

728.1  
:308  
F22  
South Bend, Ind.  
1966

*Analysis of the*  
**SOUTH BEND, INDIANA  
HOUSING MARKET**

**as of October 1, 1966**

DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
LIBRARY  
WASHINGTON, D.C. 20410  
JUN 14 1967

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

June 1967

ANALYSIS OF THE  
SOUTH BEND, INDIANA, HOUSING MARKET  
AS OF OCTOBER 1, 1966

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

JUN 14 1967

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

	<u>Page</u>
Summary and Conclusions	i
Housing Market Area	1
Map of the Area	3
Economy of the Area	
Character and History	4
Employment	5
Principal Employment Sources	8
Unemployment	10
Future Employment	11
Income	11
Demographic Factors	
Population	13
Households	16
Housing Market Factors	
Housing Supply	
Residential Building Activity	18
Tenure	21
Vacancy	25
Sales Market	26
Rental Market	29
Urban Renewal	31
Public Housing	31
	34
Demand for Housing	
Quantitative Demand	35
Qualitative Demand	36

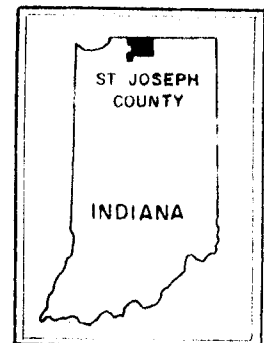
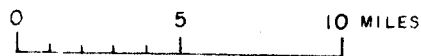
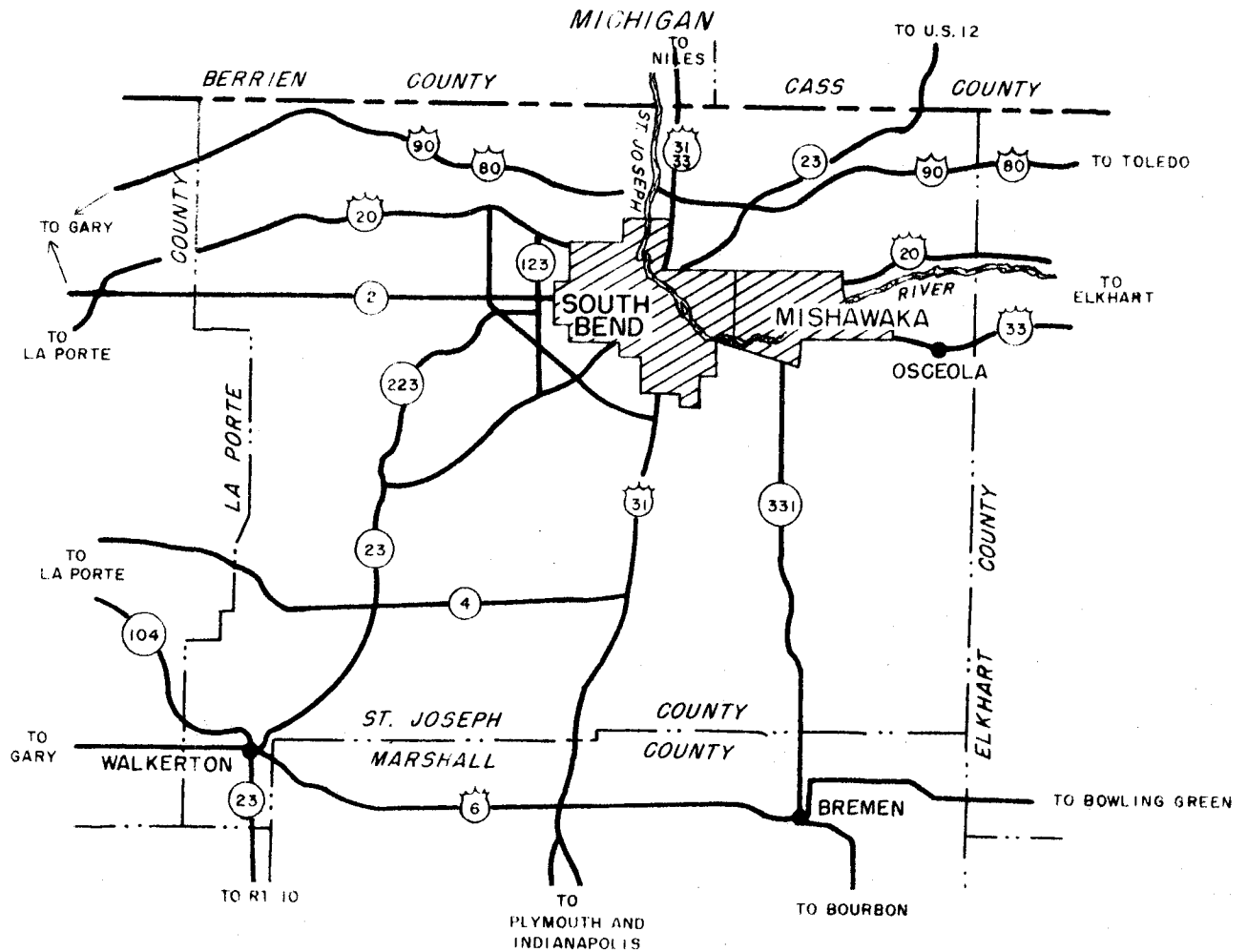
ANALYSIS OF THE  
SOUTH BEND, INDIANA, HOUSING MARKET  
AS OF OCTOBER 1, 1966

Summary and Conclusions

1. The present economy of the South Bend area is marked by a heavy reliance on durable goods manufacturing and, in particular, on the transportation equipment industry which accounted for 28 percent of the manufacturing employment and 11 percent of the total wage and salary employment in 1965. The concentration of employment in the transportation equipment industry has lent considerable instability in the South Bend area economy. Employment in the transportation equipment industry comprised one-third of all wage and salary jobs in 1950, but the proportion declined sharply to 20 percent in 1960 and to 11 percent in 1965, reflecting declining employment at Studebaker and the final closing of the plant in 1964. While the economy of the nation has recorded uninterrupted growth since 1961, 3,400 nonagricultural wage and salary jobs were lost in the South Bend area from 1963 to 1964; the decline in the transportation equipment industry amounted to 5,200 workers. This loss was partially offset by an increase of 2,600 wage and salary jobs in 1965. Further recovery is evident in the average of 90,000 wage and salary workers employed in the first eight months of 1966, 3,600 (four percent) above the average for the first eight months of 1965. During the next two years, total nonagricultural employment is expected to increase from 90,000 to 94,000, a gain of 2,000 jobs annually.
2. The current median annual income in the South Bend HMA, after deducting federal income tax, is \$7,025 for all families and \$5,700 for renter households of two or more persons. By 1968, the median annual after-tax incomes are expected to approximate \$7,325 for all families and \$5,950 for renter households.
3. The estimated current population of the South Bend HMA is 255,000, an average gain of 2,525 yearly since April 1, 1960, compared with an average annual increment of 3,350 persons during the 1950-1960 decade. By October 1, 1968, the population in the HMA is expected to total 260,000, a gain of 2,500 a year over the present total.
4. At present, there are 74,750 households in the South Bend HMA, representing an average gain of 740 annually since April 1, 1960. During the 1950-1960 decade, the number of households increased by an average of about 1,075 yearly. The number of households in the HMA is expected to total 76,250 by October 1, 1968, reflecting an anticipated gain of 750 during each of the next two years.

Lake Central, North Central, Trans-World, and United Airlines provide a combined average of 30 flights daily, assuring adequate passenger and freight service to the HMA through the St. Joseph County Airport, located adjacent to the city of South Bend. Local bus service is provided by the Northern Indiana Transit Company while six other bus lines provide passenger service to other cities in Indiana as well as Michigan.

# SOUTH BEND, INDIANA, HOUSING MARKET AREA



## Economy of the Area

### Character and History

The first white man known to visit the present site of South Bend was Father James Marquette who toured northern Illinois in the late 1600's preaching to the Indians. The first white settler, Pierre Freischutz Navarre, arrived much later (1820) to establish a trading post for the American Fur Company. Alex Coquillard, who was sent by the American Fur Company three years later to make the trading post a permanent establishment, called the site Big St. Joseph Station. The settlement was formally named South Bend in 1830. The city was finally incorporated in 1865.

As in most of the frontier settlements, early industry consisted of trading, agriculture, and lumbering. The discovery of large bog iron-ore deposits at the present site of Mishawaka led to the establishment of a blast furnace in 1833 and the community gained prominence as a major industrial center. The future growth of the South Bend area as an industrial center was assured in 1852 with the arrival of Henry and Clement Studebaker, founders of the present-day Studebaker Corporation. From the 1850's on, the growth of the South Bend area paralleled the growth of the Studebaker Corporation, engaged first in the manufacture of wagons, carts, and carriages and, later, Studebaker automobiles. The introduction of mass production and specialization in the automobile industry resulted in the subsequent establishment of other smaller firms in the area which manufactured products principally for the use of the Studebaker Corporation.

The Studebaker automobile failed in recent years to gain the wide consumer acceptance necessary to compete successfully with the "big four" automobile manufacturers (General Motors, Ford, Chrysler, and American Motors). The Studebaker Company abandoned its South Bend assembly complex in 1964 and migrated to Hamilton (Ontario Province), Canada. The net result of Studebaker's departure has been the development of a more stable and diversified economy in the South Bend area. The highly volatile durable goods industry, which accounted for 41 percent of all nonagricultural employment in the South Bend area in 1950, now comprises 25 percent of the total and the current unemployment ratio is the lowest since 1951. The South Bend area has weathered the loss of Studebaker quite successfully, although not without substantial out-migration of workers to other major industrial areas, such as Gary and Hammond.

A major contribution to the economic stability of the HMA is the growth of institutions of higher education, notably the University of Notre Dame, which has a current full-time enrollment of about 7,000 students. St. Mary's College (1,500), Indiana University Extension Center (800), Holy Cross School of Nursing (160), and Beth-El College (400) also contribute to the support of the South Bend area.



## Employment

Current Estimate. As reported by the Indiana Employment Security Division, there was an average of 96,500 nonagricultural workers in the South Bend area in 1965, of whom 87,500 were wage and salary workers and 9,000 were "other" workers, including self-employed persons, domestics, and unpaid family workers. Preliminary data indicate that during the first eight months of 1966, an average of 90,000 wage and salary workers were employed in nonagricultural industries, up 3,600 (four percent) over the average for the comparable period in 1965 and higher than the average for any calendar year since 1957.

### Trend of Nonagricultural Wage and Salary Employment South Bend, Indiana, SMSA, 1950-1965 a/ (Annual averages)

<u>Year</u>	<u>Wage and salary employment</u>	<u>Change</u>	<u>Year</u>	<u>Wage and salary employment</u>	<u>Change</u>
1950	97,000	-	1958	78,700	-11,500
1951	98,600	1,600	1959	88,400	9,700
1952	95,400	-3,200	1960	87,400	-1,000
1953	101,600	6,200	1961	82,400	-5,000
1954	87,100	-14,500	1962	86,100	3,700
1955	90,900	3,800	1963	88,300	2,200
1956	89,300	-1,600	1964	84,900	-3,400
1957	90,200	900	1965	87,500	2,600
Jan.-Aug.					
			1965	86,400	-
			1966	90,000	3,600

a/ Data have been revised for comparability to 1950 by the Indiana Employment Security Division.

Source: Indiana Employment Security Division.

Past Trend. Precipitated by increased production for the Korean conflict, wage and salary employment rose to a high of 101,600 in 1953. The national post-war slump resulted in a sharp decline in wage and salary employment in South Bend from which the area has never fully recovered. It was not until 1966 that wage and salary employment approached the levels recorded during the early 1950's. The long-term declining trend of wage and salary employment reflects employment trends in the transportation equipment industry, and the Studebaker Corporation in particular. Employment in the transportation equipment industry declined almost continuously from the high of 33,500 workers in 1953, culminating in the discontinuance of Studebaker automobile production in the area in 1964.

Distribution by Major Industry. Of the 87,500 workers employed in nonagricultural wage and salary industries in 1965 in the South Bend area, 34,100 (39 percent) were employed in manufacturing industries and 53,400 (61 percent) were employed in nonmanufacturing industries (see table III). Employment in durable goods industries accounted for 70 percent of the manufacturing employment and 27 percent of the total wage and salary employment in 1965 (see table II). Despite Studebaker's discontinuance of automobile production in South Bend, the transportation equipment industry remained the dominant source of manufacturing employment in 1965, comprising 28 percent of the manufacturing employment and 11 percent of the total wage and salary employment. The relatively high proportion of employment in the transportation equipment industry in 1965 results from firms which have purchased portions of the Studebaker facility and have hired former Studebaker employees in the production of automotive and aircraft parts and accessories. Employment in the nonelectrical machinery industry and the "other" nondurable goods segment each accounted for eight percent of the 1965 average wage and salary employment. Workers in the "other" nondurable goods category are engaged primarily in the manufacture of rubber and plastic products; approximately 70 percent are employed by a single firm.

Similar to most other metropolitan areas throughout the country, the principal sources of employment in nonmanufacturing industries in South Bend in 1965 were wholesale and retail trade (21 percent of wage and salary employment) and services and miscellaneous (16 percent). Government employment comprised ten percent of the wage and salary employment during 1965, followed by finance, insurance, and real estate (five percent) and transportation, communication, and public utilities (five percent). Over 90 percent of government employment is attributed to state and local agencies, the remainder to federal employment.

While manufacturing employment declined only slightly by 600 (two percent) over the entire 1958-1965 period, year-to-year changes varied considerably in response to changes in durable goods employment, and employment in the transportation equipment and nonelectrical machinery industries, in particular. Manufacturing employment increased by 7,600 from 1958 to 1959; 4,000 of this increase was in the transportation equipment industry and 1,200 was in the nonelectrical machinery industry. A loss of 7,500 manufacturing jobs from 1959 through 1961 is ascribable to employment losses of 6,100 in transportation equipment and 1,600 in nonelectrical machinery. A brief recovery resulted in an increase of 3,500 in manufacturing employment from 1961 to 1963, virtually all of which resulted from employment gains of 1,400 in transportation equipment and 800 in nonelectrical machinery; this economic recovery ended with the complete closing of the Studebaker plant in 1964, the loss of which is evident in a decline of 5,200 in transportation equipment employment from 1963 to 1964. Manufacturing employment has recorded steady growth since 1964; a gain of 900 was recorded from 1964 to 1965 and the eight-month average for 1966 is 2,800 (eight percent) above the eight-month 1965 average.

All segments of durable goods industries showed net employment gains over the entire 1958-1965 period with the exception of transportation equipment. A comparison of eight month averages for 1965 and 1966 reveals employment increases in all durable goods industries thus far, including transportation equipment.

Nondurable goods employment increased modestly by 500 (five percent) from 1958 to 1965; gains of 700 (12 percent) in "other" nondurable goods industries employment and 200 (ten percent) in food products industries were offset by losses of 300 (33 percent) in the apparel industry and 100 (ten percent) in the printing and publishing industry during the period. Employment gains in "other" nondurable goods industries since 1958 are attributable to increases in the rubber and plastics products industry. The relatively sharp decline in the apparel industry reflects the loss of a single apparel-producing firm in 1964. Approximately 250 workers were affected, mostly women (see table I).

Nonmanufacturing employment has been the sustaining factor in the South Bend economy since 1958, increasing by 9,400 (21 percent). Nonmanufacturing employment has grown each year since 1958, with gains as high as 2,100 from 1958 to 1959 and as low as 100 during the 1960-1961 recession. With the exception of the transportation, communication, and public utilities industries in which employment declined by 300 over the seven-year period, all nonmanufacturing industries exhibited gains, notably services and miscellaneous (4,200), trade (2,600), and government (1,800).

Female Employment. The 1960 Census reported that 32.4 percent of all nonagricultural workers in the South Bend area were women, compared with 34.4 percent for the nation. The 1950 Census reported that 27.6 percent of all nonfarm workers in the area were female. The decennial increase in the proportion of women gainfully employed in nonfarm industries in South Bend results principally from the increased number of women employed at the educational institutions, and the various trade and service establishments in the area, as well as in the federal, state, and local government agencies in the HMA. The fact that the proportion of female employment was lower in 1960 in South Bend than the ratio for the entire country reflects the concentration of employment in durable goods industries using predominantly male workers. Unpublished data from the Indiana Employment Security Division indicate that in July 1966, only one-fifth of all female wage and salary employees in the South Bend area were employed in manufacturing industries. In July of this year, females comprised an estimated 31.0 percent of all wage and salary employees; this ratio is based on place of work rather than residence as reported by the Census, so that the current ratio of female employment to total wage and salary employment is not entirely comparable with the 1950 and 1960 Census ratios.

Employment Participation Rate. The ratio of civilian nonagricultural employment to the total population of the HMA is termed the employment participation rate. In the South Bend area, the rate was 37.4 percent in 1960, down from 41.1 percent in 1950. It is likely that the decline in the employment participation rate slowed considerably, and may have even increased slightly, around 1953 when nonagricultural employment was at its peak. The decrease in the participation rate occurred primarily during the 1953-1960 period, paralleling the downward trend in nonagricultural employment. It is judged that the participation ratio has continued to decline since 1960, but at a rate of decline considerably lower than the 1950-1960 rate. The slowing decline results from the out-migration of former Studebaker employees (and their families), and the partial success in placing displaced workers in other jobs in South Bend. If the economy of South Bend continues to recover as expected, it is likely that the participation ratio will increase slightly during the next two years. The anticipated increase in the employment gains will be absorbed, for the most part, by the existing labor force.

#### Principal Employment Sources

The largest single source of employment in South Bend is the Bendix Corporation. The Bendix Corporation operates the following four divisions in the HMA: Bendix Products Automotive Division, Bendix Products Aerospace Division, and Bendix Automotive Service Division located in South Bend City, and the Bendix Mishawaka Division in the city of Mishawaka. Employment at Bendix is concentrated in the production of aircraft products (46 percent) and automotive products and service (43 percent). The remainder (eleven percent) is in defense-oriented projects, principally for the U.S. Navy. The July 1966 employment level at Bendix is slightly higher than the July 1964 level; gains in the automotive and aerospace segments have been partially offset by a sharp decline in the number of employees engaged in the production of defense-related products, stemming from the completion of a major contract with the Navy.

The U.S. Rubber Company is the second largest manufacturer in the HMA and the largest employer in the city of Mishawaka. The U.S. Rubber Company produces rubber, fabric, woolen, and leather footwear products, bearing the "Red Ball" trademark. Other products include foam rubber, automobile floor mats, coated fabrics, fuel cells, and aerospace hardware. Employment at U.S. Rubber is up over the July 1965 level, but is unchanged from July 1964.

The Dodge Manufacturing Corporation in Mishawaka produces mechanical power transmission equipment. Employment in this firm has expanded by one-third since July 1964 in response to increased orders for industrial equipment.

Cummins Engine Company produces diesel engine parts and components for heavy construction equipment (e.g., tractors, bulldozers, and earth-moving trucks and equipment). Unlike the previously-mentioned firms which have been in the South Bend area for over a decade and one-half, Cummins Engine moved into a portion of the former Studebaker facilities in 1964.

The Kaiser-Jeep Corporation is another firm which moved into the Studebaker complex in 1965. In accordance with the national policy of abetting economically distressed areas of the country, the Kaiser-Jeep Corporation was awarded one of several defense contracts which have been offered to firms in the South Bend area subsequent to the announced shut-down of Studebaker. The 140 million dollar defense contract is for 2½-ton Army trucks.

The Torrington Company. Employment at Torrington has increased by 16 percent from July 1964 to July 1966 in response to increased demand for bearings as well as the increasing number of other industrial products which this firm has added to its list of products.

The Wheelabrator Corporation manufactures blast cleaning equipment and steel abrasives. The Wheelabrator Corporation operates out of Mishawaka as a subsidiary of the Bell Intercontinental Corporation. Employment at this firm has grown steadily in recent years. The July 1966 employment level represents a 46 percent increase over the July 1964 level.

The aforementioned manufacturing firms represent the most prominent sources of manufacturing employment in the South Bend HMA, the combined employment of which constituted 54 percent of the manufacturing employment in July 1966.

By far, the largest source of employment among nonmanufacturing industries is the University of Notre Dame. In addition to full-time workers, the university employs students on a part-time basis. Founded in 1842, the university has grown to a current enrollment of nearly 7,000 students.

The Associates Investment Company is one of the major independent finance companies in the nation with over 700 offices scattered throughout the world. Established as an automobile-financing institution, the Associates Investment Company has expanded to include a wide variety of investment programs.

The major nonmanufacturing firms discussed in the preceding two paragraphs had a combined employment which comprised only 10 percent of the nonmanufacturing employment in July of this year, indicating that the nonmanufacturing segment of the economy of South Bend is comprised principally of numerous smaller firms in the area.

### Unemployment

Although the total civilian work force in the South Bend area declined by 8,700 from 1950 and 1965, total employment declined more rapidly by about 11,200 workers, indicating that unemployment grew about 2,500 over the period (see table I). In 1965, the number of unemployed persons in the HMA averaged 4,300, equal to 4.2 percent of the civilian work force. The 1965 unemployment average represents the lowest average for any year since 1951, when 2,000 persons were unemployed (1.9 percent of the civilian work force). With the exception of an increase in 1964, which reflects the impact of the Studebaker shut-down, unemployment has been declining steadily since 1961, and the 1965 average is well below the 16-year peak of 13,400 (13.1 percent) recorded in 1958. Based on average annual data, the unemployment ratio has dipped below 5.0 percent only four times (1950, 1951, 1963, and 1965) in the past 16 years. The most recent available estimate of unemployment indicates a 2.9 percent unemployment ratio in August 1966. On the basis of the most recent unemployment ratio, the U.S. Department of Labor classifies the South Bend area as a "B" area (low unemployment). A portion of the current low unemployment is attributed to seasonal factors, however.

The low unemployment which prevails currently in South Bend is not without its disadvantages in that it has been achieved because the work force has declined more rapidly than employment. With the exception of a few brief upswings during intervening years, the civilian work force generally has declined from 1950 to 1965. The relative instability of employment in the durable goods industries undoubtedly encouraged many workers with little seniority to move to other areas and jobs which offer more security or a brighter future.

### Future Employment

Total nonagricultural employment in the South Bend area is expected to increase by about 2,000 jobs during each of the next two years. The projected employment gain is predicated on continued recovery of the South Bend economy from the losses which were sustained in 1964. It is recognized that the projected employment gain is considerably below the growth thus far in 1966; nonfarm wage and salary employment in the first eight months of 1966 is 3,600 (four percent) above the average for the comparable period in 1965. However, the growth which has taken place since 1964 reflects the opening of new firms which have moved into the former Studebaker complex, the assistance provided by numerous organizations in placing Studebaker employees in other jobs, and federal government contracts awarded to existing firms in the area. In view of the rather tight unemployment situation which characterizes the South Bend area at present, as indicated by the rather low unemployment ratio (2.9 percent), a declining work force in recent years, and continued out-migration to nearby Gary and Michigan City, there remains a distinct possibility that local employment demands may not be satisfied and that nonagricultural employment gains will be much lower than the gains experienced during the period of recovery from the closing of the Studebaker plant. As suggested earlier (see Employment Participation Rate section), the projected employment gains are expected to be absorbed to a great extent by the existing population of the HMA, which would be reflected in an increase in the employment participation rate.

Manufacturing employment will continue to increase in response to planned expansions in numerous existing firms and the continued growth of the new firms which have come into the South Bend area since 1964. As in the past, nonmanufacturing employment will continue to grow, notably in the trade, service, and government segments. Construction activity is expected to rise to meet the expansion programs of manufacturing and nonmanufacturing firms.

### Income

The current median income of all families in the South Bend HMA, after deducting federal income taxes, is estimated at \$7,025 annually; the current median after-tax income of renter households of two or more persons is \$5,700. Current median annual incomes are 14 percent above 1959 levels. The past, current, and 1968 projected median income levels in the HMA are shown in the following table.

Median After-Tax Income of All Families and of Renter Households  
South Bend, Indiana, Housing Market Area  
1959, 1966, and 1968

<u>Year</u>	<u>All families</u>	<u>Renter households <sup>a/</sup></u>
1959	\$6,150	\$4,975
1966	7,025	5,700
1968	7,325	5,950

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Fifteen percent of all families and 27 percent of renter households of two or more persons have annual incomes of less than \$4,000 annually at the present time (see table IV). About 21 percent of all families and only ten percent of the renter households have incomes in excess of \$10,000 annually.

By 1968, median incomes in South Bend are expected to increase by about four percent to \$7,325 for all families and \$5,950 for renter households. Approximately 14 percent of all families and 26 percent of the renter households will be receiving less than \$4,000 yearly. Nearly one-fourth of all families and 12 percent of the two- or more-person renter households are expected to have annual incomes in excess of \$10,000 in 1968.

The renter household income distribution, including annual median incomes discussed above and presented in table IV, are deflated, to some extent, by the inclusion of approximately 1,000 married student families whose income levels generally are low. If these families could be excluded from the basic data utilized in deriving renter household incomes, the median levels of income for renter households of two or more persons would be somewhat higher than indicated.



## Demographic Factors

### Population

Housing Market Area. The population of the South Bend HMA currently totals 255,000 persons, representing an estimated annual increase of about 2,525 persons (1.1 percent) since April 1, 1960.<sup>1/</sup> The average annual gain recorded from April 1960 to date is about three-fourths of the average increment of about 3,350 persons (1.5 percent) a year which occurred during the 1950-1960 decade and only three-fifths of the rate of population growth of 4,325 a year from 1940 to 1950. A large part of the declining rate of population growth in South Bend in recent years is related to the employment trend at the Studebaker Corporation. From the early 1950's to the time of the shut-down in 1964, many Studebaker employees, particularly young males with little seniority to sacrifice, moved to other industrial cities.

Principal Cities. The city of South Bend has a current population of about 135,100, equal to 53 percent of the HMA total. Mishawaka has a population of about 35,700 currently, or 14 percent of the HMA total. The city of South Bend has grown by about 410 persons annually for the past six and one-half years, equal to about one-fourth the annual average growth (1,650) of the previous decade. For the most part, this change was the result of annexations to South Bend during the 1950-1960 period. From 1950 to 1960, annexations accounted for 58 percent of the total population growth of the city. Annexation activity has been negligible since 1960. The difference in the rate of growth between the two periods also was affected by a rather sizeable reduction in the level of residential construction in South Bend during the more recent period which, in turn, was the result of the declining availability of suitable and relatively inexpensive residential sites within the city.

Whereas population growth in Mishawaka averaged 360 persons a year from 1960 to date, the population in this city remained virtually unchanged between 1950 and 1960. From 1950 to 1960, the construction of residential units barely exceeded residential units demolished.

---

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

The net result was that natural increase exceeded out-migration by a small margin and there was only a slight gain in population. Demolition activity has declined since 1960 as has out-migration, resulting in a higher rate of population growth in Mishawaka.

Remainder of the HMA. Approximately one-third (84,200) of the population of the HMA currently resides in the remainder of the HMA, primarily in the townships contiguous to the two central cities. Since 1960, the population in the outlying areas of the HMA has increased by 1,750 persons (2.3 percent) a year. Between 1950 and 1960, the population in the remainder of the HMA grew by 1,650 (2.6 percent) a year despite annexations to the central cities.

Estimated Future Population. By October 1, 1968, the population of the South Bend HMA is expected to total 260,000. The projected population total represents an anticipated increment of 2,500 (one percent) annually over the next two years. The rate of population growth assumes a continued growth of the economy of South Bend, with employment gains approximating 2,000 jobs for each of the next two years. Assuming continued national prosperity, the probability that the anticipated employment increase in South Bend will materialize over the two-year forecast period is increased now that the economy has been forced into diversification with the loss of its major employer. The population projection suggests that out-migration will continue at a rate similar to that which has occurred since 1960.

The population growth expected to be generated by the additional jobs forecast earlier in this analysis is less than might ordinarily be expected because of an anticipated increase in the employment participation ratio. During periods of increasing employment opportunity, there is increased entrance into the labor force by students and women (in July of this year, nearly one-third of all wage and salary workers were women), and there is generally delayed retirement among older people. For example, in the first eight months of 1966, the civilian work force increased by 1,600 persons over the average for a comparable period in 1965; this results from an increase of 3,600 wage and salary jobs during the same period and is particularly significant in view of the fact that the civilian work force has been declining since 1963.

The pattern of prospective population growth is expected to approximate the 1960-1966 experience, with the major portion of growth occurring in the townships contiguous to the two cities. Population growth in Mishawaka should be somewhat higher than the 1960-1966 experience as fewer residences are expected to be demolished over the forecast period and displaced families should find relocation within the city less difficult.

Net Natural Increase and Migration. During the 1950-1960 decade, the population of the South Bend HMA increased by 3,350 persons annually. Net natural increase (resident births less resident deaths) averaged nearly 3,850 a year, and there was an annual net out-migration of nearly 500 persons. As the table below shows, there was migration from the two central cities from 1950 to 1960 and migration into the remainder of the HMA. It should be noted that South Bend City experienced out-migration over the intercensal period despite annexations to the city. Since 1960, the average annual net natural increase in the HMA declined by 27 percent to 2,775 persons a year. A comparison with the annual population increment of 2,525 since 1960, indicates that the level of out-migration has declined to 250 persons a year. Out-migration from Mishawaka has practically ceased while out-migration from South Bend has increased in recent years.

The trend toward "suburbanization" in South Bend illustrated by these data is reinforced in the South Bend HMA by the demolition of a substantial number of residential units in the central cities as a result of public action (i.e., urban renewal, highway and street programs, code enforcement, etc.).

Components of Average Annual Change in Population  
South Bend, Indiana, Housing Market Area  
April 1, 1950-October 1, 1966

<u>Area</u>	<u>1950-1960</u>			<u>1960-1966 <sup>a/</sup></u>		
	<u>Population</u>	<u>Net</u>	<u>Net</u>	<u>Population</u>	<u>Net</u>	<u>Net</u>
	<u>change</u>	<u>natural</u>	<u>migration</u>	<u>change</u>	<u>natural</u>	<u>migration</u>
		<u>increase</u>			<u>increase</u>	
Mishawaka	45	596	-551	360	375	-15
South Bend	1,654	2,378	-724	410	1,750	-1,350
Rest of HMA	<u>1,657</u>	<u>866</u>	<u>791</u>	<u>1,750</u>	<u>650</u>	<u>1,100</u>
HMA total	3,356	3,840	-484	2,525	2,775	- 250

a/ Columns may not add because of rounding.

Sources: U.S. Census Population Report, Series P-27, No. 7.  
 St. Joseph County Department of Public Health.  
 Estimates by Housing Market Analyst.

As shown in the table above, there was an out-migration of population from the HMA over the entire 1950-1966 period, although it was more pronounced during the 1950-1960 decade. It is likely that a large portion of the out-migration since 1950 occurred from 1958 through

1961, a period during which the unemployment ratio dipped below 6.0 percent only once (1959). From 1961 through 1963, out-migration was probably somewhat lower and may have ceased in response to the upswing in the economy of South Bend. It is likely that the major portion of the out-migration from the HMA since 1960 occurred subsequent to the Studebaker shut-down in 1964, although a study of the Studebaker phase-out indicated that only 500 (seven percent) of the 7,000 workers employed (at the time the shut-down was announced) moved from the area permanently.

### Households

Housing Market Area. There are about 74,750 households in the South Bend HMA at the present time, an average annual increase of 740 (1.1 percent) a year since April 1, 1960; household growth since 1960 is 31 percent below the average of some 1,075 (1.7 percent) added each year over the 1950-1960 decade. <sup>1/</sup> Paralleling the pattern of population growth, the lower rate of household growth since 1960 compared with growth during the previous decade reflects, to some extent, out-migration which occurred from about 1958 through 1961 and that which occurred subsequent to the Studebaker shut-down.

Principal Cities. There are approximately 11,350 households in the city of Mishawaka and 41,900 in the city of South Bend at the present time. The number of households in the city of Mishawaka increased by 25 a year from 1950 to 1960, but by 110 a year since 1960. Between 1950 and 1960, the construction of new residential units barely exceeded demolitions of housing units in Mishawaka. From 1960 to date, an increase in the level of out-migration has reduced the yearly growth in the number of households in South Bend to one-fourth of the 1950-1960 annual growth.

Remainder of the HMA. Households in the remainder of the HMA currently number 21,500, an increase of 480 (2.4 percent) a year since 1960. From 1950 to 1960, the number of households in the outlying areas increased by 390 (2.4 percent) a year. The number of households outside the central cities has been increasing since 1950, despite annexations by the cities of South Bend and Mishawaka.

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

Household Size Trends. The current average size of all households in the HMA is 3.29 persons, unchanged since 1960, but down from 3.31 persons in 1950. Average household size has been declining in South Bend at a rate slower than that of the 1950-1960 period, and the average size of households in the suburban areas has been increasing since 1950. As a result, the average household size for the HMA as a whole remains unchanged since 1960 despite the decline over the previous ten years. A change in census definition partially accounts for the decline in average household size from 1950 to 1960, since a number of small "housing units" were enumerated in 1960 which were not included in "dwelling units" in 1950. This affects the two cities, particularly. The increase in the average household size in the remainder of the HMA results from the increasing proportion of young married couples who, with typically larger families, tend to locate in the suburban areas.

Average Household Size  
South Bend, Indiana, HMA  
1950-1968

<u>Area</u>	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>October 1,</u> <u>1966</u>	<u>October 1,</u> <u>1968</u>
HMA total	3.31	3.29	3.29	3.29
Mishawaka	3.15	3.11	3.11	3.12
South Bend	3.27	3.20	3.19	3.18
Remainder of HMA	3.50	3.58	3.59	3.59

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

Estimated Future Households. Based on the projected population growth for the next 24 months and on the assumption that household size in the South Bend area will remain about the same over the forecast period, it is estimated that there will be 1,500 households added in the HMA by October 1968, or an annual increase of 750 a year. The projected rate of growth in the number of households is similar to that which has occurred since 1960, but is substantially below the yearly average for the 1950-1960 period. The anticipated addition in the number of households most likely will conform to the geographic pattern of growth since 1960, with the outlying areas of the HMA accounting for the major portion of the growth. The number of households in the city of Mishawaka is expected to increase at a rate slightly above that established since 1960. Households in South Bend should continue to increase at a rate similar to, or perhaps even lower than, the 1960-1966 rate.

## Housing Market Factors

### Housing Supply

Current Estimate. As of October 1, 1966, there are 78,350 housing units in the South Bend HMA, a net gain of some 5,200 housing units or an average increase of 800 units (1.1 percent) annually (see table VI). The net increase results from the construction of about 6,250 new residential units and a loss of approximately 1,050 units, principally through demolition. Gains were concentrated in the areas outside the cities averaging 490 units annually to reach a current total of 22,600, equal to 29 percent of the total housing supply in the HMA. The housing inventory in the city of South Bend grew by 190 units a year since 1960 to a current total of about 43,800 (56 percent of the HMA total). The increase in Mishawaka averaged 120 units a year to a current inventory of 11,950, comprising 15 percent of the housing supply in the HMA.

Past Trend. Between 1950 and 1960, the number of housing units in the HMA increased by an average of nearly 1,250 a year to a 1960 total of 73,150. Some part of this increase resulted from a more inclusive definition of "housing unit" in the 1960 Census than that of "dwelling unit" used in the 1950 Census. The impact of the "definitional increment" was confined largely to the central cities.

From 1950 to 1960, an average of nearly 750 units were added each year to the housing inventory in the city of South Bend. The housing inventory in Mishawaka increased by 60 units annually during the same period. It is significant to note that over the 1950-1960 period some 1,450 residential units were authorized for construction in Mishawaka. When compared roughly with the 1950-1960 Census increase of 630 units in the Mishawaka inventory during the same period, a loss of 820 units is indicated. The loss resulted primarily from demolitions in urban renewal areas in the city. Over the 1950-1960 period, the housing inventory in the remainder of the HMA increased by some 440 units a year.

Units in Structure. Single-family units, including semidetached units, row houses, and trailers, constitute 88 percent of the current housing supply. Units in structures housing two to four families account for eight percent and units in structures housing five or more families account for the remaining four percent of the inventory.

Housing Inventory by Units in Structure  
South Bend, Indiana, Housing Market Area  
April 1, 1960 and October 1, 1966

<u>Units in structure</u>	<u>April</u>	<u>October</u>	<u>Percent of total</u>	
	<u>1960</u>	<u>1966</u>	<u>1960</u>	<u>1966</u>
1 unit	64,433	69,000	88.1	88.1
2 to 4 units	6,244	6,300	8.5	8.0
5 or more units	<u>2,459</u>	<u>3,050</u>	<u>3.4</u>	<u>3.9</u>
Total	73,136 <sup>a/</sup>	78,350	100.0	100.0

<sup>a/</sup> Differs slightly from the count of all units (73,138) because units by type of structure were enumerated on a sample basis.

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

As shown in the preceding table, the composition of the housing inventory has changed very little since the April 1960 Census.

Single-family housing constitutes a larger proportion of the total in the less urbanized areas outside the central cities where land is cheaper and more available. Conversely, structures housing two or more families are concentrated in the central cities where higher land and construction costs dictate the construction of higher density housing.

Housing Inventory by Units in Structure for Selected Areas  
South Bend, Indiana, Housing Market Area  
As of October 1, 1966

<u>Units in structure</u>	<u>Percentage distribution</u>			
	<u>Mishawaka</u>	<u>South Bend</u>	<u>Remainder of HMA</u>	<u>Total HMA</u>
1 unit	85.4	83.6	98.2	88.1
2 to 4 units	10.0	11.2	.9	8.0
5 or more units	<u>4.6</u>	<u>5.2</u>	<u>.9</u>	<u>3.9</u>
Total	100.0	100.0	100.0	100.0

Source: 1960 Census of Housing, adjusted by Housing Market Analyst for changes since 1960.

Age of Structure. Despite a substantial number of demolitions of older residences in the HMA since 1960, the current housing supply is quite old. Forty-five percent of the present housing stock was constructed prior to 1930 and a like percentage was built between 1930 and 1960. Eight percent of the current housing supply has been added since April 1960.

As might be expected, the inventory is oldest in the cities where there is no extensive open land available for development, and relatively new in the remainder of the HMA, where the reverse situation exists (see table below).

Percentage Distribution of the Housing Inventory by Year Built  
South Bend, Indiana, HMA, as of October 1, 1966

<u>Year built</u> <sup>a/</sup>	<u>Percentage distribution</u>			
	<u>Mishawaka</u>	<u>South Bend</u>	<u>Remainder of HMA</u>	<u>HMA total</u>
April 1960-October 1966	9.3	4.4	14.2	8.0
1950-March 1960	15.0	21.0	26.8	21.8
1940-1949	11.5	13.3	23.8	16.0
1930-1939	8.7	8.0	11.0	9.0
1929 or earlier	<u>55.5</u>	<u>53.3</u>	<u>24.2</u>	<u>45.2</u>
Total	100.0	100.0	100.0	100.0

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

Source: 1960 Census of Housing, adjusted by Housing Market Analyst for changes since 1960.

Condition of the Inventory. At the present time, approximately 94 percent of the housing inventory of the HMA is considered to be acceptable in that the units are neither dilapidated nor lacking any plumbing facilities. This represents an improvement since 1960, when 92 percent of the housing stock was classified as acceptable. Demolitions of sub-standard residences, combined with general upgrading and new residential construction, are responsible for the relative improvement over the past six and one-half years. The condition of the housing inventories in Mishawaka and South Bend are quite good, with 97 percent and 96 percent of the respective housing inventories currently classified as acceptable. Ninety percent of the housing inventory in the remainder of the HMA is



acceptable at the present time. The relatively poorer condition of the housing stock in the outlying areas of the HMA is indicative, to some extent, of the fact that these areas are not subject to building codes which are generally enforced in the cities; consequently, it is cheaper and more convenient to abandon a rural residence in lieu of demolition. In addition, there are a number of makeshift units, which are used seasonally and which lack plumbing features ordinarily found in conventional residences occupied the year-round

#### Residential Building Activity

The trend of new residential construction, as determined by building permit authorizations, is presented for the South Bend HMA and its principal components in table VII. Virtually all of the land area in the South Bend HMA is covered by building permit systems. From a peak of nearly 2,925 units authorized in 1950, volume declined by 36 percent to 1,850 units in 1951, and the annual volume of residential units authorized has remained well below the 1950 peak for the past decade and one-half. From 1950 through 1954, the number of units authorized averaged nearly 2,000 a year; during the latter half of the 1950-1960 decade, an annual average of 1,175 units were authorized for construction, 42 percent below the annual average of the previous five years. Since January 1, 1960, an average of 990 units have been authorized annually in the South Bend area, 15 percent below the 1955-1959 average and equal to just one-half the average for the 1950-1954 period. On the basis of housing units authorized since 1960, building activity declined from a high of over 1,150 in 1960 to a low of 750 in 1962. It should be noted, however, that the volume of units authorized has been increasing steadily since 1962, to 1,075 in 1965 (including 108 units of public housing) despite the loss of employment at Studebaker.

While the level of new residential building activity in Mishawaka and the outlying areas of the HMA has been higher in recent years than during the 1955-1959 period, authorizations in the city of South Bend have been trending downward since 1950. From 1950 through 1954, an average of 1,175 units were authorized each year in South Bend. During the five years subsequent to 1954, the average annual level declined by about 50 percent to 600 units a year. Since 1960, an average of 310 units have been authorized for construction each year in the city of South Bend, one-half the average annual volume of the preceding five years. In contrast, the average of 170 units authorized each year in Mishawaka since 1960 is nearly double the 1955-1959 average. The volume of authorizations in the remainder of the HMA is six percent above that for the 1955-1959 period.

Between 1950 and 1960, South Bend accounted for 57 percent of all units authorized in the HMA. Since 1960, less than one-third of the total units authorized were in the city of South Bend. The proportion of units authorized in Mishawaka rose from nine percent of the HMA total during the 1950-1960 decade to 18 percent of the total since 1960; the proportion of units authorized in the balance of the HMA rose from 34 percent in the 1950-1960 decade to slightly over 50 percent during the 1960-1966 period.

As shown in the following table, single-family units account for the major portion (83 percent) of the units authorized since 1960. Units in structures with five or more units comprise 13 percent of the total and the remaining four percent are units in two- to four-unit structures. Single-family permit authorizations in the South Bend area declined by 25 percent from a high of nearly 1,150 in 1960 to 860 in 1961 and by 13 percent to 750 units in the following year. Following a modest increase from 1962 to 1963, single-family authorizations dropped 22 percent to a six-year low of 630 in 1964 as home builders immediately curtailed residential construction in response to the imminent Studebaker shut-down. Despite the high unemployment and out-migration which ensued, the economy (including the home-building segment) recovered and single-family authorizations increased by 23 percent to 780 units in 1965. Single-family units authorized in the first eight months of 1966 are 16 percent below the level for the comparable 1965 period and the total volume in 1966 may be the lowest in seven years, reflecting the shortage of mortgage funds. The decline in authorizations thus far in 1966 is not peculiar to the South Bend area, however. While the tightening of funds for residential construction and mortgage lending purposes has undoubtedly affected residential construction in the South Bend area this year, it is a characteristic common to most other areas throughout the country.

Housing Units Authorized by Building Permits, by Units in Structure  
South Bend, Indiana, Housing Market Area  
January 1960 through August 1966

<u>Year</u>	<u>Units in structures</u>			<u>Total units</u>
	<u>One</u>	<u>Two to four</u>	<u>Five or more</u>	
1960	1,149	-	12	1,161
1961	861	150 <u>a/</u>	108	1,119
1962	747	4	-	751
1963	815	-	64	879
1964	630	9	312	951
1965	779	125 <u>b/</u>	173	1,077

Jan.-Aug.

1965	560	115 <u>b/</u>	11	686
1966	472	-	179	651

a/ Represents public housing units.

b/ Includes 108 public housing units.

Sources: U.S. Bureau of the Census, Construction Reports C-40;  
local building inspectors.

Sixty percent of the single-family units authorized since 1960 were in the suburban areas of the HMA, 28 percent were in the city of South Bend, and 12 percent were authorized for construction in Mishawaka.

Since 1960, virtually all of the permits issued for two-to four-family units were in two low-rent public housing projects of 150 units (1961) and 108 units (1965) authorized for construction in Mishawaka and South Bend, respectively. The number of multifamily units (five or more units in a structure) authorized by building permits since 1960 is more than double the number of multifamily units constructed over the entire 1950-1960 decade.

Since 1960, nearly one-half of the multifamily units authorized by building permits in structures of five or more units have been insured by the FHA with below-market-interest-rate financing. These 415 FHA-insured multifamily units are included in the preceding table in 1964 (153 units), 1965 (160 units), and in the first eight months of 1966 (102 units). If the below-market-interest-rate financing units are excluded, the number of multifamily units declines to 160 units in 1964 and to about 15 units in 1965. Some 75 conventionally-financed units have been authorized for construction thus far in 1966, however. Of the 415 units insured by the FHA, 160 units are in a cooperative project.

Forty-seven percent of the multifamily housing units authorized since January 1960 were in the city of South Bend, 40 percent in Mishawaka, and thirteen percent in the suburban areas of the HMA. With the exception of a 140-unit public housing high-rise project completed in 1961, virtually all multifamily permit authorizations since 1960 have been for two-story walk-up projects of garden apartments or townhouses.

Units Under Construction. Based on building permit data, a postal vacancy survey conducted in late September 1966, and on other data obtained in the South Bend area, there are estimated to be 330 housing units under construction on October 1, 1966 in the South Bend HMA. About 170 units of this total are single-family houses and the remaining 160 units are in multifamily structures. Approximately 45 percent (80 units) of the single-family houses are in some stage of construction in the suburban areas of the HMA, 31 percent (50 units) are under construction in the city of Mishawaka, and the remainder, 24 percent (40 units), are currently under construction in the city of South Bend. Virtually all of the multifamily units are presently under construction in the city of South Bend, including a few two-family structures still under construction in a public housing project. The geographic distribution of residential units under construction does not agree entirely with units enumerated under construction in the postal vacancy survey (see table X). The discrepancy is greatest in the city of South Bend, among single-family residences in particular, and is attributed to postal coverage of residences under construction in postal areas just outside the central city boundaries.

Demolitions. Losses to the housing inventory resulting from demolition activity have been substantial since 1960 in the HMA, totaling about 1,050 units. Most of the units razed in recent years were in areas which are involved in the urban renewal programs of the two cities and in clearance for highway construction. Since 1960, over 720 housing units have been demolished in the city of South Bend, 300 units were removed from the housing supply in the city of Mishawaka, and 30 were demolished in areas outside the cities. Approximately two-thirds of the units demolished were single-family houses and one-fourth were in structures with two to four units; less than ten percent were multifamily units.

Demolitions in the next two years are expected to remove 350 units from the current housing inventory, the bulk of which will be demolished in the two cities as a result of urban renewal activity.

#### Tenure of Occupancy

Current Estimate. As of October 1, 1966, 79.3 percent (59,300 units) of the occupied housing stock in the South Bend area is owner-occupied and 20.7 percent (15,450 units) is renter-occupied. The preference for homeownership in the South Bend area is indicated even in the two cities where over three-fourths of the current number of households are owner-occupants. As expected, the proportion of homeowners is highest in the suburbs of the HMA where the construction of single-family houses is now concentrated (see table VIII).

Past Trend. Since April 1950, there has been an increase in the proportion of owner-occupied units in the South Bend HMA, but the increase since 1960 has been much slower than the increase in owner-occupancy during the 1950-1960 decade. Recent additions of sizeable multifamily housing projects have contributed to the reduced rate of change in recent years. The increase in the proportion of homeowners between 1950 and 1960 also resulted from a decline in the absolute number of renter-occupied units. From 1950 to 1960, the number of multifamily units demolished or transferred to other uses actually exceeded new multifamily construction, so that the net result was an absolute decline in the number of multifamily units available for renter occupancy. In 1960, 59 percent of the 15,000 renter-occupied dwelling units were in single-family structures and 28 percent were in structures with two to four units; only 13 percent of all renters in the HMA lived in multifamily structures (five or more units). The lack of suitable rental accommodations accounts for some part of the homeowner preference referred to above.

As shown in the following table, the trend of renter tenure is consistent among the various components of the HMA except Mishawaka, which has experienced a modest increase in the proportion of renter households since 1960. Fewer demolitions of multifamily units and increased apartment construction in Mishawaka in recent years have undoubtedly contributed toward this trend.

Trend of Renter Tenure  
South Bend, Indiana, HMA  
1950, 1960, and 1966

<u>Area</u>	<u>Renter-occupied households as a</u> <u>percentage of total occupied units</u>		
	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>October</u> <u>1966</u>
Mishawaka	28.3	22.2	22.9
South Bend	29.9	24.7	24.1
Remainder of HMA	19.1	13.9	12.8
HMA	27.0	21.5	20.7

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

Vacancy

April 1960 Census. The 1960 Census of Housing reported over 1,625 units vacant and available for sale or rent in the South Bend HMA, an available vacancy ratio of 2.3 percent. Vacant units for sale numbered 680, or 1.2 percent of all homeowner units. The 945 vacant units for rent represented a rental vacancy ratio of 5.9 percent. Nine percent of the vacant available sales units and 21 percent of the vacant available rental units were substandard in that they were dilapidated or lacked one or more plumbing facilities.

The homeowner vacancy ratios were slightly lower in Mishawaka (1.1 percent) and the suburban areas of the HMA (1.0 percent) than in South Bend (1.4 percent). Mishawaka had a rental vacancy ratio of 6.9 percent compared with 6.0 percent in the city of South Bend and 4.9 percent in the remainder of the HMA (see table IX).

The following table shows that in April 1960 57 percent of the rental units were in single-family structures and that single-family rentals had the best occupancy experience. The rental vacancy ratios were highest in structures with two to four units and in the larger structures with ten or more units.

Renter Occupied Units and Vacant Units f Rent  
by Units in Structure  
South Bend, Indiana, HMA, April 1960

<u>Units in structure</u>	<u>Occupied rental units</u>	<u>Available for rent</u>	
		<u>Number</u>	<u>Percent</u>
1 unit	8,863 <u>a/</u>	389	4.2
2 to 4 units	4,226	359	7.8
5 to 9 units	826	44	5.1
10 or more units	<u>1,158</u>	<u>91</u>	<u>7.3</u>
Total	15,073 <u>b/</u>	883 <u>b/</u>	5.5

a/ Includes trailers.

b/ Differs slightly from all renter-occupied units and all vacant units available for rent because units by units in structure were enumerated on a sample basis.

Source: 1960 Census of Housing.

Postal Vacancy Survey. A postal vacancy survey was conducted by the three principal post offices in the South Bend area in the latter part of September 1966. The survey covered about 67,900 possible deliveries in the HMA, equal to 87 percent of the current housing inventory. A total of about 1,925 vacancies were enumerated, equal to 2.8 percent of the total possible deliveries. There were nearly 1,500 vacant residences, or 2.3 percent of the residences enumerated. A total of 420 apartment units were reported vacant, 13.3 percent of the apartment units surveyed. The survey results for each of the participating post offices are shown in detail in table X.

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-type houses, 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 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.

Rental Experience. Multifamily projects insured by the FHA vary significantly in occupancy experience. As a group, the older projects have had more difficulty maintaining satisfactory occupancy levels in recent years than the new projects insured with below-market-interest-rate financing.

For the most part, the conventional rental projects completed in recent years have been doing quite well. A special survey, sampling about 150 conventionally-financed apartment units which have been built since 1962 in the South Bend area, was made by FHA personnel in April 1966. All apartments covered by the survey were in walk-up structures in South Bend and Mishawaka.

At that time, the vacancy ratio was less than one percent and, currently, the vacancy situation in these project remains about the same. Monthly charges for these units range from \$100 to \$150 for one-bedroom units, \$150 to \$185 for two-bedroom units, and \$250 to \$285 for three-bedroom units. All of the new rentals are air-conditioned, although tenants are charged extra for electricity in most of the projects.

Current Estimate. Based on the postal vacancy survey, data provided by the South Bend-Mishawaka Board of Realtors, and on personal observation in the HMA, it is estimated that there are about 2,050 vacant housing units available for sale or rent in the HMA as of October 1, 1966, an over-all net vacancy ratio of 2.7 percent. Of this total, 850 are for sale and 1,200 are for rent, equal to homeowner and renter vacancy ratios of 1.4 percent and 7.2 percent, respectively. Only a negligible number of the available vacant sales houses lack one or more plumbing facilities, while an estimated 180 of the available rental vacancies lack some or all plumbing facilities. In an area such as the South Bend HMA where household growth is expected to be moderate, the homeowner vacancy ratio (after some qualitative adjustments) represents a balanced supply-demand relationship, while the rental vacancy ratio represents a moderate over-supply in the rental inventory. It is recognized, however, that there are a substantial number of rental vacancies which, because of location, age, and condition, are not competitive with modern well-maintained rental units.

As a result of the high level of out-migration, current homeowner and renter vacancy ratios are highest in the city of South Bend. The sales vacancy ratio in South Bend now stands at 1.5 percent, compared with 1.1 percent for Mishawaka, and 1.3 percent for the remainder of the HMA. The current rental vacancy ratio of 7.3 percent for South Bend is slightly above the 7.1 percent rental vacancy ratio for Mishawaka and the 6.8 percent vacancy ratio in the remainder of the HMA.



## Sales Market

General Market Conditions. The current market for single-family sales houses has shown little change from the equilibrium position in 1960. Additions to the inventory of sales houses have slightly outpaced demand for new sales units, resulting in a modest increase in the home-owner vacancy ratio. Builders in the South Bend area have carefully geared new single-family construction to the economic climate of the HMA and a firm market for new sales houses has been maintained since 1960; this is exemplified by the downward adjustment of new sales houses constructed during the most recent recession (1960-1961) and the Studebaker phaseout (1964) which are reflected in the number of single-family units authorized for construction during these periods (see table on page 23).

There are numerous small subdivisions located throughout the South Bend HMA, the most active of which have produced no more than 50 houses in one year. Subdivision activity is concentrated in the urban fringe areas immediately north and south of the cities of South Bend and Mishawaka. The sales market in Mishawaka has been stimulated in the past two years by rather sizeable tracts of land which have been cleared and made available by urban renewal programs in the city. New single-family homes can be built in the HMA to sell for as little as \$10,000. Although there is much activity in all price ranges above \$10,000, builders in the South Bend area feel that houses priced in the \$20,000 to \$25,000 price range have greatest appeal.

Speculative Construction. On the basis of surveys of new sales housing conducted by the FHA Indianapolis Insuring Office in the past three years, speculatively-built houses have, with some consistency, accounted for around 28 percent of all new houses surveyed. The survey includes all subdivisions in the HMA in which five or more sales houses were constructed during twelve months preceding the survey. During 1965, 29 percent of the new single-family houses were started speculatively, compared with 28 percent in 1964 and 1963. Thus far in 1966, however, speculative construction has dropped sharply in response to diminishing funds available for new construction and mortgage lending purposes; this has been confirmed by builders, realtors, and money-lending officials in the South Bend area.

Unsold Inventory of New Houses. The surveys discussed in the preceding paragraph have been conducted by the FHA in January for the past several years (see table XI). Although the surveys cover only those areas or subdivisions in which no less than five houses were completed during the year, the sales houses enumerated in the past three surveys constitute just over half of all new homes completed in the HMA during the period covered. A substantial amount of single-family construction is done on scattered sites throughout the HMA and was not included.

Of the total number of houses built speculatively in 1963, 37 units remained unsold as of January 1, 1964, equal to 29.8 percent of the total speculative completions. Immediately after the Studebaker decision, builders reduced the construction of new sales houses so that the unsold inventory ratio declined sharply to 16.3 percent in 1964 despite the employment drop. In 1965, the ratio declined further to 15.8 percent.

The most recent survey showed that nine of the 19 unsold houses enumerated were on the market for less than 30 days, six for two to three months, three from four to six months and one house had been completed and available for seven months or more. In addition, there was one house which had been on the market for over a year.

As shown in the following table, there has been an upward trend in the prices of houses covered by the surveys. Houses priced above \$30,000 accounted for nearly 19 percent of all houses surveyed in January 1966, compared with 17 percent in January 1965 and only 7 percent in January 1964. Rising land, labor, and material costs, as well as a demand for amenities by home buyers, have undoubtedly contributed to this general upward trend in prices. Houses built to sell in the \$20,000 to \$25,000 price range consistently comprised over one-fourth of the completions in the three surveys.

Price Distribution of New House Completions in Selected Subdivisions <sup>a/</sup>  
South Bend, Indiana, Housing Market Area  
as of January 1, 1964, 1965, and 1966

<u>Price</u>	<u>Percent of total completions</u>		
	<u>1964</u>	<u>1965</u>	<u>1966</u>
Under \$12,500	4.9	3.5	5.9
\$12,500 - 14,999	12.1	13.0	12.9
15,000 - 17,499	15.0	15.6	10.7
17,500 - 19,999	23.7	14.5	8.0
20,000 - 24,999	28.2	26.0	29.0
25,000 - 29,999	9.0	10.4	14.8
30,000 - 34,999	3.1	9.2	9.7
35,000 and over	<u>4.0</u>	<u>7.8</u>	<u>9.0</u>
Total	100.0	100.0	100.0

<sup>a/</sup> Selected subdivisions are those with five or more completions during the twelve months preceding January 1.

Source: Indianapolis, Indiana FHA Insuring Office.

## Rental Market

General Market Conditions. As suggested earlier in this analysis, the rental market in the South Bend HMA is composed largely of single-family structures and structures with two to four units. Out-migration and shifts to owner-occupancy contributed to the decline in the number of renter households between 1950 and 1960. There was little or no construction of multifamily units during the decade and, as a result of a substantial number of demolitions of multifamily units, the number of multifamily units actually declined. The current surplus of rental housing does not represent a serious imbalance since vacancies are concentrated in the older units, many of which were constructed over 30 years ago. There are several multifamily projects planned for the HMA which, if built, will add around 350 new rental units to the South Bend HMA over the next two to three years. Monthly rentals in the new project are expected to be similar to those in the existing project with rents of \$100 for a one-bedroom unit and around \$115 to \$125 for a two-bedroom unit, including utilities.

Rental Housing Under Construction. At the present time, there are approximately 160 multifamily units in some stage of construction in the HMA. All of the multifamily units are in garden-type structures and practically all are under construction in the city of South Bend. Included in the units under construction is a public housing project of 108 units to be completed in early 1967.

## Urban Renewal

At the present time, there are a total of 11 active urban renewal projects either in the planning or execution stage in the HMA. Six of the projects are in Mishawaka and the remainder are located in the city of South Bend.

Dodge Park (Indiana R-4) encompasses a total of over 122 acres in south Mishawaka. Bordered by Fifth, Laurel, and Merrified Avenues and the city limit, this project is predominantly one of clearance and is in final stages of redevelopment. Nearly 100 families and individuals have been relocated and virtually all of the land has been cleared. This project is scheduled for completion in early 1967. Re-use will be principally residential in nature; thus far, 75 new single-family houses have been constructed in this area as well as a 40-bed nursing home and a multifamily rental project of 23 units.

Twin Branch (Indiana R-9), located in northeastern Mishawaka, is bordered roughly by the St. Joseph River, the eastern Mishawaka City limits, the New York Central Railroad tracks, and Mariellen Avenue. The Twin Branch project is now in its fourth year of execution and 75 percent of this 270-acre project is completed. Thus far, nearly 100 residential units have been demolished and some 40 families have been relocated; principal re-use will be residential in nature. The Twin Branch project is scheduled for completion in early 1968.

Saint Joseph Hospital (Indiana R-42) is bordered by Fourth, Main, and Spring Streets and the New York Central Railroad yards in Mishawaka. Five families have been displaced in this five-acre project and 25 residential units have been demolished. Redevelopment plans include only the expansion of Saint Joseph Hospital.

North Side General Neighborhood Renewal Plan (Indiana R-8) encompasses a total of 715 acres in north Mishawaka. The North Side GNRP is bordered roughly by McKinley Avenue, Byrkit Street, the Grand Trunk Western Railroad tracks, and Logan Avenue. Renewal will affect a total of possibly 850 families in the area and nearly 1,375 dwelling units. This project is currently in the survey and planning stage.

Central Business District (Indiana R-60) is a General Neighborhood Renewal Plan which is bounded by West, Union, and Water Streets and the New York Central Railroad yards. The project covers a total of 97 acres and is also in the survey and planning stage. It includes within its boundaries 260 residential units, 95 families, and nearly 150 other individual residents. Traffic congestion has become a serious problem in this area of Mishawaka, parking facilities are inadequate, and commercial loading and delivery are difficult. Aside from the alleviation of traffic problems, the old outmoded buildings (residential and commercial) in this area will be either rehabilitated or demolished, whichever method proves to be most feasible.

The Civic Project #1 (Indiana R-65) is a 12-acre area located adjacent to projects R-42 and R-60 in Mishawaka. The area is bounded by Main and Christyann Streets, East Lincoln Way, and the New York Central Railroad yards. There are about ten families and 25 dwelling units in the project area. The Civic Center Project will be predominantly a clearance project, the basic purpose of which is to provide land for the construction of a new Post Office and a new City Library. Presently, this project is in the survey and planning stage.

The Sample Street Project (Indiana R-7) is a 55-acre area located in the southwest area of the city of South Bend. The area is delineated by Prairie and Scott Streets, the tracks of the Grand Trunk Western Railroad, and the Oliver Corporation complex. All that remains to be done in the project area is the disposition of a few remaining parcels. Nearly 400 dwelling units were demolished in the area (primary during 1963 and 1964) and some 340 families have been relocated. Principal re-use is industrial, primarily for the benefit of major manufacturing firms located adjacent to the area.

The Chapin Street Project (Indiana R-29) had been cleared and construction of a public park is currently in process. About one-half of this land has been sold to the Housing Authority of South Bend for the construction of 225 public housing units. Some 200 residential units were demolished and a total of over 110 families have been relocated. The project consists of 27 acres in South Bend City near the Sample Street Project. The project area is bordered by Western Avenue, Scott and Laurel Streets, and the New York Central Railroad tracks.

LaSalle Park (Indiana R-57) encompasses a total of nearly 200 acres in the western portion of the city of South Bend. The area is bordered roughly by Meade, Kankakee, Chicago, and Sheridan Streets and Linden and Western Avenues. There are some 800 dwelling units and 650 families in the delineated area. Most of the structures in this project will be rehabilitated and only 170 residential units are expected to be razed with 160 families relocated. Currently, this project is in execution and the acquisition of parcels has just begun.

The Industrial Expansion Project (Indiana R-56) in South Bend is currently in the survey and planning stage. The area is bordered by Kemble and Prairie Avenues, Cotter and Kendell Streets, and the tracks of the New York Central Railroad. There are 14 acres in this project, the acquisition of which is expected to begin in the summer of 1967. Approximately 65 families are in the area as of this date, virtually all of whom will have to be relocated. The project area will be used for industrial expansion, principally by the firms utilizing former Studebaker facilities.

The plan of Central Downtown Project (Indiana R-39) has not yet been approved by the Department of Housing and Urban Development. The proposal involves some 90 acres in the central business district of South Bend and is bounded by LaSalle, Washington, Main, and Franklin Streets, Western Avenue, Jefferson Boulevard, and the Saint Joseph River. There are only five families and some 150 individuals presently in the area who will be displaced, most of whom are transients. The area is predominantly commercial at the present time and the re-use will be for commercial purposes.

### Public Housing

There are 385 public housing units in operation in the HMA, of which 235 are in South Bend and 150 are in Mishawaka. The Housing Authority of South Bend operates 141 units in a high-rise building for the elderly and 94 units in row houses for non-elderly families. Of the public housing units in Mishawaka, 50 are allocated specifically for the elderly. There are waiting lists in all of the public projects at the present time.

There are, in addition, a total of 108 public housing units under construction in South Bend at the present time. Although the project is being built on three separate sites consisting of 46, 42, and 20 units, all of them are located in the vicinity of the Studebaker facilities and within easy walking distance of downtown South Bend. This project is about 90 percent completed at the present time. An annual contributions contract has been executed for an additional 225 public housing units for the city of South Bend of which 125 units will be in a high-rise structure and 75 will be in garden-type units, both for the elderly. The remaining twenty-five units will be available for non-elderly families. This project will be constructed in the Chapin Street urban renewal area (Indiana R-29).

## Demand for Housing

### Quantitative Demand

Demand for additional housing in the South Bend HMA during the two-year period from October 1966 to October 1968 is based on the anticipated increase of about 750 households a year, on the number of housing units expected to be removed from the inventory, and on the desirability of effecting a slight reduction in the number of available rental vacancies. Consideration also is given to the current tenure composition. Giving due regard to these factors, it is expected that 750 single-family sales units and 250 multifamily units (both rental and sales) can be absorbed each year over the next two years. Of the annual multifamily demand, about 150 units will develop only if public benefits or assistance is provided with respect to financing or land acquisition, excluding low-rent public housing and rent-supplement accommodations. While none of the single-family units constructed in the South Bend area in recent years have been built as rental accommodations, 160 units of multifamily housing have been offered for sale in a cooperative project. In view of the excellent marketing experience of these units, it is assumed that some portion of the demand for new multifamily housing be offered as sales units in a cooperative multifamily project, preferably with gross monthly charges achievable with below-market-interest-rate financing. Of the annual 150 unit multifamily demand expected to develop with below-market-interest-rate financing, perhaps as many as 75 might be marketed as sales units in a cooperative multifamily project. The remainder, of course, represents an annual demand for new multifamily rental accommodations.

The forecast demand for 750 single-family units is slightly below the average of 760 single-family units authorized each year since 1961. The annual demand for 250 new multifamily units is well above the average of 130 multifamily units in structures of five or more units authorized from 1960 to date, but is equal to the average number (250) authorized since 1964. There has been excellent absorption of multifamily projects in recent years.

The anticipated demand for new sales and rental housing is contingent, of course, on the continued recovery and expansion of the economy of the South Bend HMA. Should the employment levels forecast earlier fail to materialize, or should they be exceeded, corresponding adjustments to the demand forecast would be necessary.

Table I

Trends of Civilian Work Components  
South Bend, Indiana, SMSA, 1950-1966<sup>a/</sup>  
 (Annual Averages in thousands)

Year	Civilian work force	Unemployment		Employment					
		Number	Rate	Nonag. wage and salary			All other		Total
				Transp. Equipt.	Other	Total	Farm	Nonfarm	
1950	111.9	1.9	1.7	31.4	65.6	97.0	4.6	8.4	110.0
1951	113.5	2.2	1.9	31.6	67.0	98.6	4.5	8.3	111.4
1952	113.3	5.9	5.2	28.6	66.8	95.4	4.2	7.7	107.4
1953	118.9	5.1	4.3	33.5	68.1	101.6	4.1	8.0	113.7
1954	111.6	13.0	11.6	22.9	64.2	87.1	3.9	7.5	98.5
1955	110.3	7.8	7.1	24.7	66.2	90.9	3.8	7.8	102.5
1956	107.6	7.0	6.5	22.0	67.3	89.3	3.5	7.8	100.6
1957	106.9	5.6	5.2	23.1	67.1	90.2	3.3	7.9	101.3
1958	102.5	13.4	13.1	15.9	62.8	78.7	3.2	7.2	89.1
1959	106.0	6.1	5.8	19.9	68.5	88.4	3.1	8.3	99.8
1960	106.6	6.7	6.3	17.3	70.1	87.4	2.9	9.6	99.9
1961	104.9	10.2	9.7	13.8	68.6	82.4	2.9	9.4	94.7
1962	104.3	5.9	5.7	14.8	71.3	86.1	2.6	9.1	97.8
1963	105.0	4.8	4.6	15.2	73.1	88.3	2.9	9.0	100.2
1964	103.8	7.4	7.1	10.0	74.9	84.9	2.6	9.0	96.4
1965	103.2	4.3	4.2	9.5	78.0	87.5	2.3	9.0	98.8
<u>Jan. -Aug.</u>									
1965	102.8	5.1	5.0	9.3	77.1	86.4	2.3	9.0	97.7
1966 <sup>a/</sup>	104.4	3.1	3.0	9.9	80.1	90.0	2.3	9.0	101.3

Note: Subtotals may not add to totals because of rounding and exclusion of persons involved in labor-management disputes.

<sup>a/</sup> Data have been revised for comparability to 1950 by the Indiana Employment Security Division.

<sup>b/</sup> Preliminary.

Source: Indiana Employment Security Division.



Table II

Nonagricultural Wage and Salary Employment by Industry  
South Bend, SMSA, 1958-1966  
 (Annual Averages in thousands)

<u>Industry</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>First eight months</u>	
									<u>1965</u>	<u>1966a/</u>
Nonag. wage and salary employment	<u>78.7</u>	<u>88.4</u>	<u>87.4</u>	<u>82.4</u>	<u>86.1</u>	<u>88.3</u>	<u>84.9</u>	<u>87.5</u>	<u>86.4</u>	<u>90.0</u>
Manufacturing	<u>34.7</u>	<u>42.3</u>	<u>39.9</u>	<u>34.8</u>	<u>37.4</u>	<u>38.3</u>	<u>33.2</u>	<u>34.1</u>	<u>33.4</u>	<u>36.2</u>
Durable goods	<u>25.0</u>	<u>31.6</u>	<u>29.6</u>	<u>24.8</u>	<u>26.6</u>	<u>27.5</u>	<u>22.8</u>	<u>23.9</u>	<u>23.3</u>	<u>26.0</u>
Primary metals	.8	.9	.9	.9	1.0	1.0	1.1	1.6	1.5	2.0
Fabricated metal products	1.0	1.1	1.1	1.1	1.2	1.2	1.4	1.8	1.7	2.1
Nonelectrical machinery	5.3	6.5	6.4	4.9	5.2	5.7	6.1	6.7	6.6	7.5
Electrical machinery	.6	.7	.7	.9	1.1	1.2	1.3	1.7	1.6	2.0
Transportation equipment	15.9	19.9	17.3	13.8	14.8	15.2	10.0	9.5	9.3	9.9
Other durable goods	1.4	2.5	3.2	3.2	3.3	3.2	2.9	2.6	2.6	2.5
Nondurable goods	<u>9.7</u>	<u>10.7</u>	<u>10.3</u>	<u>10.0</u>	<u>10.8</u>	<u>10.8</u>	<u>10.4</u>	<u>10.2</u>	<u>10.1</u>	<u>10.2</u>
Food products	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.2	2.2	2.2
Apparel	.9	1.0	.9	.9	1.0	1.0	.7	.6	.6	.6
Printing and publishing	1.0	.9	.9	.9	.9	1.0	1.0	.9	.9	.9
Other nondurable goods	5.8	6.8	6.4	6.1	6.8	6.7	6.6	6.5	6.5	6.5
Nonmanufacturing	<u>44.0</u>	<u>46.1</u>	<u>47.5</u>	<u>47.6</u>	<u>48.7</u>	<u>49.9</u>	<u>51.6</u>	<u>53.4</u>	<u>52.9</u>	<u>53.8</u>
Contract construction	3.1	3.3	3.2	3.0	3.0	3.0	3.0	3.5	3.5	3.4
Trans., comm., & utilities	4.8	5.1	4.7	4.1	4.1	4.2	4.3	4.5	4.5	4.6
Wholesale & retail trade	15.6	16.5	17.0	17.0	17.2	17.3	17.8	18.2	18.0	18.1
Finance, ins., & real estate	3.9	3.9	4.2	4.2	4.3	4.6	4.6	4.6	4.6	4.6
Services & miscellaneous	10.1	10.6	11.4	11.9	12.4	13.1	13.8	14.3	14.2	14.5
Government	6.5	6.7	7.0	7.4	7.7	7.8	8.0	8.3	8.2	8.6

Note: Subtotals may not add to totals because of rounding and exclusion of persons involved in labor-management disputes.

a/ Preliminary.

Source: Indiana Employment Security Division.

Table III

Percentage Distribution of Wage and Salary Employment by Industry  
South Bend, Indiana, SMSA, 1950, 1960, and 1965

	<u>1950</u>	<u>1960</u>	<u>1965</u>
Nonag. wage and salary employment	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Manufacturing	<u>57.1</u>	<u>45.7</u>	<u>39.0</u>
Durable goods	<u>45.0</u>	<u>33.9</u>	<u>27.3</u>
Primary metals	0.5	1.0	1.8
Fabricated metal products	0.5	1.3	2.1
Nonelectrical machinery	7.1	7.3	7.6
Electrical machinery	1.1	0.8	1.9
Transportation equipment	32.4	19.8	10.9
Other durable goods	3.4	3.7	3.0
Nondurable goods	<u>12.1</u>	<u>11.8</u>	<u>11.7</u>
Food products	2.3	2.5	2.5
Apparel	2.1	1.0	0.7
Printing and publishing	0.7	1.0	1.0
Other nondurable goods	7.0	7.3	7.5
Nonmanufacturing	<u>42.9</u>	<u>54.3</u>	<u>61.0</u>
Contract construction	3.3	3.7	4.0
Transp., comm., & utilities	6.1	5.4	5.1
Wholesale and retail trade	16.8	19.4	20.8
Finance, ins., and real estate	2.5	4.8	5.3
Services & miscellaneous	9.0	13.0	16.3
Government	5.2	8.0	9.5

Source: Distribution by Housing Market Analyst from data provided by the Indiana Employment Security Division.

Table IV

Percentage Distribution of All Families and Renter Households  
by Income and Tenure After Deduction of Federal Income Tax  
South Bend, Indiana, HMA  
October 1, 1966 and October 1, 1968

Annual after-tax incomes	October 1, 1966		October 1, 1968	
	<u>All</u> <u>families</u>	<u>Renter</u> <u>households</u> <sup>a/</sup>	<u>All</u> <u>families</u>	<u>Renter</u> <u>households</u> <sup>a/</sup>
Under \$2,000	5	10	4	9
\$2,000 - 2,999	4	8	5	8
3,000 - 3,999	6	9	5	9
4,000 - 4,999	8	11	7	10
5,000 - 5,999	12	16	11	15
6,000 - 6,999	15	13	13	14
7,000 - 7,999	11	10	12	10
8,000 - 8,999	10	7	10	7
9,000 - 9,999	8	6	9	6
10,000 - 12,499	12	6	13	7
12,500 - 14,999	5	2	6	2
15,000 and over	<u>4</u>	<u>2</u>	<u>5</u>	<u>3</u>
Total	100	100	100	100
Median	\$7,025	\$5,700	\$7,325	\$5,950

<sup>a/</sup> Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table V

Population and Household Changes  
South Bend, Indiana, HMA  
April 1, 1950 to October 1, 1966

<u>Population</u>	<u>April 1950</u>	<u>April 1960</u>	<u>October 1966</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Rate <u>a/</u></u>	<u>Number <u>b/</u></u>	<u>Rate <u>a/</u></u>
HMA total population	<u>205,058</u>	<u>238,614</u>	<u>255,000</u>	<u>3,356</u>	<u>1.5</u>	<u>2,525</u>	<u>1.1</u>
Mishawaka	32,913	33,361	35,700	45	.1	360	1.1
South Bend	115,911	132,445	135,100	1,654	1.3	410	.4
Remainder of HMA	56,234	72,808	84,200	1,657	2.6	1,750	2.3
<u>Households</u>							
HMA total households	<u>59,230</u>	<u>69,921</u>	<u>74,750</u>	<u>1,069</u>	<u>1.7</u>	<u>740</u>	<u>1.1</u>
Mishawaka	10,329	10,599	11,350	27	.3	110	1.1
South Bend	34,426	40,928	41,900	650	1.8	150	.4
Remainder of HMA	14,475	18,394	21,500	392	2.4	480	2.4

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

b/ Rounded

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

Table VI

Trend of the Housing Inventory  
South Bend, Indiana, Housing Market Area  
April 1, 1950 to October 1, 1966

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>October</u> <u>1966</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Percent</u>	<u>Number <sup>a/</sup></u>	<u>Percent</u>
HMA total	<u>60,732</u>	<u>73,138</u>	<u>78,350</u>	<u>1,241</u>	<u>2.0</u>	<u>800</u>	<u>1.1</u>
Mishawaka	10,509	11,140	11,950	63	.6	120	1.1
South Bend	35,155	42,590	43,800	744	2.1	190	.4
Remainder of HMA	15,068	19,408	22,600	434	2.9	490	2.5

a/ Rounded

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

Table VII

Housing Units Authorized by Building Permits  
South Bend, Indiana, Housing Market Area  
1950-1966

<u>Year</u>	<u>Mishawaka</u>	<u>South Bend</u>	<u>Remainder of HMA</u>	<u>HMA total</u>
1950	182	2,012	724	2,918
1951	180	1,087	595	1,862
1952	238	1,024	663	1,925
1953	207	1,117	604	1,928
1954	169	689	450	1,308
1955	145	815	499	1,459
1956	77	534	465	1,076
1957	102	520	500	1,122
1958	64	455	390	909
1959	80	662 <sup>a/</sup>	517	1,259
1960	107	503	551	1,161
1961	244 <sup>b/</sup>	317	558	1,119
1962	91	261	399	751
1963	95	278	506	879
1964	255	256	440	951
1965	304	238 <sup>c/</sup>	535	1,077
<u>Eight months</u>				
1965	113	212 <sup>c/</sup>	361	686
1966	65	239	347	651

<sup>a/</sup> Includes 125 public housing units.

<sup>b/</sup> Includes 150 public housing units.

<sup>c/</sup> Includes 108 public housing units.

Sources: U.S. Bureau of the Census, Construction Reports C-40;  
local building inspectors.

Table VIII

Trend of Household Tenure  
South Bend, Indiana, HMA  
April 1, 1950 - October 1, 1966

<u>Tenure</u>	<u>Mishawaka</u>	<u>South Bend</u>	<u>Remainder of HMA</u>	<u>HMA Total</u>
<u>April 1, 1950:</u>				
Total housing inventory	<u>10,509</u>	<u>35,155</u>	<u>15,068</u>	<u>60,732</u>
Total occupied	<u>10,329</u>	<u>34,426</u>	<u>14,475</u>	<u>59,230</u>
Owner-occupied	7,407	24,127	11,710	43,244
Percent of total occ.	71.7	70.1	80.9	73.0
Renter-occupied	2,922	10,299	2,765	15,986
Percent of total occ.	28.3	29.9	19.1	27.0
Total vacant	180	729	593	1,502
<u>April 1, 1960:</u>				
Total housing inventory	<u>11,140</u>	<u>42,590</u>	<u>19,408</u>	<u>73,138</u>
Total occupied	<u>10,599</u>	<u>40,928</u>	<u>18,394</u>	<u>69,921</u>
Owner-occupied	8,247	30,830	15,830	54,907
Percent of total occ.	77.8	75.3	86.1	78.5
Renter-occupied	2,352	10,098	2,564	15,014
Percent of total occ.	22.2	24.7	13.9	21.5
Total vacant	541	1,662	1,014	3,217
<u>October 1, 1966:</u>				
Total housing inventory	<u>11,950</u>	<u>43,800</u>	<u>22,600</u>	<u>78,350</u>
Total occupied	<u>11,350</u>	<u>41,900</u>	<u>21,500</u>	<u>74,750</u>
Owner-occupied	8,750	31,800	18,750	59,300
Percent of total occ.	77.1	75.9	87.2	79.3
Renter-occupied	2,600	10,100	2,750	15,450
Percent of total occ.	22.9	24.1	12.8	20.7
Total vacant	600	1,900	1,100	3,600

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

Table IX

Vacant Housing Units  
South Bend, Indiana, HMA  
April 1, 1950 - October 1, 1966

	<u>Mishawaka</u>	<u>South Bend</u>	<u>Remainder of HMA</u>	<u>HMA total</u>
<u>April 1, 1950:</u>				
Total housing supply	<u>10,509</u>	<u>35,155</u>	<u>15,068</u>	<u>60,732</u>
Vacant housing units	<u>180</u>	<u>729</u>	<u>593</u>	<u>1,502</u>
Available vacant units	<u>67</u>	<u>412</u>	<u>120</u>	<u>599</u>
For sale	34	279	81	394
Homeowner vacancy rate	.4%	1.1%	.7%	.9%
For rent	33	133	39	205
Rental vacancy rate	1.1%	1.3%	1.4%	1.3%
Other vacant <u>a/</u>	113	317	473	903
<u>April 1, 1960:</u>				
Total housing supply	<u>11,140</u>	<u>42,590</u>	<u>19,408</u>	<u>73,138</u>
Vacant housing units	<u>541</u>	<u>1,662</u>	<u>1,014</u>	<u>3,217</u>
Available vacant units	<u>264</u>	<u>1,071</u>	<u>296</u>	<u>1,631</u>
For sale	89	429	165	683
Homeowner vacancy rate	1.1%	1.4%	1.0%	1.2%
For rent	175	642	131	948
Rental vacancy rate	6.9%	6.0%	4.9%	5.9%
Other vacant <u>a/</u>	277	591	718	1,586
<u>October 1, 1966:</u>				
Total housing supply	<u>11,950</u>	<u>43,800</u>	<u>22,600</u>	<u>78,350</u>
Vacant housing units	<u>600</u>	<u>1,900</u>	<u>1,100</u>	<u>3,600</u>
Available vacant units	<u>300</u>	<u>1,300</u>	<u>450</u>	<u>2,050</u>
For sale	100	500	250	850
Homeowner vacancy rate	1.1%	1.6%	1.3%	1.4%
For rent	200	800	200	1,200
Rental vacancy rate	7.1%	7.3%	6.8%	7.2%
Other vacant <u>a/</u>	300	600	650	1,550

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

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



Table X

## South Bend, Indiana, Area Postal Vacancy Survey

September 23-29, 1966

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
St. Joseph County	67,876	1,915	2.8	1,819	96	330	66,724	1,495	2.3	1,403	92	171	3,152	420	13.3	416	4	159	495	12	2.4
South Bend	51,650	1,492	2.9	1,418	74	270	49,268	1,185	2.4	1,114	71	115	2,382	307	12.9	304	3	155	217	4	1.8
Main Office	17,503	657	3.8	612	45	42	15,835	429	2.7	387	42	22	1,668	228	13.7	225	3	20	-	-	-
Stations:																					
River Park	5,970	90	1.5	88	2	27	5,613	84	1.5	82	2	2	357	6	1.7	6	-	25	-	-	-
Station "A"	12,794	341	2.7	324	17	69	12,523	285	2.3	268	17	61	271	56	20.7	56	-	8	52	-	-
Station "B"	6,663	186	2.8	183	3	118	6,590	169	2.6	166	3	16	73	17	23.3	17	-	102	-	-	-
Station "C"	8,720	218	2.5	211	7	14	8,707	218	2.5	211	7	14	13	-	-	-	-	-	165	4	2.4
Other Post Offices:																					
Mishawaka	13,906	386	2.8	364	22	53	13,151	283	2.2	262	21	53	755	103	13.6	102	1	-	255	7	2.7
Walkerton	2,320	37	1.6	37	-	7	2,305	27	1.2	27	-	3	15	10	66.7	10	-	4	23	1	4.3

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 XI

Status of New House Completions in Selected Subdivisions<sup>a/</sup>  
South Bend, Indiana, Housing Market Area  
As of January 1, of 1964, 1965, 1966

<u>Sales price</u>	<u>Total completions</u>	<u>Pre-sold</u>	<u>Speculative construction</u>			<u>Percent unsold</u>
			<u>Total</u>	<u>Sold</u>	<u>Unsold</u>	
<u>Houses completed in 1963</u>						
Under \$12,500	22	15	7	7	--	--
\$12,500 - \$14,999	54	30	24	8	16	66.7
15,000 - 17,499	67	45	22	14	8	36.3
17,500 - 19,999	106	92	14	13	1	7.1
20,000 - 24,999	126	90	36	29	7	19.4
25,000 - 29,999	40	29	11	10	1	9.1
30,000 - 34,999	14	11	3	3	--	--
35,000 and over	<u>18</u>	<u>11</u>	<u>7</u>	<u>3</u>	<u>4</u>	<u>57.1</u>
Total	447	323	124	87	37	29.8
<u>Houses completed in 1964</u>						
Under \$12,500	12	2	10	9	1	10.0
\$12,500 - \$14,999	45	34	11	10	1	9.1
15,000 - 17,499	54	39	15	13	2	13.3
17,500 - 19,999	50	42	8	7	1	12.5
20,000 - 24,999	90	77	13	8	5	38.4
25,000 - 29,999	36	24	12	9	3	25.0
30,000 - 34,999	32	19	13	12	1	7.7
35,000 and over	<u>27</u>	<u>11</u>	<u>16</u>	<u>14</u>	<u>2</u>	<u>12.5</u>
Total	346	248	98	82	16	16.3
<u>Houses completed in 1965</u>						
Under \$12,500	24	14	10	9	1	10.0
\$12,500 - \$14,999	53	34	19	15	4	21.1
15,000 - 17,499	44	29	15	10	5	33.3
17,500 - 19,999	33	27	6	6	--	--
20,000 - 24,999	119	98	21	16	5	23.8
25,000 - 29,999	61	45	16	14	2	12.5
30,000 - 34,999	40	22	18	17	1	5.5
35,000 and over	<u>37</u>	<u>22</u>	<u>15</u>	<u>14</u>	<u>1</u>	<u>6.7</u>
Total	411	291	120	101	19	15.8

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

Source: Unsold Inventory Surveys completed by the Indianapolis, Indiana, FHA Insuring Office.