

121
123
F22
McDonald
1965

Analysis of the
**PEORIA, ILLINOIS
HOUSING MARKET**

as of October 1, 1965

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
LIBRARY
WASHINGTON, D.C. 20410

MAR 25 1966

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

March 1966

ANALYSIS OF THE
PEORIA, ILLINOIS, HOUSING MARKET
AS OF OCTOBER 1, 1965

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
LIBRARY
WASHINGTON, D.C. 20410

MAR 2 - 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, 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	2
Economy of the Area	
Character and History	3
Employment	3
Principal Employment Sources	5
Unemployment	5
Income	6
Demographic Factors	
Population	8
Households	10
Housing Market Factors	
The Housing Supply	12
Tenure of Occupancy	14
Vacancies	15
The Sales Market	16
The Rental Market	18
The Mortgage Market	19
Urban Renewal and Redevelopment	19
Public Housing	19
Demand for Housing	
Quantitative Demand	20
Qualitative Demand	20

ANALYSIS OF THE
PEORIA, ILLINOIS, HOUSING MARKET
AS OF OCTOBER 1, 1965

Summary and Conclusions

1. Total nonagricultural wage and salary employment in the Peoria Housing Market Area (HMA) was 106,500 in June 1965, an increase of about 8,800 (9.0 percent), or about 1,750 jobs annually, since June 1960. About 85 percent of the employment growth occurred in nonmanufacturing industries reflecting the growth of retail trade firms and the service industries. Manufacturing industries experienced an employment downturn in 1961 (a recession year) from which they did not recover until 1965.

The unemployment ratio in the Peoria area in June 1965 was 2.8 percent--the lowest rate recorded in the June 1959-June 1965 period. The unemployment ratio has been declining continuously since June 1961 when it reached a peak of 6.3 percent. The decline is attributable to employment increases in both the manufacturing and nonmanufacturing sectors of the local economy.

Employment is expected to increase by 4,000 (2,000 annually) over the next two years. A major portion of the growth is expected to occur in manufacturing industries. The upward trend of non-manufacturing industries is expected to continue, but at a somewhat slower rate than that of the past few years.

2. The estimated current median income of all families in the Peoria HMA is about \$7,400 annually, after the deduction of Federal income tax; the median income of renter families is somewhat lower at \$5,975 annually. By 1967, median after-tax incomes are expected to increase to \$7,725 a year for all families and \$6,300 a year for renter families.
3. The current population of the Peoria HMA is about 314,900, an increase of 26,050 (nine percent), or 4,750 annually, since April 1960. During the two-year forecast period, the population of the Peoria HMA is expected to increase by 11,200 (5,600 annually) to an October 1967 total of 326,100.
4. Currently, households in the Peoria HMA number about 95,550, an increase of approximately 7,700, or 1,400 annually, since April 1960. By October 1967, households are expected to total 98,950, an increase of 1,700 annually.

5. The current inventory of 100,300 housing units represents a net gain of about 7,600 (8.2 percent), or about 1,375 units annually, since April 1960. Currently, there are about 850 units under construction in the HMA, including 630 single-family units and 220 multifamily units.
6. At present, there are approximately 2,675 available vacant housing units in the Peoria HMA. Of the total, about 1,000 are available for sale, representing a homeowner vacancy rate of 1.4 percent, and 1,675 are available for rent, a rental vacancy rate of 5.8 percent.
7. Demand for additional housing during the October 1965 to October 1967 forecast period is expected to total 1,775 units a year. Of the annual demand, 1,500 units represent a demand for sales units and 275 represent a demand for rental units, excluding public low-rent housing and rent-supplement accommodations.

The annual demand for new sales housing by price class is expected to approximate the pattern indicated on page 20. The annual demand for new rental housing by monthly gross rent levels and by unit size is expected to approximate the pattern indicated on page 22.

ANALYSIS OF THE
PEORIA, ILLINOIS, HOUSING MARKET
AS OF OCTOBER 1, 1965

Housing Market Area

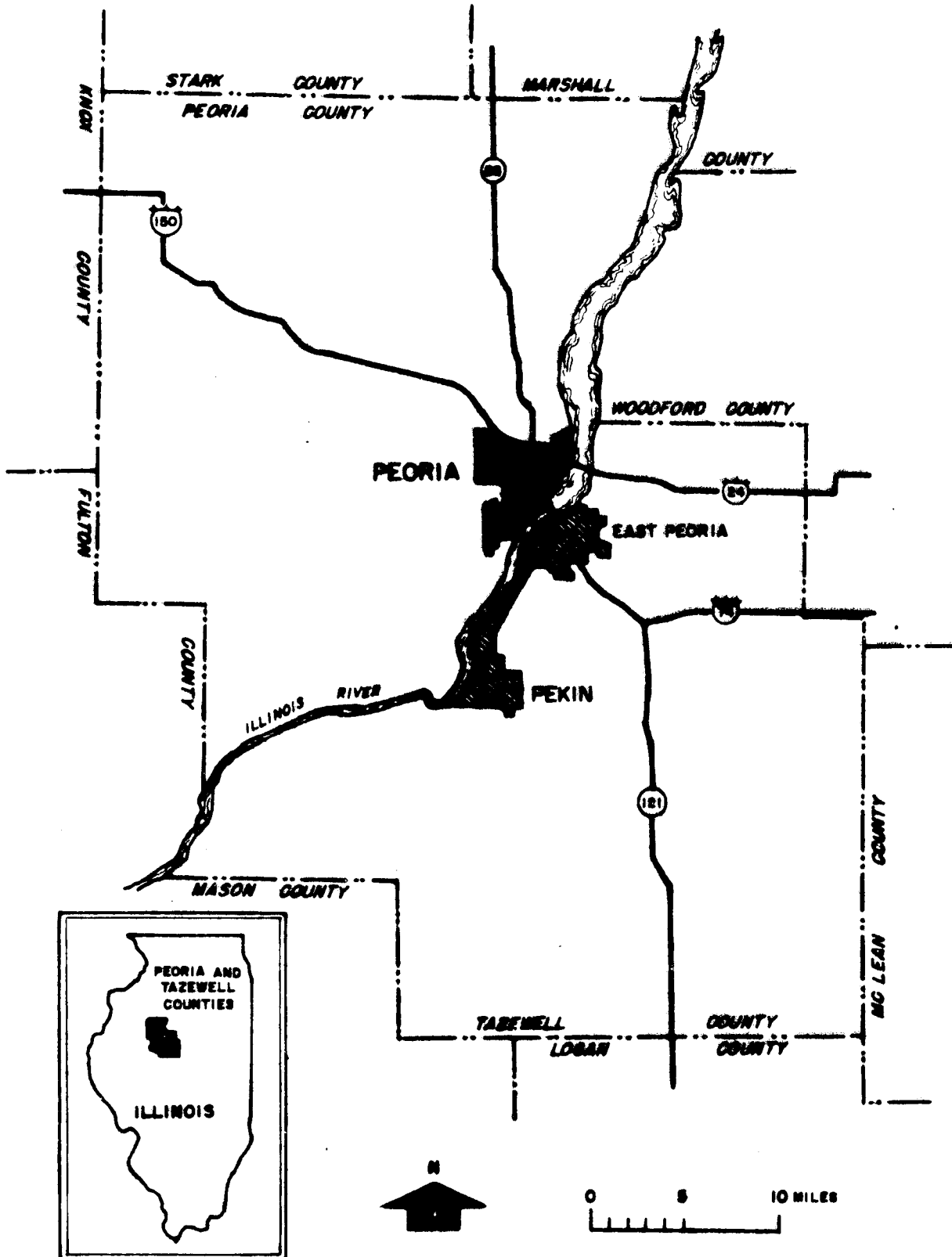
For the purpose of this report, the Peoria, Illinois, Housing Market Area (HMA) is defined as coterminous with Peoria and Tazewell Counties in Illinois. The area, as delineated, conforms to the Peoria, Illinois, Standard Metropolitan Statistical Area (SMSA) as defined by the U.S. Bureau of the Budget, prior to October 1963. In 1960, the Peoria SMSA had a population of about 288,850.^{1/} In October 1963, the SMSA was redefined to include Woodford County, but the 1960 boundaries will be retained as the HMA definition for this report.

The HMA is situated at the mid-point of the 327-mile long Illinois River system which connects Lake Michigan and the Mississippi River. Peoria is approximately 155 miles southwest of Chicago, about 75 miles north of Springfield, and 165 miles northeast of St. Louis, Missouri (see map).

A very extensive network of land, water, and air transportation routes serves the HMA. Peoria is served by Interstate Highway 74 as well as fourteen other federal and state highways. There are four highway bridges crossing the Illinois River at Peoria. Fifty-four motor freight long-distance movers and four bus companies provide service to points throughout the nation. Railroad facilities are provided by fourteen railroads. Ozark Airlines serves the HMA and provides flights to major mid-western cities. Located on the Illinois River, Peoria barge terminals are accessible to traffic from the Great Lakes and the Mississippi-Ohio waterway systems.

^{1/} Inasmuch as the rural farm population of the Peoria HMA constituted only four percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

PEORIA, ILLINOIS, HOUSING MARKET AREA



Economy of the Area

Character and History

The French occupied the Peoria area for ninety years until the Illinois country was ceded to Great Britain in 1763. The English regime ended in 1778 when the Americans under George Rogers Clark defeated the British at Vincennes. Peoria County was organized in 1825 and the city of Peoria was incorporated in 1845. The excellent water transportation facilities encouraged settlers to migrate to the area. Flour milling and the manufacture of farm implements soon became the leading industries of Peoria.

As wheat growing moved west with the settlement of the Great Plains, the growth of the Peoria economy was slowed until flour milling and farm tool manufacture, which had declined in importance, were supplemented by the manufacture of heavy industrial equipment. The manufacturers of gasoline and diesel tractors, road-grading machinery, and earth-moving equipment, became the leading employers in the Peoria area. Wire fence manufacture and the liquor distillation industry also gained prominence in the Peoria economy. While many firms in the service segment of the economy located offices in the Peoria area to better serve the manufacturing base, the Peoria economy is primarily based on manufacturing.

Bradley University, founded in 1897, is located in Peoria and currently enrolls about 6,000 students. The university has expanded enrollment greatly in recent years.

According to the 1960 Census, there was a net incommutation of about 5,750 workers to the Peoria HMA with 2,100 residents commuting to work outside the area and 7,850 workers who lived outside the area commuting to jobs in the area. Of the workers who traveled to work in the area, approximately 6,650 (85 percent) resided in the counties contiguous to the HMA.

Employment

Current Estimate and Recent Trends. In June 1965, there were an estimated 106,500 nonagricultural wage and salary workers in the Peoria HMA. The June 1965 level of nonagricultural wage and salary employment represented an increase of 8,800 (9.0 percent) or about 1,750 jobs a year since June 1960. After a decline between 1960 and 1961, employment has increased each year. Employment increases have been concentrated in nonmanufacturing industries, particularly services, trade, and construction.

Nonagricultural Wage and Salary Employment

Peoria, Illinois, HMA

June 1960 - June 1965

<u>Year</u>	<u>Number employed</u>	<u>Change from preceding year</u>	
		<u>Number</u>	<u>Percent</u>
1960	97,700	-	-
1961	94,700	- 3,000	- 3.1
1962	95,600	900	1.0
1963	97,200	1,600	1.7
1964	103,025	5,825	6.0
1965 ^{a/}	106,500	3,475	3.4

^{a/} Estimated by Housing Market Analyst.

Source: Illinois State Employment Service.

Nonmanufacturing industries experienced employment gains of 7,400 (13.6 percent) between June 1960 and June 1965. During the same period, manufacturing industries recorded a considerably smaller employment gain of 1,400 (3.2 percent).

Employment by Industry. Of the 106,500 nonagricultural wage and salary workers employed in the HMA in June 1965, about 44,500 (41.8 percent) were employed in manufacturing industries, compared with 43,100 in June 1960. The manufacture of earthmoving equipment is the major source of employment in the nonelectrical machinery industry. This industry experienced a downturn in 1961 (a recession year) from which it did not recover until 1965 when employment again reached the June 1960 level. As shown in Table I, employment in the other manufacturing industries was less volatile during the June 1960-June 1965 period. Employment in primary metals increased by 775 since June 1960, which was relatively a sharp gain. Employment in fabricated metals, food processing, and printing and publishing showed almost no change.

Nonmanufacturing industries accounted for 58.2 percent (about 62,000 workers) of all nonagricultural wage and salary employment in June 1965. Trade and services provided nearly 56 percent of all non-manufacturing wage and salary employment in June 1965, 37 percent and 19 percent, respectively, followed by government which accounted for 15.9 percent (9,850 jobs).

Employment in nonmanufacturing industries has increased continuously since 1960. All nonmanufacturing sectors except transportation and utilities shared in the growth. Since June 1960, trade employment recorded the largest numerical increase, 3,050 or 15.3 percent. The service and miscellaneous industries showed a gain of 1,450 (14.3 percent), and construction employment grew by 2,300 or 52.3 percent. The decline in transportation, communications, and utilities was more than offset by employment gains in government employment and finance, insurance, and real estate.

A comparison of trends in nonmanufacturing wage and salary employment with trends in manufacturing wage and salary employment during the June 1960-June 1965 period reveals that steady growth in the non-manufacturing sector has offset the cyclical fluctuations that have occurred in the more volatile manufacturing industries.

Principal Employment Sources

The Caterpillar Tractor Company, manufacturer of earthmoving equipment, and diesel and gas engines is the largest employer in the Peoria area and currently employs about 24,000 workers (22.9 percent of total non-agricultural wage and salary employment). The Keystone Wire and Steel Company is located in Peoria and employs about 3,200 workers. Other large employers include the Letourneau-Westinghouse Company (earth-moving and construction equipment) which employs 1,650 workers, and Hiram Walker and Sons Incorporated, (alcoholic beverages) which employs about 1,500 workers.

Unemployment

The Peoria area currently is classified as a Group "B" area by the Bureau of Employment Security. A Group "B" classification is defined as one of low unemployment (an unemployment ratio of 1.5 percent to 2.9 percent). The unemployment ratio of 2.8 in June 1965 was the lowest June ratio recorded since 1959. The relatively low ratio in June 1965 was due to increases of employment in both the manufacturing and nonmanufacturing sectors of the local economy. The unemployment ratio reached a peak of 6.3 percent in June 1961, a recession year. This relatively high unemployment ratio was attributable to the drop in employment in the nonelectrical machinery industry in this area.

Unemployment Trends
Peoria, Illinois, HMA
June 1959-June 1965

<u>Date</u>	<u>Percentage</u>
June 1959	3.4
June 1960	4.6
June 1961	6.3
June 1962	4.7
June 1963	4.3
June 1964	4.0
June 1965	2.8

Source: Illinois State Employment Service.

Future Employment Prospects. Employment in the Peoria HMA is quite sensitive to changes in national business conditions. Recent trends and information from local sources indicate that local firms (particularly firms in the manufacturing sector) are pursuing policies which are expected to lead to increases in employment. The Jones and Laughlin Steel Corporation has announced a new steel mill to be built at Hennepin, Illinois (about 35 miles from Peoria). This new complex will eventually employ 6,000 workers, some of whom will come from the Peoria area. As the Peoria economy becomes increasingly oriented to the production of durable goods, the upward trend of nonmanufacturing employment is expected to continue, but at a somewhat slower rate than that of the past few years. Based on these trends, nonagricultural employment is expected to increase by 4,000 workers, or 2,000 annually, over the next two years.

Income

The data in the following table indicate that average gross weekly earnings of manufacturing production workers in Peoria have been increasing at a faster rate than either the Illinois State average or the U. S. average since 1960. As may be observed, average gross weekly earnings in Peoria are considerably higher than the averages in the State or in the Nation.

Average Gross Weekly Earnings for Production Workers
On Manufacturing Payrolls
1960-1964
(Rounded to Nearest Dollar)

<u>Year</u>	<u>Peoria</u>	<u>State of Illinois</u>	<u>United States total</u>
1960	\$104	\$98	\$90
1961	109	101	96
1962	115	105	97
1963	119	109	101
1964	125	113	103

Source: U.S. Bureau of Labor Statistics.

Family Income. Table II shows the current and projected distribution of incomes among all families and renter families. The current median income of all families, after the deduction of Federal income tax, in the HMA is about \$7,400 annually, while that of renter families is somewhat lower at \$5,975. By 1967, the median after-tax income of all families is expected to increase to \$7,725, and the median after-tax income of renter families is expected to rise to \$6,300.

Approximately 15 percent of all families and 26 percent of renter families have current after-tax incomes of under \$4,000 annually. About 24 percent of all families have annual after-tax incomes of \$10,000 and over, whereas only nine percent of renter families have incomes of this amount.

Demographic Factors

Population

Current Estimate. Currently, the population of the Peoria HMA totals 314,900, an increase of slightly over 26,050 (nine percent), or about 4,750 annually, since April 1960. About 139,400 persons now live in the city of Peoria, an increase of about 36,250 since April 1960. Over eighty percent of this increase (about 30,000) occurred in 1964, when the city annexed adjoining suburban land areas. Persons living in the HMA outside the corporate limits of Peoria now number 175,500.

Over-all population changes in the HMA are shown below, and are presented in greater detail in table III. Note that the average annual rate of growth of the population has increased from 1.4 percent a year (compounded) in the 1950-1960 period to 1.6 percent a year (compounded) since April 1960.

Changes in Population Peoria, Illinois, Housing Market Area April 1950-October 1967

<u>Date</u>	<u>Total population</u>	<u>Average annual change from preceding date</u>	
		<u>Number</u>	<u>Rate</u> ^{a/}
April 1950	250,512	-	-
April 1960	288,833	3,832	1.4
October 1965	314,900	4,750	1.6
October 1967	326,100	5,600	1.7

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

Sources: 1950 and 1960 from U. S. Censuses of Population.
1965 and 1967 estimated by the Housing Market Analyst.

Past Trend. Between April 1, 1950 and April 1960, the total population in the HMA grew from about 250,500 to 288,850, an increment of about 38,350 (15.3 percent), or about 3,825 annually. The city of Peoria recorded a population loss of about 8,700 (7.8 percent) whereas the remainder of the HMA grew by about 47,000 (33.9 percent). This relatively large population growth in the remainder of the HMA reflects the out-migration of families from the city to the suburbs. Tazewell County recorded a population increase of about 23,600 (31.0 percent), reflecting the growth of suburban areas in that county.

Estimated Future Population. Based on past population growth and expected employment trends, the population in the Peoria HMA is expected to increase by 11,200 (5,600 annually) to a total of 326,100 by October 1, 1967. The estimated annual addition of 5,600 persons during the 1965-1967 forecast period is above the levels of growth experienced during the 1950-1960 decade and the 1960-1965 period. Most of the growth is expected to occur in the suburban areas.

Net Natural Increase and Migration. Between April 1950 and April 1960, net natural increase (excess of resident births over resident deaths) in the HMA averaged about 4,425 a year while the total population increased by approximately 3,825 annually, indicating an annual net out-migration of about 610 persons. Since April 1960, net natural increase has accounted for 87 percent of the total population gain. The average annual rate of in-migration since 1960, about 625 a year, indicates a reverse of the trend of out-migration during the previous decade. The trend of in-migration is attributable to the increase in employment opportunities in the HMA.

Components of Population Change
Peoria, Illinois, Housing Market Area
April 1950-October 1965

<u>Components</u>	<u>Average annual change</u>	
	<u>April 1950- April 1960</u>	<u>April 1960- October 1965^{a/}</u>
Total increase	<u>3,832</u>	<u>4,750</u>
Natural increase	4,442	4,125
Migration	-610	+625

a/ Rounded.

Sources: Illinois State Department of Health and estimates by the Housing Market Analyst.

Age Distribution. Data presented in table IV show changes in the population by age groups between April 1950 and April 1960. Of significant interest is the increase in the 10 to 19 age group and the decrease in the 20 to 29 age group. Population in the 10 to 19 age group increased by 11,850 (35.3 percent) during the decade. Most of the persons in this age group were born during the post-World War II period. Population in the 20 to 29 age group declined by 5,500 persons between April 1950 and April 1960, a drop of about 13.3 percent. This decrease reflects, primarily, the relatively low birth rates of the 1930's.

Households

Current Estimate. The total number of households (occupied dwelling units) in the Peoria HMA is currently about 95,550, an increase of about 7,700 (8.8 percent), or about 1,400 annually, since April 1960. Households in the city of Peoria now number 44,200, an increase of about 10,550 since 1960. Of the total increase in the number of households in Peoria, about 8,500 are accounted for by the annexation of suburban areas.

Over-all household changes in the HMA are shown in the following table. Table V presents household changes in greater detail.

Changes in Households
Peoria, Illinois, HMA
April 1950-October 1, 1967

<u>Date</u>	<u>Total households</u>	<u>Average annual change from preceding date</u>	
		<u>Number</u>	<u>Rate</u> ^{a/}
April 1950	74,119	-	-
April 1960	87,843	1,375	1.8
October 1, 1965	95,550	1,400	1.5
October 1, 1967	98,950	1,700	1.6

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

Sources: 1950 and 1960 from U. S. Censuses of Population.
1965 and 1967 estimated by the Housing Market Analyst.

Past Trend. Between April 1950 and April 1960, the total number of households in the HMA increased from about 74,100 to 87,850, a gain of almost 13,750, or about 1,375 annually (1.8 percent a year, compounded). The household increase between April 1950 and April 1960 reflects, in part, the change in census definition from "dwelling unit" in 1950 to "housing unit" in the 1960 census.

During the April 1950-April 1960 decade, most of the household increase occurred in Tazewell County and the area outside the corporate limits of Peoria City. Households decreased in the city of Peoria, reflecting the out-migration of families from the city to the suburban areas.

Household Size. The average size of all households in the Peoria HMA has declined only slightly since April 1960, when the average household contained 3.21 persons, compared with an estimated 3.20 persons in October 1965. The April 1960 figure represents a small decrease from 3.24 persons in April 1950. The average household size is expected to remain constant during the October 1965-October 1967 forecast period.

Average Household Size Trends
Peoria, Illinois, HMA
1950-1965

<u>Date</u>	<u>Household size</u>
April 1950	3.24
April 1960	3.21
October 1965	3.20

Sources: 1950 and 1960 from U. S. Censuses of Population.
1965 estimated by the Housing Market Analyst.

Estimated Future Household Growth. Based on the population growth expected to occur in the area within the next two years, and on employment opportunities available in the HMA, households are expected to increase by 3,400 (1,700 annually) during the October 1965-October 1967 forecast period.

Housing Market Factors

The Housing Supply

Current Estimate. At present, there are an estimated 100,300 housing units in the Peoria HMA, representing a net addition to the housing stock of about 7,600 units (8.2 percent), or about 1,375 units annually, since April 1960 (see table VI).

Past Trend. During the April 1950-April 1960 decade, the number of dwelling units increased by about 16,000 (20.9 percent), from about 76,700 to 92,700. This increase represents an average annual addition of 1,600 units, somewhat higher than the annual increment experienced during the April 1960-October 1965 period. Part of the relatively larger increase during the 1950-1960 decade is due to a conceptual change from "dwelling unit" in 1950 to "housing unit" in 1960.

Characteristics of the Housing Supply

Type of Structure. Currently, about 84.7 percent (85,000 units) of all housing units in the Peoria HMA are in one-unit structures (including trailers), compared with 85.3 percent of all housing units in April 1960. The slight decrease in the percentage of one-unit structures is attributable to demolitions and the recent increased construction of multifamily structures. The proportion of units in structures with two to four units has increased somewhat since 1960 as has the proportion of the housing supply in structures of five or more units.

The composition of the inventory by type of structure for 1960 and 1965 is summarized in the following table.

The Housing Inventory by Units in Structure
Peoria, Illinois, HMA
April 1960 and October 1965

<u>Type of structure</u>	<u>April 1960</u>	<u>October 1965</u>	<u>Percent of total</u>	
			<u>1960</u>	<u>1965</u>
1 family	79,064	85,000	85.3	84.7
2 to 4 family	8,332	9,325	9.0	9.3
5 or more family	<u>5,291</u>	<u>5,975</u>	<u>5.7</u>	<u>6.0</u>
Total	92,687 ^{a/}	100,300	100.0	100.0

^{a/} Differs slightly from count of all units because units by type of structure were enumerated on a sample basis.

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

MAR 2 1966

- 13 -

Age of Structure. Approximately 8,750 units, or about nine percent of the total housing supply in the HMA, have been built since April 1960. About 23 percent of the current housing supply (23,500 units) was built in the previous decade, compared with 26,200 units in the 1930-1950 period. Approximately 41,850 units were built in 1929 or earlier, indicating that about 42 percent of the current housing stock in the HMA is at least 36 years old.

Distribution of Housing Inventory by Year Built^{1/}
Peoria, Illinois, HMA

<u>Year built</u>	<u>Number of units</u>	<u>Percentage distribution</u>
April 1960-October 1965	8,750	8.7
1959-March 1960	2,950	2.9
1955-1958	9,200	9.2
1950-1954	11,350	11.3
1940-1949	14,950	14.9
1930-1939	11,250	11.2
1929 or earlier	<u>41,850</u>	<u>41.8</u>
Total	100,300	100.0

^{1/} The basic data 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: Estimated by the Housing Market Analyst.

Condition of the Inventory. The condition of the housing inventory in the Peoria HMA is relatively good with approximately 90 percent of the inventory not dilapidated and with all plumbing facilities, an improvement over the April 1960 ratio of about 84 percent. The improvement since 1960 reflects the demolition of deteriorating and dilapidated units and the improvement of other housing units.

Residential Building Activity. Comparison of the total housing inventory in the 1950 and 1960 censuses indicates that a net total of approximately 16,000 housing units was added to the housing supply. During the same period, building permit authorizations totaled about 4,575 units which suggests the degree to which building in the area was not covered by building permit systems in that period. Since 1960, an average of about 1,550 units a year have been added to the inventory by new construction. In the same period, permit authorizations have averaged about 880 a year. The following table shows the number of new dwelling units authorized by building permits since 1956. Data on new construction, by type of structure, are presented in table VII.

New Dwelling Units Authorized by Building Permits
Peoria, Illinois, HMA
1956-1965

<u>Year</u>	<u>Total</u> <u>units</u>	<u>Year</u>	<u>Total</u> <u>units</u>
1956	308	1961	695
1957	263	1962	773
1958	227	1963	916
1959	333	1964	1,254
1960	803	1965 ^{a/}	552

^{a/} Through August.

Source: U. S. Department of Commerce.

Units Under Construction. Based on building permit data and on the postal vacancy survey conducted in the HMA, it is estimated that there are about 850 units under construction in the Peoria HMA. The total includes about 630 single-family units and 220 multifamily units. The majority of the single-family units are being built in the suburban fringe of Peoria City and in the areas of Tazewell County within close proximity of Peoria. The multifamily units appear to be concentrated in the cities of Peoria and Pekin.

Demolitions and Conversions. There have been approximately 1,050 residential units demolished since 1960 in the Peoria HMA. Most of the units were old, generally substandard, single-family homes. Most of these units were demolished in the city of Peoria to make way for Interstate 74 and other civic improvements. Other units have been removed from the inventory since 1960 through demolitions (other than those resulting from public actions), conversions, fire loss, catastrophe, and other changes in the inventory.

Based on urban renewal activity and other losses, it is anticipated that about 250 housing units will be demolished in the HMA during the 1965-1967 forecast period.

Tenure of Occupancy

Current Estimate. As of October 1, 1965, as shown in table VI, almost 72 percent (about 68,450 units) of the occupied units in the HMA are owner-occupied and 28 percent (27,100 units) are renter-occupied.

Past Trend. Owner-occupancy increased from approximately 64 percent in 1950 to slightly over 70 percent in 1960. This reflects the relatively high proportion of sales housing built during the 1950-1960 decade. Since 1960, the owner-occupancy ratio has continued to rise but at a slower rate than that recorded during the 1950-1960 period.

Vacancies

Census. According to the 1960 Census, the Peoria HMA contained about 2,450 vacant housing units available for sale or rent, a net vacancy ratio of 2.7 percent. Of this number, about 775 were available for sale and 1,675 were available for rent, representing net homeowner and renter vacancy ratios of 1.2 percent and 6.0 percent, respectively. It should be noted that the census also reported 70 (9.1 percent) of the available sales vacancies and 520 (31.1 percent) of the available rental vacancies were lacking one or more plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Peoria HMA on October 11, 1965. The survey covered an estimated 77 percent of the current housing inventory. The survey reported a total of 1,850 vacancies, representing an over-all vacancy ratio of 2.4 percent. Of this total, about 1,050 were vacant residences, a vacancy ratio of 1.6 percent, and about 800 were vacant apartments, a vacancy ratio of 7.5 percent. The results of the survey are presented in table VIII.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include 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. 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 results of the postal vacancy survey, on information from local realtors and builders, and on personal observation, it is judged that currently there are about 2,675 vacant dwelling units available for sale or for rent in the Peoria HMA. Of this number, about 1,000 are vacant sales units, representing a current homeowner vacancy ratio of 1.4 percent, and 1,675 are vacant available rental units, indicating a current renter vacancy rate of 5.8 percent. Table VI compares these estimates with those recorded in April 1950 and April 1960 by the U.S. Census of Housing, and indicates a small increase in the homeowner vacancy rate and a small decline in the rental vacancy rate since 1960.

The Sales Market

General Market Conditions. Generally, the market for sales housing in the Peoria HMA is in reasonable balance at the present time. About one-third of the houses are being built on a speculative basis and, according to local builders and realtors, these houses are being sold shortly after being placed on the market. Since 1960, most of the new sales housing has been built in the areas north and west of Peoria City, and the newer residential areas developing in Tazewell County. The improved highway systems, particularly I-74 and U. S. Route 24, have made the cities of Morton and Washington more accessible to persons commuting to Peoria City.

New sales housing in the Peoria area that meets FHA minimum requirements cannot be produced to sell for much below \$13,000. FHA surveys taken in 1964 and 1965 indicate that fewer than two percent of all new sales units surveyed in the Peoria HMA were priced below \$12,500.

Unsold Inventory of New Homes. In January 1964 and January 1965, the Springfield Insuring Office surveyed all subdivisions in the Peoria HMA in which five or more houses were completed in the preceding twelve months. The January 1965 survey covered 38 subdivisions. A total of about 615 houses had been completed, of which about 375 (61 percent) were sold before construction had started and about 240 (39 percent) were built speculatively. Of the speculatively built houses, only one (0.4 percent) remained unsold, and it had been on the market only two to three months.

The January 1964 survey reported about 500 completions, of which about 355 (71 percent) were sold before construction began and 145 (29 percent) were built speculatively. Of the speculatively built homes, 105 (72.4 percent) were sold, and 40 (27.6 percent) remained unsold. Of the unsold homes, about 30 (75 percent) had been on the market three months or less, and the remaining ten (25 percent) had been on the market four to twelve months.

Distributions of the sales prices reported for the two surveys are compared in the following table. The data are presented in greater detail in table IX.

Houses Completed in the Past Twelve Months
Peoria, Illinois, HMA
As of January 1, 1964 and January 1, 1965

<u>Sales price</u>	<u>January 1, 1964</u>		<u>January 1, 1965</u>	
	<u>Total completions</u>		<u>Total completions</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$10,000 - \$12,499	11	2.2	6	1.0
12,500 - 14,999	39	7.8	79	12.9
15,000 - 17,499	85	16.9	105	17.1
17,500 - 19,999	102	20.3	88	14.4
20,000 - 24,999	111	22.1	152	24.8
25,000 - 29,999	106	21.1	116	18.9
30,000 - 34,999	23	4.6	36	5.9
35,000 and over	<u>25</u>	<u>5.0</u>	<u>31</u>	<u>5.0</u>
Total	502	100.0	613	100.0

Source: Unsold Inventory of New Homes conducted by the Springfield, Illinois, Insuring Office.

It is important to note that about ten percent of the total number of homes completed in 1963 were priced below \$15,000 whereas in 1964, homes priced below \$15,000 accounted for about 14 percent. Total completions of homes priced between \$17,500 and \$30,000 declined from about 64 percent in 1963 to 58 percent in 1964. The percentages of total completions of the other price ranges showed little or no change.

The Rental Market

Current Conditions. The market for rental housing in the Peoria HMA is in reasonable balance at the present time. Most rental vacancies are in older structures lacking the amenities provided by recently constructed projects. Newer multifamily projects (particularly garden-type projects) have been able to achieve and maintain good occupancy. Good-quality, good-location, "luxury" type garden apartments have been able to maintain almost 100 percent occupancy although rent ranges in these structures are considerably above those evident elsewhere in the market. Currently, there are about 220 multifamily units under construction in the HMA. Virtually all of the units are in garden-type apartment structures.

The Mortgage Market

There appears to be an ample supply of money available for both interim and long-term investment in residential real estate in the Peoria HMA. There are no indications that developers and builders are having problems obtaining funds. The current interest rate on conventional mortgage loans ranges between $5\frac{1}{2}$ and 6 percent; and 25 to 30 years is the maximum term.

Urban Renewal and Redevelopment

The Peoria Medical Center (Ill. R-61) project is currently in the execution process. The medical center will be bounded by an area between Armstrong and Pine Streets on the North, an area near Missouri Avenue on the East, Glen Oak Avenue on the South, and Interstate 74 on the West. The medical center project will eventually displace about 100 families.

Public Housing

At the present time, there are about 1,850 public housing units in three projects in the Peoria HMA. About one-third of the units are occupied by elderly persons. There is no public housing under construction in the HMA nor are there plans to build additional units in the near future.

Demand for Housing

Quantitative Demand

Quantitative demand for additional housing during the two-year forecast period from October 1965 to October 1967 is based on an anticipated increase of about 1,700 households annually, on the need to replace housing units expected to be lost from the inventory, and on a minor adjustment of both sales and rental vacancies to levels that reflect the long-term needs of the Peoria area. Consideration is given also to the existing tenure composition of the inventory, to the continued trend toward home-ownership, and to the shift of single-family houses from owner to renter occupancy. To accommodate household growth and to allow for expected occupancy and inventory changes, approximately 1,775 additional housing units will need to be added in each of the next two years. About 1,500 units represents the annual demand for sales housing, and about 275 units represents the annual demand for privately-owned rental housing, including 75 middle-income rental units that may be marketed only at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations.

Qualitative Demand

Sales Housing. Based on current family incomes in the Peoria HMA and the relationship of income to sales price typical in the area, the annual demand for 1,500 new sales units is expected to be distributed by price class as indicated in the following table. Single-family houses that meet FHA minimum standards cannot be produced in the Peoria HMA to sell for much below \$13,000.

Estimated Annual Demand for New Sales Housing by Price Class Peoria, Illinois, HMA October 1965-October 1967

<u>Price range</u>	<u>Number units</u>	<u>Percentage distribution</u>
\$13,000 - \$13,999	135	9
14,000 - 15,999	150	10
16,000 - 17,999	165	11
18,000 - 19,999	180	12
20,000 - 24,999	375	25
25,000 - 29,999	255	17
30,000 - 34,999	165	11
35,000 and over	75	5
Total	1,500	100

The distribution shown above differs from that on page 18 which reflects 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 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 above reflect all home building and indicate a greater construction in some price ranges than a subdivision survey would reflect.

The distribution of prospective demand indicates that only 19 percent is in the price range below \$16,000. About 48 percent is expected to be at prices between \$16,000 and \$25,000, with 25 percent of the total distribution concentrated in the price range of \$20,000 to \$25,000. The remaining 33 percent is distributed at prices of \$25,000 and over.

Rental Housing. The monthly rental at which privately owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions, which exclude public low-rent housing or rent-supplement accommodations, may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition.

In the Peoria area, it is judged that minimum gross rents at which new privately-owned rental units can be produced without public benefits or assistance are approximately \$105, \$115, \$125, and \$135 for efficiency, one-, two-, and three-bedroom units, respectively.

Approximately 75 units annually may be absorbed at the lower gross rents achievable only with public benefits, or aid in financing or in land acquisition. The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments, they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Estimated Annual Demand for New Rental Units
Peoria, Illinois, HMA
October 1965-October 1967

<u>Monthly gross rent^{a/}</u>	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One- bedroom</u>	<u>Two- bedroom</u>	<u>Three- bedroom</u>
\$90 and over	35	-	-	-
95 " "	35	100	-	-
100 " "	30	90	95	-
105 " "	30	90	95	45
110 " "	25	85	90	45
115 " "	25	80	80	40
120 " "	25	75	70	40
125 " "	20	65	60	35
130 " "	20	60	50	30
135 " "	15	55	45	30
140 " "	15	50	40	20
145 " "	-	45	40	15
150 " "	-	40	35	15
160 " "	-	35	25	10
170 " "	-	25	20	10
180 " "	-	20	15	5

^{a/} Gross rent is shelter or contract rent plus the cost of utilities.

Note: The above figures are cumulative, that is, the columns cannot be added vertically. For example, the demand for one-bedroom units at from \$120-130 is 15 units (75 minus 60), not 75 units.

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Specific market demand opportunities or replacement needs may permit effective marketing of a single project differing from this demand distribution. Even though such a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

Table I

Nonagricultural Wage and Salary Employment by Industry
Peoria, Illinois, HMA
June 1960 - June 1965

<u>Industry</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>
Total wage and salary employment	<u>97,700</u>	<u>94,700</u>	<u>95,600</u>	<u>97,200</u>	<u>103,025</u>	<u>106,500</u> ^{a/}
<u>Manufacturing</u>	<u>43,100</u>	<u>38,300</u>	<u>38,800</u>	<u>38,775</u>	<u>42,375</u>	<u>44,500</u>
Primary metals	3,125	3,400	3,550	3,600	3,850	3,900
Fabricated metals	1,175	975	1,050	1,100	1,000	1,150
Nonelectrical machinery	26,625	22,050	22,000	22,425	25,875	27,750
Food processing	6,900	6,800	7,000	6,825	6,650	6,600
Printing and publishing	1,600	NA	1,625	1,675	1,775	1,750
All other manufacturing	3,675	5,075	3,550	3,100	3,225	3,350
<u>Nonmanufacturing</u>	<u>54,600</u>	<u>56,425</u>	<u>56,800</u>	<u>58,425</u>	<u>60,650</u>	<u>62,000</u>
Construction	4,400	4,650	5,200	5,725	6,350	6,700
Trans., comm., and utilities	6,800	6,625	6,500	6,500	6,450	6,500
Trade	20,250	21,150	20,800	21,550	22,325	22,950
Fin., ins., and real estate	3,525	3,750	3,800	4,025	4,100	4,150
Service and misc.	10,150	10,650	10,950	10,975	11,400	11,600
Government	9,200	9,325	9,300	9,400	9,800	9,850
All other nonmanufacturing	275	275	275	250	225	250

^{a/} Data for June 1965 are estimated by Housing Market Analyst on the basis of data on the new three-county labor market area.

Note: Subtotals may not add to totals due to rounding.

Source: Illinois State Employment Service.

Table II

Estimated Percentage Distribution of Families by Annual Income After Federal Income Tax Deduction
Peoria, Illinois, HMA
1965 and 1967

<u>Annual after-tax income</u>	<u>1965 Incomes</u>		<u>1967 Incomes</u>	
	<u>All families</u>	<u>Renter families</u>	<u>All families</u>	<u>Renter families</u>
Under \$4,000	15	26	14	24
\$ 4,000 - 4,999	8	11	7	9
5,000 - 5,999	10	14	9	12
6,000 - 6,999	12	14	11	15
7,000 - 7,999	12	11	11	12
8,000 - 8,999	10	8	11	9
9,000 - 9,999	9	7	10	8
10,000 - 12,499	15	6	16	7
12,500 - 14,999	6	3	7	4
15,000 and over	<u>3</u>	<u>-</u>	<u>4</u>	<u>-</u>
Total	100	100	100	100
Median income	\$7,400	\$5,975	\$7,725	\$6,300

Source: Estimated by Housing Market Analyst.

Table III

Population Trends
Peoria, Illinois, HMA
1950-1965

Area	April 1950	April 1960	October 1965	Average annual change			
				1950-1960		1960-1965 ^{a/}	
				Number	Rate ^{b/}	Number	Rate ^{b/}
<u>HMA total</u>	<u>250,512</u>	<u>288,833</u>	<u>314,900</u>	<u>3,832</u>	<u>1.4</u>	<u>4,750</u>	<u>1.6</u>
<u>Peoria County</u>	<u>174,347</u>	<u>189,044</u>	<u>199,800</u>	<u>1,470</u>	<u>0.8</u>	<u>1,950</u>	<u>1.0</u>
Peoria City ^{c/}	111,856	103,162	139,400	-869	-0.8	6,600	5.5
Bartonville	2,437	7,253	8,450	482	11.0	215	2.8
Remainder of county	60,054	78,629	51,950	1,857	2.7	-4,850	-7.6
<u>Tazewell County</u>	<u>76,165</u>	<u>99,789</u>	<u>115,100</u>	<u>2,362</u>	<u>2.7</u>	<u>2,775</u>	<u>2.6</u>
East Peoria	8,698	12,310	14,450	361	3.5	390	3.0
Pekin	21,858	28,146	32,500	629	2.6	790	2.7
Morton	3,693	5,325	7,500	163	3.7	390	6.3
Washington	4,285	5,919	7,150	163	3.2	225	3.5
Remainder of county	37,631	48,089	53,500	1,046	2.5	980	2.0

^{a/} Subtotals may not add to totals due to rounding.

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

^{c/} 1960-1965 increases in Peoria are largely attributable to annexations.

Sources: 1950 and 1960 from U. S. Censuses of Population.
 1965 estimated by Housing Market Analyst.

Table IV

Population Distribution by Age
Peoria, Illinois, HMA
April 1950 and April 1960

<u>Age groups</u>	<u>April 1950</u>	<u>April 1960</u>	<u>April 1950 to April 1960 change</u>	
			<u>Number</u>	<u>Percent</u>
Under 9	47,022	64,136	17,114	36.4
10 - 19	33,597	45,458	11,861	35.3
20 - 29	41,377	35,866	-5,511	-13.3
30 - 39	38,670	39,574	904	2.3
40 - 49	33,334	36,013	2,679	8.0
50 - 59	25,899	29,914	4,015	15.5
60 - 64	10,007	11,636	1,629	16.3
65 and over	<u>20,606</u>	<u>26,236</u>	<u>5,630</u>	<u>27.3</u>
Total	250,512	288,833	38,321	15.3

Source: 1950 and 1960 Censuses of Population.

Table V

Household Growth Trends
Peoria, Illinois, HMA
1950-1965

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>October</u> <u>1965</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965^{a/}</u>	
				<u>Number</u>	<u>Rate ^{b/}</u>	<u>Number</u>	<u>Rate ^{b/}</u>
<u>HMA total</u>	<u>74,119</u>	<u>87,843</u>	<u>95,550</u>	<u>1,372</u>	<u>1.8</u>	<u>1,400</u>	<u>1.5</u>
<u>Peoria County</u>	<u>51,499</u>	<u>58,155</u>	<u>61,550</u>	<u>666</u>	<u>1.2</u>	<u>620</u>	<u>1.1</u>
Peoria City ^{c/}	33,839	33,642	44,200	-20	-.1	1,925	5.0
Bartonville	741	1,427	1,700	69	6.6	50	3.2
Remainder of county	16,919	23,086	15,650	617	3.1	-1,350	-7.1
<u>Tazewell County</u>	<u>22,620</u>	<u>29,688</u>	<u>34,000</u>	<u>707</u>	<u>2.7</u>	<u>780</u>	<u>2.5</u>
East Peoria	2,596	3,828	4,500	123	3.9	120	3.0
Pekin	6,874	9,006	10,450	213	2.7	265	2.8
Morton	1,122	1,630	2,300	51	3.7	120	6.3
Washington	1,310	1,715	2,025	41	2.7	55	3.1
Remainder of county	10,718	13,509	14,725	279	2.3	220	1.6

^{a/} Subtotals may not add to totals due to rounding.

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

^{c/} 1960-1965 increases in Peoria are largely attributable to annexations.

Sources: 1950 and 1960 from the U. S. Censuses of Housing.
1965 estimated by Housing Market Analyst.

Table VI

Components of the Housing Inventory
Peoria, Illinois, HMA
April 1950-October 1965

<u>Tenure and vacancy</u>	April 1950	April 1960	October 1965	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1965</u>	
				<u>Number</u>	<u>Rate^{b/}</u>	<u>Number</u>	<u>Rate^{b/}</u>
Total housing inventory	<u>76,675</u>	<u>92,693</u>	<u>100,300</u>	<u>1,602</u>	<u>1.9</u>	<u>1,375</u>	<u>1.5</u>
Occupied housing units	<u>74,119</u>	<u>87,843</u>	<u>95,550</u>	<u>1,373</u>	<u>1.8</u>	<u>1,400</u>	<u>1.5</u>
Owner occupied	47,377	61,725	68,450	1,435	2.7	1,220	2.0
As a percent of total occupied	63.9	70.3	71.6	-	-	-	-
Renter occupied	26,742	26,118	27,100	-62	-.2	180	.7
As a percent of total occupied	36.1	29.7	28.4	-	-	-	-
Vacant housing units	<u>2,556</u>	<u>4,850</u>	<u>4,750</u>	<u>229</u>	<u>6.4</u>	<u>-20</u>	<u>-.4</u>
Available	958	2,443	2,675	149	9.4	40	1.7
For sale	327	772	1,000	45	8.6	40	4.8
Homeowner vacancy rate	0.7	1.2	1.4	-	-	-	-
For rent	631	1,671	1,675	104	9.8	-	-
Renter vacancy rate	2.3	6.0	5.8	-	-	-	-
Other vacant ^{c/}	1,598	2,407	2,075	80	4.1	-60	2.8

^{a/} Subtotals may not add to totals due to rounding.

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

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

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

Table VII

New Dwelling Units Authorized by Building Permits
Peoria, Illinois, HMA
1950-1965

<u>Year</u>	<u>Single-</u> <u>family</u>	<u>Multi-</u> <u>family</u>	<u>Total</u>	<u>Year</u>	<u>Single-</u> <u>family</u>	<u>Multi-</u> <u>family</u>	<u>Total</u>
1950	NA	NA	899	1958	NA	NA	227
1951	NA	NA	880 ^{a/}	1959	NA	NA	333
1952	NA	NA	285	1960	771	32	803
1953	NA	NA	720 ^{b/}	1961	756	39	695
1954	NA	NA	269	1962	675	98	773
1955	NA	NA	401	1963	814	102	916
1956	NA	NA	308	1964	978	276	1,254
1957	NA	NA	263	1965 ^{c/}	NA	NA	552

^{a/} Includes 154 public housing units.

^{b/} Includes 460 public housing units.

^{c/} Through August.

Source: U. S. Department of Commerce.

Table VIII

Peoria, Illinois, Area Postal Vacancy Survey
October 11, 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	<u>76,854</u>	<u>1,853</u>	<u>2.4</u>	<u>1,737</u>	<u>116</u>	<u>851</u>	<u>66,203</u>	<u>1,059</u>	<u>1.6</u>	<u>975</u>	<u>84</u>	<u>637</u>	<u>10,651</u>	<u>794</u>	<u>7.5</u>	<u>762</u>	<u>32</u>	<u>214</u>	<u>932</u>	<u>71</u>	<u>7.6</u>
Peoria	<u>59,421</u>	<u>1,471</u>	<u>2.5</u>	<u>1,390</u>	<u>81</u>	<u>376</u>	<u>49,939</u>	<u>755</u>	<u>1.5</u>	<u>705</u>	<u>50</u>	<u>270</u>	<u>9,482</u>	<u>716</u>	<u>7.6</u>	<u>685</u>	<u>31</u>	<u>106</u>	<u>815</u>	<u>59</u>	<u>7.2</u>
Main Office	39,813	1,138	2.9	1,109	29	137	31,132	513	1.6	487	26	53	8,681	625	7.2	622	3	84	124	50	40.3
Branches:																					
East Peoria	8,888	142	1.6	138	4	78	8,488	87	1.0	83	4	75	400	55	13.8	55	-	3	474	9	1.9
West Glen	10,720	191	1.8	143	48	161	10,319	155	1.5	135	20	142	401	36	9.0	8	28	19	217	-	-
Other Cities and Towns	<u>17,433</u>	<u>382</u>	<u>2.2</u>	<u>347</u>	<u>35</u>	<u>475</u>	<u>16,264</u>	<u>304</u>	<u>1.9</u>	<u>270</u>	<u>34</u>	<u>367</u>	<u>1,169</u>	<u>78</u>	<u>6.7</u>	<u>77</u>	<u>1</u>	<u>108</u>	<u>117</u>	<u>12</u>	<u>10.3</u>
Chillicothe	2,648	81	3.1	76	5	12	2,573	73	2.8	68	5	12	75	8	10.7	8	-	-	52	-	-
Morton	2,659	54	2.0	37	17	132	2,595	48	1.8	31	17	103	64	6	9.4	6	-	29	-	-	-
Pekin	12,126	247	2.0	234	13	331	11,096	183	1.6	171	12	252	1,030	64	6.2	63	1	79	65	12	18.5

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, in that 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 IX

FHA Survey of Unsold Inventory of New Sales Houses
Peoria, Illinois, 1964 and 1965

Sales price	Total completions	Units sold before constr. started	Speculative construction			
			Total	Sold	Unsold	Percent unsold
<u>Houses completed in 1963^{a/}</u>						
\$10,000 - \$12,499	11	11	-	-	-	-
12,500 - 14,999	39	29	10	8	2	20
15,000 - 17,499	85	63	22	15	7	32
17,500 - 19,999	102	88	14	10	4	29
20,000 - 24,999	111	89	22	9	13	59
25,000 - 29,999	106	44	62	52	10	16
30,000 - 34,999	23	16	7	7	-	-
35,000 and over	25	16	9	4	5	56
Total	502	356	146	105	41	28
<u>Houses completed in 1964^{a/}</u>						
\$10,000 - \$12,499	6	2	4	4	-	-
12,500 - 14,999	79	44	35	34	1	3
15,000 - 17,499	105	67	38	38	-	-
17,500 - 19,999	88	56	32	32	-	-
20,000 - 24,999	152	83	69	69	-	-
25,000 - 29,999	116	69	47	47	-	-
30,000 - 34,999	36	33	3	3	-	-
35,000 and over	31	20	11	11	-	-
Total	613	374	239	238	1	-

^{a/} Survey includes only subdivisions with five or more completions during the year.

Source: Annual Unsold Inventory Surveys conducted by the Springfield, Illinois, Insuring Office.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FEDERAL HOUSING ADMINISTRATION

Washington, D. C. 20411

NEWS

FHA INFORMATION 382-4693

FOR RELEASE SATURDAY
MARCH 26, 1966

HUD-FHA-MA-66-25
Poston

The Federal Housing Administration today released its analysis of the Peoria, Illinois, housing market as of October 1, 1965. The housing market area covers Peoria and Tazewell Counties.

There were 100,300 housing units in the area as of October 1, 1965: a net gain of about 7,600 (8.2 percent) since April 1960. About 850 units were under construction at the time of the study: 630 single-family units and 220 multifamily units.

Demand for additional housing from October 1965 to October 1967 is expected to total 1,775 units a year, including 1,500 sales units and 275 rental units.

The report noted about 2,675 available vacant housing units in the Peoria housing market area. Of the total, about 1,000 were for sale and 1,675 were for rent. These are vacancy rates of 1.4 percent and 5.8 percent, respectively.

"Total nonagricultural wage and salary employment in the Peoria housing market area was 106,500 in June 1965, an increase of about 8,800 (9.0 percent)," or about 1,750 jobs a year since June 1960. About 85 percent of this growth was in retail firms and service industries. The number of jobs in manufacturing showed a downturn in 1961 from which they

(more)

did not recover until 1965. But the recent trend in this segment is upward. Jobs are expected to "increase by 4,000 over the next two years," and a major portion of the growth is expected to occur in manufacturing.

Unemployment in June 1965 was 2.8 percent, the lowest in the June 1959-June 1965 years.

Increases in family incomes are forecast. "The estimated current median income of all families in the Peoria HMA is about \$7,400 a year, after deduction of Federal income tax..." For renters it is \$5,975 a year. By 1967, these figures are expected to rise to \$7,725 and \$6,300, respectively.

In October 1965, population of the area was "about 314,900, an increase of 26,050 (9 percent), or 4,750 annually, since April 1960." During the two-year forecast period, an increase of 11,200 (5,600 a year) is expected. In October 1965, households numbered about 95,550, an increase of about 7,700, or 1,400 a year, since April 1960. By October 1967, households are expected to total 98,950, an increase of 1,700 a year.

Copies of the complete analysis can be obtained from Mr. Roy E. Yung, Director, Federal Housing Administration, 628 East Adams Street, P. O. Box 1628, Springfield, Illinois 62705.

* * * *

3/26/66

Summary EOI
L. J. Yung

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
LIBRARY
WASHINGTON, D.C. 20410

MAR 1971