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Analysis of the **NEWARK, NEW JERSEY HOUSING MARKET**

as of May 1, 1965

HOUSING AND HOME FINANCE AGENCY
OFFICE OF RESEARCH AND STATISTICS
WASHINGTON 25, D.C.
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**A Report by the
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D. C. 20411**
A constituent of the Housing and Home Finance Agency

October 1965

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NEWARK, NEW JERSEY, HOUSING MARKET
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FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
Housing and Home Finance Agency

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, of course, be differences of opinion 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.

Table of Contents

	<u>Page</u>
Summary and Conclusions	i
Housing Market Area	1
Map of Area	3
Economy of the Area	
Character and History	4
Employment	4
Principal Employers	7
Unemployment	7
Estimated Future Employment	7
Income	9
Demographic Factors	
Population	10
Households	12
Housing Market Factors	
Housing Supply	14
Residential Building Activity	15
Tenure	17
Vacancy	18
Sales Market	20
Rental Market	22
Mortgage Market	25
Urban Renewal Activity	25
Public Housing	27
Demand for Housing	
Quantitative Demand	28
Qualitative Demand	28

ANALYSIS OF THE
NEWARK, NEW JERSEY, HOUSING MARKET
AS OF MAY 1, 1965

Summary and Conclusions

The economy of the Newark SMSA has been expanding for the past six years. This has resulted largely from an increase in the role of the area as a regional distribution, trade and government center. Employment and population have been increasing steadily. The level of residential construction has been increasing each year and the level of vacancy in rental units has been decreasing, which has resulted in a tightening of the rental market. The sales market has remained in a sound condition. The economy is expected to continue expanding during the next three years and housing demand is expected to increase. The underlying reasons for these findings are outlined below and are presented in detail in the text of the report.

1. Total nonagricultural employment averaged 779,900 in 1964, an increase of 69,000 (11,500 annually) since 1958. The total is expected to increase by roughly 10,000 a year during each of the next three years.
2. There was an average of 46,600 unemployed persons in the Newark SMSA in 1964, equal to 5.6 percent of the work force. This is the lowest level since 1957.
3. The median after-tax income for all families in the Newark SMSA is \$8,025 at present, and for all tenant families it is \$6,050. Median income is expected to increase by nearly eight percent during the three-year forecast period.
4. The population of the SMSA currently totals 1,811,000, about 121,600 above the 1960 level. The city of Newark has continued to lose population since 1960, but the average annual decline was less than during the 1950-1960 decade. By May 1, 1965, the total population of the SMSA is expected to reach 1,888,000.
5. The number of households in the SMSA currently totals 558,200, up by about 47,000 since 1960. The bulk of the increase occurred in the suburban areas, especially Morris County. The city of Newark has added about 2,525 households since 1960. By May 1, 1968, there are expected to be 587,000 households in the SMSA.

6. Residential construction activity was at a 15-year high in 1964, when the construction of 16,000 units was authorized by building permits. This level is nearly 3,600 above the 1961 level, the previous high year, and about 4,150 above the annual average of the past five years. The number of units authorized in multifamily structures has been increasing each year since 1960. In 1964, about 66 percent of the units for which building permits were issued were in multifamily structures, nearly double the proportion in 1960. A total of 8,100 units has been demolished since 1960, about half in Newark. An estimated 8,000 housing units will be demolished during the next three months.
7. Just over 46 percent of the occupied housing units are renter occupied at present, a slightly higher ratio than in 1960. Past tenure trends are expected to continue during the forecast period.
8. Available vacant units currently total 9,300, about 2,400 fewer than in 1960. The current sales vacancy ratio of 0.9 percent is unchanged from that reported in the 1960 census, but the current rental vacancy ratio of 2.5 percent is decidedly lower than the 1960 census ratio of 3.8 percent. This decline was concentrated in the city of Newark, as most of the remaining areas of the SMSA experienced increases in the number of vacant units.
9. An annual demand for 12,750 housing units is projected for the next three years, including 5,150 sales-type units and 7,600 rental-type units. A distribution of the sales demand by sales price may be found on page 27. In addition, there will be demand for 2,900 units of rental housing at the lower rents which are achievable only with public benefits or assistance in financing. The total effective demand for 10,500 rental units is partially dependent on the projected demolition of 8,000 housing units during the three-year forecast period.

Demand for low and moderate rent housing will be reduced, if the projected level of residential demolition for urban renewal and highway construction is not achieved. Rental demand schedules, by unit size and gross monthly rent, may be found on page 28.

ANALYSIS OF THE
NEWARK, NEW JERSEY, HOUSING MARKET
AS OF MAY 1, 1965

Housing Market Area

For the purpose of this report, the Newark, New Jersey, Housing Market Area (HMA) is defined as being conterminous with the Newark, New Jersey, Standard Metropolitan Statistical Area (SMSA), which encompasses Essex, Morris, and Union Counties in New Jersey. While a large part of the land area of Morris County is too far removed from the central industrial and commercial areas of the SMSA to be considered to be a part of an integral housing market, data are readily available only for the SMSA as a whole.

The city of Newark, with a current population of about 400,000, is the principal city of the SMSA. Newark is located on the eastern edge of the SMSA, at the point of confluence of the Passaic River and Newark Bay. The city of Elizabeth has slightly over 100,000 persons and is located just south of Newark, also on Newark Bay. In addition to Newark and Elizabeth, the SMSA includes four communities with current population ranging between 50,000 and 100,000 and ten communities in the 25,000 to 50,000 category. Most of these communities are contiguous with one another and are located in the eastern portion of the SMSA, in Essex and Union Counties.

The Newark SMSA is located in northeastern New Jersey and is bounded on the east by Newark Bay and the Jersey City SMSA, on the north by the Paterson-Clifton-Passaic SMSA, on the west by Sussex and Warren Counties, New Jersey, and on the south by Hunterdon, Somerset, and Edison Counties, New Jersey. The eastern edge of the SMSA is only ten miles west of New York City. The SMSA is thus a part of the New York-Northeastern New Jersey Standard Consolidated Area. Because it is part of this large economic and demographic region, the SMSA, with a current population of about 1,811,000, one of the largest metropolitan areas in the Country, has not received the recognition some smaller metropolitan areas located in less populous regions of the country, have obtained. The SMSA, despite a fair degree of integration with the larger New York Area, has its own expanding economic base.

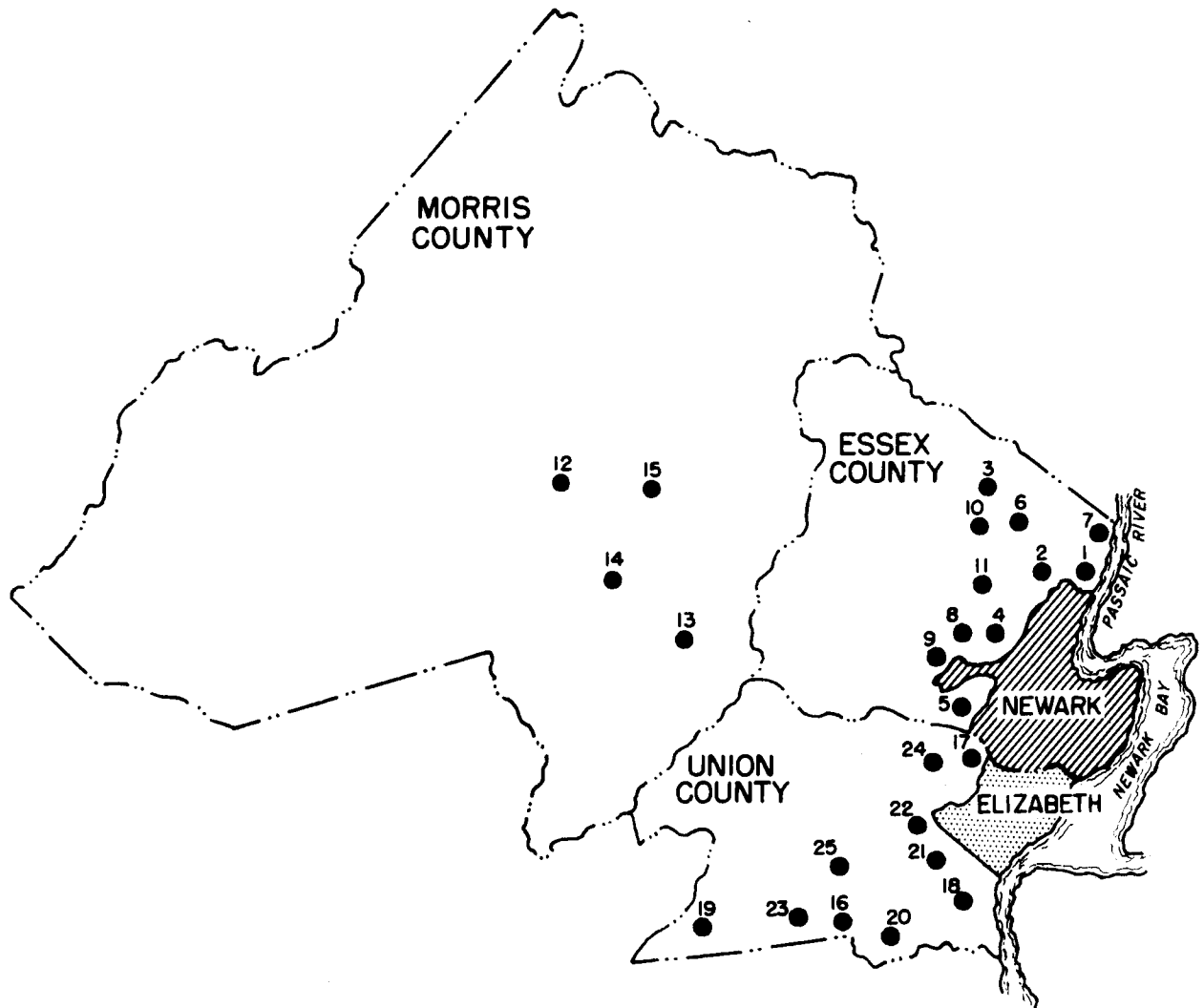
From Newark Bay, the HMA extends westward 40 miles to Hackettstown. From east to west, the topography of the land changes from marshy meadows to the Watchung Mountains.

and to the Kittatinny Mountains in the western half of Morris County. The bulk of the population of the area resides in multifamily houses, in the area between Newark Bay and the Watchung Mountains. The valley between the Watchung and the Kittatinny Mountains, (the western half of Essex and Union Counties and the eastern half of Morris Counties) is developed with single-family homes. The hilly area to the west is largely undeveloped.

The SMSA is served by excellent transportation facilities. The New Jersey Turnpike and the Garden State Parkway, major transportation arteries on the East Coast, run north-south through the SMSA. Three railroads offer passenger service (at the Pennsylvania Station in Newark) and nine railroads offer freight service. Newark Airport, operated by the Port of New York Authority is served by all major national lines. In 1964, the terminal handled over four million passengers and over 72,000 tons of air-freight. Port Newark and Port Elizabeth, also operated by the Port of New York Authority, have a combined capacity of nearly 40 deep-water berths. In 1964, over 4 million tons of freight passed through the Port of Newark, equal to about 20 percent of the total handled by the Port of New York. This total is up from 1.2 million tons in 1955, which was equal to 8 percent of the total freight handled in the Port of New York.

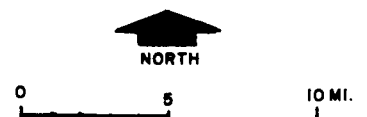
The 1960 Census of Population reported that about 114,600 HMA residents commuted daily to work outside the area, and that about 105,950 residents of other areas commuted daily to work inside the HMA, so there was net daily out-commutation of 8,650.

NEWARK, NEW JERSEY, HOUSING MARKET AREA



KEY:

- | | |
|---------------------|--------------------------------|
| 1. BELLEVILLE | 14. MORRISTOWN |
| 2. BLOOMFIELD | 15. PARSIPPANY-TROY HILLS TWP. |
| 3. CEDAR GROVE TWP. | 16. CLARK |
| 4. EAST ORANGE | 17. HILLSIDE TWP. |
| 5. IRVINGTON | 18. LINDEN |
| 6. MONTCLAIR | 19. PLAINFIELD |
| 7. NUTLEY | 20. RAHWAY |
| 8. ORANGE | 21. ROSELLE |
| 9. SOUTH ORANGE | 22. ROSELLE PARK |
| 10. VERONA | 23. SCOTCH PLAINS TWP. |
| 11. WEST ORANGE | 24. UNION |
| 12. DOVER | 25. WESTFIELD |
| 13. MADISON | |



Economy of the Area

Character and History

The cities of Elizabeth and Newark were settled in 1664 and 1666, respectively, by explorers from the shores of Connecticut and New York. Early industry revolved around the processing of agricultural products. The completion of the Morris Canal in 1825 and the building of railroads in the latter part of the century were stimulants to the economy. The canal, and later the railroads, transported coal from Pennsylvania and iron ore from Western New Jersey to a growing iron manufacturing industry in northeastern New Jersey. This early iron industry prompted the locating of metal fabricating and heavy machinery industries in the area. With the onset of World War I, oil and chemical refineries were built in coastal areas of the SMSA because of the deep water port and the abundance of land in the meadows, which, although quite wet and marshy, was suitable for refineries and oil storage tanks.

The economy of the area is still dependent on these early industries for its economic support, although to a lesser degree than previously. As is typical of most metropolitan areas, the nonmanufacturing segment of the economy is expanding more rapidly than the manufacturing segment. This trend is indicated by an increase in the ratio of nonmanufacturing to manufacturing from 1.7 in 1958 to 1.9 in 1964. The present ratio, which is higher than the ratio for most large metropolitan areas, counters the general opinion that the Newark area is especially dependent on manufacturing endeavors for its economic support. The area is continually increasing its role as a regional distribution center, a retail center, and the headquarters for nationally known firms.

Employment

Current Estimate and Past Trend. Total nonagricultural employment averaged 779,900 in 1964, an increase of one percent over the 1963 average and the highest level for any of the past seven years for which data are available. The year-to-year increases since 1958 have fluctuated from a low of 3,300 between 1960 and 1961 to a high of 19,900 between 1958 and 1959, and have averaged 11,500 over the six-year period.

Work Force, Employment, and Unemployment Trends
Newark, New Jersey, SMSA
1958-1964
(in thousands)

<u>Year</u> ^{a/}	<u>Nonagricultural work force</u>	<u>Nonagricultural employment</u>		<u>Unemployed</u>	
		<u>Total</u>	<u>Wage and salary</u>	<u>Number</u>	<u>Percent of nonag. work force</u>
1958	776.4	710.9	622.9	65.5	8.4
1959	781.9	730.8	641.3	51.1	6.5
1960	798.4	748.4	656.0	49.7	6.2
1961	805.4	751.4	656.3	54.0	6.7
1962	813.6	766.0	672.4	47.6	5.9
1963	821.2	771.7	681.0	49.5	6.0
1964	826.5	779.9	689.2	46.6	5.6

a/ Comparable employment data are available for the years 1958-1964 only.

Source: Estimated by Housing Market Analyst from the New Jersey Department of Labor and Industries data.

Total nonagricultural employment is made up of nonagricultural wage and salary employment and "other" employment (self employed, unpaid family and domestic workers in private households). The "other" employment is an estimate based on the level of wage and salary employment. The "other" category increased from a low of 88,000 in 1958 to a high of 95,100 in 1961, then declined to 90,700 in 1963 and 1964. Most of this fluctuation is presumably due to annual revisions in the proportion of total employment allocated to "other" employment and, as such, does not indicate a significant trend.

Nonagricultural wage and salary employment averaged 689,200 in 1964, an increase of 66,300 (11 percent) over the level of 622,900 in 1958. About one-half of this growth (33,100) occurred between 1958 and 1960. Between 1960 and 1961, only 300 wage and salary workers were added, between 1961 and 1962, 16,100 workers were added, and slightly more than 8,000 workers were added in each of the last two years (see table I).

Distribution by Major Industry. Employment in manufacturing increased by 4,100 (two percent) from 1958 to the 1964 average of 236,100. Most of the fluctuations in wage and salary employment during the past six years are due to the cyclical swings in manufacturing employment, which, in turn, are due to fluctuating employment levels in durable goods industries.

The decline in durable goods employment since 1958, mainly is due to a drop of 3,600 workers in transportation equipment and to lesser declines in electrical machinery and primary metals. Since 1962, however, the decline in durable goods employment has been more general, in that all categories except fabricated metals have been included. It is significant to note, that, in the three years in which there were large gains in total nonagricultural employment during the past six years, when total nonagricultural employment increased only moderately, employment in durable goods industries declined (for details, see table I).

Employment in nondurable goods industries has increased from 102,800 in 1958 to 107,300 in 1964, a gain of 4,500 (four percent). This increase has been fairly steady over the six-year period. The employment increase in nondurable goods manufacturing has been concentrated in three of the nine categories shown in table I; the other six declined by 300 to 1,300 jobs over the period. Of the three categories that have increased, chemicals and allied products added 5,500, rubber, plastic, and miscellaneous products added 2,100, and printing and publishing added 1,300 jobs.

Employment in nonmanufacturing increased by 44,200 (14 percent) between 1958 and 1964, to a total of 371,700. The six-year increase averaged nearly 7,400 annually, and the year-to-year increases were very close to the average, except for the periods, 1959-1960 and 1960-1961, when increases of 10,100 and 5,500, respectively, were noted. All segments of nonmanufacturing experienced gains except for mining, which declined by 300. Employment in services increased by 21,400, and wholesale and retail trade by 11,900. Gains of between 2,400 and 5,700 were experienced in the other nonmanufacturing categories.

Employment in government services has, like employment in nonmanufacturing, increased steadily over the six year period. Current government employment of 81,400, is 18,000 (28 percent) above the 1958 level of 63,400, representing an average annual gain of 3,000 jobs. Employment in State and local government, which makes up roughly three-fourths of total government employment, increased by 13,900 (29 percent), from 48,000 in 1958 to 61,900 in 1964. Federal government employment, during the same period, increased by 4,100 (27 percent) to the 1964 level of 19,500.

Employment Participation Rate. The participation rate (the ratio of employment to population) declined from 41.05 in 1950 to 40.07 in 1960, according to census data. Since 1959, based on employment data furnished by the State of New Jersey, Department of Labor and Industry, data which are based on "place of work", rather than the census basis of "place of residence", the rate has declined from 43.62 to 43.04 at present. The current downward trend is expected to continue during the three-year forecast period.

Principal Employers

There is no single company or industry in the Newark SMSA that can be considered to be the principal employer. In 1964, there were approximately twenty companies that employed over 2,000 people each. The products and services are so diversified that employment in these companies was distributed among twelve major industrial categories, seven of which are manufacturing industries and four of which are nonmanufacturing industries. One employer is in the government category. Employment in the 13 largest manufacturing firms, totaling about 37,000, was distributed among seven manufacturing industries and employment in the six largest non-manufacturing firms, totaling 40,000, is distributed among four industries. Despite the diversified endeavors of these twenty largest employers, the economy of the area has cyclical tendencies, although probably not as pronounced as other large industrialized areas, which are more dependent on a few dominant industries.

Unemployment

In 1964, the number of unemployed persons in the SMSA averaged 46,600, equal to 5.6 percent of the nonagricultural work force. Nearly one-half of the unemployed were female. This is the lowest level of unemployment since 1957 when 46,200 persons were unemployed, but, because the work force was smaller in 1957, the rate of unemployment then was higher (6.0 percent). In 1956, there were 40,700 unemployed persons (5.4 percent of the work force), the lowest level for any year for which data are available. The high year was 1958, when 65,500 persons, or 8.4 percent of the work force, were unemployed. Since then, there has been an irregularly downward movement in the number of unemployed workers.

Estimated Future Employment

Employment in nonmanufacturing industries and in government service is expected to increase at about the pace of the past several years, approximately 7,200 a year for nonmanufacturing industries and 3,700 a year for the government sector. Employment in manufacturing industries is not expected to change appreciably during the forecast period. A leveling out of the two-year downward trend of manufacturing employment is expected to occur as a result of a slowdown in the decline of durable goods employment, and a continuation of the slight upward trend of nondurable goods employment. "Other" nonagricultural employment is expected to remain near the current level. On balance, therefore, total nonagricultural employment is expected to increase by roughly 10,000 a year in each of the next three years.

Industrial promotion efforts may well result in the creation of up to 3,000 "new" jobs in the area over the forecast period. The projected increases in employment take account of this possibility. It is assumed, however, that, as in the past, there will be losses resulting from other plant closings and move-outs which will tend to balance these gains.

Income

Average Weekly Wage. In December 1964, manufacturing workers in the Newark Area earned an average of \$2.66 an hour and worked an average of 41 hours, with average earnings of \$108 a week. At that level, average weekly earnings were about 13 percent higher than the 1960 level of \$96. Most of this increase resulted from an increase in the average hourly earnings. However, part was due to a lengthening of the work week from 40 to 41 hours (see table below).

Average Weekly Earnings and Hours, and
Average Hourly Earnings of Manufacturing Workers
Newark, New Jersey, SMSA
Annual Average, 1960-1964

<u>Item</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Average weekly earnings	\$ 96	\$ 97	\$101	\$105	\$108
Average hourly earnings	\$2.39	\$2.43	\$2.48	\$2.57	\$2.66
Average weekly hours	40	40	41	41	41

Source: Department of Labor, Bureau of Labor Statistics.

The average of \$108 a week that manufacturing workers in the Newark Area earned in 1964 was several dollars above the average for the State, Trenton, and Jersey City, but slightly below the average for the Paterson-Clifton-Passaic area, and compares favorably with other nearby metropolitan areas, such as Baltimore (\$110) and Philadelphia (\$106).

Estimate of Current Family Income. The present median all-family after-tax income for the Newark SMSA is \$8,025. The median renter-family after-tax income is currently \$6,050. The current levels are \$1,400 and \$1,050, respectively, above the 1959 adjusted after-tax medians. By May 1968, the median all-family after-tax income is expected to total \$8,650, and the median renter-family after-tax income is expected to reach \$6,525 (table II).

Demographic Factors

Population

Current Estimate and Past Trend. The population of the Newark SMSA currently totals 1,811,000, about 121,600 above the April 1960 total (see table III). The average annual growth of about 23,950 (1.4 percent) since 1960 is somewhat greater than the average of nearly 22,100 during the 1950-1960 decade.

Since 1960, the population has increased by an average of 4,825 a year in Essex County, 7,625 a year in Union County, and 11,500 a year in Morris County. The average annual growth rates for the three counties were 0.5 percent, 1.5 percent, and 4.4 percent, respectively. Between 1950 and 1960, Union County added slightly more than 10,600 persons a year, Morris County added 9,725 a year, and Essex County added a little over 1,750 a year.

The city of Newark, which grew by an average of 900 persons a year between 1940 and 1950, declined in population by an average of 3,350 a year between 1950 and 1960, and by an average of about 280 a year since 1960. The population in Newark is currently 403,800.

In addition to Newark, there were four other cities (East Orange, Montclair, Orange, and Elizabeth) that experienced losses of population between 1950 and 1960 (see table III for details). Since 1960, however, Orange has been the only city of the five that has lost population. The others experienced minor increases except for Elizabeth, which added an average of nearly 1,675 persons a year since 1960. This sharp reversal in Elizabeth, from an average annual loss of over 500 between 1950 and 1960, resulted from a sharp increase in the number of new residential units added each year since 1960 and from a rapid absorption of these units.

Estimated Future Population. Based on the assumption that the economy of the SMSA will expand at a slightly slower pace during the forecast period than it has during the past five years, and that the employment participation rate will continue to decline, the population of the SMSA is expected to increase to 1,888,000 by May 1, 1968, an annual increase

of nearly 26,700 above the current level. Growth in the three counties is expected to occur much the same as in the past, with the largest increase expected in Morris County, followed in turn by Union County and Essex County. The city of Newark will probably continue to have a slow decline in population as it has during the past five years.

Net Natural Increase and Migration. Since 1960, there has been an average of nearly 35,250 births and nearly 17,250 deaths a year in the SMSA, so that the net natural increase of the population has averaged 18,000 a year. Since the total population has increased by an average of nearly 23,950 a year since 1960, there has been a calculated net in-migration of the SMSA of nearly 5,950 a year. As is indicated in the following table, the city of Newark has experienced a net out-migration of about 5,700 each year since 1960, and the remainder of Essex County and the other two counties have experienced net in-migration of population.

Net Natural Increase and Net Migration
Newark, New Jersey, SMSA
Annual Average, 1960-1965

<u>Area</u>	<u>Population increase</u>	<u>Net natural increase</u>	<u>Net migration</u>
SMSA, total	23,950	18,000	5,950
Newark	-275	5,425	-5,700
Rest of SMSA	24,225	12,575	11,650
Essex County, outside of Newark	5,100	3,575	1,525
Morris County	11,500	3,700	7,800
Union County	7,625	5,300	2,325

Source: Estimated by Housing Market Analyst.

Distribution by Age. A distribution of the population of the Newark SMSA, by age group, is shown in the following table. The number of persons in the group under 20 years of age increased by 37 percent, the group 65 and over increased in number by 35 percent, and the 20-64 age group increased by less than three percent.

Distribution of the Population by Age
Newark, New Jersey, SMSA, 1950 and 1960

<u>Age group</u>	<u>1950</u>	<u>1960</u>	<u>Decennial change</u>	
			<u>Number</u>	<u>Percent</u>
0 to 14	333,712	468,928	135,216	40.5
15 to 19	86,454	107,619	21,165	24.5
20 to 29	225,992	186,293	- 39,699	- 17.6
30 to 44	359,691	374,441	14,750	4.1
45 to 64	345,096	393,680	48,584	14.1
65 and over	117,513	158,459	40,946	34.8
Total	1,468,458	1,689,420	220,962	15.0

Households

Current Estimate and Past Trend. The number of households in the Newark SMSA currently totals 558,200. This represents an increase of about 47,000 (about nine percent) above the April 1960 level of 511,200, (see table IV). The average annual increase of 9,250 since 1960 was about 525 a year less than the annual increase during the 1950-1960 decade, despite the fact that the population increased more rapidly since 1960 than during the previous decade. A good deal of this disparity can be attributed to a change in census definition from "dwelling unit" in 1950 to "housing unit" in 1960. This change converted occupants of single furnished rooms from the nonhousehold category in 1950 to the household category in 1960. This definitional change inflated the increase in the number of households were single person households.

The definitional change is also quite evident in household growth patterns of the component areas of the SMSA. In Essex County, the average annual increase of households of 3,225 between 1950 and 1960 was nearly double the increase of the population (1,750 annually). This is largely attributable to the fact that the definitional change has its greatest impact on central cities such as Newark, but the out-migration of households with heads between 20 and 45 also contributed greatly to this situation since these tend to be the larger households, with children. Many of the remaining households were elderly couples, or elderly individuals, without children. Since 1960, the situation in Essex County has been almost reversed; the increase in population was more than two-thirds greater than the increase in households.

At present, there are 303,600 households in Essex County. In Morris County, there are 89,900 households, and in Union County, there are 164,700 households. Household growth since 1950 has been greatest in Morris County (increasing by 103 percent during the 15 year period), followed in turn by Union County (47 percent), and Essex County (18 percent).

The number of households in the city of Newark has increased by an average of nearly 500 a year since 1960, bringing the household total to 130,300 at present. Between 1950 and 1960, the number of households in Newark increased by an average of 525 a year.

Among the other 26 communities listed in table IV, the greatest increase in household numbers since 1960 occurred in the township of Parsippany-Troy Hills, where an average of 1,225 households were added each year.

Future Households. Based on an expected increase in the rate of population growth, and on a continuing downward trend in the average household size, the number of households in the Newark SMSA is projected to 587,000, as of May 1968, an increase of 28,800 over the current level. The annual increments of 9,600 will be about 350 a year larger than the annual growth during the past five years.

Household Size. The average household size has declined from 3.42 in 1950, to 3.24 in 1960, and to 3.18, at present. Part of the decline between 1950 and 1960 was due to the inclusion of small households in the 1960 household total, which was due to the definitional change referred to earlier in the analysis. The average household size will decline to 3.16 by May 1968, a slightly slower rate of decline than was experienced in the past.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. At present, the housing inventory of the Newark SMSA contains 581,500 units, of which 134,500 are in Newark. Of the remaining 447,000 units, 177,500 are in the remaining portions of Essex County, 100,900 are in Morris County, and 168,600 are in Union County (see table V).

The current number of housing units in the SMSA is 45,150 above the 1960 total of 536,300, representing average annual increments of 8,900 units (1.7 percent). Between 1950 and 1960, the housing inventory grew by an average of nearly 11,000 units a year. In Newark, there was a net annual loss of 75 units between 1960 and 1965. In the rest of Essex County, the number of housing units increased by an average of 2,475 annually (1.5 percent); in Morris County, by 3,650 annually (4.4 percent); and in Union County, by 2,850 annually (1.8 percent).

Principal Characteristics. The 1960 Census of Housing reported that 51 percent of the housing units in the Newark SMSA were in single-family structures, 30 percent were in two- to four-family structures and 19 percent were in structures containing five- or more-family units. With the net addition of about 45,150 units since 1960, the distribution, by structural type, has been altered somewhat. The proportion of single-family units has remained at 51 percent of the total inventory, but the proportion of units in two- to four-family structures declined to 27 percent, and the proportion in structures of five or more units increased to 22 percent.

The change in the distribution of the housing inventory in the city of Newark by type of structure was much the same as in the SMSA as a whole. Single-family units remained at 11 percent of the total inventory, units in two- to four-family structures declined by two percentage points to 48 percent of the total, and units in structures of five or more units increased by two percentage points to 41 percent.

The housing inventory in the SMSA was quite old in 1960, according to the census. Fifty-seven percent of the inventory at that time had been built before 1930, another 22 percent had been built between 1930 and 1950, and the remaining 21 percent between 1950 and 1960. The inventory has been improved by the addition of about 53,250 new units and the deletion of about 8,100 units through demolition since 1960. At present, the proportion of units built prior to 1930 is down to 52 percent, those built between 1930 and 1950 now make up 20 percent of the total, those built between 1950 and 1960 make up another 19 percent, and the remaining nine percent of the inventory has been added since 1960.

The housing inventory in the city of Newark is older than that in the SMSA as a whole. In 1960, 79 percent of the housing inventory in Newark had been built before 1930, 13 percent had been built between 1930 and 1950 and only 8 percent in the 1950-1960 decade. The addition of nearly 4,850 new units and the withdrawal of nearly 5,225 old units through demolition did not alter the age distribution of the housing inventory significantly.

Although the housing inventory of the SMSA was quite old in 1960, only about seven percent (38,350 units) of the total was dilapidated or lacked some or all plumbing facilities. Of the 38,350 substandard units, 4,150 were owner occupied (2 percent of all owner-occupied units), 29,450 were renter occupied (13 percent of all renter-occupied units), and the remaining 4,725 units were vacant (19 percent of gross vacancies). Assuming that most of the 8,100 units demolished since 1960 were substandard, substandard units comprise between 5.0 percent and 5.5 percent of the current housing inventory of 581,500 units.

Nearly 56 percent of the substandard units in the Newark SMSA in 1960 were located in the city of Newark and were equal to 16 percent of the housing inventory of the city. Of the substandard units in the city, five percent were owner occupied, 87 percent were renter occupied, and eight percent were vacant. It is estimated that about 13 percent of the present 134,500 unit housing inventory of the city is substandard.

The median value of owner-occupied units in the Newark SMSA in 1960 was \$18,300. In the city of Newark, the median was \$13,500. The median asking price for vacant units available for sale was \$22,100 in the SMSA and \$16,100 in the city, nearly \$3,000 more than the median value of occupied units in both the SMSA and the city. The median gross rent for renter-occupied units in the SMSA was \$85 in 1960. In Newark it was \$77. The median rent asked for vacant units available for rent was \$74 in the SMSA and \$64 in Newark. The disparity between the rent paid and the rent asked can be attributed, in part, to a wide disparity between the amenities in the occupied units and the vacant units (plumbing facilities, air-conditioning, kitchen appliances fixtures, etc.).

Residential Building Activity

Annually. Residential building activity, as indicated by building permit authorizations, was at a 15-year high in the Newark SMSA in 1964, when 16,000 units were authorized. This total is nearly 4,750 units higher than that in 1963, nearly 3,600 above the 1961 level, the previous high year, and about 4,150 above the annual average of 11,800 for the five-year period beginning in 1960 (see table VI). In the first three months of 1965, there were 2,400 units authorized in the SMSA.

This level is slightly higher than the level for the first three months of the past two years (2,350 authorizations in 1964 and 2,325 in 1963).

The general upward trend in the volume of residential construction has been most evident in Morris County, where there has been a steady yearly increase since 1960. The greatest volume of permits issued in Morris County have been for units built in the township of Parsippany-Troy Hills. The volume of construction in Union County has remained on a plateau, with a few exceptions, for the past 15 years. The fluctuations in the level of building activity in Essex County (see table VI) mostly were due to changing levels of construction activity in the city of Newark. The number of permits issued in the remaining area of Essex County deviated only slightly from the average of about 2,850 authorizations a year, except for 1962, when 3,775 permits were issued. Building permit authorizations for single-family unit construction has averaged about 4,800 a year since 1960. There has been a downward trend during the five-year period, however, with the exception of 1964, in which the number of single-family permits was 450 above the number issued in 1963. The upward trend of building permit volume has resulted from an increase in the number of multifamily units permitted (in structures of five or more units). With the exception of 1962, when 1,275 fewer multifamily units were authorized than in 1961 (the 1962 authorizations, however, were about 40 percent above the 1960 level), there has been a pronounced increase in the number of multifamily units permitted in the SMSA each year. In 1964, there were 10,550 multifamily units authorized, over three times the number in 1960. The bulk of this increase has occurred in Newark and Parsippany-Troy Hills, although there has been a general upward trend in most areas in the SMSA (see table VII). In 1960, building permits issued for multifamily units accounted for 35 percent of the total. By 1964, the proportion had increased to 66 percent. Since 1960, there has been an average of about 1,000 units a year in two-to four-unit structures authorized in the SMSA. There has not been a significant upward or downward trend in the five years in structures of this size.

Units Under Construction. Based on the results of a postal vacancy survey and on personal observation, it is estimated that there are 8,200 housing units under construction in the Newark SMSA, of which 1,500 are single-family structures and 6,700 are units in multifamily structures. The bulk of the single-family construction is occurring in Morris County, and some in the outlying areas of Union County. Single-family construction is limited in Essex County because of a lack of available land. Multifamily construction is located, for the most part, in Newark, Parsippany-Troy Hills, Elizabeth, and Irvington.

Demolitions. There have been about 8,100 housing units demolished in the Newark SMSA since 1960, resulting from urban renewal slum clearance and clearance for highway construction for the most part. Approximately half of total demolitions occurred as a result of slum clearance in the city of Newark, largely in the last three years. During the three-year forecast period, an estimated total of about 8,000 units will be demolished, an annual average of about 2,675 units, which is significantly higher than the annual average of about 1600 units since 1960. This increase in the number of demolitions is predicated on stepped-up clearance for urban renewal and highway construction in the city of Newark.

Tenure of Occupancy

At present, just over 46 percent of occupied housing units in the SMSA are renter occupied. This is a slight increase from 1960, when just under 46 percent of the units were occupied by renters. In 1950, however, 52 percent of the occupied units were reported to be renter-occupied by the census. The decline in the proportion of renter-occupied to total occupied units between 1950 and 1960 reflects, of course, the shift to home ownership in that decade. The end of that trend, and perhaps, a shift toward increased tenancy since 1960 reflects what may be the initial stages of a trend toward apartment living. With the increase in the cost of land and with greater proportional increases in the younger and older age groups (typically, the groups that tend to be renters), the increasing proportion of multifamily construction is expected to become more pronounced and the proportion of renter occupancy is expected to continue increasing during the next three years.

In 1960, only 14 percent of all renter families in the SMSA lived in single-family units, 46 percent lived in two- to four-family structures, and 40 percent lived in larger multifamily structures. The high incidence of renter-occupied two- to four-family structures is somewhat typical of most other old eastcoast cities. The eastern portion of the SMSA is near the center of the most heavily populated area of the Country, and in such areas, intensive land use is the rule. The current trend in renter occupancy is toward increased construction of structures of five or more units, rather than the two-, three-, and four-unit structures that were built in earlier periods.

Vacancy

1960 Census. In April 1960, there were 11,700 vacant units available for sale or rent in the SMSA, equal to 2.2 percent of the occupied and vacant available units. Vacant units available for sale accounted for 0.9 percent of the sales inventory and vacant units available for rent made up 3.8 percent of the renter inventory. Only 76 of the vacant units available for sale and 1,250 of the vacant units available for rent lacked some or all plumbing facilities.

In the city of Newark, there were 5,600 vacant units available for sale or rent, or 4.2 percent of the occupied units plus the vacant available units. Of the available vacant units in Newark, 150 were for sale (a sales vacancy ratio of 0.5 percent) and 5,450 were available for rent (a rental vacancy ratio of 5.2 percent). The city of Newark had 15 vacant for sale units and 800 vacant for rent units that were substandard in 1960, because of a lack of plumbing facilities.

The following table indicates that vacancy rates were higher in the larger structures. There may be some degree of correlation between the number of units per structure, the monthly rent, and the age of the structure, which would help explain the differential in vacancy rates. Single-family rentals seem to constitute a separate market in which vacancies are usually below those in multifamily structures.

Renter Vacancy by Type of Structure
Newark, New Jersey, SMSA
April 1960

<u>Type of structure</u>	<u>Number of occupied units</u>	<u>Vacant</u>	
		<u>Number</u>	<u>Percent</u>
One unit	32,264	784	2.4
2 to 4 unit	108,247	2,926	2.7
5 to 9 unit	31,562	1,055	3.3
10 or more unit	62,745	4,235	6.7
Total	234,818	9,000	3.8

Source: 1960 Census of Housing.

Note: Information on rental vacancy by type of structure was not available for a small number of units in the 1960 Census of Housing. The vacancy rates were not affected by this small discrepancy.

Postal Vacancy Survey. During the latter half of April 1965, a survey of vacant housing units was conducted by 55 post offices in the Newark SMSA. A total of 529,400 units were surveyed, about 91 percent of the current inventory. There were about 7,350 vacant units reported, 1.4 percent of the total surveyed. Of the total vacant, 2,500 were residences (1.0 percent of the 263,500 residences surveyed) and 4,850 were apartments (1.8 percent of the 265,900 apartments surveyed). The survey revealed only 310 trailers, of which 10 were vacant, 3.2 percent of the total (see table VIII). The results of the postal vacancy surveys are not directly comparable with those of 1960 published by the Bureau of the Census, however, because of differences in definition, in area delineation, and in methods.

Vacancies in FHA-Insured Projects. Vacancies in 53 of the older FHA rental projects in the SMSA numbered 150 in March 1965, equal to 3.4 percent of the total of 4,550 units. In Essex County, the vacancy ratio was 2.6 percent in 2,775 units and in Union County the vacancy ratio was 5.0 percent in 1,625 units. The current vacancy rate is substantially higher than that in March 1962, when only about one percent of the units in these rental projects were vacant. The current situation, when looked at in the aggregate is deceiving, for of the 53 rental projects, 25 projects containing 2,550 units, have no vacancies, another 12 projects, containing 1,025 units, have between one and four vacancies (a vacancy ratio of 2.8 percent), and six projects with 980 units have between eight and 39 vacancies (a vacancy ratio of 12.7 percent). Inasmuch as all 53 projects are presumed to be similar in age and rent structure, the high overall vacancy ratio of 3.4 percent is considered to be a structural problem rather than a market problem, for in 47 projects containing 80 percent of the units in (Section 608) the FHA rental projects the vacancy ratio is only 0.8 percent.

The vacancy situation is noticeably different in the newer FHA projects in the SMSA. In March 1965, there were 310 vacant units in a total of 1,775 units in 13 such rental projects, or a vacancy ratio of 17.6 percent. In a broader based sample of 29 projects in January 1965, there were 940 vacant units in a total of 3,750 units, or a vacancy ratio of 24.9 percent. In January 1964, the vacancy ratio in 19 such rental projects containing 2,400 units was 14.6 percent, and in December 1962 the ratio in 13 projects containing 1,525 units was 29.8 percent.

Between December 1962 and January 1964 there was a sharp drop in vacancy ratios. Between January 1964 and January 1965, however, the ratio increased in Newark, West Orange, and the SMSA as a whole but declined in Elizabeth and the remainder of the SMSA.

Current Vacancies. Based on the result of the postal vacancy survey and informed local sources, there are an estimated 9,300 vacant units available for sale or rent in the Newark SMSA at present, a net vacancy ratio of 1.6 percent. Of these, there are 2,700 units available for sale, a sales vacancy ratio of 0.9 percent, and 6,600 are available for rent, a rental vacancy ratio of 2.5 percent (see table V). The extensive demolition of housing units since 1960 is estimated to have removed a large part of the substandard housing units that the 1960 Census of Housing reported, so that most of the current supply of vacant available units is estimated to be of good quality.

It appears that the supply of sales vacancies is adequate, but that the supply of rental vacancies might not be sufficient to offer adequate selection in all segments of the market.

In the city of Newark, there are 2,575 vacant units available for sale or rent at present, a net vacancy ratio of 1.9 percent. This is about 3,000 vacant units fewer than in 1960. The number of sales vacancies has increased and the number of rental vacancies has declined since 1960. The large scale demolition of housing units since 1960 and the attendant absorption of old, low-rent units in the city, by families displaced by the demolition, together with a decline in the size of the housing stock of the city are reflected in the tightened market. The number of vacant units has increased in the remainder of Essex County and in Morris County, but there has been a decline in the number of vacant units in Union County (see table VIII). The decline has occurred in Elizabeth, Westfield, and the unincorporated areas of Union County, for the most part.

Sales Market

General Market Conditions. The sales market in the Newark SMSA appears to be in a generally sound condition, although vacancies in some sub-market areas may appear excessive. The market in Morris County has been expanding more rapidly than the markets in the other areas, so that the higher level of vacancy in Morris County is not considered to be excessive. In Essex and Union Counties, where the small home market is not expanding as rapidly, the vacancy level is lower, so that these markets also appear to be in a sound condition.

Major Subdivision Activity. The small home market has been concentrated in Morris County, because the county is nearly twice as large as Essex and Union Counties combined, in area, and because the county is far less populated than the other two. Although the growth is occurring in the

entire county, the eastern half of Morris County, particularly Parsippany-Troy Hills, has been the area of greatest development. When two interstate highways (I-78 and I-280) are completed in several years, the commutation time from the western portion of Morris County to the eastern portions of Essex and Union Counties and points farther east in New Jersey or New York will be sharply reduced and greater expansion of the sales market in the western portion of Morris County is likely then. The growth of the small home market in Essex County is mainly concentrated in the western portion bordering on Morris County. In Union County, growth has occurred mostly in the western and southwestern portion of the county. These are the only areas in the two counties where there is land available in sufficient quantity to construct small homes in any volume. According to the FHA survey of unsold inventory of new houses and local sources, approximately one-third of the new homes are built speculatively.

Unsold Inventory of New Houses. The Newark Insuring Office conducted a survey of completed unsold houses in all subdivisions in the Newark SMSA which had five or more completions in 1964. The survey revealed that 449 units had been completed during the year. Slightly more than half of the completed houses sold for \$20,000 to \$25,000, almost 38 percent were priced between \$25,000 and \$30,000, and about 10 percent were priced between \$17,500 and \$20,000 (see table IX).

Of the total completions, 284 had been sold prior to the start of construction. Of the remaining 165 units (built speculatively), 21 had not been sold (13 percent of the total speculatively-built houses). Nearly three-quarters of the unsold houses had been completed for 7 to 12 months, nearly one-quarter had been completed for two to three months, and only five percent had been completed for less than one month.

A survey of subdivisions with five or more starts in 1963 was conducted in January 1964 by the Newark Insuring Office. That survey revealed the completion of 100 fewer houses than the latest survey (January 1965). There were 32 fewer houses sold before the start of construction. Although the speculatively-built houses numbered only 96 in 1963 (69 fewer than in 1964), 46 were unsold at the time of the survey (48 percent of the total speculatively-built units). In addition, the unsold units at that time had been completed for a longer period of time: 15 percent had been completed for two to three months, 39 percent for four to six months, and 46 percent for seven to twelve months.

FHA Foreclosures. Between April 1, 1964, and March 31, 1965, there were 371 FHA-insured single-family homes foreclosed in the Newark SMSA, a monthly average of 31. The March 1965 total of 30 was up from 19 in March 1964, but slightly under the March 1963 total of 32. These levels form somewhat of a plateau, culminating a steady increase in the number of foreclosures since 1956. The number of delinquent FHA-insured mortgages has proceeded in approximately the same trend as foreclosures, the past three years being a plateau after eight years of steady rise. Approximately one-tenth of the monthly average of 525 delinquent mortgages between April 1964 and March 1965 has been delinquent for six months or more and for about one-third of the total, foreclosure is imminent. For an area the size of the Newark SMSA, the foreclosure and delinquency levels do not appear to be alarmingly high.

Rental Market

General Market Conditions. The rental market situation has changed very little over the past few years and remains generally sound. Since 1960, there has been a net addition of nearly 20,900 rental units and a decline of over 2,500 rental vacancies, resulting in an increase of 23,400 renter households. The average household growth of 4,600 a year since 1960 has been 500 a year greater than the annual increments in the housing inventory.

Judging from the occupancy in older FHA rental projects and from a sharp decline in the number of vacant rental units (mostly in the lower rent ranges), the market for low and moderate rent housing appears to have tightened considerably during the past five years. During these five years, there has been substantial construction of garden-type and walk-up rental projects throughout the housing market area, especially in Parsippany-Troy Hills and Elizabeth. These projects rent for \$120 to \$130 for one-bedroom units and \$130 to \$140 for two-bedroom units, for the most part, and have been rapidly absorbed, despite the fact that, in Elizabeth especially, many of the projects are built on scattered lots, near industrial or commercial areas, or near rail lines. The construction appears to be of modest quality and the density of land use is high.

In Parsippany-Troy Hills, as well as in other outlying areas where land is more readily available and the cost is lower, there is less crowding in these projects, and they are much more attractive. Units in these projects also are being readily absorbed.

New Rental Construction. The demand for upper-middle income rental housing is being met by FHA rental projects, by the more expensive, new, conventionally-financed garden apartments, and by the good quality existing elevator structures (these older structures, for the most part, are in East Orange and the western edge of Newark). This market, at the present time is in a sound condition.

When consideration is given to the market for expensive high-rise apartments, however, the situation is much less favorable. While projects in superior locations outside the city of Newark have been well received, projects within the city have fared badly. The bulk of the new high rent housing has been built in the city. As was pointed out in the vacancy section, vacancies in these projects have been considerably above desirable levels for the past several years. Since, during much of this period, luxury apartments were being completed faster than they could be rented, the situation did not improve. Although the completion of a large rental project will inflate the vacancy level temporarily, the vacancy level in this area has been abnormally high for several years and provides a clear indication of an over-built market. Even at the low point in January 1964, the vacancy level was much too high and for much of the period the rate of construction of luxury rental projects has remained above the rate of absorption.

The supply of high-rent apartments was augmented by 968 units in FHA projects in 1962, by 961 in 1963, and by 922 in 1964. As of early 1965, the vacancy rates in these units were 10.5 percent for 1962 completions, 21.2 percent for the 1963 completions, and 67.2 percent for the 1964 completions. It is clear that even after more than two years of market exposure the vacancy rate is still higher than desirable.

Rental Housing Under Construction. At the present time, there are nine FHA-insured rental projects under construction in the SMSA, with a total of 2,101 units. Of these, two are low rent projects in Newark. One is about 26 percent completed; the other (in Urban Renewal Area R-6) is 64 percent completed. The former is a high-rise project heavily weighted with small sized units. The latter is a garden-type project and the size of units will be larger (more two-bedroom units).

Another FHA rental project is under construction in Newark. This project is about 31 percent completed and will be heavily weighted by small sized units (3 one-bedroom units to every one two-bedroom unit). The remaining six FHA projects under construction are between 96 percent and 98 percent completed and have been renting for one to 22 months. One project is in Newark, one is in Elizabeth, two are in East Orange, one is in Glen Ridge, and one is in Caldwell.

There are four projects on which FHA commitments have been issued which are not yet under construction. One is a three-story, garden-type project to be built in the Third Ward Urban Renewal Area (R-6) of Newark. Another project is slated for construction in the Washington Avenue Urban Renewal Area of Elizabeth. The other two commitments are for projects in Verona and in Montclair.

At present, there is an estimated total of 6,750 units of rental housing under construction in the SMSA (2,101 units of which are FHA-insured). The bulk of the units (3,069) are in Essex County, including 1,270 in Newark. Approximately 1,981 units are under construction in Morris County (almost all conventionally-financed, garden-type projects) and 1,704 units are in Union County, the majority in conventionally-financed garden projects.

Inasmuch as the Newark SMSA is in the proximity of New York City, some rental project managers predict rapid absorption of rental projects by attracting New York City residents to the Newark area. As to the matter of New York City residents' moving to the north-eastern area of New Jersey, a 1962 survey found that about 18 percent of the tenants in seven rental projects in Essex County moved from New York City and its surrounding area (east of the Hudson River). This ratio has not changed significantly since that time. Projects near the center of Newark, where transportation connections to New York City are good, have obtained 20 to 25 percent of their tenants from east of the Hudson River, but projects in areas farther removed from main transportation arteries to New York City attract fewer than ten percent of their residents from New York City and its environs. In total, in the past five years, this may have amounted to 500 families. Similar data are not available, however, as to the number of former Newark SMSA residents who moved to New York City apartments during the same period.

FHA Acquisitions. There are three FHA rental projects in Newark, one in East Orange, and one project in Morristown that are in the process of having the mortgage assigned to the Commissioner. Occupancy in these projects as of March 1965, was low; they range in age from one year to three and one-half years. There are two projects in Elizabeth for which the deed is in process of being transferred to the Commissioner; occupancy in these two and one-half year old projects was 82 percent in March 1965. There are two FHA rental projects (in Newark and East Orange) for which the mortgage payment has been in default (less than 90 days in both projects). In addition, deferment of amortization payments had been granted to eight FHA projects, as of March 1965. In addition to competing in a generally over-built market, these projects have been handicapped because of poor location, rent scales that are high for the amenities offered, and lack of good internal security systems, among other things.

Mortgage Market

The mortgage market is amply supplied with funds at the present time. Local savings institutions, acting in their own behalf and as agents for out-of-town investors offer liberal terms on small home loans. The same institutions, as well as other non-resident financial organizations, supply funds to builders of garden-type apartment projects in the area.

Urban Renewal Activity

There are 35 urban renewal projects in the Newark SMSA (excluding those of a purely planning nature), of which 13 are in the planning stage, 15 are in the execution stage, and 7 are completed (one of these was a demonstration project in Newark). These 35 projects are located in 15 cities and towns throughout the three-county area, with a concentration of 16 in the city of Newark. Information on the most active of the projects is outlined below.

Newark. The Old Third Ward Project (R-6), located in the southwest section of Newark, contained 1,043 housing units, of which 992 were substandard. Relocation of 1,101 families is about two-thirds completed and should be finished by the end of 1966. Proposed re-use of the area calls for 662 units of garden apartments. Another 200 units are proposed for a high-rise project, which is still in the planning stage.

The Hill Street Project (R-49) on Broad Street, just south of the central business district, is in the execution stage. Almost all of the 51 families have been relocated and the bulk of the 84 units (93 percent substandard) have been removed. A 22-story FHA rental project is currently 31 percent completed on the site.

The Lower Clinton Hill Project (R-38) is located southwest of the Old Third Ward Project, and is in the execution stage. Relocation of the 323 families should be completed by the end of 1966. Residential re-use calls for two six-story projects (114 units each) and 296 townhouse units.

The South Broad Project (R-52), which borders on the Hill Street project, is in the execution stage. The area originally contained 593 housing units in which 315 families were resident. In addition to some stores along Broad Street, the area will be developed with about 880 units in high-rise rental projects. Virtually all of the families have been relocated and a 487 unit 22-story elevator project is planned.

The Essex Heights Project (R-62) is located on the west side of Newark, a little north of the Old Third Ward Project between Nelson Street and Raymond Boulevard. Approximately 20 percent of the 591 families in the area have been relocated. Relocation is scheduled to be completed by January 1967. A 312-unit, 13-story rental project is in planning for the area as well as 100 units of garden-type apartments.

Elizabeth. The Washington Avenue Project (U 14-1) entered the execution stage in May 1957. The 130 families in the area resided in 124 housing units, of which 77 percent were substandard. A 480 unit project is completed for this area.

Orange. The Washington-Dodd Project (R-29) was initiated in April 1960. The 38 resident families were subsequently relocated and an FHA project was built. The FHA has received formal application for Section II of this project, 248 units in 64 two-story structures similar to the present 52 unit project, which has been readily absorbed.

East Orange. Doddtown (R-36), located in the northwestern section of East Orange, borders on the Washington-Dodd project (R-29) in Orange. The 139 families have been relocated and clearance of the 159 residential units (44 percent substandard) is nearing completion. Proposed re-use calls for middle-income housing and for elderly housing.

Public Housing

There are 35 public housing projects in nine communities in the Newark SMSA, involving a total of 13,397 units. Of these, 17 projects with 10,766 units are in Newark. There was one project with 60 units that was 23 percent constructed as of December 31, 1964. As of the same date, there were 3,263 units in eight projects in the planning stage. Based on discussions with officials in several local housing authorities, it is estimated that the vacancy level in public housing projects in the Newark SMSA is quite low.

The monthly rents, in general, range from a low of about \$40 a month to a high \$110 a month. Income limits for acceptance to public housing projects range from \$3,600 to \$5,400, and for continued occupancy, the limits range from \$4,300 to about \$6,400.

Demand for Housing

Quantitative Demand

Based on the projected level of household growth (9,600 annually), the anticipated increased rate of residential demolition (8,000 units during the three-year forecast period), a continuing trend to renter occupancy, and the current vacancy level, an annual demand for 12,750 housing units is projected for each of the next three years, including 5,150 sales-type units and 7,600 rental-type units. Inasmuch as a substantial portion of the projected demand for housing is based on a high level of demolition, the demand for new units will be lessened if clearance for urban renewal and highway construction does not proceed at the anticipated levels.

If public benefits or assistance through tax abatement or aid in financing or land acquisition are utilized, thereby reducing the minimum rents achievable, it is judged that demand for privately-owned rental units may be increased by about 2,900 units a year. It may be expected that provision of new privately-owned rental units in the lower rent ranges achievable with public benefits or assistance financing will result in an improvement in the housing available to moderate income families.

The total projected annual demand for 15,650 housing units is substantially above the average annual building permit volume of about 11,800 units during the past five years. The projected annual demand for new sales units and for new rental units (financed at market interest rates) of 5,150 and 7,600 units, respectively, however, are virtually unchanged from the average annual increments of the past five years. The increased demand is expected to be for rental units with moderate rents, those financed with public benefit of assistance, for the most part.

Qualitative Demand

Sales Housing. Based on the distribution of after-tax family income and on the portion of that income that families use for housing expenses, the annual demand for 5,150 new sales housing units is expected to approximate the distribution shown in the following table.

Estimated Annual Demand for New Sales Housing
Newark, New Jersey, SMSA
May 1965 - May 1968

<u>Sales price</u>	<u>Number of units</u>
\$14,000 - \$15,999	150
16,000 - 17,999	250
18,000 - 19,999	675
20,000 - 24,999	1,550
25,000 - 29,999	975
30,000 - and over	1,150
Total	<u>5,150</u>

Based on information furnished by the Newark Insuring Office and on other local sources, construction of good quality single-family housing units does not seem feasible for less than \$14,000 in the Newark SMSA. The bulk of the sales units will undoubtedly be built in Morris County, for reasons stated earlier in the report. Demand for sales housing priced below \$14,000 should be satisfied by turnover of existing single-family houses.

The distribution shown above differs from those on page 23 and in table IX, which reflect only selected subdivision experience during the years 1963 and 1964. It must be noted that the 1963 and 1964 data do not include new construction in subdivisions with fewer than five completions during the year, 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 above reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Demand for Rental Housing. The monthly rentals at which privately-owned net additions to the aggregate rental housing inventory might be absorbed best by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without benefits or assistance through tax abatement or aid in financing or land acquisition. The minimum gross rents achievable in this area with market interest rate financing are \$110 for efficiencies, \$125 for one-bedroom units, \$135 for two-bedroom units, and \$150 for three-bedroom units. The production of units in the higher rental ranges will competitively effect a filtering of existing accommodations to lower ranges of rent.

Estimated Annual Demand for
New Rental Units by Monthly Gross Rent and by Unit Size
Newark, New Jersey, SMSA
May 1965 to May 1968

Monthly gross rent	a/	Size of unit			
		Efficiency	One-bedroom	Two-bedroom	Three-bedroom
\$100 and over		1,255	-	-	-
105 " "		1,175	-	-	-
110 " "		1,100	4,050	-	-
115 " "		950	3,700	3,900	-
120 " "	- - -	800	3,500	3,575	-
125 " "		650	3,200	3,275	1,295
130 " "		500	2,800	2,900	1,150
135 " "		400	2,400	2,605	1,025
140 " "	- - -	300	2,000	2,250	900
145 " "		225	1,600	1,900	850
150 " "		175	1,200	1,550	695
160 " "		125	780	1,200	500
170 " "	- - -	75	650	850	350
180 " "		50	500	500	200
200 " "		25	375	350	150
220 " "		-	225	200	100
240 " "		-	125	100	50
260 " "		-	75	50	25

a/ Gross rent is shelter or contract rent plus the cost of utilities and services.

Note: The figures above are cumulative, i.e., the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$130 to \$140 is 800 units (2,800 minus 2,000).

It should be noted that the projected demand declines rapidly in the higher rent ranges. This reflects, in part, the current sluggishness of the high-rent market and the higher than normal vacancy level that has been evident during the past several years in housing in the upper rent ranges.

The areas in which new rental housing have been marketed most successfully in the recent past seem to be the residential communities outside the industrial, commercial, and residential concentration in Newark and the cities in its immediate environs. There are, however, rental projects in Newark that have been fairly successful. These projects have rent levels of \$45 a room a month or less for the most part.

Table I

Total Nonfarm Employment, Employment of
Wage and Salary Workers by Industry
Newark, New Jersey, SMSA
(1958-1964)
(In Thousands)

<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Total nonfarm employment	<u>710.9</u>	<u>730.8</u>	<u>748.1</u>	<u>751.4</u>	<u>766.0</u>	<u>771.7</u>	<u>779.9</u>
Wage and salary workers	<u>622.9</u>	<u>641.3</u>	<u>656.0</u>	<u>656.3</u>	<u>672.4</u>	<u>681.0</u>	<u>689.2</u>
Total manufacturing	<u>232.0</u>	<u>241.7</u>	<u>243.6</u>	<u>235.9</u>	<u>240.4</u>	<u>238.9</u>	<u>236.1</u>
Durable goods	<u>129.2</u>	<u>137.1</u>	<u>138.5</u>	<u>131.3</u>	<u>134.5</u>	<u>131.1</u>	<u>128.8</u>
Primary metals	11.1	12.2	12.5	11.8	11.7	10.8	10.7
Fabricated metals	19.0	20.9	20.7	20.5	20.6	20.7	21.0
Machinery (non-electric)	23.1	23.3	23.4	21.9	24.2	23.3	24.0
Electrical machinery	40.1	43.3	43.9	41.0	42.2	42.1	39.6
Transportation equipment	13.4	14.2	14.4	12.1	10.4	10.7	9.8
Other durable goods	<u>22.5</u>	<u>23.2</u>	<u>23.6</u>	<u>24.0</u>	<u>25.4</u>	<u>23.5</u>	<u>23.7</u>
Nondurable goods	<u>102.8</u>	<u>104.6</u>	<u>105.1</u>	<u>104.6</u>	<u>105.9</u>	<u>107.8</u>	<u>107.3</u>
Food and kindred products	23.2	23.1	23.2	22.9	22.8	22.5	22.2
Textiles	3.8	4.2	4.2	3.9	3.6	3.6	3.6
Apparels	15.7	16.1	15.7	15.1	14.6	14.3	14.4
Paper and allied products	6.9	7.2	7.1	7.0	7.1	6.9	6.6
Printing and publishing	9.8	10.0	10.2	10.4	10.5	10.8	11.1
Chemicals & publishing	28.7	29.2	30.1	30.7	31.8	33.6	34.2
Rubber, plastic, & misc. products	6.9	7.4	7.7	7.6	8.4	8.8	9.0
Leather and leather products	4.4	4.0	3.8	3.9	4.2	4.2	3.9
Other nondurable goods	3.4	3.4	3.1	3.1	2.9	2.6	2.3
Total nonmanufacturing	<u>390.9</u>	<u>399.6</u>	<u>412.4</u>	<u>420.4</u>	<u>432.0</u>	<u>442.1</u>	<u>453.1</u>
Mining	1.2	1.1	1.0	0.8	0.8	0.8	0.9
Construction	26.4	27.2	28.2	29.3	29.3	27.7	29.5
Trans. & public utilities	45.4	46.3	47.3	48.2	49.3	51.1	51.1
Wholesale and retail trade	122.9	125.0	128.8	129.4	132.6	134.2	134.8
Finance, insurance, & real estate	45.4	44.4	44.8	45.6	46.4	47.1	47.8
Services	86.2	90.6	94.6	96.9	99.7	103.6	107.6
Government	63.4	65.0	67.7	70.2	73.9	77.6	81.4
Other nonagricultural employment	88.0	89.5	92.1	95.1	93.6	90.7	90.7

Source: New Jersey Department of Labor and Industry.

Table II

Estimated Family Income Distribution a/
Newark, New Jersey, SMSA
May 1965 and May 1968

Annual income after tax	Percent Distribution			
	All families		Renter families	
	1965	1968	1965	1968
Under \$3,000	8.5	7.0	18.0	16.5
\$3,000 - 3,999	4.0	4.0	8.0	7.5
4,000 - 4,999	7.0	6.0	10.5	9.0
5,000 - 5,999	9.0	7.5	12.5	10.0
6,000 - 6,999	10.5	9.0	12.5	13.0
7,000 - 7,999	11.0	10.5	10.5	10.5
8,000 - 8,999	8.5	9.5	8.0	9.0
9,000 - 9,999	10.0	8.0	5.0	6.5
10,000 - 12,499	16.0	20.0	7.5	8.5
12,500 - 14,999	5.5	7.0	3.5	5.5
15,000 - 19,999	4.0	4.0	4.0	b/4.0
20,000 and over	6.0	7.5	-	-
Total	100.0	100.0	100.0	100.0
Median	\$8,025	\$8,650	\$6,050	\$6,525

a/ After deduction of Federal income tax.

b/ \$15,000 and over.

Source: Estimated by Housing Market Analyst.

Table III

Population Trend
Newark, New Jersey, SMSA
April 1950, April 1960, and May 1965

Area	April 1950	April 1960	May 1965	Average annual change	
				1950-1960	1960-1965
Total SMSA	<u>1,468,458</u>	<u>1,689,420</u>	<u>1,811,000</u>	<u>22,096</u>	<u>23,950</u>
Essex County	<u>905,949</u>	<u>923,541</u>	<u>948,000</u>	<u>1,760</u>	<u>4,825</u>
Belleville	32,019	35,005	36,800	299	350
Bloomfield	49,307	51,867	53,800	256	380
Cedar Grove	8,022	14,603	17,100	658	490
East Orange	79,340	77,259	78,000	-208	150
Irvington	59,201	59,379	62,600	18	640
Montclair	43,927	43,129	43,500	-80	75
Newark	438,776	405,220	403,800	-3,356	-280
Nutley	26,992	29,513	30,200	252	140
Orange	38,037	35,789	35,700	-225	-20
South Orange	15,230	16,175	16,900	95	140
Verona	10,921	13,782	14,700	286	180
West Orange	28,605	39,895	42,100	1,129	430
Remainder of county	75,572	101,925	112,800	2,635	2,150
Morris County	<u>164,371</u>	<u>261,620</u>	<u>320,000</u>	<u>9,725</u>	<u>11,500</u>
Dover	11,174	13,034	13,200	186	35
Madison	10,417	15,122	16,100	471	190
Morristown	17,124	17,712	19,200	59	300
Parsippany-Troy	15,290	25,557	47,500	1,027	4,325
Hills twp.					
Remainder of county	110,366	190,195	224,000	7,983	6,650
Union County	<u>398,138</u>	<u>504,255</u>	<u>543,000</u>	<u>10,612</u>	<u>7,625</u>
Clark	4,352	12,195	17,000	784	950
Elizabeth	112,817	107,698	116,200	-512	1,675
Hillside	21,007	22,304	22,700	130	80
Linden	30,644	39,931	42,700	929	540
Plainfield	42,366	45,330	46,000	296	130
Rahway	21,290	27,699	28,800	641	220
Roselle	17,681	21,032	22,400	335	270
Roselle Park	11,537	12,546	13,500	101	190
Scotch Plains	9,069	18,491	21,700	942	630
Union	38,004	51,499	53,900	1,350	470
Westfield	21,243	31,447	32,800	1,020	270
Remainder of county	68,128	114,083	125,300	4,596	2,200

Source: 1950 and 1960 Censuses of Population.
1965 estimated by Housing Market Analyst.

Note: Detail may not add to total, because of rounding.

Table IV

Household Trend
Newark, New Jersey, SMSA
April 1950, April 1960, and May 1965

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>May</u> <u>1965</u>	<u>Average annual change</u>	
				<u>1950-1960</u>	<u>1960-1965</u>
Total SMSA	<u>413,384</u>	<u>511,157</u>	<u>558,200</u>	<u>9,777</u>	<u>9,250</u>
Essex County	<u>256,736</u>	<u>289,008</u>	<u>303,600</u>	<u>3,227</u>	<u>2,875</u>
Belleville	8,856	10,481	11,300	163	160
Bloomfield	14,520	16,582	17,600	206	200
Cedar Grove Twp.	N.A.	2,879	3,625	-	150
East Orange	24,379	27,313	28,250	293	180
Irvington	18,385	20,926	22,600	254	330
Montclair	12,659	13,587	14,050	93	90
Newark	122,531	127,772	130,300	524	500
Nutley	7,473	8,796	9,500	132	140
Orange	10,742	11,760	12,000	102	50
South Orange	4,117	4,566	4,900	45	65
Verona	3,000	3,916	4,275	92	70
West Orange	7,986	11,562	12,500	358	190
Remainder of county	22,088	28,868	32,700	-	750
Morris County	<u>44,308</u>	<u>71,970</u>	<u>89,900</u>	<u>2,766</u>	<u>3,525</u>
Dover	3,246	3,865	4,000	62	25
Madison	2,868	4,235	4,600	137	70
Morristown	4,939	5,603	6,200	66	120
Parsippany-Troy					
Hills Twp.	N.A.	5,500	11,750	-	1,225
Remainder of county	33,255	52,767	63,350	-	2,085
Union County	<u>112,340</u>	<u>150,179</u>	<u>164,700</u>	<u>3,784</u>	<u>2,850</u>
Clark	N.A.	3,128	4,450	-	260
Elizabeth	31,811	34,131	37,700	232	700
Hillside Twp.	N.A.	6,741	7,000	-	50
Linden	8,372	11,700	12,750	333	210
Plainfield	12,172	14,014	14,500	184	95
Rahway	6,089	8,284	8,775	220	100
Roselle	5,068	6,285	6,825	122	110
Roselle Park	3,264	3,738	4,100	47	70
Scotch Plains Twp.	N.A.	4,949	5,925	-	190
Union	N.A.	15,660	16,700	-	200
Westfield	6,076	8,833	9,375	276	110
Remainder of county	39,488	32,716	36,600	-	760

Source: 1950 and 1960 Censuses of Population.

1965 estimated by Housing Market Analyst.

Table V

Housing Inventory by Occupancy and Tenure
Newark, New Jersey, SMSA
April 1960 and May 1965

<u>SMSA</u>	<u>Item</u>	April 1, 1960 <u>Census</u>	May 1, 1965 <u>estimate</u>	Annual average change 1960-1965	
				<u>Number</u>	<u>Percent</u>
	Housing inventory, total	<u>536,339</u>	<u>581,500</u>	<u>8,900</u>	<u>1.7</u>
	Occupied, total	<u>511,157</u>	<u>558,200</u>	<u>9,250</u>	<u>1.8</u>
	Owner	<u>276,380</u>	<u>300,000</u>	<u>4,650</u>	<u>1.7</u>
	Renter	<u>234,777</u>	<u>258,200</u>	<u>4,600</u>	<u>2.0</u>
	Vacant, total	<u>25,182</u>	<u>23,300</u>	<u>-350</u>	<u>- 1.5</u>
	Available	<u>11,719</u>	<u>9,300</u>	<u>-475</u>	<u>- 5.1</u>
	For sale	<u>2,550</u>	<u>2,700</u>	<u>25</u>	<u>1.0</u>
	For rent	<u>9,169</u>	<u>6,600</u>	<u>-500</u>	<u>- 5.5</u>
	Other vacant	<u>13,463</u>	<u>14,000</u>	<u>125</u>	<u>.9</u>
<u>Newark City</u>					
	Housing inventory, total	<u>134,872</u>	<u>134,500</u>	<u>- 75</u>	<u>- .1</u>
	Occupied, total	<u>127,772</u>	<u>130,300</u>	<u>500</u>	<u>.4</u>
	Owner	<u>28,828</u>	<u>28,350</u>	<u>-100</u>	<u>- .3</u>
	Renter	<u>98,944</u>	<u>101,950</u>	<u>600</u>	<u>.6</u>
	Vacant, total	<u>7,100</u>	<u>4,200</u>	<u>-575</u>	<u>- 8.0</u>
	Available	<u>5,585</u>	<u>2,575</u>	<u>-595</u>	<u>-10.7</u>
	For sale	<u>146</u>	<u>175</u>	<u>5</u>	<u>3.4</u>
	For rent	<u>5,439</u>	<u>2,400</u>	<u>-600</u>	<u>-11.0</u>
	Other vacant	<u>1,515</u>	<u>1,625</u>	<u>20</u>	<u>1.3</u>
<u>Remainder of SMSA</u>					
	Housing inventory, total	<u>401,467</u>	<u>447,000</u>	<u>8,975</u>	<u>2.2</u>
	Occupied, total	<u>383,385</u>	<u>427,900</u>	<u>8,750</u>	<u>2.3</u>
	Owner	<u>247,552</u>	<u>271,650</u>	<u>4,750</u>	<u>1.9</u>
	Renter	<u>135,833</u>	<u>156,250</u>	<u>4,000</u>	<u>2.9</u>
	Vacant, total	<u>18,082</u>	<u>19,100</u>	<u>225</u>	<u>1.2</u>
	Available	<u>6,134</u>	<u>6,725</u>	<u>120</u>	<u>2.0</u>
	For sale	<u>2,404</u>	<u>2,525</u>	<u>20</u>	<u>.8</u>
	For rent	<u>3,730</u>	<u>4,200</u>	<u>100</u>	<u>2.7</u>
	Other vacant	<u>11,948</u>	<u>12,375</u>	<u>105</u>	<u>.9</u>

Table V (continued)

Housing Inventory by Occupancy and Tenure
Newark, New Jersey, SMSA
April 1960 and May 1965

<u>Item</u>	<u>April 1, 1960 Census</u>	<u>May 1, 1965 estimate</u>	<u>Annual average change, 1960-1965</u>	
			<u>Number</u>	<u>Percent</u>
<u>Essex County (outside of Newark)</u>				
Housing inventory, total	<u>164,960</u>	<u>177,500</u>	<u>2,475</u>	<u>1.5</u>
Occupied, total	<u>161,236</u>	<u>173,300</u>	<u>2,375</u>	<u>1.5</u>
Owner	92,398	96,550	825	.9
Renter	68,838	76,750	1,550	2.3
Vacant, total	<u>3,724</u>	<u>4,200</u>	<u>100</u>	<u>2.7</u>
Available	<u>2,155</u>	<u>2,425</u>	<u>55</u>	<u>2.6</u>
For sale	637	725	20	3.1
For rent	1,518	1,700	35	2.3
Other vacant	1,569	1,775	45	2.9
<u>Morris County</u>				
Housing inventory, total	<u>82,327</u>	<u>100,900</u>	<u>3,650</u>	<u>4.4</u>
Occupied, total	<u>71,970</u>	<u>89,900</u>	<u>3,525</u>	<u>4.9</u>
Owner	55,777	66,800	2,175	3.9
Renter	16,193	23,100	1,350	8.3
Vacant, total	<u>10,357</u>	<u>11,000</u>	<u>125</u>	<u>1.2</u>
Available	<u>1,710</u>	<u>2,250</u>	<u>105</u>	<u>6.1</u>
For sale	914	1,000	15	1.6
For rent	796	1,250	90	11.3
Other vacant	8,647	8,750	20	1.2
<u>Union County</u>				
Housing inventory, total	<u>154,180</u>	<u>168,600</u>	<u>2,850</u>	<u>1.8</u>
Occupied, total	<u>150,179</u>	<u>164,700</u>	<u>2,875</u>	<u>1.9</u>
Owner	99,377	108,300	1,775	1.8
Renter	50,802	56,400	1,100	2.2
Vacant, total	<u>4,001</u>	<u>3,900</u>	<u>-25</u>	<u>-.6</u>
Available	<u>2,269</u>	<u>2,050</u>	<u>-45</u>	<u>-2.0</u>
For sale	853	800	-10	-1.2
For rent	1,416	1,250	-35	-2.5
Other vacant	1,732	1,850	20	1.2

Source: 1960 Census of Housing.

1965 - Estimated by Housing Market Analyst.

Table VI

Additions to the Housing Inventory Authorized by Building Permits
Newark, New Jersey, SMSA
1950-1965

<u>Area</u>	<u>Annual average 1950-1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>a/</u>
Total SMSA	<u>9166</u>	<u>9502</u>	<u>12381</u>	<u>9975</u>	<u>11229</u>	<u>15975</u>	<u>2390</u>	
Essex County	<u>3843</u>	<u>3784</u>	<u>5633</u>	<u>3986</u>	<u>3170</u>	<u>4620</u>	<u>1162</u>	
Belleville	166	208	38	248	193	260	81	
Bloomfield	221	389	582	53	96	168	1	
Cedar Grove Twp.	140	44	111	302	134	166	-	
East Orange	183	268	434	951	135	98	15	
Irvington	102	96	214	361	592	923	134	
Montclair	111	81	35	256	157	301	4	
Newark	1165	914	2647	216	290	1754	315	
Nutley	136	193	163	204	106	155	8	
Orange	107	81	16	11	153	168	-	
South Orange	57	100	157	85	137	6	14	
Verona	109	186	52	50	55	45	289	
West Orange	373	308	223	133	238	200	184	
Rest of county	973	916	911	1116	884	376	117	
Morris County	<u>1872</u>	<u>2198</u>	<u>2919</u>	<u>3063</u>	<u>4859</u>	<u>7569</u>	<u>698</u>	
Dover	62	30	44	49	49	50	8	
Madison	233	50	95	130	60	58	9	
Morristown	87	92	150	179	262	146	56	
Parsippany-Troy Hills Twp.	264	276	895	438	2230	4136	84	
Rest of county	1226	1750	1735	2267	2258	3179	541	
Union County	<u>3451</u>	<u>3520</u>	<u>3829</u>	<u>2926</u>	<u>3200</u>	<u>3786</u>	<u>530</u>	
Clark Twp.	224	265	292	233	222	425	69	
Elizabeth	344	991	465	958	837	1063	99	
Hillside Twp.	95	64	109	43	38	26	2	
Linden	324	241	228	249	202	273	46	
Plainfield	211	329	234	135	173	278	50	
Rahway	201	102	93	-	373	134	-	
Roselle	124	100	44	96	181	254	74	
Roselle Park	50	28	90	30	128	187	38	
Scotch Plains Twp.	233	175	253	227	282	100	15	
Union Twp.	503	326	188	240	235	325	23	
Westfield	294	75	100	112	90	88	25	
Rest of county	848	824	1733	603	439	633	89	

a/ First three months.

Source: Department of Commerce, C 40 Construction Reports.
 New Jersey Department of Labor and Industries.

Table VII

Multifamily Housing Units Authorized by Building Permits a/
Newark, New Jersey, SMSA
1960-1965

<u>Area</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Jan.-Mar.</u> <u>1965</u>
Total SMSA	<u>3241</u>	<u>5819</u>	<u>4554</u>	<u>6065</u>	<u>10560</u>	<u>1353</u>
Essex County	<u>2077</u>	<u>4419</u>	<u>2745</u>	<u>2128</u>	<u>3665</u>	<u>990</u>
Belleville	144	38	191	171	230	85
Bloomfield	282	526	16	44	128	-
Cedar Grove Twp.	-	84	279	126	37	12
East Orange	250	408	940 P	113	78	45
Irvington	48P	142P	220	434P	844	-
Montclair	19	8	231	103	258	-
Newark	803	2549	137	218	1635	299
Nutley	84	108	156	40	108	-
Orange	75	6	-	146	162	87
South Orange	-	135	69	120	-	-
Verona	148	40	-	26	28	285
West Orange	-	98	10	126	-	177
Rest of county	224	277	496	461	157	-
Morris County	<u>116</u>	<u>842</u>	<u>799</u>	<u>2416</u>	<u>4849</u>	<u>54</u>
Dover	-	-	-	-	271	-
Madison	-	66	97	-	-	-
Morristown	56P	73	152	235	125	-
Parsippany-Troy Hills	5	599	206	1861	3773	-
Rest of county	55	104	344	320	680	54
Union County	<u>1048</u>	<u>558</u>	<u>1010</u>	<u>1521</u>	<u>2046</u>	<u>309</u>
Clark Twp.	-	-	-	122	250	-
Elizabeth	864	271 P	766	762	945	94
Hillside Twp.	-	-	20	-	-	-
Linden	-	-	8	18	99	-
Plainfield	120P	107	64	114	224	-
Rahway	34	-	-	170P	73	-
Roselle	14	-	27	105	179	-
Roselle Park	-	40	-	82	176	-
Scotch Plains Twp.	-	-	96	148	-	-
Union Twp.	-	-	-	-	100	-
Westfield	-	-	-	-	-	-
Rest of county	16	140	29	-	-	215

a/ Structures with five or more units.

P Includes public housing

Source: Department of Commerce, C 40 Construction Reports.
 New Jersey, Department of Labor and Industries.

Table VIII

Page 1 of 3

Newark, New Jersey, Area Postal Vacancy Survey

April 14-28, 1965

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	529,383	7,357	1.4	4,931	2,426	6,612	263,500	2,505	1.0	1,840	665	1,821	265,883	4,852	1.8	3,091	1,761	4,791	311	10	3.2
Essex County	284,272	3,854	1.4	2,547	1,307	3,144	87,883	677	0.8	507	170	532	196,389	3,177	1.6	2,040	1,137	2,612	-	-	-
Newark	175,972	2,020	1.1	1,566	454	1,915	29,939	175	0.6	142	33	379	146,033	1,845	1.2	1,424	421	1,536	-	-	-
Main Office	4,177	69	1.7	69	-	442	582	5	0.8	5	-	1	3,595	64	1.8	64	-	441	-	-	-
Branches:																					
Belleville	12,278	93	0.8	72	21	366	5,988	24	0.4	7	17	359	6,290	69	1.1	65	4	7	-	-	-
Irvington	22,931	94	0.4	41	53	443	4,240	17	0.4	8	9	-	18,691	77	0.4	33	44	443	-	-	-
Nutley	9,308	106	1.1	23	83	21	6,541	18	0.3	17	1	13	2,767	88	3.2	6	82	8	-	-	-
Stations:																					
Clinton Hill	18,290	213	1.2	213	-	-	1,019	5	0.5	5	-	-	17,271	208	1.2	208	-	-	-	-	-
Ironbound	12,626	54	0.4	54	-	-	1,337	2	0.1	2	-	-	11,289	52	0.5	52	-	-	-	-	-
North	20,429	305	1.5	269	36	10	2,503	42	1.7	42	-	1	17,926	263	1.5	227	36	9	-	-	-
Roseville	15,347	105	0.7	97	8	627	1,876	7	0.4	2	5	5	13,471	98	0.7	95	3	622	-	-	-
South	4,990	28	0.6	28	-	-	531	2	0.4	2	-	-	4,459	26	0.6	26	-	-	-	-	-
Vailsburg	12,078	204	1.7	198	6	4	2,490	30	1.2	30	-	-	9,588	174	1.8	168	6	4	-	-	-
Weequahic	15,162	442	2.9	197	245	2	1,414	14	1.0	14	-	-	13,748	428	3.1	183	245	2	-	-	-
West	28,356	307	1.1	305	2	-	1,418	9	0.6	8	1	-	26,938	298	1.1	297	1	-	-	-	-
Other Post Offices	108,300	1,834	1.7	981	835	1,229	57,944	502	0.9	365	137	153	50,356	1,332	2.6	616	716	1,076	-	-	-
Bloomfield	17,809	214	1.2	117	97	96	7,760	47	0.6	40	7	11	10,049	167	1.7	77	90	85	-	-	-
Caldwell	8,283	165	2.0	72	93	112	6,677	108	1.6	46	62	43	1,606	57	3.5	26	31	69	-	-	-
Cedar Grove	3,488	22	0.6	20	2	3	2,901	12	0.4	12	-	3	587	10	1.7	8	2	-	-	-	-
East Orange	27,804	837	3.0	384	453	64	5,299	124	2.3	121	3	10	22,505	713	3.2	263	450	54	-	-	-
Essex Fells	675	7	1.0	2	5	3	675	7	1.0	2	5	3	-	-	-	-	-	-	-	-	-
Glen Ridge	2,515	109	4.3	16	93	1	2,414	18	0.7	16	2	1	101	91	90.0	-	91	-	-	-	-
Maplewood	7,659	56	0.7	53	3	19	5,963	26	0.9	25	1	6	1,696	30	1.8	28	2	13	-	-	-
Millburn	2,567	25	1.0	21	4	18	1,768	10	0.6	8	2	-	799	15	1.9	13	2	18	-	-	-
Montclair	18,474	167	0.9	119	48	432	13,997	70	0.5	49	21	15	4,477	97	2.2	70	27	417	-	-	-
Orange	10,435	167	1.6	132	35	372	3,191	26	0.8	12	14	26	7,244	141	1.9	120	21	346	-	-	-
Roseland	830	8	1.0	5	3	1	830	8	1.0	5	3	1	-	-	-	-	-	-	-	-	-
Short Hills	3,809	30	0.8	14	16	30	3,630	29	0.8	13	16	30	179	1	0.6	1	-	-	-	-	-
South Orange	3,952	27	0.7	26	1	78	2,839	17	0.6	16	1	4	1,113	10	0.9	10	-	74	-	-	-

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

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

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

Table VIII (continued)

Page 2 of 3

Newark, New Jersey, Area Postal Vacancy Survey

April 14-28, 1965

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.	%
Morris County	68,501	1,235	1.9	899	386	1,149	61,245	379	1.4	634	245	637	7,256	406	5.6	265	141	512	114	1	0.9
Boonton	4,103	67	1.6	65	2	9	3,300	24	0.7	22	2	9	803	43	5.4	43	-	-	-	-	-
Butler	4,752	129	2.7	67	62	32	4,713	120	2.5	64	56	30	39	9	23.1	3	6	2	-	-	-
Chatham	4,696	54	1.1	34	16	19	2,252	44	1.0	23	16	19	444	10	2.3	10	-	-	-	-	-
Dover	8,384	230	2.6	175	55	37	7,168	154	2.1	131	23	3	1,716	76	4.4	44	32	7	-	-	-
Florham Park	1,772	10	0.6	7	3	7	1,772	10	0.6	7	3	7	-	-	-	-	-	-	-	-	-
Gillette	634	-	-	-	-	-	634	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hanover	1,609	18	1.1	5	10	18	1,581	18	1.1	3	16	13	28	-	-	-	-	-	-	-	-
Lake Hiawatha	2,588	-	-	-	-	38	1,987	-	-	-	-	2	601	-	-	-	-	36	-	-	-
Lincoln Park	1,827	16	0.9	16	-	12	1,805	12	0.7	12	-	12	22	4	18.2	4	-	-	-	-	-
Madison	3,393	51	1.5	48	3	7	2,822	42	1.5	39	3	7	571	9	1.6	9	-	-	-	-	-
Millington	1,085	8	0.7	2	6	20	1,085	8	0.7	2	6	20	-	-	-	-	-	-	-	-	-
Morris Plains	3,606	79	2.2	20	59	225	3,336	27	0.8	12	15	17	270	52	19.3	8	44	208	-	-	-
Morristown	11,126	212	1.9	164	48	460	8,839	115	1.3	80	35	203	2,287	97	4.2	84	13	257	-	-	-
Mountain Lakes	1,175	14	1.2	12	2	5	1,175	14	1.2	12	2	5	-	-	-	-	-	-	-	-	-
Netcong	831	9	1.1	6	3	7	821	6	0.7	4	2	5	10	3	30.0	2	1	2	-	-	-
Pearlmanock	1,129	23	2.0	14	9	7	1,104	18	1.6	9	9	7	25	5	20.0	5	-	-	-	-	-
Pompton Plains	2,093	29	1.4	25	4	59	2,073	27	1.3	23	4	59	15	2	13.3	2	-	-	-	-	-
Riverdale	855	17	2.0	16	1	2	814	7	0.9	6	1	2	41	10	24.4	10	-	-	-	-	-
Rockaway	4,519	133	2.9	47	86	112	4,352	73	1.7	32	41	112	167	60	35.7	15	45	-	-	-	-
Stirling	569	11	1.9	8	3	-	450	8	1.8	5	3	-	119	3	2.5	3	-	-	34	1	2.9
Succasunna	1,538	25	1.6	25	-	-	1,522	23	1.5	23	-	-	16	2	12.5	2	-	-	-	-	-
Wharton	3,954	123	3.1	109	14	19	3,902	117	3.0	103	14	19	52	6	11.5	6	-	-	-	-	-
Whippany	1,763	27	1.5	27	-	4	1,733	12	0.7	12	-	4	30	15	50.0	15	-	-	80	-	-

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

Table VIII (continued)
Newark, New Jersey, Area Postal Vacancy Survey

April 14-28, 1965

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.	%
Union County	176,610	2,218	1.3	1,485	733	2,319	114,372	949	0.8	699	250	652	62,238	1,269	2.0	786	483	1,667	197	9	4.6
Berkeley Heights	2,735	16	0.6	3	13	18	2,652	16	0.6	3	13	18	83	-	-	-	-	-	-	-	-
Cranford	7,561	66	0.9	46	20	25	5,933	46	0.8	26	20	22	1,628	20	1.2	20	-	3	-	-	-
Elizabeth	55,923	570	1.0	344	226	529	21,119	91	0.4	83	8	21	34,804	479	1.4	261	218	508	-	-	-
Main Office	30,052	449	1.5	256	193	386	8,215	48	0.6	47	1	11	21,837	401	1.8	209	192	375	-	-	-
Branches:																					
Hillside	3,090	13	0.4	9	4	1	2,227	11	0.5	9	2	1	863	2	0.2	-	2	-	-	-	-
Industrial	3,712	6	0.2	4	2	10	2,096	2	0.1	2	-	3	1,616	4	0.2	2	2	7	-	-	-
Roselle	7,176	39	0.5	18	21	96	4,230	14	0.3	9	5	3	2,946	25	0.8	9	16	93	-	-	-
Roselle Park	3,970	37	0.9	31	6	36	2,863	11	0.4	11	-	3	1,107	26	2.3	20	6	33	-	-	-
Station:																					
Export	7,923	26	0.3	26	-	-	1,488	5	0.3	5	-	-	6,435	21	0.3	21	-	-	-	-	-
Fanwood	2,418	16	0.7	14	2	7	2,383	13	0.5	11	2	7	35	3	8.6	3	-	-	-	-	-
Garwood	1,706	6	0.4	6	-	4	985	2	0.2	2	-	2	721	4	0.6	4	-	2	-	-	-
Kenilworth	2,405	21	0.9	14	7	2	2,154	15	0.7	8	7	2	251	6	2.4	6	-	-	-	-	-
Linden	13,574	193	1.4	107	86	34	8,264	76	0.9	54	22	28	5,310	117	2.2	53	64	6	134	9	6.7
Murray Hill	1,057	6	0.6	4	2	20	885	6	0.7	4	2	20	172	-	-	-	-	-	-	-	-
Plainfield	24,623	653	2.7	475	178	919	15,446	290	1.9	234	56	87	9,207	363	3.9	241	122	832	-	-	-
Rahway	18,664	327	1.8	195	132	281	15,942	139	0.9	80	59	155	2,722	188	6.9	115	73	126	-	-	-
Scotch Plains	4,477	50	1.1	44	6	31	4,180	39	0.9	33	6	22	297	11	3.7	11	-	9	-	-	-
Springfield	4,902	67	1.4	49	18	30	3,614	41	1.1	23	18	30	1,288	26	2.0	26	-	-	-	-	-
Summit	7,724	46	0.6	46	-	-	5,578	46	0.3	46	-	-	2,146	-	-	-	-	-	-	-	-
Union	15,201	48	0.3	25	23	301	12,823	41	0.3	22	19	120	2,378	7	0.3	3	4	181	63	-	-
Vauxhall	981	13	1.3	7	6	8	507	8	1.6	4	4	8	474	5	1.1	3	2	-	-	-	-
Westfield	12,659	120	0.9	106	14	110	11,937	80	0.7	66	14	110	722	40	5.5	40	-	-	-	-	-

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

Table IX

Completed Unsold Houses by Sales Price Class
Newark, New Jersey, SMSA
January 1, 1965

<u>Sales price</u>	<u>House completed</u>			<u>Total</u>	<u>Speculative houses</u>		
	<u>Number</u>	<u>Percent</u>	<u>Sold before constr. started</u>		<u>Number sold</u>	<u>Unsold Number</u>	<u>Percent</u>
\$17,500 - \$19,999	47	10.5	30	17	12	5	29.4
20,000 - 24,999	232	51.7	132	100	86	14	14.0
25,000 - 29,999	170	37.8	122	48	46	2	4.2
Total	449	100.0	284	165	144	21	12.7

Summary of survey conducted January 1, 1964

\$12,500 - \$14,999	1	0.3	1	-	-	-	-
15,000 - 17,499	15	4.3	15	-	-	-	-
17,500 - 19,999	28	8.0	8	20	2	18	90.0
20,000 - 24,999	111	31.9	86	25	9	16	64.0
25,000 - 29,999	116	33.4	83	33	21	12	36.4
30,000 - 34,999	41	11.8	34	7	7	-	-
35,000 and over	36	10.3	25	11	11	-	-
Total	348	100.0	252	96	50	46	47.9

Source: Annual survey of unsold inventory of new houses conducted by the Newark Insuring Office.