

728.1  
:308  
F22  
New  
Orleans  
La.  
1971

Analysis of the  
**NEW ORLEANS,  
LOUISIANA  
HOUSING  
MARKET**

as of December 1, 1971

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

May 1972

DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

MAY 16 1972

LIBRARY  
WASHINGTON, D.C. 20410

Housing Market Analysis  
New Orleans, Louisiana, as of December 1, 1971

Foreword

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

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

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

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

HOUSING MARKET ANALYSIS - NEW ORLEANS, LOUISIANA  
AS OF DECEMBER 1, 1971

The New Orleans, Louisiana, Housing Market Area (HMA) is located in the delta of the Mississippi River on the shore of Lake Ponchartrain, approximately 110 miles upstream from the Gulf of Mexico. Water access to the Gulf and to river ports on the upper Mississippi River made New Orleans one of the most important shipping centers in the United States. The New Orleans HMA is comprised of Orleans, Jefferson, St. Bernard, and St. Tammany parishes and is coextensive with the Office of Management and Budget definition of the New Orleans Standard Metropolitan Statistical Area (SMSA). The HMA had a population of about 1,059,000 as of December 1, 1971.

New Orleans has a broadly-based economy in which shipping and trade are the dominant industries. The tourist industry, medical services, oil and gas production and refining, and educational facilities round out the basic industry of the area. A small but persistent decline in manufacturing employment has undermined continued expansion in all other sectors of the economy since 1966. Decreases in employment at the NASA Michoud Operations facility during the 1967-1969 period and cutbacks in contract construction have contributed to the economic slowdown in the HMA. The net result of a gradual increase in most areas of nonmanufacturing employment and a small loss in both durable and nondurable goods manufacturing employment has been a slow rate of increase in total non-agricultural wage and salary employment since 1966. In response to employment and population trends in the HMA, housing production declined to below the 1965 level during the 1966-1970 period and exceeded the 1965 level in 1971 only because of the impact of federally-assisted housing programs.

Anticipated Housing Demand

Based upon anticipated economic and demographic trends, including intra-area migration, current demand-supply relationships, and other factors taken into consideration in this analysis, such as a continued high volume of demolitions of housing units in the existing inventory, there will be a demand for 5,925 unassisted housing units annually for the period December 1, 1971 to December 1, 1973 in the New Orleans HMA. The nonsubsidized housing units would be best absorbed if annual construction included 3,325 single-family houses and 2,600 units in multifamily structures.

Construction of both single-family and multifamily units should be distributed according to price and rent ranges and by parish as shown in tables I-A through I-E.

The suggested annual volume of 5,925 units is quite substantially below recent construction levels in both multifamily units and single-family houses, and reflects persistent high vacancy levels in the HMA in excess of levels appropriate for an area of New Orleans size, the expected growth rates and the general economic profile. The demand estimates are not a prediction of anticipated construction levels but are intended to indicate a level of construction which would restore stability to the local housing market based upon long-term expectations of economic and demographic trends in the area. The broad range of available vacant housing units in the New Orleans HMA is such that the successful absorption of a larger number of new housing units would result in structurally sound existing units remaining vacant and eventually deteriorating to unacceptable standards.

The table below indicates demand levels in the individual submarkets in the HMA.

Annual Demand for Unsubsidized Housing  
New Orleans, Louisiana, Housing Market Area  
December 1971 to December 1973

<u>Area</u>	<u>Single-family</u>	<u>Multi-family</u>	<u>Total annual demand</u>
HMA total	<u>3,325</u>	<u>2,600</u>	<u>5,925</u>
Jefferson Parish	1,750	850	2,600
Orleans Parish	750	1,500	2,250
St. Bernard Parish	525	135	660
St. Tammany Parish	300	115	415

Occupancy Potential for Subsidized Housing

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

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible

for public housing and rent supplement; there may be other requirements for eligibility--particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the New Orleans HMA, the total occupancy potential is estimated to be 4,425 units annually (see table II).

The annual occupancy potentials are based upon 1971 incomes, on occupancy of substandard housing, on estimates of the elderly population and on current income limits. They have been calculated to reflect the capacity of the market in view of current conditions. Their successful attainment may well depend upon construction in suitable, accessible locations, as well as upon an appropriate distribution among the various programs encompassing the complete range of rents and sales prices attainable.

Section 235 and Section 236 Housing. Assisted housing for families through partial payment of interest on home and project mortgages may be provided under Section 235 (sales housing) and Section 236 (multifamily projects). The Section 236 program contains additional provisions for units for elderly couples and individuals. Utilizing regular income limits,<sup>1/</sup> there is a total annual occupancy potential under both programs of 1,040 units for families and 500 units for the elderly under Section 236.

Subsidized rental housing available to moderate-income households consists of about 2,200 units constructed under Section 221(d)(3) BMIR and about 2,000 units constructed under Section 236. Of the estimated 4,200 units constructed under these two programs, about 675 were built during 1968, 725 during 1969, 1,200 during 1970 and 1,600 during 1971. None of these units are designated for occupancy by elderly couples and individuals. There are about 575 units of Section 236 and Section 221(d)(3) BMIR units under construction; none of these are designated specifically for elderly occupants. Preliminary applications have been submitted for about 5,400 units of Section 221(d)(3) rent-supplement housing and Section 236 housing.

There has been an increasing interest in housing insured under Section 235 in the New Orleans HMA. Since the inception of Section 235, there have been about 3,625 houses insured under this program. About 360 existing houses have been insured under Section 235. As of December 1, 1971, there were about 500 houses under construction for which Section 235 financing probably will be utilized. Most of the activity of Section 235 housing has been in Jefferson Parish and scattered throughout St. Bernard Parish. High land acquisition costs have severely restricted the effectiveness of this program in Orleans Parish where a large proportion of the eligible households are located. Market experience in Section 235 housing has been very good. The estimated 1,075 housing units presently under construction which are expected to be financed under either Section 235, 236, or 221(d)(3) fall well within the occupancy potential for the first year of the forecast period.

---

<sup>1/</sup> The use of exception income limits would increase the potential by approximately 25 percent.

Public Housing and Rent Supplement. These two programs serve households in essentially the same low-income group. The principal differences arise from the manner in which net income is computed and the requirement that prospective rent-supplement tenants be occupying substandard housing. For the New Orleans HMA, the annual potential for public housing is estimated at 2,155 units for families and 1,100 units for the elderly. Under the rent-supplement program, the potential for the elderly is unchanged but for families it is reduced to 1,080 units. Most of the families and all of the elderly eligible for rent supplement also are eligible for public housing. Only ten families are alternatively eligible for housing under Section 235 or Section 236, while 360 elderly couples and individuals also are eligible for assistance under Section 236.

There are 13,050 units of public housing under management in the HMA, of which 700 are designated for occupancy by the elderly. There are 630 units of public housing under construction, and program reservations have been authorized for an additional 1,100 units which can be expected to be constructed during the forecast period. These units include 600 units for elderly occupancy. All housing authorities in the HMA have active waiting lists exceeding their immediate building plans.

The 1,730 public housing units presently in development or under construction will not be sufficient to absorb the occupancy potential for the first year of the forecast period. Foreclosures of low- to moderate-income housing constructed under Sections 221(d)(3), 235, and 236 have been negligible. Therefore, while recognizing a current softening in certain segments of the nonsubsidized housing market, it is judged that there exists a substantial need for additional housing for low- and moderate-income households, particularly in Orleans Parish. Because of the imbalance between family incomes and land acquisition costs in Orleans Parish, construction under Section 235 and Section 236 is in some respects not feasible; but it must also be recognized that it is in Orleans Parish that the greatest need exists, and every effort should be made to increase the inventory of housing under these programs there. The substantial vacancy levels in the existing inventory suggests the desirability of using Section 23 leasing for additional public housing.

#### Sales Market

The market for nonsubsidized sales housing in the New Orleans HMA has improved since 1967 when employment cutbacks at the Michoud NASA facility caused a severe over-supply of sales housing. Adjustment of new home construction levels, partially because of higher interest rates between 1967 and 1970, has helped to restore equilibrium in the sales market, although a recent decline in the rate of growth in the population of the HMA has prevented complete readjustment. Comparison of FHA Summaries of Unsold Inventory for 1968 and 1970 illustrate this trend. As of January 1, 1969, 15.4 percent of all speculatively-built homes built in 1968 and covered by the survey remained unsold and 40 percent of those homes had been on the market for more than three months. As of January 1, 1971, 7.3 percent of the homes built in 1970 and covered by the survey remained unsold and 19 percent of those homes had been on the market for more than three months. Moreover, the number of speculatively-built houses covered by the survey increased from 750 in 1968

to 1,172 in 1970. Eighty-eight percent of the new homes completed in 1970 were priced under \$35,000. Less than 20 percent of all new home construction in the HMA was in Orleans Parish. This is primarily because of the shortage of suitable residential land in the parish and because the growth pattern of the HMA extends westward into Jefferson Parish.

A large increase in single-family nonsubsidized sales housing production during 1970 has prevented further correction of the demand-supply imbalance which has existed since 1967. According to a postal vacancy survey conducted in September 1970, there were 5,125 vacant residences (1.8 percent of all residences surveyed) in the HMA, compared with 5,041 vacant residences (1.9 percent of all residences surveyed) revealed in a comparable survey in April 1969. Moreover, there were 874 vacant new residences and 2,655 houses under construction in 1971 as compared to 713 vacant new residences and 1,004 houses under construction in 1969. While these statistics do not indicate a critical situation, production limited to the levels suggested would provide for a stronger market in view of the overall economic profile of the HMA.

### Rental Market

Following five consecutive years of rising construction volume from 1961 through 1965, the rental market softened considerably in New Orleans. Construction of nonsubsidized multifamily units began to decline in 1966 and continued to decline through 1968, then leveled off during 1969 and 1970. Construction volume in nonsubsidized multifamily units in 1970 was less than 50 percent of the 1965 level and approximately the same as construction activity as early as 1962. Coupled with the reduction in nonsubsidized multifamily construction activity has been an increase in vacancy rates in apartments between 1967 and 1971. In 1967, a postal vacancy survey reported 5.7 percent of the apartments surveyed as vacant with 1,510 units under construction. By 1969, the vacancy rate indicated by the postal vacancy survey was 7.1 percent of all apartments surveyed with 1,193 units under construction. A postal vacancy survey was conducted in September 1971 which indicated that 7.6 percent of all apartment surveyed were vacant, but more importantly, there were 4,378 units reported as under construction. It can be expected that as these 4,378 units are completed and placed on the market, the vacancy rate for apartments in the New Orleans HMA will continue to increase.

The increased volume of construction of multifamily units is believed to be primarily the result of factors other than demand. The most important of these factors are lower interest rates consistent with national trends and the aggressive promotion of certain land development projects in the HMA. It is believed that the continued construction of multifamily units at the rate thus far established in the HMA for 1971, coupled with the extraordinarily large number of units which can be expected to reach the rental market within 90 to 120 days and the low profile of economic expansion in the area will result in critical deterioration of the rental market by 1973.

The problem of high apartment vacancies in the New Orleans HMA is complicated by the pattern of vacancies in the area. Generally, vacancies in new garden apartments increase with distance from the central city. This pattern is more discernible to the east, however, than to the west. A market absorption



survey of selected new garden apartments in the metropolitan area in 1971 by the New Orleans HUD Area Office reported virtually no vacancies in the downtown and central portion of the HMA in the area from the western boundary of Orleans Parish eastward to the Inner Harbor Navigational Canal. Vacancies were higher both to the west and to the east of this part of the city and to the south across the Mississippi River. Vacancies were reported as particularly high in Gretna where vacancies were reported in excess of 15 percent and New Orleans East where vacancies in new garden apartments surveyed totaled 7.0 percent. In recognition of the above circumstances, it is judged that construction of new rental units should be monitored closely and new construction proposals evaluated with respect to the number of units already under construction and the absorption of recently completed units.

Because of great disparity in land costs in the HMA, most rental unit construction has recently taken place outside the city of New Orleans, with the exception of the eastern portion of Orleans Parish. Unassisted rental units in the city have been limited primarily to expensive units in high-rise buildings. Garden apartment construction has taken place primarily in Jefferson Parish where lower land costs allow lower density construction.

#### Economic, Demographic, and Housing Factors

Economic Factors. Nonagricultural wage and salary employment averaged 374,000 in 1970 (see table III). This figure represents an increase of 2,500 jobs over the 1969 average figure; however, data for the twelve months ending September 1971 showed an increase of 300 workers over the same period in 1970. These increases are down sharply from the annual increases of 20,400 and 17,600, respectively, in 1965 and 1966 and are slightly below the annual increases between 1966 and 1969 which ranged from 3,000 to 4,200. Primarily because of the large reduction in employment at the National Aeronautics and Space Administration facility (Michoud) and related industries, manufacturing employment in the HMA decreased from 59,600 workers in 1966 to 53,700 in 1970 and to 52,800 for the twelve months ending in September 1971. During this period, other durable goods manufacturing, which includes employment at Michoud, decreased from 16,000 workers to 7,800. Nondurable goods manufacturing which accounts for approximately six percent of nonagricultural wage and salary employment has not changed perceptibly from 1964 to 1971, decreasing from 24,150 to 24,100.

Nonmanufacturing, particularly nonmanufacturing industries related directly or indirectly to the transportation and shipping industries, including wholesale and retail trade, have been the mainstay of the New Orleans economic base. Nonmanufacturing employment expanded steadily and persistently from 268,050 in 1964 to 320,400 in 1970, an average increase of 8,725 annually. This growth has tapered to 1,800 annually between September 1970 and September 1971. The major sources of growth in nonmanufacturing employment were wholesale and retail trade (from 77,050 in 1964 to 90,500 in 1971), service and miscellaneous employment (from 52,500 in 1964 to 67,700 in 1971), and government (from 43,200 in 1964 to 58,300 in 1971). Other areas of expansion in employment in New Orleans have been public utilities and transportation equipment manufacturing.

It is expected that employment in the New Orleans area will continue to expand but at a slightly lower rate during the forecast period. The dock strike which occurred in 1971 will have detrimental impact on the local economy for an estimated six to nine months following, and continued reduced employment levels at Michoud will be important factors restricting the magnitude of economic growth in the HMA. Nonagricultural wage and salary employment is expected to increase by 2,500 to 3,000 jobs annually during the two-year forecast period. Most of these gains will be in nonmanufacturing employment with substantial increases in transportation, trade, and service industries. Durable goods manufacturing is expected to stabilize at its 1970 level, as is nondurable goods manufacturing. Continued increases are expected in government employment.

Unemployment has increased measurably in New Orleans from a low of 3.2 percent in 1966 to a high of 6.3 percent for the twelve months ending September 1971. Unemployed workers have ranged in number from 13,500 in 1966 to 27,900 in 1971.

Income. In 1971, the median annual income of all families in the New Orleans HMA, after deduction of federal income tax, was \$9,020; the median after-tax income of renter households of two or more persons was \$7,035. These figures represent increases of approximately 79 percent in all families after-tax income and 76 percent in renter households income since 1959 (see table IV).

Demographic Factors. The population of the New Orleans HMA was estimated at 1,059,000 in December 1971, an increase of 13,191 over the 1970 Census figure of 1,045,809. The average annual increase between 1960 and 1970, as reported by the census figures for those years, was 13,868 persons (1.4 percent), while the annual increase between the 1970 Census count and December 1971 was 7,900 (0.8 percent). There was a net in-migration of 7,590 persons to the HMA between 1960 and 1970. There also has been a large volume of intra-area migration from Orleans Parish into suburban areas. Orleans Parish had net out-migration of about 102,150 persons between 1960 and 1970, while the remainder of the HMA had a net in-migration of 109,750 during the same period.

During the two-year forecast period, the population of the HMA is expected to increase by about 8,000 annually, reaching approximately 1,075,000 by December 1973. It is anticipated that this total growth will represent a growth pattern similar to that which has been evidenced recently, with largest gains accruing to Jefferson Parish. Orleans Parish is expected to gain only 500 persons a year, Jefferson Parish should expand by 4,000 a year, St. Tammany Parish should increase by 2,000 a year, and St. Bernard Parish is expected to grow by 1,500 a year.

There were about 324,750 households in the HMA in December 1971. The number of households increased by 6,330 between April 1970 and December 1971, an average annual increase of 3,800 (1.2 percent). From 1960 to 1970, the number of households increased by about 5,480 annually, or an annual rate of increase of 1.9 percent. The rate of increase in households exceeded that of population between 1960 and 1971 because of a decrease in average household size during that period. It is anticipated that this trend will continue throughout the forecast period, although at a somewhat slower rate.

Demographic trends for the HMA, broken down by major components, are presented in table V.

Housing Factors. There were approximately 351,750 housing units in the New Orleans HMA in December 1971, an increase of 66,423 since April 1960. This increase resulted from the construction or conversion of about 108,915 units and the loss of about 42,492 units through demolition and other causes. Construction activity increased from 1960 to 1965, declined from 1966 to 1968, declined again in 1970 and increased in 1971. Almost 60 percent of all residential construction in the HMA was in Jefferson Parish while Orleans Parish accounted for 30 percent. Construction declined in Orleans Parish throughout the second half of the 1960 to 1970 decade, as land costs and lack of suitable residential sites restricted building activity. Building trends by major components of the HMA are presented in tables VI and VII.

There were about 4,200 housing units under construction in the New Orleans HMA in December 1971. These units included approximately 1,700 single-family houses and 2,500 units in multifamily structures. Single-family construction is concentrated in suburban Jefferson Parish where 66 percent of all single-family construction activity took place from 1960 to 1971. Primarily because of land scarcity, since 1965 single-family construction has declined in Orleans Parish, where less than 20 percent of the single-family construction activity in the HMA took place from 1960 to 1971. These estimates of units under construction include public housing, Sections 221(d)(3), 235, and 236 housing enumerated in earlier sections of this report.

Residential construction in the first ten months of 1971 totaled 13,098 units, the largest volume of construction ever recorded in the HMA. This increase in construction volume, however, must be ascribed to the ease of financing and the availability of subsidy assistance rather than to increased demand.

Although multifamily construction has dominated Orleans Parish and the central part of the HMA, single-family construction accounted for 54.6 percent of all new home construction in the HMA since 1960. This percentage exceeds the 51.3 percent owner occupied units reported by the 1970 Census for the HMA and the 48 percent reported in 1960.

In December 1971, there were about 17,000 available vacant housing units in the New Orleans HMA. Of these, approximately 2,600 were for sale only and 14,400 were available for rent. These figures indicate a homeowner vacancy rate of 1.5 percent and a renter vacancy rate of 8.4 percent. These homeowner and renter vacancy rates are above the desirable levels for the New Orleans HMA. This problem is further compounded by recent increases in construction activity and slowed economic and population growth. Vacancy trends for the HMA and by submarkets are presented in tables VIII-A through VIII-E.

Table I-A

Annual Demand for New Nonsubsidized Housing  
New Orleans, Louisiana, HMA  
December 1, 1971 - December 1, 1973  
HMA Total

A. Single-family

<u>Price class</u>	<u>Number of units</u>	<u>Percent</u>
Under \$17,500	350	11
\$17,500 - 19,999	415	12
20,000 - 22,499	360	11
22,500 - 24,999	465	14
25,000 - 29,999	690	21
30,000 - 34,999	475	14
35,000 and over	570	17
Total	3,325	100

B. Multifamily

<u>Gross monthly rent<sup>a/</sup></u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$130 - \$139	60	-	-	-
140 - 149	30	-	-	-
150 - 159	30	15	-	-
160 - 169	10	385	-	-
170 - 179	10	245	-	-
180 - 189	-	170	35	-
190 - 199	-	115	305	-
200 - 224	-	60	370	75
225 - 249	-	50	210	60
250 - 274	-	30	115	45
275 - 299	-	20	70	30
300 and over	-	5	30	20
Total	140	1,095	1,135	230

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

Source: Estimated by Housing Market Analyst.

Table I-B

Annual Demand for New Nonsubsidized Housing  
Orleans Parish, Louisiana  
December 1, 1971 - December 1, 1973

A. Single-family

<u>Price class</u>	<u>Number of units</u>	<u>Percent</u>
Under \$20,000	120	17
\$20,000 - 22,499	100	13
22,500 - 24,999	100	13
25,000 - 29,999	165	22
30,000 - 34,999	100	13
35,000 and over	165	22
Total	750	100

B. Multifamily

<u>Gross monthly rent<sup>a/</sup></u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$130 - \$139	40	-	-	-
140 - 149	20	-	-	-
150 - 159	20	-	-	-
160 - 169	10	230	-	-
170 - 179	10	150	-	-
180 - 189	-	100	-	-
190 - 199	-	70	170	-
200 - 224	-	40	270	30
225 - 249	-	30	120	20
250 - 274	-	20	60	20
275 - 299	-	10	20	20
300 and over	-	-	10	10
Total	100	650	650	100

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

Source: Estimated by Housing Market Analyst.

Table I-C

Annual Demand for New Nonsubsidized Housing  
Jefferson Parish, Louisiana  
December 1, 1971 - December 1, 1973

A. Single-family

<u>Price class</u>	<u>Number of units</u>	<u>Percent</u>
Under \$17,500	230	13
\$17,500 - 19,999	175	10
20,000 - 22,499	160	9
22,500 - 24,999	230	13
25,000 - 29,999	350	20
30,000 - 34,999	280	16
35,000 and over	325	19
Total	1,750	100

B. Multifamily

<u>Gross monthly rent<sup>a/</sup></u>	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$130 - \$139	20	-	-	-
140 - 149	10	-	-	-
150 - 159	10	-	-	-
160 - 169	-	125	-	-
170 - 179	-	75	-	-
180 - 189	-	55	-	-
190 - 199	-	30	100	-
200 - 224	-	20	75	35
225 - 249	-	20	75	20
250 - 274	-	10	50	15
275 - 299	-	10	50	10
300 and over	-	5	20	10
Total	40	350	370	90

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

Source: Estimated by Housing Market Analyst.

Table I-D

Annual Demand for New Nonsubsidized Housing  
St. Bernard Parish, Louisiana  
December 1, 1971 - December 1, 1973

A. Single-family

<u>Price class</u>	<u>Number of units</u>	<u>Percent</u>
Under \$17,500	50	10
\$17,500 - 19,999	70	13
20,000 - 22,499	65	12
22,500 - 24,999	100	18
25,000 - 29,999	125	25
30,000 - 34,999	70	13
35,000 and over	45	9
Total	525	100

B. Multifamily

<u>Gross monthly rent<sup>a/</sup></u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$120 - \$129	-	-	-
130 - 139	-	-	-
140 - 149	-	-	-
150 - 159	15	-	-
160 - 169	15	-	-
170 - 179	10	-	-
180 - 189	5	20	-
190 - 199	5	20	-
200 - 224	-	15	10
225 - 249	-	5	10
250 - 274	-	5	-
275 - 299	-	-	-
300 and over	50	65	20

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

Source: Estimated by Housing Market Analyst.

Table I-E

Annual Demand for New Nonsubsidized Housing  
St. Tammany Parish, Louisiana  
December 1, 1971 - December 1, 1973

A. Single-family

<u>Price class</u>	<u>Number of units</u>	<u>Percent</u>
Under \$17,500	70	23
\$17,500 - 19,999	50	17
20,000 - 22,499	35	12
22,500 - 24,999	35	12
25,000 - 29,999	50	17
30,000 - 34,999	25	7
35,000 and over	35	12
Total	300	100

B. Multifamily

<u>Gross monthly rent<sup>a/</sup></u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three or more bedrooms</u>
\$120 - \$129	-	-	-
130 - 139	-	-	-
140 - 149	-	-	-
150 - 159	-	-	-
160 - 169	15	-	-
170 - 179	10	-	-
180 - 189	10	15	-
190 - 199	10	15	-
200 - 224	-	10	-
225 - 249	-	10	10
250 - 274	-	-	10
275 - 299	-	-	-
300 and over	-	-	-
Total	45	50	20

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

Source: Estimated by Housing Market Analyst.



Table II

Estimated Annual Occupancy Potential for Subsidized Rental Housing  
New Orleans, Louisiana, Housing Market Area  
December 1, 1971 - December 1, 1973

	<u>Section 236<sup>a/</sup></u> <u>exclusively</u>	<u>Families eligible</u> <u>for both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total for</u> <u>both programs</u>
<b>A. <u>Families</u></b>				
1 bedroom	145	10	335	490
2 bedrooms	425	0	820	1,245
3 bedrooms	290	0	590	880
4+ bedrooms	170	0	400	570
Total	<u>1,030</u>	<u>10<sup>b/</sup></u>	<u>2,145<sup>b/</sup></u>	<u>3,185</u>
<b>B. <u>Elderly</u></b>				
Efficiency	70	285	545	900
1 bedroom	70	75	195	340
Total	<u>140</u>	<u>360<sup>c/</sup></u>	<u>740<sup>c/</sup></u>	<u>1,240</u>

a/ Estimates are based upon regular income limits.

b/ Approximately one half of these families also are eligible under the rent supplement program.

c/ All of the elderly couples and individuals also are eligible for rent supplement payments.

Table III

Trend of Work Force Components  
New Orleans, Louisiana, HMA  
1964-1971  
 (Annual averages)

Component	1964	1965	1966	1967	1968	1969	1970	12 mos. ending in Sept.	
								1970	1971
Civilian work force	383,850	402,700	416,400	422,000	425,500	430,300	437,200	436,000	441,000
Unemployment	18,250	16,000	13,500	17,300	18,100	19,700	25,200	23,600	27,900
Percent unemployed	4.8	4.0	3.2	4.1	4.3	4.6	5.8	5.4	6.3
Total employment	365,400	386,000	402,700	403,700	407,200	409,300	411,800	412,200	412,800
Nonag. wage & salary	322,800	343,200	360,800	364,300	368,500	371,500	374,000	374,500	374,800
Manufacturing	54,750	58,600	59,600	57,300	57,000	56,300	53,700	54,300	52,800
Durable goods	30,650	33,700	33,700	32,000	32,200	31,500	29,200	29,600	28,700
Stone, clay & glass prods.	3,500	3,900	4,000	4,200	4,300	4,400	4,200	4,200	3,900
Fabricated metal prods.	3,100	3,100	3,300	3,200	3,400	3,400	3,400	3,400	3,100
Trans. equipment	7,800	9,200	10,400	10,600	12,100	12,700	13,300	13,200	13,900
Other durable goods	16,250	17,500	16,000	14,000	12,400	11,000	8,300	8,800	7,800
Nondurable goods	24,150	24,900	25,900	25,300	24,800	24,800	24,500	24,700	24,100
Food & kindred prods.	11,650	12,300	12,800	12,700	12,300	12,300	11,900	12,000	11,900
Apparel & other textiles	4,400	4,500	4,600	4,400	4,500	4,500	4,500	4,600	4,900
Chemicals & allied prods.	1,700	1,700	2,000	1,900	1,600	1,600	1,500	1,500	1,600
Petroleum refining	1,250	1,200	1,300	1,100	1,200	1,200	1,200	1,200	1,100
Other nondurable goods	5,150	5,200	4,900	5,200	5,200	5,200	5,400	5,400	4,600
Nonmanufacturing	268,050	284,600	301,200	307,100	311,500	315,200	320,400	320,200	322,000
Mining	10,700	12,200	12,900	13,400	13,700	14,500	14,100	14,500	13,200
Contract construction	23,200	28,000	29,200	26,400	25,000	22,200	22,400	22,000	23,700
Trans. & public utils.	42,200	42,700	45,700	46,900	47,600	45,200	45,900	46,000	45,800
Wholesale & retail trade	77,050	81,400	86,400	86,300	86,900	88,900	89,900	90,000	90,500
Fin., ins., & real estate	19,250	19,800	20,400	20,900	21,500	22,400	22,700	22,600	22,700
Service & misc.	52,500	55,700	60,100	62,500	64,100	66,600	68,300	68,300	67,700
Government	43,200	44,900	46,500	50,700	52,600	55,500	57,100	56,800	58,300
All other nonag. employ.	41,500	41,800	40,900	39,000	37,700	36,800	36,700	36,700	37,100
Agriculture	1,050	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Labor-mgmt disputes	200	700	200	300	200	1,200	200	200	300

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

Source: Louisiana Department of Employment Security.

Table IV

Estimated Percentage Distribution of Families by Annual Income<sup>a/</sup>  
New Orleans, Louisiana, HMA  
1959 and 1971

<u>Income class</u>		<u>1959</u>		<u>1971</u>	
		<u>All families</u>	<u>Renter households<sup>b/</sup></u>	<u>All families</u>	<u>Renter households<sup>b/</sup></u>
Under	\$ 4,000	35	50	15	23
\$ 4,000 -	4,999	12	14	6	9
5,000 -	5,999	12	10	7	9
6,000 -	6,999	10	8	8	9
7,000 -	7,999	8	6	7	7
8,000 -	8,999	5	3	7	7
9,000 -	9,999	4	3	6	7
10,000 -	12,499	5	2	15	13
12,500 -	14,999	4	1	10	6
15,000 -	17,499	2	1	4	4
17,500 -	19,999	2	1	5	3
20,000 and over		<u>1</u>	<u>1</u>	<u>10</u>	<u>3</u>
Total		100	100	100	100
Median income		\$5,030	\$4,000	\$9,020	\$7,035

a/ After deduction of federal income tax.

b/ Renter households of two or more persons.

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

Table V

Population and Household Trends  
New Orleans, Louisiana, Housing Market Area  
1960-1973

<u>Population</u>	<u>April</u> <u>1960</u>	<u>April</u> <u>1970</u>	<u>December</u> <u>1971</u>	<u>December</u> <u>1973</u>	<u>Average annual change<sup>a/</sup></u>		
					<u>1960-</u> <u>1970</u>	<u>1970-</u> <u>1971</u>	<u>1971-</u> <u>1973</u>
HMA Total	<u>907,123</u>	<u>1,045,809</u>	<u>1,059,000</u>	<u>1,075,000</u>	<u>13,868</u>	<u>7,900</u>	<u>8,000</u>
Orleans Parish (New Orleans)	627,525	593,471	595,000	596,000	-3,405	925	500
Jefferson Parish	208,769	337,568	344,000	352,000	12,879	3,850	4,000
St. Bernard Parish	32,186	51,185	54,000	57,000	1,899	1,675	1,500
St. Tammany Parish	38,643	63,585	66,000	70,000	2,494	1,450	2,000
 <u>Households</u>							
HMA Total	<u>263,627</u>	<u>318,418</u>	<u>324,750</u>	<u>332,000</u>	<u>5,479</u>	<u>3,800</u>	<u>3,625</u>
Orleans Parish	189,801	191,363	193,600	195,600	156	1,350	1,000
Jefferson Parish	55,290	95,512	98,000	100,800	4,022	1,490	1,400
St. Bernard Parish	8,109	13,709	14,650	15,900	560	560	625
St. Tammany Parish	10,427	17,834	18,500	19,700	740	400	600

a/ Subtotals may not add to totals because of rounding.

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

Table VI

Nonsubsidized Housing Units Authorized by Building Permits  
New Orleans, Louisiana, HMA  
1960-1971

<u>Year</u>	<u>Orleans Parish</u>		<u>Jefferson Parish</u>		<u>St. Bernard Parish</u>		<u>St. Tammany Parish</u>		<u>HMA Total</u>	
	<u>Single- family</u>	<u>Multi- family</u>	<u>Single- family</u>	<u>Multi- family</u>	<u>Single- family</u>	<u>Multi- family</u>	<u>Single- family</u>	<u>Multi- family</u>	<u>Single- family</u>	<u>Multi- family</u>
1960	937	692	2,841	307	300	16	118	-	4,196	1,015
1961	899	1,062	2,411	446	331	22	157	-	3,798	1,530
1962	1,098	1,496	2,838	815	385	60	295	2	4,616	2,373
1963	993	2,203	2,768	1,669	483	179	515	28	4,759	4,079
1964	1,091	1,688	3,177	2,723	538	293	568	60	5,374	4,764
1965	1,020	1,921	3,626	2,988	603	154	669	46	5,918	5,109
1966	847	1,759	3,034	2,092	545	80	413	46	4,839	3,977
1967	656	1,427	2,751	1,788	395	108	248	10	4,050	3,333
1968	892	1,046	3,059	1,048	319	90	138	-	4,408	2,184
1969	700	887	2,687	1,591	345	174	109	55	3,841	2,707
1970	583	182	2,581	2,104	242	173	83	6	3,489	2,465
1971 (10 mos.)	1,017	1,306	3,071	2,955	303	180	140	50	4,531	4,491
Total	10,733	15,669	34,844	20,526	4,789	1,529	3,453	303	53,819	38,027

Sources: C-40 Construction Reports, Orleans Parish Building Inspector, Jefferson Parish Building Inspector.

Table VII

Estimated Subsidized Housing Units Constructed in the New Orleans HMA  
New Orleans, Louisiana, HMA  
1960-1971

<u>Year</u>	<u>Section 235</u>	<u>Section 236</u>	<u>Section 221(d) (3)</u>	<u>Public Housing</u>
1960	-	-	-	-
1961	-	-	-	-
1962	-	-	-	1,093
1963	-	-	-	-
1964	-	-	-	1,202
1965	-	-	-	64
1966	-	-	-	169
1967	-	-	-	-
1968	-	-	-	94
1969	271	-	672	229
1970	1,660	905	716	728
1971	<u>1,695</u>	<u>1,100</u>	300	244
Total	3,626	2,005	<u>500</u> 2,188	<u>781</u> 4,604

Source: U.S. Bureau of the Census, C-40 Construction Reports; estimates by Housing Market Analyst for Sections 235, 236, and 221(d) (3).

Table VIII-A

Tenure and Occupancy in the Housing Inventory  
New Orleans, Louisiana, HMA  
April 1960 to December 1971

<u>Tenure and occupancy</u>	<u>April 1960</u>	<u>April 1970</u>	<u>December 1971</u>
Total housing supply	285,327	345,561	351,750
Owner occupied	125,428	163,545	167,500
Percent of all occupied	47.6	51.4	51.6
Renter occupied	138,199	154,873	157,250
Percent of all occupied	52.4	48.6	48.4
Vacant housing units	21,700	27,143	27,000
Available vacant	9,768	16,614	17,000
For sale	2,720	2,432	2,600
Homeowner vacancy rate	2.1%	1.5%	1.5%
For rent	7,048	14,182	14,400
Renter vacancy rate	5.6%	7.2%	8.4%
Other vacant <sup>a/</sup>	11,932	10,529	10,000

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, units held off the market, and units available for sale or rent but lacking one or more plumbing facilities.

Source: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Table VIII-B

Tenure and Occupancy in the Housing Inventory  
Orleans Parish, Louisiana  
April 1960 to December 1971

<u>Tenure and occupancy</u>	<u>April 1960</u>	<u>April 1970</u>	<u>December 1971</u>
Total housing supply	202,643	208,524	210,600
Owner occupied	71,283	73,517	74,500
Percent of all occupied	37.5	38.4	38.5
Renter occupied	118,518	117,846	119,100
Percent of all occupied	62.5	61.6	61.5
Vacant housing units	12,842	17,161	17,000
Available vacant	6,457	11,963	12,000
For sale	1,052	1,137	1,200
Homeowner vacancy rate	1.5%	1.5%	1.6%
For rent	5,405	10,826	10,800
Renter vacancy rate	4.4%	8.4%	8.3%
Other vacant <sup>a/</sup>	6,385	5,198	5,000

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, units held off the market, and units available for sale or rent but lacking one or more plumbing facilities.

Source: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.



Table VIII-C

Tenure and Occupancy in the Housing Inventory  
Jefferson Parish, Louisiana  
April 1960 to December 1971

<u>Tenure and occupancy</u>	<u>April 1960</u>	<u>April 1970</u>	<u>December 1971</u>
Total housing supply	60,163	101,314	104,000
Owner occupied	40,339	66,140	67,750
Percent of all occupied	72.9	69.2	69.1
Renter occupied	14,951	29,372	30,250
Percent of all occupied	27.1	30.8	30.9
Vacant housing units	4,873	5,802	6,000
Available vacant	2,537	3,516	3,750
For sale	1,291	911	1,000
Homeowner vacancy rate	3.1%	1.4%	1.5%
For rent	1,246	2,605	2,750
Renter vacancy rate	7.7%	8.1%	8.3%
Other vacant <sup>a/</sup>	2,336	2,286	2,250

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, units held off the market, and units available for sale or rent but lacking one or more plumbing facilities.

Source: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Table VIII-D

Tenure and Occupancy in the Housing Inventory  
St. Tammany Parish, Louisiana  
April 1960 to December 1971

<u>Tenure and occupancy</u>	<u>April 1960</u>	<u>April 1970</u>	<u>December 1971</u>
Total housing supply	<u>13,685</u>	<u>21,495</u>	<u>22,000</u>
Owner occupied	<u>7,394</u>	<u>13,217</u>	<u>13,750</u>
Percent of all occupied	70.9	74.1	74.3
Renter occupied	<u>3,033</u>	<u>4,617</u>	<u>4,750</u>
Percent of all occupied	29.1	25.9	25.7
Vacant housing units	<u>3,258</u>	<u>3,661</u>	<u>3,500</u>
Available vacant	<u>526</u>	<u>884</u>	<u>900</u>
For sale	<u>225</u>	<u>326</u>	<u>350</u>
Homeowner vacancy rate	2.9%	2.4%	2.5%
For rent	<u>301</u>	<u>558</u>	<u>550</u>
Renter vacancy rate	9.0%	10.7%	10.4%
Other vacant <sup>a/</sup>	<u>2,732</u>	<u>2,777</u>	<u>2,600</u>

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, units held off the market, and units available for sale or rent but lacking one or more plumbing facilities.

Source: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Table VIII-E

Tenure and Occupancy in the Housing Inventory  
St. Bernard Parish, Louisiana  
April 1960 to December 1971

<u>Tenure and occupancy</u>	<u>April 1960</u>	<u>April 1970</u>	<u>December 1971</u>
Total housing supply	8,836	14,228	15,150
Owner occupied	6,412	10,671	11,500
Percent of all occupied	79.0	77.8	78.5
Renter occupied	1,697	3,038	3,150
Percent of all occupied	21.0	22.2	21.5
Vacant housing units	727	519	500
Available vacant	248	251	250
For sale	152	58	50
Homeowner vacancy rate	2.3%	0.5%	0.4%
For rent	96	193	200
Renter vacancy rate	5.4%	6.0%	6.0%
Other vacant <sup>a/</sup>	479	268	250

<sup>a/</sup> Includes seasonal units, dilapidated units, units rented or sold awaiting occupancy, units held off the market, and units available for sale or rent but lacking one or more plumbing facilities.

Source: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

728.1

:308

F22

New Orleans

for.  
1971

DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

MAY 16 1972

LIBRARY  
WASHINGTON, D.C. 20410

728.1 :308 F22 New Orleans La. 1971

U.S. Federal Housing Administration.  
Analysis of the...housing market.

---

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION  
WASHINGTON, D. C. 20411  
OFFICIAL BUSINESS  
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

