Analysis of the

SAN JUAN, PUERTO RICO HOUSING MARKET

as of December 1, 1964

A Report by the
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FIELD MARKET ANALYSIS SERVICE
U.S. FEDERAL HOUSING ADMINISTRATION
Housing and Home Finance Agency

Foreword

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

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

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

Table of Contents

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Summary and Conclusions

1. The economy of the Commonwealth of Puerto Rico, and particularly of the San Juan area, continues to grow at a rapid rate. Since fiscal year 1960 Commonwealth gross product has increased by an average of 10 percent a year, net income has risen by an average of almost 10 percent, and personal consumption expenditures have risen by more than nine percent annually. Growth in the San Juan area probably has exceeded those rates. Between September 1960 and September 1964, nonagricultural employment in the San Juan area increased by an average of 6,900 workers a year, to a total of 214,700 in September 1964. Unemployment was a relatively high 5.2 percent of the work force in September 1964 but, nevertheless, was the lowest September rate during the past five years. Employment is expected to increase at a rate of at least 6,000 to 7,000 a year during the next two years, over and above the anticipated restoration of losses during the past year in construction employment.

2. The current median annual income of all families, after deduction of Commonwealth income taxes, is approximately $4,100 and is expected to rise to $4,700 in 1966. The current median after-tax income of renter families is $3,600, and by 1966 is expected to approximate $4,150.

3. Population of the San Juan area was 797,000 persons as of December 1, 1964, an increase of 149,000 or an average of about 32,000 a year since April 1960. During the 1950-1960 decade the increase averaged 14,000 a year. During the next two years population gains are expected to average 26,500 annually. The current 173,000 households in the area represent an average annual gain of almost 7,200 a year since 1960, double the 1950-1960 average of 3,600. During the next two years households are expected to increase by 7,000 a year.

4. The average net addition of 6,600 housing units annually since 1960 has not kept pace with the average annual increase of 7,200 households. As a result the homeowner vacancy ratio declined from 2.4 percent in 1960 to 1.3 percent currently, and the rental vacancy ratio declined from 5.2 percent to 4.1 percent. Approximately 34,000 housing units have been added by new construction since 1960, but net losses from the housing inventory (principally through demolitions) reduced the net gain to 30,700 units. During the past five years an average of 7,600 new housing units a year has been authorized, as contrasted with an average of 3,340 a year from 1951 through 1959.

Construction of units in multifamily structures has increased greatly since 1960. No record of the number built is available, but a survey of major multifamily projects made in November and December 1964 by the Santurce FHA Insuring Office counted over 2,100 rental units and 735 condominium units under construction. An additional 2,700 rental and condominium units were built since 1960, and more are under construction or in planning.

5. The market for sales houses is exceptionally strong. Virtually all new houses are sold prior to start of construction, and purchasers often must wait several months between time of purchase and occupancy. A very large part of the strength of the market is the result of rapid upgrading of families to better housing. Sales prices have been rising for several years, reflecting in part upgrading, in part the production of better quality houses made possible by rising family incomes, and in larger part by rising costs. Costs and sales prices are expected to continue to rise in the foreseeable future. There is a danger that they will rise disproportionately to the increase in incomes and thereby reduce effective demand.

   The market for good quality rental units also is strong, as evidenced by rapid absorption of new units at all rent levels, and by a very low over-all vacancy level in the inventory of adequate rental units.

6. To accommodate household growth and to allow for expected inventory and occupancy changes, approximately 8,700 additional housing units a year will need to be added during the next two years, of which 5,100 will represent demand for sales houses and 3,600 demand for rental units. That volume of additional units is somewhat above the 8,000-unit average of the last three years. The principal reason for the suggested increase in the rate of additions to the inventory is the judgment that the present rate is not adequate to provide mobility and to permit a continuation of the present rapid upgrading of families into better housing without creating additional pressures for price and rent increases.

7. The bulk, 45 percent, of demand for sales houses is expected to be in the price range of $10,000 to $15,000. About 35 percent will be in the range of from $15,000 to $20,000, and 15 percent in the $20,000 and over range. Although there is a large potential demand for houses to sell at less than $10,000, costs make it increasingly difficult to produce acceptable houses for that segment of the market.

   Demand for 3,600 rental units a year is expected to be distributed by gross monthly rent and unit size approximately according to the pattern shown in the table on page 25.

ANALYSIS OF THE SAN JUAN, PUERTO RICO HOUSING MARKET AS OF DECEMBER 1, 1964

Housing Market Area

For the purposes of this analysis the San Juan Housing Market Area (HMA) includes the municipalities of San Juan, Bayamon, Catano, and Guaynabo, which constitute the San Juan Standard Metropolitan Statistical Area (SMSA), plus the adjoining municipalities of Carolina and Trujillo Alto. The latter two municipalities contain only a little over 10 percent of the population of the HMA, but since 1960 they have had an increasing volume of residential development that is associated with growth of the HMA. One major subdivision recently has been under development in the municipality of Toa Baja which adjoins the numicipalities of Catano and Bayamon on the east. Although over 400 houses were completed in the subdivision in 1964, and more are under construction, they represent the only significant new building in the municipality since 1950.

Because of topography and geography, growth of the area has been to the south and west. The building boom has utilized the nearest available vacant land which is becoming increasingly scarce and expensive. Suburban population growth has far exceeded improvement of transportation arteries. Rapid gains in the number of automobiles and trucks funneling into the central parts of the area have created almost intolerable traffic congestion, and commuting from suburban areas is becoming increasingly difficult and time-consuming. That fact, plus the rising cost of outlying land, probably has been a major factor contributing to the recent boom in construction of high-rise multifamily structures not only in the central sections but also in areas outside the central sections.

Economy of the Area

Character and History

San Juan is the capital of the Commonwealth of Puerto Rico, as well as the largest and most important commercial, manufacturing, and servicing center on the Island. The San Juan Housing Market Area, with an estimated current population of 797,000 persons, accounts for over 31 percent of the population of Puerto Rico, for over 33 percent of total employment, and for over 50 percent of the total wealth and income of the Commonwealth. Between 1950 and 1960 all of the net population increase in Puerto Rico accrued to the San Juan HMA. Sections of the Island outside the San Juan HMA recorded a slight population decline during the decade.

Most available indexes of economic trends relate to the entire Commonwealth. However, because the San Juan HMA is so dominant in the economy of the Island, a few measurements of recent economic expansion of the Commonwealth are representative of the San Juan area. Since 1950, virtually all measurements of economic growth have been sharply upward, as was detailed in the two analyses prepared as of mid-1963. Suggestive of the growth rate are the average annual percentage changes in dollar amounts of the following selected economic indicators:

Growth Trends of Key Economic Indicators,
Puerto Rico, 1950-1964

Economic indicator	Average annual percentage change		
	1950-1960	1960-1964	1963-1964
Gross product	11.8	10.0	10.4
Net income	12.2	10.0	10.0
Personal income	11.2	9.6	9.0
Personal consumption expenditures	10.4	9.4	13.0

Source: Basic data from Puerto Rico Planning Board.

Although the changes above are based on amounts in current dollars, they would be almost as impressive if they were based on amounts in constant dollars. The rates of economic growth indicated for Puerto Rico are far above similar growth rates during the same period in the United States. However, in Puerto Rico they represent growth from a relatively low level of economic development, whereas in the United States growth since 1950 has been from a high level of development.

The rapid rate of economic growth in Puerto Rico has resulted in part from positive measures taken by the Commonwealth government to encourage the development of industry through tax incentives and the appeal of low labor costs. The success of the efforts is measured by the increase in the number of government-promoted (Fomento) plants operating on the Island, more than half of which are in the San Juan area. The number of promoted plants increased from 80 at the end of fiscal year 1950 to 818 at the end of fiscal year 1963, and employment in promoted plants increased from 6,300 in 1950 to 60,600 in 1963. Those gains represented almost all of the increase in manufacturing employment during the period. Industrial growth should continue as long as the tax incentives and significant wage differentials continue between the Island and the United States, but the rate of growth since 1950 is not expected to be maintained.

Another impetus to economic growth has been the rapidly increasing tourist trade, a major portion of which is centered in the San Juan area. The number of rooms in tourist and commercial hotels in Puerto Rico more than doubled between June 1960 and June 1964, increasing from 2.922 rooms in 1960 to 6,137 in 1964. Of the 6,137 rooms in June 1964, 4,707 (77 percent) were in the San Juan area where almost 2,600 new hotel rooms have been added since 1960, almost 90 percent of which are in hotels classed as tourist. Additional hotel accommodations are under construction. The tourist trade boom in Puerto Rico is the result of sustained prosperity in the United States that has increased Caribbean travel, the diversion of tourists away from Cuba, and the improved economic condition of Puerto Rico and its expanded tourist facilities that have made the Island more attractive to Caribbean visitors.

Employment

Current Estimate. The character of the San Juan economy is reflected in the sources of employment available. The Puerto Rico Bureau of Employment Security reported that in September 1964 government activities accounted for 31 percent of all nonagricultural wage and salary workers in the San Juan SMSA, 22 percent were employed in wholesale and retail trade, 16 percent in manufacturing, 10 percent in construction, and less than nine percent were employed in service industries (not including domestics).1/

Manufacturing still employs a relatively small proportion of all wage and salary workers, in spite of the impressive gains made by Fomento. A large proportion (45 percent) of manufacturing employment is in the relatively low-wage apparel and food products industries.

The 10 percent proportion of employment in construction in September 1964 is down from the 15 percent proportion that prevailed in the four years from 1960 through 1963. The reason for the drop was the decline

1/ Employment data do not include the relatively small amount of employment in the municipalities of Carolina and Trujillo Alto, both of which are outside the labor market area as defined by the Puerto Rico Bureau of Employment Security.

of 10,000 construction workers between September 1963 and September 1964 which, according to the Puerto Rico Bureau of Employment Security, resulted largely from adverse weather conditions. The high proportion of employment in construction reflects the building boom that has prevailed since 1960, and suggests that a substantial decline in building volume would have a significant adverse impact on the economy of the area.

The high proportion of employment in government reflects largely the fact that San Juan is the capital of the Commonwealth and the site of the University of Puerto Rico. In addition, the scope of government activities in the Island is broader than is true in most of the United States. The dominant position of government adds substantially to the stability of total employment and of family incomes.

Employment Trends. Between 1950 and 1960 the resident labor force in the San Juan SMSA increased at an average annual rate of 2.6 percent, and employment of residents of the area increased at an average rate of 3.0 percent a year, according to the Census of Population. Estimates prepared by the Puerto Rico Bureau of Employment Security indicate that the work force of the San Juan SMSA increased at an average annual rate of 3.4 percent between September 1960 and September 1964.1/ The number of persons employed in nonagricultural jobs in the area rose at a rate of 3.7 percent annually, and wage and salary workers employed in the area increased by 5.5 percent a year.2/

Largely because of a decline of 10,000 workers in construction, total nonagricultural employment in September 1964 was at the same level as in September 1963. By contrast, the gains in total nonagricultural employment amounted to 10,000 between September 1962 and September 1963. In the comparable 1961-1962 period the gain amounted to 14,500 nonagricultural workers, which followed an increase of only 3,000 between 1960 and 1961.

1/ Comparable employment data are available for the years 1960 to 1964 only.

2/ Employment data from the Census of Population relate to persons living in the San Juan SMSA even though some may work outside this SMSA, whereas Bureau of Employment Security data relate to persons working in the San Juan SMSA even though some may reside outside this SMSA. The two sets of data, therefore, are not strictly comparable.

Trend in Work Force and Nonagricultural Employment
San Juan, Puerto Rico, SMSA, 1960-1964
(in thousands)

Employment status	Sept. 1960	Sept. 1961	Sept. 1962	Sept. 1963	Sept. 1964
Civilian work force	202.9	205.3	222.6	232.9	230.3
Unemployment	11.9	11.5	14.1	13.7	12.0
Percent of work force	5.9%	5.5%	6.3%	6.0%	5.2%
Total employment	191.0	193.8	208.5	219.2	218.3
Nonagricultural employment	187.0	190.0	204.5	214.7	214.7
Nonag. wage & salary workers	150.1	158.4	173.9	184.2	183.2

Source: Puerto Rico Bureau of Employment Security.

As table I indicates, all major industry groups recorded substantial increases in employment between 1960 and 1964 except contract construction which dropped almost 17 percent, reportedly because of adverse weather conditions in 1964. Significantly, manufacturing which has had so much encouragement from the Commonwealth government recorded the lowest percentage gain during the four-year period, only about 10 percent, a numerical increase of only 2,700 workers. The greatest increase, both in number of workers and in percentage gain, was in retail and wholesale trade which added 14,700 workers, an increase of almost 58 percent. Government activities of all types employed 9,600 more workers in September 1964 than in September 1960, a gain of over 20 percent. Service industries (except domestic workers) increased employment by 3,100, or almost 25 percent; transportation, communications, and public utilities had 3,300 more workers, a 32 percent increase; and finance, insurance, and real estate activities required 3,000 more workers, 54 percent above September 1960. Such high rates of growth in the trade, service, and other activities oriented to consumer demand are very largely the result of the unusually rapid rise in personal incomes and personal consumption expenditures.

Female Workers. In September 1964 females represented 26 percent of all nonagricultural wage and salary workers in the SMSA, according to estimates of the Puerto Rico Bureau of Employment Security. Of the 47,000 female wage and salary workers, a fourth were employed in manufacturing industries, over half of them in the apparel industry. Slightly more than a fourth were employed in wholesale and retail trade, and another one-fourth were employed in government activities. Of the 11,800 employed in government, 5,000 were in educational services, 5,500 were engaged in regular government functions of the Federal, Commonwealth, and local governments, and 1,300 were employed in publicly owned utilities.

Employment Participation Rate. In the San Juan area the employment rate (the ratio of employed persons to total population) has been increasing during the past fourteen years. The increase reflects the gain in employment opportunities available to the population and the resultant improvement in personal incomes and consumption expenditures. In 1960 the participation rate was 26.5 percent, indicating that more than one out of each four persons in the population was employed in a nonagricultural job. The current participation rate is an estimated 27.3 percent and some additional increase during the next two years is anticipated.

Unemployment

According to estimates of the Puerto Rico Bureau of Employment Security, there were approximately 12,000 persons unemployed and seeking work in the San Juan SMSA in September 1964, representing 5.2 percent of the work force. The current unemployment rate is the lowest for September during the past five years. It compares with 6.0 percent in 1963, 6.3 percent in 1962, 5.5 percent in 1961, and 5.9 percent in 1960.

Future Employment Prospects

A projection of employment levels in the San Juan area for the next two-year period is, at best, a judgment based on recent past trends. Between September 1960 and September 1964 total nonagricultural employment increased by an average of about 6,900 workers a year. The year-to-year employment gains, however, ranged from 3,000 between 1960 and 1961 to 14,500 between 1961 and 1962. The effect of the building boom on the employment trend has been marked. Increases in nonagricultural wage and salary employment, exclusive of construction employment, averaged 9,100 a year between September 1960 and September 1964. During the past year, the decline of 10,000 in construction employment, plus relatively minor losses in manufacturing and in transportation and public utilities, were greater than could be offset by the substantial employment gains in trade and government. As a result, while there was an increase of 9,000 wage and salary workers in all industries other than construction, there was a net loss of 1,000 workers in the total of all industries during the twelve-month period.

Although construction employment is expected to regain most of the 10,000 loss experienced last year, it does not now appear that the September 1963 level of over 28,000 construction workers will be exceeded during the next two years. There are no present prospects that employment in manufacturing industries will increase at more than the moderate rate of the past four years. Trade, service, and government employment probably will continue to increase at a relatively high rate as improved incomes create demand for more goods and services. It is judged that the increase in total nonagricultural employment during the next two years, exclusive of the recovery in construction employment, will average between 6,000 and 7,000 workers a year, somewhere near the average gain of 6,900 that occurred between 1960 and 1964, but substantially below the average increase of 9,200 annually between 1960 and 1963.

Income

Although personal income has been increasing at a rapid rate during the past fourteen years, family incomes in the San Juan area still are at a low level as compared with those in urban areas in the United States. According to data prepared by the Puerto Rico Planning Board, per capita net income in the San Juan area more than doubled between 1950 and 1960, increasing from $442 a year in 1950 to $926 in 1960. In the 1940-1950 decade also, per capita income more than doubled. The following table presents the Planning Board estimates of per capita income in Puerto Rico, the San Juan area, and the municipalities in the San Juan area.

Estimated Per Capita Net Income, 1940, 1950, and 1960
Puerto Rico and the San Juan HMA

Area	1940	1950	1960
Puerto Rico	$117	$270	$570
San Juan HMA	214	442	926
San Juan-Rio Piedras	241	520	1,028
Bayamon	150	245	748
Carolina	114	248	847
Catano	136	199	497
Guaynabo	257	246	741
Trujillo Alto	92	152	276

Source: Puerto Rico Planning Board.

No data are available showing the change in per capita net income in the San Juan area since 1960. However, the Planning Board estimates that by fiscal year 1963 per capita net income in the Commonwealth had increased to $740 as compared with $570 in 1960. The Board estimated that in fiscal year 1963 family net income in Puerto Rico reached a level of $3,500, the highest in history. That level of family income represented an increase since 1960 at the rate of 5.6 percent a year in constant dollars, up from a rate of four percent during the 1950-1960 decade.

Distributions of families by annual money income have been prepared for the purposes of this analysis which indicate that the median income of all families in the San Juan area at the 1964 income level was approximately $4,100, after deduction of Commonwealth income taxes. (That median would not be comparable with an average net family income as estimated by the Planning Board.) The current median money income of renter families only is $3,600. Table II presents the percentage distribution of families in the San Juan area by annual after-tax income groups for 1964 and for 1966.

In 1964 approximately 23 percent of all families in the area received after-tax annual incomes of less than $2,000 and 35 percent received less than $3,000. Almost a third received from $3,000 to $6,000, 20 percent received from $6,000 to $10,000, and 13 percent received $10,000 or more. The lower level of incomes received by renter families is reflected in the larger proportions in the lower income groups (almost 40 percent in the under $3,000 group) and in the smaller proportions receiving $10,000 or more (10 percent).

Family incomes are expected to continue to rise during the next two years to a median after-tax income of $4,700 for all families and $4,150 for renter families.

Demographic Factors

Population

A conservative estimate of the population of the San Juan HMA as of December 1, 1964 is approximately 797,000 persons, an increase of 149,000 since April 1960. The current population represents an average annual gain of almost 32,000 persons since 1960 as contrasted with an average annual increase of about 14,000 during the 1950-1960 decade. The average annual percentage increases were 4.9 between April 1960 and December 1964 and 2.7 during the 1950-1960 decade. The much larger average annual gains since 1960 over those in the prior decade reflect the higher average annual increase of 6,900 nonagricultural workers since 1960, as compared with an average gain of less than 4,000 a year between 1950 and 1960. Reflected also is the influx of several thousand Cuban refugees in recent years which greatly swelled the rate of growth.

Another factor which probably has influenced the rate of population increase since 1960 is the sharp reduction in net out-migration of Puerto Ricans, principally to the United States. During the first seven years of the 1950-1960 decade, net out-migration from the Commonwealth averaged 52,000 persons a year, according to estimates of the Puerto Rico Planning Board. In the last three years of the decade net out-migration averaged 29,000 a year, and during the 1960-1963 period the average dropped to about 10,000 a year. In 1963 net out-migration had fallen to an estimated 4,800 persons as contrasted with 74,600 in 1953 (see table III). The sharp reduction in the volume of net out-migration resulted both from a reduction in the number of persons leaving the country and an increase in the number in-migrating.

Greatly improved economic conditions in the Commonwealth have been the major cause of both the reduced out-migration and the increased in-migration. Persons moving to Puerto Rico include Puerto Ricans who formerly left the Island, children born outside Puerto Rico of Puerto Rican parents, and non-Puerto Ricans who have been attracted by business or employment opportunities. Many of the Puerto Rican emigrants are returning with new skills acquired in the United States and are improving the quality of the labor force. The San Juan area is acquiring a major proportion of the in-migrants because of the greater employment opportunities and the relatively higher level of wages and salaries in that area as compared with other parts of the Commonwealth.

Increase in Population and Households
San Juan, Puerto Rico, Area, 1950-1966

Date	Population		Households	
	Number	Average annual change	Number	Average annual change
1950, April	508,570	-	103,441	-
1960, April	647,979	13,941	139,522	3,608
1964, December	797,000	31,930	173,000	7,180
1966, December	850,000	26,500	187,000	7,000

Source: 1950 and 1960 Censuses of Population and of Housing.
1964 and 1966 estimated by Housing Market Analyst.

Households

There are currently about 173,000 households (occupied housing units) in the San Juan HMA, an increase of 33,500 since April 1960 (see table above). Households have increased since 1960 by an average of about 7,200 a year, double the average yearly gain of 3,600 between 1950 and 1960. Although a conceptual change from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census may tend to overstate somewhat the increase in households between 1950 and 1960, the effect of the change is not considered significant in this case.

In April 1950 the average size of households in the area was 4.76 persons, and in April 1960 the average was down to 4.52. Largely because of the influx of Cuban refugees, the decline in out-migration and the increase in in-migration of Puerto Ricans, and the very low level of vacant housing units, it is judged that the current average household size is approximately the same as in 1960, about 4.5 persons. A decline in the average household size to about 4.43 persons by December 1966 is anticipated.

Prospective Population and Household Growth.

During the next two years, to December 1966, population is expected to increase by about 53,000 persons, or an average of only about 26,500 a year. The reduced rate of increase over that experienced since 1960 is a reflection of the expected lower rate of employment gain and the increasing ratio of employment to population, the participation rate. Also the boost to the population growth between 1960 and 1964 given by the influx of Cuban refugees will not be felt during the next two years.

The anticipated December 1966 population of 850,000 persons is expected to be comprised of approximately 187,000 households, a gain of 14,000 over the current total of 173,000 households. The indicated average increase of 7,000 a year is only slightly less than the average of 7,200 a year since 1960. The fact that the rate of population gain during the next two years will decline relatively more than the rate of gain in households results from the anticipated reduction in household size.

Housing Market Factors

Housing Supply

Current Estimate. There currently are approximately 179,000 housing units in the San Juan HMA, a net increase of about 30,700 since April 1960. The net increase resulted from completion of approximately 34,000 new units and the net loss of about 3,300 units resulting from demolitions, conversions, changes in use, and catastrophies. The average annual net increase in the housing inventory since 1960 has amounted to over 6,600 units. During the 1950-1960 decade the average net gain was only about 4,000 a year.

Characteristics of the Supply. In the San Juan SMSA, which included 91 percent of all housing units in the HMA in 1960, a distribution of housing units by type of structure indicates that almost 73 percent of all housing units were in one-unit structures, 10 percent were in two-unit structures, 6 percent were in structures with three or four units, and 11 percent were in structures with five or more units. More than 51 percent of renter-occupied units were in one-unit structures, 14 percent were in two-unit structures, and over a third were in structures containing three or more units.

One-half of all housing units contained three bedrooms or more. One-fourth of all units were two-bedroom units, and one-fourth contained one bedroom or no bedroom. Eleven percent of all renter-occupied units contained no bedroom, 26 percent were one-bedroom units, 28 percent were two-bedroom units, and 35 percent had three bedrooms or more.

The condition of the housing supply in 1960 was greatly improved over the 1950 supply. In April 1960 there were 15,396 housing units classed as dilapidated or of inadequate original construction, less than 12 percent of all units. Ten years earlier, in April 1950, there were 29,078 dilapidated units in the area, 27 percent of the total supply. Dilapidated owner-occupied units represented 32 percent of all owner-occupied units in 1950 and less than 11 percent in 1960. Dilapidated renter-occupied units represented 26 percent of all renter-occupied units in 1950 and less than 12 percent in 1960. In addition to the 15,396 dilapidated housing units in 1960 there were 37,668 sound or deteriorating units which lacked some or all plumbing facilities, 28 percent of all housing units in the area.1/

The median value of owner-occupied houses in the San Juan SMSA more than doubled between 1950 and 1960. Using for comparison only those cases in

1/ Because the 1950 Census of Housing did not classify "deteriorating" units separately, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" in 1960; but the improvement in the inventory clearly is impressive.

which both the house and the land were owned, the median value increased from $4,000 in 1950 to $9,100 in 1960. The change was the result both of increases in the general price level and the addition of a large volume of new houses. In 1950 almost 21 percent of owner-occupied houses were valued at less than $1,000 and 37 percent at less than $3,000. In 1960 less than eight percent were valued at less than $1,000 and less than 17 percent at less than $3,000. Houses valued at $10,000 and over accounted for 21 percent of the total in 1950 and for 44 percent in 1960. Six percent were valued at $20,000 and over in 1950 and over 15 percent were in that price range in 1960 (see table V).

Contract monthly rents increased from a median of $14 a month in 1950 to a median of $29 a month in 1960. Comparisons of the changes between the two years at different rent levels are impractical because of differences in the class intervals of rent used in the two censuses. Table VI indicates that in 1960 the median gross rent (contract rent plus utilities) in the San Juan SMSA was $35 a month. One-fourth of all rented units were occupied at monthly gross rents of less than $20, one-fourth rented from $20 to $40 monthly, less than 20 percent from $60 to $100, and less than 10 percent were at gross rents of $100 or more.

Residential Building Activity

New residential construction, as measured by housing units authorized by building permits, has been at a high level for the past five years. From fiscal year 1960 through fiscal year 1964 a total of 38,000 new units was authorized, an average of 7,600 annually. During the preceding nine fiscal years, 1951 through 1959, housing units were authorized at an average volume of 3,340 a year.

The average annual number of units authorized in the six municipalities in the San Juan HMA for the 1951-1959 and for the 1960-1964 period is indicated in the table on the following page. Table VI presents the yearly trend of housing unit authorizations for fiscal years 1951 through 1964 for each of the municipalities.

Average Annual Number of Housing Units Authorized for Construction
San Juan HMA, 1951-1964

Municipality	FY 1951 - FY 1959	FY 1960 - FY 1964
Bayamon	520	2,751
Carolina	195	817
Catano	14	21
Guaynabo	135	591
San Juan-Rio Piedras	2,460	3,292
Trujillo Alto	15	128
Total	3,339	7,600

Source: Puerto Rico Planning Board.

Between 1951 and 1960 by far the bulk of new construction was in San Juan Municipality, which includes the Rio Piedras area. During the nine-year period, 74 percent of all new units authorized were in that municipality. Since 1960 the proportion in San Juan Municipality has declined to 43 percent, and the proportion in the other five municipalities has increased substantially. Bayamon accounted for 16 percent of the total units authorized in the HMA between 1951 and 1960, but since 1960 the proportion built in that municipality has been 36 percent. The proportion built in Carolina increased from about six percent in the earlier period to 11 percent since 1960. In Guaynabo the proportion increased from four percent to eight percent. Less than two percent of all units authorized since 1960 were in Catano and Trujillo Alto.

No records have been compiled which indicate the number of units authorized by type of structure, but it is apparent that the number authorized in multifamily structures has increased greatly since 1960. A survey prepared by the Santurce Insuring Office of 125 major multifamily structures in the area included 35 condominium buildings (1,065 units) and 28 rental projects (1,662 units) which were completed in the 1960-1964 period and 15 condominium buildings (735 units) and 14 rental projects (2,105 units) which were under construction at the time of the survey. In the aggregate, these projects will increase by nearly 40 percent the 1960 inventory of units in structures with five or more dwelling units.

Planned New Construction. At the end of December 1964, at least 25 multifamily projects with a total of almost 4,500 units are known to be in the planning stage. About a fifth of these are in condominiums. In addition, a total of over 400 beds in nursing homes was planned. Of the known volume of rental units now being planned, about 44 percent are three-bedroom units, 29 percent are two-bedroom units, 13 percent have one bedroom, five percent are efficiencies, and nine percent will have four or more bedrooms.

Contract rents in projects now being planned will be less than $100 a month for almost 60 percent of the units, and less than $80 a month for a third of the units. Less than seven percent will have contract rents of $200 or more, 20 percent will rent for from $140 to $180, and less than 14 percent for from $100 to $140 (see table IX).

The Survey of Unsold Inventory of New Sales Houses made by the Santurce Insuring Office in December 1964 counted 3,047 sales houses under construction at that time in the major subdivisions surveyed.

Tenure of Occupancy

The proportion of homeownership in the San Juan area is increasing slowly. In April 1960 only 56.8 percent of all occupied housing units were owner-occupied. In 1950 the ratio was 54.1 percent, and the current ratio is about 58.0 percent. During the next two years the proportion of homeownership is expected to continue to increase but at a lesser rate.

Occupied Housing Units by Tenure
San Juan, Puerto Rico, HMA, 1950-1966

Date	Total occupied units	Tenure: Owner-occupied	Tenure: Renter-occupied	Percent Owner-occupied
1950, April	103,441	56,017	47,424	54.1
1960, April	139,523	79,298	60,225	56.8
1964, December	173,000	100,500	72,500	58.1
1966, December	187,000	109,400	77,600	58.5

Source: 1950 and 1960 Censuses of Housing.
1964 and 1966 estimated by Housing Market Analyst.

Vacancy

There were 8,739 vacant units of all types in the San Juan HMA in April 1960, equal to a gross vacancy ratio of 5.9 percent, according to the Census of Housing. Of that number, 5,250 were nondilapidated and available for sale or rent, a net vacancy ratio of 3.6 percent. There were 1,963 vacant units available for sale, a homeowner vacancy ratio of 2.4 percent; and 3,287 vacant units were available for rent, a rental vacancy ratio of 5.2 percent.

Since 1960, there has been a significant reduction in vacancies despite a sharp increase in the building rate. Gross vacancies declined by over 2,400 between April 1960 to an estimated 6,300 currently, a gross vacancy ratio of 3.5 percent. The principal reason for the decline is the fact that net additions to the housing inventory since 1960 have averaged about 6,600 annually, but the number of occupied units (households) has increased by an average of 7,200 a year.

The current homeowner vacancy ratio of 1.3 percent is down from the 2.4 percent reported by the census in 1960, and the current rental vacancy ratio of 4.1 percent is down from 5.2 percent in 1960. Current vacancy levels are well below the 1.5 percent homeowner and 6.0 percent rental vacancy ratios that represent acceptable demand-supply relationships in an area with the growth rates being experienced by San Juan.

Trend of Vacancies
San Juan, Puerto Rico, HMA
1950-1964

Type of vacancy	April 1950	April 1960	December 1964
Total dwelling units	108,180	148,262	179,000
Total vacant units	4,530	8,739	6,300
Percent of all units	4.2%	5.9%	3.5%
Vacant nondilapidated, nonseasonal available for sale or rent	1,756	5,250	4,400
Percent vacant	1.6%	3.5%	2.5%
Available for sale only	936	1,963	1,300
Homeowner vacancy rate	1.7%	2.4%	1.3%
Available for rent	820	3,287	3,100
Rental vacancy rate	1.7%	5.2%	4.1%
Other vacant units a/	2,774	3,489	1,900

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

Source: 1950 and 1960 Censuses of Housing. 1964 estimated by Housing Market Analyst.

Although no over-all vacancy data are available since 1960, all of the available evidence indicates that current vacancy ratios in the portion of the inventory that is of better quality and is most favorably located are well below those indicated for the total inventory. Eighty-five percent of new sales houses completed in 1964 were sold prior to start of construction. Less than six percent of those built speculatively during the year remained unsold at the end of the year. Such rapid absorption of new units reflects in part a substantial rate of upgrading (or filtering up) of families in the quality scale of housing. However, there is no evidence that the process is creating additional vacancies in the sales inventory, or that vacancies are increasing in the middle or upper ranges of the quality scale.

The previously noted survey by the Santurce Insuring Office of 125 major multifamily projects included 56 completed rental projects with 1,950 units. Only 16 of those units were vacant, a vacancy ratio of less than one percent. Thirteen of the vacant units were three-bedroom apartments ranging in contract rent from $180 to more than $300 a month. They represented only 1.9 percent of all three-bedroom units surveyed. None of the 117 efficiency units surveyed were vacant, one out of 241 one-bedroom units was vacant, one out of 777 two-bedroom units was vacant, and only one vacancy out of 128 four-bedroom units was counted. Of 1,327 units with contract rents under $160 a month, none was vacant (see table X).

The survey of multifamily projects made by the Santurce Insuring Office covered 43 existing condominium buildings containing 1,128 units, of which 74, or 6.6 percent, were unsold as of December 1, 1964. A few of the occupied units were occupied by renters. However, 19 of the 43 buildings surveyed were completed within the last two years. Most of the vacancies are in those new buildings. The number of units and the number vacant in those projects are distributed by sales price and by size of unit in the table below.

Vacant Units in 43 Existing Condominium Buildings by Sales Price and Size
San Juan, Puerto Rico, HMA
December 1, 1964

Sales price	One-bedroom Total units	One-bedroom Vac.	Two-bedrooms Total units	Two-bedrooms Vac.	Three-bedrooms Total units	Three-bedrooms Vac.	Four-bedrooms Total units	Four-bedrooms Vac.
$15,000 - $19,999	15	0	41	4	74	0	-	-
20,000 - 24,999	-	-	41	0	112	8	-	-
25,000 - 29,999	-	-	88	4	117	7	6	0
30,000 - 34,999	-	-	48	14	124	5	23	1
35,000 - 39,999	-	-	17	0	63	0	28	2
40,000 - 44,999	-	-	-	-	113	12	26	7
45,000 - 49,999	-	-	-	-	20	0	64	0
50,000 and over	-	-	-	-	-	-	108	10
Total	15	0	235	22	623	32	255	20

Source: Santurce FHA Insuring Office.

FHA-insured rental projects are virtually 100 percent occupied now, and in March 1964 reported 10 vacant units, only a fraction of one percent of 1,528 completed, insured units reported at that time. With the exception of one 19-unit Section 608 project and a group of 237 duplexes originally insured under blanket Section 608 mortgages and now being sold under individual mortgages, all of the FHA-insured projects have been completed within the last two years.

Sales Market

General Market Conditions. The sales market is exceptionally strong. Virtually all new houses are sold prior to start of construction, and it is reported that purchasers often must wait several months between the time of signing a sales contract and final closing and occupancy.

Sales prices have been moving up for several years. In part, the trend reflects the production of new houses with more space and amenities designed to meet market demand for upgrading the living accommodations of families with rising incomes; but the major fact reflected is the rapid rise in costs, particularly the sharply increasing cost of land and the cost of complying with new subdivision requirements recently adopted by the Puerto Rico Planning Board. The strength of the demand for new sales houses and their increasing cost are reflected in turn in rising prices and firm demand for existing houses.

Construction of sales houses is dominated by large-scale builders using mass production methods peculiarly adapted to the poured-concrete type of construction prevalent in the area. Planning Board requirements for provision by developers of community facilities such as a community center, library, playground facilities, and park areas dictate that developers and builders have the resources to finance such facilities. Only the larger builders have such resources.

A Planning Board requirement that specified proportions of land in large developments be held for construction of multifamily structures causes an additional burden. The lack of demand for rental housing in some outlying subdivisions makes utilization of land set aside for that purpose unfeasible. However, officials of the Planning Board stated that, if lack of demand for rental units can be demonstrated by developers, the requirement would be modified on an individual subdivision basis. Planning Board requirements, in addition to discouraging production by small-volume builders, reportedly increase the selling prices of new houses by as much as $1,500 a house. Largely off-setting those increased costs is the exemption beginning in fiscal year 1963 of taxes on up to $15,000 value of owner-occupied homes.

The predominance of large-scale builders in the area is indicated by the fact that, according to the unsold inventory of new houses, of the 5,767 houses completed during 1964 in subdivisions with five or more completions, 92 percent were built by 19 companies that produced 100 or more houses during the year. Eleven builders producing 200 or more houses each accounted for 73 percent of total completions, and five builders produced almost half (49 percent) of all completed houses in 1964.

Unsold Inventory. The survey of unsold inventory of new houses indicates that over 18 percent of the 5,767 houses completed during 1964 were built to sell for less than $12,500. Only two percent of the unsold houses were in that low price range. Thirty percent of completed houses were in the $12,500 to $15,000 price range, and only eight percent of unsold houses were in that range. Over a third of completions were priced at $15,000 to $20,000, and a fourth of the unsold units were in that price range. Less than 18 percent of completions were priced at $20,000 and over, but 63 percent of unsold houses were priced at $20,000 and over.

Comparison of the current survey with one covering completions in 1963 indicates an upward shift in the price of new houses completed. The median sales price of houses completed in 1963 was $13,950, and the median price of those completed in 1964 was $15,150, an increase of $1,200. In 1963, almost 25 percent of all houses completed were at prices under $10,000; in 1964, less than six percent were in that low price group. In 1963 only about eight percent of completions were at prices of $20,000 or more. In 1964, almost 18 percent were in the $20,000 and over range. The increase in the proportion of houses being built in the higher price ranges results principally from increases in costs, particularly of land, and not from increased demand for higher priced houses.

Although the percentage of unsold speculatively-built houses in 1964 (those not sold before start of construction) is a low 5.7 percent of completions, it is up from 2.3 percent of speculative completions in 1963.

Houses Completed in 1964 by Sales Price Class
San Juan, Puerto Rico, HMA

Sales price	Total completed Number	Total completed Percent	Number sold before const. start	Speculatively built: Total spec. built	Speculatively built: Number unsold	Speculatively built: Percent unsold
Under $10,000	332	5.8	326	6	0	0
$10,000 - 12,499	741	12.8	690	51	1	2.0
12,500 - 14,999	1,725	29.9	1,540	185	4	2.2
15,000 - 17,499	1,324	23.0	1,144	180	8	4.4
17,500 - 19,999	622	10.8	531	91	5	5.5
20,000 - 24,999	520	9.0	378	142	4	2.8
25,000 - 29,999	312	5.4	184	128	17	13.3
30,000 - 34,999	174	3.0	104	70	8	11.4
35,000 and over	17	.3	10	7	2	28.6
Total	5,767	100.0	4,907	860	49	5.7

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

FHA Participation. FHA mortgage insurance has played a major part in making funds available for financing the large volume of new housing constructed in recent years. In the five years, 1960 through 1964, a total of 23,976 new home mortgages were insured on homes located in the San Juan HMA. In addition, mortgages were insured on over 3,700 units under Sections 207, 220, 221(d)(3), 221(d)(4), 234, and 810 during the period from January 1, 1960 through September 1964. Additional projects with an unknown number of units have been completed since September 1964 which will be finally endorsed for insurance. A total of at least 27,700 units for both sale and rent have been provided in the area through FHA-insured financing since 1960, representing over 80 percent of the estimated 34,000 new housing units completed in the area since 1960.

New Home Mortgages Insured in the
San Juan, Puerto Rico, HMA
1960-1964

Year	Section of the Act 203	220	221	222	234	Total
1960	5,064	-	179	131	-	5,374
1961	4,789	25	60	110	-	4,984
1962	4,748	-	35	90	-	4,873
1963	3,682	-	139	32	37	3,890
1964	4,828	-	13	14	-	4,855

FHA-Acquired Properties. The FHA-acquired property inventory is negligible. In the entire San Juan Insuring Office jurisdiction, only eight acquired home mortgage properties were on hand at the end of December 1964, of which seven had been sold but not closed. During the six-month period from July through December 1964, eight properties were acquired and 14 sales were closed.

Rental Market

The market for rental units of standard quality also is very strong. No difficulty is experienced in securing almost 100 percent occupancy in new rental projects and, as in the case of sales housing, there is no evidence that the rapid absorption of new units is creating vacancies in the older properties of acceptable quality. As previously indicated, a sample of almost 2,000 existing rental units in 56 properties built since 1950 and ranging in contract monthly rent from less than \$60 to over \$400, showed less than one percent vacancy. The sample included buildings located throughout the area, from the high-rent Condado area down to the lower-rent projects in suburban areas. All of the units are of standard quality.

About 51 percent of the units under construction are to be rented at contract rents of less than \$100 a month, and over 42 percent are to have contract rents of less than \$80 a month (see table VIII). Of the 3,687 rental units now being planned for construction, 58 percent are at contract rents of less than \$100 a month, and over 33 percent are at rents under \$80 a month (see table IX). Such high proportions of units in the lower rent range represent units which are being built or planned with public benefits or assistance. They are being made available to meet a relatively large segment of the rental demand that could not be met effectively with customary financing.

The strong demand for rental units during the past few years represents in very large part a backlog demand, in part a new demand by in-migrants, and in part a demand by former owners or renters of single-family homes who are escaping the rigors of commuting from suburban areas. The proportion which represents backlog demand cannot be measured, but in the case of both sales houses and rental units it is large. When it has been substantially satisfied, absorption of new units will fall more nearly to a level represented by growth.

Demand for Housing

Quantitative Demand

Quantitative demand for additional housing during the two-year period from December 1, 1964, to December 1, 1966 is based on an anticipated increase of 7,000 households a year, and on the need to replace housing units that will be lost through demolitions, conversions, catastrophies, and other losses. Consideration is given, also, to the present tenure composition of households and to the probability that the increasing production of a large volume of rental units has almost halted the slow increase in the proportion of homeownership.

To accommodate household growth and to allow for expected inventory and occupancy changes, approximately 8,700 housing units annually will need to be added during the next two years, of which about 5,100 will represent demand for sales houses and 3,600 will represent demand for rental units. The addition of 8,700 units a year would be somewhat above the average of about 8,000 new units a year added since 1961 and the estimated minimum of 8,000 new units added during the past year. The principal reason for the suggested increase in the rate of additions to the inventory is the judgment that the present rate is not adequate to provide mobility and to permit a continuation of the present rapid upgrading of families into better housing without creating additional pressures for price and rent increases.

Qualitative Demand

Sales Demand. Demand for 5,100 additional new sales houses annually during the next two years at prices achievable under current costs will come in very large part from a continuation of the rapid rate of upgrading that has sustained the high level of demand for several years. Under current costs, new houses that meet FHA minimum requirements cannot be built to sell for much less than $10,000;[1/] but, based on current family incomes and on ratios of family incomes to sales prices, only about 45 percent of families in the San Juan area are able to pay $10,000 or more. In 1964, of the new houses completed in the area in subdivisions with five or more completions, less than six percent were at selling prices of less than $10,000. If costs continue to rise, as is expected, the minimum achievable sales price also will rise.

1/ If public assistance is made available, such as release of land to builders by the Commonwealth Land Administration at less than prevailing market prices, minimum achievable sales prices can be reduced and sales demand increased.

It is obvious that, with 55 percent of families unable to pay more than $10,000 and 30 percent able to pay from $10,000 to $15,000, the strongest market should be in the price range under $15,000. In 1964, 43 percent of completed houses were in the $10,000 to $15,000 sales price range, and that is the range which appears to represent the strongest market during the next two years. On the assumption that upgrading will continue at a rapid rate, giving consideration to the building and marketing experience of the past year, and taking into account the probability of continuing increases in costs, as well as in family incomes, it is judged that annual demand for new sales houses will approximate the following price pattern.

Estimated Annual Demand for New Sales Houses by Price Classes
San Juan, Puerto Rico, HMA
December 1964 to December 1966

Price range	Number of units	Percent distribution
Under $10,000	250	5
$10,000 - 12,499	720	14
12,500 - 14,999	1,580	31
15,000 - 17,499	1,230	24
17,500 - 19,999	560	11
20,000 - 24,999	460	9
25,000 - 29,999	200	4
30,000 and over	100	2
Total	5,100	100

Source: Estimated by Housing Market Analyst.

Rental Demand. The monthly rentals at which privately-owned net additions to the rental housing inventory might best be absorbed are indicated for various size units in the table on page 25. Net additions at these rentals may be accomplished either by (1) new construction or rehabilitation at the specified rent levels with or without public benefits or assistance through subsidy, tax abatemeht, or aid in financing or in land acquisition, or (2) production of units at higher rentals which competitively result in a filtering of existing accommodations to the levels specified.

Estimated Annual Demand for Additional Rental Housing
San Juan, Puerto Rico, HMA
December 1964 - December 1966

Monthly rental a/	Efficiency	1-BR	2-BR	3-BR
$60 and over	285	-	-	-
65 " "	265	-	-	-
70 " "	240	1,365	-	-
75 " "	220	1,255	-	-
80 " "	200	1,145	1,480	-
85 " "	190	1,070	1,385	-
90 " "	175	995	1,290	470
95 " "	165	940	1,215	445
100 " "	155	885	1,145	415
105 " "	145	810	1,050	380
110 " "	130	735	955	345
115 " "	-	700	905	340
120 " "	-	665	860	330
140 " "	-	480	720	290
160 " "	-	315	410	235
180 " "	-	185	300	150
200 " "	-	110	180	100
220 " "	-	-	95	35
240 " "	-	-	-	20

a/ Includes all utilities.

Note: Figures are cumulative; the columns cannot be added vertically.

Source: Estimated by Housing Market Analyst.

The minimum rents, including utilities, at which new privately-owned rental units can be produced at current costs are approximately $70 a month for efficiency units, $85 for one-bedroom units, $100 for two-bedroom units and $115 for three-bedroom units.1/ Of the total annual demand during the next two years for 3,600 additional rental units, (approximately 2,800 represent demand for units produced with market interest rate financing.)

1/ It is recognized that in some cases gross rents as low as $60, $70, and $80 a month for one-, two-, and three-bedroom units, respectively, may be achieved with public benefits or assistance, particularly when land costs are substantially below generally prevailing land prices for this type of housing.

Table I

Work Force, Unemployment, and Employment
San Juan, Puerto Rico, Area a/
September 1960-September 1964

Industry	Sept. 1960	Sept. 1961	Sept. 1962	Sept. 1963	Sept. 1964
	(in thousands)				
Civilian work force	202.9	205.1	222.6	232.9	230.3
Unemployed	11.9	11.3	14.1	13.7	12.0
Percent of work force	5.9%	5.5%	6.3%	6.0%	5.2%
Total employed	191.0	193.8	208.5	219.2	218.3
Agricultural	4.0	3.8	4.0	4.5	3.6
Nonagricultural, total	187.0	190.0	204.5	214.7	214.7
Wage and salary workers	150.1	158.4	173.9	184.2	183.2
Manufacturing	27.2	29.0	29.5	30.2	29.9
Food and kindred	4.8	5.0	5.6	6.0	6.0
Apparel	7.0	7.2	7.2	7.3	7.4
Lumber, furniture,and fixtures	n.a.	2.5	2.6	2.7	2.5
Paper, printing, and publishing	n.a.	2.0	2.1	2.2	2.5
Stone, clay, and glass products	n.a.	2.5	2.3	2.4	2.4
Electrical machinery	2.3	2.6	1.9	2.2	1.6
Other manufacturing	13.1	7.2	7.8	7.4	7.5
Nonmanufacturing	122.9	129.4	144.4	154.1	153.3
Contract construction b/	21.8	23.8	27.1	28.2	18.2
Transportation, comm, and pub. util.	10.2	11.5	11.4	14.7	13.5
Trade	25.5	28.5	34.4	36.3	40.2
Finance, ins., and real estate	5.6	8.0	8.3	7.9	8.6
Service (except domestic)	12.6	13.8	15.2	15.6	15.7
Government	47.2	43.8	47.7	51.1	56.8
Other nonmanufacturing	0	0	.3	.3	.3
All other nonagricultural c/	36.9	31.6	30.6	30.5	31.5

a/ Includes the municipalities of San Juan, Bayamon, Guaynabo, and Catano.
b/ Includes a small number of workers in mining.
c/ Includes domestic workers, self-employed, unpaid family workers, and workers in nonprofit institutions.

Source: Puerto Rico Bureau of Employment Security.

Table II

Estimated Percentage Distribution of All Families and Renter Families
by Total Annual Money Income, San Juan, Puerto Rico, SMSA
1964 and 1966

Annual income after tax a/	Percentage distribution			
	All families		Renter families	
	1964	1966	1964	1966
Under $2,000	23	21	25	23
$2,000 - 2,999	12	10	14	10
3,000 - 3,999	14	10	16	14
4,000 - 4,999	11	12	11	13
5,000 - 5,999	7	8	8	8
6,000 - 6,999	7	7	6	7
7,000 - 9,999	13	15	10	12
10,000 - 14,999	9	11	8	9
15,000 and over	4	6	2	4
Total	100	100	100	100
Median income	$4,075	$4,700	$3,600	$4,150

a/ Income is annual money income after deduction of Commonwealth income taxes.

Source: Estimated by Housing Market Analyst.

Table III

Net Out-Migration from Puerto Rico
Fiscal Year 1951-1963

Fiscal year	Net out-migration	Fiscal year	Net out-migration
1950-1951	41,920	1957-1958	25,956
1951-1952	61,642	1958-1959	37,212
1952-1953	74,603	1959-1960	23,742
1953-1954	44,209	1960-1961	13,762
1954-1955	31,182	1961-1962	11,363
1955-1956	61,647	1962-1963	4,798
1956-1957	48,284		

Source: Puerto Rico Planning Board.

Table IV

Distribution of Population and Households by Major Segments of the San Juan HMA, 1960

Segment	1960 population		1960 households	
	Number	Percent	Number	Percent
Bayamon	72,221	11.2	14,588	10.5
Carolina	40,923	6.3	8,274	5.9
Catano	25,208	3.9	5,307	3.8
Guaynabo	39,718	6.1	7,564	5.4
San Juan	451,658	69.7	100,267	71.9
Trujillo Alto	18,251	2.8	3,522	2.5
Total HMA	647,979	100.0	139,522	100.0

Source: 1960 Census of Population and Housing.

Table V

Single-Family Owner-Occupied Houses Classified by Value
San Juan, Puerto Rico, SMSA, 1950 and 1960 [a/]

Value	Number of houses 1950	Number of houses 1960	Percentage distribution 1950	Percentage distribution 1960
Less than $1,000	3,591	3,036	20.8	7.7
$1,000 to 2,999	2,787	3,476	16.1	8.8
3,000 to 4,999	4,535	2,752	26.2	7.0
5,000 to 7,499	1,719	5,828	9.9	14.8
7,500 to 9,999	1,068	7,064	6.2	17.9
10,000 to 14,999	(	7,960	(	20.3
15,000 to 19,999	(2,566	3,308	(14.8	8.4
20,000 and over	1,033	5,932	6.0	15.1
Total	17,299	39,356	100.0	100.0
Median value	$4,002	$9,100		

a/ Includes only cases in which both the house and land are owned.

Source: 1950 and 1960 Censuses of Housing.

Table VI

Renter-Occupied Housing Units Classified by Gross Monthly Rent
San Juan, Puerto Rico, SMSA, 1960

Monthly Gross Rent	Number of units	Percentage distribution
Less than $15	8,084	15.0
$15 to 19	5,348	9.9
20 to 29	8,476	15.8
30 to 39	5,392	10.1
40 to 49	3,796	7.0
50 to 59	3,104	5.8
60 to 69	3,440	6.4
70 to 79	2,872	5.3
80 to 99	4,004	7.4
100 to 124	2,460	4.6
125 or more	2,516	4.7
No cash rent	4,316	8.0
Total	53,808	100.0
Median	$35	

Source: 1960 Census of Housing.

Table VII

New Dwelling Units Authorized by Building Permits San Juan, Puerto Rico, Area, Fiscal Year 1951-1964

Fiscal year	Bayamon	Carolina	Catano	Guaynabo	Rio Piedras	San Juan	Trujillo Alto	Area Total
1950-1951	223	89	21	94	4,024	364	11	4,826
1951-1952	151	70	8	96	807	197	11	1,340
1952-1953	148	19	9	104	859	182	10	1,331
1953-1954	199	28	28	148	825	245	7	1,480
1954-1955	253	159	8	237	2,330	288	20	3,295
1955-1956	287	434	9	137	3,811	522	37	5,237
1956-1957	786	347	15	144	2,436	165	13	3,906
1957-1958	979	173	16	129	2,293	114	9	3,713
1958-1959	1,658	433	9	128	2,539	133	13	4,913
1959-1960	3,023	741	14	283	3,216	357	9	7,643
1960-1961	2,859	506	10	415	2,300	298	16	6,404
1961-1962	2,757	820	8	754	3,215	792	141	8,487
1962-1963	2,509	1,384	12	699	1,801	809	287	7,501
1963-1964	2,607	635	57	806	3,014	657	188	7,964

Source: Puerto Rico Planning Board.

Table VIII

Rental Units Under Construction by Size and by Monthly Rent
San Juan, Puerto Rico, HMA, December 1, 1964

Monthly contract rent[a/]	Size of unit: Efficiency	One-bedroom	Two-bedroom	Three-bedroom	Four-bedroom	Total units
Under $60	8	66	-	-	-	74
$60 - 79	-	-	190	626	-	816
80 - 99	26	80	-	-	70	176
100 - 119	-	26	200	-	-	226
120 - 139	26	40	104	144	-	314
140 - 159	-	27	30	26	-	83
160 - 179	-	-	31	90	-	121
180 - 199	-	-	26	78	30	134
200 - 224	-	-	5	5	-	10
225 - 249	-	-	-	2	-	2
250 - 274	-	-	-	54	2	56
275 - 299	-	-	-	28	26	54
300 and over	-	-	-	1	38	39
Total	60	239	586	1,054	166	2,105

a/ Contract rent does not include utilities, except in isolated cases.

Source: Santurce FHA Insuring Office.

Table IX

Rental Units in Planning in the San Juan SMSA
by Contract Monthly Rent and by Size
as of December, 1964

Monthly contract rent	Size of unit: Efficiency	One-bedroom	Two-bedroom	Three-bedroom	Four-bedroom	Total units
Under $50	-	-	40	-	-	40
$50 - 59	-	-	132	-	-	132
60 - 69	-	96	101	259	-	456
70 - 79	-	-	352	183	60	595
80 - 99	35	-	-	558	320	913
100 - 119	32	88	-	-	-	120
120 - 139	135	123	119	-	-	377
140 - 159	-	114	60	106	-	280
160 - 179	-	63	267	108	-	438
180 - 199	-	-	-	84	8	92
200 - 224	-	-	-	50	-	50
225 - 249	-	-	54	-	-	54
250 - 274	-	60	-	12	-	72
275 - 299	-	-	-	28	-	28
300 and over	-	-	20	18	2	40
Total	202	544	1,145	1,406	390	3,687

Source: Santurce FHA Insuring Office

Table X

Rental Units in 56 Existing Projects by Contract Monthly Rent and Size
San Juan, Puerto Rico, HMA
December 1, 1964

Monthly contract rent	Efficiency	One-bedroom	Two-bedroom	Three-bedroom	Four-bedroom
Under $60	-	48	-	-	-
$60 - 79	6	-	329	132	-
80 - 99	52	6	48	78	30
100 - 119	15	52	-	12	-
120 - 139	36	19	228	94	4
140 - 159	4	47	16	71	-
160 - 179	4	63	17	31	6
180 - 199	-	6	96	10	1
200 - 224	-	-	10	83	15
225 - 249	-	-	17	14	15
250 - 274	-	-	16	55	6
275 - 299	-	-	-	11	9
300 and over	-	-	-	96	42
Total	117	241	777	687	128

Source: Santurce FHA Insuring Office.

US Federal Housing Administr
tion.
Analysis of the San Jua
PR, Housing Market...

DATE	ISSUED TO