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*Analysis of the*

**WEST PALM BEACH, FLORIDA  
HOUSING MARKET**

**As of November 1, 1968**

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

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ANALYSIS OF THE  
WEST PALM BEACH, FLORIDA, HOUSING MARKET AREA  
AS OF NOVEMBER 1, 1968

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 current and future 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 at the time (the "as of" date) 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. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

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ANALYSIS OF THE  
WEST PALM BEACH, FLORIDA, HOUSING MARKET AREA  
AS OF NOVEMBER 1, 1968

Summary and Conclusions

1. The economy of the West Palm Beach Housing Market Area (HMA) is supported primarily by tourist trade and agriculture. Since 1960, however, there was a substantial growth in manufacturing industries, principally in electronics. Nonagricultural wage and salary employment in the HMA averaged 89,300 during the twelve-month period ending in September 1968, representing an increase of 5,300 (six percent) over the corresponding previous twelve-month period. Between 1960 and 1967, wage and salary employment increased by 30,900 jobs (57 percent), or nearly 4,425 a year. Although manufacturing employment gains have caused notable increases in over-all wage and salary employment during certain periods in the past eight years, the continuous high growth in nonmanufacturing industries (primarily trade, services, and government) have been responsible for the high growth trend in total wage and salary employment over the entire 1960 to 1967 period. Over the next two years, nonagricultural wage and salary employment in the HMA is expected to increase by about 4,200 a year; about three-fourths of the gain is anticipated in trade, services, and government.
2. As of November 1, 1968, the estimated median income of all families in the HMA, after deduction of federal income taxes, was about \$6,625; the median income of all renter households of two or more persons was \$4,875.
3. The November 1, 1968 total population of the West Palm Beach HMA was an estimated 356,700 persons, representing an average annual increase of approximately 14,975 (five percent) since April 1960. Population increases between April 1950 and April 1960 averaged about 11,350 (seven percent) a year. By November 1, 1970, the total population in the HMA is expected to reach 386,000 persons, a yearly gain of 14,650 over the 1968 level.

The number of households in the West Palm Beach area totaled 120,700 in November 1968, a gain of 5,175 a year since April 1960. Between 1950 and 1960, the increase averaged 3,925 households annually. During the next two years, household growth is expected to average about 5,150 a year.

4. The housing inventory in the West Palm Beach area totaled about 131,600 units as of November 1, 1968, a net addition of 42,200 units, approximately 4,925 a year, since April 1960. The increase was a result of the completion of about 41,700 new housing units, the addition of over 3,075 trailers, and the loss of 2,575 units through demolition, fire, and other inventory changes.
5. There were 3,400 available vacant housing units in the area as of November 1, 1968, of which 1,200 were available for sale, representing a homeowner vacancy ratio of 1.5 percent, and 2,200 were available for rent, a rental vacancy rate of 4.9 percent. These vacancy ratios represent a substantial improvement in the sales and rental markets in the HMA since April 1960 when the sales vacancy ratio was five percent and the rental vacancy ratio was 11.7 percent.
6. Barring unanticipated changes in economic, demographic, and housing factors taken into consideration in this analysis, the number of additional private-nonsubsidized housing units needed to meet the requirements of anticipated increases in households and to allow for expected occupancy and inventory changes is estimated at 5,475 units annually during the two-year period ending November 1, 1970. Total demand consists of 2,200 single-family sales houses, 1,800 multifamily sales units (cooperatives and condominiums), 1,475 multifamily rental units. The sharp increase in the number of multifamily units authorized during the first nine months of 1968 and the large number under construction in November 1968 indicate the need for close observance of the absorption of new units and the trend in vacancies in competitive existing buildings. The demand for new single-family sales housing is distributed by price class in the table on page 25, and the annual demand for multifamily sales and rental housing is summarized on pages 25 and 26. These demand estimates exclude public low-rent housing, rent-supplement accommodations, and other types of housing provided by direct subsidy. Demand for these types of housing is shown in the section beginning with page 26.

ANALYSIS OF THE  
WEST PALM BEACH, FLORIDA, HOUSING MARKET  
AS OF NOVEMBER 1, 1968

Housing Market Area

For the purposes of this analysis, the West Palm Beach Housing Market Area (HMA) is defined as being coterminous with Palm Beach County, Florida. This area had a 1960 population of about 228,100 persons. <sup>1/</sup> With a land area of 1,978 square miles in 1960, Palm Beach County was the third largest county in area in Florida, but it ranked only seventh in population. Nearly two-thirds of the 1960 population in the HMA was concentrated in a narrow strip of land not more than ten miles wide lying along the Atlantic Coast and extending from the northern to the southern county lines. Only three incorporated communities lie outside the coastal urban strip; they include Belle Glade, Pahokee, and South Bay, which are located in the rich agricultural region of the HMA near Lake Okeechobee (see map).

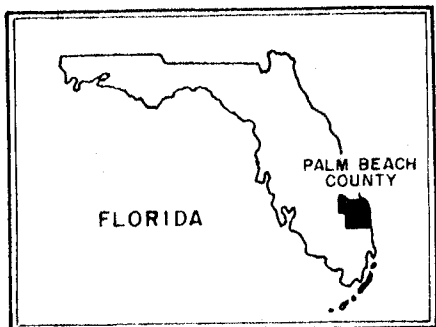
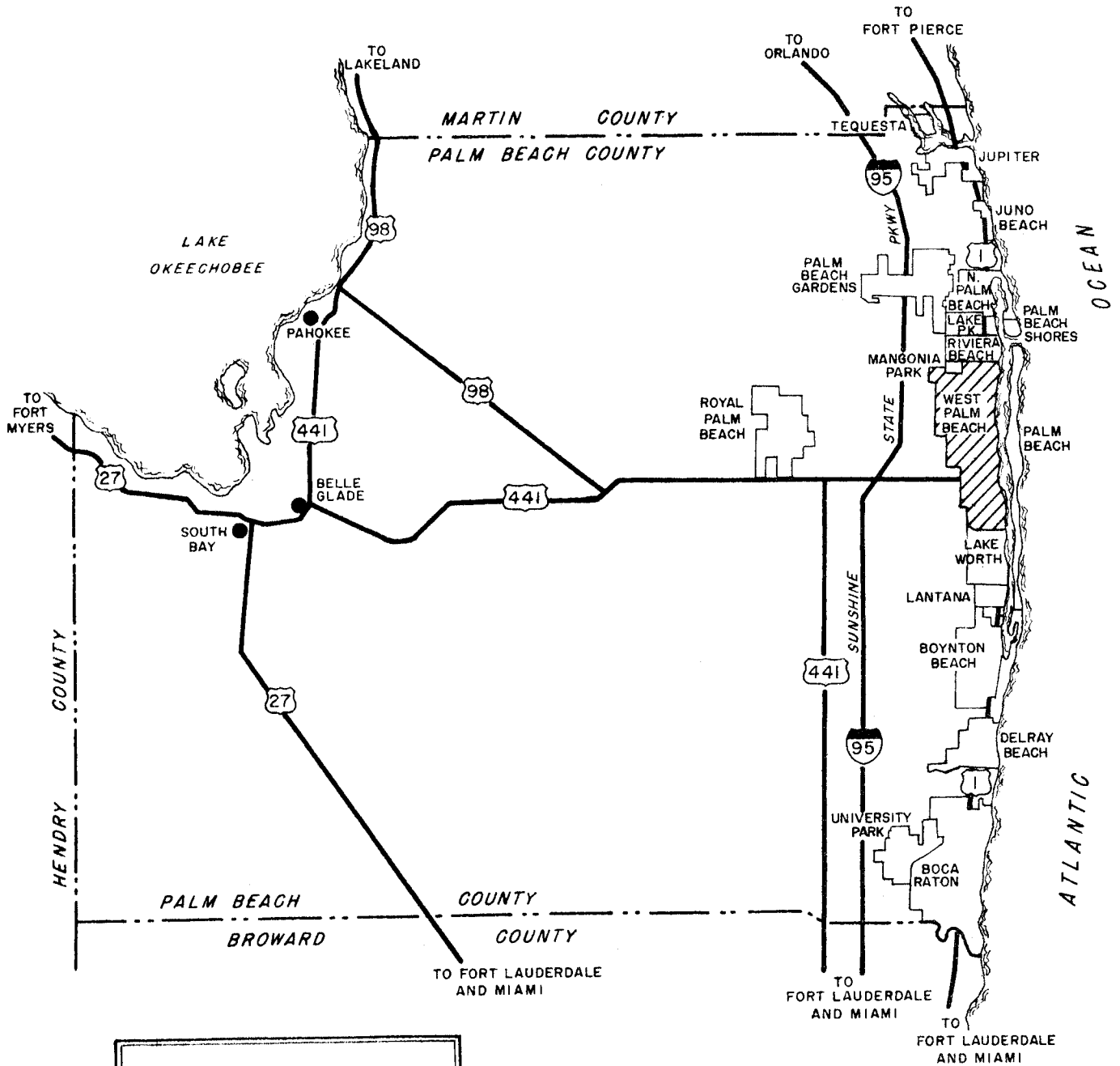
The West Palm Beach HMA is located on the lower east coast of Florida. It is the northernmost of the three counties comprising what is known as the "Gold Coast" of Florida. The other two counties of this region are Broward County (Ft. Lauderdale) and Dade County (Miami). West Palm Beach, the major city of the HMA, is approximately 40 miles north of Ft. Lauderdale and 65 miles north of Miami.

The HMA is served by a fine transportation system. Major north-south highways in the area include Florida Route A1A, U.S.1, and the limited access toll road, the Sunshine State Parkway (Interstate 95); east-west travel is facilitated by U.S. Routes 441 and 98. Rail transportation, both freight and passenger, is offered by the Florida East Coast and Seaboard Coast Line Railroads. Air transportation is available at the Palm Beach International Airport (located in West Palm Beach), served by the major companies of Delta, National, United, and Eastern Airlines.

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<sup>1/</sup> See Appendix A, paragraph 1.

# WEST PALM BEACH, FLORIDA HOUSING MARKET AREA



0 5 10 MILES





## Economy of the Area

### History and Character

The development of Palm Beach County began in the late 1800-early 1900 period when Henry Flagler extended a spur of his Florida East Coast Railroad into the area. He built a mansion on an island in the area, which is now Palm Beach, and constructed hotels to attract affluent members of society. Across Lake Worth on the mainland, the town of West Palm Beach was established to house servants and other employees who worked in the mansions and hotels of Palm Beach. With the establishment of the winter homes and resort hotels in Palm Beach, a substantial tourist trade began and continues today.

In addition to the economic support derived from tourist trade, area residents also depended heavily upon agricultural pursuits. Palm Beach County has long been a major producer of winter vegetables, as well as a major sugar producer. Agriculture still provides a substantial revenue to the HMA. In fiscal year 1968, the total value of agricultural products of the county amounted to over \$223.5 million; vegetables (\$91.4 million) and sugar (\$99.0 million) were the major products.

Since the establishment of the Pratt and Whitney Aircraft Company plant in the HMA in the late-1950's, there has been a rapid growth in the manufacturing segment of the economy. In the past few years, substantial and permanent plants have been constructed in the area by such firms as International Business Machines and the Radio Corporation of America. Many of the new manufacturers attracted to the area are in electronics. Between 1960 and 1967, manufacturing employment in the West Palm Beach HMA nearly doubled from 8,000 employees in 1960 to 15,600 workers in 1967.

### Work Force

During the twelve-month period ending in September 1968, the civilian work force of the HMA averaged 129,700 persons, an increase of 5,400 (four percent) over the corresponding period ending in September 1967. During the 1960 to 1967 period, the civilian work force in the West Palm Beach area grew by 33,500 workers (36 percent) from 92,100 in 1960 to 125,600 in 1967, an annual gain of over 4,775 persons (see table I). An examination of monthly work force data for the HMA prepared by the Florida State Employment Service reveals that the civilian work force in the area declines in the summer months and increases in the winter months. This seasonal fluctuation results from the entrance of many trade and service workers into the work force during the tourist season, as well as the influx of agricultural workers for the harvest and processing of the various agricultural products.

### Employment

Agricultural Employment. In most metropolitan counties throughout the nation, agricultural employment has generally declined during the 1960's; in Palm Beach County, it has increased. Between 1960 and 1967, agricultural employment in the HMA increased from an average of 13,000 in 1960 to 18,000 in 1967, a gain of 5,000 workers (over 38 percent). Added agricultural employment in the HMA has been caused by the increased demand for winter vegetables from an increasing national population and by increased sugar production caused by the cessation of Cuban sugar imports. As in most agricultural areas, employment is seasonal. Depending upon the weather conditions, agricultural employment peaks sometime in the January-April period and bottoms out in July and August. During the peak months, many migrant workers come into the area for the harvest and many part-time and secondary wage earners seek employment in the various food and sugar processing plants in the area. In the past two years, sugar and sugar by-products have been the major producers of revenue, but winter vegetables have been close behind. As shown in the following table, sugar and vegetables have been the major crops for the entire 1960 to 1968 period.

Estimated Value of Agricultural Products  
West Palm Beach, Florida, HMA  
FY 1960-1961 through FY 1967-1968  
(in millions of dollars)

<u>Fiscal Year</u>	<u>Total value</u>	<u>Vegetables</u>	<u>Value of Sugar</u>	<u>Other products</u>
1960-1961	\$103.4	\$50.8	\$20.0	\$32.6
1961-1962	120.7	64.1	30.0	26.6
1962-1963	150.2	64.3	59.4	26.5
1963-1964	168.4	79.1	58.3	31.0
1964-1965	173.8	75.4	67.4	31.0
1965-1966	184.3	85.7	68.5	30.1
1966-1967	210.1	87.5	90.2	32.4
1967-1968	223.5	91.4	99.0	33.1

Source: County Agricultural Agent.

Other major agricultural products in the HMA include beef, dairy products, sod, flowers and ornamentals, fruit, and poultry.

Nonagricultural Employment. Total nonagricultural employment in the HMA averaged 108,500 in the twelve-month period ending in September 1968, an increase of 5,900 (six percent) over the corresponding previous twelve-month period. During the 1960 to 1967 period, nonagricultural employment increased by 30,200 (41 percent) from 73,500 in calendar

year 1960 to 103,700 in calendar year 1967, an average annual gain of nearly 4,325 workers. Nonagricultural wage and salary employment averaged 85,100 in 1967. Wage and salary employment registered a yearly gain of almost 4,425 workers during the 1960 to 1967 interval. Other nonagricultural employment, including the self-employed, unpaid family workers, and domestics, averaged about 18,600 in 1967, a decline of 700 (four percent) from the 1960 level (see table I).

Nonagricultural wage and salary employment in the West Palm Beach area has grown irregularly, but continuously since 1960. As shown in the following table, the largest gains occurred between 1961 and 1962 (5,500 jobs) and in the 1964 to 1966 interval (an annual average increase of 6,200 jobs). During these periods of substantial growth, manufacturing employment increased significantly, primarily the result of new plants opening in the area. Although manufacturing employment gains have caused notable over-all increases in wage and salary employment during certain periods over the past eight years, the continuous large gains in nonmanufacturing industries (primarily trade, services, and government) have been responsible for the high growth trend in total wage and salary employment in the HMA over the entire 1960-1967 period.

Trend of Nonagricultural Wage and Salary Employment  
West Palm Beach, Florida, HMA  
Annual Averages, 1960-1967

<u>Year</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total</u>	<u>Change in total</u>
1960	8,000	46,200	54,200	-
1961	10,000	47,400	57,400	3,200
1962	11,600	51,300	62,900	5,500
1963	12,100	54,000	66,100	3,200
1964	12,500	57,200	69,700	3,600
1965	13,800	61,600	75,400	5,700
1966	15,200	66,900	82,100	6,700
1967	15,600	69,500	85,100	3,000

12 months  
ending in  
September

1967	15,100	68,900	84,000	-
1968	17,200	72,100	89,300	5,300

Source: Florida State Employment Service.

Manufacturing employment in the West Palm Beach HMA nearly doubled during the 1960 to 1967 period, accounting for nearly a quarter of the total wage and salary increase. In 1967, manufacturing employment averaged 15,600 workers, an increase of 7,600 (95 percent) over the 1960 level of 8,000 workers, a gain of over 1,075 a year. Manufacturing gains have been irregular, however. Such employment increased by an average of 1,800 jobs a year during the 1960 to 1962 period, dropped to a yearly gain of only 450 during the following two years, then rose to an average increase of 1,350 jobs a year in the 1964 to 1966 interval. In 1967, manufacturing employment increased by only 400 jobs (see table II).

A major portion of the significant manufacturing increases over the past eight years has occurred in durable goods manufacturing. The substantial employment increases during the past eight years were the result of staffing new or expanded facilities. During the twelve-month period ending in September 1968, manufacturing employment totaled 17,200 workers, up by 2,100 (14 percent) over the corresponding period ending in 1967. Of this increase, approximately 1,900 jobs were added in the durable goods sector, mainly a reflection of the continuing expansion of the electronics industry.

There have been moderate gains in the nondurable goods sector of manufacturing in the West Palm Beach HMA. Such increases have averaged about 225 a year since 1964. Much of the gain resulted from the additional manpower needs of area food processing and sugar refining plants.

Nonmanufacturing employment in the HMA averaged 69,500 workers in 1967, representing an increase of 23,300 (50 percent), about 3,325 jobs a year since 1960. Nonmanufacturing employment increases during the past eight years accounted for three-fourths of the total wage and salary employment gain. All nonmanufacturing industries registered net gains over the 1960-1967 period; the major gains were in trade (970 jobs annually), services (960 a year), and government (1,060 annually). These three industries accounted for nearly 68 percent of the total wage and salary employment increase during the 1960-1967 period. During the twelve-month period ending in September 1968, nonmanufacturing employment averaged 72,100 workers, an increase of 3,200 (five percent) over the total in the corresponding 1967 period. All but 200 of this gain occurred in trade, services, and government (see table II).

Employment by Industry. Of an average of 89,300 wage and salary workers employed in the West Palm Beach HMA during the twelve-month period ending in September 1968, about 17,200 (over 19 percent) were employed by manufacturing industries. The 1968 ratio is appreciably above the 1960 ratio of 15 percent, reflecting the growing importance of manufacturing in the economy of the area.

Nearly 77 percent of all manufacturing employees in the area in 1968 were employed by durable goods producing firms. The durable goods sector, which employed 13,200 workers in 1968 (almost 15 percent of all wage and salary employment), is dominated by a firm conducting research and development of aircraft and rocket engines (Pratt & Whitney) and by firms producing electronic parts, components, and equipment. There has been considerable growth in the electronics industry in the HMA in the 1960's; many new firms such as Radio Corporation of America, International Business Machines, International Telephone and Telegraph, and Solitron Devices, were attracted to the area.

The importance of durable goods manufacturing industries to the economy of the West Palm Beach area is revealed by an examination of the employment data presented in table II, which shows that such industries have been principally responsible for much of the manufacturing gain since 1963 (the earliest data available). For example, almost three-fourths of the 3,500 manufacturing jobs added during the 1963 to 1967 period occurred in these industries. Between the twelve-month periods ending in September of 1967 and 1968, durable goods industries accounted for nearly 91 percent of the 2,100-job gain registered in manufacturing.

Industries producing nondurable goods in the HMA employed 4,000 workers during the twelve-month period ending in September 1968, representing nearly five percent of total wage and salary employment in the area, no change from the 1963 proportion. The largest producers of nondurable goods are the food processing industries which employed 2,200 employees in 1968.

Nonmanufacturing industries, which employed 72,100 workers during the twelve-month period ending in September 1968, have accounted for a decreasing share of all wage and salary employment in the West Palm Beach HMA. Between 1960 and 1968, such employment decreased from about 85 percent to 81 percent of total wage and salary employment. Wholesale and retail trade establishments are the major sources of employment in the area, engaging an average of about 23,100 workers during the 12 months ending in September 1968, equal to nearly 26 percent of all wage and salary employment. Employment in wholesale and retail trade increased by about 970 jobs a year during the 1960 to 1967 period, a reflection of the increasing tourist trade and the needs of an increasing population.

The services industry is the third leading employer in the West Palm Beach area, employing an average of 17,000 workers during the 12 months ending in September 1968, about 19 percent of all wage and salary employment. Employment growth in this industry averaged about 960 jobs annually over the 1960 to 1967 period, with most of the increase occurring in those services generally demanded by an expanding resident population. Gains in the "tourist services" category (hotels and

personal services) were moderate over this period (see table II). Closely following the services industry as a major employer were the various government agencies in the HMA. During the 12 months ending in September 1968, government agencies employed 15,200 employees, equal to about 17 percent of all wage and salary employment in the area. Government employment grew by an average of about 1,060 jobs a year over the 1960 to 1967 period, with virtually all of the growth in state and local agencies, primarily reflecting the hiring of additional educational personnel.

The construction industry employed an average of 7,500 workers during the 12 months ending in September 1968, representing over eight percent of total wage and salary employment in the area. This industry experienced appreciable gains and losses over the 1960 to 1967 period, but registered an annual average net gain of only about 90 jobs over the eight-year period. The finance, insurance, and real estate establishments in the area employed 5,300 employees in 1968, almost six percent of total wage and salary employment. Yearly gains in this industry have been moderate, but fairly steady, over the 1960 to 1967 period, averaging about 160 jobs a year. Employment in the transportation, communications, and public utility industries averaged 4,000 workers in 1968, equal to almost five percent of all area wage and salary employment. During the 1960 to 1967 interval, employment gains averaged about 100 a year.

#### Principal Employment Sources

The manufacturing base of the West Palm Beach HMA generally consists of small- to moderate-size firms. According to the 1967 County Business Patterns (a publication of the U.S. Department of Commerce) and to information from local employment sources, there were only five manufacturing firms in the area which employed 500 or more workers in 1968. One firm is in the aircraft industry, two are in the computer field, and two firms manufacture electronic devices. In September 1968, these firms accounted for about 61 percent of all manufacturing employment in the area.

The largest manufacturing firm in the HMA is the Pratt & Whitney Aircraft Corporation. This company is engaged in research and development work on jet and rocket engines. Since this firm began operations in the area in the late 1950's, employment has fluctuated significantly in accordance with the volume of government contracts secured. The company is now competing for a contract for a new supersonic jet fighter engine; employment could very well increase substantially in the near future if that contract is secured.

The two area firms which manufacture electronic data processing equipment include the Radio Corporation of America located in the Palm Beach Gardens area and the International Business Machines Company in Boca Raton. The largest firm is RCA. The other computer firm, IBM, began operations in September 1967. In the fall of 1968, IBM began construction of a 620,000 square foot manufacturing and development complex at Boca Raton. Several hundred additional workers are expected to be hired in the near future.

The two remaining large manufacturing employers in the HMA include IT & T Semiconductors and Solitron Devices. IT & T, which manufactures transistors, integrated circuits, and other electronic devices, began operations in 1964. Long-range employment increases at this firm are expected, but no immediate expansion has been planned. Solitron Devices, located in Riviera Beach, was established in the area in 1964. This firm manufactures high-frequency transistors, for use in radio-telephones, aircraft radios, television, and other devices. Solitron recently started construction of a new facility in the Jupiter-Tequesta area and will employ additional workers in the near future.

#### Unemployment

The Florida State Employment Service estimated that an average of 3,700 workers were unemployed during 1967 in the HMA, representing 2.9 percent of the work force, slightly above the 1966 ratio of 2.6 percent. The 1966 and 1967 unemployment rates were the lowest reported during the entire 1960 to 1967 period. Unemployment has declined rather steadily since 1960, when it averaged about 6.1 percent of the work force, a reflection of a continuing high employment growth during this period (see table I).

#### Future Employment Prospects

Based on past employment trends and on information from local sources, nonagricultural employment in the West Palm Beach HMA is expected to increase by 8,400 jobs (4,200 annually) during the November 1, 1968 to November 1, 1970 period. All of the gain is expected to occur in wage and salary jobs. The projected annual rate of increase of 4,200 jobs is slightly below the yearly increase of 4,425 jobs added during the 1960 to 1967 period, and reflects a somewhat reduced rate of gain in nondurable goods manufacturing employment.

As in the past, most of the added employment during the next two years (6,800 jobs) is expected to occur in nonmanufacturing industries. The leaders in the projected increase are trade (2,200 jobs), services (2,000), and governmental agencies (2,000). Nearly three-fourths of the entire nonagricultural employment gain during the forecast period will occur in these three industries. The large increases in these sectors reflect the additional manpower needed to serve the growing resident population. All other nonmanufacturing industries will register moderate increases during the forecast period.

Manufacturing employment in the HMA is expected to increase by 1,600 jobs (800 a year) during the next two years, with nearly 88 percent (1,400) of the anticipated gain occurring in the durable goods manufacturing sector. The bulk of the increase in durable goods employment will be attributable to the staffing of new facilities for the electronics industry in the HMA. Five new and/or existing firms will be hiring between 1,100 and 1,200 workers over the forecast period. The biggest increases will come from the staffing of the new plants of Solitron Devices and IBM. Three new firms, Photo Electronics Corporation, Orbit Communications, and Thor Electronics of Florida (formerly called Triangle Electronics), will each hire additional employees over the forecast period. Nondurable goods manufacturing employment is expected to increase by about 200 (100 a year) during the next two years, with approximately half of the gain anticipated for the food industry.

#### Incomes

As of November 1, 1968, the estimated median annual income of all families in the West Palm Beach HMA, after deduction of federal income taxes, was about \$6,625; the median income of all renter households of two or more persons was \$4,875. About 24 percent of all families in the area had after-tax incomes in excess of \$10,000 a year, while 25 percent earned yearly incomes of \$4,000 or less. By 1970, the median annual after-tax income of all families in the HMA is expected to rise to \$7,025, while the median after-tax income of renter households is expected to approximate \$5,175 (see table III).



## Demographic Factors

### Population

Current Estimate and Past Trend. The estimated total population of the West Palm Beach HMA was approximately 356,700 persons as of November 1, 1968, an average annual gain of 14,975 (slightly over five percent)<sup>1/</sup> since April 1960. Between 1950 and 1960, the population in the area increased by an average of nearly 11,350 a year (seven percent) from 114,675 to 228,100. The larger gains during the 1960 to 1968 interval reflected the substantial employment increases of this period, as well as the continued high in-migration of persons seeking a retirement residence.

Over half of the population gain in the HMA during the past eighteen years has been concentrated in nine communities located in the urbanized coastal strip of the area. These communities are Boca Raton, Boynton Beach, Delray Beach, Lake Park, Lake Worth, North Palm Beach, Palm Beach, Riviera Beach, and West Palm Beach. All of these communities, with the exceptions of Lake Worth and West Palm Beach, registered higher gains in the 1960 to 1968 period than occurred during the 1950 to 1960 decade. The reduction in population growth in West Palm Beach reflected, primarily, the diminishing number of suitable building sites in the city. The slower rate of growth in Lake Worth reflected the increased in-migration of one- and two-person households (retired persons) with a resultant lower population gain. Those communities registering a very rapid population gain since 1960, particularly Boca Raton and Riviera Beach, have been those in which the larger of the new manufacturing firms have located during the 1960 to 1968 period. It should be noted, also, that the communities in the southern portion of the HMA have had a more rapid population gain in the 1960's as a result of the outward expansion of the Ft. Lauderdale metropolitan area. In the western portion of the HMA, the city of Belle Glade has had a rather substantial growth, averaging 365 to 400 persons a year over the past eighteen years (see table IV).

Net Natural Increase and Migration. During the 1950 to 1960 decade, net natural increase (excess of resident births over resident deaths) in the West Palm Beach HMA totaled nearly 21,550 persons, while the total population increased by approximately 113,400 persons, indicating a net in-migration of about 91,850 (9,185 a year). Over the 1960 to 1968 period, the population in the HMA was estimated to have increased by 128,600 persons and the net natural increase totaled 18,900, a net in-migration of 109,700 persons (12,755 annually).

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<sup>1/</sup> See Appendix A. paragraph 2.

The increase in the in-migration of population to the West Palm Beach area since 1960 resulted from the increasing number of job opportunities which became available, and from the increased migration of persons seeking retirement homes.

Future Population Growth. On the basis of anticipated employment and past trends of growth, the total population of the West Palm Beach HMA is expected to increase by 29,300 persons (14,650 a year) to a November 1, 1970 total of 386,000 persons. The projected annual growth of 14,650 persons is only slightly below the 1960 to 1968 average yearly gain of 14,975 persons, but is considerably above the 1950 to 1960 annual gain of 11,350 persons. As in the past, the greater share of the growth is expected to occur in the urbanized coastal strip of the HMA.

#### Households

Current Estimate and Past Trend. Since 1960, the number of households (occupied housing units) in the West Palm Beach HMA has increased by about 44,525 to a November 1, 1968 total of 120,700, an average annual gain of approximately 5,175 (over five percent). Between 1950 and 1960, the number of households increased by about 3,925 (slightly over seven percent) a year (see table IV).<sup>1/</sup>

Household Size. The average size of households in the HMA was estimated at about 2.90 persons as of November 1, 1968, somewhat below the 1960 average. During the 1950 to 1960 decade, the average household size declined from 2.95 persons in 1950 to 2.92 persons in 1960. There is wide variation in household size among the various communities in the HMA. The average size is smallest in those areas with substantial concentrations of elderly and retired persons, such as Lake Worth, which had an estimated average household size of 2.29 persons in 1968. The largest household sizes generally are found in those communities which are near the new industrial plants which were built in the 1960's, and in those areas with significant single-family home developments. These areas have attracted many working age families who usually have children. Examples of such communities include North Palm Beach with an estimated 1968 household size of 3.60 persons and Lake Park with a household size of 3.19 persons. It is anticipated that household size will remain at about the 1968 level of 2.90 persons during the two-year forecast period.

Future Household Growth. On the basis of anticipated population gains and little change in the average household size, the number of households in the West Palm Beach HMA is expected to increase by 10,300 (nine percent) to a total of 131,000 as of November 1, 1970. The prospective increase represents a gain of 5,150 a year, about the same as the 1960 to 1968 yearly increment of 5,175, but considerably above the 1950 to 1960 annual increase of 3,925. The majority of the household gain will occur in the urbanized coastal strip of the HMA.

<sup>1/</sup> See Appendix A, paragraph 5.

## Housing Market Factors

### Housing Supply

Current Estimate and Past Trend. The housing inventory in the West Palm Beach HMA totaled about 131,600 units as of November 1, 1968, a net addition of 42,200 (47 percent), or nearly 4,925 units annually, since 1960 (see table V). The net inventory increase resulted from the completion of about 41,700 new housing units, the addition of over 3,075 trailers and the loss by demolition and casualty of 2,575 units. During the 1950 to 1960 decade, the housing inventory in the HMA nearly doubled, increasing from 46,502 units in 1950 to 89,396 units in 1960, an increase of almost 42,900 units (92 percent).<sup>1/</sup> The decennial change represented an annual gain of nearly 4,300 units.

Type of Structure. As shown in the following table, the proportion of the housing inventory in the HMA which is in multifamily structures (structures containing three or more units) increased substantially from 15 percent in April 1960 to almost 22 percent in November 1968. The increase reflects the continued high volume of multifamily construction during the 1960 to 1968 period. Over the past several years, a rather significant portion of the multifamily units built have been condominiums and cooperatives. Units in two-family structures constituted about seven percent of the total in 1968, down somewhat from a 1960 level of nearly eight percent. There was an appreciable decrease in the proportion of single-family structures during the 1960 to 1968 period, with 75 percent of the 1960 inventory in such units compared with a proportion of only about 67 percent in November 1968. This decline reflects the almost constant decrease in the building volume of single-family structures over the 1960 to 1968 period, a result of a decrease in the amount of less expensive, well-located building sites for single-family homes and the increase in the higher-density condominiums and cooperative sales units in recent years. Trailers have increased in the inventory, however, constituting over four percent of the 1968 total compared with about three percent in 1960.

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<sup>1/</sup> See Appendix A, paragraph 5.

Housing Inventory by Type of Structure  
West Palm Beach, Florida, HMA  
April 1960 and November 1968

<u>Type of structure</u>	<u>April 1960</u>		<u>November 1968</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Single-family	67,038	74.9	88,500	67.2
Two-family	6,756	7.6	9,025	6.9
Multifamily	12,941	14.5	28,350	21.5
Trailers	<u>2,661</u>	<u>3.0</u>	<u>5,725</u>	<u>4.4</u>
Total	89,396	100.0	131,600	100.0

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

Age and Condition of the Inventory. The housing inventory in the West Palm Beach HMA is relatively new. On the basis of data from the 1960 Census of Housing and on estimates derived from building permit and demolition data, it is judged that less than a third (31 percent) of the 1968 housing inventory was built prior to 1950. During the 1950 to 1954 period, approximately 13 percent of the 1968 inventory was constructed, 22 percent was built between 1955 and March 1960, and over a third has been constructed since March 1960. A small proportion, probably ten percent or less of the total, of this relatively new inventory was dilapidated or lacked one or more plumbing facilities in November 1968.

Residential Building Activity

Trend. New residential construction activity, as measured by the number of housing units authorized by building permits in the HMA since 1960, is presented in table VI.<sup>1/</sup> As shown in the table, the volume increased substantially between 1960 and 1961, declined somewhat in 1962, then increased steadily until 1966; in 1967 and 1968, the volume rose appreciably. From a level of 4,300 units in 1960, the volume rose to 5,434 units in 1961, declined to 5,059 units in 1962, and then increased steadily in the following three years to a total of 5,440 units in 1965. In 1966, when mortgage and construction funds tightened appreciably, only 4,274 units were authorized. The volume picked up again in 1967, when 4,850 units were authorized, and in the first nine months of 1968, a period high of 6,438 units was recorded.

Single-family houses constructed in the HMA declined continually between 1961 and 1966 from a level of 4,146 units to only 1,474 units, a decrease of over 64 percent. The single-family houses authorized

<sup>1/</sup> The building permit system in the HMA covers virtually all of the land area of the county.

rose slightly in 1967 to 1,780 units and for the first nine months of 1968, 1,890 units were authorized. In contrast, the number of multifamily units authorized nearly quadrupled over the 1960 to 1965 period from a level of 905 units to 3,473 units. The volume decreased somewhat to 2,800 units in 1966, then increased to 3,070 units in 1967, and to a period high of 4,548 units during the first nine months of 1968. The decline in the single-family house volume and the substantial increase in multifamily authorizations during the 1960 to 1968 period reflect the reduced availability of building sites in the urbanized coastal strip, increasing land and construction costs, and a significant increase in the demand for cooperatives and condominiums in recent years.

Total Housing Units Authorized by Building Permits  
West Palm Beach, Florida, HMA  
1960-1968

<u>Year</u>	<u>Single-family</u>	<u>Multi-family</u>	<u>Total</u>
1960	3,395	905	4,300
1961	4,146	1,288	5,434
1962	3,764	1,295	5,059
1963	3,302	1,821	5,123
1964	2,644	2,529	5,173
1965	1,967	3,473	5,440
1966	1,474	2,800	4,274
1967	1,780	3,070	4,850
1968 (Jan.-Sept.)	1,890	4,548	6,438

Note: Includes 461 public housing units authorized in 1960, 1961, 1965, and 1968.

Sources: Area Planning Board of Palm Beach County; U.S. Bureau of the Census, C-40 Construction Reports.

With respect to location, approximately 58 percent of the nearly 46,100 housing units authorized in the HMA over the 1960-1968 period were located in nine communities in the urbanized coastal strip. The communities of Boca Raton, Boynton Beach, Delray Beach, Lake Park, Lake Worth, North Palm Beach, Palm Beach, Riviera Beach, and West Palm Beach accounted for almost 47 percent of the 24,375 single-family houses authorized since 1960 and for over 71 percent of the 21,725 multifamily units. The rapidly-growing area of Boca Raton has been the construction leader, accounting for nearly 17 percent (4,017 units) of all single-family construction in the HMA and almost 18 percent (3,877 units) of all multifamily construction (see table VI).

Units Under Construction. On the basis of a postal vacancy survey conducted in the HMA during the latter part of October 1968, on building permit data, and on data compiled by the Southern Bell Telephone Company, it is judged that there were about 4,380 units in some stage of construction as of November 1, 1968. Of these units, about 840 (19 percent) were single-family structures and 3,540 were in multifamily structures, including 380 publicly-assisted housing units.

Approximately 39 percent (328 units) of the single-family houses under construction were located in Boca Raton. The rest of the single-family homes in some stage of construction were scattered throughout the urbanized coastal strip of the HMA. Over half (55 percent) of the multifamily units under construction as of November 1, 1968, were located in four communities in the urbanized coastal strip, Boca Raton (590 units), Delray Beach (400), Palm Beach (540), and West Palm Beach (430). Virtually all of the remaining multifamily units under construction were located in the incorporated and unincorporated areas of the urbanized coastal strip.

Losses to the Inventory. Housing unit losses in the inventory of the HMA resulting from demolition and casualty totaled about 2,575 units since 1960. Over half (52 percent) of the losses occurred in the central city of West Palm Beach, a reflection of the age and condition of the housing in this area. During the next two years, approximately 650 housing units are expected to be lost from the inventory, an annual average of 325 units, about the same as the 1960 to 1968 yearly average of 300 units.

#### Tenure of Occupancy

There were 120,700 occupied housing units in the HMA as of November 1, 1968, of which 64.9 percent were owner-occupied. Between 1950 and 1960, owner-occupancy increased from 51.6 percent to 62.9 percent of the occupied inventory (see table V). Owner-occupancy has continued to increase, despite a high level of multifamily construction since 1960, because a substantial number of multifamily units completed in recent years were sales-type condominiums and cooperatives. In contrast to the HMA as a whole, owner-occupancy in West Palm Beach has declined since 1960 from 56 percent of the occupied inventory to an estimated 52.6 percent in November 1968 (see table V). Multifamily construction in the central city, which has been about double the single-family volume, has consisted almost entirely of rental accommodations; very few condominiums or cooperative units have been built in West Palm Beach.

### Vacancy

Last Census. In April 1960, there were about 6,300 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the West Palm Beach HMA, an over-all net vacancy ratio of 7.6 percent. Nearly 2,550 of these available vacancies were for sale, a homeowner vacancy ratio of five percent. The remaining 3,750 available vacancies were for rent, representing a rental vacancy ratio of 11.7 percent (see table VII). It also was reported that about 40 (nearly two percent) of the sales vacancies and 375 (ten percent) of the rental vacancies lacked one or more plumbing facilities.

Postal Vacancy Survey. During the October 22-30, 1968 period, a postal vacancy survey was conducted by eight post offices in the HMA. The survey covered approximately 89 percent of the estimated 1968 housing inventory, including trailers. As shown in table VIII, 2,964 units were vacant out of 111,207 total possible deliveries, a vacancy ratio of 2.7 percent. Of the total vacant units, 1,383 were vacant residences, 1.5 percent of all residential deliveries, and 1,581 were vacant apartments, 7.3 percent of all apartment deliveries. In addition, 178 trailers out of 5,738 surveyed were vacant, a vacancy ratio of 3.1 percent. Approximately 840 residences and 3,305 apartment units were reported to be under construction at the time of the survey (see Appendix A, paragraph 7).

Other Vacancy Surveys. The Southern Bell Telephone Company has been maintaining an annual status report of most of the new apartment buildings containing ten or more units which have been constructed in the area over the past several years. This report includes occupancy and construction data for rental units, cooperatives, and condominiums. All of the projects covered are located in the urbanized coastal strip of the HMA.

In the area from the southern boundary of Lantana north to the county line, reports were received on 3,151 rental, cooperative, and condominium units (less seasonal accommodations) which had been built since 1965. As of October 31, 1968, 267 vacant units were found, a vacancy ratio of 8.5 percent. Nearly 42 percent (111 units) of the vacancies were located in the Lake Worth area where several large multifamily developments were built. In general, the level of vacancy found in the projects in this portion of the HMA was reasonable, considering the rapid population growth since 1960.

For the southern portion of the county, from Lantana south to the county line, October 1968 data was not available. In December 1967, however, the telephone company reported on 2,051 units (less seasonal accommodations) which had been built since 1965. As of December 31, 1967, only 19 vacancies were reported, a vacancy rate of less than one percent. Spot checks of new projects marketed in 1968 indicated that the multifamily market in the southern portion of the HMA has remained strong.

Current Estimate. On the basis of the postal vacancy survey results, on FHA surveys, on the telephone company survey, and on information from local realtors and mortgagees, it is judged that there were approximately 3,400 vacant, nondilapidated, nonseasonal housing units available for sale or rent in the HMA as of November 1, 1968, an over-all net vacancy ratio of 2.7 percent. Of the total number of vacancies, about 1,200 were for sale, a homeowner vacancy rate of 1.5 percent, and 2,200 were for rent, a rental vacancy rate of 4.9 percent (see table VII). About two percent of the available sales vacancies and five percent of the rental vacancies lacked one or more plumbing facilities.

The November 1968 over-all net vacancy ratio of 2.7 percent was considerably below the April 1960 level of 7.6 percent. Both sales and rental vacancies in 1968 were substantially below the levels of 1960. Sales vacancy declined from five percent in 1960 to 1.5 percent in 1968 and rental vacancy dropped from 11.7 percent to 4.9 percent (see table VII). The substantial decline in vacancies in the HMA since 1960 reflected the favorable economic expansion of the past few years with commensurate population increases and a continued high rate of growth of persons seeking a retirement residence.

### Sales Market

General Market Conditions. The market for sales housing in the West Palm Beach HMA has strengthened substantially during the past several years. This is evidenced by the considerable drop in sales vacancy from five percent in 1960 to only 1.5 percent in November 1968, by a decline in the unsold inventories of new sales housing, by a substantial decrease in FHA- and VA- acquired property inventories, and by a reduction of sales listings reported by many of the area realtors. The principal factors contributing to the strengthened sales market include the rapid rate of population growth during the 1960's and a considerable decline in tract and speculative building.

The decline in tract and speculative construction of single-family homes in the HMA has been caused by a diminishing amount of well-located, less-expensive building sites in those areas of the county in which demand for such units has been the highest and by a change in preference of area home-buyers from single-family homes to condominiums and cooperatives. The decrease in single-family tract and speculative construction in the West Palm Beach area is well-evidenced by the data contained in the annual unsold inventory surveys of new sales houses which have been conducted in the HMA by the FHA since 1963. These surveys showed that total home completions in subdivisions of five or more completions during the year being surveyed dropped by



half, from a level of 1,267 units in 1963 to 634 units in 1967. In addition, the proportion of the completions which were built speculatively declined from about 36 percent in 1964 to only seven percent in 1967. It should be noted, however, that a larger proportion of the annual sales demand over the past few years has been met through the provision of condominium and cooperative housing.

The sales market appeared to be firm in all areas of the HMA, with the strongest markets in the areas of the most rapid population and household growth. Particularly strong areas of single-family home sales in recent years have been Boca Raton, Riviera Beach, and Palm Beach Gardens, areas of rapid industrial and population growth. Strong markets for condominium units have included Lake Worth, in and around Greenacres City, and Riviera Beach. These communities have been, for the most part, attractive to retirees and persons seeking second homes. Actually, there have been few areas in the urbanized coastal strip of the HMA where condominiums have not been built.

Prices for new sales housing in the HMA vary widely. In the northern portion of the county in such communities as Palm Beach Gardens, Riviera Beach, and North Palm Beach, it appears that new housing being built has been concentrated in the \$15,000 to \$20,000 and the \$20,000 to \$25,000 price classes. In the West Palm Beach area, new single-family homes built recently have been priced in the \$12,500 to \$17,500 price range and the \$20,000 to \$25,000 class. In the Lake Worth-Lantana area, the small amount of new construction has been concentrated in the \$15,000 to \$20,000 range. In the southern portion of the county, mainly in Boca Raton, new single-family housing has been built to sell for \$20,000 to \$30,000 and above. Existing home prices also vary substantially in the area. Generally, most two- and three-bedroom homes in the HMA are priced between \$10,000 and \$18,000, depending upon age and condition. Both new and existing housing located along the waterfront in the HMA commands extremely high prices, starting at about \$40,000.

Unsold Inventory Surveys. Surveys of the unsold inventory of new sales houses in the HMA have been conducted by the FHA for the last five 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 survey totals with estimated housing completions for the years of 1963, 1964, 1965, 1966, and 1967 suggest that between 36 and 54 percent of all new homes completed were covered by the surveys. Virtually all of the subdivisions included in the surveys were located in the urbanized coastal strip of the HMA.

The total number of new home completions enumerated in each of the annual surveys declined almost continually; 1,267 homes were completed in 1963, 1,062 in 1964, 1,055 in 1965, 612 in 1966, and 634 in 1967. Of the total units completed in 1963, almost 20 percent (250 units) were built speculatively. The ratio increased to nearly 36 percent in 1964, then decreased steadily to a level of only seven percent in 1967. Of the total speculatively-built houses in the HMA in 1963, 69 remained unsold as of January 1, 1964, an unsold to total speculative completions ratio of 27.6 percent. The comparable ratios for houses completed in the following years were 17.6 percent in 1964, 20.8 percent in 1965, 11.2 percent in 1966, and only 4.3 percent in 1967. Despite the decline in the number of completions, the low ratios of the past few years indicate the strength of the single-family sales market in the HMA.

As shown in the following table, there has been an upward trend in prices of houses covered by the surveys. For example, houses priced in the under \$12,500 to \$17,500 range constituted nearly 71 percent of the total number of units completed in 1963, but only 38 percent of the 1967 completions. In contrast, homes priced in the \$17,500 to \$25,000 range accounted for 24 percent of 1963 completions and 47 percent of those covered in 1967. The proportion of completed units priced above \$25,000 also has been increasing over the past several years. Rising land, labor, and material costs, as well as the demand for more amenities by homebuyers, have caused this general upward price trend.

Distribution of New House Completions by Sales Price  
West Palm Beach, Florida, HMA  
1963 - 1967

<u>Sales price</u>	<u>Percent of total completions</u>				
	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
Under \$12,500	18.5	6.8	11.7	11.8	2.5
\$12,500 - 14,999	24.4	23.2	23.4	25.3	16.4
15,000 - 17,499	27.8	20.4	14.8	13.9	19.1
17,500 - 19,999	8.4	22.0	15.4	11.9	13.6
20,000 - 24,999	15.2	13.1	16.0	19.8	33.0
25,000 - 29,999	2.6	6.6	8.2	7.8	7.4
30,000 and over	<u>3.1</u>	<u>7.9</u>	<u>10.5</u>	<u>9.5</u>	<u>8.0</u>
Total	100.0	100.0	100.0	100.0	100.0

Source: FHA Unsold Inventory Surveys.

Cooperative and Condominium Housing. Cooperative and condominium apartments have become an increasingly popular form of home ownership in the West Palm Beach HMA. Condominium construction and sales have been much greater in recent years than cooperatives, possibly reflecting a growing purchaser preference for individual unit ownership rather than the collective form under a cooperative program. The total number of cooperative and condominium units in the area is not readily ascertainable, but special status reports prepared by the Southern Bell Telephone Company included 4,804 such units (1,126 cooperatives and 3,678 condominiums) in October 1968. Virtually all of these units have been built since 1964. In October 1968, the telephone company found 212 vacancies, a vacancy ratio of 4.4 percent. If, however, vacant units which were contained in projects still under construction or which had been marketed for only a short time are excluded, the vacancy rate drops to 2.4 percent. Approximately 45 percent (2,129 units) of the cooperative and condominium apartments surveyed which had data on prices had monthly charges ranging between \$150 and \$250 for one-, two-, and a few three-bedroom units. Slightly over 29 percent (1,388) of the units were in the \$100 to \$150 a month range and 26 percent (1,236) of the units had monthly charges of less than \$100.

All of the condominiums and cooperatives built in the area have been located in the urbanized coastal strip of the HMA. The heaviest concentration has been in the area from Lake Worth south to Hypoluxo, including such communities as Lantana, Atlantis, Palm Springs, and Greenacres City. The next leading concentration of cooperatives and condominiums is in the Riviera Beach - North Palm Beach - Palm Beach Gardens area. In the past few years, construction of such units has increased in the Boca Raton area, also. There has been little construction of condominiums or cooperatives in the city of West Palm Beach because of a lack of suitable sites. As of November 1, 1968, there were about 2,050 condominium and cooperative apartments under construction in the West Palm Beach HMA, of which over 36 percent were located in the area from Lake Worth south to Hypoluxo and 30 percent were in the Boynton Beach-Delray Beach-Boca Raton area.

New Developments. In November 1968, there were two very large housing projects in development in the HMA which should be noted. One project, located in the Boynton Beach area, will contain between 2,200 and 2,400 one- and two-bedroom single-family homes in the price range of \$9,900 to \$14,990. This development is directed entirely toward the elderly and retiree market. The developer hopes to maintain a 700-unit a year building volume during the 1969-1972 period. The other project is located on Okeechobee Road to the west of the city of West Palm Beach. This is a country club type of condominium project which will have a golf course, a country club, and other such amenities. In November 1968, there were 288 units under construction and the developer anticipates the construction of a total of 2,500 units during the next two years. The one- and two-bedroom apartments are expected to sell at prices beginning at \$8,990 and \$11,290.

### Rental Market

General Market Conditions. The market for rental housing in the West Palm Beach HMA was quite strong in November 1968. The rental vacancy rate of 4.9 percent estimated for November was substantially below the April 1960 rate of 11.7 percent. The main factors contributing to the strong rental market include the heavy in-migration of population since 1960 in response to increased employment opportunities and the continued high influx of the elderly and retirees.

Vacancy data collected by the Southern Bell Telephone Company and by the FHA provide additional evidence of the strength of the rental market. The telephone company surveys covered 4,380 apartments located in the urbanized coastal strip of the HMA. In October 1968, only 109 vacancies were found in all the projects, a vacancy rate of 2.5 percent. All of the units covered were built since 1964.

The rental market was strong in all areas of the urbanized coastal strip in November 1968. A particularly active market in recent years has been in the Boynton Beach-Delray Beach-Boca Raton area. This area has had a rapid **rate** of population growth since 1960, the result of the continued high in-migration of retirees and elderly persons, the large influx of persons who began working in the new industrial plants built there during the 1960's, and the increasing college population in Boca Raton (Florida Atlantic University). The West Palm Beach-Palm Beach metropolitan area has had an active rental market also. The market in this area has been under great pressure from retirees, elderly persons, and second home families.

There has been a heavy concentration of one- and two-bedroom apartments built in the HMA during the 1960's. Three-bedroom unit construction has been limited and efficiencies are quite scarce. Monthly rentals for the one- and two-bedroom apartments which have been built during the 1960's have been concentrated in the ranges of \$70 to \$100 and \$100 to \$150, respectively. Of the 4,380 apartments (mainly one- and two-bedroom units) included in the 1968 Southern Bell Telephone Company survey, almost 52 percent were in the \$70 to \$100 a month rental range, nearly 35 percent were in the \$100 to \$150 rental class, and only 13 percent of the units were in rental ranges above \$150 a month.

Rental Housing Under Construction. As of November 1, 1968, there were approximately 1,490 multifamily units under construction in the HMA (excluding 2,050 cooperatives and condominiums), including about 380 publicly-assisted housing units. All of the privately-financed multifamily units were located in the urbanized coastal strip and virtually all were in garden-type apartment projects. Most of the units under construction will be marketed in 1969. The greatest share of the rental housing under construction was located in the West Palm Beach-Palm Beach and the Boca Raton-Delray Beach areas.

#### Public Housing

As of November 1, 1968, there were 735 public housing units in operation in the West Palm Beach HMA, 115 in Pahokee and 620 in West Palm Beach. In November, the housing authority in Pahokee was maintaining a waiting list of between 200 and 300 families and the West Palm Beach Housing Authority also had a long waiting list. There were 200 public housing units (including 50 for the elderly) under construction in Pahokee in November 1968, and an additional 200 were being planned. In addition to the public housing units in the HMA, there were 182 Section 202 units of low-income elderly housing under construction in the city of West Palm Beach. As of November 1, 1968, there were no other types of subsidized housing under construction or planned in the area, including housing under Sections 221(d)(3) BMIR, 235, 236, and 202.

#### Urban Renewal

There are no active urban renewal projects in the HMA, but there are certified workable programs in the area.

## Demand for Housing

### Quantitative Demand for Non-Subsidized Housing

The anticipated annual demand for additional housing to be provided by market-interest-rate financing in the West Palm Beach HMA during the two-year forecast period from November 1, 1968 to November 1, 1970, is based on an expected increase of about 5,150 households annually and on the need to replace approximately 325 housing units expected to be lost from the inventory each year. Consideration also is given to the existing tenure composition of households, the increasing importance of condominium and cooperative housing in the area, the vacancy levels existing in the area, and the number of single-family and multi-family housing units under construction in November 1968.

Barring unanticipated changes in economic, demographic, and housing factors taken into consideration in this analysis, an average of approximately 5,475 additional housing units a year can be absorbed in the West Palm Beach HMA during the next two years. This rate of addition is somewhat above most of the yearly building volumes of the 1960-1967 period, but is substantially below 6,438 units authorized during the first nine months of 1968. The considerable decrease in the projected building volume from the level authorized in 1968 will be required if an orderly market is to be maintained.

Market conditions existing in November 1968 indicated that additions to the inventory to meet the anticipated demand for an average of 5,475 housing units should include 2,200 single-family units and 3,275 multifamily units. Of the total multifamily demand, 1,800 units should be condominium and cooperative sales units and 1,475 should be multifamily rental accommodations. Because of the sharp increase in authorizations of multifamily units during the first nine months of 1968 and the large number of units under construction, absorption of new units should be observed closely. If the new units are not absorbed quickly or if vacancies in existing competitive buildings increase, a downward adjustment in the volume of multifamily starts will be indicated.

### Qualitative Demand for Non-Subsidized Housing

Single-family Houses. Based on the 1968 after-tax income of families in the West Palm Beach HMA, on typical ratios of income to purchase price, and on recent market experience, the two-year demand for 2,200 single-family houses to be provided at market-interest-rate financing should be absorbed best if provided in the general price ranges shown in the following table.<sup>1/</sup> On the basis of information pertaining to rising land, labor and material costs, it is judged that single-family houses cannot be produced in the area to sell for less than about \$10,000.

<sup>1/</sup> See Appendix A, paragraph 9.

Estimated Annual Demand for New Single-family Houses  
West Palm Beach, Florida, HMA  
November 1, 1968 to November 1, 1970

<u>Price range</u>	<u>Number of houses</u>	<u>Percent of total</u>
Under \$12,500	220	10
\$12,500 - 14,999	330	15
15,000 - 17,499	330	15
17,500 - 19,999	440	20
20,000 - 24,999	550	25
25,000 - 29,999	175	8
30,000 and over	<u>155</u>	<u>7</u>
Total	2,200	100

Multifamily Housing for Sale. The demand for 1,800 multifamily units for sale (condominiums and cooperatives) in the HMA is distributed by gross monthly charges in the following table. The distribution is based on past marketing experience. Market data available for this segment of the market in November 1968 indicated a concentration of one- and two-bedroom units in the existing condominium and cooperative inventory.

Estimated Annual Demand for Multifamily Units for Sale  
West Palm Beach, Florida, HMA  
November 1, 1968 to November 1, 1970

<u>Monthly gross charges<sup>a/</sup></u>	<u>Size of units</u>		
	<u>One bedrooms</u>	<u>Two bedrooms</u>	<u>Three bedrooms</u>
Under \$140	405	-	-
140 - 159	170	355	-
160 - 179	75	200	80
180 - 199	30	110	60
200 - 219	10	65	50
220 - 239	10	35	40
240 - 259	-	25	30
260 and over	<u>-</u>	<u>20</u>	<u>30</u>
Total	700	810	290

<sup>a/</sup> Includes all utilities.

It should be noted that there is a large condominium project now under development in West Palm Beach. The builder expects to construct 2,500 units during the next two years. This level of construction would meet a very substantial proportion of the preceding demand estimate. It should be remembered, however, that demand in the HMA

for housing of this type tends to expand as additional housing becomes available, a reflection of the attraction of retirees and the elderly to the area. Despite the expectation that demand for condominiums and cooperatives might expand further than estimated, a close observation of the construction and sales volume of such units should be maintained in order to assure the continued strength of this segment of the market.

Multifamily Housing for Rent. The monthly rentals at which 1,475 market-interest-rate financed multifamily units might best be absorbed in the West Palm Beach HMA is indicated for various sized units in the following table.<sup>1/</sup>

Estimated Annual Demand for New Multifamily Housing for Rent  
West Palm Beach, Florida, HMA  
November 1, 1968 to November 1, 1970

Monthly gross rents <sup>a/</sup>	Size of units			
	<u>Efficiency</u>	<u>One bedroom</u>	<u>Two bedrooms</u>	<u>Three bedrooms</u>
Under \$120	40	-	-	-
120 - 139	15	345	-	-
140 - 159	10	145	290	-
160 - 179	-	60	160	50
180 - 199	-	25	90	35
200 - 219	-	20	55	25
220 - 239	-	-	30	20
240 - 259	-	-	20	15
260 and over	-	-	<u>15</u>	<u>10</u>
Total	65	595	660	155

<sup>a/</sup> Includes all utilities.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low or moderate income families may be provided through four different programs administered by FHA-monthly rent supplement payments, principally in rental projects financed with market-interest rate mortgages insured under Section 221(d)(3); partial payments for interest for home mortgages insured primarily under Section 235; partial payment for interest for project mortgages insured primarily under Section 236; and below-market-interest-rate financing for projects, principally for mortgages insured under Section 221(d)(3).

<sup>1/</sup> See Appendix A, paragraphs 10 and 11.



Household eligibility for federal subsidy programs is determined primarily by evidence that household or family income is below established limits. Some families may be alternatively eligible for assistance under one of these programs or under other assistance programs using Federal or State support. The potentials<sup>1/</sup> discussed in the following paragraphs reflect estimates unadjusted to indicate contingent reductions because of housing provided under alternative FHA or other programs. The occupancy potentials discussed for various programs are, therefore, not additive.

The two-year occupancy potentials for subsidized housing in FHA programs discussed below are based upon 1968 incomes, on the occupancy of substandard housing, on estimates of the elderly population, on November 1, 1968 income limits, and on available market experience.<sup>2/</sup>

Section 221(d)(3)BMIR. If funds are available for the Section 221(d)-(3) below-market-interest-rate program,<sup>3/</sup> lower rent housing for low-to moderate-income families may be provided through the use of a federally-subsidized low-interest mortgage loan. In the West Palm Beach area, a total of about 775 units of Section 221(d)(3)BMIR housing probably could be absorbed during the next two years. Over half of all families eligible under this Section also are eligible under Sections 235 and 236.

Estimated Two-Year Occupancy Potential, 1969 and 1970  
Rent-Supplement Housing by Unit Size

<u>Unit size</u>	<u>Number of units</u>	<u>Unit size</u>	<u>Number of units</u>
Efficiency	490	4 bedrooms	155
1 bedroom	315	5 bedrooms	35
2 bedrooms	320	Total	1,570
3 bedrooms	255		

<sup>1/</sup> The occupancy potentials referred to in this analysis are dependent upon the capacity of the market in view of existing vacancy strength or weakness. The successful attainment of the calculated market for subsidized housing may well depend upon construction in suitable accessible locations, as well as upon the distribution of rents over the complete range attainable for housing under the specified programs.

<sup>2/</sup> Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing; however, little or no housing has been provided under most of the subsidized programs and absorption rates remain to be tested.

<sup>3/</sup> At the present time, funds for allocation are available only from recaptures resulting from reductions, withdrawals, and cancellation of outstanding allocations.

Generally, families eligible for rent supplements also are eligible for public housing. All of the occupancy potential for efficiency units and about three-fourths of the potential for one-bedroom units represent elderly households.

Section 235, Sales Housing. Low-cost sales housing could be provided for low- and moderate-income families with the use of interest reduction payments by the federal government under the provisions of Section 235. Based on the best available information, it is judged that there is an occupancy potential for about 675 homes under this program in the West Palm Beach area during the next two years. All of the families eligible for Section 235 housing are also eligible under the Section 236 program, half are eligible for Section 221(d)(3) BMIR housing, and about 20 percent are eligible for public housing.

Section 236, Rental Housing. Under Section 236, the housing needs of low- and moderate-income renter families and individuals could be met through the use of interest reduction payments by the federal government that are designed to reduce the housing expense of such households. In the West Palm Beach area, the two-year occupancy potential is estimated at 1,020 units distributed approximately according to the following pattern. All of the zero-bedroom units and 130 of the one-bedroom units represent the potential for occupancy by elderly households.<sup>1/</sup>

Estimated Two-Year Occupancy Potential, 1969 and 1970  
Section 236 Rental Housing by Unit Size

<u>Unit size</u>	<u>Number of units</u>	<u>Unit size</u>	<u>Number of units</u>
0 bedroom	200	3 bedrooms	215
1 bedroom	280	4 bedrooms	<u>90</u>
2 bedrooms	235	Total	1,020

Generally, families and individuals eligible under this program are also eligible for Section 235, Section 221(d)(3) BMIR, and public housing. The percentage overlaps are about the same as those determined for Section 235.

The Section 235 and 236 occupancy potential estimates for this area were developed using the regular income limits (based on 135 percent of the low-rent public housing income limits). Since the law provides that up to 20 percent of the funds may be used for families with somewhat higher incomes, not exceeding 90 percent of the Section 221(d)(3) BMIR income limits, the occupancy potential for Sections 235 and 236 housing may be higher if a significant number of families in these higher income groups are served.

<sup>1/</sup> Applications, commitments, and projects under construction under Section 202 are being converted to Section 236.

There were two conventionally-financed housing projects under development in the HMA in November 1968 which may offer an alternative to moderate-income families and provide some competition to the subsidized housing occupancy discussed in this analysis. One project in Boynton Beach, consisting of one- and two-bedroom single-family homes at prices ranging between \$9,990 and \$14,990, is being developed strictly for the retiree and elderly market. At the proposed prices, elderly families at or near the upper income limits established for subsidized housing possibly could qualify for one of these homes. The other project, west of West Palm Beach, is a condominium project consisting of one- and two-bedroom apartments with proposed starting prices of about \$9,000 and \$11,300. If the units can be produced to sell for these prices, some of the moderate-income families eligible for subsidized housing possibly could qualify. It is judged, however, that competition from these conventional projects probably will be limited because most of the low- and moderate-income families in the area probably have not been able to accumulate enough savings for down-payments, closing costs, and other such expenses.

APPENDIX A  
**OBSERVATIONS AND QUALIFICATIONS**  
APPLICABLE TO ALL FHA HOUSING MARKET ANALYSES

4. When the rural farm population constitutes less than five percent of the total population of the HMA, all demographic and housing data used in the analysis refer to the total of farm and non-farm data; if five percent or more, all demographic and housing data are restricted to non-farm data.
5. All average annual percentage changes used in the demographic section of the analysis are derived through the use of a formula designed to calculate the rate of change on a compound basis.

Because of the change in definition of "farm" between 1950 and 1960 censuses, many persons living in rural areas who were classified as living on farms in 1950 would have been considered to be rural nonfarm residents in 1960. Consequently, the decline in the farm population and the increase in nonfarm population between the two census dates is, to some extent, the result of this change in definition.
6. The increase in nonfarm households between 1950 and 1960 was the result, in part, of a change in the definition of "farm" in the two censuses.
7. The increase in the number of households between 1950 and 1960 reflects, in part, the change in census enumeration from "dwelling unit" in the 1950 census to "housing unit" in the 1960 census. Certain furnished-room accommodations which were not classed as dwelling units in 1950 were classed as housing units in 1960. This change affected the total count of housing units and the calculation of average household size as well, especially in larger central cities.
8. The basic data in the 1960 Census of Housing from which current housing inventory estimates are developed reflect an unknown degree of error in "over built" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.
9. Postal vacancy survey data are not entirely comparable with the data published by the Bureau of Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.
10. Because the 1950 Census of Housing did not identify "deteriorating" units, it is possible that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of the 1960 enumeration procedures.
9. The distribution of the qualitative demand for sales housing differs from any selected experience such as that reported in FHA unsold inventory surveys. The latter data do not include new construction in subdivisions with less than five completions during the year reported upon, 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 reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.
10. Monthly rentals at which privately owned net additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the demand section of each analysis. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of new units in higher rental ranges than indicated may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result of the availability of an ample rental housing supply.
11. Distributions of average annual demand for new apartments are based on projected tenant-family incomes, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration also is given to the recent absorptive experience of new rental housing. Thus, they represent a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. However, individual projects may differ from the general pattern in response to specific neighborhood or sub-market requirements. Specific market demand opportunities or replacement needs may permit the effective marketing of a single project differing from these demand distributions. Even though a deviation from these distributions may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless a thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.
12. The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships. Proximity to or quick and economical transportation to place of work frequently is a governing consideration in the place of residence preferred by families in this group.

Table I  
Civilian Work Force Components  
West Palm Beach, Florida, Housing Market Area  
Annual Averages, 1960-1968

<u>Components</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u> <sup>b/</sup>	<u>Twelve month period</u> <u>ending in September</u>	
									<u>1967</u>	<u>1968</u>
Civilian work force	92,100	97,600	102,800	106,300	110,700	117,600	121,900	125,600	124,300	129,700
Unemployment	5,600	5,700	4,500	4,900	4,200	3,600	3,200	3,700	3,600	3,700
Percent of work force	6.1%	5.8%	4.4%	4.6%	3.8%	3.1%	2.6%	2.9%	2.9%	2.9%
Persons involved in labor- management disputes	-	-	-	-	-	-	-	200	200	-
Total employment	<u>86,500</u>	<u>91,900</u>	<u>98,300</u>	<u>101,400</u>	<u>106,500</u>	<u>114,000</u>	<u>118,700</u>	<u>121,700</u>	<u>120,500</u>	<u>126,000</u>
Agricultural employment	13,000	13,600	15,200	16,700	17,300	18,600	17,700	18,000	17,900	17,500
Nonagricultural employment	<u>73,500</u>	<u>78,300</u>	<u>83,100</u>	<u>84,700</u>	<u>89,200</u>	<u>95,400</u>	<u>101,000</u>	<u>103,700</u>	<u>102,600</u>	<u>108,500</u>
Wage and salary	54,200	57,400	62,900	66,100	69,700	75,400	82,100	85,100	84,000	89,300
All other <sup>a/</sup>	19,300	20,900	20,200	18,600	19,500	20,000	18,900	18,600	18,600	19,200

<sup>a/</sup> Includes the self-employed, unpaid family workers, and domestics.

<sup>b/</sup> Preliminary data.

Source: Florida State Employment Service.

Table II

Nonagricultural Wage and Salary Employment by Industry  
West Palm Beach, Florida, Housing Market Area  
Annual Averages, 1960-1968

<u>Industry</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>Twelve month period</u> <u>ending in September</u>	
									<u>1967</u>	<u>1968</u>
Wage and salary employment	<u>54,200</u>	<u>57,400</u>	<u>62,900</u>	<u>66,100</u>	<u>69,700</u>	<u>75,400</u>	<u>82,100</u>	<u>85,100</u>	<u>84,000</u>	<u>89,300</u>
Manufacturing	<u>8,000</u>	<u>10,000</u>	<u>11,600</u>	<u>12,100</u>	<u>12,500</u>	<u>13,800</u>	<u>15,200</u>	<u>15,600</u>	<u>15,100</u>	<u>17,200</u>
Durable goods	NA	NA	NA	9,100	9,200	10,000	11,400	11,700	11,300	13,200
Nondurable goods	NA	NA	NA	<u>3,000</u>	<u>3,300</u>	<u>3,700</u>	<u>3,800</u>	<u>3,900</u>	<u>3,800</u>	<u>4,000</u>
Food & kindred products	NA	NA	NA	NA	1,900	2,100	2,200	2,200	2,200	2,200
Other nondurable goods	NA	NA	NA	NA	1,400	1,600	1,600	1,700	1,600	1,800
Nonmanufacturing	<u>46,200</u>	<u>47,400</u>	<u>51,300</u>	<u>54,000</u>	<u>57,200</u>	<u>61,600</u>	<u>66,900</u>	<u>69,500</u>	<u>68,900</u>	<u>72,100</u>
Construction	6,500	6,300	7,400	7,200	7,100	7,700	8,100	7,100	7,400	7,500
Trans., comm., & utilities	3,200	3,100	3,200	3,400	3,500	3,600	3,800	3,900	3,900	4,000
Trade	<u>15,400</u>	<u>16,000</u>	<u>17,000</u>	<u>17,600</u>	<u>18,500</u>	<u>19,400</u>	<u>21,000</u>	<u>22,200</u>	<u>21,800</u>	<u>23,100</u>
Wholesale	2,200	2,400	2,500	2,500	2,700	2,800	3,100	3,200	3,200	3,100
Retail	13,200	13,600	14,500	15,100	15,800	16,600	17,900	19,000	18,600	20,000
Fin., insur., & real estate	4,100	4,100	4,300	4,500	4,600	4,800	5,100	5,200	5,300	5,300
Services	<u>9,800</u>	<u>10,300</u>	<u>10,800</u>	<u>11,700</u>	<u>12,600</u>	<u>13,600</u>	<u>15,400</u>	<u>16,500</u>	<u>16,200</u>	<u>17,000</u>
Hotels & lodging places	2,000	2,200	2,200	2,300	2,300	2,400	2,600	2,800	2,700	3,200
Personal services	1,500	1,500	1,600	1,600	1,700	1,800	2,000	2,000	2,000	1,900
Other services	6,300	6,600	7,000	7,800	8,600	9,400	10,800	11,700	11,500	11,900
Government	<u>7,200</u>	<u>7,600</u>	<u>8,600</u>	<u>9,600</u>	<u>10,900</u>	<u>12,500</u>	<u>13,500</u>	<u>14,600</u>	<u>14,300</u>	<u>15,200</u>
Federal	NA	NA	800	800	900	900	1,000	1,000	1,100	1,200
State and Local	NA	NA	7,800	8,800	10,000	11,600	12,500	13,600	13,200	14,000

NA - Not available.

Source: Florida State Employment Service.

Table III

Estimated Percentage Distribution of Families and Households by Annual Income  
After Deduction of Federal Income Tax  
West Palm Beach, Florida, Housing Market Area  
1968 and 1970

<u>Annual income</u>	<u>1968</u>		<u>1970</u>	
	<u>All families</u>	<u>Renter households<sup>a/</sup></u>	<u>All families</u>	<u>Renter households<sup>a/</sup></u>
Under \$2,000	9	15	8	14
\$2,000 - 2,999	8	9	7	9
3,000 - 3,999	8	13	9	12
4,000 - 4,999	10	14	9	13
5,000 - 5,999	9	11	9	11
6,000 - 6,999	10	9	8	8
7,000 - 7,999	9	7	8	8
8,000 - 8,999	7	5	8	6
9,000 - 9,999	6	4	7	4
10,000 - 12,499	10	7	11	8
12,500 - 14,999	4	4	5	3
15,000 and over	10	2	11	4
Total	100	100	100	100
Median income	\$6,625	\$4,875	\$7,025	\$5,175

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

Source: Estimated by Housing Market Analyst.

Table IV

Population and Household Trends  
West Palm Beach, Florida, Housing Market Area  
1950-1968

<u>Area</u>	April 1, <u>1950</u>	April 1, <u>1960</u>	November 1, <u>1968</u>	Average annual change			
				<u>1950-1960</u>		<u>1960-1968</u>	
				<u>Number</u>	<u>Percent</u> <sup>a/</sup>	<u>Number</u>	<u>Percent</u> <sup>a/</sup>
<u>Population:</u>							
HMA total	<u>114,688</u>	<u>228,106</u>	<u>356,700</u>	<u>11,342</u>	6.9	<u>14,975</u>	5.3
Belle Glade	7,219	11,273	14,400	405	4.5	365	2.9
Boca Raton	992	6,961	25,200	597	19.5	2,125	15.0
Boynton Beach	2,542	10,467	17,700	793	14.0	845	6.2
Delray Beach	6,312	12,230	19,150	592	6.6	810	5.3
Lake Park	489	3,589	7,450	310	20.0	450	8.6
Lake Worth	11,777	20,758	25,700	898	5.7	575	2.5
North Palm Beach	b/	2,684	10,100	b/	b/	865	15.4
Palm Beach	3,886	6,055	9,600	217	4.5	415	5.4
Riviera Beach	4,065	13,046	23,550	898	12.7	1,225	7.0
West Palm Beach	43,162	56,208	65,900	1,305	2.6	1,125	1.9
Rest of HMA	34,244	84,835	137,950	5,327 <sup>c/</sup>	9.4 <sup>c/</sup>	6,175	5.7
<u>Households:</u>							
HMA total	<u>36,998</u>	<u>76,178</u>	<u>120,700</u>	<u>3,918</u>	7.2	<u>5,175</u>	5.4
Belle Glade	2,150	3,857	4,950	171	5.8	125	2.9
Boca Raton	353 <sup>d/</sup>	2,494	9,575	214	19.5	825	15.7
Boynton Beach	817	3,395	6,200	258	14.2	325	7.1
Delray Beach	2,039	3,915	6,150	188	6.5	260	5.3
Lake Park	148 <sup>d/</sup>	1,081	2,325	93	19.9	145	9.0
Lake Worth	4,570	8,393	11,150	382	6.1	320	3.3
North Palm Beach	b/	733	2,800	b/	b/	240	15.6
Palm Beach	1,292	2,517	4,225	122	6.7	200	6.1
Riviera Beach	1,401	4,257	7,700	286	11.0	400	7.0
West Palm Beach	14,068	19,882	23,400	581	3.5	410	1.9
Rest of HMA	10,160	25,654	42,225	1,623 <sup>c/</sup>	9.6 <sup>c/</sup>	1,925	5.9

<sup>a/</sup> See Appendix A, paragraph 2.

<sup>b/</sup> North Palm Beach incorporated since 1950.

<sup>c/</sup> Includes changes in North Palm Beach.

<sup>d/</sup> Estimated by Housing Market Analyst.

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



Table V

Housing Inventory, Tenure, and Total Vacancy Trends  
West Palm Beach, Florida, Housing Market Area  
1950-1968

<u>Inventory and tenure</u>	<u>April 1,</u> <u>1950</u>	<u>April 1,</u> <u>1960</u>	<u>November 1,</u> <u>1968</u>
<u>HMA total:</u>			
Total inventory	46,502	89,396	131,600
Total occupied	<u>36,998</u>	<u>76,178</u>	<u>120,700</u>
Owner-occupied	19,077	47,931	78,350
Percent of total occupied	51.6%	62.9%	64.9%
Renter-occupied	17,921	28,247	42,350
Percent of total occupied	48.4%	37.1%	35.1%
Total vacant	9,504	13,218	10,900
<u>West Palm Beach:</u>			
Total inventory	16,454	22,411	24,700
Total occupied	<u>14,068</u>	<u>19,882</u>	<u>23,400</u>
Owner-occupied	7,296	11,133	12,300
Percent of total occupied	51.9%	56.0%	52.6%
Renter-occupied	6,772	8,749	11,100
Percent of total occupied	48.1%	44.0%	47.4%
Total vacant	2,386	2,529	1,300
<u>Rest of HMA:</u>			
Total inventory	30,048	66,985	106,900
Total occupied	<u>22,930</u>	<u>56,296</u>	<u>97,300</u>
Owner-occupied	11,781	36,798	66,050
Percent of total occupied	51.4%	65.4%	67.9%
Renter-occupied	11,149	19,498	31,250
Percent of total occupied	48.6%	34.6%	32.1%
Total vacant	7,118	10,689	9,600

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

Table VI

New Housing Units Authorized by Building Permits  
West Palm Beach, Florida, Housing Market Area  
1960-1968

<u>Area and type of structure</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>Jan.-Sept. 1968</u>
<u>Single-family:</u>									
HMA total	<u>3,395</u>	<u>4,146</u>	<u>3,764</u>	<u>3,302</u>	<u>2,644</u>	<u>1,967</u>	<u>1,474</u>	<u>1,780</u>	<u>1,890</u>
Belle Glade	83	52	136	102	84	74	34	45	18
Boca Raton	516	451	478	579	532	311	221	447	482
Boynton Beach	227	172	148	118	94	81	58	41	61
Delray Beach	108	267	126	132	82	80	40	64	47
Lake Park	38	77	77	33	25	13	22	15	22
Lake Worth	81	107	106	88	59	63	48	36	47
North Palm Beach	237	234	110	93	92	74	62	51	44
Palm Beach	35	49	32	25	29	14	16	9	18
Palm Beach Gardens	14	247	307	145	212	125	118	122	152
Riviera Beach	249	419	315	277	219	213	132	75	90
West Palm Beach	116	198	183	181	117	98	112	117	69
Remainder of HMA	1,691 <sup>a/</sup>	1,873 <sup>b/</sup>	1,746	1,529	1,099	821	611	758	840
<u>Multifamily:</u>									
HMA total	<u>905</u>	<u>1,288</u>	<u>1,295</u>	<u>1,821</u>	<u>2,529</u>	<u>3,473</u>	<u>2,800</u>	<u>3,070</u>	<u>4,548</u>
Belle Glade	34	57	67	93	70	131	40	9	11
Boca Raton	4	107	83	300	695	549	609	488	1,042
Boynton Beach	93	8	23	65	208	386	492	388	81
Delray Beach	139	59	66	147	149	92	386	52	414
Lake Park	18	23	130	61	240	50	4	36	140
Lake Worth	129	58	110	100	76	118	124	331	181
North Palm Beach	28	30	64	162	26	252	225	59	356
Palm Beach	100	279	279	13	187	447	65	212	296
Palm Beach Gardens	-	-	-	48	6	66	46	66	127
Riviera Beach	63	42	95	127	168	172	87	153	58
West Palm Beach	98	417 <sup>c/</sup>	76	116	270	463 <sup>d/</sup>	68	214	651
Remainder of HMA	199	208	302	589	434	747	654	1,062	1,191
<u>Total units:</u>									
HMA total	<u>4,300</u>	<u>5,434</u>	<u>5,059</u>	<u>5,123</u>	<u>5,173</u>	<u>5,440</u>	<u>4,274</u>	<u>4,850</u>	<u>6,438</u>
Belle Glade	117	109	203	195	154	205	74	54	29
Boca Raton	520	558	561	879	1,227	860	830	935	1,524
Boynton Beach	320	180	171	183	302	467	550	429	142
Delray Beach	247	326	192	279	231	172	426	116	461
Lake Park	56	100	207	94	265	63	26	51	162
Lake Worth	210	165	216	188	135	181	172	367	228
North Palm Beach	265	264	174	255	118	326	287	110	400
Palm Beach	135	328	311	38	216	461	81	221	314
Palm Beach Gardens	14	247	307	193	218	191	164	188	279
Riviera Beach	312	461	410	404	387	385	219	228	148
West Palm Beach	214	615	259	297	387	561	180	331	720
Remainder of HMA	1,890	2,081	2,048	2,118	1,533	1,568	1,265	1,820	2,031 <sup>e/</sup>
a/ Includes 2 public housing units.									
b/ " 9 " " " "									
c/ " 118 " " " "									
d/ " 132 " " " "									
e/ " 200 " " " "									

Sources: Area Planning Board of Palm Beach County; U.S. Bureau of the Census, C-40 Construction Reports.

Table VII

Vacancy Trends  
West Palm Beach, Florida, Housing Market Area  
1950-1968

<u>Vacancy characteristics</u>	<u>April 1, 1950</u>	<u>April 1, 1960</u>	<u>November 1, 1968</u>
<u>HMA total:</u>			
Total vacant units	9,504	13,218	10,900
Available vacant	<u>2,756</u>	<u>6,290</u>	<u>3,400</u>
For sale	444	2,533	1,200
Homeowner vacancy rate	2.3%	5.0%	1.5%
For rent	2,312	3,757	2,200
Rental vacancy rate	11.4%	11.7%	4.9%
Other vacant <sup>a/</sup>	6,748	6,928	7,500
<u>West Palm Beach:</u>			
Total vacant units	2,386	2,529	1,300
Available vacant	<u>1,037</u>	<u>1,671</u>	<u>550</u>
For sale	126	279	200
Homeowner vacancy rate	1.7%	2.4%	1.6%
For rent	911	1,392	350
Rental vacancy rate	11.9%	13.7%	3.1%
Other vacant <sup>a/</sup>	1,349	858	750
<u>Rest of HMA:</u>			
Total vacant units	7,118	10,689	9,600
Available vacant	<u>1,719</u>	<u>4,619</u>	<u>2,850</u>
For sale	318	2,254	1,000
Homeowner vacancy rate	2.6%	5.8%	1.5%
For rent	1,401	2,365	1,850
Rental vacancy rate	11.2%	10.8%	5.6%
Other vacant <sup>a/</sup>	5,399	6,070	6,750

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

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

Table VIII

West Palm Beach Florida, Area Postal Vacancy Survey

October 22-30, 1968

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.	%
The Survey Area Total	111,237	2,964	2.7	2,270	694	4,145	89,664	1,383	1.5	1,196	187	840	21,543	1,581	7.3	1,074	507	3,305	5,738	178	3.1
West Palm Beach	50,749	1,220	2.4	984	236	1,598	43,093	654	1.5	577	77	301	7,656	566	7.4	407	159	1,297	3,081	112	3.6
Main Office	9,762	223	2.3	205	18	178	8,621	115	1.3	114	1	16	1,141	108	9.5	91	17	162	309	6	1.9
Branches:																					
Four Points	9,662	243	2.5	183	60	210	8,923	170	1.9	157	13	52	739	73	9.9	26	47	158	890	24	2.7
Lake Park	5,584	76	1.4	57	19	308	5,045	52	1.0	33	19	69	539	24	4.5	24	-	239	278	7	2.5
North Palm Beach	4,004	118	2.9	13	105	377	2,791	24	0.9	5	19	78	1,213	94	7.7	8	86	299	133	14	10.5
Riviera Beach	6,550	207	3.2	182	25	86	5,117	80	1.6	64	16	49	1,433	127	8.9	118	9	37	1,209	44	3.6
Stations:																					
Northwood	7,299	164	2.2	160	4	419	5,482	97	1.8	93	4	19	1,817	67	3.7	67	-	400	23	6	26.1
Southboro	7,888	189	2.4	184	5	20	7,114	116	1.6	111	5	18	774	73	9.4	73	-	2	239	11	4.6
Other Cities and Towns	60,458	1,744	2.9	1,286	458	2,547	46,571	729	1.6	619	110	539	13,887	1,015	7.3	667	348	2,008	2,657	66	2.5
Belle Glade	3,464	62	1.8	61	1	3	3,008	37	1.2	36	1	3	456	25	5.5	25	-	-	299	40	13.4
Boca Raton	10,319	112	1.1	53	59	915	7,222	67	0.9	39	28	328	3,097	45	1.5	14	31	587	76	-	0.0
Boynton Beach	6,470	238	3.7	180	58	69	4,693	121	2.6	109	12	26	1,777	117	6.6	71	46	43	101	5	5.0
Delray Beach	9,065	493	5.4	357	136	435	7,548	131	1.7	109	22	31	1,517	362	23.9	248	114	404	339	9	2.7
Lake Worth	22,406	634	2.8	551	83	368	19,793	338	1.7	293	45	137	2,613	296	11.3	258	38	231	1,796	4	0.2
Main Office	18,196	538	3.0	493	45	301	15,737	286	1.8	255	31	85	2,459	252	10.2	238	14	216	1,484	3	0.2
Lantana Branch	4,210	96	2.3	58	38	67	4,056	52	1.3	38	14	52	154	44	28.6	20	24	15	312	1	0.3
Pahokee	2,526	77	3.0	76	1	201	1,914	33	1.7	32	1	1	612	44	7.2	44	-	200	46	8	17.4
Palm Beach	6,208	128	2.1	8	120	556	2,393	2	0.1	1	1	13	3,815	126	3.3	7	119	543	-	-	-
Main Office	4,658	93	2.0	7	86	520	2,083	2	0.1	1	1	13	2,575	91	3.5	6	85	507	-	-	-
Station A	1,550	35	2.3	1	34	36	310	-	0.0	-	-	-	1,240	35	2.8	1	34	36	-	-	-

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; and apartment represents one possible stop with more than one possible delivery.

The estimates of total possible deliveries to residences, apartments, and house trailers were made by the postal carriers. The data in this table, therefore, are not strictly comparable to the corresponding data for surveys conducted prior to 1966. The combined totals, however, are as recorded in official route records.

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

Table IX

a/

FHA Surveys of Unsold Inventory of New Sales Houses  
West Palm Beach, Florida, Housing Market Area  
As of January 1, 1964, 1965, 1966, 1967, and 1968

<u>Sales price</u>	<u>Total completions</u>	<u>Pre-sold</u>	<u>Speculative construction</u>			
			<u>Total</u>	<u>Sold</u>	<u>Unsold</u>	<u>Percent unsold</u>
<u>Houses completed in 1963</u>						
Under \$12,500	234	190	44	38	6	13.6
\$12,500 - 14,999	309	274	35	28	7	20.0
15,000 - 17,499	353	291	62	33	29	46.8
17,500 - 19,999	106	77	29	27	2	6.9
20,000 - 24,999	193	119	74	55	19	25.7
25,000 - 29,999	33	33	-	-	-	-
30,000 and over	39	33	6	-	6	100.0
Total	1,267	1,017	250	181	69	27.6
<u>Houses completed in 1964</u>						
Under \$12,500	72	28	44	34	10	22.7
\$12,500 - 14,999	246	160	86	80	6	7.0
15,000 - 17,499	217	122	95	87	8	8.4
17,500 - 19,999	234	174	60	51	9	15.0
20,000 - 24,999	139	102	37	18	19	51.4
25,000 - 29,999	70	55	15	11	4	26.7
30,000 and over	84	41	43	32	11	25.6
Total	1,062	682	380	313	67	17.6
<u>Houses completed in 1965</u>						
Under \$12,500	124	80	44	35	9	20.5
\$12,500 - 14,999	247	148	99	82	17	17.2
15,000 - 17,499	156	100	56	44	12	21.4
17,500 - 19,999	162	127	35	26	9	25.7
20,000 - 24,999	169	151	18	13	5	27.8
25,000 - 29,999	86	81	5	4	1	20.0
30,000 and over	111	109	2	1	1	50.0
Total	1,055	796	259	205	54	20.8
<u>Houses completed in 1966</u>						
Under \$12,500	72	60	12	12	-	-
\$12,500 - 14,999	155	91	64	56	8	12.5
15,000 - 17,499	85	59	26	23	3	11.5
17,500 - 19,999	73	69	4	4	-	-
20,000 - 24,999	121	120	1	-	1	100.0
25,000 - 29,999	48	48	-	-	-	-
30,000 and over	58	58	-	-	-	-
Total	612	505	107	95	12	11.2
<u>Houses completed in 1967</u>						
Under \$12,500	16	16	-	-	-	-
\$12,500 - 14,999	104	91	13	13	-	-
15,000 - 17,499	121	106	15	15	-	-
17,500 - 19,999	86	82	4	4	-	-
20,000 - 24,999	209	200	9	8	1	11.1
25,000 - 29,999	47	42	5	5	-	-
30,000 and over	51	50	1	-	1	100.0
Total	634	587	47	45	2	4.3

a/ Survey includes only subdivisions with five more completions during the year.

Source: Annual Unsold Inventory Survey conducted by the Coral Gables Insuring Office.

728.1 :308 F22 West Palm Beach, Fla  
1968

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Analysis of the West Palm Beach,  
Florida housing market

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