Analysis of the PENSACOLA, FLORIDA HOUSING MARKET

as of December 1, 1966

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
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ANALYSIS OF THE

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AS OF DECEMBER 1, 1966

Field Market Analysis Service
Federal Housing Administration
Department of Housing and Urban Development

Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE PENSACOLA, FLORIDA, HOUSING MARKET AS OF DECEMBER 1, 1966

Summary and Conclusions

1. Nonagricultural wage and salary employment in the Pensacola, Florida, Housing Market area (HMA) averaged 56,300 during 1965, an increase of 6,100 (12 percent) over the 1958 level. The gain was comprised of year-to-year changes which ranged from a loss of 200 between 1960 and 1961 and a gain of 1,900 between 1963 and 1964. The variable pattern of changes is attributed to expansion and contraction in only a few major industry groups: chemicals, contract construction, and trade. In addition, the number of uniformed Navy personnel in the area increased by about 3,500 from June 1960 to the current level of 15,200. Nonagricultural wage and salary employment for the first nine months of 1966 exceeds the average for the corresponding period in 1965 by 500 jobs. During the next two years, total nonagricultural employment is expected to increase by 700 jobs yearly, as moderate growth occurs in manufacturing and as employment in government, trade and services continues to increase; additional increases in military strength are expected to be on the order of 300 a year, or considerably below military strength increments since 1962.

   Unemployment in the Pensacola HMA averaged 2,300 persons during 1965, equal to 3.2 percent of the work force. This was the lowest ratio recorded during the 1958-1965 period. Except during the 1961 and 1962 recession period when unemployment reached a peak of 3,200 persons (equal to an unemployment ratio of 4.6 percent). The unemployment ratio has ranged between 3.2 percent and 3.8 percent.

2. The December 1966 median annual income in the Pensacola HMA, after deduction of federal income tax, was $6,350 for all families and $4,700 for renter households of two or more persons. By 1968, median annual after-tax incomes are expected to approximate $6,700 for all families and $5,000 for renter households.

3. The population of the Pensacola HMA was 231,200 on December 1, 1966. That figure represents an average increase of approximately 4,175 yearly since April 1960, considerably below the average increment of 7,200 persons a year during the 1950-1960 decade. By December 1, 1968, the population of the HMA is expected to total 236,000, an anticipated gain of 2,700 a year.

4. There were 64,400 households in the Pensacola HMA in December 1, 1966, an average increase of 1,425 annually since April 1960. During the 1950-1960 decade, household increases averaged about 1,975 yearly. The number of households in the HMA is expected to total 66,400 by December 1, 1968, reflecting an annual gain of 1,000.

5. The housing inventory of the Pensacola HMA totalled about 70,400 housing units as of December 1, 1966. Since 1960 there was a net addition of about 9,475 (16 percent) housing units to the inventory. The net addition resulted from the construction of about 11,125 new housing units and a loss of approximately 1,650 units, primarily through demolition.

   The peak years of new residential construction were 1958 and 1959. Beginning in 1960, construction dropped sharply to a low point in 1962. Chiefly because of the increase in the construction of apartment units beginning in 1963, total residential construction has risen steadily. During the first eleven months of 1966, however, the volume of construction dropped significantly below the level of the comparable period in 1965.

6. On December 1, 1966, there were about 800 vacant housing units available for sale in the HMA, representing a homeowner vacancy ratio of 1.7 percent; there were 2,200 units available for rent, indicating a rental vacancy ratio of 10.3 percent. The homeowner and renter vacancy ratios declined somewhat from the 1960 levels of 2.5 percent and 12.3 percent, respectively. At the 1966 rates, the homeowner vacancy ratio was only slightly excessive, but the renter vacancy ratio was considerably in excess of a normally acceptable level. The relatively high rental vacancy ratio characterized nearly every segment of the Pensacola rental market except the new garden apartments in which vacancies were negligible.

7. During the next two years, there is expected to be an annual demand for 925 new single-family houses. The distribution of the annual demand for new single-family houses is shown on page 25. Based on the rate at which renter households will be formed in the HMA during the next two years, on the current high level of available rental vacancies, and on the number of multifamily units currently under construction, there is a more than adequate supply of vacant units available to meet the demand during the next two years, excluding consideration of demand for low-rent public housing and rent-supplement accommodations. Although the large volume of multifamily units built during the past few years has been absorbed and construction probably will continue for that reason, continued additions at recent high levels will prevent correction of the current serious vacancy problem in the older rental accommodations and soon will result in a decline in the absorption of new units. Under these circumstances, a sharp reduction in the construction of new multifamily units appears to be warranted. Only projects designed to meet a demand which clearly is not being satisfied should be considered on their individual merits and their effect on the entire market should be evaluated carefully.

ANALYSIS OF THE PENSACOLA, FLORIDA, HOUSING MARKET AS OF DECEMBER 1, 1966

Housing Market Area

The Pensacola, Florida, Housing Market Area (HMA) is defined as being coterminous with the Pensacola, Florida, Standard Metropolitan Statistical Area (SMSA) which includes Escambia and Santa Rosa Counties. This area is coextensive also with the Pensacola Labor Market Area as delineated by the Florida Industrial Commission.

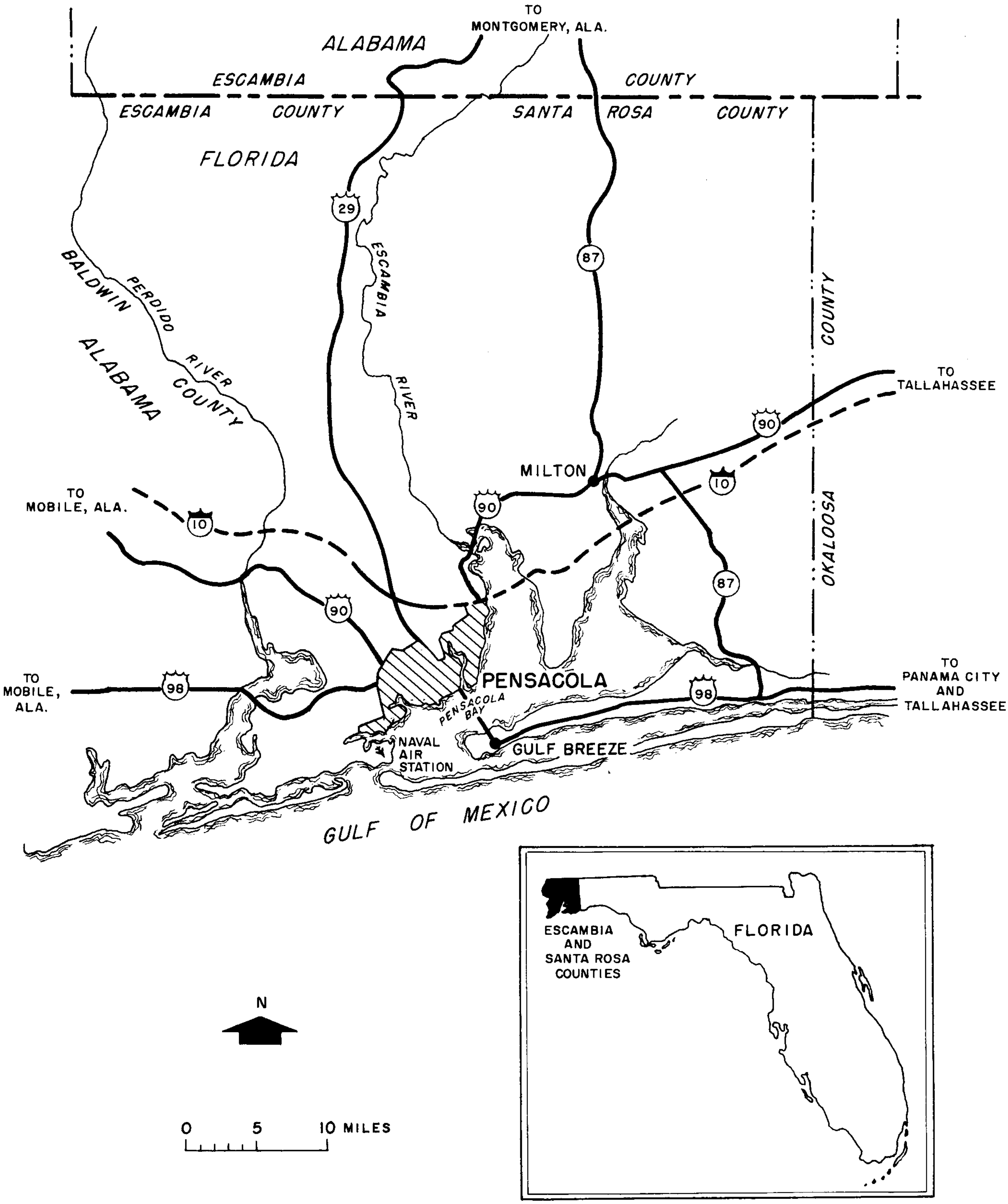
The Pensacola HMA encompasses an area of nearly 1,700 square miles at the extreme western tip of the Florida panhandle. Escambia County, which includes Pensacola City, accounts for over 85 percent of the HMA total population. Pensacola City and its urbanized environs within a five to eight mile radius occupy the southeastern portion of Escambia County and constitute the only significant urban concentration in the HMA; they account for nearly three-fourths of the HMA total population. The northern portions of both Escambia and Santa Rosa Counties consist of relatively sparsely populated farm land and timber holdings. Inasmuch as the rural farm population of the Pensacola HMA accounted for only about 2.1 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

Pensacola is the largest city in northern Florida except for Jacksonville about 370 miles to the east. Although the Pensacola area functions as a trade and service center for the Florida panhandle and portions of Alabama, the proximity of Mobile, Alabama (60 miles west) has discouraged greater development of Pensacola as a distribution and re-distribution center. Principal economic support of the HMA is derived from the U. S. Naval Air Station, the chemicals industry, and the wood products industry.

Transportation facilities are ample in the Pensacola HMA. A network of federal and state highways serves the area, making Pensacola easily accessible by road. Freight service is provided by the Louisville and Nashville Railroad and the St. Louis and San Francisco Railroad; scheduled airline service is furnished at Hagler Field in Pensacola by Eastern and by Southern airlines.

The southern portion of Escambia County in which Pensacola is located is a peninsula, and much of the surrounding area is marshland. Topography has been, therefore, the factor guiding development north and northwest of Pensacola City. The most desirable residential area is the northeastern portion of the city and the adjacent area on the bluffs and higher terrain typical of that section.

PENSACOLA, FLORIDA, HOUSING MARKET AREA



Economy of the Area

Character and History

Pensacola Bay and the surrounding area were explored by Spanish sailors in the mid-1500's. Early adventurers founded many small settlements in the area primarily because of its fine sheltered harbor. A few small, slowly growing communities remained in the area with little to stimulate growth until the mid-1800's when, with the coming of the railroad, Pensacola area became a sizable logging center.

Wood products and paper remain an important element in the economy of the area. Perhaps the most significant economic development affecting the area was the selection of Pensacola in 1914 as the site for Naval aviation training. The Naval Air Station with attendent facilities has grown to be the greatest economic force in the HMA. The decade of the 1950's witnessed the development of a sizable chemicals industry in the Pensacola area providing considerable basic employment.

Employment

Current Estimate. For the first nine months of 1966, the civilian work force in the Pensacola HMA averaged 72,700, or just 100 above the average for the comparable period in 1965. Nonagricultural wage and salary employment grew by 500 (0.9 percent) from an average of 56,200 for the first nine months of 1965 to an average of 56,700 for the same period in 1966. This net gain resulted from gains and losses in several of the principal industry groups. Losses in the chemicals industry and contract construction were more than off-set by increases in government and services employment.

The civilian work force averaged 72,600 in 1965, a gain of 0.8 percent over the 1964 average of 72,000. Components of the 1965 work force included 2,300 unemployed persons, 3,200 agricultural workers, and 67,100 nonagricultural workers. The nonagricultural total included 56,300 nonagricultural wage and salary workers (see table I).

Past Trend. Between 1958 and 1965, nonagricultural wage and salary employment in the Pensacola HMA increased by 6,100 (12.1 percent). The gain was comprised of variable year-to-year changes which ranged from a loss of 200 between 1960 and 1961 to a gain of 1900 between 1963 and 1964. The inconsistent pattern of changes in nonagricultural wage and salary employment is attributed to expansion or contraction in only a few major industry groups (see table II). Nearly one-half of the increment from 1958 to 1960 was provided by gains in the chemicals industry. The drop in nonagricultural wage and salary employment from 1960 to 1961 was led by a job loss in trade; increases in contract construction and trade furnished the bulk of the additions during the two years of strong gains between 1962 and 1964. The following table shows the yearly fluctuation of the work force and of employment.

Trend of Work Force and Nonagricultural Employment
Pensacola, Florida, Housing Market Area
1958 - 1966

Year	Work Force		Nonagricultural Employment			
			Total		Wage and Salary	
	Number	Change	Number	Change	Number	Change
1958	67,800	-	61,800	-	50,200	-
1959	69,000	1,200	63,500	1,700	51,700	1,500
1960	69,500	500	63,700	200	52,300	600
1961	70,700	1,200	64,300	600	52,100	200
1962	69,200	1,500	63,100	1,200	52,100	0
1963	70,200	1,000	64,300	1,200	53,500	1,400
1964	72,000	1,800	66,500	2,200	55,400	1,900
1965	72,600	600	67,100	600	56,300	900
Jan.-Sept.						
1965	72,600	-	67,100	-	56,200	-
1966	72,700	100	66,900	200	56,700	500

Source: Florida Industrial Commission.

Manufacturing employment accounted for about 26.2 percent of all nonagricultural wage and salary employment in 1965, a ratio that has varied only slightly during the past eight years. Between 1958 and 1965, manufacturing employment grew by about 2,000 (16 percent) with one half of this increment occurring from 1958 to 1959. The remaining additions were made in yearly additions not exceeding 300 workers. The average of 14,300 manufacturing workers reported for the first nine months of 1966 represents a loss of 400 jobs from the level of employment for the same period in 1965. Variations in the number employed in the chemicals industry have been responsible for virtually all employment changes in total manufacturing employment.

Nonmanufacturing employment in the first nine months of 1966 increased by 900 jobs over the comparable period in 1965. A gain of 900 jobs in government employment, of which 500 were federal government jobs, led the increases and more than offset the loss of 400 jobs in contract construction. Nonmanufacturing industries in the Pensacola HMA employed 41,600 people in 1965, an increase of 4,100 (11 percent) since 1958. Yearly changes fluctuated widely from a loss of 300 nonmanufacturing jobs from 1960 to 1961 to a 1,600 job gain from 1963 to 1964. Construction and trade, although not the largest sources of employment, were the source of most of the variation in employment level in nonmanufacturing employment since 1958. Yearly changes in the manufacturing components of nonagricultural wage and salary employment are shown in the following table.

Trend of Manufacturing, Nonmanufacturing, and Total
Nonagricultural Wage and Salary Employment
Pensacola, Florida, Housing Market Area
1958 - 1966

Year	Manufacturing		Nonmanufacturing		Total	
	Number	Change	Number	Change	Number	Change
1958	12,700	-	37,500	-	50,200	-
1959	13,700	1,000	38,000	500	51,700	1,500
1960	14,000	300	38,300	300	52,300	600
1961	14,100	100	38,000	-300	52,100	-200
1962	14,200	100	37,900	-100	52,100	0
1963	14,300	100	39,200	1,300	53,500	1,400
1964	14,600	300	40,800	1,600	55,400	1,900
1965	14,700	100	41,600	800	56,300	900
Jan.-Sept.						
1965	14,700	-	41,500	-	56,200	-
1966	14,300	-400	42,400	900	56,700	500

Source: Florida Industrial Commission.

Major Industry Groups. Of the 14,700 persons employed in manufacturing industries in 1965, 9,000 (61 percent) worked in the chemicals industry. During the first nine months of 1966, however, employment in the chemicals industry was 400 jobs below the comparable period in 1965. Employment in this industry increased to the 1965 level from 7,200 in 1958. The Chemstrand Division of Monsanto Chemical Company, Escambia Chemical Company, and American Cyanamid Company were either newly established or expanding during this period. After a period of considerable growth from 1958 to 1963 employment in the chemicals industry remained stable at 9,000 in 1964 and 1965.

The St. Regis Paper Company is the second largest manufacturing firm in the HMA and accounts for almost all of the employment in the paper industry in the Pensacola HMA.

The trend of employment in the nonmanufacturing sector since 1958 has been influenced strongly by changes in contract construction, trade, and government employment. Employment in contract construction was at a peak level of 5,100 in 1958 but, primarily because of the 1960-1961 recession, employment declined to 3,700 in 1962. By 1964, employment in this industry averaged 4,900; the increase resulted in part from expansion at the Chemstrand plant. Completion of this project and a reduced level of residential construction resulted in a decline in employment in the contract construction industry from an average of 4,800 for the first nine months of 1965 to an average of 4,400 for the same period in 1966.

Employment in wholesale and retail trade rose from 10,400 in 1958 to 10,900 in 1960, subsequently falling to 10,600 in each of the two following years. Gains were resumed in 1963 and employment in this industry averaged 12,000 in 1965.

Government employs the largest number of workers in the Pensacola HMA and employment has increased each year since 1960, from 12,500 in 1960 to 13,900 in 1965 and to an average of 14,600 during the first nine months of 1966.

As shown in table II, federal employment accounts for well over one-half of total government employment; civilian employment at the Naval Air Station accounts for most of the federal government employment.

Pensacola Naval Complex

The Pensacola Naval Complex, with the Naval Air Station as its nucleus, is the center of aviation training for the Navy. Important tenants at the installation include the Communications Training Center and several medically-oriented functions; but the principal mission of the installation, as it has been since its establishment in 1914, is to train Navy pilots. The military complement in the HMA was about 15,200 men in December 1966, of whom 13,800 were shore-based and 1,400 ship-based. There were about 6,800 civilian employees of the Navy in the area. The level of military strength was about 3,500 greater than in June 1960 and there were about 300 more civilians employed by the Navy than in 1960.

Because of a relatively consistent and constant requirement by the Navy for additional pilots, the stability of the Pensacola Naval Complex has been generally good. In the past year, however, increments to personnel have occurred as the Navy pilot requirement has risen because of the Viet Nam conflict.

Military and Civilian Strength at the Pensacola Naval Complex
Pensacola, Florida, Housing Market Area
December 1962 to July 1966

Date	Shore-Based	Ship-Based	Civilians	Totals
Dec. 1962	12,014	3,123	6,209	21,346
Dec. 1963	12,571	1,534	6,156	20,261
Dec. 1964	12,963	1,408	5,986	20,357
Dec. 1965	13,048	1,368	6,149	20,565
Dec. 1966	13,790	1,426	6,797	22,013

Source: U.S. Department of the Navy.

Unemployment

Unemployment in the Pensacola HMA averaged 2,300 persons during 1965, equal to 3.2 percent of the work force (see table I). The 1965 level represents the lowest ratio recorded during the 1958-1965 period; except for 1961 and 1962 when the recession caused unemployment to reach a peak of 3,200 persons (equal to an unemployment ratio of 4.6 in 1962), the unemployment ratio has ranged between 3.2 percent and 3.8 percent. Average unemployment in the HMA for the first nine months of 1966 was 3,200, equal to a 3.2 percent unemployment ratio.

Future Employment

Total nonagricultural employment is expected to increase by an average of 700 jobs annually during the December 1, 1966 to December 1, 1968 forecast period. In the manufacturing sector two new firms reportedly will locate in the HMA during the forecast period. One is a lingerie manufacturer which will employ 200 persons and the other is a boat manufacturer that will require about 100 employees. Both of these new firms are expected to fill all personnel requirements from the local labor market. The chemicals industry, which provided a sizable portion of employment gains between 1958 and 1964, is not expected to expand significantly during the forecast period. Little growth is expected in the contract construction segment; tight money continues to restrain residential construction and sizable industrial construction programs matching the size of the recently completed addition at the Chemstrand plant are not planned. However, highway construction currently planned and underway will buoy the construction industry during the forecast period.

The size of the military and civilian complement of the Pensacola Naval Complex is especially difficult and hazardous to forecast in light of the principal mission of the installation and its interrelationship to the present Viet Nam conflict. Increased military and civilian staff at Pensacola during 1966 enabled the Navy to increase its capacity to train pilots by about 20 percent. Because most of the basic staff increases associated with the increase in the pilot training capability have been made and because the intensive and complex pilot training procedure precludes further significant increases in the volume of pilots trained at Pensacola, future gains are expected to be more moderate than in the past year, probably about 300 additional military and 100 civilian personnel during each of the next two years. The forecast increment in military personnel is not included in the anticipated annual rate of 700 nonagricultural jobs during the forecast period.

The University of West Florida is currently under construction northeast of Pensacola City on a large site adjacent to Pensacola Bay. Scheduled to open in September 1967, the new school is a four-year, degree-granting university. Considerable local optimism prevails regarding the favorable economic impact of the new university on the Pensacola area economy. Undoubtedly, the influence on the local economy will be considerable and highly beneficial in several years; however, during the two-year forecast period covered by this analysis the combined faculty and staff are programed to increase by about 200 from the present level and enrollment will number about 3,000 by September 1968, most of whom will be students resident in the area. Employment gains in the basic industries should support increases of about 300 jobs a year in trade and service industries.

Income

The estimated median income of all families in the Pensacola HMA as of December 1966 after deducting federal income tax, was $6,350 yearly, and the current median after-tax income of all renter households[1/] was $4,700 a year. By 1968, the median after-tax incomes of all families and of renter households will be approximately $6,700 and $5,000, respectively.

1/ Excludes one-person households.

Detailed distributions of all families and of renter households by annual income are presented in table III. About 26 percent of all families and 42 percent of renter households have after-tax incomes below $4,000 annually. At the upper end of the income distribution approximately 19 percent of all families and nine percent of renter households earn in excess of $10,000 yearly.

Demographic Factors

Population

Current Estimate. The population of the Pensacola HMA as of December 1, 1966 was 231,200, representing an increase of approximately 27,800 since the April 1960 census total of 203,400. Pensacola, the central city of the HMA, had a population of about 60,500, or 26 percent of the HMA total. The remainder of Escambia County had a population of 135,900 and accounted for about 59 percent of the HMA population (see table IV).

Past Trend. Since April 1960, the population of the Pensacola HMA has increased at an average yearly rate of about 4,175 persons (1.9 percent)1/. The average annual gain recorded between April 1960 and December 1966 is considerably below the average increment of about 7,200 persons a year during the 1950-1960 decade. The stimulus provided by the rapidly expanding chemicals industry during the 1950-1960 period probably accounted for the more rapid gains in that period than during the period since 1960.

The geographic distribution of the population gain in the HMA since April 1960 deviates little from the pattern established during the prior decade. Over two-thirds of the total increase occurred in Escambia County outside Pensacola City; Santa Rosa County accounted for just under 20 percent of the population growth in the HMA.

Population Trends
Pensacola, Florida, Housing Market Area
1950 - 1966

Component	April 1950	April 1960	Dec. 1966	Average annual change 1950-1960	1960-1966
Escambia Co.	112,706	173,829	196,400	6,112	3,375
Santa Rosa Co.	18,554	29,547	34,800	1,100	800
Total HMA	131,260	203,376	231,200	7,212	4,175

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

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

Estimated Future Population. By December 1968, the population of the Pensacola HMA is expected to total 236,600, representing an anticipated increment of 2,700 persons (1.2 percent) yearly during the December 1966 and 1968 forecast period. The future rate of population growth is premised upon nonagricultural employment gains approximating 700 a year during each of the next two years, and on continued, but more moderate, increases in the military complement during the forecast period.

Military and Civilian Population Components. The combined military and military-connected population[1/] in the HMA totalled 46,700 in December 1966, or 20 percent of the HMA total population. Although the combined military and military-connected population increased during the previous decade from 31,300 in 1950 to 39,600 in 1960, as a proportion of the total population this segment declined from 24 percent to 20 percent. In comparison with the 1950-1960 decade when gains in military and military-connected population were relatively moderate, the increasing requirements for Navy pilots during the past several years have resulted in the more rapid gains in military population. Average annual increases in the civilian segment of the population during the period since 1960 have been less than one-half the annual average of the previous decade. The slower rates of growth in the nonmilitary-connected civilian population since 1960 are attributed to the lack of employment opportunities comparable with those provided by the chemicals industry in the latter part of the 1950-1960 decade.

Military and Civilian Population Trends
Pensacola, Florida, Housing Market Area
1950 - 1966

Population	April 1950	April 1960	December 1966	Average annual change 1950-1960 Number	Percent	1960-1966 Number	Percent
Civilian	99,960	163,766	184,500	6,382	5.0	3,100	1.8
Military-connected civilian[a/]	15,300	18,500	19,000	320	1.9	75	0.4
Military[b/]	16,000	21,100	27,700	510	2.7	1,000	4.1
Total	131,260	203,376	231,200	7,212	4.4	4,175	1.9

a/ Civil Service employees at the Pensacola Naval Complex and their dependents.
b/ Military personnel at the Pensacola Naval Complex and their dependents.

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

1/ Military population is defined as personnel assigned to the Pensacola Naval Complex and their dependents residing in the HMA. Military-connected population includes civil service employees at the complex and their dependents.

Net Natural Increase and Migration. Between April 1950 and April 1960, the net natural increase (excess of births over deaths) in the Pensacola HMA totalled 43,850. When compared with the total population increase of 72,100 during the period, a net in-migration of 28,250 is indicated, equal to 39 percent of the total population increase. During the April 1960 to December 1966 period, the total population in the HMA increased by 27,800, but the net natural increase was 31,500, indicating a net out-migration of 3,700 persons. Insufficient job opportunities in the civilian sector of the economy since 1960 have caused most of the net out-migration. Average annual changes in the components of population are shown below for the total HMA and in table V for both of the constituent counties.

Components of Population Change
Pensacola, Florida, Housing Market Area
April 1, 1950 to December 1, 1966

	Average annual change[a]	
Source of Change	1950-1960	1960-1966
Total Population Change	7,200	4,175
Net Natural Increase	4,375	4,725
Migration	2,825	-550

a/ Rounded

Sources: U. S. Census Population Report, Series P-23, No. 7; Florida State Department of Health; and estimates by Housing Market Analyst.

Households

Current Estimate. There were about 64,400 households in the Pensacola HMA in December 1966, a gain of 9,450 since April 1960 (see table VI). Pensacola City was the residence of 18,725 households (29 percent of all households), the portion of Escambia County outside Pensacola of 36,575 households (57 percent of all households), and 9,100 households (14 percent of the total) live in Santa Rosa County.

Past Trend. Household gains in the Pensacola HMA have averaged about 1,425 (2.4 percent) yearly since April 1960, an average considerably below that of the previous decade when the increase averaged 1,975 (4.5 percent) a year [1]. The portion of Escambia County outside Pensacola accounted for about 65 percent of total household growth in

1/ The increase in the number of households between 1950 and 1960 reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

the HMA. As table VI shows, the proportion of total household growth in each of the major areas in the HMA in the interval since 1960 has changed little from the pattern of the prior decade.

Household Trends
Pensacola, Florida, Housing Market Area
1950 - 1966

Component	April 1950	April 1960	December 1966	Average annual change 1950-1960	Average annual change 1960-1966
Escambia Co.	30,510	47,344	55,300	1,684	1,200
Santa Rosa Co.	4,675	7,598	9,100	292	225
Total HMA	35,185	54,942	64,400	1,976	1,425

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

Household Size Trends. The average size of all households in the Pensacola HMA was 3.48 persons in December 1966, reflecting a reversal of the trend to larger households of the 1950-1960 decade. The period since 1960 has witnessed some out-migration of younger wage earners with families and the birth rate in the HMA has fallen sharply since 1959. A small further decline in household size is expected during the next two years.

Average Household Size Trends
Pensacola, Florida, Housing Market Area
April 1950-December 1966

Area	April 1950	April 1960	December 1966
HMA Total	3.55	3.58	3.48
Escambia County	3.51	3.57	3.46
Pensacola	3.30	3.31	3.18
Remainder of County	3.66	3.70	3.60
Santa Rosa County	3.78	3.62	3.60

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

Estimated Future Households. Based on the anticipated annual increase in population during the next two years and on the assumption that the average household size will continue to decline, there will be 66,400 households in the Pensacola HMA by December 1, 1966, or an addition of 1,000 new households a year. The future household growth is expected to be distributed geographically according to the pattern established during the past several years with the greatest proportion of the increment in the portion of Escambia County outside Pensacola City.

Military and Civilian Household Components. In December 1966, there were 9,750 military and military-connected civilian households in the HMA, equal to 15 percent of total households. During the prior decade, military and military-connected civilian households increased from 6,775 in 1950 to 8,400 in 1960, representing respective proportions of all households of 19 percent and 15 percent. Military and military-connected household growth accounted for 26 percent of all household growth since 1960, compared with 12 percent during the 1950-1960 decade. Although gains in this segment are expected to continue during the forecast period, it is anticipated that they will be more moderate than during the 1960-1966 interval.

Military and Civilian Household Trends
Pensacola, Florida, Housing Market Area
1950 - 1966

Households	April 1950	April 1960	December 1966	Average annual change 1950-1960 Number	Percent	1960-1966 Number	Percent
Civilian	28,460	46,542	54,650	1,808	5.0	1,225	2.4
Military-connected civilian a/	4,100	4,950	5,100	85	1.9	20	0.5
Military b/	2,625	3,450	4,650	83	2.7	180	4.5
Total HMA	35,185	54,942	64,400	1,976	4.5	1,425	2.4

a/ Civil Service employees at the Pensacola Naval Complex and their dependents.
b/ Military personnel at the Pensacola Naval Complex and their dependents.

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

Housing Market Factors

Housing Supply

Current Estimate. As of December 1, 1966, there were 70,400 housing units in the Pensacola HMA, indicating a net gain since April 1960 of about 9,475 units (16 percent), an average increment of about 1,425 units a year. The net addition resulted from the construction of about 11,125 new housing units and the loss of approximately 1,650 units, primarily through demolition. The average yearly increase in the housing inventory since April 1960 compares with an average net gain of about 2,300 housing units a year during the 1950-1960 decade.

Units in Structure. The addition of new multifamily housing in the Pensacola HMA since 1962, although representing an important development in the housing market, has not been of sufficient volume to alter significantly the composition of the housing inventory by the number of units in each structure. Units in structures containing five or more units increased as a proportion of the inventory from April 1960 to December 1966; this was the only structural classification to exhibit a gain.

Housing Inventory by Units in Structure
Pensacola, Florida, Housing Market Area
April 1960 and December 1966

Units in structure	April 1960 Number of units	April 1960 Percent of total	December 1966 Number of units	December 1966 Percent of total
1 unit a/	55,346	90.8	63,500	90.2
2 units	2,401	4.0	2,475	3.5
3 or 4 units	1,299	2.1	1,325	1.9
5 or more units	1,883	3.1	3,100	4.4
Total	60,929	100.0	70,400	100.0

a/ Includes trailers.

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

Year Built. The relatively steady and moderate growth of the Pensacola HMA is shown by the wide dispersion of housing units by year built.

Distribution of the Housing Inventory
By Year Built a/
Pensacola, Florida, Housing Market Area
December 1, 1966

Year built	Number of units	Percentage distribution
April 1960 - November 1966	11,125	15.8
1959 - March 1960	5,125	7.3
1955 - 1958	11,250	16.0
1950 - 1954	10,350	14.7
1940 - 1949	15,100	21.4
1930 - 1939	7,500	10.7
1929 or earlier	9,950	14.1
Total	70,400	100.0

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

Source: 1960 Census of Housing adjusted for changes in the inventory since that time.

Condition. Of the 70,400 housing units in the Pensacola HMA, about 11,000, or 16 percent are dilapidated or lack one or more plumbing facilities. Some improvement in the quality of housing has occurred since April 1960 when about 21 percent (21,700 units) of the inventory was dilapidated or lacked one or more plumbing facilities. New construction, demolition, and general upgrading of the inventory are responsible for the improvement.

Residential Building Activity

Indicators of residential building activity discussed subsequently are derived from three separate sources. Building permits are issued in Pensacola City and in the towns of Gulf Breeze and Milton in Santa Rosa County. In the portion of Escambia County outside Pensacola, estimates of construction activity made by the Escambia County Health Department are used. Construction activity for Santa Rosa County has been estimated. Residential construction activity is indicated for Pensacola City, the remainder of Escambia County, and Santa Rosa County in table VII.

The peak years of new residential construction were 1958 and 1959 when respective totals of 3,250 units and 2,825 units were authorized for construction in the HMA. These two years of high volume corresponded with the expansion occurring in the chemicals industry. Total housing unit authorizations dropped sharply in 1960 to 1,700 units and gradually declined to 1,350 in 1962. Chiefly because of the increasing interest in the construction of apartments beginning in 1963, total housing unit authorizations have risen steadily from the 1962 low to an annual level of about 2,150 for 1965. During the first eleven months of 1966, building permits were issued for 1,650 units compared with 2,050 units authorized for the same period in 1965.

Prior to 1963, residential construction in the Pensacola HMA consisted almost entirely of single-family houses; the 1960 Census of Housing reported only 3,200 housing units (about six percent of the total) were in structures of three or more units. The following table shows that year-to-year authorizations for single-family houses have been relatively stable since 1960. Virtually no units were authorized in multiple unit structures until 1963, when about 150 units were authorized. In 1964, the number increased to about 215, then to 535 in 1965, and then dropped to about 500 in the first eleven months of 1966.

Trend of Residential Building Activity by Units in Structure
Pensacola, Florida, Housing Market Area
1960 - 1966

Year	One unit	Two units	Three or four units	Five or more units	Total units
1960	1,702	-	-	-	1,702
1961	1,407	-	-	-	1,407
1962	1,360	2	-	-	1,362
1963	1,472	6	4	141	1,623
1964	1,530	6	3	204	1,743
1965	1,622	20	3	510	2,155
Eleven months					
1965	1,499	20	3	510	2,032
1966	1,151	26	-	476	1,649

Sources: U. S. Census, C-40 Construction Reports.
Pensacola Building Inspector.
Escambia County Health Department.
Santa Rosa County estimated by Housing Market Analyst.

Units Under Construction. Based upon building permit data and the October 1966 postal vacancy survey, there were 525 housing units under construction in the Pensacola HMA in December 1966. About 250 units of this total were single-family houses and about 275 units were in multifamily structures. The heaviest concentration of single-family units under construction was in the East Hill area.

Demolition. Large scale demolition has not occurred in the Pensacola HMA because of the absence of urban renewal programs and the location of most recent highway construction in sparsely settled areas north of the city. Since April 1960, about 1,650 housing units are estimated to have been lost from the HMA housing inventory, chiefly through demolition. During each of the next two years, these losses are expected to approximate 300 housing units.

Tenure of Occupancy

As of December 1, 1966, about 45,150 units (70 percent of the occupied housing stock) in the Pensacola HMA were owner-occupied and 19,250 were renter-occupied.

Since April 1960, the proportion of owner-occupancy in the Pensacola HMA has remained virtually unchanged in contrast to the sharply rising proportion of owner-occupancy during the 1950-1960 decade. The principal factor contributing to the recent leveling-off of the proportion of owner-occupancy has been the availability of new apartment units, which contrasts with the 1950-1960 decennial period when almost all newly constructed housing units were single-family units. The following table shows the trend of tenure change for all occupied housing units.

Trend of Tenure Change
Pensacola, Florida, Housing Market Area
1950, 1960, and 1966

Tenure	April 1, 1950	April 1, 1960	December 1, 1966
Total occupied units	35,185	54,942	64,400
Owner-occupied	21,279	38,693	45,150
Percent of total	60.5%	70.4%	70.1%
Renter-occupied	13,906	16,249	19,250

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

Vacancy

April 1960 Census. According to the April 1960 Census of Housing, there were about 3,275 vacant, nondilapidated, nonseasonal housing units for rent or sale in the Pensacola HMA, an available vacancy ratio of 5.6 percent. About 1,000 of the available vacancies were for sale, equal to a homeowner vacancy ratio of 2.5 percent. The remaining 2,275 vacant units were for rent, representing a renter vacancy ratio of 12.3 percent (see table VIII). Available vacancies in 1960 included about 475 units that lacked one or more plumbing facilities, of which about 50 were for sale and 425 were for rent.

Rental Vacancies in 1960 by Type of Structure. As reported by the 1960 Census of Housing, vacancy ratios were in excess of ten percent in all structural types of rental housing. Single-family houses, which represented slightly over three-fourths of the renter-occupied inventory, had a vacancy ratio of 11.5 percent; the highest vacancy ratio (23.1 percent) was for units in structures with ten or more units. Because of the relatively large addition of rental units in multifamily structures during the past three years, which have been very successfully marketed for the most part, the vacancy ratio for units in the larger structures is likely to have declined significantly. Rental vacancies in single-family rental units also are judged to have fallen slightly, while vacancies in the other two classifications have risen since 1960 because this segment of the rental inventory consists of older rental units that have borne the brunt of the competition of the newly constructed apartments.

Renter Occupancy and Vacancy by Structural Type
Pensacola, Florida, Housing Market Area
April 1960

Type of Structure	Renter occupied	Vacant for rent	Vacancy ratio
1 unit a/	12,350	1,609	11.5%
2 to 4 unit	2,477	474	16.1
5 to 9 unit	1,189	139	10.5
10 or more unit	233	70	23.1
Total	16,249	2,292 b/	12.4 b/

a/ Includes trailers.
b/ Total vacant differs from the count of all rental vacancies because vacant units by type of structure were enumerated on a sample basis.

Source: 1960 Census of Housing.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Pensacola HMA in October 1966 by all post offices having city delivery routes. The survey covered 61,300 possible deliveries, or about 87 percent of the housing inventory. An over-all vacancy ratio of 4.4 percent was indicated by the postal vacancy survey. The survey showed 3.7 percent of the residences covered were vacant and 19.0 percent of the apartments covered were vacant. The survey results for the HMA and for each of the participating post offices are shown in table IX.

The results of the postal vacancy survey are expressed in quantitative terms because it was not feasible to collect qualitative data for this type of survey. The resultant vacancy data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include some duplexes, row-type houses, and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the postal vacancy survey and discussions with informed persons in the HMA, it is estimated that there were about 3,000 vacant housing units available for rent or sale in the Pensacola HMA as of December 1, 1966. Of this total, 800 units were for sale and 2,200 units were for rent, equal to homeowner and renter vacancy ratios of 1.7 percent and 10.3 percent, respectively. Only a negligible number of the available sales vacancies lacked one or more plumbing facilities, while about 250 of the available rental vacancies lacked one or more facilities. In an area like Pensacola where household growth is expected to be moderate, the homeowner vacancy ratio was somewhat in excess of the level representing a balanced supply-demand relationship. The rental vacancy ratio, however, indicated a more substantial over-supply of vacancies particularly in some structural types and rent ranges. Rental vacancies were concentrated in the older rental units, many of which are conversions to rental use clearly lacking in the amenities provided in the new garden apartments. The new units have had no difficulty in rapidly achieving and maintaining satisfactory occupancy.

Sales Market

General Market Conditions. The condition of the Pensacola sales housing market has improved somewhat since the 1960 Census, as indicated by the current and the 1960 homeowner vacancy ratios of 1.7 percent and 2.5 percent, respectively. The market for new sales housing is very good and, aided by controlled production by local builders, appears to be in good demand-supply balance. Vacancies among existing homes are, for the most part, older homes that are not comparable in quality to the newer sales housing constructed in the past few years. Reportedly, the recent considerable increases in the number of garden-type rental units completed has drawn tenants from some of the older single-family houses that were rented. Since the owners of these vacated single-family units have experienced difficulty finding tenants, a sizable number of these units have been placed on the market for sale.

Principal concentrations of recent additions to the single-family inventory have been in two general areas within the HMA. Homes built in subdivisions in the higher sales price ranges ($18,000 to $30,000) have been constructed primarily in the eastern portion of Pensacola. No marketability problems are apparent in this sector of the Pensacola sales market.

Generally, the area northwest of Pensacola in the Crescent Lake, Avondale, and Myrtle Grove areas has been the location for new homes of moderate price ($12,000 to $18,000), although some new construction is at sales prices below this range. Marketability in this segment of the sales market is good.

Speculative Construction. Surveys of new sales housing conducted during the past four years by the FHA Jacksonville Insuring Office reveal that houses constructed speculatively accounted for a very high proportion of the new houses constructed in subdivisions. The proportion of houses constructed speculatively in 1963 was 68 percent of all completions. The proportion has risen each year since 1963 to ratios of 76 percent in 1964, 90 percent in 1965, and 93 percent in 1966. Although the greatest proportion of speculative completions was in 1966, the number of speculative houses completed was the lowest in any of the four years; the total number of completions surveyed was also the lowest of any of the four years. The data on speculative completions are only generally indicative of speculative activity in the single-family market; the total number of completions surveyed represented only 30 to 40 percent of the total number of new single-family units authorized for construction in each of the four years.

Unsold Inventory of New Houses. The FHA survey of unsold new houses completed in 1966 covered 23 subdivisions in the Pensacola HMA in which 363 houses were reported to have been completed. Of that number, 27 houses (7 percent) were sold before construction started. Of the 336 houses built speculatively during 1966, 78 remained unsold as of January 1, 1967, representing 23 percent of speculative construction. Of the 78 unsold houses, 72 had been on the market for six months or less. An additional 10 new unsold houses in these subdivisions had remained unsold longer than 12 months. The number of completed units covered by the 1967 survey was about 30 percent below the number of units covered by the survey of the previous year; this decline in construction activity in subdivisions probably reflects the more stringent mortgage lending practices and higher interest rates prevalent in 1966.

A summary of the January 1967 survey is shown in table X together with summaries of the surveys conducted in January 1965 and 1966. When comparing the three surveys, it should be noted that, while most of the percentage relationships change little, the number of units covered by the 1967 survey represents a sharp decline from the surveys of the two previous years.

Rental Market

General Market Conditions. The most significant development in the Pensacola rental market has been the substantial addition of multifamily rental units which began in 1963. Almost 1,000 new multifamily housing units have been completed in the past three years. Most of the units have been in garden apartments with rents of about $120 monthly for one-bedroom units and $140 a month for two-bedroom units, plus the cost of utilities. Thus far, these units have been very successful and vacancies are negligible. The success of the new garden apartments suggests that effective demand for new rental units is concentrated in the lower ranges of rent.

The increase in the number of new rental units has contributed to an increase in vacancies in rental properties that are twenty or more years old, including converted residences. These older units rent for considerably less than the newer accommodations, but are clearly inferior in terms of unit size and amenities such as air conditioning, swimming pool, and equipment. Because of these qualitative differentials, the new and highly successful multifamily units are meeting an unsatisfied element of demand.

Although the construction of new rental units during the past few years represents a marked divergence from past experience in the Pensacola area, it should be noted that roughly three-fourths of the rental inventory still consists of single-family residences. Single-family renter occupancy is customary in the Pensacola HMA and it is likely to continue to be preferred by many families desiring rental accommodations.

Urban Renewal

There are no municipalities in the Pensacola HMA which have certified workable programs. The city of Pensacola had a workable program which expired in 1964; application for recertification has not been made.

Public Housing

The city of Pensacola currently administers 1,251 public housing units, of which 712 are federally assisted. Monthly charges for the units vary, depending on family size and income. At present, no additional units are being sought by the Pensacola Housing Authority. An additional 40 public units are located in the city of Milton in Santa Rosa County.

Military Housing

The Navy currently controls 436 units of family housing in the Pensacola HMA. Of the total, however, 278 units are classified as inadequate by the Navy. An additional 250 units of appropriated fund housing were approved in the fiscal year 1966 military construction program and funds for their construction recently were released. The 250 unit addition includes 60 two-bedroom units, 80 three-bedroom units and 110 four-bedroom units; 100 units are for officers and 150 units are for enlisted men. Also, the Navy has leased 32 two-bedroom units that are under construction in the Camelot Apartment project and reportedly is seeking 16 additional units in that project.

Demand for Housing

Quantitative Demand

Demand for additional housing in the Pensacola HMA during the two year period from December 1, 1966 to December 1, 1968 is based on the anticipated increase of about 1,000 households a year, on the number of housing units expected to be removed from the housing inventory, and on the desirability of reducing vacancies to a more acceptable level. Consideration is given also to the current tenure distribution and on the likelihood that the shift of some single-family homes to renter occupancy will continue. Giving regard to these factors, it is expected that about 925 single-family houses can be absorbed during each of the next two years.

The forecast demand for 925 single-family houses annually is substantially below the annual average of almost 1,500 single-family homes produced during the past seven years. In view of the lower annual rate of household growth expected in the HMA during the forecast period as compared with annual growth since 1960 and the desirability of effecting a slight reduction in the level of vacant units for sale, a reduction in the volume of new construction is warranted.

Based on the rate at which new renter households will be formed in the HMA during the two-year forecast period, on the current level of available rental vacancies, and on the number of multifamily units currently under construction, no additional multifamily units are required, excluding consideration of demand for low-rent public housing and rent-supplement accommodations. However, new garden-type multifamily units have been marketed recently with success and most units have been leased before construction is complete. Much of the current available vacant rental inventory is comprised of units twenty or more years old and, although the accommodations are adequate living quarters, the older units are inferior to and not competitive with the newly constructed units. The newer multifamily units have become available only since 1963 and some of the new units undoubtedly have satisfied a backlog of demand for more modern multifamily units. In view of the success of the new garden apartments in the Pensacola area, it is probable that construction of multifamily units will continue during the December 1966 to December 1968 forecast period. However, continued construction of multifamily units at a high level will prevent the correction of the current serious vacancy problem in the older rental accommodations, and soon will result in a decline in the absorption of new units. Under these circumstances, a sharp reduction in construction of multifamily units appears to be warranted. Only rental projects designed to satisfy a specific need that is not now being met should be prudently considered on their individual merits and their effect on the over-all rental market should be carefully evaluated.

Although the 250 units of appropriated fund Navy housing may become available toward the end of the forecast period, they will be predominantly three- and four-bedroom units largely for occupancy by enlisted personnel who can not afford private units of that size.

Qualitative Demand

Single-family Houses. The distribution by price ranges of the annual demand for new single-family houses for sale is shown in the following table. Recent market experience and the ability to pay, as measured by current family income and the income-purchase price ratio typical in the HMA, are the principal factors affecting the distribution. Few, if any, single-family homes can be constructed to sell at prices below $10,000.

Estimated Annual Demand for New Single-family Houses, by Price Class
Pensacola, Florida, Housing Market Area
December 1, 1966 to December 1, 1968

Sales price	Number	Percent
Under $12,500	140	15
$12,500 - 14,999	140	15
15,000 - 17,499	185	20
17,500 - 19,999	140	15
20,000 - 24,999	140	15
25,000 - 29,999	90	10
30,000 and over	90	10
Total	925	100

The foregoing distribution differs from those in table X, which reflects only selected subdivision experience during the years 1964, 1965, and 1966. It must be noted that the 1964, 1965, and 1966 data do not include new construction in subdivisions with less 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 preceding demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Table I

Civilian Work Force Components
Pensacola, Florida, Housing Market Area
1958 - 1966
(Annual Averages in Thousands)

Component	1958	1959	1960	1961	1962	1963	1964	1965	Jan.-Sept. 1965	Jan.-Sept. 1966
Total work force	67.8	69.0	69.5	70.7	69.2	70.2	72.0	72.6	72.6	72.7
Unemployment	2.6	2.3	2.6	3.2	3.2	2.6	2.3	2.3	2.3	2.3
Percent unemployed	3.8%	3.3%	3.7%	4.5%	4.6%	3.7%	3.2%	3.2%	3.2%	3.2%
Agricultural employment	3.4	3.2	3.2	3.2	2.9	3.3	3.2	3.2	3.2	3.5
Nonagricultural employment	61.8	63.5	63.7	64.3	63.1	64.3	66.5	67.1	67.1	66.9
Wage and salary	50.2	51.7	52.3	52.1	52.1	53.5	55.4	56.3	56.2	56.7
Other	11.6	11.8	11.4	12.2	11.0	10.8	11.1	10.8	10.9	10.2

Source: Florida Industrial Commission.

Table II

Trend of Nonagricultural Wage and Salary Employment
Pensacola, Florida, Housing Market Area
1958 - 1966
(Annual Average in Thousands)

Industry	1958	1959	1960	1961	1962	1963	1964	1965	Jan.-Sept. 1965	Jan.-Sept. 1966
Nonag. wage and salary employ.	50.2	51.7	52.3	52.1	52.1	53.5	55.4	56.3	56.2	56.7
Manufacturing	12.7	13.7	14.0	14.1	14.2	14.3	14.6	14.7	14.7	14.3
Food and kindred products	1.0	.9	1.0	1.0	.9	.9	.9	1.0	1.0	1.0
Lumber and wood products	.9	.9	.9	.8	.9	.9	.9	.9	.9	.9
Chemicals and allied products	7.2	8.0	8.2	8.5	8.7	8.8	9.0	9.0	9.0	8.6
Other manufacturing	3.7	3.9	3.9	3.8	3.7	3.7	3.8	3.8	3.8	3.8
Nonmanufacturing	37.5	38.0	38.3	38.0	37.9	39.2	40.8	41.6	41.5	42.4
Contract construction	5.1	4.7	4.7	4.2	3.7	4.3	4.9	4.6	4.8	4.4
Trans., commun., and pub. util.	3.1	3.2	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.1
Trade	10.4	10.8	10.9	10.6	10.6	11.0	11.4	12.0	11.9	12.0
Wholesale	(1.9)	(2.0)	(1.9)	(2.0)	(2.0)	(2.0)	(2.1)	(2.1)	(2.1)	(2.0)
Retail	(8.5)	(8.8)	(9.0)	(8.6)	(8.6)	(9.0)	(9.3)	(9.9)	(9.8)	(10.0)
Finance, ins., and real est.	1.9	1.9	2.0	2.1	2.1	2.1	2.2	2.2	2.2	2.2
Services	4.6	4.8	5.0	5.0	5.2	5.4	5.7	5.8	5.8	6.1
Government	12.4	12.6	12.5	12.9	13.1	13.3	13.5	13.9	13.7	14.6
Federal	(7.9)	(8.0)	(7.7)	(7.7)	(7.7)	(7.5)	(7.3)	(7.4)	(7.4)	(7.9)

Source: Florida Industrial Commission.

Table III

Estimated Percentage Distribution of all Families By Annual Income,
After Deducting Federal Income Tax
Pensacola, Florida, Housing Market Area
1966 and 1968

Annual Income	1966 All families	1966 Renter households[a/]	1968 All families	1968 Renter households[a/]
Under $2,000	10	15	9	14
$2,000 - 2,999	7	12	7	11
3,000 - 3,999	9	15	8	13
4,000 - 4,999	11	12	9	12
5,000 - 5,999	10	11	10	12
6,000 - 6,999	9	11	10	10
7,000 - 7,999	10	7	9	9
8,000 - 8,999	8	5	9	5
9,000 - 9,999	7	3	6	4
10,000 - 12,499	11	4	12	5
12,500 - 14,999	5	3	7	3
15,000 and over	3	2	4	2
Total	100	100	100	100
Median	$6,350	$4,700	$6,700	$5,000

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends
Pensacola, Florida, Housing Market Area
April 1950-December 1966

Area	April 1, 1950	April 1, 1960	December 1, 1966	Average annual changes 1950 - 1960 Number		Average annual changes 1960 - 1966 Number	
				Number	Rate[a/]	Number	Rate[a/]
HMA total	131,260	203,376	231,200	7,212	4.4	4,175	1.9
Escambia county	112,706	173,829	196,400	6,112	4.3	3,375	1.9
Pensacola	43,479	56,752	60,500	1,327	2.6	550	1.0
Remainder of county	69,227	117,077	135,900	4,785	5.2	2,825	2.3
Santa Rosa County	18,554	29,547	34,800	1,100	4.6	800	2.4

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

Note: 1960-1966 population changes are rounded.

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

Table V

Components of Population Change
Pensacola, Florida, Housing Market Area
April 1, 1950 to December 1, 1966

Source of Change	Average Annual Change[a] 1950-1960	1960-1966
	HMA Total	
Population change	7,200	4,175
Net natural increase	4,375	4,725
Migration	2,825	-550
	Escambia County	
Population change	6,100	3,375
Net natural increase	3,825	3,925
Migration	2,275	-550
	Santa Rosa County	
Population change	1,100	800
Net natural increase	550	800
Migration	550	0

a/ Rounded

Sources: U.S. Census Population Report, Series P-23, No. 7; Florida State Department of Health; and estimates by Housing Market Analyst.

Table VI

Household Trends
Pensacola, Florida, Housing Market Area
April 1950-December 1966

Area	April 1, 1950	April 1, 1960	December 1, 1966	Average annual change 1950 - 1960 Number		Average annual change 1960 - 1966 Number	
				Number	Rate[a]	Number	Rate[a]
HMA total	35,185	54,942	64,400	1,976	4.5	1,425	2.4
Escambia County	30,510	47,344	55,300	1,684	4.4	1,200	2.4
Pensacola	12,801	16,921	18,725	412	2.8	275	1.6
Remainder of county	17,709	30,423	36,575	1,272	5.4	925	2.8
Santa Rosa County	4,675	7,598	9,100	292	4.9	225	2.7

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

Note: 1960-1966 household changes are rounded.

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

Table VII

Trend of Residential Building Activity
Pensacola, Florida, HMA
1958 - 1966

Year	Pensacola	Remainder of Escambia Co.	Santa Rosa Co.	Total
1958	400	2,460	400	3,260
1959	571	1,905	350	2,826
1960	263	1,189	250	1,702
1961	313	894	200	1,407
1962	302	860	200	1,362
1963	363	1,010	250	1,623
1964	452	1,016	275	1,743
1965	774	1,056	325	2,155
Eleven Months				
1965	753	979	300	2,032
1966	283	1,116	250	1,649

Sources: U.S. Census, C-40 Construction Reports;
Pensacola Building Inspector;
Escambia County Health Department;
Santa Rosa County estimated by Housing Market Analyst.

Table VIII

Vacancy Trends
Pensacola, Florida, Housing Market Area
April 1960-December 1966

Vacancy status	April 1, 1950	April 1, 1960	December 1, 1966
Total housing units	37,901	60,929	70,400
Total vacant	2,716	5,987	6,000
Available vacant	1,104	3,276	3,000
For sale	140	1,003	800
Homeowner vacancy ratio	0.7%	2.5%	1.7%
For rent	964	2,273	2,200
Renter vacanty ratio	6.5%	12.3%	10.3%
Seasonal vacant	363	1,064	1,300
Other vacant a/	1,249	1,647	1,700

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

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

Table IX

Pensacola, Florida, Area Postal Vacancy Survey

October 25-31, 1966

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	61,307	2,725	4.4	2,330	395	527	58,375	2,169	3.7	1,917	252	255	2,932	556	19.0	413	143	272	1,751	88	5.0
Pensacola	50,647	2,186	4.3	1,809	377	347	48,119	1,660	3.4	1,421	239	187	2,528	526	20.8	388	138	160	1,486	74	5.0
Main Office	10,441	359	3.4	357	2	17	9,557	291	3.0	289	2	1	884	68	7.7	68	-	16	13	-	0.0
Branches:																					
Myrtle Grove	8,432	271	3.2	225	46	65	8,327	262	3.1	216	46	65	105	9	8.6	9	-	-	591	26	4.4
Naval Air Station	244	20	8.2	20	-	-	153	4	2.6	4	-	-	91	16	17.6	16	-	-	-	-	-
Warrington	7,386	545	7.4	459	86	77	6,912	381	5.5	360	21	5	474	164	34.6	99	65	72	112	7	6.3
West Pensacola	7,693	342	4.4	323	19	27	7,358	252	3.4	234	18	27	335	90	26.9	89	1	-	274	23	8.4
Station:																					
East Hill	16,451	649	3.9	425	224	161	15,812	470	3.0	318	152	89	639	179	28.0	107	72	72	496	18	3.6
Other Cities and Towns	10,660	539	5.1	521	18	180	10,256	509	5.0	496	13	68	404	30	7.4	25	5	112	265	14	5.3
Cantonment	2,100	85	4.0	79	6	19	2,000	81	4.1	76	5	19	100	4	4.0	3	1	-	108	3	2.8
Gulf Breeze	2,069	166	8.0	165	1	137	1,995	154	7.7	153	1	25	74	12	16.2	12	-	112	19	1	5.3
Milton	6,491	288	4.4	277	11	24	6,261	274	4.4	267	7	24	230	14	6.1	10	4	-	138	10	7.2

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 X

Sales Houses Completed Twelve Months Preceding Each Survey Date
By Sales Status and Price Class
Pensacola, Florida, Housing Market Area

1965 - 1967

Sales Price	Total completions	Presold	Total completed	Number unsold	Percent unsold
	January 1, 1967				
Under $12,500	37	4	33	1	3
$12,500 - 14,999	84	8	76	7	9
15,000 - 17,499	54	1	53	19	36
17,500 - 19,999	60	5	55	20	36
20,000 - 24,999	109	4	105	27	26
25,000 - 29,999	18	5	13	3	23
30,000 and over	1	0	1	1	100
Total	363	27	336	78	23
	January 1, 1966				
Under $12,500	98	9	89	16	18
$12,500 - 14,999	75	2	73	11	15
15,000 - 17,499	92	10	82	19	23
17,500 - 19,999	75	7	68	21	31
20,000 - 24,999	155	16	139	31	22
25,000 - 29,999	16	3	13	3	23
30,000 and over	10	5	5	2	40
Total	521	52	469	103	22
	January 1, 1965				
Under $12,500	106	24	82	7	9
$12,500 - 14,999	62	0	62	18	29
15,000 - 17,499	94	17	77	9	12
17,500 - 19,999	91	15	76	13	17
20,000 - 24,999	124	39	85	27	32
25,000 - 29,999	70	36	34	10	29
30,000 and over	23	8	15	6	40
Total	570	139	431	90	21

Source: Unsold Inventory of New Houses conducted by the FHA Jacksonville Insuring Office.