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Analysis of the
**SUMTER, SOUTH CAROLINA
HOUSING MARKET**

as of August 1, 1965



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

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FIELD MARKET ANALYSIS SERVICE
FEDERAL HOUSING ADMINISTRATION
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Foreword

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

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

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

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ANALYSIS OF THE
SUMTER, SOUTH CAROLINA, HOUSING MARKET
AS OF AUGUST 1, 1965

Summary and Conclusions

1. The nonagricultural economy of the Sumter, South Carolina, Housing Market Area (HMA) is heavily dependent upon government employment, both military and civilian. There are currently about 7,050 military personnel and 575 military-connected civilians attached to Shaw Air Force Base (AFB). Civilian employment in government constituted 12 percent of civilian resident nonagricultural employment in 1960.

Civilian nonagricultural employment currently totals about 18,000. It has grown slowly since 1960 when it was about 16,100. An additional 3,500 jobs are forecast for the HMA within the next two years (1,750 annually). Most of the new employment will be at two companies moving into the area. The new companies will provide almost 2,000 jobs, and the rest will derive from the additional population and higher incomes resulting from the expansion of the manufacturing base.

2. The current median income, after the deduction of Federal income tax, for all families in the Sumter HMA is \$4,375, while that for renter families is \$3,700. By 1967, median incomes are expected to reach \$4,700 for all families and \$3,950 for renter families.
3. The current nonfarm population of the HMA is about 67,500, some 6,550 persons above the 60,950 reported by the 1960 census. By August 1967, the nonfarm population is expected to total 70,550, 3,050 more than the current total.

Currently, there are about 16,750 nonfarm households in the HMA, 1,700 more than in 1960. Nonfarm households are forecast to total 17,550 by August 1967.

4. As of August 1965, there are about 18,500 nonfarm housing units in the HMA, 1,500 more than the 1960 level. Most new units were added in Sumter or in the immediately adjacent areas.
5. Current total vacancies are judged to be close to a level representative of a healthy demand-supply relationship in the housing market. There are about 500 units in the HMA that are available for sale (100) or rent (400). The vacancy ratios derived from these estimates are 1.2 percent for sales housing and 4.5 for rental housing.

6. The volume of privately-owned net additions to the housing supply that will meet the requirements of anticipated growth during the next two years and result in acceptable quantitative demand-supply relationships in the market is approximately 475 units annually. In view of the current tenure composition, the continuing trend toward owner-occupancy, and the shift of some units from owner to renter usage, the optimum distribution of the new units is judged to be 365 units of sales housing and 110 units of rental housing, including 50 units of rental housing marketed at the lower rents possible with the use of public benefits or assistance through tax abatement or aid in financing or land acquisition.

Total demand for 365 sales houses a year is distributed by price classes in the table on page 19. Distribution by gross monthly rent levels and by unit sizes of the total annual demand for 110 rental units is indicated on page 19.

ANALYSIS OF THE
SUMTER, SOUTH CAROLINA, HOUSING MARKET
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Housing Market Area

For the purposes of this analysis, the Sumter, South Carolina, Housing Market Area (HMA) includes all of Sumter County, with a 1960 nonfarm population of 60,900. The city of Sumter is the county seat. Located in the center of Sumter County, it is the only urban area in the HMA. Sumter is 38 miles southwest of Florence, 50 miles east of Columbia, about 100 miles north of Charleston, and 110 miles south of Charlotte, North Carolina. Shaw Air Force Base (AFB), the Headquarters of the Ninth Air Force, and Morris College, a small, liberal arts college, are located in the HMA. Much of the outlying area of Sumter County is swampland, and the very high water table characteristic of the eastern coastal region causes construction and drainage problems.

Sumter is provided with railroad service by the Atlantic Coast Line and the Seaboard Air Line Railroads. The city is a trucking center for the surrounding rural areas and 22 trucklines operate within the county. Three bus companies, Southern Gray Line, Ocean City Line, and Coastal Stage Corp., serve the HMA. The closest commercial airline service is at Florence, but more numerous flights are available at the Columbia Municipal Airport.

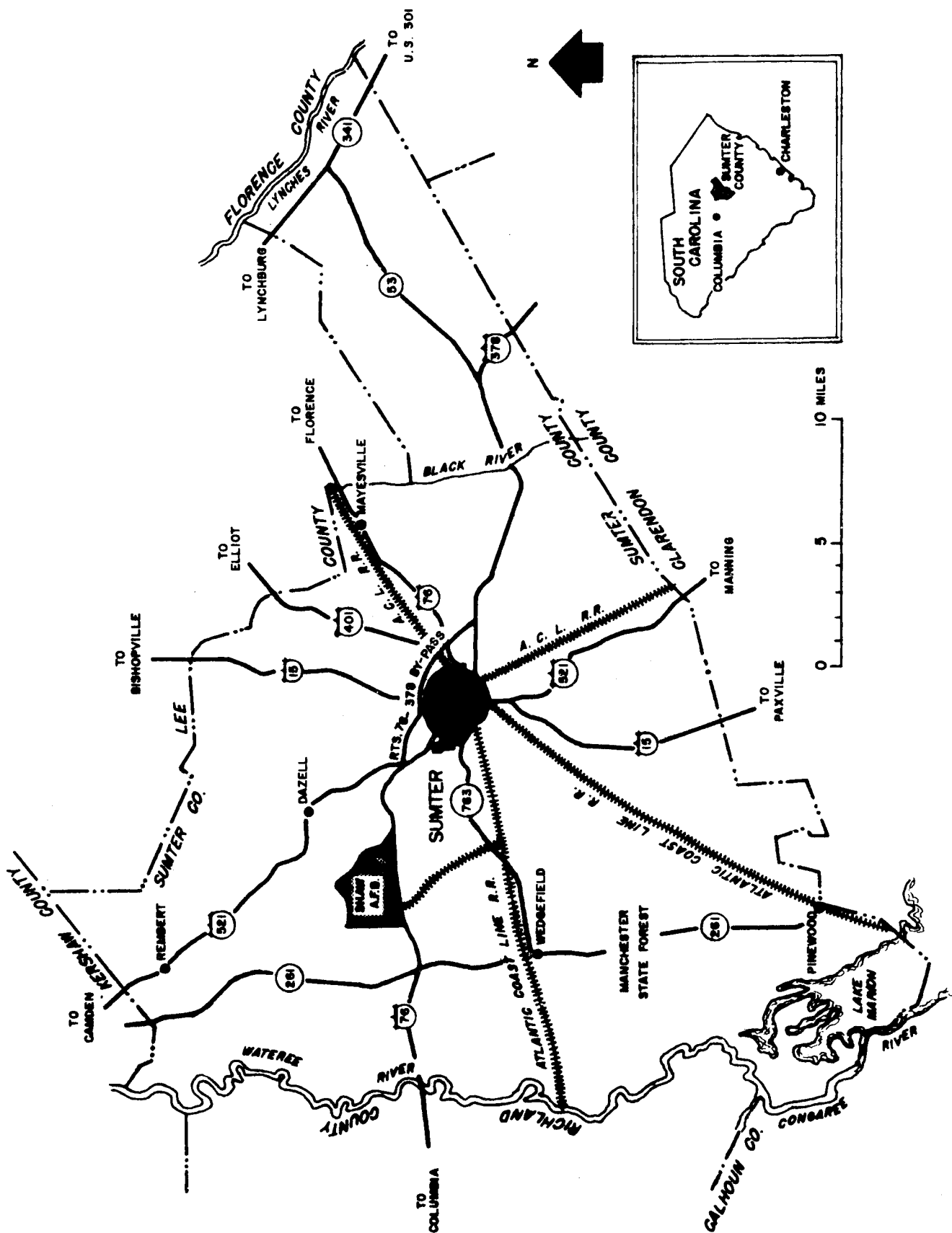
Highway facilities in Sumter are adequate. United States routes 76 and 378 run east-west, connecting Sumter with Columbia, Florence, and the South Carolina coast. U. S. highways 15 and 521 run north-south, and provide transportation routes to Charlotte and all other major cities in the southeast via connections with other major highways.

On June 30, 1965, the city of Sumter received approval from the Housing and Home Finance Agency of its Workable Program for Community Improvement. The city is now eligible for loans and grants for urban renewal projects, for loans and annual contributions for low-rent public housing, and for FHA mortgage insurance programs provided under existing legislation to communities with workable programs.

Unless otherwise noted, data presented in this analysis exclude the rural-farm population, because it does not contribute to the demand for urban housing. Currently, rural-farm population is about 16 percent of total population in Sumter County.

SUMTER COUNTY, SOUTH CAROLINA, HOUSING MARKET AREA

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Economy of the Area

Character and History

The economy of the Sumter HMA is heavily dependent upon agriculture and government. The agricultural portion of the economy, which consists primarily of soybean, cotton, and corn production, will not be considered in this report because it has little direct influence upon urban housing. The large amount of government employment derives from Shaw Air Force Base and from local government offices. The number of persons attached to Shaw AFB has fluctuated from year to year, but has remained basically the same since the mid 1950's. The relative importance of the base has declined somewhat as other segments of the economy have expanded. Employment in local government, however, has expanded; increased public services are offered to meet the needs of a growing population. Major industries in the area are lumber and furniture, textile finishing and apparel, and food processing. Two new companies will open in Sumter within the next year, and this addition will make the industrial sector of the economy the most important.. There is a predominance of low-skill industries in the HMA, and the economy has been characterized by substantial unemployment and under-employment.

Sumter developed as a commercial and trucking center for the surrounding agricultural areas. In the early 1940's, Shaw AFB was established about 10 miles east of Sumter, and the influx of military personnel boosted the economy. The industrial sector began to grow during the post-war years and expanded rapidly in the first half of the 1950-1960 decade. During the years that followed, however, the economy grew at a rate below that necessary to provide jobs for the population, and both unemployment and under-employment developed. Local government and citizens' groups began working to revitalize the economy and improve the city. The results of their efforts are readily apparent.

In 1963, urban renewal planning was begun, zoning control was expanded to include a three-mile radius of the city, a Technical Education Center was opened, and a general beautification program was initiated. In 1964, a mobile home manufacturer opened a small production branch in Sumter, a housing code was put into effect, and an electric storage battery manufacturer announced plans for the construction of a plant in the newly created industrial park south of Sumter. Thus far in 1965, enabling legislation has been passed by the State Legislature for a Sumter branch (nonresidential) of Clemson Agricultural College, plans have been announced for a large TV dinner plant in the remainder of the industrial park, a workable program has been approved making Sumter eligible for federal assistance

in meeting its housing problems, and plans have been announced for private renewal of a block in the central business district.

Employment

Current Estimate. August 1965 nonagricultural non-military connected civilian employment in the Sumter HMA totals about 18,000. In addition, some 7,050 military personnel and 575 civilians are attached to Shaw Air Force Base.

Past Trend. The only data available on employment in Sumter County are for those persons covered by unemployment insurance, which include only nonagricultural, private, profit-motivated firms employing more than four workers. Numerically this includes about half of the civilian nonagricultural employment in the HMA. Between 1958 and 1964, covered employment increased by 1,450 from 7,650 to 9,100, about 240 jobs (three percent) a year (see table I). No year during the 1958-1964 period showed a decline in employment from the previous year. The largest additions, 400 and 525, occurred between 1958 and 1959, and 1961 and 1962, respectively, as the area economy rebounded from the slowdowns caused by national recessions.

Manufacturing industries expanded employment slightly more than did nonmanufacturing. Growth registered in the apparel and other finished products category resulted from both additional employment at existing factories, and the opening of new factories (a children's dress company, and a curtain and drapery company). The "other manufacturing" category showed employment gains as the economy became more diversified with the addition of some small new industries (metal products, brick and tile, asphalt, pre-stressed concrete, and mobile home manufacturer). However, the new factories employed only small numbers of workers, and manufacturing employment growth generally was very slow over the 1958-1964 period.

During the six-year period additional employment in the nonmanufacturing industries reflected a small increase in every category as a result of the impact of population growth. The trade industries showed a significant numerical gain, from 2,250 to 2,450 jobs, and the service and miscellaneous industries showed the largest percentage increase, 39 percent, from 530 to 735 jobs.

Distribution by Major Industry. Data in this section are based upon the 1960 census distribution of nonagricultural, civilian employment; more recent data available are for covered employment only and include

just half of the work force. Less than one-fourth (23 percent) of the resident employment in 1960 was in manufacturing industries. Furniture, wood, and lumber was the dominant manufacturing industry with 13 percent of nonagricultural employment. The food, textile, and apparel industries each accounted for two percent of nonagricultural civilian employment; the remaining four percent that were employed in manufacturing industries worked in both durable and nondurable goods manufacture. Since 1960, the apparel industry has increased in importance, but there has been no other significant modification in the distribution of employment within the manufacturing industries, which still provide jobs for about one-fourth of the nonagriculturally employed.

Nonmanufacturing is the dominant segment in the Sumter economy, and it provides 77 percent of all nonagricultural employment. Trade and services with 22 and 23 percent, respectively, of nonagricultural employment are the largest nonmanufacturing employers. Government (including public education) accounts for 12 percent, and construction for eight. The nonmanufacturing or secondary industries provide the majority of civilian employment in the HMA because Shaw AFB provides a large market for such services. The distribution of employment among the nonmanufacturing industries, currently, is believed to approximate that reported in 1960.

Trend of Employment Participation Rate. The employment participation rate (the ratio of civilian, nonagricultural employment per 100 nonfarm population) is quite low in the Sumter HMA due to the large military population. However, it is increasing as Shaw Air Force Base declines in importance relative to the area economy. The participation rate is currently estimated at 26.7 percent, slightly over the 1960 level. Between 1950 and 1960, the employment participation rate dropped from 30.3 percent to 26.5 percent because of expansion of personal at Shaw AFB.

The employment participation rate for total nonfarm population is forecast to rise substantially during the next two years. Employment opportunities will expand with the opening of two new plants, in-commutation will rise, and there will be a further decline in the relative importance of the military.

Principal Employers

The largest manufacturing employer in the Sumter HMA is the Williams Furniture Corporation. A manufacturer of bedroom and living room

furniture, it employs almost 1,000 people (see table II). No other single factory accounts for more than 500 jobs. The Swanson TV Dinner plant will be the largest single employer, replacing Williams Furniture. The company plans to begin hiring in September of 1965, and employment will reach 1,500 persons within three years.

Military. About 7,050 military personnel and 575 civilian employees are currently attached to Shaw Air Force Base. The Army Air Corps founded Shaw Air Force Base, near Sumter, South Carolina, on August 14, 1941, as a center for advanced pilot training. Shaw became a separation center, and as the discharge processing needs were reduced, the base went into minimum operation. It returned to activity in October 1946 and was expanded and reorganized in 1951 and 1954. By 1954, the primary mission of Shaw was tactical reconnaissance. There have been several regroupings since 1954, but the size and major mission of the base have not changed materially. The trends of military strength and military-connected employment are shown in table IV. With the prospective growth of other economic activities in the area, the economy of the HMA will become less dependant upon the base.

Unemployment

No current data are available on unemployment in the Sumter HMA. A 1963 report by the Sumter County Economic Development Committee estimated that there were 1,500 unemployed persons (almost nine percent of the civilian nonagricultural work force) and forecasts an increase. Employment opportunities are currently expanding as a result of the new industries locating in the HMA; this should cause a drop in unemployment. A newly-opened factory in neighboring Clarendon County also has been recruiting workers from the Sumter area. A continuing rapid expansion of industrial employment is necessary to absorb the workers displaced by mechanization of agriculture as well as to provide jobs for the growing population.

Estimated Future Employment

Nonagricultural civilian employment is forecast to reach 21,500 by August 1967, an annual increase of 1,750 jobs (almost 10 percent) over the current estimate of 18,000. Almost half of the additional employment will stem from the opening of two new factories. Exide Electric Storage Battery Company will employ 365 persons at its new plant. Some 265 hourly workers and 60 salaried workers will be hired locally, and 40 executives are being transferred from other locations.

The Swanson TV Dinner Plant (a subsidiary of the Campbell Soup Company) will begin hiring in September 1965 and will employ 1,000 persons within 16 months and 1,500 persons within three years. Thirty executives are being transferred from other factories, 80 salaried employees will be hired locally, and the remainder will be hourly workers hired from among the existing labor supply in the HMA and neighboring counties. Other growth in manufacturing employment will be in the furniture and apparel industries, which are estimated to increase employment by about 200 workers during the two-year forecast period. The other 1,700 additional jobs will be in the trade, service, construction, and government industries, and will result from the higher incomes and the expanding population caused by the increase of employment in the manufacturing industries.

Trend of Military and Military-Connected Strength. As of August, 1965, there were about 7,050 military personnel and 575 civilians attached to Shaw AFB, for a total of 7,625 (see table IV). This represents a small increase over the strength total of 7,300 (6,800 military and 500 civilian) reported for December 1959. Strength data available for December 1954 through August 1965 show sizeable fluctuations, but no long-term trend of decline or increase is indicated. A drop of about 600 military personnel by 1972 is forecast. Total strength has averaged about 7,675 over the last 12 years.

Income

Manufacturing Wages. Wages in the Sumter HMA are low by national standards and below the State average. In 1964 wages in manufacturing industries in the HMA averaged only \$3,200 a year. However, this is well above the \$2,675 average recorded for 1960.

Family Income. The current median income, after the deduction of Federal income tax, is \$4,375 for all nonfarm families in the Sumter HMA. It is \$3,700 for renter families. Some 45 percent of all families and 55 percent of renter families in the HMA earn less than \$4,000 a year.

By August 1967, the median nonfarm income in the HMA is expected to reach \$4,700 for all families and \$3,950 for renter families.

Demographic Factors

Population

Current Estimate. Some 67,500 nonfarm persons reside in Sumter County as of August 1965.

Past Trend. The current nonfarm population total is about 6,550 over the 60,950 enumerated in the 1960 Census.^{1/} The average annual population growth between April 1960 and the present was 1,225 persons or 2.0 percent. This annual increment is somewhat smaller than that registered between 1950 and 1960. However, expansion during this period occurred mainly during the first half of the decade when the personnel at Shaw AFB increased in number, and some new industries located in the HMA.

Estimated Future Population. Total nonfarm population is forecast to reach 70,550 persons by August 1967. This represents an average annual gain of 1,525 persons (2.3 percent) over the current total. The 1965-1967 annual increment is forecast to be somewhat higher than that estimated for the 1960-1965 period because employment, heretofore exhibiting very slow growth, will increase rapidly during the two-year forecast period.

Nonfarm Population Changes Sumter, South Carolina, HMA 1960-1967

<u>Date</u>	<u>Nonfarm population</u>	<u>Annual change ^{a/}</u>	
		<u>Number</u>	<u>Percent</u>
1960	60,942	-	-
1965	67,500	1,225	2.0%
1967	70,550	1,525	2.3

a/ Rounded.

Sources: 1960 Census of Population; 1965 and 1967 estimated by the Housing Market Analyst.

Net Natural Increase and Migration. Economic opportunity has been limited in the Sumter HMA during the post-war years; thus, the area has experienced out-migration. However, the large influx of military personnel in the early 1950's minimized the magnitude of the 1950-1960 net out-migration of civilians (farm and nonfarm) living in the HMA.

^{1/} A part of the increase in nonfarm population resulted from a definitional change between the 1950 and 1960 Censuses.

Components of Total Population Change
Sumter, South Carolina, HMA
1950-1965

<u>Components</u>	<u>1950-1960</u>	<u>1960-1965</u>
Population change	<u>17,300</u>	<u>5,200</u>
Net natural increase	20,000	9,400
Migration	-2,700	-4,200

Sources: 1950 and 1960 Census of Population; Vital Statistics; Estimates by Housing Market Analyst.

Age Distribution. The 1960 age distribution of the total population (including rural-farm) showed over 28 percent under 10 years of age and 20 percent in the 10 to 19 age group. Thus, almost half of the population was less than 20 years old. This results from the high birth rates in the post-war years, a high mortality rate for older persons in the HMA, and the large number of military personnel, who average three dependents per family, attached to Shaw Air Force Base. A comparison of the 1950 and 1960 age distributions for the HMA shows the effects of the expansion at Shaw during the early 1950's, and of the out-migration that occurred over the decade. The large increase in the 60 and over age group was attributable to improved health and sanitary conditions in the HMA.

Age Distribution of the Total Population
Sumter, South Carolina, HMA
1950 and 1960

<u>Age group</u>	<u>1950</u>	<u>1960</u>	<u>Change</u>	
			<u>Number</u>	<u>Percent</u>
0 - 9	15,678	21,061	5,383	34.3
10 - 19	11,636	15,182	3,546	30.5
20 - 29	9,726	12,004	2,278	23.4
30 - 39	7,579	9,594	2,015	26.6
40 - 49	5,288	7,151	1,863	35.2
50 - 59	3,633	4,515	882	24.3
60 and over	<u>4,094</u>	<u>5,434</u>	<u>1,340</u>	<u>32.7</u>
Total	57,634	74,941	17,307	30.0

Source: 1950 and 1960 Censuses of Population.

Households

Current Estimate. There are some 16,750 nonfarm households (occupied housing units) in the Sumter HMA as of August 1965.

Past Trend. The current nonfarm household total represents a gain of 1,700 over the 1960 level of 15,050, an average increase of 320 or 2.1 percent a year.

Estimated Future Households. Population growth is expected to result in 800 additional nonfarm households in the Sumter HMA within the next two years. Annual increments will average about 400 (2.4 percent) for all nonfarm households.

Nonfarm Household Changes
Sumter, South Carolina, HMA
1960-1967

<u>Year</u>	<u>Nonfarm households</u>	<u>Annual change^{a/}</u>	
		<u>Number</u>	<u>Percent</u>
1960	15,055	-	-
1965	16,750	320	2.1
1967	17,550	400	2.4

a/ Rounded.

Sources: 1960 Census of Population; 1965 and 1967 estimates by Housing Market Analyst.

Household Size Trends. The average number of persons per nonfarm household in the Sumter HMA is currently estimated at 3.87 showing virtually no change since 1960.

A small decrease to 3.86 persons per nonfarm household is forecast for total households within the next two years.

Military Households. There are 734 officers, enlisted men eligible for family quantitative allowance and 1,064 other enlisted men living with their families in the area around Sumter for a total of 3,732. Another 11 officers, 110 eligible enlisted men, and 60 other enlisted men are not living with their families; the separation is voluntary for four of the officers and 112 of the enlisted men. Some 409 of the officers and 496 of the eligible enlisted men are living with their families in military-controlled housing. The remaining 2,827 families in the area live off the base in private housing.

Housing Market Factors

Housing Supply

Current Estimate. There are about 18,500 nonfarm housing units in the Sumter HMA as of August 1965. Almost all are located in the city of Sumter, and in the immediately adjoining area.

Past Trend. A net of about 1,500 units have been added to the nonfarm housing stock in the HMA since 1960 when the total was 17,000. Over this period, the annual increase averaged 280 units (1.7 percent).

Type of Structure. The 1960 census reported that 81 percent of the nonfarm housing units in the Sumter HMA were in single-family structures, nine percent were in duplexes, four percent in three- and four-unit structures, and less than one percent in five- or-more unit structures. The remainder, somewhat over five percent, were trailers. Since 1960, most construction in the HMA has been single-family homes. Trailers are becoming increasingly popular; in 1960, there were about 925 trailers in HMA, and in June 1965, a postal vacancy survey reported over 1,075. Both of these categories have increased as a proportion of total nonfarm housing units, while all other categories have declined.

Year Built. The housing inventory in the Sumter HMA is fairly new. Although only eight percent of the units have been constructed since April 1960, 36 percent were built from 1950 to 1960. Some 18 percent were built during the 1940's and 38 percent prior to 1940. The basic data on "year built" reflect an unknown degree of error occasioned by the accuracy of response to enumerators' questions, as well as errors caused by sampling.

Condition and Plumbing. In 1960, some 61 percent of the nonfarm housing supply in the Sumter HMA was not dilapidated and had all plumbing facilities, 24 percent was not dilapidated but lacked some plumbing, and 15 percent was dilapidated. The condition of housing in the HMA is assumed to have improved only slightly, if at all, since 1960.

Value and Rent. Nonfarm owner-occupied housing in the Sumter HMA had a median value of about \$7,700 in 1960. The median gross rent in the area was \$50. However, this figure includes those units (13 percent of all renter-occupied units) on which no cash rent was paid. The median cash rent paid was slightly over \$65. Since then, the median value of owner-occupied housing has risen because new construction has been concentrated in the \$15,000 to \$20,000 price bracket. There has been no construction of rental housing, however, and the median rent has not changed. The low value and rent levels in the HMA reflect the condition and age of the housing stock.

Percentage Distribution of Value and Rent for Nonfarm Housing
Sumter, South Carolina, HMA
1960

<u>Value</u>	<u>Percent of owner-occupied</u>	<u>Gross rent</u>	<u>Percent of renter-occupied</u>
Less than \$ 5,000	31	Less than \$20	7
\$ 5,000 - 9,999	31	\$20-39	22
10,000 - 14,999	23	40-59	15
15,000 - 19,999	8	60-79	17
20,000 - 24,999	3	80-99	17
25,000 and over	4	100 and over	9
		No cash rent	<u>13</u>
Total	<u>100</u>		100
Median	\$7,700		\$50

Source: 1960 Census of Housing.

Residential Building Activity

Building permits were required only in Sumter until mid-1964 when coverage was expanded to include a three-mile radius of the city. Because the political boundaries of the city are not representative of the urbanized area, the building permit coverage was very incomplete until mid-1964. Most areas of new residential construction are within the three-mile limit. Some 320 building permits were authorized in the twelve-month period ending June 30, 1965. Building activity is presently rising in anticipation of increased demand stemming from workers in the new factories (see table V).

A postal vacancy survey taken on June 24, 1965 reported 130 units under construction, including 16 apartments. Because the survey covered the entire urban area, it is assumed that few nonfarm units were under construction in the rest of the HMA. The number of units under construction is currently somewhat higher, because residential building activity has increased.

Tenure of Occupancy

The trend of tenure in the Sumter HMA is toward increased owner-occupancy. As of August about 49 percent of the occupied housing units in the HMA were owner occupied, up from 46 percent in 1960 (see table VI). The upward trend reflects rising incomes and the increasing availability of mortgage credit.

Vacancy

Last Census. The 1960 Census of Housing reported that some 990 vacant units in the Sumter HMA were available for sale (150) or for rent (840). The overall available vacancy ratio was 5.8 percent of the total housing supply, the sales vacancy ratio was 2.1 percent, and the rental vacancy ratio was 9.4 percent. Such ratios represent an over-supply of vacant available units of both sales and rental housing in the Sumter HMA. Six of the units available for sale and about 240 of the units available for rent lacked one or more plumbing facilities, and thus are not considered competitive.

Postal Vacancy Survey. A postal vacancy survey conducted by the Sumter Post Office on June 23, 1965 covered 75 percent of the nonfarm housing units in the HMA (see table VII). The overall vacancy rate in the survey area was 4.0 percent (550 units). The residence vacancy ratio was 3.1 percent (390 units), while that for apartments was 14.0 percent (160 units).

The postal vacancy survey data are not entirely comparable to those published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. Nor do they reflect as high a degree of accuracy as the 1960 census data. Nevertheless, the surveys serve a valuable function when used in conjunction with other locality data in reaching a better-informed judgment regarding local market conditions.

Current Estimate. The current estimate of available competitive vacancies is obtained by adjusting the results of the postal vacancy survey for the above mentioned factors. It is estimated that 500 nonseasonal, nondilapidated units are currently available in the Sumter HMA, for an overall vacancy ratio of 2.7 percent. Of these, 100 are for sale, and 400 for rent. The sales vacancy ratio is 1.2 percent, and the rental vacancy ratio is 4.5 percent. The current levels are well below those reported in the 1960 census, and are close to the level judged representative of a balanced supply-demand relationships for the Sumter HMA.

Sales Market

General Market Conditions. Currently the sales market in the Sumter HMA is tight. The new industries are bringing some people into the area, and there has been a low level of building activity in the area in recent years. Demand for both new and existing housing is concentrated in the medium price range, mostly around \$15,000. A three-bedroom, brick-veneer ranch house is the most popular style in the HMA. Very low-priced housing (under \$10,000) generally is in less demand.

Major Subdivision Activity. New residential construction in the Sumter HMA is mainly in subdivisions located on the outskirts of the city. Existing subdivisions are west of Sumter and to the north, toward Shaw AFB. More are in the planning stages for these areas and for the area south of the city. The current strong demand for new housing has enticed many nonprofessionals into residential construction. These "outsiders" generally sponsor small subdivisions on land that they own adjoining a main road.

In some subdivisions, the plats are laid out and construction is done by various builders on a contract basis. However, many of the newer housing developments are being built on a speculative basis. Because demand is strong, most speculative housing is sold before construction is completed. There is no speculative construction of houses priced to sell for over \$25,000, and few houses are built in that price class in the Sumter HMA.

Marketing Experience. New houses in the Sumter HMA are usually sold before or during construction. Realistically priced existing houses also sell readily, although not as quickly as new ones. Existing homes that are priced to take advantage of the current tight market sell slowly.

Despite the present tight market, values of existing houses have risen only slightly because many of these houses are sold with FHA mortgage insurance, and appraisals limit the price. This tends to discourage speculative price rises. New homes are usually both more expensive and of better quality than existing homes. Rising land and labor costs are causing the price of new houses in the HMA to rise slightly.

Houses Under Construction. In recent months, the rate of residential building activity in the Sumter HMA has increased rapidly. In response to market conditions, established builders are increasing volume, and outside and part-time builders are entering the field. Currently, almost 150 houses are under construction in the HMA. Most are located in the subdivisions around Sumter, priced to sell from \$20,000 to \$25,000, and built for the market created by executives moving to Sumter with new industries.

Foreclosures. The level of foreclosures in the Sumter HMA has historically been low and it remains so. Terms on conventional mortgages are so stringent that almost all foreclosures are of VA- or FHA-insured mortgages. Currently, the FHA owns 12 houses in the Sumter area.

Outlook. A continuation of the current high level of construction activity will ease the situation in the housing market quickly. Although the population growth forecast for the next two years will enable the housing market in the HMA to absorb a larger than usual volume of new housing, there is a possibility of speculative over-construction, especially in the \$20,000 to \$25,000 price bracket since most builders seem to be aiming for the same segment of the market. If reasonable caution is observed, however, the housing market in the HMA should remain healthy throughout the two-year forecast period.

Rental Market

General Market Conditions. Rental units are in strong demand in the Sumter HMA. Personnel stationed at Shaw AFB often do not want to buy a house because they are frequently transferred, and many families in the HMA cannot afford sales housing. Although single-family homes are most popular as rental accommodations, such units are in short supply. The most common type of rental unit in the HMA is a one-story, two-bedroom, garden apartment with two-to-four units in each structure built about twenty years ago. The rental experience of these units depends upon their general condition.

The tightening of the sales market has affected the rental market because a smaller proportion of single-family homes are available for rent now than there were five years ago when the housing market was considered soft.

Rental Housing Under Construction. The first new housing intended for rental occupancy to be built in the HMA in the last ten years is currently under construction. The garden-type project will consist of three one-bedroom and 12 two-bedroom, two-bathroom units. The units will be air-conditioned and equipped with wall-to-wall carpeting, a stove and a refrigerator. All units were rented shortly after construction was begun and will soon be ready for occupancy. The immediate success of this project has stirred local interest in further rental construction.

Mortgage Market

Mortgage funds in the Sumter HMA are available from the local savings and loan associations, some of which are branches of statewide associations. The banks in the HMA grant very few mortgage loans and only for five years or less. Other mortgage funds are available from outside sources, such as life insurance companies, FHA- and VA-insured loans are utilized in the HMA primarily for mortgages on low-and medium-priced houses. Terms for conventional loans are usually six percent interest, 10 to 20 percent downpayments, and a 25 to 30 year terms. There is an adequate supply of mortgage funds in the HMA.

Urban Renewal Activity.

In 1956, the South Carolina Supreme Court ruled that land redeveloped by public action cannot be sold for private re-use. This decision has severely curtailed urban renewal activity in the State, since urban renewal projects can be redeveloped for public use only.

The city of Sumter has made application to the Urban Renewal Authority for funds to begin work on the Sumter Civic Center. When redeveloped, the center will contain 12 municipal and State buildings. The site is a four-block area, which is located two blocks northeast of the central business district, in a blighted area. Use is half commercial

and half residential. The bounds are Calhoun Street on the north, Lafayette Drive on the east, Hampton Street on the south and Harvin Street on the west. The area contains 27 single-family housing units occupied by 34 families; seven of the families apparently are secondary or doubled-up families. City officials hope to have the site cleared by 1966; bond funds are available for new construction.

Military Housing

Housing Available. There are 905 units of Wherry housing at Shaw AFB, 409 units intended for officers and 496 for airmen. All units are located on base. Of the 409 officers quarters, 144 are two-bedroom, 215 are three-bedroom, and 50 are four-bedroom units. Of the 496 airmen's quarters, 132 are two-bedroom, 294 are three-bedroom, and 70 are four-bedroom. All units are judged to be adequate and are occupied.

Demand for Housing

Quantitative Demand

Demand for additional housing is based on the anticipated household growth over the next two years (400 annually), the probable number of housing units that will be demolished, and the adjustment of vacancies to levels that best serve the long-term needs of the Sumter Housing Market Area. Consideration is given also to the current tenure composition, the continued trend toward owner-occupancy, and the shift from owner to renter in the occupancy of some single-family units.

Based upon the foregoing factors, an annual demand of some 475 units is forecast during the next two years. Such an annual addition to the housing supply would be about 100-150 units above the level experienced in recent years. It is justified by the hitherto unexperienced expansion in manufacturing employment, and consequent in-migration, forecast for the Sumter HMA. Some 365 units will represent the yearly demand for sales housing and 110 units will represent demand for rental housing, including about 50 units which may be provided with public benefits or assistance through tax abatement, or aid in financing or in land acquisition.

The provision of new privately-owned rental units in the lower rent ranges, achievable with public benefit or assistance financing, will accelerate the removal of the least desirable housing and thus result in an improvement in the housing available to moderate income families.

Qualitative Demand

Sales Demand. The approximate distribution of the demand for new sales housing by price range is indicated in the table below. This distribution is based upon the capacity of households to pay, as measured by family incomes, and upon the ratios of income to sales price considered typical for the area; recent market experience is also considered. Few, if any, single-family houses that meet FHA standards can be produced in the Sumter Area to sell for less than \$8,000.

Estimated Annual Demand for New Sales Housing by Price Class
Sumter, South Carolina, HMA
August 1965-August 1967

<u>Sales price</u>	<u>Number of houses</u>	<u>Percentage distribution</u>
Under \$10,000	45	12.3
\$10,000 to \$12,499	60	16.5
12,500 to 14,999	65	17.8
15,000 to 17,499	65	17.8
17,500 to 19,999	45	12.3
20,000 to 24,999	45	12.3
25,000 and over	40	11.0
Total	365	100.0

To be best absorbed, the new housing should be located in the immediate Sumter area. Sewage and drainage problems may hinder residential construction particularly in the popular Green Swamp area just west of Sumter. The city is currently considering this problem and shortly plans supplemental service. The future location of residential construction in the urban area will be affected by city policy on the extension of sewer lines. A recently proposed plan would extend service to the entire urban area possible of development within the foreseeable future.

Rental Housing. In the Sumter HMA, it is judged that minimum gross rents achievable with market interest financing are \$85 for one-bedroom units, \$95 for two-bedroom units, \$105 for three-bedroom units. Local rental agents agree that demand for efficiency units is minimal in the HMA, and this opinion is substantiated by the high level of vacancies reported among the few existing efficiency units (seven of 33).

The demand for 110 new rental units in the Sumter HMA may be distributed as follows:

One bedroom units	
\$75 - \$84	15
85 - 120	20
Two bedroom units	
\$70 - \$94	15
95 - 130	30
Three bedroom units	
\$75 - \$104	20
105 - 140	10

Demand for new rental units in the Sumter HMA may best be satisfied by small garden-type projects with structures containing two- to four-units. The rental experience of existing apartment projects indicates that the multiple-unit rental structure common in highly urbanized areas has not gained public acceptance in Sumter.

Should new low-rent units be provided, some families in this user group will be able to upgrade their living standards. However, location is of particular importance in the case of low income tenant families, because established ties with churches, recreational facilities, and other social groups often are a serious barrier to successful marketing of housing in some locations. Thus, the production of new rental units in locations that necessitate breaking these bonds (i.e. on cheaper land located outside the urban center) can result in a significant reduction of demand.

Table I

Average Covered Employment
Sumter, South Carolina, HMA
1958-1964

<u>Industry</u>	<u>Year</u>						
	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Total	<u>7,649</u>	<u>8,042</u>	<u>8,237</u>	<u>8,301</u>	<u>8,817</u>	<u>8,922</u>	<u>9,107</u>
<u>Manufacturing</u>	<u>3,757</u>	<u>3,933</u>	<u>4,041</u>	<u>4,246</u>	<u>4,489</u>	<u>4,490</u>	<u>4,523</u>
Food & kindred prod.	309	317	304	288	318	330	338
Textile mill prod.	299	-	-	-	-	-	-
Apparel & other fin. prod.	439	-	-	-	642	674	699
Lumber & wood prod.	544	483	408	433	458	394	330
Furniture & fixtures	1,631	-	-	-	-	-	-
Printing, pub. & allied	66	69	68	69	-	-	-
Other manufacturing	469	3,064	3,261	3,456	3,071	3,092	3,156
<u>Nonmanufacturing</u>	<u>3,892</u>	<u>4,109</u>	<u>4,196</u>	<u>4,055</u>	<u>4,328</u>	<u>4,432</u>	<u>4,584</u>
Contract construction	418	436	611	504	659	586	582
Trans. comm., & util.	481	479	448	466	514	561	508
Whsle/retail trade	2,259	2,381	2,328	2,232	2,225	2,277	2,442
Fin., ins., real estate	205	238	230	247	285	295	317
Services & misc.	529	575	579	606	645	713	735

Note: Covered employment excludes firms employing less than four workers, agricultural labor, government employment, railroad employment, domestic servants, and employment in non-profit institutions operated for charitable, religious and educational purposes.

Source: Research and Statistics Section, South Carolina Employment Security Commission.

Table II

Major Employers
Sumter, South Carolina
1965

<u>Company</u>	<u>Product</u>	<u>Employment</u>
Williams Furniture Corp.	Bedroom, living room furniture	988
Pioneer Dress Corp.	Children's dresses	400
Santee Print Works	Printing and finishing of fabrics	250-500
Korn Industries	Lumber and bedroom furniture	250-500
The Plywood Company	Plywood and plywood doors	165
Wando Incorporated	Bedroom furniture	130
Sumter Machine Co.	Sawmill and special machinery	125
Nu-Idea Furniture Co. Inc.	Furniture	120
Carolina Furniture Works, Inc.	Wood furniture for the home	106
Charm House Fabrics	Curtains and draperies	100
Cover Manufacturing Corp.	Quilt and mattress covers	100-150

Source: 1965 Industrial Directory of South Carolina.

Table III

Percentage Distribution of Nonfarm After-tax Family Income
by Tenure
Sumter, South Carolina, HMA
1965 and 1967

Income	All families			
	1965 income		1967 income	
	All families	Renter families	All families	Renter families
Less than \$ 2,000	18	22	17	21
\$ 2,000 - 2,999	12	15	11	16
3,000 - 3,999	15	18	13	14
4,000 - 4,999	13	13	12	13
5,000 - 5,999	10	10	11	10
6,000 - 6,999	8	6	9	7
7,000 - 7,999	6	5	7	6
8,000 - 8,999	4	3	5	4
9,000 - 9,999	4	2	3	2
10,000 - 14,999	6	4	8	5
15,000 and over	4	2	4	2
Total	100	100	100	100
Median income	\$4,375	\$3,700	\$4,700	\$3,950

Source: Estimated by Housing Market Analyst.

Table IV

Military and Military-connected Civilian Strength
Shaw Air Force Base, Sumter, South Carolina
December 1954 - March 1965

		<u>Military strength</u>	<u>Military-connected civilians</u>	<u>Total</u>
December	1954	7,647	450	8,097
"	1955	6,304	620	6,924
"	1956	7,622	549	8,171
"	1957	8,124	470	8,594
December	1958	8,504	499	9,003
"	1959	6,806	496	7,302
"	1960	6,799	523	7,322
"	1961	6,681	529	7,210
December	1962	6,553	541	7,094
"	1963	6,262	570	6,832
"	1964	7,305	561	7,866
March	1965	7,066	576	7,642
August	1965	7,043	574	7,617

Source: Department of Defense.

Table V

Building Permits Authorized
Sumter, South Carolina, HMA
1950 - June 30, 1965

<u>Year</u>	<u>Sumter City</u>			<u>Three-mile radius</u>		
	<u>Single family</u>	<u>Multi-family</u>	<u>Total</u>	<u>Single family</u>	<u>Multi-family</u>	<u>Total</u>
1950	N.A.	N.A.	404	N.A.	N.A.	N.A.
1951	"	"	190	"	"	"
1952	"	"	164	"	"	"
1953	"	"	76	"	"	"
1954	"	"	175	"	"	"
1955	N.A.	N.A.	168	N.A.	N.A.	N.A.
1956	"	"	135	"	"	"
1957	"	"	88	"	"	"
1958	"	"	148	"	"	"
1959	"	"	92	"	"	"
1960	32	2	34	N.A.	N.A.	N.A.
1961	49	0	49	"	"	"
1962	57	0	57	"	"	"
1963	66	4	70	"	"	"
1964	59	0	59	"	"	"
1965 (6 mos.)	N.A.	N.A.	63	113	0	113

Note: Building permits were required within Sumter City limits only prior to mid-1964; since then, permits have been issued for all areas within three miles of the city limits.

Source: Department of Commerce C-40 Construction Reports.

Table VI

Nonfarm Housing Inventory Components, Including Tenure and Vacancy
Sumter, South Carolina, HMA
1960-1965^{a/}

<u>Occupancy and tenure</u>	<u>1960</u>	<u>1965</u>
Total inventory	17,004	18,500
Occupied housing units	15,055	16,750
Owner occupied	6,985	8,200
Percent owner-occupied	46%	49%
Renter occupied	8,070	8,550
Percent renter-occupied	54%	51%
Vacant housing units	1,949	1,750
Available	987	500
For sale	150	100
Percent	2.1%	1.2%
For rent	837	400
Percent	9.4%	4.5%
Other	962	1,250

a/ All 1965 figures are rounded.

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

Table VII

Sumter, South Carolina, Area Postal Vacancy Survey

June 23, 1965

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
Sumter	13,815	550	4.0	496	54	130	12,641	386	3.1	335	51	114	1,174	164	14.0	161	3	16	1,083	38	3.5
Main Office	12,902	533	4.1	479	54	130	11,728	369	3.1	318	51	114	1,174	164	14.0	161	3	16	1,083	38	3.5
City Routes	10,371	457	4.4	427	30	84	9,218	293	3.2	266	27	68	1,153	164	14.2	161	3	16	804	23	2.9
Rural Routes	2,531	76	3.0	52	24	46	2,510	76	3.0	52	24	46	21	-	-	-	-	-	279	15	5.4
Shaw Air Force Base	913	17	1.9	17	-	-	913	17	1.9	17	-	-	-	-	-	-	-	-	-	-	-

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).