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Analysis of the

NASHVILLE, TENNESSEE

HOUSING MARKET

As of January 1, 1968

(A supplement to the January 1, 1965 analysis)

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

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

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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
NASHVILLE, TENNESSEE, HOUSING MARKET
AS OF JANUARY 1, 1968

(A supplement to the January 1, 1965 analysis)

Summary and Conclusions

1. In 1964, the Nashville Labor Market Area was redefined to include Davidson, Sumner, and Wilson Counties. Between 1964 and 1966 non-agricultural wage and salary employment in the three-county area increased from 176,600 to 201,300, an increase of 24,700 (12,350 a year). In 1967, growth of wage and salary employment was curtailed sharply, increasing by only 5,200 workers. The decline in the rate of growth during 1967 apparently was the result of several factors, but principally of a slowdown in capital investment in Nashville while there was growth of industrial firms in Tennessee outside metropolitan areas. Wage and salary employment in the three-county area is expected to increase by 14,500, or an average of 7,250 a year during 1968 and 1969. This is well above the 5,200 increase in wage and salary jobs between 1966 and 1967, but is below the 1964-1967 average of 9,950 annually.
2. As of January 1968, the median annual income of all families in Davidson County was \$6,825, after deduction of federal income tax. The median after-tax income of renter households of two persons or more was somewhat lower at \$4,650. By early 1970, median after-tax incomes are expected to increase to \$7,200 for all families and to \$4,925 for all renter households.
3. Reflecting the rapid employment growth in 1965 and 1966, the population of the Nashville, Tennessee, Housing Market Area (HMA), defined as Davidson County, increased from 441,000 in January 1965 to 473,500 in January 1968, an average increase of 10,850 a year. This is above the April 1960-January 1965 average gain of 8,675 annually. Employment growth in the Nashville area during 1968 and 1969 is expected to be below the 1964-1967 experience. Population growth between January 1968 and January 1970 is expected to increase by an average of 9,500 a year above the January 1968 estimate.
4. The number of households (occupied housing units) in the Nashville HMA increased by an average of 3,725 a year between January 1965 and January 1968, from 128,100 to 139,300. Based on the expectations of a declining rate of employment and population growth in 1968 and 1969, as compared with the 1964-1967 experience, and on a continuing decline in the average size of households, it is anticipated that there will be 145,500 households in the HMA by the end of the 1960 decade, an average increase of 3,100 a year above the January 1968 estimate.

5. On January 1, 1968, there were an estimated 145,800 housing units in Davidson County, an increase of 10,600 since January 1965. The January 1965-January 1968 increase was the result of the completion of 13,000 new units, the net addition of 600 mobile homes, and the loss of 3,000 units through demolition, fire, and other losses. As measured by building permits, new construction in Davidson County declined from 4,925 units in 1964 to 4,400 units in 1965, then to 4,125 units in 1966. An estimated 5,050 new housing units were authorized in the HMA in 1967, a total that exceeded the previous high reached in 1964. An increase in multifamily construction in the HMA has led to an increase in the proportion of renter-occupancy from an estimated 38.6 percent in January 1965 to 39.2 percent in January 1968.

6. In January 1965, there were 4,300 available vacant housing units in the HMA, including 1,600 for sale, a homeowner vacancy rate of 2.0 percent, and 2,700 for rent, a rental vacancy ratio of 5.2 percent. By January 1968, the number of available vacancies had declined to 3,300, a net vacancy ratio of 2.3 percent. Of these units, 1,300 were available for sale, a homeowner vacancy ratio of 1.5 percent, and 2,000 units were for rent, a rental vacancy rate of 3.5 percent.

7. To accommodate household growth and to allow for anticipated inventory and occupancy changes, the demand for new housing in the Nashville HMA during 1968 and 1969 is expected to average 4,300 a year, including 2,000 single-family houses and 2,300 multifamily units. The annual multifamily total includes 475 units which might be marketed at the lower levels of rent achievable with public benefits or assistance in financing or land acquisition. The demand for new multifamily units does not include public low-rent housing, rent-supplement accommodations, and housing provided with other types of direct subsidy. The demand for single-family houses and multifamily units by sales price and gross monthly rent ranges are shown on pages 20 and 21, respectively.

ANALYSIS OF THE
NASHVILLE, TENNESSEE, HOUSING MARKET
AS OF JANUARY 1, 1968
(A supplement to the January 1, 1965 analysis)

Housing Market Area

The Nashville, Tennessee, Housing Market Area (HMA) is defined as being coextensive with the 1960 definition of the Nashville Standard Metropolitan Statistical Area (SMSA), which consisted of Davidson County. Although the SMSA was expanded in 1963 to include Sumner and Wilson Counties, Davidson County still represents the primary housing market area for the purposes of this analysis. The HMA had a population of more than 399,700 in April 1960; the rural farm population constituted only a little more than one percent of the total population (see Appendix A, paragraph one).

The area is served by an excellent highway system of about ten federal highways, three of which are interstate. The area also is well-served by a variety of barge and freight lines, two railroads, and six airlines. Situated on the Cumberland River in middle Tennessee, the HMA is approximately 140 miles northwest of Chattanooga, 200 miles west of Knoxville, 220 miles northeast of Memphis, and 180 miles south of Louisville, Kentucky.

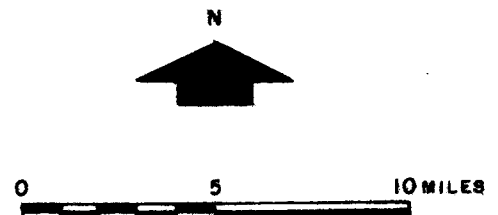
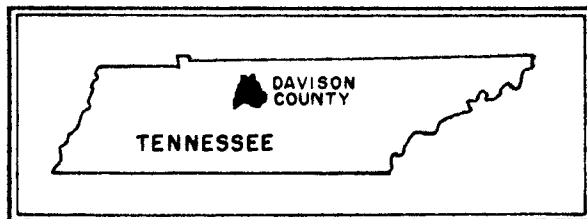
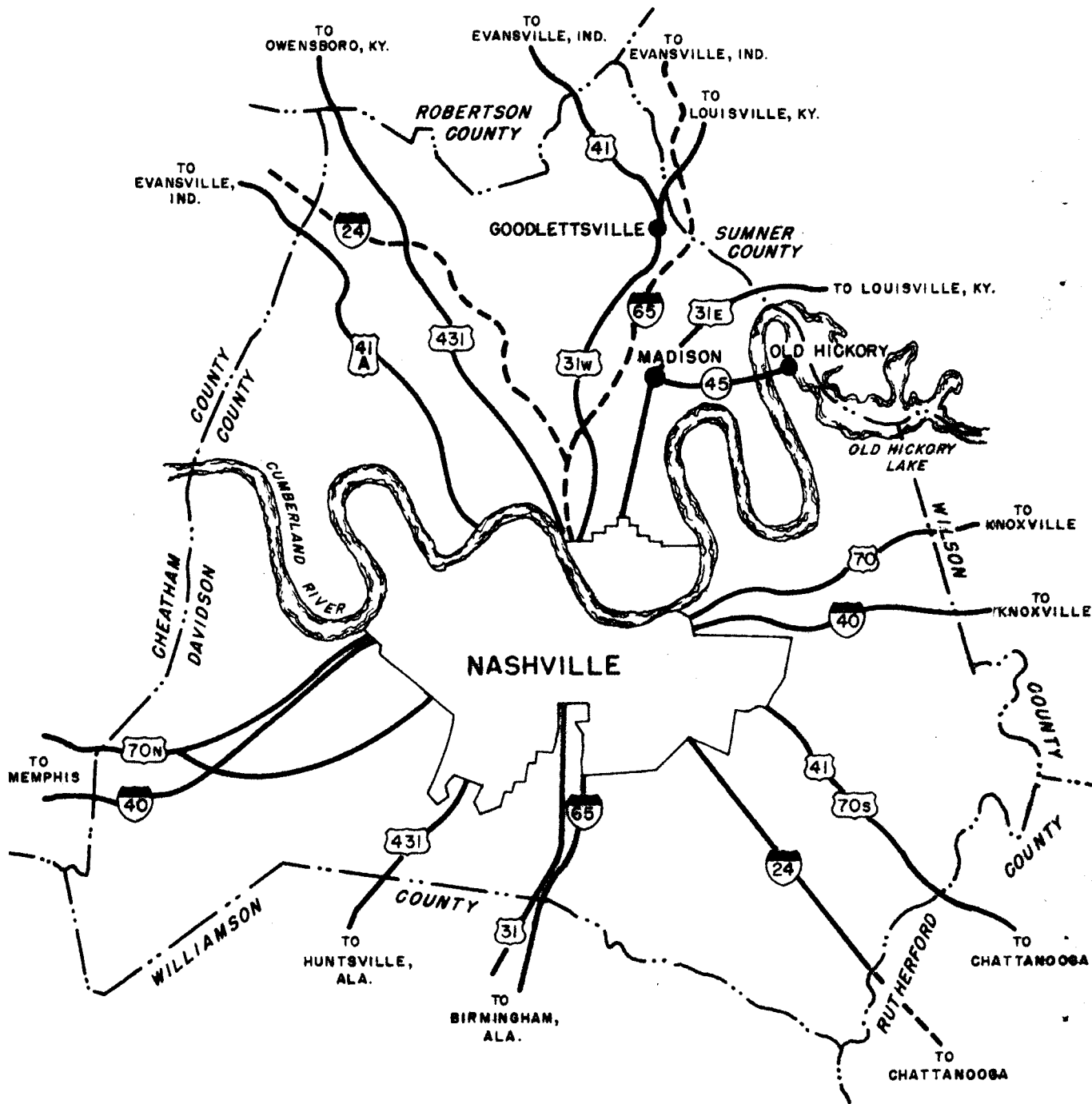
Economy of the Area

Work Force

In 1964, the Nashville Labor Market Area (LMA) was expanded to include Davidson, Sumner, and Wilson Counties. A comparison of 1963 wage and salary employment data for the old and new labor market areas indicates that the two counties added 13,300 wage and salary workers to the 151,400 in Davidson County, an increase of about nine percent. Although the proportion of manufacturing workers to total wage and salary employment was 30 percent in the expanded three-county area, compared with 28 percent in the one-county area, the change did not materially affect the distribution of employment by industry, and it is judged that the employment trends discussed below for the three-county area are representative of the employment trend in the Nashville HMA.

According to estimates of the Tennessee Department of Employment Security, the civilian work force in the Nashville Labor Market Area averaged 247,600 workers in 1967, an increase of 27,600 (9,200 a year) since 1964. The 1967 average included 206,500 nonagricultural wage and salary workers, 34,200 other workers including agricultural, the self-employed, domestics, and

NASHVILLE, TENNESSEE, HOUSING MARKET AREA



unpaid family workers and 6,900 unemployed persons seeking work (see table I). The civilian work force in the three-county area grew by 11,000 between 1964 and 1965 and by 12,600 between 1965 and 1966, but expanded by only 4,000 between 1966 and 1967.

Employment

1967 Estimate and Past Trend. Nonagricultural wage and salary employment in the Nashville LMA averaged 206,500 in 1967, an increase of only 5,200 above the average reported for 1966 (see table II). Increases in wage and salary employment were much higher in the preceding two years, as shown in the following table.

Trend of Nonagricultural Wage and Salary Employment
Davidson, Sumner, and Wilson Counties, Tennessee
Annual Averages, 1964-1967
(in thousands)

<u>Year</u>	<u>Wage and salary employment</u>			<u>Change in total from preceding date</u>		
	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total</u>
1964	51.6	125.0	176.6	-	-	-
1965	55.5	132.3	187.8	3.9	7.3	11.2
1966	60.8	140.5	201.3	5.3	8.2	13.5
1967	61.1	145.4	206.5	0.3	4.9	5.2

Source: Tennessee Department of Employment Security.

The increase in manufacturing employment of 300 between 1966 and 1967 was preceded by increases of 3,900 and 5,300 during 1965 and 1966. Increases during those years occurred principally in the chemical, fabricated metals, and transportation equipment industries. Employment in printing and publishing, the largest Nashville industrial group, also increased steadily. The increase in manufacturing employment between 1966 and 1967 resulted from moderate increases of 800 jobs in transportation equipment, 100 in fabricated metals, 900 in printing and publishing, and 100 in lumber. During the same period, employment in the machinery and apparel industries declined by 400 and 300, respectively. Some other manufacturing industries experienced a declining rate of employment growth, and there was a loss of 1,200 jobs at firms classified as "other" manufacturing concerns.

Nonmanufacturing employment, which accounted for 71 percent of all wage and salary employment in 1964, was responsible for 68 percent (20,400) of the increase in wage and salary employment in the LMA between 1964 and 1967. Employment growth in the nonmanufacturing sector of the local economy was uneven over the three-year period, with three-fourths of the increase (15,500) taking place between 1964 and 1966 and only one-fourth (4,900) between 1966 and 1967. Over 80 percent of the employment growth during the three years occurred in those nonmanufacturing activities (trade, services, and government) that serve both a local and a regional function. Gains in the other nonmanufacturing enterprises were much more modest.

The employment trend in the Nashville area was similar to the trend in the United States and in the state of Tennessee. Nonagricultural wage and salary employment in the United States experienced a declining rate of increase in 1967 following two years of comparatively rapid growth. Nationally, wage and salary employment increased by 2.50 million (4.3 percent) between 1964 and 1965 and by 3.15 million between 1965 and 1966. Between 1966 and 1967, the increment was 2.08 million (3.3 percent), an increase that was only two-thirds as great as that which occurred between 1965 and 1966. Recent wage and salary employment trends in the United States, the state of Tennessee, and the Nashville LMA are shown in the following table.

Trend of Nonagricultural Wage and Salary Employment
United States, State of Tennessee, and Nashville LMA
Annual Averages, 1964-1967
(in thousands)

Year	United States	State of Tennessee	Nashville LMA	Annual change in total					
				United States		State of Tennessee		Nashville LMA	
				Number	%	Number	%	Number	%
1964	58,332.0	1,045.5	176.6	-	-	-	-	-	-
1965	60,832.0	1,107.1	187.8	2,500.0	4.3	61.6	5.9	11.2	6.3
1966	63,982.0	1,186.4	201.3	3,150.0	5.2	79.3	7.2	13.5	7.2
1967 ^{a/}	66,062.0	1,216.4	206.5	2,080.0	3.3	30.0	2.5	5.2	2.6

^{a/} Preliminary.

Sources: United States Bureau of Labor Statistics and Tennessee Department of Employment Security.

In Tennessee, the annual rate of increase in wage and salary employment was well above the national rate between 1964 and 1966, but the 1966-1967 increase was below the rate of growth nationally. Between 1961 and 1966, the economy of Tennessee experienced an impressive rate of growth. It ranked among the first ten states in its increase in nonagricultural jobs during this period, and its rate of growth far exceeded that of the national economy. The increase in manufacturing jobs has been especially significant in recent years, totaling 81,000 over the three-year 1964-1966 period. The rate of increase in manufacturing jobs in the state during this period was over 23 percent, compared with less than 13 percent in the nation as a whole. The growth of the Tennessee economy, especially during the mid-1960's, was influenced by a record number of new plants locating in the state, expansion of existing plant facilities, and capital investment. The declining rate of economic growth in Tennessee during 1967 can be attributed, in large part, to a decline in industrial development throughout the state.

Between 1964 and 1965, nonagricultural wage and salary employment in the Nashville LMA grew at a rate above that of both the state and the nation, while the 1965-1966 rate exceeded the national trend and equalled the state-wide rate of 7.2 percent. The 2.6 percent rate of increase in the Nashville area between 1966 and 1967 was about the same as the increase experienced throughout the state and was below that of the national rate of growth. In addition to being adversely affected by the decline in capital investment in Tennessee, employment growth in the Nashville area (as well as in other major metropolitan areas in the state) has been adversely affected in recent years by the rapid growth of employment at manufacturing plants located outside metropolitan areas. During the three years 1964-1966, manufacturing employment outside the metropolitan areas of Tennessee increased by 46,900, or 28 percent; comparable figures for the combined metropolitan areas were 34,100, an increase of 19 percent. In 1963, nearly 52 percent of the total manufacturing employment in Tennessee was concentrated in the metropolitan areas, but by 1966 the proportion had declined to less than 50 percent as the result of the more rapid growth of industry in the smaller cities and towns. Although during the same period the rate of employment growth in most metropolitan areas was accelerating, the combination of a declining rate of capital investment, the continued decentralization of industry throughout the state, and smaller-than-usual increases in nonmanufacturing employment resulted in a much lower rate of employment growth in the Nashville area in 1967, as compared with the previous two years.

Unemployment

The Tennessee Department of Employment Security reported that there was an average of 6,900 persons unemployed in the Nashville LMA in 1967, representing an unemployment ratio of 2.8 percent (see table I). The moderate increase in unemployment during 1967 was a reversal of the

1964-1966 trend. During this two-year period, unemployment in the three-county labor market area declined from 8,200 (3.7 percent) in 1964 to 6,600 (2.9 percent) in 1965, then dropped still further to 5,900 (2.4 percent) in 1966. Although data prior to 1964 are not comparable with the present employment series, the comparatively low rates of unemployment in 1966 and 1967 are, in all probability, the lowest rates experienced in the Nashville area in the last ten years.

Future Employment Prospects

Nonagricultural wage and salary employment in the Nashville Labor Market Area is expected to increase by 14,500, an average of 7,250 a year, during 1968 and 1969. An estimated 85 to 90 percent of the increase is expected in the Nashville HMA. The projected January 1968-January 1970 increase is well above the 3,300 increase in wage and salary jobs between 1966 and 1967, but is below the 1964-1966 average increase of 12,350 a year.

Although manufacturing employment in the Nashville area increased only slightly between 1966 and 1967, local sources report an increase in expenditures for industrial development during 1967 that should create new manufacturing jobs during 1968 and 1969. In late 1967, a manufacturer of precision printing equipment completed a \$4.5 million building and eventually will employ 1,000 workers at the facility. New industrial firms expected to locate in the Nashville area during 1968 and 1969 include a houseboat manufacturer, a manufacturer of alternating current motors, and a truck assembly plant. Initial employment at these three facilities is expected to total 1,450 workers.

Despite the new plant openings, it is unlikely that employment growth in the manufacturing sector over the remainder of the decade will approach the 4,600 average annual increase between 1964 and 1966. Those years were characterized by unprecedented increases in nonfarm employment throughout Tennessee because of large-scale capital investment in new plants and the expansion of existing facilities. Another development that will tend to slow growth in the manufacturing sector locally is the recent tendency in Tennessee to establish manufacturing plants outside metropolitan areas. Despite this decentralizing trend, the recent increase in local industrial development suggests that an increase of 4,500 in manufacturing employment during 1968 and 1969 (2,250 a year) is a reasonable expectation. Because of the fact that two of the manufacturing concerns mentioned above were still under construction in early 1968, somewhat over one-half of the January 1968-January 1970 increase is expected during 1969.

The growth of employment in the nonmanufacturing groups averaged 7,750 a year during the rapid development of the Nashville economy between 1964 and 1966, but the 1966-1967 increase was only 4,900. On balance, employ-

ment growth in the nonmanufacturing sector of the Nashville economy during 1968 and 1969 should exceed 1966-1967 experience, but probably will not equal the 1964-1966 trend, a period of larger-than-usual growth in the various manufacturing industries. Most of the employment growth is expected in trade, services, and government; these non-manufacturing categories comprised nearly 53 percent of the wage and salary employment in the three-county area in 1967, a reflection of the importance of the local economy in the middle Tennessee area. Increases in total nonmanufacturing employment between January 1968 and January 1970 averaging 5,000 a year appear to be a reasonable expectation.

Family Incomes

As of January 1968, the estimated median annual income of all families in Davidson County was \$6,825, after deduction of federal income tax. The median after-tax income of renter households of two persons or more was somewhat lower at \$4,650. About 23 percent of all families and 42 percent of all renter households had after-tax incomes of less than \$4,000, while 13 percent of all families in the HMA and four percent of the renter households earned after-tax incomes of \$12,500 or more. As shown in table III, median after-tax incomes are expected to increase to \$7,200 for all families and to \$4,925 for all renter households by 1970.

Demographic Factors

Population

January 1968 Estimate and Past Trend. On January 1, 1968, there were an estimated 473,500 persons in the Nashville HMA, an increase of 32,500 since January 1, 1965, the date of the last FHA market study. The January 1965-January 1968 growth represented an average annual increase of 10,850 persons. Employment trends in the Nashville area suggest that population growth in the HMA during 1965 and 1966 was well above that which occurred during 1967. During 1965 and 1966 wage and salary employment increased by an average of 12,350 a year. Population growth during most of the 1965-1968 period was above that which occurred in the first half of the decade. As shown in the following table, population growth in Davidson County averaged 8,675 a year between April 1960 and January 1965, a rate of increase that was 20 percent below the January 1965-January 1968 experience.

Changes in Population
Nashville, Tennessee, Housing Market Area
April 1, 1960-January 1, 1970

<u>Date</u>	<u>Population</u>	<u>Average annual change from preceding date^{a/}</u>
April 1, 1960	399,743	-
January 1, 1965	441,000	8,675
January 1, 1968	473,500	10,850
January 1, 1970	492,500	9,500

^{a/} Rounded.

Sources: 1960 Census of Population. 1965, 1968, and 1970 estimated by Housing Market Analyst.

Future Population Growth. On the strength of projected employment growth during 1968 and 1969, the population of the Nashville HMA is expected to increase to 492,500 persons by January 1970, an average of 9,500 a year above the January 1968 estimate. Based on recent construction trends, accelerated population growth is expected to the southeast of downtown Nashville between Murfreesboro Pike and Interstate Route 24, and to the east between the downtown area and the Percy Priest Reservoir, which is scheduled to be completed sometime in 1968.

Net Natural Increase. Reflecting the decline in the birth rate in the HMA in recent years, the net natural increase (excess of resident births over resident deaths) averaged 4,125 a year between 1965 and 1968, compared with an average of 6,050 between April 1960 and January 1965. The total population of Davidson County increased by 10,850 a year between January 1965 and January 1968, indicating a net in-migration of 6,725 persons that equaled 62 percent of the total annual growth. This was well above the experience in the first half of the decade when only 30 percent of the annual population growth was attributed to in-migration. The sharp increase in the rate of in-migration in recent years was the result of the sharp increase in job opportunities during 1965 and 1966. In-migration undoubtedly slowed significantly during 1967 when a decline in the rate of employment growth occurred.

Components of Population Change
Nashville, Tennessee, Housing Market Area
April 1, 1960-January 1, 1968

<u>Component of change</u>	<u>Average annual change</u>	
	<u>1960-1965</u>	<u>1965-1968</u>
Total population increase	<u>8,675</u>	<u>10,850</u>
Net natural increase	<u>6,050</u>	<u>4,125</u>
Net in-migration	<u>2,625</u>	<u>6,725</u>

Source: Estimated by Housing Market Analyst, based on data obtained from the Tennessee State Department of Health.

Households

January 1968 Estimate and Past Trend. There were an estimated 139,300 households (occupied housing units) in the Nashville HMA in January 1968, an increase of 11,200 (3,735 a year) since January 1965. The April 1960-January 1965 increase of 13,450 households, an average of 2,825 annually, occurred during a period of generally slower economic growth. The following table summarizes household trends in the county since April 1960 and provides a two-year projection to January 1970.

Changes in Households
Nashville, Tennessee, Housing Market Area
April 1, 1960-January 1, 1970

<u>Date</u>	<u>Households</u>	<u>Average annual change from preceding date^{a/}</u>
April 1, 1960	114,635	-
January 1, 1965	128,100	2,825
January 1, 1968	139,300	3,725
January 1, 1970	145,500	3,100

a/ Rounded.

Sources: 1960 Census of Housing. 1965, 1968, and 1970 estimated by Housing Market Analyst.

Future Household Growth. Based on the projected gains in population, and on the assumptions that the average household size in the county will continue to decline and that the non-household population will continue to increase slightly, the number of households in the HMA is expected to increase by an average of 3,100 annually during 1968 and 1969 to a total of 145,500 by January 1, 1970. The projected annual increase is below the average annual gain of 3,725 experienced between 1965 and 1968, an increase that reflects the accelerated rate of economic growth during 1965 and 1966, but is 10 percent above the average annual increase in the first half of the 1960's.

Household Size. Following the national trend, the average household size in the HMA has declined rather sharply in recent years, from an estimated 3.28 persons in January 1965 to 3.24 persons in 1968. According to estimates of the U. S. Bureau of the Census, the average size of households nationally declined from 3.33 persons in 1964 to 3.28 persons in 1967, reflecting a continuing decline in birth rates and a more rapid increase in one-person households than in family households. These trends are evident in the Nashville area; the decline in the birth rate locally has been sharp in recent years. The average household size in the HMA is expected to decline further during the remainder of the 1960 decade.

Housing Market Factors

Housing Supply

January 1968 Estimate and Past Trend. On January 1, 1968, there were approximately 145,800 housing units in Davidson County, a net gain of 10,600 since January 1965, an average increase of 3,525 a year. The 1965-1968 increase resulted from the construction of 13,000 new housing units and the addition of 600 mobile homes, less the removal of an estimated 3,000 housing units because of demolitions, fire loss, and other causes. Between 1960 and 1965, a period characterized by a lower level of new residential construction, the housing supply in the HMA increased from 120,800 units to 135,200, a gain of 14,350 (3,025 a year).

Residential Building Activity

Past Trend. As shown in the following table, new residential construction in Davidson County, as measured by building permits, declined from 4,923 in 1964 to 4,130 in 1966. In 1967, an estimated 5,050 housing units were authorized, a post-1960 high. The annual volume of new construction in recent years has been well above the average of 3,500 units authorized each year between 1960 and 1963. In the past several years, well over 97 percent of the new residential construction in the HMA has occurred in jurisdictions which require building permits.

New Housing Units Authorized by Building Permits
Nashville, Tennessee, Housing Market Area
Annual Totals, 1964-1967

<u>Year</u>	<u>Single- family</u>	<u>Multi- family</u> ^{a/}	<u>Total</u>
1964	2,053	2,870	4,923
1965	2,266	2,138	4,404
1966	1,803	2,327	4,130
1967	2,400	2,650	5,050

^{a/} Includes 220 public low-rent housing units in 1964 and 226 in 1967.

Sources: Data for 1964 through 1966 from U. S. Bureau of the Census, Construction Reports C-40 and C-42. 1967 estimated by Housing Market Analyst, based on data obtained from the Bureau of the Census and the Codes Administration Office of Nashville-Davidson County.

Single-family house construction in the Nashville area has been fairly stable over the past several years. An average of 2,125 single-family houses was authorized annually during the four-year 1964-1967 period; yearly totals ranged from a low of 1,803 in 1966 to a high of 2,400 in 1967. The 1,803 single-family houses authorized in 1966, a post-1960 low, was a reflection of the restricted supply of mortgage money available that year. However, the number of single-family houses authorized increased by a third in 1967, with the annual total equalling the 1961 high. The 1964-1967 average of 2,125 compares favorably with the average of 2,225 single-family houses authorized from 1960 to 1963.

Unlike single-family building, new private multifamily construction in the county has accelerated since 1963. As measured by building permits, an average of 1,150 new private multifamily units was authorized annually between 1960 and 1963, compared with an average of 2,375 annually between 1964 and 1967. Interestingly, authorizations for private multifamily units in 1966 were above the 1965 total, contrary to the experience in many other metropolitan areas in the nation. Permits for multifamily units increased from 36 percent of all authorizations between 1960 and 1963 to 54 percent of the total during the 1964-1967 interval.

Units Under Construction. Based on the results of the postal vacancy survey conducted in Davidson County in February 1968 and on the adjustment of building permit data to reflect average construction time for both single-family houses and multifamily projects, it is estimated that there were 2,200 housing units under construction in the HMA in January 1968, including 550 single-family houses and 1,650 multifamily units. Most of the single-family houses under construction were in moderate-sized subdivisions located to the southeast, east, and northeast of downtown Nashville.

Demolitions. Losses to the housing inventory in the HMA resulting from demolition have been rather significant since 1960, totalling an estimated 5,800 units. Many of the demolitions, about 1,500, occurred in the early 1960's in the East Nashville Urban Renewal Area. Between 1965 and 1968 most of the demolition activity in the HMA was in the Edgehill Urban Renewal Area. The Nashville Housing Authority estimates that 1,700 families in the HMA will be displaced during 1968 and 1969 as a result of governmental action. Based on data obtained from local sources, it is estimated that 2,500 housing units will be removed from the inventory in Davidson County between January 1968 and January 1970 because of urban renewal programs, highway construction, and code enforcement.

Tenure of Occupancy

January 1968 Estimate and Past Trend. As shown in the following table, the increase in multifamily construction in recent years is reflected in the slight increase in the proportion of renter-occupancy between 1965 and 1968. In January 1968, an estimated 39.2 percent of the occupied inventory was renter-occupied, compared with 38.6 percent in early 1965. This shift from owner to renter will continue if, as appears likely, multifamily construction in the area continues to predominate. The post-1965 trend is a reversal of that of the 1960-1965 period, when the proportion of renter-occupancy in the HMA declined from 39.1 percent to 38.6 percent.

Trend of Household Tenure Nashville, Tennessee, Housing Market Area April 1, 1960-January 1, 1968

<u>Tenure</u>	<u>April 1, 1960</u>		<u>January 1, 1965</u>		<u>January 1, 1968</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Owner-occupied	69,865	60.9	78,600	61.4	84,700	60.8
Renter-occupied	44,770	39.1	49,500	38.6	54,600	39.2
Total	114,635	100.0	128,100	100.0	139,300	100.0

Sources: 1960 Census of Housing.
1965 and 1968 estimated by Housing Market Analyst.

Vacancy

January 1965 Estimate. There were an estimated 4,300 available vacant housing units in the HMA in January 1965, a net vacancy rate of 3.2 percent. Of the total available vacancies, 1,600 were for sale, representing a homeowner vacancy ratio of 2.0 percent, and 2,700 were available for rent, indicating a rental vacancy ratio of 5.2 percent. Between 1960 and 1965, there was no change in the homeowner vacancy rate and only a small increase in the renter vacancy rate.

Postal Vacancy Surveys. The results of a postal vacancy survey conducted in Nashville and three other Davidson County communities in February 1968 are shown in table IV. Including trailers, the survey covered nearly 131,800 total possible deliveries, over 90 percent of the housing supply in the HMA. The survey counted about 1,750 vacant residences, a vacancy ratio of 1.6 percent, and about 920 vacant apartments, a 4.5 percent vacancy factor. A total of 460 residences and 1,575 apartments were under construction in the survey area (see Appendix A, paragraph 7).

A postal vacancy survey also was conducted in the HMA in November 1964. The results of both the 1964 and 1968 surveys are shown in the following table. They indicate a downward trend in vacancy in both residences and apartments over the past three years, although vacancy did increase slightly in the Madison area because of low occupancy ratios in a few projects.

Vacancy Rates Shown by Postal Vacancy Surveys
Nashville, Tennessee, Housing Market Area
November 1964 and February 1968

<u>Postal areas</u>	<u>Percent vacant</u>					
	<u>Residences</u>		<u>Apartments</u>		<u>Over-all</u>	
	<u>1964</u>	<u>1968</u>	<u>1964</u>	<u>1968</u>	<u>1964</u>	<u>1968</u>
Total, all areas	2.1	1.6	8.2	4.5	2.8	2.0
Nashville	2.1	1.5	8.0	4.1	2.7	2.0
Goodlettsville	2.5	1.9	0.0	0.0	2.5	1.9
Madison	3.0	2.3	10.7	12.7	3.6	3.7
Old Hickory	2.8	1.2	25.0	7.4	2.9	1.7

Source: Postal vacancy surveys conducted by cooperating postmasters in the Nashville area.

Vacancies in FHA-Insured Projects. Vacancies in FHA-insured apartment projects also have declined in recent years. According to the March 1967 occupancy survey there were 1,950 units in 30 projects in the HMA which were insured under Sections 207, 220, 221, and 608 of the National Housing Act. Of the units surveyed in 1967, fewer than 30 (1.4 percent) were vacant. The March 1966 survey reported that 80 units (4.1 percent) were vacant. The 1966 and 1967 surveys indicate a steady improvement in occupancy since March 1964 when 6.8 percent of all units surveyed were vacant.

January 1968 Estimate. The results of the two postal vacancy surveys and other vacancy data available in the Nashville area indicate that both sales and rental vacancies declined between 1965 and 1968. On January 1, 1968, there were an estimated 3,300 available vacant units in Davidson County, a net vacancy ratio of 2.3 percent. Of these units, 1,300 were available for sale, a homeowner vacancy ratio of 1.5 percent, and 2,000 units were available for rent, a rental vacancy rate of 3.5 percent. As shown in the following table, the number of vacancies in 1968, both quantitatively and relatively, were below the April 1960 and January 1965 levels in both the sales and rental inventories.

Trends in Vacancy
Nashville, Tennessee, Housing Market Area
April 1, 1960-January 1, 1968

<u>Vacancy</u>	<u>April 1, 1960</u>	<u>January 1, 1965</u>	<u>January 1, 1968</u>
Total vacant housing units	<u>6,212</u>	<u>7,100</u>	<u>6,500</u>
Available vacant units	<u>3,797</u>	<u>4,300</u>	<u>3,300</u>
For sale only	<u>1,395</u>	<u>1,600</u>	<u>1,300</u>
Homeowner vacancy rate	2.0%	2.0%	1.5%
For rent	2,402	2,700	2,000
Rental vacancy rate	5.1%	5.2%	3.5%
Other vacant units ^{a/}	2,415	2,800	3,200

^{a/} Includes vacant seasonal units, units sold and awaiting occupancy, dilapidated units, and units held off the market.

Source: 1960 Census of Housing. 1965 and 1968 estimated by Housing Market Analyst.

There were 5,050 housing units authorized by building permits in the HMA in 1967, a post-1960 high, and about 2,200 housing units were under construction in the county at the beginning of 1968. This upsurge in new construction has occurred even though population gains during 1968 and 1969 are expected to be somewhat below the rate of growth experienced during the preceding three years. Consequently, vacancies in the HMA, especially in apartments, may increase in 1968 when the bulk of the units under construction are completed.

Sales Market

General Market Conditions. Homeowner vacancy ratios in the HMA declined from 2.0 percent in 1965 to 1.5 percent at the beginning of 1968. Much of the decrease occurred during 1965 and 1966, when employment grew rapidly and single-family houses authorized declined to a post-1960 low in 1966. Despite an increase in the number of unsold new houses as reported

by the unsold inventory survey conducted by the FHA, the sales market in Davidson County appeared to be in good balance at the beginning of 1968. In 1967, the sales market in the HMA was characterized by increasing land, construction, and loan costs that resulted in corresponding increases in the price of new housing. A resistance to these higher prices appeared to develop, and new homes did not sell as rapidly as before. However, speculative construction in the HMA as a proportion of the total construction volume was higher in 1967 than in 1966, and many of the unsold houses were completed in the fall of the year. Some local builders and lenders believed that the sales market would recover when prospective home buyers accepted the fact that the costs of homeownership likely would continue to increase in 1968.

Unsold Inventory Surveys. In January of recent years, the Knoxville FHA Insuring Office has surveyed subdivisions in Davidson County in which five or more houses has been completed in the twelve-month period preceding the date of the survey. The proportion of unsold speculatively-built new construction increased from 16 percent at the time of the January 1967 survey (100 houses) to 24 percent in January 1968 (190 houses). This increase was preceded by a slight decline from 17 percent of the unsold new construction reported by the January 1966 survey to 16 percent in January 1967. Over 56 percent of the houses completed in 1967 were built speculatively, a higher proportion than in 1965 (49 percent) or 1966 (45 percent). The results of the three surveys, when compared by price class, indicated that the sales prices of new single-family homes were increasing. Houses priced at \$20,000 and above accounted for 34 percent of all completions in 1967, compared with 30 percent in 1966 and 25 percent in 1965. Conversely, new houses priced under \$15,000 declined from 25 percent of all completions in 1965 to 16 percent in 1967. Although the number of unsold speculatively-built houses increased from 100 in January 1967 to 190 in January 1968, about 95 percent of the unsold houses completed in 1967 had been on the market three months or less.

Rental Market

General Market Conditions. Despite the continued high level of multifamily construction in the HMA, many indicators point to a decline in rental vacancies between 1965 and 1968. The February 1968 postal vacancy survey reported a 4.5 percent vacancy rate in apartments, significantly below the 8.2 percent vacancy rate reported by the November 1964 survey. Three recent occupancy surveys, one conducted by the FHA and two by local lending institutions, indicate that multifamily projects completed in recent years have had good market acceptance in most locations. The decline in the over-all rental vacancy ratio from 5.2 percent in January 1965 to an estimated 3.5 percent in January 1968 occurred despite the fact that an average of 2,375 private multifamily units were authorized during the three-year period. A few projects completed in recent years have had difficulty in

reaching a satisfactory level of occupancy, but this appears to be a reflection of specific management problems and locational disadvantages.

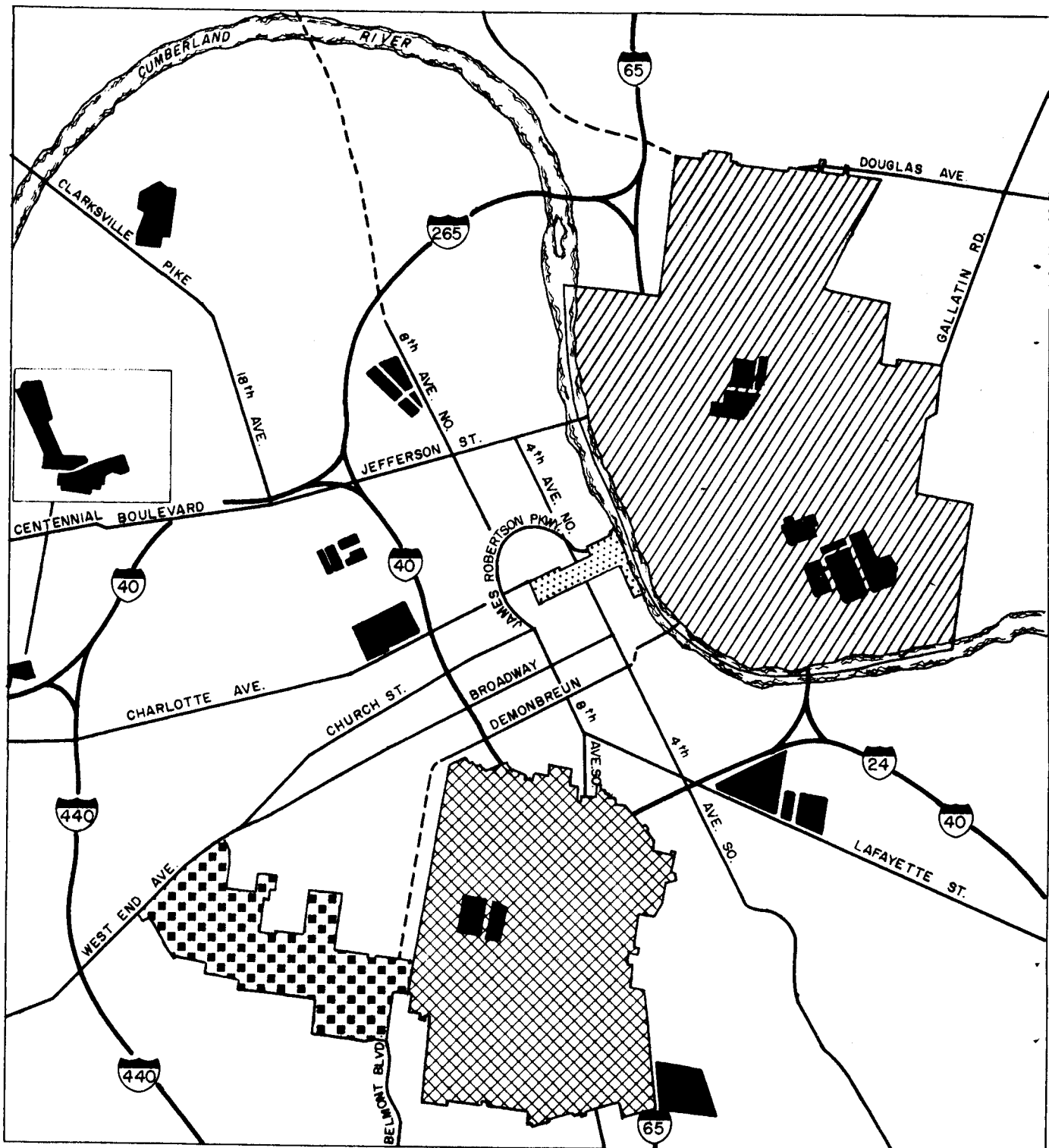
Absorption of Recent Inventory Additions. In January 1968, the FHA surveyed 3,850 units in 30 projects and found an occupancy ratio of over 90 percent. The survey included two projects that had been on the market only one month and one older project in the Madison area of Davidson County that has consistently had a high level of vacancies for reasons unrelated to market factors. If these projects are excluded from the survey results, the occupancy ratio would have been nearly 97 percent. Two local lending institutions also have conducted occupancy surveys in recent months, one in June 1967 and the other in February 1968. The June 1967 survey covered 5,675 units in 60 projects, most of which had been completed in the last three or four years. Of the units surveyed, about 5,525 (97 percent) were occupied. The February 1968 survey, which covered some of the projects included in the June 1967 survey plus several projects completed in the interim, also reported a 97 percent occupancy ratio; this survey covered over 5,825 units. Occupancy in the thirteen high-rise apartment buildings in the Nashville area was reported to be 99 percent in June 1967 and over 97 percent in February 1968. Both surveys reported occupancy in garden apartments at 97 percent. Over-all, the three surveys mentioned above indicate satisfactory absorption experience in the Nashville area.

Urban Renewal






In early 1968, there were two urban renewal projects in the HMA in execution and two were in planning. The East Nashville Urban Renewal Project (R-13), shown on the map on the following page, is nearing completion. The project combines rehabilitation, conservation, and redevelopment. As of January 1968, over 2,000 houses and 200 businesses had been rehabilitated at an investment of over \$7 million, nearly 290 families were relocated in low-rent public housing, and over 850 other families either purchased or were renting standard private housing. Redevelopment has involved the clearance of about 1,550 structures. Other improvements in the area include two new fire halls, three power substations, and new streets, curbs, and gutters.

The Edgehill Urban Renewal Project (R-69), also in execution, is located south of downtown Nashville. In general, this 1,078-acre renewal area is bounded on the north by Division Street, on the east by the L & N Railroad just east of Ridley Boulevard, on the south by Ashwood and Bradford Avenues, and on the west by an alley between Villa Place and Sixteenth Avenue South. Much of the project area is being completely rebuilt, with an improved street system. New houses and apartments are expected to replace the existing substandard housing. Properties in approximately 40 percent of the project area are scheduled for rehabilitation and conservation

URBAN RENEWAL AND PUBLIC HOUSING IN DAVIDSON COUNTY, TENNESSEE AS OF JANUARY 1968



URBAN RENEWAL AND PUBLIC HOUSING PROGRAMS KEY

-  CENTRAL LOOP G. N. R. P. PROJECT ONE
-  EAST NASHVILLE
-  EDGEHILL
-  UNIVERSITY CENTER AREA ONE
-  PUBLIC HOUSING PROGRAMS

and will be upgraded to acceptable standards. Some major thoroughfares will be widened and new sewers are to be built. A total of 1,550 families, 450 individuals, and 150 businesses are scheduled to be displaced. As of early 1968, about 300 families, 100 individuals, and 40 businesses had been relocated. About 100 families were relocated in public housing and 150 others moved into standard private housing. It is expected that an additional 440 families will be relocated during 1968 and 1969. Nearly 290 substandard structures had been razed by January 1968.

The first stage of the University Center Urban Renewal Project (R-51) is scheduled to go into execution sometime in 1968. The area, which encompasses 317 acres just south of the Peabody College and Vanderbilt University campuses, is bounded on the north by West End Avenue, on the east by an alley between Sixteenth Avenue South and Villa Place, on the south by Portland Avenue, Acklen Avenue, and the alley between 32nd and 33rd Streets. The primary objectives of the project are the expansion of the educational institutions in the area, zoning changes, separation of storm and sanitary sewers, the improvement of water and electric service to accommodate institutional growth, and the improvement of major thoroughfares to relieve traffic congestion. About 310 families will be relocated by January 1970.

The Central Loop General Neighborhood Renewal Plan, Project One (R-72), also in the planning stage, comprises an area in downtown Nashville between Union Street and Charlotte Avenue extending from Seventh Avenue North to the Cumberland River. Major developments proposed in the plan will be new office buildings for the state and metropolitan governments, two new bank buildings, off-street parking, and the widening of Deaderick Street to provide for a tree-lined boulevard from the courthouse to the new plaza proposed at Memorial Square. The execution of this project will not involve the displacement of any families.

Public Housing

In January 1968, there were about 4,900 housing units in the HMA under the management of the Nashville Housing Authority, including 400 units in two projects designed specifically for elderly occupants. The current inventory includes the following: 288 efficiencies, 1,118 one-bedroom units, 1,972 two-bedroom units, 1,157 three-bedroom units, 306 four-bedroom units, and 63 five-bedroom units. In addition to the current supply of public low-rent housing, there was a 226-unit project under construction in January 1968.

Demand for Housing

Quantitative Demand

The demand for additional new housing in the Nashville HMA during 1968 and 1969 is primarily a function of new household growth, estimated at 6,200, or 3,100 a year, and on the number of units expected to be demolished, an estimated 2,500. The continuing trend from owner- to renter-occupancy also has been considered. Based on these considerations, the demand for additional new housing in the HMA (excluding rent-supplement accommodations and public low-rent housing) is estimated at 4,300 units annually over the two-year forecast period, including 2,000 single-family houses and 2,300 multifamily units. The annual multifamily total includes 475 units which may be marketed at rent levels associated with below-market-interest-rate financing or assistance in land acquisition and cost.

Qualitative Demand

Single-Family Housing. The annual demand for 2,000 single-family houses is expected to approximate the distribution shown in the following table. It is based on a distribution of families in the Nashville area by 1968 after-tax income, on the proportion of income that these families typically have paid for new sales housing in the recent past, and on recent market experience (see Appendix A, paragraph 9).

Estimated Annual Demand for New Single-Family Houses
Nashville, Tennessee, Housing Market Area
January 1, 1968 to January 1, 1970

<u>Price range</u>	<u>Number of houses</u>	<u>Percent</u>
Under \$15,000	320	16
\$15,000 - 17,499	520	26
17,500 - 19,999	440	22
20,000 - 22,499	240	12
22,500 - 24,999	180	9
25,000 - 29,999	160	8
30,000 and over	140	7
Total	2,000	100

Multifamily Housing. The monthly rentals at which 1,825 privately-owned net additions to the multifamily housing inventory might best be absorbed in the Nashville HMA at rents possible with market-interest-rate financing are shown in the following table (see Appendix A, paragraphs 10 and 11).

Estimated Annual Demand for New Private Multifamily Housing
At Rents Achievable With Market-Interest-Rate Financing
Nashville, Tennessee, Housing Market Area
January 1, 1968 to January 1, 1970

Monthly gross rent ^{a/}	Number of units by bedroom size			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$ 90 \$109	15	-	-	-
110 - 129	15	200	-	-
130 - 144	10	175	375	-
145 - 159	10	125	235	20
160 - 169	5	80	110	20
170 - 179	-	70	60	15
180 - 189	-	50	45	15
190 - 199	-	30	30	10
200 and over	-	20	50	35
Total	<u>55</u>	<u>750</u>	<u>905</u>	<u>115</u>

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

In addition to the estimated annual demand for 1,825 multifamily units expressed above, a total of 475 additional private multifamily units possibly could be absorbed annually in the HMA at lower rent levels achievable only if public benefits or assistance in land purchase or financing is utilized, exclusive of public low-rent housing, rent-supplement accommodations, and housing provided with other types of direct subsidy. These include 130 one-bedroom units, 185 two-bedroom units, 120 three-bedroom units, and 40 four-bedroom units (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 1960 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

Components of the Civilian Work Force
Davidson, Sumner, and Wilson Counties, Tennessee
Annual Averages, 1964-1967
(in thousands)

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Total civilian work force	220.0	231.0	243.6	247.6
Unemployment	8.2	6.6	5.9	6.9
Percent of work force	3.7%	2.9%	2.4%	2.8%
Total employment	<u>211.8</u>	<u>224.4</u>	<u>237.5</u>	<u>240.7</u>
Wage and salary	<u>176.6</u>	<u>187.8</u>	<u>201.3</u>	<u>206.5</u>
Manufacturing	51.6	55.5	60.8	61.1
Nonmanufacturing	125.0	132.3	140.5	145.4
All other employment ^{a/}	35.2	36.6	36.2	34.2

^{a/} Includes agricultural workers and other nonagricultural employment consisting of the self-employed, domestics, and unpaid family workers.

Source: Tennessee Department of Employment Security.

Table II

Nonagricultural Wage and Salary Employment by Type of Industry
Davidson, Sumner, and Wilson Counties, Tennessee
Annual Averages, 1964-1967
(in thousands)

<u>Industry</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Total wage and salary employment	176.6	187.8	201.3	206.5
Manufacturing	51.6	55.5	60.8	61.1
Durable goods	<u>18.8</u>	<u>20.7</u>	<u>23.3</u>	<u>23.1</u>
Lumber	1.0	1.0	0.9	1.0
Furniture and fixtures	1.7	2.1	2.4	2.4
Stone, clay, and glass ^{a/}	3.9	-	-	-
Fabricated metals	3.9	4.1	4.6	4.7
Machinery	4.8	3.0	3.7	3.3
Transportation equipment	-	4.8	5.9	6.7
All other durable goods	3.5	5.7	5.8	5.0
Nondurable goods	<u>32.8</u>	<u>34.8</u>	<u>37.5</u>	<u>38.0</u>
Food products	6.3	6.3	6.4	6.4
Textile mill products	2.7	2.7	2.9	2.9
Apparel	4.0	4.4	4.5	4.2
Printing and publishing	7.2	7.5	8.3	9.2
Chemicals ^{b/}	5.1	-	-	-
Petroleum and rubber	-	1.5	2.0	2.0
Leather	5.1	5.5	5.7	6.1
All other nondurable goods	2.4	6.9	7.7	7.3
Nonmanufacturing	<u>125.0</u>	<u>132.3</u>	<u>140.5</u>	<u>145.4</u>
Construction	10.7	10.9	12.0	11.9
Trans., comm., and pub. util.	10.8	11.3	11.9	12.5
Wholesale and retail trade	37.5	39.6	42.4	44.3
Finance, ins., and real estate	11.7	11.8	12.4	12.6
Service and miscellaneous	28.4	30.3	31.4	32.6
Government	25.9	28.4	30.4	31.5

^{a/} Employment in the stone, clay, and glass industry is included in other durable goods after 1964.

^{b/} Employment in the chemicals industry is included in other nondurable goods after 1964.

Source: Tennessee Department of Employment Security.

Table III

Percentage Distribution of All Families and Renter Households by Estimated Annual Income
After Deduction of Federal Income Tax
Nashville, Tennessee, Housing Market Area, 1968 and 1970

<u>Annual</u> <u>after-tax income</u>	<u>1968 income</u>		<u>1970 income</u>	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{a/}</u>	<u>All</u> <u>families</u>	<u>Renter</u> <u>households^{a/}</u>
Under \$ 2,000	8	15	7	14
\$ 2,000 - 2,999	7	11	7	11
3,000 - 3,999	8	16	8	13
4,000 - 4,999	9	12	8	13
5,000 - 5,999	10	12	8	11
6,000 - 6,999	10	9	10	9
7,000 - 7,999	9	7	9	8
8,000 - 8,999	8	5	8	6
9,000 - 9,999	7	4	8	4
10,000 - 12,499	11	5	13	6
12,500 - 14,999	5	1	5	2
15,000 and over	8	3	9	3
Total	100	100	100	100
Median	\$6,825	\$4,650	\$7,200	\$4,925

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

Source: Estimated by Housing Market Analyst.

Table IV

Nashville, Tennessee, Area Postal Vacancy Survey

February 1-9, 1968

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	186,058	2,664	2.0	2,288	376	2,132	189,657	1,741	1.6	1,424	317	455	20,491	923	4.5	864	59	1,724	66	3.8	
Nashville	115,757	2,271	2.0	2,027	244	1,868	96,657	1,492	1.5	1,268	224	348	12,100	779	4.1	759	20	1,282	35	2.7	
Main Office	17,053	619	3.6	612	7	31	12,618	398	3.2	394	4	28	4,435	221	5.0	218	3	2	1	50.0	
Branches:																					
Donelson	6,293	102	1.6	73	29	27	6,075	92	1.5	63	29	27	218	10	4.6	10	-	19	1	5.3	
Jere Baxter	7,183	67	0.9	65	2	2	6,968	57	0.8	55	2	2	215	10	4.7	10	-	3	-	0.0	
Melrose	7,646	47	0.6	39	8	10	6,762	29	0.4	21	8	10	884	18	2.0	18	-	7	-	0.0	
Stations:																					
Acklen	8,132	389	4.8	384	5	1	5,077	195	3.8	192	3	1	3,055	194	6.4	192	2	-	-	-	
Airport	3,940	57	1.4	43	14	76	3,185	42	1.3	28	14	20	755	15	2.0	15	-	4	-	0.0	
East	11,023	260	2.4	255	5	189	7,578	134	1.8	129	5	21	3,445	126	3.7	126	-	18	1	5.6	
Green Hills	6,326	48	0.8	34	14	257	5,507	38	0.7	29	9	36	819	10	1.2	5	5	-	-	-	
North	11,520	168	1.5	149	19	340	10,167	101	1.0	82	19	44	1,353	67	5.0	67	-	18	1	5.6	
Northeast	8,452	118	1.4	86	32	36	7,689	107	1.4	75	32	36	763	11	1.4	11	-	760	17	2.2	
South	4,065	62	1.5	62	-	147	3,254	34	1.0	34	-	-	811	28	3.5	28	-	381	13	3.4	
Uptown	373	5	1.3	5	-	-	8	-	0.0	-	-	-	365	5	1.4	5	-	-	-	-	
West	11,145	186	1.7	132	54	202	9,722	139	1.4	95	44	73	1,423	47	3.3	37	10	53	1	1.9	
Woodbine	12,606	143	1.1	88	55	545	12,047	126	1.0	71	55	50	559	17	3.0	17	-	17	-	0.0	
Other Cities and Towns	14,301	393	2.7	261	132	169	13,000	249	1.9	156	93	107	1,301	144	11.1	105	39	442	31	7.0	
Goodlettsville	3,648	68	1.9	32	36	33	3,594	68	1.9	32	36	33	54	-	0.0	-	-	272	5	1.8	
Madison	7,216	267	3.7	177	90	127	6,239	143	2.3	92	51	65	977	124	12.7	85	39	63	17	27.0	
Old Hickory	3,437	58	1.7	52	6	9	3,167	38	1.2	32	6	9	270	20	7.4	20	-	107	9	8.4	

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, and a residence represents one possible stop with one possible delivery on a carrier's route, and apartment represents one possible stop with more than one possible delivery.

The estimates of total possible deliveries to residences, apartments, and house trailers were made by the postal carriers. The data in this table, therefore, are not strictly comparable to the corresponding data for surveys conducted prior to 1960. The combined totals, however, are as recorded in official route records.

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

**DEPARTMENT OF HOUSING
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