 400 are available for rent, a renter vacancy rate of 6.3 percent. The rental vacancy situation should be substantially lowered during the regular school year at West Virginia University.

Sales Market

General Market Conditions. Almost all residential building in the HMA is located in Morgantown and its suburbs. New sales construction is impeded, however, by the somewhat hilly terrain, the poor quality of the soil as a result of strip mining, and the presence of underground coal mines and gas wells. In addition, Morgantown has been slow in extending utilities beyond the city limits. As a consequence, suitable land for new construction is scarce and expensive.

Although sales housing is being built in all sections of the city, a sizable proportion is concentrated in the Suncrest section north of the university. Currently, there are few active subdivisions in the Morgantown area. Until recently, a large proportion of the new construction was built on a speculative basis. Area builders report that, currently, almost all new homes are presold. This situation has developed because of a shortage of both materials and labor arising from the present extensive commercial construction.

The sales market for existing homes is firm at the present time. Area realtors report that the volume of sales is increasing while prices have increased only slightly. Most of the existing sales houses are priced moderately in the \$15,000 to \$20,000 range. As an indication of the soundness of the market, there have been only two foreclosures of FHA-insured properties in the HMA since 1934.

Changes in the current national economic situation (including the availability of mortgage money), of course, will affect new home construction during the forecast period. In any case, local builders and realtors are optimistic concerning the outlook of the sales market in Morgantown, particularly as city utilities are more rapidly extended beyond the city limits and suitable land becomes more accessible.

Rental Market

General Market Conditions. Until recently, the rental housing stock of the Morgantown HMA was composed of single-family units for the most part. In April 1960, nearly 60 percent of the renter-occupied units were single-family structures. The demand for more student housing facilities stimulated the university to build 500 apartment units beginning in 1964. Private industry has since begun to build apartments, most of which are located near the university and are occupied primarily by students and faculty.

Because of the students' summer vacation, vacancies are higher than normal during summer months. The University Office of Housing Coordination reports that there will be no vacancies in university apartments during the coming fall and spring semesters. Rents for conventional apartments are somewhat higher than for those operated by the university. However, most apartment managers report that high occupancy is expected by September.

The rental market for single-family units and older apartment projects has not been altered significantly by the recent apartment building boom. Vacant houses available for rent are practically unobtainable if the home is in decent condition. Rentals for these accommodations range from \$50 to \$75 a month, excluding utilities. Rental managers of older apartments report very high occupancy experience.

Except for a high-rise apartment now under construction, all of the newly-built apartments are in garden-type projects. The majority are two-bedroom units which appeal to faculty, married students, and students who share apartments. Efficiencies and one-bedroom units have not been as popular and frequently are occupied only after all those with two bedrooms are rented. As yet, very few three-bedroom apartments have been built in Morgantown. Demand for such units, arising primarily from faculty and married students with families, can be satisfied by single-family homes, either bought or rented. However, both the university and the private building industry have expressed plans to construct some three-bedroom units to test their marketability.

It is the opinion of local agents that the rental demand which was stimulated by recent expansion at the university will be satisfied by the existing apartments and those which are now under construction, including the high rise which will not be available for occupancy until early 1967. For this reason, area builders are not planning any major projects in Morgantown in the next few years, with the exception of the three-bedroom units previously mentioned.

Demand for Housing

Quantitative Demand

During the two-year period from July 1, 1966 to July 1, 1968, the number of households in the Morgantown HMA is expected to increase by about 325 a year. In addition, some demand will result from the 30 demolitions expected each year. On the basis of these considerations, as well as the supply to be available from units under construction, it is estimated that there will be an annual demand for 175 units of new sales housing each year. This demand, which is slightly above that of the 1963-1966 period, is expected in view of the continued economic growth in the area.

When completed, the 700 rental housing units now under construction will be adequate to satisfy the demand for rental accommodations that will arise during the two-year forecast period. It is recognized that some new rental units in superior locations and with greater tenant amenities might be built and successfully marketed at competitive rents during this period. However, until the units under construction are absorbed, the construction of additional rental housing (excluding public low-rent housing and rent supplement accommodations) should not be encouraged.

Qualitative Demand

Sales Housing. The distribution of the annual demand for 175 new sales units is shown in the following table. The distribution is based on the ability to pay, as measured by current family income, and the ratio between net income and purchase price found to be typical in the Morgantown HMA. Adequate sales housing cannot be produced to sell below \$10,000 at present.

Annual Demand for New Sales Housing by Price Class
Morgantown, West Virginia, HMA
July 1, 1966 to July 1, 1968

<u>Price class</u>	<u>Number of houses</u>	<u>Percent distribution</u>
\$10,000 - 11,999	30	17
12,000 - 13,999	30	17
14,000 - 15,999	25	14
16,000 - 17,999	20	12
18,000 - 19,999	15	9
20,000 - 24,999	25	14
25,000 and over	30	17
Total	175	100

Table I

Civilian Work Force Components
Morgantown, West Virginia, HMA
For the Month of April, 1957-1966

<u>Components</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
Total work force	<u>20,890</u>	<u>21,390</u>	<u>20,050</u>	<u>19,640</u>	<u>18,870</u>	<u>19,300</u>	<u>19,910</u>	<u>19,870</u>	<u>20,560</u>	<u>22,530</u>
Unemployment	1,020	3,370	3,040	2,620	2,270	2,190	1,810	1,410	1,040	1,120
Percent unemployed	4.9%	15.8%	15.2%	13.3%	12.0%	11.3%	9.1%	7.1%	5.1%	5.0%
Agricultural employment	900	810	790	730	670	580	520	510	450	530
Nonagricultural employment	<u>19,970</u>	<u>17,210</u>	<u>16,220</u>	<u>16,290</u>	<u>15,930</u>	<u>16,530</u>	<u>17,580</u>	<u>17,950</u>	<u>19,070</u>	<u>20,880</u>
Wage and salary	16,830	15,070	14,080	14,150	13,790	14,390	15,440	15,750	16,820	18,630
Other	2,140	2,140	2,140	2,140	2,140	2,140	2,140	2,200	2,250	2,250

Source: State of West Virginia, Department of Employment Security.

Table II

Trend of Nonagricultural Wage and Salary Employment
Morgantown, West Virginia, HMA
For the Month of April, 1957-1966

<u>Industry</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
Wage and salary employment	<u>16,830</u>	<u>15,070</u>	<u>14,080</u>	<u>14,150</u>	<u>13,790</u>	<u>14,390</u>	<u>15,440</u>	<u>15,750</u>	<u>16,820</u>	<u>18,630</u>
Manufacturing	<u>3,680</u>	<u>3,490</u>	<u>2,930</u>	<u>2,790</u>	<u>2,640</u>	<u>2,790</u>	<u>2,880</u>	<u>2,920</u>	<u>2,910</u>	<u>2,880</u>
Durable goods	<u>2,080</u>	<u>2,070</u>	<u>1,990</u>	<u>2,000</u>	<u>1,910</u>	<u>2,020</u>	<u>2,050</u>	<u>2,080</u>	<u>2,050</u>	<u>2,040</u>
Stone, clay, & glass	890	740	680	700	820	840	870	780	780	780
Other	1,190	1,330	1,310	1,300	1,090	1,170	1,180	1,300	1,270	1,260
Nondurable goods	1,600	1,420	940	790	730	770	830	840	860	840
Nonmanufacturing	<u>13,150</u>	<u>11,580</u>	<u>11,150</u>	<u>11,360</u>	<u>11,150</u>	<u>11,600</u>	<u>12,560</u>	<u>12,830</u>	<u>13,910</u>	<u>15,750</u>
Mining	4,000	2,850	2,360	2,300	1,660	1,460	1,550	1,840	2,060	2,240
Contract construction	1,150	620	680	550	680	680	650	570	740	1,600
Trans., comm., & utilities	870	600	550	560	600	620	640	630	700	620
Trade	2,520	2,500	2,520	2,500	2,300	2,320	2,380	2,410	2,590	2,690
Finance, ins., & real est.	200	230	240	260	320	310	330	320	360	370
Services	1,050	1,050	980	1,070	1,190	1,320	1,450	1,440	1,590	1,780
Government	3,360	3,730	3,820	4,120	4,400	4,890	5,560	5,620	5,870	6,450

Note: Components may not add to totals because of rounding.

Source: State of West Virginia, Department of Employment Security.

Table III

Estimated Percentage Distribution of All Families and Renter Households
By Annual Income After Deduction of Federal Income Tax
Morgantown, West Virginia, HMA
1966 and 1968

<u>Annual Income</u>	<u>1966 income</u>		<u>1968 income</u>	
	<u>All Families</u>	<u>Renter Households a/</u>	<u>All Families</u>	<u>Renter Households a/</u>
Under \$3,000	23	29	22	27
\$3,000 - 3,999	11	13	10	13
4,000 - 4,999	11	14	11	13
5,000 - 5,999	12	13	11	12
6,000 - 6,999	10	9	10	10
7,000 - 7,999	8	6	9	7
8,000 - 8,999	6	5	6	5
9,000 - 9,999	5	4	5	4
10,000 - 11,999	7	4	7	5
12,000 and above	7	3	9	4
Total	100	100	100	100
Median	\$5,400	\$4,600	\$5,600	\$4,800

a/ Excluding one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Trend of Population and Household Growth
Morgantown, West Virginia, HMA
April 1, 1950 to July 1, 1966

<u>Population</u>	April 1 <u>1950</u>	April 1 <u>1960</u>	July 1 <u>1966</u>	<u>Average annual change</u>			
				<u>1950 - 1960</u>	<u>1960 - 1966</u>	<u>1950 - 1960</u>	<u>1960 - 1966</u>
				<u>Number</u>	<u>Rate ^{a/}</u>	<u>Number</u>	<u>Rate ^{a/}</u>
Morgantown	25,525	22,487	30,000	- 305	- 1.3	1,200	4.6
Remainder of HMA	<u>35,272</u>	<u>33,130</u>	<u>34,200</u>	<u>- 215</u>	- 0.6	<u>175</u>	0.5
HMA total	60,797	55,617	64,200	- 520	- 0.9	1,375	2.3
 <u>Households</u>							
Morgantown	6,775	6,641	7,700	- 13	- 0.2	170	2.3
Remainder of HMA	<u>9,108</u>	<u>9,392</u>	<u>9,800</u>	<u>28</u>	0.3	<u>65</u>	0.7
HMA total	15,883	16,033	17,500	15	0.1	235	1.4

^{a/} Derived through the use of a formula designed to calculate the rate of change on a compound basis.

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

Table V

Components of the Housing Supply
Morgantown, West Virginia, HMA
April 1950-July 1966

<u>Components</u>	<u>April 1950</u>	<u>April 1960</u>	<u>July 1966</u>
Total housing supply	<u>16,420</u>	<u>17,686</u>	<u>19,100</u>
Occupied housing units	<u>15,883</u>	<u>16,033</u>	<u>17,500</u>
Owner-occupied	9,153	10,742	11,600
Percent	57.6%	67.0%	66.3%
Renter-occupied	6,730	5,291	5,900
Percent	42.4%	33.0%	33.7%
Vacant housing units	<u>537</u>	<u>1,653</u>	<u>1,600</u>
Available vacant	<u>107</u>	<u>737</u>	<u>550</u>
For sale	46	166	150
Homeowner vacancy rate	0.5%	1.5%	1.3%
For rent	61	571	400
Renter vacancy rate	0.9%	9.7%	6.3%
Other vacant <u>a/</u>	430	916	1,050

a/ Includes seasonal units, vacant dilapidated units, units sold or rented and awaiting occupancy, and units held off the market.

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

Table VI

Morgantown, West Virginia, Area Postal Vacancy Survey

June 23, 1966

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units			Under const.	Total possible deliveries	Vacant units			Under const.	Total possible deliveries	Vacant units			Under const.	Total possible deliveries	Vacant No.	%			
		All	%	Used			All	%	Used			All	%	Used					All	%	Used
Morgantown	14,411	435	3.0	371	64	758	12,966	238	1.8	209	29	82	1,445	197	13.6	162	35	676	304	16	5.3
Main Office	5,577	241	4.3	238	3	15	4,650	96	2.1	95	1	8	927	145	15.6	143	2	7	4	2	50.0
Branches:																					
Star City	3,007	78	2.6	30	48	682	2,662	40	1.5	25	15	27	345	38	11.0	5	33	655	113	6	5.3
Westover	1,503	47	3.1	39	8	10	1,400	42	3.0	34	8	9	103	5	4.9	5	-	1	51	-	0.0
Station:																					
Sabraton	4,324	69	1.6	64	5	51	4,254	60	1.4	55	5	38	70	9	12.9	9	-	13	136	8	5.9

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

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

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

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