Analysis of the

TALLAHASSEE, FLORIDA

HOUSING MARKET

as of January 1, 1967

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
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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 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.

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ANALYSIS OF THE
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Summary and Conclusions

1. Over the seven-year period from March 1959 to March 1966, nonagricultural wage and salary employment grew from 23,700 in 1959 to 32,200 in 1966, a total increase of 8,500 and an annual average increment of approximately 1,225. Although gains in employment occurred each year, the magnitude of the increases varied substantially during the period. All of the gain in wage and salary employment was in nonmanufacturing industries; employment in manufacturing industries declined between 1959 and 1966. The most dynamic aspect of Tallahassee's economy has been the government sector. Increasing each year since 1959, government employment grew by 5,300, from 11,200 in March 1959 to 16,500 in March 1966. As of March 1966, unemployment stood at 500, equal to 1.3 percent of the work force. With the exception of a slight rise between 1963 and 1964, unemployment has been declining since 1961. Nonagricultural wage and salary employment is expected to increase by about 1,200 jobs annually during the January 1, 1967 to January 1, 1969 forecast period; a level roughly the same as the average annual growth rate of the past seven years.

2. The median annual income in the Tallahassee HMA, after deducting federal income tax, was $6,450 for all families and $5,500 for renter households of two or more persons in January 1967. By 1969, median annual after-tax incomes are expected to approximate $6,825 for all families and $5,800 for renter households.

3. The estimated population of the Tallahassee HMA was 97,700 as of January 1, 1967, a gain of 3,475 yearly since April 1, 1960, which was over 50 percent greater than the average annual increment of 2,250 persons during the 1950-1960 decade. By January 1, 1969, the population in the HMA is expected to total 104,400, an anticipated gain of 3,350 a year over the present total.

4. There are 26,175 households in the Tallahassee HMA, representing an average annual increment of 1,000 since April 1960. During the 1950-1960 decade, household increases averaged 650 yearly. The number of households in the HMA is expected to total 28,000 by January 1, 1969, reflecting an anticipated gain of 910 new households during each of the next two years.

5. As of January 1, 1967, there were about 27,600 housing units in the Tallahassee HMA, representing a net gain of about 960 units a year since April 1960. During the 1950-1960 intercensal period, the housing inventory increased by an average of 725 units annually. There are currently about 255 housing units under construction, of which 125 are single-family homes and 130 are in multifamily projects.

6. There were approximately 675 vacant housing units available for rent or sale in the Tallahassee HMA in January 1967. Of this total, 300 were for sale and 375 were for rent, equal to homeowner and renter vacancy ratios of 1.8 and 3.6 percent, respectively. In addition to the units available for sale or rent, there were 750 vacant units which were dilapidated, seasonal, or were held off the market for some reason.

7. The volume of net additions to the sales housing supply that will meet the needs of the market and result in an acceptable demand-supply relationship is approximately 600 units during each of the next two years. Demand for new single-family homes by sales price range is indicated on page 28. There will be a demand for about 350 multifamily units annually during the forecast period. The annual demand for multifamily units is distributed by gross monthly rents and unit size on page 29. An additional 150 units probably can be absorbed if provided at the lower rents achievable with aid in financing or land acquisition, excluding low-rent public housing and rent-supplement accommodations.

ANALYSIS OF THE TALLAHASSEE, FLORIDA, HOUSING MARKET AS OF JANUARY 1, 1967

Housing Market Area

The Tallahassee, Florida, Housing Market Area (HMA) is defined as Leon County and is coextensive with the Tallahassee, Florida, Standard Metropolitan Statistical Area (SMSA) as delineated by the U.S. Bureau of the Budget. As of April 1, 1960, the census reported the population of Leon County to be approximately 74,225, of whom about 48,175 resided within the corporate limits of the city of Tallahassee.1/

Leon County is located in northern Florida, adjacent to the southern border of the state of Georgia (see map on page 2). The HMA is bordered on the east by Jefferson County, on the south by Wakulla County, on the west by Liberty and Gadsden Counties, and on the north by the Georgia counties of Grady and Thomas. Tallahassee, Florida's Capital City and the county seat of Leon County, is situated approximately 200 miles to the east of Pensacola, Florida, 170 miles west of Jacksonville, Florida, and 260 miles south of Atlanta, Georgia.

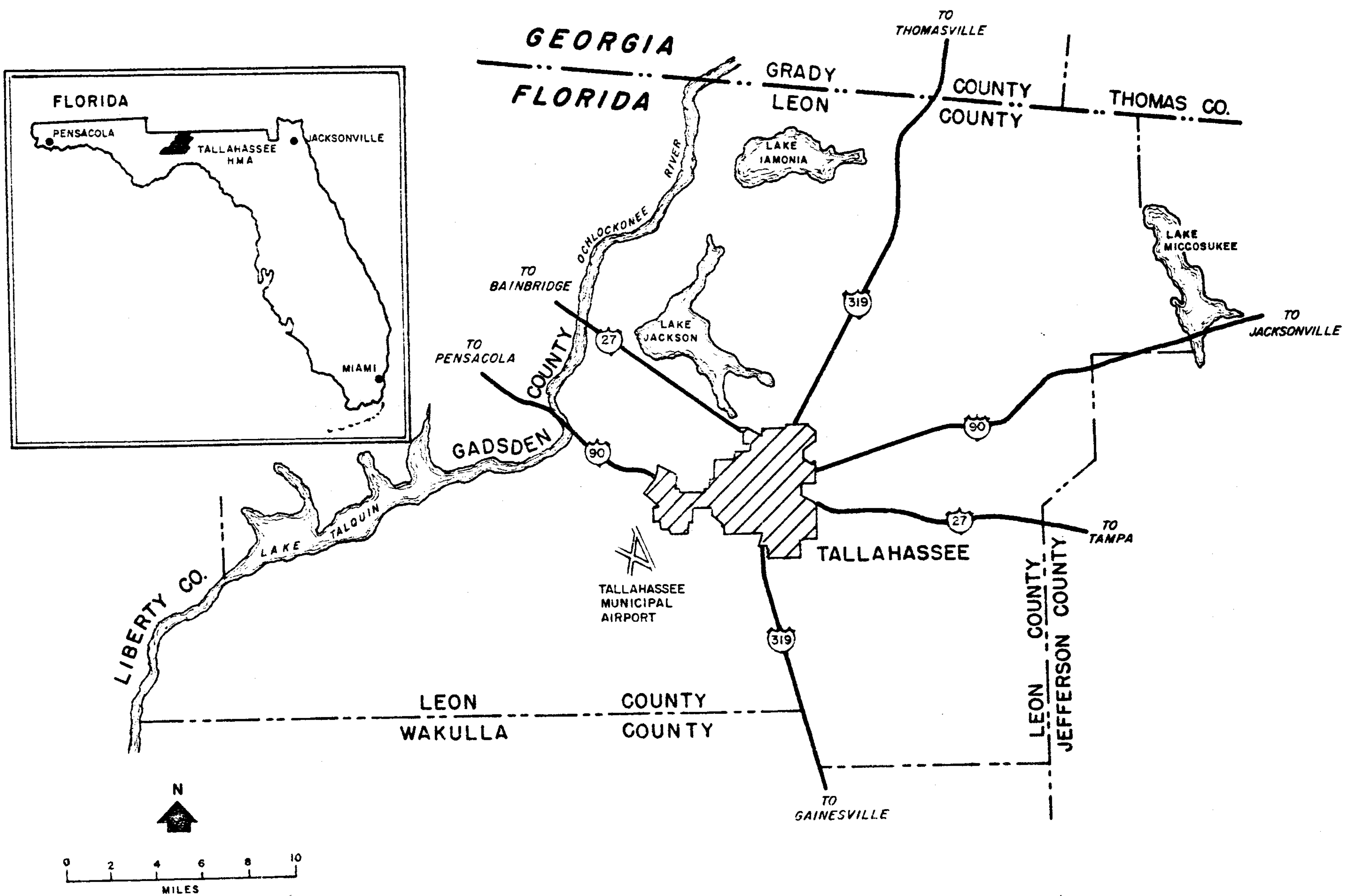
The terrain of the HMA is characterized by lakes, rolling hills, and pine forests. Lake Jackson and Lake Iamonia are the largest of the many lakes which lie within the county; Lake Talquin forms a portion of the western border of the HMA. The lakes, along with a web-like system of streams and rivers, provide drainage for pine forests which cover most of the county's 685 square miles.

The HMA is linked to nearby metropolitan areas by a network of highways, among which are U.S. Highways 27, 90, and 319. The area is served by the Seaboard Airline Railroad and the Atlantic Coast Line Railroad; nine motor carriers provide service to all principal points in the Southeast. Greyhound Lines and National Trailways have 56 scheduled arrivals and departures which furnish both passenger and light express service. Eastern Airlines and National Airlines serve the metropolitan area at Tallahassee's new municipal airport located southwest of the city.

There was a net in-commutation into Leon County of approximately 100 persons in April 1960; 805 persons commuted into the county, while 706 commuted to jobs in neighboring counties.

1/ Inasmuch as the rural farm population of the Tallahassee HMA constituted only 2.5 percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of rural farm and nonfarm data.

TALLAHASSEE, FLORIDA, HOUSING MARKET AREA



Economy of the Area

Character and History

Tallahassee was selected as the site of the capital of the Territory of Florida in 1823, two years after the territory became a part of the United States. The Territorial Legislative Council met in Tallahassee for the first time in 1824, and a year later the City of Tallahassee was incorporated. Early growth of the area was slow; between 1840 and 1900 the population of the city increased by only about 1,350 persons from 1,625 to approximately 2,975. Agriculturally-oriented during the early stages of development, the economy of the HMA became characterized by a declining agricultural sector and a rapidly growing government sector. At present, agricultural employment accounts for less than two percent of total employment, while government employees represent almost 43 percent of total employment.

Florida State University, with a student body of approximately 14,500, occupies a 232-acre campus in the western portion of the city of Tallahassee. Originally founded as the Florida State College for Women, the school became a co-educational institution in 1947. The university consists of the Graduate School and ten undergraduate divisions. Florida Agricultural and Mechanical University, located several blocks south of the Florida State University campus, has a student body of 3,850 men and women. Both Florida State University and Florida A and M are in the midst of extensive building programs which will increase their dormitory, laboratory, and classroom facilities.

Employment

Current Estimate. The October 1966 civilian work force in the Tallahassee, Florida, HMA was estimated by the Florida Industrial Commission at 41,400, comprised of 40,900 employed persons and 500 unemployed persons. Of the 40,900 persons employed as of October, 600 were in agriculture and 40,300 were in nonagricultural pursuits. There were 34,400 nonagricultural wage and salary employees.

Past Trend. Annual average employment data for the Tallahassee HMA are not available prior to 1964. Employment data for the month of March for each year since 1959 are available, however, and nonagricultural wage and salary employment as of March will be used in this analysis in order to establish the year-to-year trend of employment since 1959.

Over the seven-year period from March 1959 to March 1966, nonagricultural wage and salary employment grew from 23,700 in 1959 to 32,200 in 1966, an increase of 8,500 (see table I). Although gains occurred each year, the magnitude of increases varied substantially during the period. All the gain in wage and salary employment was in nonmanufacturing industries; employment in manufacturing industries declined between 1959 and 1966.

Between March 1959 and March 1960, an increment of only 50 workers was recorded in wage and salary employment, the lowest annual increase of the 1959-1966 period. Between March 1960 and March 1961, however, wage and salary employment rose by 1,000 but, during the next year, the increase in wage and salary employment fell to 650. Substantial increases in wage and salary employment occurred in the March 1962-1963 and March 1963-1964 periods, 1,650 and 2,050, respectively. During both periods, government employment, the dominant industry in the area, led all other sectors of wage and salary employment with respective annual gains of 900 and 1,350. After the peak gain of 2,050 attained between 1963 and 1964, wage and salary employment increased by 1,900 between March 1964 and March 1965; between March 1965 and March 1966, only 1,200 jobs were added.

Over the entire 1959-1966 period, those industries which contributed substantially to the 8,500 increment in wage and salary employment were government (5,300), trade (1,450), and services (1,300). The only industry to show any significant decline over the seven-year period was manufacturing, in which employment decreased by 400 jobs.

Manufacturing employment accounted for only about five percent of total wage and salary employment in the HMA in March 1966, underscoring the relatively minor role which manufacturing has played in the economic development of the area. Manufacturing employment declined from a March 1959 total of 2,000 to a March 1964 figure of 1,600. During the past three years, employment in manufacturing has remained stable. Over the seven-year period, manufacturing employment failed to register a single year-to-year gain.

Trend of Manufacturing, Nonmanufacturing,
And Total Wage and Salary Employment
Tallahassee, Florida, HMA
March 1959-March 1966

Date	Manufacturing Number	Manufacturing Change	Nonmanufacturing Number	Nonmanufacturing Change	Wage and Salary Number	Wage and Salary Change
March 1959	2,000	-	21,700	-	23,700	-
" 1960	1,850	-150	21,900	200	23,750	50
" 1961	1,850	-	22,900	1,000	24,750	1,000
" 1962	1,700	-150	23,700	800	25,400	650
" 1963	1,650	-50	25,400	1,700	27,050	1,650
" 1964	1,600	-50	27,500	2,100	29,100	2,050
" 1965	1,600	-	29,400	1,900	31,000	1,900
" 1966	1,600	-	30,600	1,200	32,200	1,200

Source: Florida Industrial Commission.

Nonmanufacturing industries in the Tallahassee HMA employed 30,600 workers in March 1966, an increase of 8,900 since March 1959. Nonmanufacturing employment grew in each year of the seven-year period, with annual increases fluctuating between a low of 200 (between March 1959 and 1960) and a peak of 2,100 (between March 1963 and March 1964). Since the March 1963-1964peak of 2,100, the annual rate of increase has been declining, falling to 1,900 and 1,200 during the 1964-1965 and 1965-1966 periods, respectively. During both of these years, government employment gains have failed to attain the peak annual gain of 1,350 reached between March 1963 and March 1964.

Major Industry Groups. Of the 1,600 workers currently employed in manufacturing industries, about 37 percent (the largest single concentration) are employed in the lumber and wood products industry. Over the 1959-1966 period, employment in manufacturing declined by a total of 400 jobs.

The most dynamic aspect of Tallahassee's economy has been the government sector. Increasing each year since 1959, government employment grew by 5,300 from 11,200 in March 1959 to 16,500 in March 1966. Federal employment has remained rather stable over the past several years; most of the gain in government employment accrued to state governmental agencies. Although employment has been increasing rapidly at the state universities in the HMA (approximately 1,950 personnel added since 1959), most of the employment growth has been in those sectors of state government which are not associated with educational services. Both city and county government employment has been increasing since 1959; their combined growth, however, represents only a small portion of the 5,300 jobs added to government between 1959 and 1966.

The second most active of the nonmanufacturing industries has been trade, which gained a total of 1,450 jobs between March 1959 and March 1966. This increment has been a result, principally, of the construction of new shopping facilities in suburban areas of the HMA.

Service industry growth also has been a prime contributor to nonmanufacturing employment expansion. Service employment grew by a total of 1,300 jobs between 1959 and 1966. The largest single gain occurred between March 1962 and March 1963 when approximately 500 jobs were added. In March 1965 and March 1966, however, service employment stabilized at a level of 3,200.

All other nonmanufacturing industries gained a net total of 850 jobs since March 1959.

Principal Employment Sources

The Florida State University, with an enrollment of 14,500, is one of the largest single sources of employment in the Tallahassee area. As of October 1966, employment at the university totaled approximately 5,450 persons of whom 1,050 were classified as faculty, 2,200 were reported as staff, and 2,200 were part-time employees. Of the 2,200 part-time employees, 1,250 were undergraduate students (the majority of which are employed as administrative and clerical workers); the remainder were graduate fellows and assistants.

Florida Agricultural and Mechanical University currently has approximately 3,850 students and employs about 775 persons. There are about 250 persons who are employed as faculty at the university, 340 who are considered staff workers, 150 persons classified as auxilliary (book store, laundry, etc.), and another 35 persons employed in various other functions. There are, also, 550 students who are employed in a part-time capacity.

With the exception of the state government, employment sources in the HMA are typically small and usually employ fewer than 100 workers each. There are no private firms which employ more than 1,000 workers.

Unemployment

As of March 1966, unemployment stood at 500, equal to 1.3 percent of the work force. With the exception of a slight rise between 1963 and 1964, unemployment has been declining since March 1961 when 1,550 persons, or 4.7 percent of the work force, were unemployed (see following table). Unemployment in the area reached a peak in 1961, primarily as a result of the 1960-1961 recession. The greatest annual decline in unemployment occurred in the post-recession period between March 1961 and March 1962 when unemployment fell by 750.

Trend of Work Force and Unemployment
Tallahassee, Florida, HMA
March 1959-March 1966

Date	Work force	Unemployment Number	Unemployment Percent of work force
March 1959	30,150	550	1.8
" 1960	30,500	700	2.3
" 1961	32,800	1,550	4.7
" 1962	32,750	800	2.4
" 1963	34,100	600	1.8
" 1964	36,250	650	1.8
" 1965	38,100	550	1.4
" 1966	39,100	500	1.3

Source: Florida Industrial Commission.

Future Employment

Nonagricultural employment is expected to increase by about 1,200 jobs annually during the January 1, 1967 to January 1, 1969 forecast period, a level somewhat lower than the average annual growth rate of the past seven years (1,375). Annual government employment gains should average approximately 700. Trade, continuing to grow at the rate experienced during the past year, will add 200 jobs annually. Employment in construction, reacting to an expected increase in residential construction, will rise by about 200 a year during the next two years. The remaining groups should generate an increase of 100 jobs annually over current levels. No new large firms are expected to locate in the HMA during the forecast period.

Since the number of unemployed is at an exceptionally low level of 500 persons, or 1.3 percent of the work force, the growth forecast for nonagricultural employment implies a worker in-migration equal to, if not greater than, that which has occurred in the past. Should more of the new jobs in the area be filled by daily in-commuters than is now anticipated, or should it prove impossible to fill all of the available job openings, the level of in-migration and employment will be reduced accordingly.

Income

The estimated median annual income of all families in the Tallahassee HMA, after the deduction of federal income tax, was $6,450 yearly as of January 1967; the median annual after-tax income of all nonfarm renter households[1/] was $5,500. The past, 1967, and 1969 projected median income levels in the HMA are shown in the following table.

Median After-Tax Incomes
Tallahassee, Florida, HMA
1959, 1967, and 1969

Year	All families	Renter households[a/]
1959	$4,800	$4,100
1967	6,450	5,500
1969	6,825	5,800

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Detailed distributions of all families and of renter households by income classes are presented in table II. About 29 percent of all families and 35 percent of renter households currently had after-tax incomes below $4,000 annually. At the upper end of the income distributions, 25 percent of all families and 15 percent of renter households had incomes of $10,000 or more annually, after tax.

The distributions presented in table II reflect, to an unknown degree, the inclusion of married student families which are predominantly in the medium and lower ranges of income. If those families could be excluded from the analysis, the median levels of income of the remaining nonstudent families would be substantially higher than those shown.

1/ Excludes one-person renter households.

Demographic Factors

Population

Housing Market Area. As of January 1, 1967, the population of the Tallahassee, Florida, HMA was about 97,700, representing average annual gains of about 3,475 (4.1 percent) since April 1, 1960 (see table III).1/ Between April 1, 1950 and April 1, 1960, the population of the HMA grew from about 51,600 to 74,225 at average annual increments of over 2,250 (3.7 percent). In the post-1960 period, therefore, the HMA grew at a much faster annual rate than during the previous decade, 3,475 persons a year as compared with 2,250 persons annually.

City of Tallahassee. Within the city of Tallahassee, the population has risen to a level of 65,000.2/ The population of the city has been growing much more rapidly in the latter years of the 1960-1967 period than in the earlier years. By far the largest community in Leon County, the city of Tallahassee contains about 67 percent of the HMA population of 97,700. Since 1960 about 3,050 persons have been added to the population of the city through annexation.

The population of Tallahassee increased from 27,250 in 1950 to 48,175 in 1960, an annual gain of 2,100, or 5.7 percent. During the ten-year period, approximately 20,350 persons were brought into the corporate limits of the city through territorial annexations. Since the total gain between 1950 and 1960 was about 20,950, the area of the city within the 1950 boundaries gained a net total of only 600 persons. Although annexation activity creates growth in the central city of an urbanized area at the expense of the remainder of the area, it may be viewed as an adjustment on the part of the city to the pattern of metropolitan growth. Many of the persons living in annexed areas were former residents of the urban core who had moved to new subdivisions on the fringe of the city. Annexation activity in Tallahassee has slowed considerably; since 1960, an average of 450 persons annually have been added to the population of the city through annexation, as compared to 2,035 a year between 1950 and 1960.

Remainder of the HMA. The population of the remainder of the HMA was 32,700 on January 1, 1967. The population in areas outside the corporate limits of the city of Tallahassee represents approximately 33 percent of the total population of Leon County. Growth in the population of suburban Leon County has been affected, of course, by annexations to Tallahassee.

1/ The student population is included in population estimates. All average annual percentage changes in the demographic section are derived through the use of a formula designed to calculate the rate of change on a compound basis.

2/ A Special Census of the city of Tallahassee was conducted on November 4, 1964; the population of the city was enumerated at 58,022 persons.

Student Population. The student population of the Tallahassee HMA was about 18,350, 19 percent of the population of the HMA in January 1967. There were 14,500 students enrolled at Florida State University and 3,850 students at Florida Agricultural and Mechanical University.

Population Trend
Tallahassee, Florida, HMA
1950-1967

Item	1950	1960	1967	Average annual change 1950-1960	Average annual change 1960-1967 a/
Student population	7,125	13,200	18,350	608	750
Non-student population	44,465	61,025	79,350	1,656	2,725
Total population	51,590	74,225	97,700	2,264	3,475

a/ Rounded.

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

An analysis of the trend of population growth in the Tallahassee HMA is more significant if the student and non-student segments are viewed separately. Although the number of persons in each of the two population groups increased more rapidly in the post-1960 period than during the previous decade, the rising student population has become a less significant factor in the population growth experienced in recent years. Students accounted for about 22 percent of the total population gain between 1960 and 1967, and for about 27 percent of the total population growth during the 1950-1960 decade. Although the student population has been growing at a faster rate than before, the non-student population of the HMA has been increasing at an even faster rate.

Nonhousehold Population. Persons living in university residence halls, fraternity and sorority houses, and hospitals account for almost all of the population in group quarters (nonhousehold population) in the Tallahassee HMA. In 1960, the census reported a nonhousehold population of about 7,500 persons. New dormitory spaces built at Florida State University and a rising institutional population in the area's hospitals have raised the nonhousehold population figure to a total of 8,800 persons, or nine percent of the total population as of January 1967. Although an increase occurred in the number of students living in rooming houses and boarding houses, a large portion of the student increase represented a gain in the household population, either as roomers in established households or as members of new households formed by students.

Between 1950 and 1960, the nonhousehold population of the Tallahassee HMA increased from a 1950 level of 6,450 to 7,500 in 1960. The gain has been understated somewhat by a change in census concept from "dwelling unit" in 1950 to "housing unit" in 1960. This conceptual change had the effect of shifting a number of persons from the nonhousehold category into the household classification. A number of furnished-room type of units not counted as housing units in 1950 were recorded as housing units in 1960 and their occupants as households, thereby raising household population and reducing nonhousehold population. It is estimated that nonhousehold population will increase by approximately 650 persons during the next two years.

Estimated Future Population. By January 1, 1969, the population of the Tallahassee HMA is expected to total 104,400. This represents an anticipated annual increment of 3,350 persons during the January 1, 1967 to January 1, 1969 forecast period, made up of 900 students and 2,450 nonstudents. The future rate of population growth is based upon anticipated employment gains, approximately 1,200 during each of the next two years, and on the expectation that college enrollment will grow at a slightly higher rate than in recent years. Future population increases will approximate the past geographic pattern of growth, with the major portion of the gain occurring in the city of Tallahassee and in the fringe areas immediately adjacent to the city limits.

Net Natural Increase and Migration. Between April 1950 and April 1960, net natural increase (excess of live births over deaths) in the Tallahassee HMA totaled about 11,950. When compared with a total population increase of 22,650 during this period, a net in-migration of about 10,700 is indicated, equal to approximately 47 percent of the total population increase. During the April 1, 1960 to January 1, 1967 period, the total population gain of 23,400 resulted from a net natural increase of 8,500 and an in-migration of 14,900. The rate of in-migration during the past seven years is double the rate of the previous decade, 2,200 compared with 1,075. The following table presents the components of population change between April 1, 1950 and January 1, 1967.

Components of Population Change
Tallahassee, Florida, HMA
April 1, 1950 to January 1, 1967

Source of change	1950-1960 Total change	1950-1960 Average annual change	1960-1967 Total change	1960-1967 Average annual change
Total population				
Total population change	22,635	2,264	23,400	3,475
Net natural increase	11,948	1,195	8,500	1,260
Migration	10,687	1,069	14,900	2,215

Sources: U.S. Census of Population Report, Series P-23; U.S. Department of Health, Education and Welfare, Vital Statistics of the U.S.; estimates by Housing Market Analyst.

In-migration between 1960 and 1967 accounted for about 64 percent of the total population gain as compared with a proportion of 47 percent during the previous decade. The marked increase in the rate of in-migration in the past seven years has been the result of a rising student population as well as the in-migration of workers.

Households

Housing Market Area. Since April 1, 1960, the number of households (occupied housing units) in the Tallahassee HMA increased by about 6,750 to a total of 26,175 as of January 1, 1967 (see table III). The January 1967 total represented an average annual gain of about 1,000 households since April 1, 1960. Household growth since 1960 was more rapid than during the 1950-1960 decade. Between 1950 and 1960, the number of households in the HMA increased by about 6,550, an average annual increment of 650.1/ Annual household rates of growth rose from an average of 4.1 percent a year in the 1950-1960 decade to an average rate of 4.5 percent a year between 1960 and 1967.

1/ 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 Trend
Tallahassee, Florida, HMA
April 1950-January 1969

Date	Number of households	Average annual change Number	Percent
Apr. 1950	12,861	-	-
Apr. 1960	19,420	656	4.1
Jan. 1967	26,175	1,000	4.5
Jan. 1969	28,000	910	3.5

Sources: 1950 and 1960 Censuses of Housing.
1966 and 1969 estimated by Housing Market Analyst.

City of Tallahassee. There were approximately 17,950 households in the city of Tallahassee on January 1, 1967. The number of households in the city has been growing by 740 a year (4.9 percent) since April 1, 1960. Tallahassee recorded an average increment of almost 570 households a year (5.8 percent) during the intercensal period, rising from a 1950 total of about 7,275 to a 1960 total of approximately 12,975. Since 1960, approximately 925 households have been added in the city of Tallahassee through the annexation of outlying areas.

Remainder of the HMA. Households in the remainder of the HMA number 8,225, 31 percent of the HMA total of 26,175. Households in the area have increased by an average of 260 yearly since 1960, when 6,450 households were recorded. Between 1950 and 1960, approximately 80 households were added annually in the remainder of the HMA. Paralleling the trend of the HMA as a whole, the annual rate of household growth in areas outside Tallahassee was greater in the post-1960 period than in the prior decade, 3.7 percent compared with 1.5 percent.

Student Households. Student households represent approximately 12 percent of all households. The January 1967 total of 3,150 is the result of average annual gains of 225 since April 1, 1960, which compares with an annual increase of 75 households during the 1950-1960 decade. The number of non-student households has increased by an average of 775 yearly since 1960. Student households, which accounted for only about 11 percent of the household gain between 1950 and 1960, represented about 23 percent of the household growth since April 1, 1960. Student households, therefore, have become an increasingly important factor in the household growth pattern of the Tallahassee HMA.

Household Trends
Tallahassee, Florida, HMA
1950-1967

Item	1950	1960	1967	Average annual change 1950-1960	Average annual change 1960-1967
Student households	900	1,650	3,150	75	225
Non-student households	11,961	17,770	23,025	581	775
Total households	12,861	19,420	26,175	656	1,000

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

Estimated Future Households. Based on the anticipated increase in the population during the next two years, and on the assumption that the average household size will decline slightly during the forecast period, there will be an estimated 28,000 households in the Tallahassee HMA by January 1, 1969. This represents an expected addition of approximately 910 new households each year during the January 1, 1967 to January 1, 1969 forecast period. The number of student households added annually will decline from 225 a year (1960-1967) to 200 a year during the forecast period. The availability of new dormitories (private and university-owned) now under construction will, in effect, increase the nonhousehold portion of the student population and reduce the number of new students who will form households by occupying off-campus quarters. Of the 910 new households, 650 will be in the city of Tallahassee and 260 will accrue to the remainder of the HMA.

Housing Market Factors

Housing Supply

Housing Market Area. As of January 1, 1967, there were 27,600 housing units in the Tallahassee HMA, indicating a net gain since April 1, 1960 of about 6,500 housing units (31 percent), or an average annual increase of about 960. The net increase resulted from the construction of about 6,400 new units, the loss of 450 units, the addition of 150 units through conversion, and an increase of 350 trailers in the area.

During the 1950-1960 decade, the number of housing units in the Tallahassee HMA increased by 7,275 from 13,825 in 1950 to 21,100 in 1960, an average gain of about 725 yearly (see table IV). A portion of the decennial gain was the result of a conceptual change from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census. Despite the definitional increment, the average annual increase of new housing during the 1960-1967 period was about 235 greater than the average yearly gain between 1950 and 1960.

City of Tallahassee. There were 18,750 housing units in the city of Tallahassee, a net gain of 4,850 (35 percent) since the April 1960 total of 13,900. The net increment of 4,850 was the result of the construction of about 3,800 new dwelling units, the removal of about 400 units from the housing inventory, the addition of 250 trailers, a net gain of 150 units through conversion, and the annexation of approximately 1,000 units. During the 1950-1960 period, the number of dwelling units in the city increased by an average of 640 units annually, growing from a total of 7,500 units in 1950 to 13,900 units in 1960. The annual rate of addition to the housing stock within the city during the 1950-1960 period was 75 less than the gain since 1960. The definitional increment referred to above had a greater impact in Tallahassee than in the remainder of the HMA.

Remainder of the HMA. There were approximately 8,850 housing units in the remainder of Leon County, representing a net over-all gain of 1,650 units (23 percent), since April 1960. In the previous decade, the number of housing units in the area rose from a 1950 total of 6,325 to 7,200 in 1960. The increase which occurred between 1950 and 1960 reflects, however, the loss of a large number of units which were annexed to the city of Tallahassee during the ten-year period.

Type of Structure. Eighty percent of the housing units in the Tallahassee HMA are in one-unit structures (including trailers), compared with 85 percent in 1960. The addition of a substantial number of units in structures containing two units or more has caused this reduction in the proportion of one-unit structures, while raising the percentage of multifamily units in the inventory from 15 percent in April 1960 to 20 percent in January 1967 (see following table).

Housing Inventory by Units in Structure
Tallahassee, Florida, HMA
April 1, 1960 and January 1, 1967

Units in structure	April 1, 1960 Number	April 1, 1960 Percent	January 1, 1967 Number	January 1, 1967 Percent
One unit	17,406	82.5	21,225	76.9
Two or more units	3,133	14.8	5,450	19.7
Trailers	564	2.7	925	3.4
Total units	21,103	100.0	27,600	100.0

Sources: 1960 Census of Housing.
1967 estimated by Housing Market Analyst.

Year Built. Based on the 1960 Census of Housing and estimates derived through the use of building permit and demolition data, it is judged that about 24 percent of the current housing inventory was built since March 31, 1960 (see following table). Over half (58 percent) of the dwellings in the Tallahassee HMA are less than 17 years old; 16,075 units out of a total of 27,600 units were built after 1950. Only 11 percent of the housing stock (3,025 units) was built prior to 1929.

Distribution of the Housing Inventory by Year Built a/
Tallahassee, Florida, HMA
January 1, 1967

Year built	Number of units	Percentage distribution
Apr. 1, 1960-Dec. 31, 1966	6,650 b/	24.1
1959 to March 31, 1960	1,850	6.7
1955 to 1958	3,900	14.1
1950 to 1954	3,675	13.3
1940 to 1949	5,150	18.7
1930 to 1939	3,350	12.1
1929 or earlier	3,025	11.0
Total	27,600	100.0

a/ 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.
b/ Includes 200 trailers.

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

Condition. Of the 27,600 housing units in the Tallahassee HMA in January 1967, about 4,525 units (16 percent) were dilapidated or lacking one or more plumbing facilities. This indicates an improvement in the quality of the housing in the HMA since April 1960 when 5,125 housing units, about 24 percent of the inventory, were dilapidated or lacked one or more plumbing facilities. Demolition of poor quality units, a general upgrading of the existing housing stock, and construction of new units are responsible for the improvement.

Residential Building Activity

The trend of the estimated annual volume of new private[1/] residential completions in the Tallahassee HMA was predominantly upward during the 1960-1965 period. After rising from a 1960 level of approximately 640 units to a 1961 total of 715 units, the number of units completed dropped slightly to 710 the following year. Residential completions increased to 815 in 1963, 870 in 1964, and reached a peak of 1,200 in 1965. During 1966, completions dropped to almost one-half of the 1965 peak; only about 625 units were built in 1966. There were approximately 255 housing units under construction in January 1967.

The annual volume of single-family completions fluctuated during the 1960-1966 period (see table V). From a level of 570 in 1960, the number of single-family completions varied each year during the next five years between a low of 600 and a high of 660 (see table V). In 1966, however, the number of completions dropped to 400, a decline of almost 260 from the 1965 total of 660. The curtailment of building activity during 1966 was caused by a tightening in the availability of construction funds and the shortage of long-term mortgage funds.

Since April 1960, three-fourths of the units constructed have been single-family houses. The recent trend toward increased multifamily construction, however, has been decreasing this ratio sharply. In 1960, 89 percent of the units completed were single-family homes; in 1965, only 54 percent of the units built were one-unit structures.

1/ The above data refer to the estimated number of units completed during the April 1, 1960-January 1, 1967 period based on estimates by the Tallahassee City Planning Board and excludes 864 units of married-student housing constructed at Florida State University and Florida Agricultural and Mechanical University.

Since January 1960, approximately 1,425 multifamily units have been built in the Tallahassee HMA. Starting at a level of 70 in 1960, the number of privately-financed multifamily units completed rose to a peak of 550 in 1965. During 1966, approximately 225 units were constructed. This situation was not a response to a lack of demand potential but rather a postponement of proposed multifamily projects caused by the rise in the cost of construction funds.

Over 50 percent of all privately-financed units constructed in the HMA since April 1960 have been built in the city of Tallahassee. As might be expected, the major portion (95 percent) of the multifamily units were built in Tallahassee, while the greater share (61 percent) of single-family activity has been in the remainder of the HMA.

Units Under Construction. Based on building permit data, a postal vacancy survey, and supplemental information obtained in the Tallahassee area, there were estimated to be about 255 housing units under construction in the Tallahassee, Florida, HMA as of January 1, 1967. About 125 of the units were single-family homes and 130 were in multifamily projects. Approximately 60 single-family units and 130 multifamily units were under construction in the city of Tallahassee; 65 single-family homes were in various stages of construction in the remainder of the HMA.

Demolition. Since April 1, 1960, an estimated 450 housing units have been removed from the housing inventory, including 400 units in the city of Tallahassee and 50 units in the remainder of the HMA. Seventy-six units of married-student housing were removed from the Florida A and M University campus to make room for 69 new units in 1965. Losses as a result of private action have been the main source of demolition in the Tallahassee area; well-located properties are being cleared for more intensive land use. Over the next two years, it is anticipated that a total of about 150 units will be removed from the inventory. Florida State University is contemplating an extensive urban renewal project which will free land for future expansion of the university. The project is divided into four areas, which will result in the eventual displacement of approximately 1,825 families. Because the project still is in the planning stages of development and no federal funds have been allocated, no demolitions are expected in the project area during the forecast period.

Tenure of Occupancy

As of January 1, 1967, about 62 percent (16,150 units) of the occupied housing stock in the Tallahassee HMA was owner-occupied and 38 percent (10,025 units), renter-occupied. Approximately 79 percent of the occupied units outside of the city of Tallahassee were owner-occupied. The ratio of owner-occupancy was 54 percent in the city of Tallahassee.

Since April 1, 1950, there has been an increase in the proportion of owner-occupied housing units. The rate of increase has been declining, however. Between 1950 and 1960, owner-occupancy increased from 49 percent to 61 percent; since 1960, the proportion of owner-occupied units increased by less than one percentage point. The rate of shift to owner-occupancy during the past seven years has been reduced by the addition and occupancy of a significant number of new multifamily housing units and by the increase in the number of married students and single students forming households who occupy renter accommodations. There were substantial gains in owner-occupancy during the 1950-1960 and 1960-1967 periods in areas outside the city of Tallahassee. Within the city, however, the proportion of owner-occupied units increased from 43 percent in 1950 to 55 percent in 1960 and subsequently declined to a January 1967 figure of 54 percent.

Occupied Housing Units by Tenure
Tallahassee, Florida, HMA
1950, 1960, 1967

Tenure	April 1950	April 1960	January 1967
All occupied units	12,861	19,420	26,175
Owner-occupied	6,276	11,926	16,150
Percent owner-occupied	48.8%	61.4%	61.7%
Renter-occupied	6,585	7,494	10,025
Percent renter-occupied	51.2%	38.6%	38.3%

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Vacancy

April 1960 Census. According to the April 1960 Census of Housing, there were about 925 vacant, nondilapidated, nonseasonal housing units available for rent or sale in the Tallahassee HMA, an available vacancy ratio of 4.5 percent. About 330 of the available vacancies were for sale, equal to a homeowner vacancy ratio of 2.7 percent. The remaining 595 vacant units were for rent, representing a renter vacancy ratio of 7.3 percent (see table VII). Available vacancies in 1960 included about 165 units that lacked one or more plumbing facilities, of which 15 were for sale and 150 were for rent. In addition, there were 760 vacant units which were seasonal, dilapidated, held for occasional use, or held off the market for other reasons.

Postal Vacancy Survey. A postal vacancy survey was conducted in the Tallahassee HMA in early December 1966 by all post offices having city delivery routes. The survey covered 25,150 possible deliveries, or about 91 percent of the current housing inventory. At the time of the survey, almost 575 units were vacant (2.3 percent of all residences and apartments), of which 515 were previously occupied and 60 were new units. In addition, about 240 new units were reported in various stages of construction. The table below presents the results of the postal vacancy survey; a more detailed presentation of the survey results is shown in table VIII.

Postal Vacancy Survey
Tallahassee, Florida, HMA
December 6-7, 1966

Type of delivery	Total possible deliveries	Vacant units: Used	New	All	Percent of total deliveries
Residence	21,247	396	50	446	2.1
Apartment	3,897	119	7	126	3.2
Total	25,144	515	57	572	2.3

Sources: Post Offices in Leon County.

A total of 21,250 residences were surveyed, of which 450 (2.1 percent) were vacant; 400 previously had been occupied and 50 were newly completed units. A total of about 115 residences were found to be under construction. Among the 3,900 apartment units covered, 3.2 percent were vacant. The carriers reported as vacant 120 units previously occupied and only five new units. There were 130 apartment units under construction on the survey dates.

The results of the postal vacancy survey are expressed in quantitative terms because it was not feasible to collect qualitative data for this type of survey. The resultant vacancy 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 type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include some duplexes, row-type houses, and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit units in limited areas served by Post Office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. It is estimated that there are about 675 nondilapidated, nonseasonal, vacant housing units available for rent or sale in the Tallahassee, Florida, HMA as of January 1, 1967. Of this total, 300 were for sale and 375 for rent, equal to homeowner and renter vacancy ratios of 1.8 and 3.6 percent, respectively. Approximately ten vacant sales units and 100 vacant rental units lacked one or more plumbing facilities. In addition to the units available for sale or rent, there were 750 vacant units which were dilapidated, seasonal, rented or sold and awaiting occupancy, or held off the market for absentee owners or for other reasons. These estimates are based upon the postal vacancy survey (adjusted for incomplete coverage and converted to Census concepts of vacancy by tenure rather than by type of structure), on informed local sources, and on observation of the area.

Sales Market

General Market Conditions. The volume of new single-family sales in the HMA declined in the last few months of 1966. Prospective home buyers were faced with shortages in mortgage money and construction financing was in short supply. This has resulted in a cutback in both home purchases and construction activity during the last nine months of the year.

Sales vacancies declined slightly from a total of 330 in 1960 to a January 1967 figure of 300 available units. Net additions to the sales inventory from 1960 averaged 625 units annually and, until the beginning of 1966, absorption of that level of new construction was relatively good.

The most active price range for new residential units was from $15,000 to $25,000. Very few new single-family units were built for over $30,000 or below $10,000. There was a market for lower priced homes; however, because such units are not as profitable as higher priced homes, this segment has become somewhat neglected in the past few years. Demand appears to be greatest for units with three bedrooms. There has been increasing demand, however, for four-bedroom units during the past two years. The traditional style home is still preferred, although colonial-type homes are increasing in popularity. Homes with family rooms are in great demand and, in homes costing in excess of $15,000, a bath and a half bath are almost a necessity. Central air conditioning and heating systems are among the more desired amenities. In exterior finish, brick veneer is still used in the vast majority of the new homes being built.

The market for older homes has been good and realtors in the area reported as troublesome only homes which are 35 years old or more or those houses having high ceilings, which present a problem with respect to heating and cooling.

The structure of the property tax system of Leon County was altered in 1965 by court order, a fact which has affected both the sale of new homes and the resale of older units. Prior to 1965, properties were assessed at 40 percent of their value with a $5,000 homestead exemption. Currently, however, property is assessed at full market value. The revised tax structure has placed an additional tax burden on homeownership and has had a dampening effect on the sales market, especially with respect to lower priced homes.

Builders had become cautious at the end of 1966 and, although 72 percent of the new construction reported in the last FHA unsold inventory survey (see table IX) was built speculatively, there are very few speculative units being built at the present time.

There are many active subdivisions in the Tallahassee area. The number of subdivisions (and lots therein) recorded each year between 1960 and 1965 in the HMA is shown in the table below.

Recorded Subdivisions
Tallahassee, Florida, HMA
1960-1965

Year	Number of subdivisions	Number of lots
1960	16	663
1961	21	610
1962	13	583
1963	8	295
1964	14	601
1965	13	589

Source: Tallahassee, Florida, Planning Department.

Speculative Construction. A survey of new sales housing conducted by the Jacksonville FHA Insuring Office reported that houses built speculatively during 1966 accounted for about 72 percent of all single-family houses authorized in the HMA. Most of the speculative units were completed in the early part of the year. Speculative construction declined sharply during the latter half of 1966; there were very few speculative units being built at the beginning of 1967.

Unsold Inventory Surveys. Surveys of the unsold inventory of new sales houses in the HMA have been conducted by the FHA for the last three years. The surveys were conducted in January of each year and covered subdivisions in which five or more units were completed in the twelve months preceding the survey date (see table IX). A comparison of the survey counts of houses completed with the count of total units completed during 1964, 1965, and 1966 indicates that the surveys covered 54 percent of total completions in 1964, 30 percent in 1965, and 32 percent in 1966.

The survey conducted in January 1965, for homes completed in 1964, enumerated 326 completions, of which 70 (21 percent) were pre-sold and 256 (79 percent) were built speculatively. Of those built on a speculative basis, 17 percent (44 units) were unsold at the time of the survey. Thirty-six of the unsold units had been completed three months or less. The highest unsold ratio (40 percent) was in the $15,000 to $17,499 sales price class.

The January 1966 survey counted 199 new completions in 1965, 13 of which were pre-sold and 186 (93 percent) of which were built speculatively. About 34 percent of the speculative units were unsold at the time of the survey.

The most recent unsold inventory survey was conducted in January 1967 and covered 15 subdivisions in which 129 units had been completed in the twelve months preceding the survey date. Of this total, 36 were sold before the start of construction and 93 (72 percent) were built on a speculative basis. At the time of the survey, 13 percent of the speculatively-built homes remained unsold. The percentage of units and the number of units which remained unsold at the time of the survey showed a marked drop from the previous year. New home sales in this area usually decline substantially in the last quarter of the year. In all of the last three unsold inventory surveys, the majority of the unsold units had been completed for only three months or less at the time of the survey.

Rental Market

General Market Conditions. Virtually all of the new apartment projects in the area are completely occupied and local sources report that a high percentage of the units in projects built during the past three years have been rented before the completion of construction. As indicated by the January 1967 renter vacancy ratio of 3.6 percent, the rental market in the Tallahassee area was firm. Many of the vacancies which existed at that time were in old, less competitive units close to the central city and in old single-family houses which are difficult to sell. The rate of multifamily construction slowed somewhat during the latter part of 1966. As stated previously, this situation was not a response to a lack of demand potential but rather a postponement of proposed rental projects caused by the rise in the cost of construction funds. Most of the multifamily projects which were completed in the past several years are located near the

Florida State University campus. Locating apartments near the university not only makes them accessible to both students and faculty but also places the projects within easy commuting distance for government employees. Unmarried students have shown a preference for units which are close to the central campus, while married students seek the lower rents available in the more distant units.

Part of the prosperity enjoyed by the local rental market at the end of 1966 was a result of the slowdown in the sales market. Prospective homebuyers reluctant to purchase a home were renting accommodations while awaiting a more favorable monetary situation.

Activity with respect to large apartment projects has increased in recent years. Most apartment projects in the past contained less than 20 units. Since 1963, most of the private apartment units constructed were in projects containing 20 units or more.

A survey of new apartments in the HMA indicates an unusually high rate of occupancy; there were only three apartment units reported vacant out of a total of 412 units surveyed (less than one percent). Almost 52 percent of the units surveyed were one-bedroom apartments.

In 1960, single-family homes represented over one-half of the units occupied by renters and they still account for a major portion of the rental inventory. Almost all of the single-family rentals are old units, as the rental of new homes usually is not economically feasible. As in the sales market, the larger old homes which are difficult to heat or cool are almost impossible to rent.

The Florida State Legislature meets in Tallahassee every other year. The influx of legislators during these periods causes a temporary inflation in the demand for rental housing. The nature of this demand may be termed "seasonal" and is quite distinct from the typical rental demand in the Tallahassee area. Because it is a short term demand (rarely longer than three months), and because large, completely furnished single-family homes are preferred, monthly rents may range from $500 to $1,000. Many local residents vacate their residences during sessions of the legislature in order to take advantage of the high rent their homes can command. There is a proposal before the legislature to change legislative meetings to an annual basis which will increase the frequency of this "seasonal" impact.

Student Housing

Housing occupied by students in the Tallahassee area represents twelve percent of the entire occupied residential inventory. Approximately 47 percent of the students currently attending colleges in the HMA are housed in dormitories, university-owned married student quarters, and university-affiliated housing (fraternities, sororities, etc.). The remaining students are housed in private, off-campus dwellings. Of those students occupying off-campus housing (10,925 students), about 60 percent reside in apartments, rooms, and rented houses, while the remaining 40 percent commute from the homes of parents, relatives, or their own homes.

There are approximately 4,650 students housed in dormitories on the Florida State University campus and 1,575 students living in the dormitory facilities of Florida A and M University. About 1,000 students reside in the 795 units of married-student housing controlled by Florida State University and 100 students occupy trailers at the university-owned trailer park. There are about 100 students living in 77 units of married-student housing located at Florida A and M University.

Although the number of students housed in private dwellings (other than those in the homes of parents and relatives) rose by approximately 1,725 since 1960, the portion of students privately housed still represents the same proportion of the student body now as in 1960, 32 percent. This situation is a result of dormitory and married-student housing construction during the past seven years. The capacity of university-owned dormitories has increased by over 775 students and a substantial addition to married-student quarters has raised the number of students thus housed by 1,000.

Because builders have found it profitable to build apartments for the unmarried student market, a large number of the recently completed apartment units have been built for occupancy by groups of single students. The new apartments near the campus usually are rented by single undergraduate students who by doubling up can meet the higher rents. Married students often find the rental costs of these units in excess of their budgetary allowances and seek housing in older accommodations or in apartments some distance from the campus.

Costs for unfurnished units with utilities paid by the student are usually between $75 and $110 for a one-bedroom unit and between $100 and $150 for a two-bedroom unit. Furnished rooms for one student range in price from $35 to $50 a month, with $40 the most common monthly rental. The cost of a double room (shared by two students) varies between $35 and $40 a month per student. Unfurnished homes usually rent for from $125 to $250 a month depending upon the number of bedrooms and the type of amenities available.

Since 1960, two dormitories (Salley Hall and Rogers Hall) and all of the married-student housing units were added to the housing stock of Florida State University. During the past seven years, a net total of seven apartments were lost to the housing inventory of Florida A and M University, as 76 older units were removed to make room for 69 new married-student housing units. There are no housing projects currently under construction at Florida State University; there are, however, four dormitory units being built at Florida A and M University which will house a total of 344 students.

Urban Renewal

In order to provide land for the future growth of Florida State University, an urban renewal plan is proposed which would release approximately 240 acres to the university for the construction of housing, classroom, and laboratory facilities. The entire project is divided into four areas, three of which will be devoted to dormitory and apartment construction; the fourth area will be used to expand the educational facilities of the university. The project is in the planning stage and, although a total of about 1,825 families eventually are to be displaced, no relocations or demolitions are expected to take place during the next two years. Although the Workable Program of the city of Tallahassee has expired, the city is now in the process of obtaining recertification.

Demand for Housing

Quantitative Demand

The demand for new housing in the Tallahassee, Florida, HMA is based upon the projected growth of 910 households annually during each of the next two years. To this basic growth factor, adjustments are made for the anticipated volume of residential demolitions and the current level of new construction. Consideration also is given to changes expected in the tenure of occupancy in the inventory and the probability that some part of the demand for renter units will be supplied by single-family houses currently occupied by owners.

Based on these considerations, an annual demand for 950 new residential housing units is forecast during the January 1, 1967 to January 1, 1969 period. The most desirable demand-supply balance in the market will be achieved if 600 units of the annual demand are supplied as single-family homes and 350 are units in multifamily structures, excluding public low-rent housing or rent-supplement accommodations. The annual demand for 350 units includes those which might be provided by the universities as either faculty or married-student quarters. At the lower rents achievable with below-market-interest-rate financing or assistance in land acquisition and cost, an additional 150 units can be absorbed annually.

The projected annual demand for 600 single-family homes is about the same as the average annual number of single-family units added to the inventory since April 1, 1960. Although the demand for 350 multifamily units annually is greater than the number of private units constructed during the 1960-1967 period (210 a year), the annual level of demand does approximate the average number of public married-student housing and private units completed since 1960 (360 units a year). The projected level of demand reflects, not only the economic growth expected over the next two years, but also the increasing acceptance of apartments by both the student and the non-student population and a declining supply of single-family rental units.

Future building activity is expected to be distributed geographically within the HMA generally as it has been in the recent past. The bulk of new multifamily units will be in the city of Tallahassee and the student population will continue to be a major source of rental demand. Single-family construction will be concentrated in the northern portion of the city; increased activity should occur along Routes 319 and 27.

The absorption of units in multifamily structures that will come on the market during the early part of the forecast period should be observed closely and appropriate adjustments made if these units are not absorbed readily. The projection for the next two years assumes the ability of the economy, not only to generate an additional 1,200 jobs per year during the next two years, but also to fill these positions through worker in-migration. Should the economy fail to realize the predicted level of employment growth or should employment increase at a rate in excess of the expected level, demand during the next two years will diminish or increase accordingly.

Qualitative Demand

Single-Family Units. Based on current family after-tax incomes, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 600 single-family units is expected to be distributed by sales price as shown in the following table. Housing priced to sell below $8,500 generally cannot be produced in this area at present.

Estimated Annual Demand for New Single-family Housing
Tallahassee, Florida, HMA
January 1, 1967 to January 1, 1969

Price range	Number of units	Percent of total
Under $10,000	70	12
$10,000 - 12,500	55	9
12,500 - 14,999	90	15
15,000 - 17,499	90	15
17,500 - 19,999	100	16
20,000 - 24,999	70	12
25,000 - 29,999	65	11
30,000 and over	60	10
Total	600	100

The distribution shown above differs from that in table IX, which reflects only selected subdivision experience during the years 1964-1966. It must be noted that the 1964, 1965, and 1966 data do not include new construction in subdivisions with less than five completions during each year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction and some of the lower value homes are concentrated in the smaller building operations which are quite numerous. The demand estimates above reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Multifamily Units. The monthly rental at which privately-owned net additions to the aggregate multifamily housing inventory might best be absorbed by the market are indicated for various size units in the following table. These 350 net additions may be accomplished by either new construction or rehabilitation at the specified rentals without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition.

The minimum gross rents at which new privately-owned multifamily units can be produced in the HMA at market-interest-rate financing are approximately $95 a month for efficiencies, $115 for one-bedroom units, $135 for two-bedroom units, and $155 for three-bedroom units.1/

Estimated Annual Demand for Additional Multifamily Housing
Tallahassee, Florida, HMA
January 1, 1967 to January 1, 1969

Unit size	Number of units	Monthly gross rents[a]
Efficiency	15	$95 and over
One-bedroom	25	$115 - $129
	30	130 - 139
	35	140 - 149
	20	150 - 159
	10	160 and over
Two-bedroom	30	$135 - $149
	40	150 - 159
	45	160 - 169
	25	170 - 179
	10	180 and over
Three-bedroom	20	$155 - $169
	35	170 - 199
	10	200 and over
	350	

a/ Includes all utilities, except telephone.

The preceding distribution of average annual demand for new apartments is based on projected tenant-family incomes, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is given also to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Individual projects may differ from the general pattern in response to specific neighborhood or submarket requirements.

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

At the lower rents achievable with below-market-interest-rate financing or assistance in land acquisition and cost, an additional 150 units may be absorbed. These 150 units would be distributed best with respect to unit size in the following manner: 10 efficiencies, 55 one-bedroom units, 60 two-bedroom units, and 25 three-bedroom units. The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less willing to or able to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new multifamily housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Table I

Trend of Civilian Work Force Components
Tallahassee, Florida, HMA
March 1959-March 1966

Component	March 1959	March 1960	March 1961	March 1962	March 1963	March 1964	March 1965	March 1966
Civilian work force	30,150	30,500	32,800	32,750	34,100	36,250	38,100	39,100
Total unemployment	550	700	1,550	800	600	650	550	500
Unemployment rate	1.8%	2.3%	4.7%	2.4%	1.8%	1.8%	1.4%	1.3%
Total employment	29,600	29,800	31,250	31,950	33,500	35,600	37,550	38,600
Agricultural employment	850	750	700	650	550	550	550	600
Nonagricultural employment	28,750	29,050	30,550	31,300	32,950	35,050	37,000	38,000
Wage and salary workers	23,700	23,750	24,750	25,400	27,050	29,100	31,000	32,200
Manufacturing	2,000	1,850	1,850	1,700	1,650	1,600	1,600	1,600
Construction	1,850	1,600	1,400	1,600	1,700	1,700	2,100	2,200
Trans. and pub. util.	1,050	1,150	950	900	950	1,000	1,100	1,200
Wholesale & retail trade	4,650	4,600	4,800	5,000	5,250	5,400	5,900	6,100
Finance, ins., & real est.	900	900	950	1,000	950	1,300	1,300	1,400
Service	1,900	2,100	2,150	2,300	2,800	3,100	3,200	3,200
Government	11,200	11,450	12,550	12,750	13,650	15,000	15,800	16,500
Other wage and salary	150	100	100	150	100	-	-	-
All other nonagricultural	5,050	5,300	5,800	5,900	5,900	5,950	6,000	5,800

Source: Research and Statistics Department, Florida Industrial Commission.

Table II

Distribution of All Families and Renter Households by Annual Income
After Deducting Federal Income Tax
Tallahassee, Florida, HMA, 1967 and 1969

Income	1967 All families	1967 Renter households	1969 All families	1969 Renter households
Under $ 2,000	10	15	9	12
$ 2,000 - 2,999	9	10	8	11
3,000 - 3,999	10	10	10	11
4,000 - 4,999	9	10	9	9
5,000 - 5,999	8	10	8	9
6,000 - 6,999	8	9	7	8
7,000 - 7,999	8	8	8	9
8,000 - 8,999	7	7	7	7
9,000 - 9,999	6	6	6	6
10,000 - 11,999	10	7	10	9
12,000 - 14,999	9	5	10	4
15,000 - 19,999	3	(3	4	(5
20,000 and over	3	(	4	(
Total	100	100	100	100
Median	$6,450	$5,500	$6,825	$5,800

Source: Estimated by Housing Market Analyst.

Table III

Population and Household Changes
Tallahassee, Florida, HMA
April 1, 1950 to January 1, 1967

				Average annual change			
				1950-1960		1960-1967	
Population	1950	1960	1967	Number	Percent[a]	Number[b]	Percent[a]
HMA total population	51,590	74,225	97,700	2,264	3.7	3,475	4.1
City of Tallahassee	27,237	48,174	65,000	2,094	5.7	2,500	4.5
Remainder of HMA	24,353	26,051	32,700	170	.7	975	3.4
Households							
HMA total households	12,861	19,420	26,175	656	4.1	1,000	4.5
City of Tallahassee	7,275	12,968	17,950	569	5.8	740	4.9
Remainder of HMA	5,586	6,452	8,225	87	1.5	260	3.7

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.
1967 estimated by Housing Market Analyst.

Table IV

Trend of the Housing Inventory
Tallahassee, Florida, HMA
April 1, 1950-January 1, 1967

Area	April 1, 1950	April 1, 1960	January 1, 1967	Average annual change 1950-1960 Number		1960-1967 Number[b]	
				Number	Percent[a]	Number[b]	Percent[a]
HMA total	13,830	21,103	27,600	727	4.3	960	4.0
City of Tallahassee	7,503	13,917	18,750	641	6.2	715	4.5
Remainder of HMA	6,327	7,186	8,850	86	1.2	245	3.1

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 Housing.
1967 estimated by Housing Market Analyst.

Table V

Private Housing Units Constructed[a]
Tallahassee, Florida, HMA
1960-1966

Area	1960	1961	1962	1963	1964	1965	1966
HMA total	639	716	710	815	869	1,205	626
Single-family units	569	652	622	661	603	656	404
Multifamily units	70	64	88	154	266	549	222
City of Tallahassee total	349	326	367	351	534	723	324
Single-family units	279	262	279	197	268	238	104
Multifamily units	70[b]	64	88[c]	154	266	485[d]	220
Remainder of HMA total	290	390	343	464	335	482	302
Single-family units	290	390	343	464	335	418	300
Multifamily units	-	-	-	-	-	64	2

a/ Does not include 255 units under construction.
b/ Does not include 288 units of married-student housing at Florida State University.
c/ " " " 185 " " " " " at " " " .
d/ " " " 322 " " " " " at " " " and
does " " 69 " " " " " at Florida A and M University.

Source: Estimated by the Tallahassee City Planning Board based on city and county building permits with adjustments for changes of plans when known.

Table VI

Trend of Household Tenure
Tallahassee, Florida, HMA
April 1, 1950-January 1, 1967

Tenure	City of Tallahassee	Remainder of HMA	HMA total
April 1, 1950:			
Total housing inventory	7,503	6,327	13,830
Total occupied	7,275	5,586	12,861
Owner-occupied	3,124	3,152	6,276
Percent of total occupied	42.9%	56.4%	48.8%
Renter-occupied	4,151	2,434	6,585
Percent of total occupied	57.1%	43.6%	51.2%
Total vacant	228	741	969
April 1, 1960:			
Total housing inventory	13,917	7,186	21,103
Total occupied	12,968	6,452	19,420
Owner-occupied	7,187	4,739	11,926
Percent of total occupied	55.4%	73.5%	61.4%
Renter-occupied	5,781	1,713	7,494
Percent of total occupied	44.6%	26.5%	38.6%
Total vacant	949	734	1,683
January 1, 1967:			
Total housing inventory	18,750	8,850	27,600
Total occupied	17,950	8,225	26,175
Owner-occupied	9,675	6,475	16,150
Percent of total occupied	53.9%	78.7%	61.7%
Renter-occupied	8,275	1,750	10,025
Percent of total occupied	46.1%	21.3%	38.3%
Total vacant	800	625	1,425

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Table VII

Vacancy Trends
Tallahassee, Florida, HMA
April 1, 1950-January 1, 1967

Vacancy characteristics	City of Tallahassee	Remainder of HMA	Total
April 1, 1950:			
Total vacant units	228	741	969
Available vacant units	123	343	466
For sale	17	214	231
Homeowner vacancy rate	.5%	6.4%	3.6%
For rent	106	129	235
Rental vacancy rate	2.5%	5.0%	3.4%
Other vacant	105	398	503
April 1, 1960:			
Total vacant units	949	734	1,683
Available vacant units	674	249	923
For sale	200	130	330
Homeowner vacancy rate	2.7%	2.7%	2.7%
For rent	474	119	593
Rental vacancy rate	7.6%	6.5%	7.3%
Other vacant	275	485	760
January 1, 1967:			
Total vacant units	800	625	1,425
Available vacant units	500	175	675
For sale	175	125	300
Homeowner vacancy rate	1.8%	1.9%	1.8%
For rent	325	50	375
Rental vacancy rate	3.8%	2.8%	3.6%
Other vacant	300	450	750

Sources: 1950 and 1960 Censuses of Housing.
1967 estimated by Housing Market Analyst.

Table VIII

Tallahassee, Florida, Area Postal Vacancy Survey

December 6-7, 1966

Postal area	Total residences and apartments: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Residences: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Apartments: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	House trailers: Total possible deliveries	Vacant: No.	Vacant: %
Tallahassee	25,144	572	2.3	515	57	242	21,247	446	2.1	396	50	113	3,897	126	3.2	119	7	129	916	43	4.7
Main Office	9,701	285	2.9	265	20	86	8,220	209	2.5	194	15	22	1,481	76	5.1	71	5	64	637	36	5.7
Stations:																					
Monroe Street	6,937	135	1.9	105	30	139	6,368	124	1.9	94	30	79	569	11	1.9	11	-	60	-	-	-
Woodward Avenue	8,506	152	1.8	145	7	17	6,659	113	1.7	108	5	12	1,847	39	2.1	37	2	5	279	7	2.5

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

The definitions of "residence" and "apartment" are those of the Post Office Department, 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 IX

Status of New House Completions in Selected Subdivisions [a]
Tallahassee, Florida, HMA
As of January 1965, January 1966, January 1967

Sales price	Total completions	Pre-sold	Speculative construction		Unsold	
			Total	Sold	Number	Percent
Houses completed in 1964, as of January 1, 1965:						
Under $10,000	24	-	24	24	-	-
$10,000 - 12,499	30	7	23	20	3	13
12,500 - 14,999	64	9	55	50	5	9
15,000 - 17,499	77	17	60	36	24	40
17,500 - 19,999	41	14	27	27	-	-
20,000 - 24,999	45	6	39	31	8	21
25,000 - 29,999	23	4	19	16	3	16
30,000 and over	22	13	9	8	1	20
Total	326	70	256	212	44	17
Houses completed in 1965, as of January 1, 1966:						
Under $10,000	14	-	14	14	-	-
$10,000 - 12,499	21	-	21	14	7	33
12,500 - 14,999	42	4	38	25	13	34
15,000 - 17,499	44	3	41	31	10	24
17,500 - 19,999	43	4	39	15	24	62
20,000 - 24,999	29	2	27	20	7	26
25,000 - 29,999	5	-	5	4	1	20
30,000 and over	1	-	1	-	1	1
Total	199	13	186	123	63	34
Houses completed in 1966, as of January 1, 1967:						
Under $10,000	-	-	-	-	-	-
$10,000 - 12,499	17	9	8	8	-	-
12,500 - 14,999	10	3	7	7	-	-
15,000 - 17,499	53	10	43	39	4	9
17,500 - 19,999	20	6	14	11	3	21
20,000 - 24,999	28	7	21	16	5	24
25,000 - 29,999	1	1	-	-	-	-
30,000 and over	-	-	-	-	-	-
Total	129	36	93	81	12	13

a/ Includes only subdivisions with five or more completions during the year.

Source: Annual surveys of Unsold Inventory of New Homes conducted by the Jacksonville, Insuring Office.