Analysis of the

SAGINAW, MICHIGAN HOUSING MARKET

as of November 1, 1966

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

August 1967

ANALYSIS OF THE

SAGINAW, MICHIGAN, HOUSING MARKET

AS OF NOVEMBER 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.

Table of Contents

ANALYSIS OF THE
SAGINAW, MICHIGAN, HOUSING MARKET
AS OF NOVEMBER 1, 1966

Summary and Conclusions

1. The Saginaw, Michigan, Housing Market Area (HMA) is coterminous with the Saginaw Standard Metropolitan Statistical Area (Saginaw County, Michigan). The manufacture of automotive-related durable goods is the mainstay of the present Saginaw economy; durable-goods manufacturing industries accounted for 42 percent of all wage and salary jobs in 1965.

2. Nonagricultural wage and salary employment has increased each year during the period of uninterrupted economic growth since 1961, and averaged 62,900 during the automobile production record year of 1965. Wage and salary jobs have continued to increase, and during the first eight months of 1966 averaged 64,900. Based on the trend of nonmanufacturing employment of past years, on information provided by some of the largest employers in the area, and on known plans for plant expansion, a gain of around 3,700 nonagricultural wage and salary jobs (1,850 annually) appears to be a reasonable expectation during the two-year forecast period of this report.

3. The vulnerability of the durable goods-based economy of the Saginaw HMA is reflected in the degree of severity of unemployment during recession years. In 1961 unemployment amounted to an average of 8.0 percent of the work force, up from 5.1 percent in 1960. Annual average unemployment declined each year after 1961, to 2.4 percent in 1965.

4. The current median annual income of all nonfarm families in the Saginaw HMA is about $7,475, after the deduction of federal income tax, and the median after-tax income of nonfarm renter households (excluding one-person renter households) is $6,075. By 1968, the median after-tax income of all nonfarm families will increase to $7,875, and two- or more-person renter households will have a median after-tax income of $6,400.

5. The current nonfarm population of the Saginaw HMA is 202,900 persons, reflecting an increase of around 26,200 persons since April 1960, or an average of 3,975 annually. Less than half of the current HMA nonfarm population resides in Saginaw (100,200 persons). During the next two years, the HMA nonfarm population is expected to increase by around 4,200 annually.

6. Nonfarm households (occupied housing units) now number about 56,100, up about 7,000 (1,075 annually) since April 1960. During the two-year forecast period of this analysis, nonfarm households are expected to increase in number by about 1,200 annually.

7. There are presently about 59,350 nonfarm housing units in the Saginaw HMA, reflecting a net gain of about 7,200 since the 1960 Census. Private housing construction remained at a relatively constant rate during the first three years of the 1960's, averaging 1,050 units annually. In 1963 the rate of construction began to increase--to 1,150 units in 1963, 1,400 in 1964, and to 1,725 units in 1965. During the first nine months of 1966, authorizations totaled 980 units. Since April 1960, an estimated 1,600 nonfarm housing units have been demolished in the HMA. During the two-year forecast period of this analysis, about 650 units will be demolished as a result of governmental action.

8. There are currently some 1,350 vacant housing units available for rent or sale in the Saginaw HMA, or an over-all available vacancy rate of 2.3 percent. About 650 of the available vacancies are for sale only, or a homeowner vacancy rate of 1.5 percent, and the remaining units are available for rent, or a renter vacancy rate of 5.1 percent. Both the homeowner and renter vacancy rates have decreased somewhat since the 1960 Census, from 1.7 percent and 6.1 percent, respectively.

9. There will be demand for about 1,400 units of privately-financed housing in the HMA during each of the next two years. Around 1,100 units of the annual demand will be for single-family housing and 300 units will be for multifamily housing. Approximately 140 units of the annual demand for multifamily housing will be at the lower rents or monthly charges possible with aid in financing or assistance in land acquisition, excluding public low-rent housing or rent-supplement accommodations.

   Demand for new single-family housing during the next two years is expected to approximate the price range distribution indicated on page 25. The forecast demand for multifamily housing is distributed by unit size on page 26.

ANALYSIS OF THE SAGINAW, MICHIGAN, HOUSING MARKET AS OF NOVEMBER 1, 1966

Housing Market Area

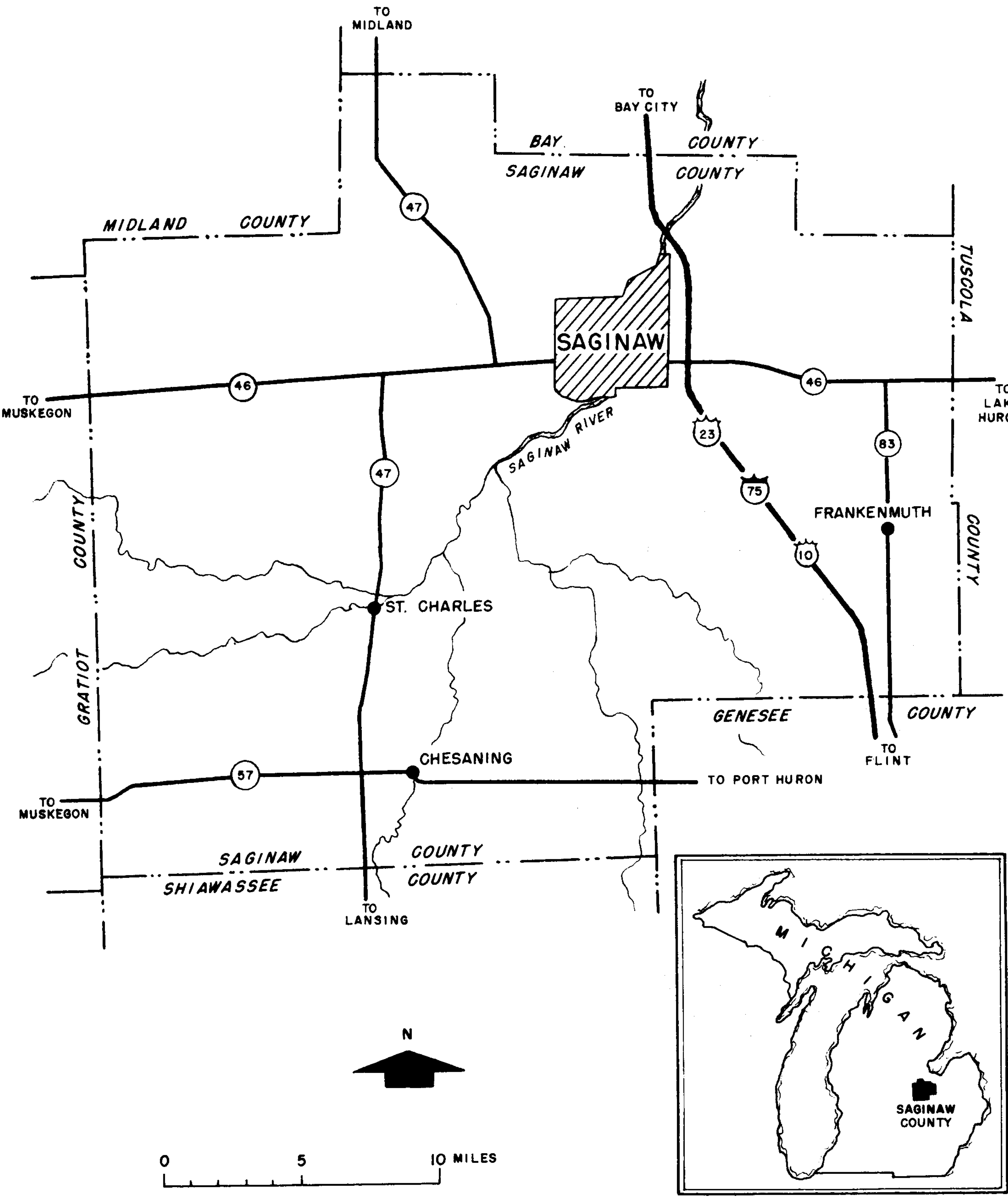
The Saginaw, Michigan, Housing Market Area (HMA) is defined as being coextensive with the Saginaw Standard Metropolitan Statistical Area (SMSA), which consists of Saginaw County, Michigan (see map on following page). The HMA had a nonfarm population of about 176,700[1/] in 1960. The county is located in the fertile, nearly-flat Saginaw Valley of the eastern part of the southern peninsula of Michigan, about 90 miles north of Detroit and 70 miles northeast of the state capital, Lansing. Two other SMSA's are adjacent to Saginaw County -- Bay City (Bay County) on the north and Flint (Genesee County) on the south. There are several incorporated areas in the Saginaw HMA in addition to the principal city, but the largest of these (Chesaning village) had only 2,770 residents in 1960.

The main highway now serving Saginaw is north-south Interstate 75. I-75 provides access northward via the Mackinac Bridge to Sault Ste. Marie and Canada, and to the south to Detroit and the remainder of the industrial midwest. U.S. Highways 10 and 23 also traverse the HMA, using the route of I-75 through the county. Several state roads also serve the HMA. Twenty-seven motor freight lines are authorized to serve Saginaw. Four railroad lines provide freight handling and shipping facilities. Water routes are accessable via the Saginaw River to Saginaw Bay on Lake Huron. The Tri-City Airport (which serves Saginaw, Bay City, and Midland), in northern Saginaw County off S.R. 47, provides the region with full-service air facilities.

According to data from the 1960 Census, there was a net in-commutation of about 1,250 workers into the Saginaw HMA from contiguous counties, with about 2,775 area residents working in adjoining counties and almost 4,025 residents of adjoining counties commuting to the Saginaw HMA. Of the contiguous counties, the greatest amount of intercommutation existed between the Saginaw HMA and Bay, Genesee, and Tuscola Counties. There was net out-commutation to Genesee County (which is a more populous SMSA), and net in-commutation from Bay and Tuscola Counties.

1/ Since the rural farm population of the Saginaw HMA constituted a significant proportion of the total population in 1960 (7.4 percent), all demographic and housing data used in this analysis exclude the rural farm component, except where specifically noted.

SAGINAW, MICHIGAN, HOUSING MARKET AREA



Economy of the Area

Character and History

The earliest European visitors to the site of Saginaw were Jesuit missionaries who traversed the area in the eighteenth century. The first permanent white settler did not arrive until the early 1800's, although itinerant traders were active in the area somewhat earlier. Indians of the Chippewa nation long had been farmer-residents of the area when, in 1819, a treaty with the Chippewas was negotiated. Included in the treaty was provision for the sale of much of the valley to the U.S. Government. Although abandoned by the military after less than a year of use, the real beginning of present-day Saginaw came with the establishment of a fort on the west side of the Saginaw River in 1822. Saginaw was made the seat of Saginaw County in 1831. The early economic support for the area was provided by trapping and trading activities and farming. Having exhausted the supply of timber in the New England states, the lumbering industry moved westward, and from around 1850 to the turn of the twentieth century the Saginaw area was the center of the United States lumber industry by virtue of the plentiful stands of easily-exploitable timber in the area. Deep-well salt mining was also economically important during this period, but was discontinued when the supply of wood for fuel was exhausted.

After a period of adjustment, Saginaw developed as a manufacturing center during the twentieth century, although agriculture (especially the production of beans and sugar beets) is still of major importance. The evolution of the automobile-production complex of Michigan, of which Saginaw is a part, has been responsible for most of the growth in manufacturing. During the first decade of the 1900's, several firms were actively producing complete automobiles in the area. In 1907, the steering gear plant was established which was to become the nucleus for what are today the Saginaw operations of three divisions of General Motors. The industrial growth of Saginaw has not been wholly dependent on the automobile industry, however. Other manufacturing industries have been important in the economic expansion of the area, including food and machinery production.

Employment

Current Estimate. According to the Michigan Employment Service, nonagricultural wage and salary employment averaged 64,900 during the first eight months of 1966. There was an average of another 7,700 nonfarm jobs during the period, so total nonagricultural employment amounted to 72,600. Agricultural employment averaged about 1,700 during January-August 1966.

Past Trend. Except for 1958 and 1961, when national economic recessions were reflected in lowered employment in the Saginaw area, nonagricultural wage and salary employment has increased each year since 1957. The gain from 1964 to 1965, spurred by the military effort in southeast Asia and heightened consumer demand for automobiles (1965 was a record year for motor vehicle production), was especially large, amounting to 3,900 jobs, or an increase of 6.6 percent. The gains have been maintained into 1966; the average number of wage and salary workers during the first eight months of 1966 is 3,000 above the corresponding period in 1965 and equal to the closing months of 1965. The recent lower rate of gain reflects, in part, a longer change-over period in the automobile industry during 1966 than in other years.

Average Nonagricultural Wage and Salary Employment
Saginaw, Michigan, HMA, 1957-1966

Year	Nonagricultural wage and salary employment: Manufacturing	Nonmanufacturing	Total a/	Change in total from preceding date
1957	25,000	30,600	55,700	-
1958	21,700	29,500	51,300	-4,400
1959	23,700	30,200	53,900	2,600
1960	24,400	31,000	55,600	1,300
1961	22,200	31,200	53,400	-2,200
1962	24,400	31,200	55,600	2,200
1963	25,400	31,300	56,700	1,100
1964	27,100	31,900	59,000	2,300
1965	29,600	33,300	62,900	3,900
First eight months				
1965	29,100	32,700	61,900	-
1966	30,500	34,500	64,900	3,000

a/ Totals may not add because of rounding.

Source: Michigan Employment Security Commission. 1964 benchmark.

The table reveals the very marked effect of the 1958 recession on employment in the Saginaw HMA, particularly in manufacturing industries. Total wage and salary employment approached the 1957 level in 1960, dropped under the pressure of manufacturing losses in the moderate recession of 1961, and rose persistently thereafter. Although manufacturing jobs were still below the 1957 figure in 1962, employment in nonmanufacturing industries increased enough during the period to make 1962 total wage and salary jobs almost equal the 1957 level.

There has been an increase in employment each year since 1961, averaging 2,375 jobs a year during the 1961-1965 period.

Major Industries. Employment in the Saginaw HMA is heavily concentrated in manufacturing industries. According to the U.S. Department of Labor, manufacturers employed 47 percent of all nonagricultural wage and salary workers in the Saginaw HMA in 1965, compared with 30 percent in the nation as a whole. Further, manufacturing employment in the Saginaw area is concentrated in durable goods production; some 89 percent of all manufacturing workers in 1965 were engaged in the production of durable goods, largely automobile components. This concentration lends a degree of instability to the local economy. Since 1958, year-to-year changes in average annual employment in durable goods manufacturing industries have ranged between a loss of 2,200 jobs and a gain of 2,500 (see table II).

Most of the employment gains in recent years have come about through expansions in durable goods manufacturing. Saginaw is the location of the division which produces automotive steering gear components for G.M. Some of the most important recent innovations in automobile engineering have been in the area of steering gear assembly (power steering; adjustable, tiltable, and collapsible steering columns; etc.), contributing to local plant expansions and employment gains. Saginaw is also the location for much of the foundry facilities of G.M. (included in "metal products" in table II). The over-all growth of the automobile industry has stimulated expansion of these plants and has increased the number of foundry employees substantially. Another important industry in the Saginaw area is nonelectrical machinery, which has grown somewhat in the past few years; the decline for the industry indicated in table II between 1964 and 1965 was caused by a strike during the early months of 1965.

The largest nondurable goods manufacturing industry is the production of food and kindred products. Saginaw County is a rich agricultural region; according to the 1959 Census of Agriculture, it ranked fifth in Michigan in value of agricultural products sold. Many persons are employed in processing these products for regional and national distribution. The number of workers in this industry, averaging 2,100 in 1965, has changed little in recent years. Employment in food production fluctuates somewhat with the changing seasons, reaching a peak during the harvest months of August and September.

Most employment in the nonmanufacturing industries is of a local service and supply nature. However, as shown in table II, the number of workers employed in nonmanufacturing pursuits has increased each year since 1958.

In response to the growth since 1961 of the basic manufacturing industries, nonmanufacturing jobs have increased rapidly in recent years. Between 1964 and 1965, nonmanufacturing employment increased by 1,400 jobs, and January-August 1966 employment is up 1,800 jobs over the corresponding period in 1965. The largest nonmanufacturing classification, which averaged 8,900 workers during the first eight months of 1966, is retail trade. Retail trade employment has shown moderate growth in recent years, and the current employment figure is 600 jobs above that for the corresponding period in 1965. The second largest of the nonmanufacturing industries is services, which averaged 7,500 in the January-August 1966 period and has increased considerably in recent years. Government is also an important employer in the Saginaw HMA, accounting for an average of 6,400 workers during the first eight months of 1966.

Female Employment. Reflecting the high concentration of employment in heavy manufacturing industries which employ men, for the most part, the 1960 Census reported that only 30.2 percent of all nonagricultural employees in the HMA were women, compared to 34.4 percent in the nation as a whole. The 1950 Census had reported that 26.1 percent of all nonfarm employees in the HMA were female.

Employment Participation Rates. The ratio of the resident civilian nonfarm jobs to the nonfarm population is termed the nonfarm employment participation rate. Census data indicate that this ratio was 39.3 percent in 1950, and it declined to 35.1 percent in 1960. A declining employment participation rate reflects a rate of increase in nonfarm population which is higher than the rate of job increase. This appears to have taken place during the second half of the 1950 decade when there was a definite slow down in the rate of expansion of the Saginaw economy after the boom of the Korean War period. Since 1960, the participation rate decline has been arrested; on the basis of total nonagricultural employment, rather than resident employment, the participation rate is judged to have increased to 35.8 at present from 34.9 in 1960. The rate is expected to increase somewhat during the next two years, because the tight labor market may cause more intensive recruitment of workers from the present population of the area.

Principal Employers

The General Motors Corporation is the principal employer in the HMA. The two largest local facilities are Chevrolet-Saginaw Foundries (automotive metal castings) and the Saginaw Steering Gear Division (automotive steering gear components). Until recently, Steering Gear had grown in employment size to about the same importance as the Foundries, but the latter is now engaged in an expansion of major proportions. Chevrolet-Saginaw Foundries is now staffing the new Nodular Iron Foundry, which will add a net of around 1,800-2,000 jobs to the present work force. The expansion is expected to account for most of the gains in manufacturing employment during the next two years. Including three other General Motors facilities, the Central Foundry Division (automotive metal castings), the Chevrolet-Saginaw Transmission Plant (automotive manual-shift transmissions), and the Chevrolet-Saginaw Service Plant (current and past model Chevrolet parts), G.M. employs around 20,000 workers in the Saginaw HMA.

In the pre-automobile age, no company was more important to the Saginaw area than the Wickes Corporation. Wickes was established in Saginaw in 1858. The Wickes Machine Tool Division of today evolved from that early factory which made saw mill equipment, the firm's first product. Wickes has diversified extensively, and the largest component today is the United States Graphite Division (electrical machinery), which employs around 650 persons; the company is also engaged in the processing and distribution of beans and grains and in lumber distribution. Wickes recently sold its Boiler Division (heavy boilers) to the Combustion Engineering Company, which is now engaged in expanding the plant, eventually to triple present capacity. A considerable number of new manufacturing jobs (250) will be created by the expansion during the two-year forecast period of this analysis.

Eaton, Yale, and Towne (automotive parts, machinery, etc.), with 1,175 employees; the Lufkin Rule Company (precision measuring instruments), with 900 employees; and Baker Perkins, Incorporated (bakery machinery and chemical processing equipment), with 750 workers are other important manufacturing employers.

Unemployment

As shown in the table below, annual average unemployment has been declining since 1961, when 8.0 percent of the work force was jobless. However, the average rate of unemployment during the first eight months of 1966, at 3.1 percent; is somewhat above the average rate during the corresponding period in 1965 (2.6 percent), which may reflect the lower rate of economic expansion in 1966.

Work Force and Unemployment
Saginaw, Michigan, HMA, 1960-1966
(averages in 1,000's)

	Annual						First 8 mos.	
Component	1960	1961	1962	1963	1964	1965	1965	1966
Civilian work force	69.2	68.9	68.8	68.7	71.1	74.5	73.7	76.8
Unemployed	3.5	5.5	3.5	2.7	1.9	1.8	1.9	2.4
Percent	5.1%	8.0%	5.1%	3.9%	2.7%	2.4%	2.6%	3.1%

Source: Michigan Employment Security Commission.

The vulnerability of the durable goods-based economy of the Saginaw HMA is reflected in the wide variations in the year-to-year degree of severity of unemployment in the area. In 1960, the HMA qualified for classification by the U.S. Department of Labor as an area of "moderate" unemployment (3.0 to 5.9 percent unemployed), in the following recession year the area was classed as having "substantial" unemployment (6.0 to 8.9 percent jobless), and then unemployment declined to moderate levels during 1962 and 1963. During 1964 and 1965, the Saginaw HMA qualified for listing as an area with "low" unemployment (1.5 to 2.9 percent jobless).

Future Employment Prospects

Forecasts of employment in an area which is heavily impacted by durable goods industries are hazardous. Generally, a local economy of this type is tied directly to the national economy and will ebb and flow with the changes in the national economic climate, except that the reaction to the changes will be more severe. It must be emphasized that even relatively minor alteration in the growth pattern of the national economy could change completely what seems to be a reasonable expectation of employment growth, as can be gathered from the economic history of the last eight years. Further, the tightened labor market, now a national phenomenon, has a bearing. In the recent past, Saginaw has been able to attract sufficient in-migrants to assure a sufficient work force to fill available new positions, but whether this will continue to be so remains to be seen; more intensive recruitment from the local population may or may not provide sufficient additional workers for the Saginaw economy to reach its full growth potential.

The Saginaw area has been riding upward on the crest of a national economic growth of near boom proportions during the past two years. Given the known plans for expansion at existing firms, the forecasts of automobile production at a level somewhat below the 1965 record year, and barring further unforeseeable developments, the rate of employment expansion should be somewhat lower during the next two years than in the recent past. Based on the trend of nonmanufacturing employment of past years, on information provided by some of the larger employers in the area, and on known plans of plant expansion (especially Chevrolet-Saginaw Foundries and Combustion Engineering), a gain of around 3,700 nonagricultural wage and salary jobs (1,850 annually) appears to be a reasonable expectation during the two-year forecast period. This annual gain is somewhat below the average annual growth in wage and salary employment during 1961-1965 (2,375), and is substantially below the increase of the first eight months of 1966 over the corresponding period in 1965 (3,000 jobs). The forecast is believed to be compatible with the character and long-term history of the Saginaw area, however.

Income

Average Weekly Wages. The State of Michigan and the Saginaw HMA are high-income areas, reflecting the importance of high wage industries (mainly, the automobile production complex). Of the 154 largest U.S. metropolitan areas and sub-areas reported by the Bureau of Labor Statistics for 1965, the five highest manufacturing wage areas were located in Michigan, including the Saginaw HMA, which ranked fourth. As shown in the following table, a relatively long work week in Saginaw was partially responsible for the high weekly wages, but even in the 1961 recession year, when hours worked in Saginaw dipped below the national average, weekly wages were above the national level. The table indicates the greater variability in hours worked in the Saginaw HMA than in the nation as a whole, reflecting, in part, the sensitivity of the area to changes in the national economy.

Average Gross Weekly Hours and Earnings
Of Manufacturing Production Workers
1960-1965

	Saginaw HMA		Michigan		United States	
Year	Earnings	Hours	Earnings	Hours	Earnings	Hours
1960	$112	41.2	$112	40.8	$ 90	39.7
1961	109	39.6	112	40.1	92	39.8
1962	126	43.3	121	41.8	97	40.4
1963	134	44.2	128	42.5	100	40.5
1964	139	45.2	135	43.5	103	40.7
1965	149	45.3	144	44.6	108	41.2

Source: U. S. Bureau of Labor Statistics.

Family Incomes. The current median annual after-tax income of all nonfarm families in the Saginaw HMA is estimated at $7,475, and the median after-tax income of renter households (excluding one-person renter households) is about $6,075. By 1968, all nonfarm family income will increase to a median of about $7,875, and all two- or more-person renter households will have a median after-tax income of $6,400. Percentage distributions of nonfarm families by income are contained in table III. About 16 percent of all nonfarm families and 26 percent of all two- or more-person nonfarm renter households have annual incomes of less than $4,000. Approximately 15 percent of all nonfarm families and 5 percent of all nonfarm renter households of two persons or more enjoy annual after-tax incomes in excess of $12,000.

Demographic Factors

Population

Current Estimate. The current nonfarm population of the Saginaw HMA is estimated at 202,900 persons, reflecting an increase of about 26,200 since April 1960, or around 3,975 (2.1 percent[1/]) annually. Less than half of the HMA nonfarm population resides in Saginaw (100,200 persons). There are several other incorporated areas in the HMA, each with fewer than 3,000 inhabitants.

Past Trend. The rate of nonfarm population increase since 1960 is somewhat below that of the 1950-1960 decade, when the gains averaged almost 4,250 (2.8 percent) yearly. However, because of the change in definition of "farm" between the 1950 and 1960 Censuses, many persons living in rural areas who were classified as living on farms in 1950 were considered to be rural nonfarm residents in 1960. The resultant decline in the farm population and, consequently, the increase in nonfarm population between the two census dates is, to some extent, the result of the change in definition. The 1950-1960 gain in total population (including farm) in the Saginaw HMA averaged 3,725 (2.2 percent) annually.

The following table summarizes trends in nonfarm population since 1950, including a projection to November 1968. Separate data for for Saginaw and the rest of the HMA are presented in table IV.

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

Changes in Nonfarm Population
Saginaw, Michigan, HMA
April 1950 - November 1968

Date	Population	Average annual change from preceding date	
		Number[a]	Percent
April 1950	134,276	-	-
April 1960	176,688	4,250	2.8
November 1966	202,900	3,975	2.1
November 1968	211,300	4,200	2.1

a/ Rounded.

Sources: 1950 and 1960 Censuses of Population.
1966 and 1968 estimated by Housing Market Analyst.

Annexations of suburban land to Saginaw have been negligible since 1950. As metropolitan Saginaw has grown, development has expanded into the unincorporated parts of the HMA surrounding the city, and the proportion of the total nonfarm population which resides in the city has declined. In 1950, 69 percent of the HMA nonfarm population resided in Saginaw. The proportion declined to 56 percent in 1960, and currently 49 percent of the HMA residents live in the city.

Estimated Future Population. Based on anticipated increases in employment opportunities and changes in work force participation and migration patterns, the nonfarm population of the Saginaw HMA is expected to increase by 8,400, or 4,200 (2.1 percent) annually, during the two-year forecast period. This gain is slightly above the over-all average yearly numerical increase since 1960, but is judged to be slightly lower than the average annual increments of the last three years of rapid economic expansion in the HMA. The majority of the increase will occur in Saginaw and the surrounding built-up area.

Net Natural Increase and Migration. Between April 1950 and April 1960, the net natural increase (excess of resident births over resident deaths) of the Saginaw HMA population[1] amounted to an average of about 3,525 annually. Since the population increased by an annual average of about 3,725 during the decade, net in-migration amounted to 200 persons a year,

1/ Because vital statistics are not compiled separately for the farm and nonfarm components of population, discussion here relates to the total of farm and nonfarm population.

on the average. Reflecting a decline in birth rates, net natural increase has declined to an average of about 3,150 annually since 1960. In-migration has averaged 650 persons annually since 1960, spurred by more rapid increases in employment opportunities than during the 1950's (see following table). Most of the net in-migration since 1960 has taken place during the last three years of rapid economic growth.

Components of Population Change
Saginaw, Michigan, HMA
April 1950-November 1966

Source of increase	Average annual change a/ April 1950-April 1960	Average annual change a/ April 1960-November 1966
Net natural increase	3,525	3,150
In-migration	200	650
Net increase	3,725	3,800

a/ Rounded.

Sources: U.S. Bureau of the Census, State of Michigan Department of Health, and estimates by Housing Market Analyst.

Households

Current Estimate. Nonfarm households (occupied housing units) now number about 56,100, reflecting average annual increments of about 1,075 (2.1 percent) since April 1960. About 28,950 (52 percent) of the current nonfarm households are located in Saginaw.

Past Trend. During the 1950-1960 decade, the number of nonfarm households grew by an average of almost 1,125 (2.6 percent) annually. Part of the intercensal gain was a definitional increment attributable to the census change in concept from "dwelling unit" in 1950 to "housing unit" in 1960. The increase in nonfarm households during 1950-1960 was also the result, in part, of the change in definition of "farm" which increased the 1960 nonfarm figure. During 1950-1960, total households (including farm) increased by 990 (2.1 percent) annually. The apparent decline in the average annual increase in nonfarm households since 1960 compared with the 1950-1960 decade, therefore, may be entirely the result of these definitional changes. The following table summarizes nonfarm household trends since 1950, including a projection to November 1968.

Changes in Nonfarm Households
Saginaw, Michigan, HMA
April 1950 - November 1968

Date	Number of households	Average annual change from preceding date: Number[a]	Average annual change from preceding date: Percent
April 1950	37,969	-	-
April 1960	49,096	1,125	2.6
November 1966	56,100	1,075	2.1
November 1968	58,500	1,200	2.1

a/ Rounded.

Sources: 1950 and 1960 Censuses of Housing.
1966 and 1968 estimated by Housing Market Analyst.

Estimated Future Households. Based on anticipated changes in nonfarm population, it is expected that the number of nonfarm households will increase by about 1,200 during each of the next two years to a November 1968 total of 58,500.

Household Size Trends. Nonfarm households averaged 3.45 persons in 1950, and the average increased to 3.56 persons in 1960. Since 1960, declining birth rates, among other factors, have worked to slow slightly the increase in average household size. Currently, households are estimated to average around 3.58 persons. During the next two years, the average number of persons per household is expected to remain near present levels.

Housing Market Factors

Housing Supply

Current Estimate. There are presently an estimated 59,350 nonfarm housing units in the Saginaw HMA, reflecting a net gain of about 7,200 since the 1960 Census. This increase in the number of units reflects the construction of a total of 8,450 housing units (including 230 units of public housing) and the removal of some 1,600 units through demolition, largely as a result of urban renewal activity and clearance for highway rights-of-way within Saginaw. A small number of units have been added to the nonfarm inventory through transfers of farm housing units into the nonfarm housing stock and from an increase in the number of house trailers.

Past Trend. The rate of growth in the number of nonfarm housing units since 1960 has been somewhat below that of the 1950's. According to census data, an annual average of about 1,250 units were added to the nonfarm inventory between 1950 and 1960. A small portion of the apparent growth of the 1950 decade was a definitional increment attributable to the census change in concept from "dwelling unit" in 1950 to "housing unit" in 1960. Although part of the 1950-1960 nonfarm housing inventory gain resulted from an actual transfer of units from the farm to the nonfarm inventory, the change in definition of what constituted a "farm" contributed a part of the apparent intercensal growth in the nonfarm housing inventory; total housing units (including farm) increased by an average of about 1,150 annually during the 1950's.

Units in Structure. According to the 1960 Census, most of the housing units in the Saginaw HMA were in single-family structures, and the proportion has increased since 1960 (see following table). About 1,200 units in structures containing two or more units have been built since the 1960 Census, but demolitions have eliminated about 800 multifamily units so that the net gain was small. The number of units in duplex structures has declined since 1960 while the number of units in structures of larger size has increased.

Nonfarm Housing Inventory by Units in Structure
Saginaw, Michigan, HMA, 1960 and 1966

Units in structure	April 1960 Number of units	April 1960 Percent of total	November 1966 Number of units	November 1966 Percent of total
1 unit[a]	44,818	86.0	51,650	87.0
2 units	3,505	6.7	3,425	5.8
3 or more units	3,802	7.3	4,275	7.2
Total	52,125[b]	100.0	59,350	100.0

a/ Includes trailers.
b/ Differs slightly from count of all nonfarm housing units (52,131) because units by type of structure were enumerated on a sample basis.

Year Built. Over one-half of the Saginaw HMA nonfarm housing inventory was built prior to 1940. About 48 percent of the inventory was built during the past 27 years. Removals from the housing stock which have resulted from urban renewal activities have tended to eliminate some of the oldest units, lowering the over-all age of the housing inventory.

Distribution of the Nonfarm Housing Inventory by Year Built
Saginaw, Michigan, HMA, November 1966

Year built[a]	Housing units Number	Housing units Percent
April 1960-October 1966	8,425	14
1955-March 1960	7,525	13
1950-1954	5,950	10
1940-1949	6,600	11
1930-1939	5,550	9
1929 and earlier	25,300	43
Total	59,350	100

a/ 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: 1960 Census of Housing adjusted by Housing Market Analyst to reflect changes in the inventory since 1960.

Condition. According to the 1960 Census, about 6,700 units (12 percent of the nonfarm housing inventory) were substandard in that they were dilapidated or lacked plumbing facilities. Of the occupied nonfarm units, 5,625 (11 percent) were substandard. The condition of the owner-occupied units was substantially superior to that of the renter-occupied housing; eight percent of the owner-occupied nonfarm housing units were substandard compared to 22 percent of the renter-occupied nonfarm housing. It is judged that some improvement has taken place in the condition of the nonfarm housing inventory since 1960, resulting from the demolition of substandard units (mostly through urban renewal action) and the rehabilitation of existing structures. Currently, about ten percent of the nonfarm housing inventory is substandard.

Residential Building Activity

Trends. Building permit systems cover all of the Saginaw HMA, and reports of permit volume since 1960 are available for almost all the area. Since the 1960 Census, around 98 percent of all private nonfarm housing constructed in the HMA has been reflected in building permits. Private housing construction remained at a relatively constant rate during the first three years of the 1960's, averaging 1,050 units annually. The rate of construction increased in 1963 to about 1,150 units, to around 1,400 in 1964, and to over 1,725 units in 1965. The increases reflect the higher rates of employment growth in the HMA in recent years than in earlier years, which has stimulated in-migration and family formation.

Judging from a comparison of the number of housing units authorized during the first nine months of 1966 with the corresponding period in 1965 (980 units and almost 1,300 units, respectively), the peak in construction volume has been passed. It is likely that the rate of construction during January-September 1966 would have been higher had credit terms not tightened during the period, however. While the rate of construction in 1966 has been lower than in 1965, a continuation of the rate maintained during the first nine months of 1966 would make 1966 the third most active construction year of the 1960's. The following table is a summary of building permits issued since 1960. See table VI for a more detailed presentation by geographic area.

Private Housing Units Authorized for Construction
Saginaw, Michigan, HMA, 1960-1966

Year	Units by type of structure Single family	Two units	Three or more units	Total units
1960	1,088	18	-	1,106
1961	986	22	25	1,033
1962	885	30	97	1,012
1963	973	26	145	1,144
1964	1,150	30	227	1,407
1965	1,378	158	196	1,732
First nine months:				
1965	1,047	125	118	1,290
1966	888	32	58	978

Sources: U.S. Bureau of the Census, C-40 Construction Reports; local building officials and records; first nine months of 1965 and 1966 partially estimated by Housing Market Analyst.

The number of single-family units authorized declined from almost 1,100 in 1960 to 885 in 1962, and then increased each year to total over 1,375 in 1965. The number of housing units in multifamily structures (including duplexes) authorized increased each year during the 1960-1965 period, from fewer than 20 units in 1960 to over 350 in 1965. The rates of construction of both single-family and multifamily housing during 1966 are below the 1965 rates, but the relative decline in multifamily housing authorizations is somewhat greater. During the first nine months of 1966, the number of units of multifamily housing authorized was just over one-third the total of the corresponding period in 1965, while authorizations of single-family units during January-September 1966 were 85 percent of the volume of the corresponding period in 1965.

Areas of Construction Activity. Most privately-built housing units constructed in the HMA since 1960 have been located in or near Saginaw, although only 1,575 units, or 19 percent of the total, have been built in the city itself (see table VI). That part of Saginaw township which is outside the corporate limits of the city (approximately the western half of the township) has been the location of the largest share of the unit authorizations since 1960, equal to about 30 percent of the total. A large part of the housing units authorized since 1960 have been built in other townships contiguous to Saginaw, parts of which are in the suburban built-up fringe area of the city (especially Bridgeport, Buena Vista, Carrollton and Spaulding townships). The growth of the Saginaw metropolitan area has been westward, for the most part, and is reflected in the increasing share of units which have been authorized for construction in Thomas

Township, west of Saginaw Township across the Saginaw River. Thomas Township accounted for less than five percent of all privately-constructed units authorized in 1960 but for twelve percent of the units authorized during the first nine months of 1966.

Units Under Construction. Based on building permit data, on average construction time for single-family and multifamily structures, on a postal vacancy survey conducted during September 1966, and on other information obtained in the area, there are estimated to be about 430 units of private housing under construction in the HMA, including 80 units in multifamily structures.

Demolition. Information gained from local agencies suggests that about 1,600 nonfarm housing units have been removed from the inventory through demolition since the 1960 Census. These demolitions have resulted primarily from urban renewal activities, clearance for highway rights-of-way, and city building code enforcement.

The "business loop" (I-675) of Interstate 75 is now under construction. When completed (by late 1969), the loop will leave I-75 east of Saginaw near Johnson Street, travel westward across the Saginaw River into the western downtown business district of the city, and then turn northward to reconnect with I-75. As of November 1, 1966, about 300 nonfarm housing units had been removed (mostly demolished) for right-of-way clearance. Within the two-year forecast period of this analysis, about 320 additional nonfarm housing units will be removed, of which approximately 250 will be demolished. Less than ten percent of the units to be demolished are substandard. About three-fourths of the units are owner occupied.

Around 650 housing units have been demolished in Saginaw since the 1960 Census as a result of urban renewal activities. Within the two-year forecast period of this analysis, over 400 substandard housing units may be demolished in urban renewal project areas. Many of the families and individuals who will be displaced by urban renewal activities will be relocated into housing for moderate- and low-income families now under development.

Tenure of Occupancy

As shown in table V, the proportion of the occupied nonfarm housing inventory that is occupied by owners has been increasing, but at a decreasing rate. A relatively high proportion (76.7 percent) of the 56,100 occupied nonfarm units are occupied by owners, which reflects increases from 69.9 percent in 1950 and 76.5 percent in 1960. The deceleration in the trend toward owner-occupancy reflects an increased interest in multifamily housing in the past few years, as shown in the recent rapid rate of apartment construction. It is likely that the owner-occupied proportion of the housing inventory actually peaked several years ago, before the increases in apartment development took place. Many of the in-migrants who have been attracted to the Saginaw HMA by the substantial employment increases of recent years became occupants of rental units.

Vacancy

Last Census. As of April 1960, there were about 3,025 vacant nonfarm housing units in the Saginaw HMA. Over 1,400 vacant units were available for rent or sale, or an over-all available vacancy rate of 2.8 percent. As shown in table V, about 650 were for sale only, indicating a homeowner vacancy rate of 1.7 percent, while 760 units were available for rent, or a renter vacancy rate of 6.1 percent. Of the available vacancies, 70 sales vacancies and 200 rental vacancies lacked one or more plumbing facilities.

Postal Vacancy Survey. The results of a postal vacancy survey conducted during September 1966 are summarized in table VII. The survey covered about 49,950 possible deliveries (excluding trailers), equal to around 84 percent of the estimated current nonfarm inventory. About 1,125 vacancies in residences and apartments were enumerated in the survey, or an over-all vacancy rate of 2.3 percent. Vacancies in residences, as reported by the survey, numbered about 880 units, or 2.0 percent of the total residences surveyed. Included in the vacant residences were 210 units reported as "new" (never occupied). Vacancies in apartments equaled 4.4 percent of the total apartment units enumerated. The over-all vacancy rate varied somewhat between the participating post offices, ranging from just 0.3 percent in Frankenmuth to 4.2 percent in St. Charles. According to the survey, 340 residences and 75 apartment units were under construction as of the dates of the enumerations.

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 row houses, and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of postal vacancy survey results and information gained from local sources, it is judged that there are currently 1,350 vacant housing units available for rent or sale, or an over-all available vacancy rate of 2.3 percent. About 650 of the available vacancies are available for sale only, or a homeowner vacancy rate of 1.5 percent, and the remaining 700 units are available for rent, or a renter vacancy rate of 5.1 percent. As shown in table V, both the homeowner and renter vacancy rates have decreased somewhat since 1960.

Around 50 of the available sales vacancies and 150 of the rental vacancies are substandard in that they do not contain all plumbing facilities.

After removing the current number of substandard available vacant units from consideration, the present number of rental vacancies does not appear too high for an area with the demographic growth characteristics of the Saginaw HMA. The number of sales vacancies may be slightly higher than necessary for mobility and freedom of choice, however.

Sales Market

General Market Conditions. The market for new sales housing in the Saginaw HMA is firm, although somewhat less active currently than at this time last year. A substantial part of the sales housing constructed in the Saginaw HMA is built speculatively. Reflecting the "tight" money situation, many operative builders have been unable to obtain interim financing, and construction volume is down. The rate of both speculative and contract construction has been depressed by the high interest rates on mortgages. Nevertheless, local sources report that, judging from the number of inquiries, interest in the purchase of new single-family sales units is high. The tight money situation should cause absorption of the present sales vacancies; some potential new homebuyers already have entered the market for existing housing. Available information indicates that the present number of sales vacancies represents a lower level than a year ago, reflecting the sale and occupancy of a number of units from the sales vacancy inventory.

Foreclosures. Mortgagor default has not been a serious problem in the Saginaw HMA for many years. As measured by the number of units foreclosed and tendered to the FHA, however, there was an increase in the rate of mortgagor default in the early 1960's. During 1960 the FHA acquired three single-family units through foreclosure. The number of acquisitions increased each year until 1964, when 25 units were foreclosed. Acquisitions declined to 18 units in 1965, and during the first nine months of 1966 only six houses were acquired. Acquisitions in the peak year of 1964 equaled less than one percent of the total FHA single-family mortgage insurance in force in the Saginaw HMA. Part of the decline in the rate of default since 1964 can be explained by the rising interest rates on mortgages. The generally lower rates on the older, existing mortgages have made the mortgaged properties attractive for sale through mortgage assumption.

Rental Market

General Market Conditions. The market for rental housing has firmed somewhat in recent years in response to the quickened pace of economic growth and resulting in-migration of workers. The firm market is reflected in a moderate rate of rental vacancy (5.1 percent), one percentage point below that reported in the 1960 Census. Most of the reduction in vacant rental units has taken place in the past few months as the rate of multifamily housing construction has fallen while population growth rates have been high. The construction of rental accommodations as well as sales housing has been affected by the tightening of mortgage credit.

Many would-be purchasers of sales units have been unable to buy because of the shortage of mortgage funds and high rates of interest, effectively strengthening the market for rental housing. Whether a relaxation from the present stringency will result in a weakened rental marked remains to be seen. The coming of age and family formation for many persons born during the "baby boom" years following World War II will tend to firm the market for rental housing, since young married couples typically form renter households. Also, most of the managers of recently completed apartment projects report that a large proportion of their tenants were older persons--many retired--who had been homeowners. These tenants had sold their houses and moved into smaller-sized units some time after the departure of their children, which reduced their housing requirement; avoidance of house maintenance also was given as a motivating factor for the move to an apartment.

Absorption of Recent Inventory Additions. Most of the recently-completed large apartment projects are located just west of the city limits of Saginaw in Saginaw Township. Almost all of the market-interest-rate-financed apartments constructed during the last three years qualify for classification as "luxury" accommodations and have rents substantially above the minimums achievable in the area. For the most part, recent additions to the rental housing inventory have met with favorable market acceptance.

Urban Renewal

There are seven urban renewal projects in Saginaw, including one General Neighborhood Redevelopment Plan.

Eddy Project No. One (Mich. R-13), in northeast Saginaw, is bounded generally by 23rd Street on the east, Norman Street on the south, 20th Street on the west, and the C&O Railroad tracks on the north. This 124-acre project, which is all residential, is near completion. Over 200 housing units were cleared from the project area. A multi-family project was finished in this area earlier this year.

Eddy Project No. Two (Mich. R-67), bounded generally by 20th Street on the east, Wadsworth Avenue on the south, 14th Street on the west, and Washington Avenue on the north, is in execution. Almost all of the 450 housing units which were located there have been cleared from the 183-acre area. The project area was around 70 percent residential with some commercial and light industrial use; re-use is to be similar to previous utilization.

Eddy Project No. Three, the last of the series in the Eddy area, is in the planning stage.

The Salina General Neighborhood Renewal Plan (GNRP) Area (Mich. R-103)is in south-central Saginaw. The 368-acre area is generally bounded by Rust and Webber Streets on the north, the Saginaw River on the west, Capuchin Street on the south, and East Street on the east.

Three projects are located in the Salina GNRP. Salina Project No. One (Mich. R-103) involves a 225-acre project area and contains about 450 housing units which will be removed. The area is approximately 90 percent residential with some commercial and light industrial utilization; re-use will be similar to the present composition of use. Low- and moderate-income housing is in planning for the area. Within the two-year forecast period of this analysis part of the housing presently located in the area will be removed. Salina Project No. Two includes 90 acres of the Salina GNRP; execution is scheduled to begin in 1969. The remainder of the Salina GNRP is Salina Project No. Three, which is in the planning stage.

The Central Business District Project (Mich. R-131) is bounded by Genesee Avenue on the south, the Saginaw River on the west, Fitzhugh Street on the north and Warren Avenue on the east. Redevelopment of the 52-acre area, which will include a new civic center complex, is scheduled for completion by 1969. The area is now mostly commercial, but about 200 housing units will be removed in clearing the project area for commercial and public re-use.

Public Housing

There are 463 units of public housing in Saginaw, including 365 units of housing for low-income families and 98 units especially designed for elderly occupants. There are no vacancies in the units and the Saginaw Housing Commission reports that a substantial waiting list of potential tenants exists. The most recent additions to the public housing inventory of Saginaw are the 98 units of housing for the elderly, which were finished in 1965. The city has an application pending for an additional 300 units of elderly housing.

Demand for Housing

Quantitative Demand

The estimated demand for new privately-financed housing is based on the expected increase in households during the next two years (1,200 annually) and on the anticipated net number of privately-financed housing units which will be required to accommodate households which will be dislocated by demolitions. Demand for new privately-financed housing during the next two years will approximate 1,400 units annually, including 1,100 units of single-family housing and 300 units of housing in multifamily structures. About 140 units of the demand for multifamily housing represents demand for middle-income housing which will require some form of public benefits or assistance to achieve the lower rents necessary for absorption. This demand estimate excludes public low-rent housing and rent-supplement accommodations.

The total demand estimate is somewhat below the 1965 level when over 1,725 units were authorized by building permits. The 1965 construction volume was supported by the especially rapid rate of economic and demographic growth during that year, which marked a record in automobile production. The lower rate of job increase anticipated during the two-year forecast period is reflected in a reduced level of demand for new housing. The anticipated demand is, however, somewhat above the average number of units authorized yearly since January 1960 (1,260); economic growth also is expected to proceed at a higher level than the 1960-1966 average. The projected total of 300 multifamily units is higher than construction levels in most previous years, except for 1965. A second year of absorption at this rate is predicated on a continued low level of rental vacancies and the successful marketing of new rental projects. The market must be observed carefully and appropriate adjustments made if signs of weakness appear.

Qualitative Demand

Single-Family Housing. Based on current family income, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 1,100 new single-family units is expected to be distributed by price as shown in the following table.

Estimated Annual Demand for New Single-Family Housing
Saginaw, Michigan, HMA
November 1966-November 1968

Sales price	Number of units
Under $15,000	120
$15,000 - 17,499	130
17,500 - 19,999	180
20,000 - 24,999	275
25,000 - 29,999	160
30,000 - 34,999	110
35,000 and over	125
Total	1,100

The foregoing distribution differs from that in table VIII, which reflects only selected subdivision experience during the years 1963, 1964, and 1965. It must be noted that the data in table VIII 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.

Multifamily Housing. The minimum monthly rents or charges at which privately-owned net additions to the multifamily housing inventory might be absorbed are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. Part of the forecast demand for multifamily housing may be satisfied through the construction of units in multifamily structures for sale to owner occupants.

On the basis of current construction and land costs and current terms of financing[1/], the minimum gross rents (includes utilities) achievable without public benefits or assistance in financing or land acquisition are estimated at $100 for efficiencies, $120 for one-bedroom units, $140

1/ Calculated on the basis of a long-term mortgage (40 years) at six percent interest and 1½ percent initial annual curtail; changes in these assumptions will affect minimum rents accordingly.

for two-bedroom units, and $160 for units with three bedrooms. Of the total annual demand for multifamily housing (300 units), 160 units will be at or above these minimums.

Estimated Annual Demand for New Private Multifamily Housing
Saginaw, Michigan, HMA
November 1966 to November 1968

Unit size	Gross monthly rent[a]	Number of units: Below-market rate[b]	Number of units: Market rate[c]
Efficiency	Under $100	5	
	$100 and over		10
One bedroom	Under $120	55	
	$120 and over		70
Two bedroom	Under $140	60	
	$140 and over		60
Three bedroom	Under $160	20	
	$160 and over		20
Totals		140	160

a/ Includes utilities; corresponds to gross monthly charge in owner-occupied units (cooperatives).
b/ Demand at the lower rents achievable with below-market-interest-rate financing or other public benefits.
c/ Demand at rents achievable with market-interest-rate financing.

The annual demand shown in the table at the lower rents indicated for each respective unit size can be satisfied only through the utilization of below-market-interest-rate financing or assistance in land acquisition and cost. 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.

Table I

Civilian Work Force Components
Saginaw, Michigan, Housing Market Area
Annual Averages, 1958-1966[a]

Work force components	1958	1959	1960	1961	1962	1963	1964	1965	First eight months 1965	First eight months 1966
Total work force	68,800	68,700	69,200	68,900	68,800	68,700	71,100	74,500	73,700	76,800
Unemployment	6,600	4,500	3,500	5,500	3,500	2,700	1,900	1,800	1,900	2,400
Percent of work force	9.6%	6.6%	5.1%	8.0%	5.1%	3.9%	2.7%	2.4%	2.6%	3.1%
Agricultural employment	2,700	2,600	2,400	2,300	2,100	2,000	1,900	1,800	1,800	1,700
Total nonag. employment	58,700	61,600	63,300	61,000	63,100	64,000	66,600	70,700	69,700	72,600
Wage and salary	51,300	53,900	55,600	53,400	55,600	56,700	59,000	62,900	61,900	64,900
All other	7,400	7,700	7,700	7,600	7,500	7,300	7,600	7,800	7,800	7,700
Workers involved in labor-management disputes	800	-	-	100	100	-	700	200	300	100

a/ Rounded to nearest 100; may not add to totals.

Note: Table is based on 1964 benchmark data which may not agree with figures shown in table II.

Source: Michigan Employment Security Commission.

Table II

Trends in Average Annual Nonagricultural Wage and Salary Employment
Saginaw, Michigan, Housing Market Area, 1958-1966

Industry	Year-to-year changes in annual averages[a] 58-59[b]	59-60[b]	60-61[b]	61-62[b]	62-63	63-64	64-65	65-66[c]	1966 total workers[d]
Wage and salary workers	2,600	1,400	-1,700	2,500	1,100	2,300	3,900	3,000	64,900
Manufacturing	2,000	700	-2,200	2,100	1,000	1,700	2,600	1,400	30,500
Durable goods	2,100	700	-2,200	2,100	800	1,700	2,500	1,200	27,200
Furniture and fixtures	-	-	-	100	-	-	-	100	700
Metal products	700	300	-900	1,000	400	800	1,700	300	11,400
Nonelectrical machinery	200	-100	-300	100	100	300	-200	300	4,300
Transportation equip.[e]	1,100	600	-900	1,000	300	400	1,000	500	9,500
Other durable goods	-	-	-100	100	-	100	-	-	1,400
Nondurable goods	-100	-	-	-	-	100	100	200	3,300
Food and kindred	-100	-	-	-100	-	-	-	100	2,100
Printing and publishing	-	-	-	-	-	-	-	100	500
Chemicals and related	-	-	100	100	-	100	-	100	600
Other nondurables	-	-	-	-	-	-	-	-	200
Nonmanufacturing	600	700	500	300	100	600	1,400	1,800	34,500
Construction	-	100	100	-200	100	100	200	100	3,000
Trans., comm., and util.	100	-100	-300	100	-300	-	200	400	4,300
Wholesale trade	100	-	-	-100	-	-	100	-100	2,600
Retail trade	100	300	200	200	-100	100	100	600	8,900
Fin., ins., and real est.	100	100	-	-	-	100	100	100	1,800
Services	200	100	-	200	200	200	600	400	7,500
Government	100	100	400	200	100	100	100	100	6,400
Federal	-	-	100	100	-100	-	-	-	800
State and local	100	100	300	100	100	200	100	200	5,700

a/ Computed from data which are rounded to nearest 100; may not add to totals.
b/ Derived from 1962 benchmark data. Remainder of table is based on 1964 benchmark.
c/ Gain of average for first eight months of 1966 over average of corresponding period in 1965.
d/ First eight months average.
e/ Includes automotive transportation equipment only.

Source: Michigan Employment Security Commission.

Table III

Estimated Percentage Distribution of All Families and Renter Households
By Annual Income, After Deduction of Federal Income Tax
Saginaw, Michigan, Housing Market Area, 1966 and 1968

	Total population			
	1966		1968	
Annual after-tax incomes	All families	Renter households[a/]	All families	Renter households[a/]
Under $ 3,000	10	18	10	17
$ 3,000 - 3,999	6	8	5	7
4,000 - 4,999	7	11	6	10
5,000 - 5,999	10	12	9	11
6,000 - 6,999	12	14	11	14
7,000 - 7,999	11	11	10	11
8,000 - 8,999	10	9	10	9
9,000 - 9,999	8	6	9	7
10,000 - 11,999	11	6	12	8
12,000 and over	15	5	18	6
Total	100	100	100	100
Median income	$7,475	$6,075	$7,875	$6,400

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Nonfarm Population and Household Trends
Saginaw, Michigan, Housing Market Area
April 1950-November 1966

Area	April 1950	April 1960	November 1966	Average annual changes 1950-1960 Number	Pct.[a]	1960-1966 Number[b]	Pct.[a]
HMA total nonfarm population	134,276	176,688	202,900	4,241	2.8	3,975	2.1
Saginaw	92,918	98,265	100,200	535	.6	290	.3
Remainder of HMA	41,358	78,423	102,700	3,706	6.4	3,700	4.2
HMA total nonfarm households	37,969	49,096	56,100	1,113	2.6	1,075	2.1
Saginaw	26,698	28,563	28,950	187	.7	60	.2
Remainder of HMA	11,271	20,533	27,150	926	6.0	1,000	4.3

a/ Percentages derived through the use of a formula designed to calculate the rate of change on a compound basis.
b/ May not add to totals because of rounding.

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

Table V

Components of the Nonfarm Housing Inventory
Saginaw, Michigan, Housing Market Area
April 1950-November 1966

Tenure and vacancy	April 1950	April 1960	November 1966	Average annual changes 1950-1960 Number	Pct.[b]	1960-1966[a] Number	Pct.[b]
Total housing inventory	39,529	52,131	59,350	1,260	2.8	1,100	2.0
Occupied housing units	37,969	49,096	56,100	1,113	2.6	1,075	2.1
Owner-occupied	26,547	37,547	43,050	1,100	3.5	840	1.9
Percent of all occupied	69.9%	76.5%	76.7%	-	-	-	-
Renter-occupied	11,422	11,549	13,050	13	.1	230	1.9
Vacant housing units	1,560[c]	3,035	3,250	147	6.6	35	1.1
Available vacant	387	1,410	1,350	102	12.9	-10	-.7
For sale only	182	654	650	47	12.6	-	-
Homeowner vacancy rate	.7%	1.7%	1.5%	-	-	-	-
For rent	205	756	700	55	13.0	-10	-1.2
Renter vacancy rate	1.8%	6.1%	5.1%	-	-	-	-
Other vacant	1,173	1,625	1,900	45	3.3	40	2.4

a/ Components may not add because of rounding.
b/ Percentages derived through the use of a formula designed to calculate the rate of change on a compound basis.
c/ Includes what were enumerated as "rural farm" vacancies to conform with 1960 Census enumeration precedures.

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

Table VI

Private Housing Units Authorized by Permit-Issuing Places
Saginaw, Michigan, Housing Market Area, 1960-1966

Area	1960	1961	1962	1963	1964	1965	First 9 mos. 1965	First 9 mos. 1966
HMA total	1,106	1,033	1,012	1,144	1,407	1,732	1,290	978
Single-family	1,088	986	885	973	1,150	1,378	1,047	888
Multifamily[a/]	18	47	127	171	257	354	243	90
Saginaw	232	191	166	199	231	384	297	162
Single-family	230	180	155	187	211	219	174	118
Multifamily[a/]	2	11	11	12	20	165	123	44
Saginaw twp.	302	258	309	387	518	472	360	216
Single-family	302	238	221	246	291	346	264	200
Multifamily[a/]	-	20	88	141	227	126	96	16
Birch Run twp.	15	12	17	21	30	34	26	25
Bridgeport twp.[b/]	110	76	81	109	122	140	76	93
Buena Vista twp.[b/]	91	83	63	73	46	78	64	48
Carrollton twp.[b/]	67	69	67	55	82	87	68	36
Frankenmuth[b/]	14	42	38	21	24	45	25	24
Kochville twp.	15	18	23	23	29	35	30	22
Spaulding twp.	23	22	23	20	16	27	20	24
Thomas twp.[b/]	53	50	52	65	85	180	120	119
Tittabawassee twp.	25	27	24	19	33	37	29	42
Remainder of HMA[b/]	159	185	149	152	191	213	175[c/]	167[c/]

a/ Includes all units in structures containing two-or-more units.
b/ Includes a number of units in multifamily structures.
c/ Partially estimated.

Sources: U.S. Bureau of the Census, C-40 Construction Reports; local building officials and records; and estimates by Housing Market Analyst.

Table VII

Saginaw, Michigan, Area Postal Vacancy Survey

September 27-30, 1966

Postal area	Total residences and apartments: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	Residences: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	Apartments: Total possible deliveries	Vacant units: All	%	Used	New	Under const.	House trailers: Total possible deliveries	Vacant: No.	%
The Survey Area Total	49,942	1,133	2.3	867	266	414	44,164	878	2.0	668	210	338	5,778	255	4.4	199	56	76	586	24	4.1
Saginaw	45,624	1,037	2.3	777	260	346	39,999	786	2.0	581	205	280	5,625	251	4.5	196	55	66	571	23	4.0
Main Office	42,141	940	2.2	680	260	346	38,104	743	1.9	538	205	280	4,037	197	4.9	142	55	66	571	23	4.0
Castle Station	3,483	97	2.8	97	0	0	1,895	43	2.3	43	0	0	1,588	54	3.4	54	0	0	0	0	-
Other cities																					
Chesaning	1,863	33	1.8	31	2	23	1,800	31	1.7	29	2	17	63	2	3.2	2	0	6	14	0	-
Frankenmuth	1,012	3	0.3	2	1	28	949	1	0.1	1	0	28	63	2	3.2	1	1	0	0	0	-
St. Charles	1,443	60	4.2	57	3	17	1,416	60	4.2	57	3	13	27	0	-	0	0	4	1	1	100.0

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

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

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

Table VIII

Status of New House Completions in Selected Subdivisions[a/]
Saginaw, Michigan, Housing Market Area
As of January 1964, January 1965, and January 1966

Sales price	Total completions	Presold	Speculative construction: Total	Sold	Unsold: Number	Unsold: Percent
(Houses completed in 1963, as of January 1, 1964)						
$12,500 - $14,999	43	31	12	7	5	42
15,000 - 17,499	39	30	9	9	0	-
17,500 - 19,999	31	25	6	4	2	33
20,000 - 24,999	59	54	5	4	1	20
25,000 - 29,999	11	10	1	1	0	-
30,000 - 34,999	4	2	2	0	2	100
35,000 and over	5	3	2	0	2	100
Total	192	155	37	25	12	32
(Houses completed in 1964, as of January 1, 1965)						
$12,500 - $14,999	75	60	15	15	0	-
15,000 - 17,499	105	71	34	26	8	24
17,500 - 19,999	20	18	2	0	2	100
20,000 - 24,999	93	66	27	27	0	-
25,000 - 29,999	19	19	0	0	0	-
30,000 - 34,999	17	9	8	4	4	50
35,000 and over	0	0	0	0	0	-
Total	329	243	86	72	14	16
(Houses completed in 1965, as of January 1, 1966)						
$12,500 - $14,999	84	41	43	43	0	-
15,000 - 17,499	56	28	28	28	0	-
17,500 - 19,999	97	35	62	58	4	6
20,000 - 24,999	67	53	14	11	3	21
25,000 - 29,999	33	21	12	11	1	8
30,000 - 34,999	22	16	6	5	1	17
35,000 and over	9	9	0	0	0	-
Total	368	203	165	156	9	5

a/ Selected subdivisions are those with five or more completions during the year.

Sources: Unsold Inventory Surveys conducted by the Detroit, Michigan, FHA Insuring Office.