
Tracking the American Dream

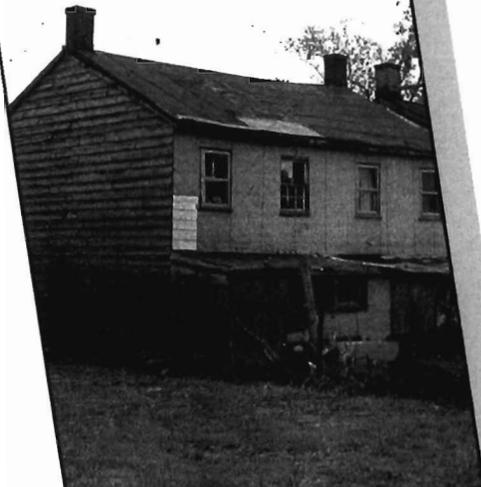
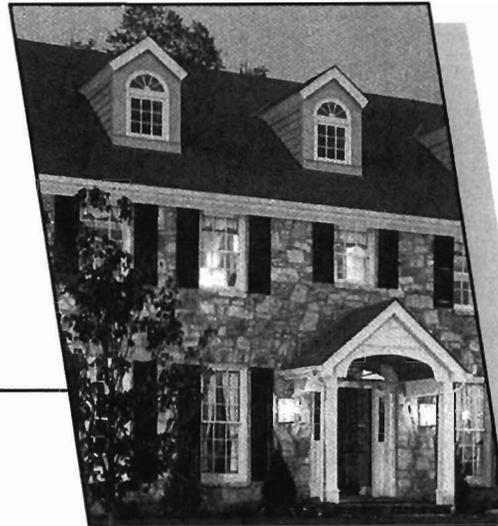
50 Years of Housing
History from the
Census Bureau:
1940 to 1990

by F. John Devaney

Issued May 1994



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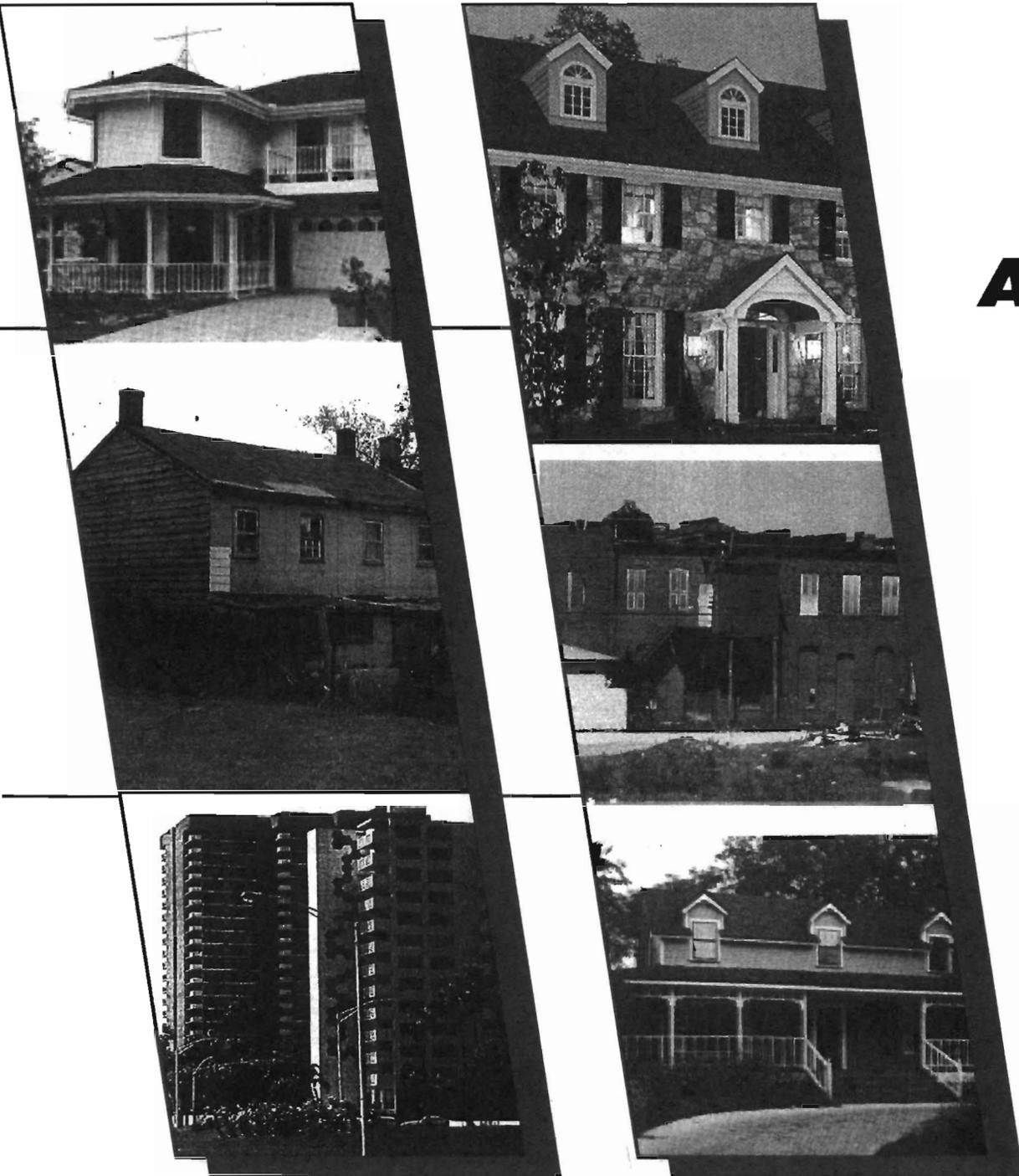
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Overview



What We Found in 1940

The United States was already an urban Nation when the first housing census counted 37 million housing units in 1940. The majority of housing units inside metropolitan areas were located in their central cities. Regional location of housing favored the Northeast and Midwest, where 59 percent of housing units were located.

1940 was an opportune time for the first housing census. The Nation was at a turning point. After growth rates of more than 20 percent in occupied housing units in the first three decades of the 20th century, the decade of depression prior to 1940 had severely slowed population and housing growth and brought hard times to American families.

Serious deficiencies in housing quality were identified in the 1940 Census of Housing. Eighteen percent of housing units needed major repairs. Plumbing facilities were inadequate or missing from large numbers of units, including 31 percent with no running water, 44 percent with no bathtub or shower, and 35 percent with no flush toilet.

Renters outnumbered homeowners, after the homeownership rate had dropped to its lowest level in the 20th century. Home values had also declined during the 1930's. Married couples were 76 percent of all householders.

Two-thirds of the housing inventory were single-family homes and the median age of all housing was 25 years. More than 1

in 5 units were in buildings with two to four units. About 1 in 10 were in buildings with five or more units. Condominiums and time-sharing had not yet appeared. Mobile homes were rare.

Solid fuels were the predominant means of heating homes, with coal and wood used in more than three-quarters of homes. Air conditioning was practically nonexistent.

Changes Since 1940

Sweeping changes turned on the pivotal decennial year of 1940. During the subsequent 50 years, housing was to outpace population growth by 173 to 88 percent. The South and West were to gain a leading share of housing. As growth spread beyond urban limits, suburbs would emerge with the major share of housing in all regions of the country.

Changes in the demographic structure of population and households created new housing needs. A smaller percentage of the female population was now married in 1990 than in 1940, and a higher percentage was divorced. Almost one-third of all householders were females in 1990.

Changes in the racial and ethnic composition of population also influenced the occupancy of housing. White householders had been 91 percent of all householders in 1940. In 1990 Whites occupied 84 percent of households, while Blacks and other races occupied 16 percent. Hispanic-origin householders (who may be of any race) now lived in 7 percent of occupied housing units.

Housing quality problems documented in 1940 had ceased to be major issues long before 1990. Residential properties had become a major source of wealth. The equity in owner-occupied homes alone was 42 percent of the net worth of all the Nation's households.¹ Expenditures by owners of homeowner and rental properties for repairs, maintenance and home improvements were running at a level of \$107 billion annually in 1990.²

In 1990, single-family homes still comprised almost two-thirds (64 percent) of all housing units. Housing in small multi-unit structures (two to four units) was now only 10 percent of all units. Those in structures of five or more units made up 18 percent of the inventory, and mobile homes and other units were 8 percent. Almost 5 percent of homes were in condominium ownership. The median age (25 years) for all housing units was the same as in 1940. Utility gas was the primary heating fuel for 51 percent of homes; electricity for 26 percent.

¹U.S. Bureau of The Census, Current Population Reports, Series P-70, No. 34, *Household Wealth and Asset Ownership: 1991*, table A. U.S. Government Printing Office, Washington, DC, 1994.

²U.S. Bureau of the Census, Current Construction Reports, C50-90Q4, *Expenditures for Residential Improvements and Repairs*, table 2. U.S. Government Printing Office, Washington, DC.

New Problems

In 1940, physical characteristics of housing units, plumbing facilities, and other equipment were major problems. In the past 50 years, the focus has shifted to demographic, social, and financial characteristics of housing and its occupants.

Housing costs outpaced inflation from 1940 to 1990. This was true for both mortgaged and nonmortgaged homes and for rental units. The percentage of income spent for housing costs was higher in 1990 for homeowners and renters alike than in any previous census. Many renters spent 50 percent or more of their income for monthly rent payments — at least 13 percent of renter households in every State were in this very high cost category (figure 1).

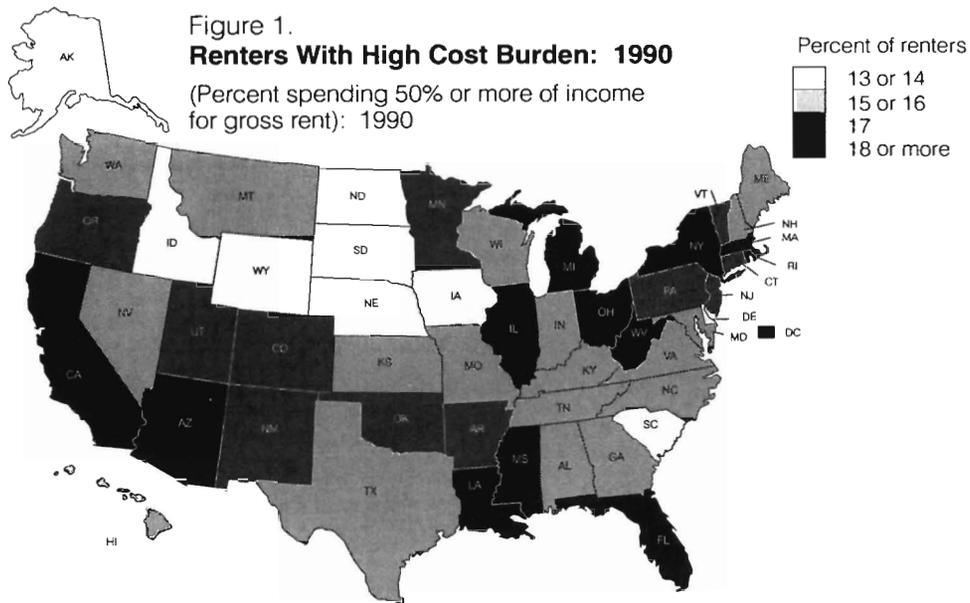
The 1990 census recorded a drop in the homeownership rate for the first time since 1940, albeit slight. Of great concern was the downturn in homeownership in the 1980's among the large baby boom population. Affordability of housing — whether for owning or renting a home — had become a major problem, especially for young adults trying to form new households, rent apartments, or purchase a home for the first time (figure 2).³

³See Savage, Howard A., and Peter J. Fronczek, Current Housing Reports, H121/93-3, *Who Can Afford to Buy a House in 1991?* U.S. Bureau of the Census.

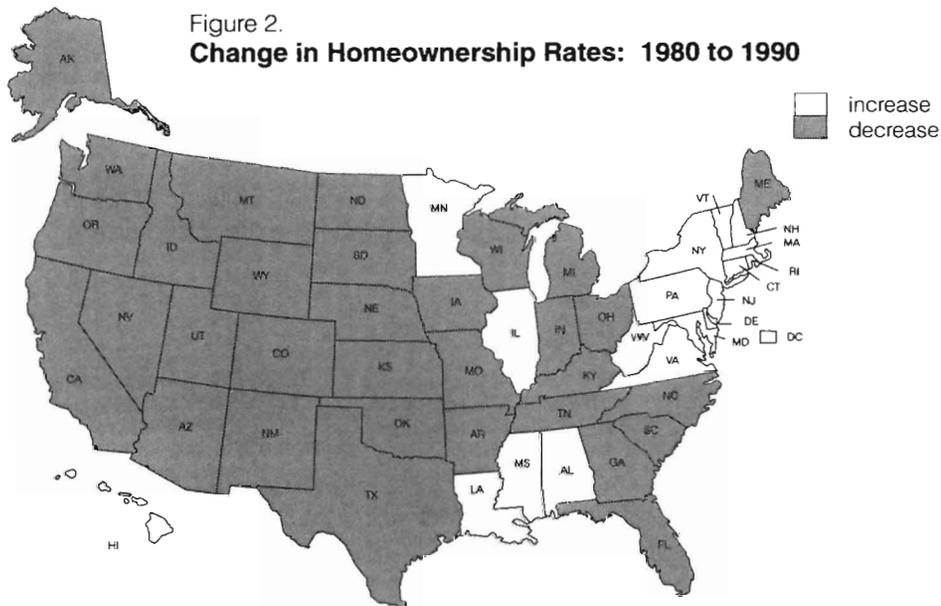
The 1990 data were being used to identify housing problems in States, counties, cities, and towns throughout the country. The Census Bureau, at the request of the Department of Housing and Urban Development, prepared special tabulations to assist local jurisdictions in preparation of Comprehensive Housing Affordability Strategy (CHAS) plans, as required by the Cranston-Gonzales Housing Affordability Act of 1990.

These tabulations include data on the presence or lack of plumbing and kitchen facilities, overcrowding, owner and renter costs, household income, the percentage of income spent for housing costs, household characteristics, race and Hispanic origin of householder, and other demographic and social data.

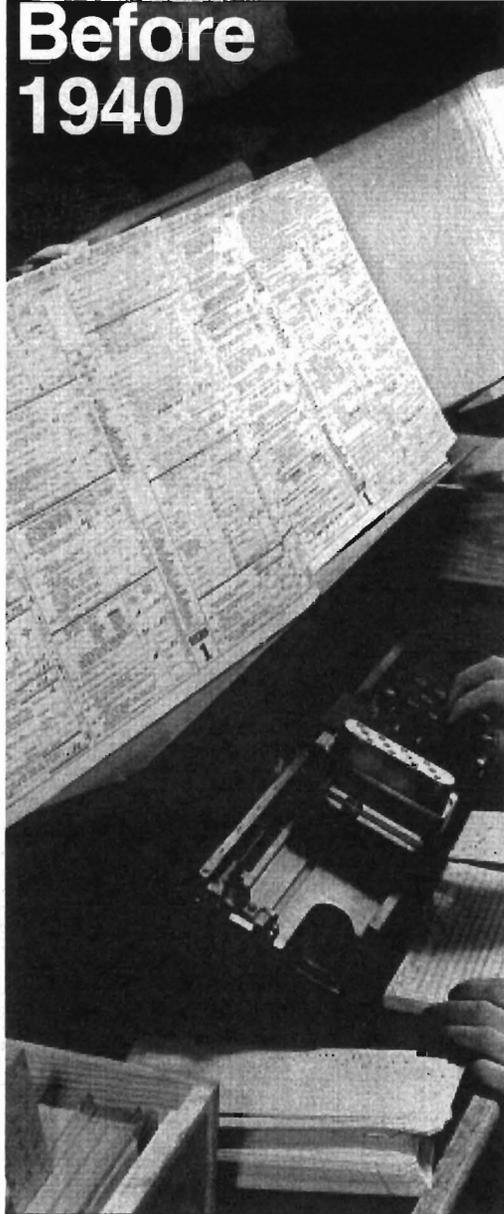
Housing needs have changed as the demographic composition of the population has become more diverse. As immigration continues to feed population growth and as the baby boom ages, for example, new demands are being placed on the housing inventory.



The housing census — for 2000 and beyond — will continue to record changes in the Nation's housing inventory and its occupants. Housing is a major factor in the social and economic life of Americans, consuming at least 1 of every 5 dollars of monthly expenditures by families and other households. As new issues emerge, the housing census will provide data of importance to public and private interests in this large segment of American life.



Before 1940



Census in the Nation's History

George Washington was in the second year of his presidency when enumeration for the Nation's first census began on Monday, August 2, 1790. This unique function of government is authorized in the Constitution, where Article 1, section 2, requires that:

Representatives and direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers. ...The actual Enumeration shall be made within three Years after the first Meeting of the Congress of the United States, and within every subsequent Term of ten Years, in such Manner as they shall by Law direct.

The 1790 census was simple. The six data items included, the name of the head of the family, free White males of 16 years and upward, free White males under 16 years, free White females, all other free persons, and slaves.

The decennial census was gradually expanded. Inquiries on manufacturing were added in 1810. In later decades censuses of agriculture, mining, governments, religious bodies, business, housing, and transportation were added.

Housing Items Before 1940⁴

A housing item first appeared in a decennial census in 1860, and then, regretfully, the enumeration focused on the number of

slave houses. In the 1890 census, housing items included farm status, tenure (rented or owned), mortgage status, and a special schedule for mortgaged farms and homes.

Farm status and tenure have been included in every census since 1890. Mortgage status has also been included since 1890, except in 1930. Mortgage characteristics of owner-occupied homes were included in supplemental questionnaires in 1890 and 1920, and have been incorporated in Residential Finance Surveys as part of the decennial census since 1950. Home value and contract rent have been included in the general schedule continuously since 1930. Also, presence of radio sets was first enumerated in 1930.

Supplemental questionnaires for Indians were included from 1880 to 1910 and in 1950, enumerating number of persons and dwellings, structural characteristics (whether house, pueblo, or lodge), tenure and mortgage status. A 1980 supplement enumerated the population of American Indian, Eskimo, and Aleut population on reservations and in the historic areas of Oklahoma (excluding urbanized areas).⁵

⁴The source for this section is U.S. Bureau of the Census, *Population and Housing Inquiries in U.S. Decennial Censuses, 1790-1970, Working Paper No. 39*, Washington, DC, 1973.

⁵U.S. Bureau of the Census, *1980 Census of Population, American Indians, Eskimos, and Aleuts on Identified Reservations and in the Historic Areas of Oklahoma (excluding urbanized areas)*, PC80-2-ID, sections 1 and 2.

The Federal Role in Housing and Community Development⁶

Housing conditions in cities have concerned the Federal Government for over 100 years. In 1892 slums in four cities of 200,000 or more population were investigated. A 1908 Housing Commission appointed by President Theodore Roosevelt recommended rebuilding housing in slum areas. Housing loans were authorized for shipyard employees in World War I. Also, the U.S. Housing Corporation built 25 projects for war workers.

The Department of Commerce published standardized housing, city planning, zoning, and building codes in the 1920's and 1930's. Some of these are considered classics and strongly influenced legislation at the State level, such as, A Zoning Primer, A Standard State Zoning Enabling Act, A Standard City Planning Enabling Act, and Recommended Minimum Requirements for Plumbing.

The Federal Government's interest in homeownership was evident in this statement by Secretary of Commerce Herbert Hoover in a handbook for prospective home buyers

⁶Material in this section is taken from U.S. House of Representatives, *Evolution of Role of the Federal Government in Housing and Community Development, A Chronology of Legislative and Selected Executive Actions, 1892-1974*, Subcommittee on Housing and Community Development of the Committee on Banking, Currency, and Housing, 94th Congress, First Session, Washington, DC, 1975.

first published in 1923 and revised in 1931 when Mr. Hoover was President.

Maintaining a high percentage of individual homeowners is one of the searching tests that now challenge the people of the United States.

A family that owns its home takes pride in it, maintains it better, gets more pleasure out of it, and has a more wholesome, healthful, and happy atmosphere in which to bring up children.⁷

By 1930, the homeownership rate had returned to the level of 1890 (47.8 percent) after dipping to lower levels from 1900 to 1920 during years of heavy foreign immigration and disruption of World War I. Housing construction reached historic highs in the 1920's, with 937,000 units started in 1925.⁸ The median value of homes was \$4,778 in 1930, with values at \$7,000 or more in Connecticut, New York, and New Jersey, and over \$9,000 in the District of Columbia (figure 3).

Responses to the Depression

The New York Times of Friday, October 25, 1929 carried the headline: "WORST STOCK CRASH STEMMED BY BANKS; 12,894,650 - SHARE DAY SWAMPS MARKET; LEADERS CONFER, FIND

⁷U.S. Department of Commerce, "How to Own Your Own Home: A Handbook for Prospective Home Owners," Building and Housing Publication, BH17, 2nd Edition, August, 1931 U.S. Government Printing Office, Washington, DC.

CONDITIONS SOUND." A few days later, on Wednesday, October 30, the Times carried this headline: "STOCKS COLLAPSE IN 16,410,030 - SHARE DAY, BUT RALLY AT END CHEERS BROKERS; BANKERS OPTIMISTIC, TO CONTINUE AID." The writers of those headlines — and the readers of newspapers on that day — could not have anticipated the severe economic depression that was to change American life.

By 1933, unemployment in the civilian labor force had swelled to 25 percent.⁹ The Consumer Price Index had dropped during four consecutive years to its lowest level since World War I, as consumer prices and home values plummeted.¹⁰ New housing unit starts were at their lowest level since 1889, the earliest year for historical records.¹¹

Governmental and financial institutions were dramatically changed in the 1930's, as housing programs were interwoven with economic and financial policies. Here are examples:

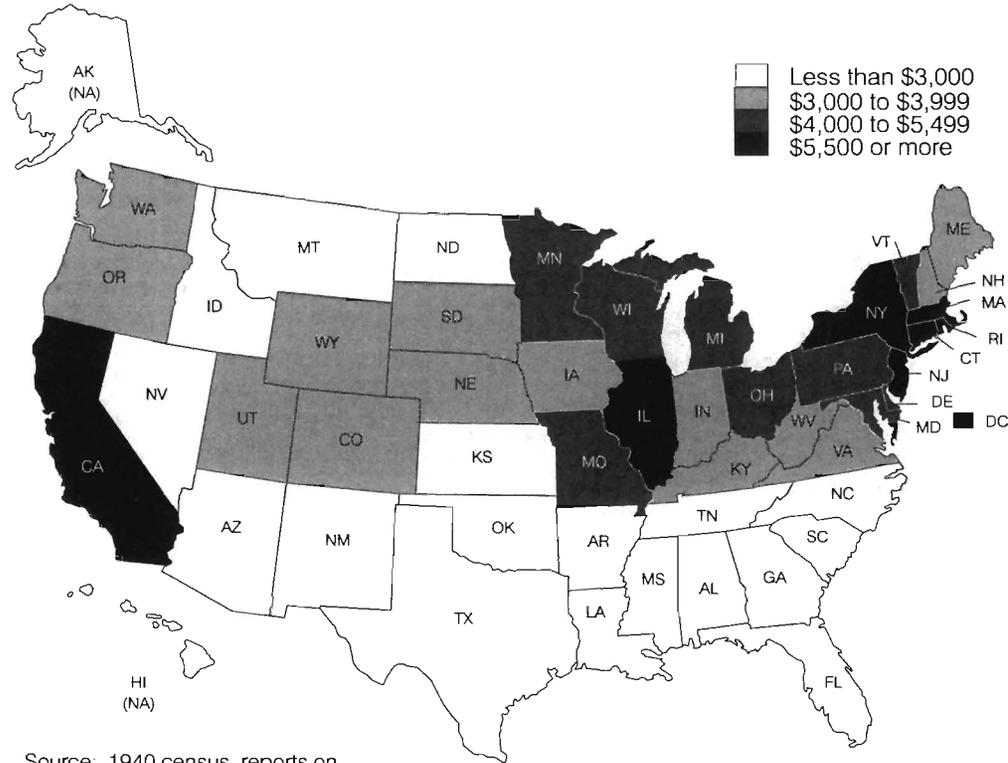
⁸U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970*, Bicentennial Edition, part 2, Series N 156-169. Washington, DC, 1975.

⁹U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970*, Bicentennial Edition, part 1, Series D 85-86. Washington, DC, 1975.

¹⁰U.S. Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers - (CPI - U), U.S. city average (1982-1984 = 100).

¹¹U.S. Bureau of the Census, op. cit., part 2, Series N 156-169.

Figure 3.
Median Home Values: 1930



Source: 1940 census, reports on housing, volume II, table 63

1931 - President Hoover convened a Conference on Home Building and Ownership and recommended Home Loan Discount Banks to reduce pressure on mortgage lending institutions, stimulate home construction, increase employment, and promote home ownership.

1932 - The Emergency Relief and Construction Act authorized the Reconstruction Finance Corporation (RFC) to make loans for low income families and to reconstruct slum areas.

1932 - The Federal Home Loan Bank Act established the Federal Home Loan Bank System.

1933 - The Home Owners' Loan Act directed the Federal Home Loan Bank Board to create the Home Owners' Loan Corporation (HOLC), which refinanced more than a million home loans of distressed homeowners.

1933 - The National Industrial Recovery Act authorized the use of Federal funds to finance low-cost and slum-clearance housing to provide employment.

1934 - The National Housing Act created the Federal Housing Administration (FHA), whose Administrator made commitments to insure mortgages on one-to-four-family homes. (The Federal National Mortgage Association was chartered by the FHA in 1938 as a subsidiary of the RFC.)

1934 - The National Housing Act also created the Federal Savings and Loan Insurance Corporation to insure the accounts of savings and loan and similar associations.

1937 - The Housing Act of that year authorized the public housing program and created the United States Housing Authority in the Department of the Interior.

Housing and Planning Experiments

Initiatives in the 1930's also included planning and construction of new communities. President Roosevelt established the Resettlement Administration in 1935 and prescribed its functions in regard to the Greenbelt Towns.

Three Greenbelt Towns were built: Greendale, Wisconsin; Greenhills, Ohio; and

Greenbelt, Maryland. The towns were planned for families of modest income in suburban/rural locations to improve housing conditions and stimulate employment.

The criteria used to select the first occupants of Greenbelt, Maryland, were an anomaly of social history.

The first settlers of Greenbelt moved in as the homes were completed between October 1937 and the summer of 1938. Preference was given to poorly housed families whose incomes were limited but who could however afford the rentals

An effort was made to populate the town with an average cross-section of residents. Proportions found in the nearby District of Columbia were applied. Among the first residents, therefore, 70 percent of the wage-earners were government workers, 30 percent non-government; 30 percent were Catholic, 7 percent Jewish, and 63 percent Protestant.¹²

¹²Clarence S. Stein, *Toward New Towns for America*, Chicago, IL, Public Administration Service, 1951, p 110.

Legislation for the First Housing Census

Prior to the Depression, the Nation had experienced robust growth in population and housing. In each decade from 1890 to 1930 population growth had ranged from about 15 to 21 percent and growth in occupied housing units ranged from about 20 to 27 percent. Growth rates were drastically altered in the 1930's, when population increased by only 7.2 percent and occupied housing units by 16.6 percent (table 1).

Legislation in the 1930's deeply and permanently involved the Federal Government in housing policy and financial support of housing programs in the United States.

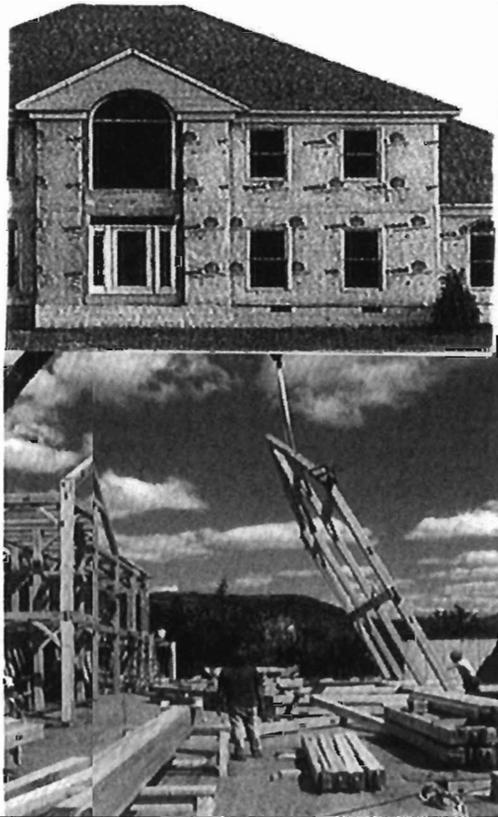
Against this backdrop of legislative and policy initiatives, the Bureau of the Census was authorized, under Public Law 76-385, August 11, 1939, to obtain data on the characteristics of the Nation's housing supply and occupancy, in connection with the 1940 census.

Table 1.
Growth of Population and Occupied Housing Units: 1890 to 1940

Year	Occupied housing units		Total population	
	Number (millions)	Percent increase over preceding census	Number (millions)	Percent increase over preceding census
1940	34.9	16.6	131.7	7.2
1930	29.9	22.8	122.8	16.1
1920	24.4	20.2	105.7	14.9
1910	20.3	26.9	92.0	21.0
1900	16.0	25.8	76.0	20.7
1890	12.7	(X)	62.9	(X)

X Not applicable.

Housing Growth: 1940 to 1990



National Growth

The 1940 Census of Housing counted 37 million housing units. Fifty years later, the 1990 census counted more than 102 million housing units, a gain of 173 percent. The Nation's housing inventory passed the 50 million mark during the 1950's and reached the 100 million milestone in the latter part of the 1980's. [See next shaded box]

Housing growth was stimulated by the population increase from 132 million to 249 million during the 1940-1990 period, a gain of 88 percent (table 2 and figure 4).

Table 2.
Total Population and Housing Units: 1940 to 1990

(In millions)

Year	Population	Housing units
1990	248.7	102.3
1980	226.5	88.4
1970	203.3	68.7
1960	179.3	58.3
1950	151.3	46.1
1940	132.2	37.4
1940 to 1990		
Numerical increase	116.5	64.8
Percent increase	88	173

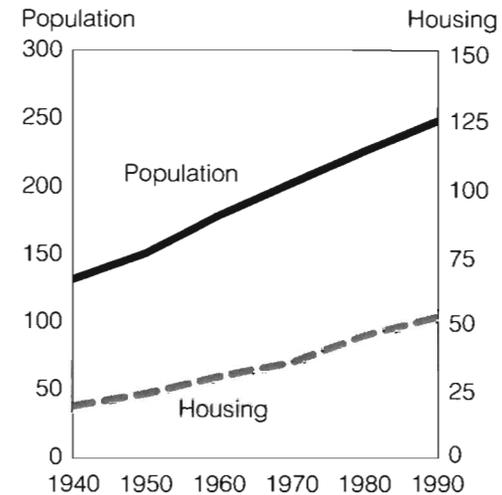
Note: 1940 and 1950 include Alaska and Hawaii (1940-1990 = 173 percent).

The housing stock grew by more than 20 percent in the 1940's, 1950's, and 1970's. Growth rates less than 20 percent occurred in the 1960's and 1980's.

The largest increase, 19.7 million housing units, and the highest growth rate, 29 percent, occurred in the 1970's, despite three economic recessions within the calendar years from 1970 to 1980. The net gain in that decade represented an average increase of about 2 million housing units per year. Demand for housing was high in the 1970's as the leading edge of the baby boom population entered household forming years, swelling the 24-to-34 years age groups.

Figure 4.
Population and Housing Growth: 1940 to 1990

(In millions)



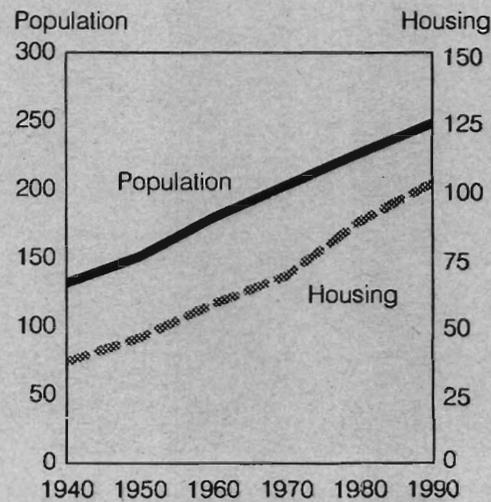
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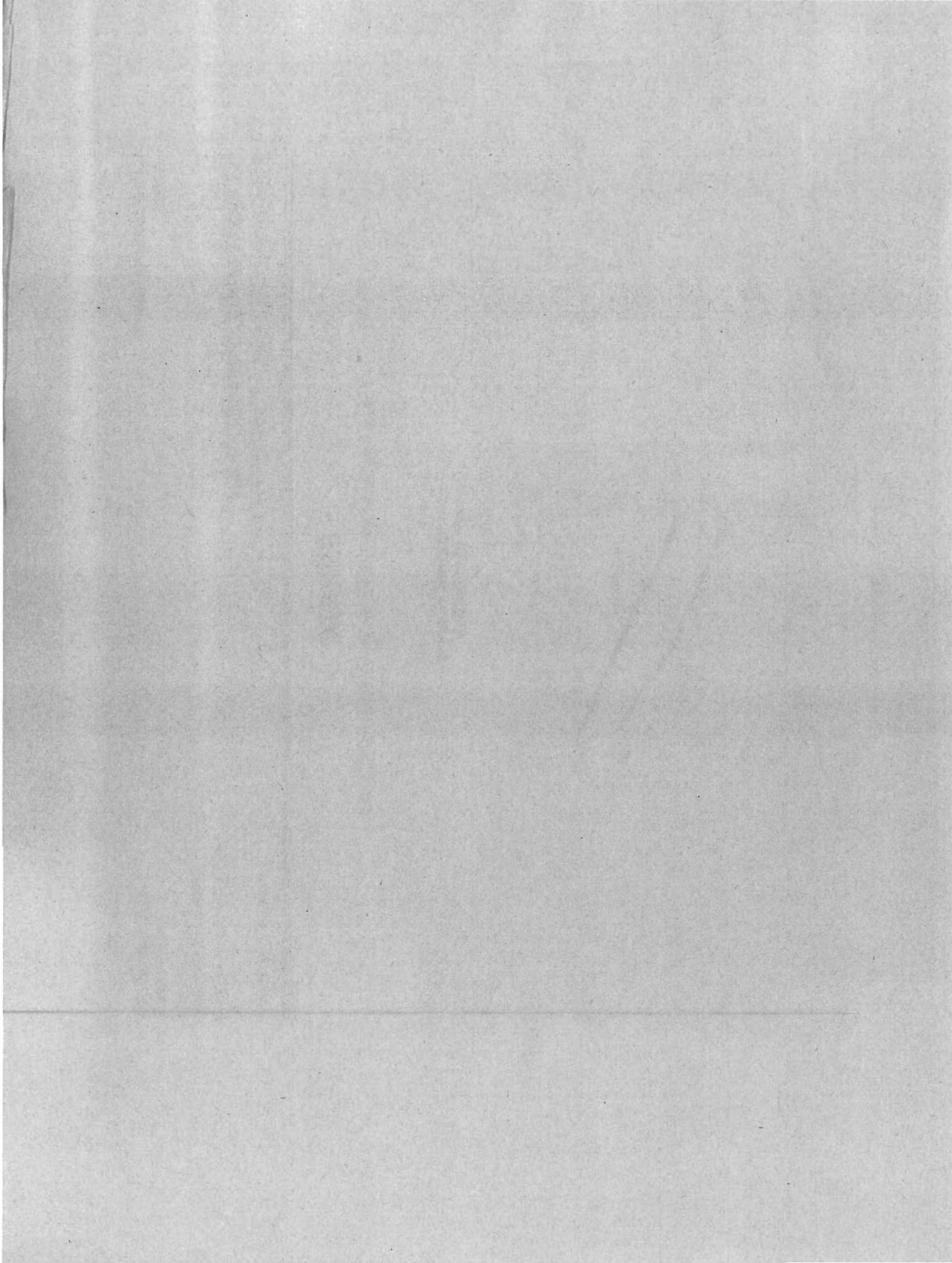
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Figure 4 replaces the one originally published in H121/94-1.

Figure 4.
**Population and Housing
Growth: 1940 to 1990**
(In millions)





What Is a Housing Unit?

In 1940 and 1950 it was a "dwelling unit," and since 1960, it has been a "housing unit." When the average American talks about my house, my apartment, my condo, my place, ... the person is usually referring to his/her housing unit. These terms are understood in normal conversation, but they are too vague for enumerating and classifying more than 100 million places of residence.

The United States is a large country, and living quarters are found in a variety of structures and settings. Many people, for example, share rooms in homes, or live in dormitories, barracks, prisons, religious institutions, and similar group arrangements.

How are all these places classified?

The Census Bureau refers to places we live as "living quarters." These are classified as either "housing units" or "group quarters." A housing unit is a house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters. Separate living quarters are those in which the occupants live and eat

separately from any other persons in the building and which have direct access from outside the building or through a common hall.

All the persons who occupy a housing unit as their usual place of residence are identified as a household. The count of occupied housing units is the same as the count of households or householders. (A householder is the person in whose name the housing unit is rented or owned.)

The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. These criteria are applied to vacant units wherever possible.

Both occupied and vacant housing units are included in the housing unit inventory, except that recreational vehicles, boats, vans, tents, railroad cars, and the like are included only if they are occupied as someone's usual place of residence. Vacant mobile homes are included if they are intended for occupancy on the site where they stand. If the living quarters contain nine or more persons unrelated to the householder or person in charge (a total

of 10 unrelated persons), they are classified as group quarters. With nine or fewer unrelated persons, they are classified as housing units.

The first Census of Housing in 1940 established the "dwelling unit" concept. Although the term became "housing unit" and the definition has been modified slightly in succeeding censuses, the 1990 definition is essentially comparable to previous censuses.

All persons not living in households are classified by the Census Bureau as living in group quarters. Two general categories of persons in group quarters include institutionalized persons and other persons in group quarters. Institutions include schools, hospitals, correctional institutions, and similar situations. Other persons in group quarters (also referred to as "noninstitutional group quarters") include persons living in rooming houses, group homes, college dormitories, military barracks, homeless shelters, crews of maritime vessels, and similar situations.

The 1990 census counted 242.0 million persons in occupied housing units (households) and 6.7 million in group quarters.

Regional Growth

Between 1940 and 1990, the West had the highest housing growth rate, 349 percent, followed by the South, 232 percent. Increases in the Northeast and Midwest were only slightly more than 100 percent. The South had the greatest numerical increase, 25 million, during the 50-year period (tables 3 and 4).

Regional shares of housing increased in the South and West and decreased in the Northeast and Midwest from 1940 to 1990. As a result of different regional growth rates, the South had the highest share of housing in 1990, 36 percent. The Midwest contained 24 percent, and the Northeast and West regions each had 20 percent (figure 5).

Metropolitan Growth

The majority of housing growth since 1940 has taken place in the suburbs of metropolitan areas. Called "metropolitan districts" in 1940, the 140 clusters of cities and suburbs contained 18.2 million housing units, representing 49 percent of the Nation's housing. The 140 metropolitan districts had been increased from 96 in 1930, principally because their minimum population was reduced from 100,000 to 50,000.

In cooperation with the Bureau of the Census and other Federal agencies, the Bureau of the Budget established the "standard metropolitan area" (SMA) for the 1950 census. The Census Bureau retabulated

Table 3.

Total Housing Units, by Region: 1940 to 1990

(In millions)

Year	United States	Northeast	Midwest	South	West
1990	102.3	20.8	24.4	36.1	20.9
1980	88.4	19.1	22.8	29.4	17.1
1970	68.7	16.6	19.0	21.0	12.0
1960	58.3	14.8	16.8	17.2	9.6
1950	46.1	12.1	13.7	13.7	6.7
1940	37.4	10.3	11.6	10.9	4.7
1940-1990 increase	64.8	10.5	12.9	25.2	16.2

Figure 5.

Regional Distribution of Housing Units: 1940 and 1990

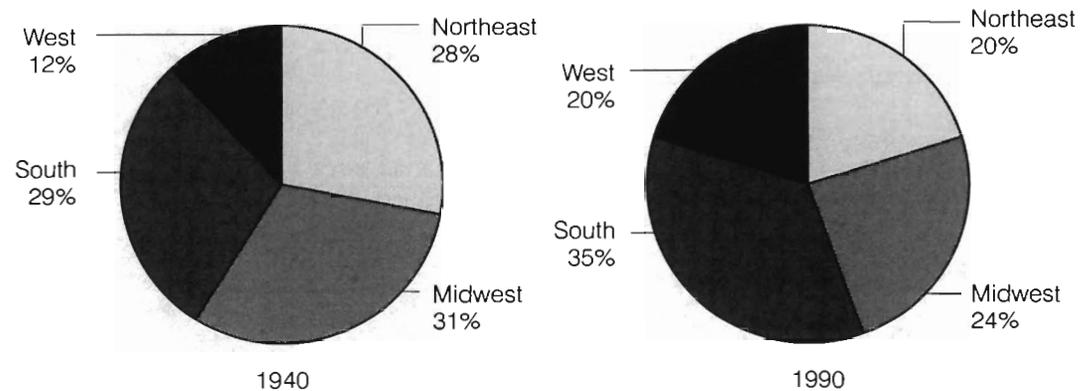


Table 4.
Regional Increase in Housing Units: 1940 to 1990
 (Percent increase)

Years	United States	Northeast	Midwest	South	West
1980-1990	16	9	7	23	22
1970-1980	29	15	20	40	42
1960-1970	18	12	13	22	26
1950-1960	26	23	22	26	43
1940-1950	23	17	19	26	44
1940-1990	173	102	111	232	349

Note: 1940 data include Alaska and Hawaii (1940-1990 = 173 percent).

Table 5.
Metropolitan and Nonmetropolitan Growth in Housing Units: 1940 to 1990
 (In millions)

Area	1940	1990	1940 to 1990 Change	
			Number	Percent
Total	37.3	102.3	65.0	174
Inside metro areas	20.0	77.6	57.6	289
In central cities	12.7	32.6	19.9	157
In suburbs	7.3	45.0	37.7	519
Outside metro areas	17.3	24.6	7.3	42

Note: 1940 data exclude Alaska and Hawaii (1940-1990 = 174 percent).

data for the 1940 metropolitan districts to conform to the 1950 SMA's.

The retabulated data showed 20.0 million housing units were located in the 140 SMA's in 1940, or 54 percent. Within the 140 areas, 12.7 million units, or 34 percent, were inside central cities, and 7.3 million units, or 20 percent, were outside central cities (roughly comparable to today's definition of "suburbs") Housing units located outside the 140 metropolitan districts numbered 17.3 million, or 47 percent.

Housing units increased by 289 percent in metropolitan areas from 1940 to 1990, based on the 1950 retabulation of the 1940 data. Central cities grew by only 157 percent, however, while housing in suburban areas increased by 519 percent (table 5).

The 1950 housing census summary described the extensive migration from

rural areas — the early stages of the metropolitan growth which was to continue for the remainder of this century.

In 1950, the great majority of dwelling units were in cities and suburban areas ... One of the most important factors affecting the housing market was the great amount of migration, principally from rural areas to urban centers. This left many dwelling units vacant in rural areas and created a serious shortage in many metropolitan areas. In many sections of the country, migration played an important part also in the loss of dwelling units from the inventory. The volume of demolition and abandonment probably was greater during this period than in any other period of our history.¹³

Rapid suburban growth continued in the 1950's and 1960's. By 1960, 62 percent of housing units were within the 212 areas

defined as standard metropolitan statistical areas (SMSA'S).

By 1970, the number of SMSA's had been increased to 243 and they contained 46.3 million housing units, or 67 percent of the Nation's housing. With the 1970 census, the suburbs emerged with the leading share of all housing units, 35 percent.

As the number of SMSA's proliferated to 320 in 1980, the census of that year showed 65.1 million housing units inside SMSA's, an increase of 41 percent over 1970. The suburbs scored major gains in housing, increasing by 59 percent.

Non-SMSA areas increased by less than a million housing units, leaving only 26 percent of housing in these areas.

¹³U.S. Bureau of the Census, *Census of Housing: 1950, Volume I General Characteristics, Part 1 United States Summary, Summary of Findings.*

Overall housing growth was slower in the 1980's. Metropolitan areas were relabeled metropolitan statistical areas (MSA's) for the 1990 census, and contained 77.6 million housing units, an increase of 19 percent over 1980. Central cities contained 32 percent of housing units and the suburbs, 44 percent. The remaining 24 percent was in nonmetropolitan areas (tables 6 and 7, figure 6).

In 1990, as in 1950, the Northeast and West had higher proportions of their housing in metropolitan areas than the South and Midwest. (Regional data are not available for 1940.)

In both 1950 and 1990, housing was more concentrated in metropolitan areas in the Northeast than in other regions. The jump in metropolitan growth was greatest in the South, however, where the metropolitan proportion increased from 42 to 70 percent. The percentage of housing in suburban areas increased in every region from 1950 to 1990 (table 8).

Table 6.
Total Housing Units Inside and Outside Metropolitan Areas: 1940 to 1990

(In millions)

Year	Total	Inside metropolitan areas		Outside metropolitan areas	
		Total	Cities		Suburbs
1990	102.3	77.6	32.6	45.0	24.6
1980	88.4	65.1	27.4	37.7	23.3
1970	68.7	46.3	22.6	23.7	22.4
1960	58.3	36.4	19.6	16.8	21.9
1950	46.1	27.1	16.1	11.1	19.0
1940	37.3	20.0	12.7	7.3	17.3

Note: 1940 data exclude Alaska and Hawaii.

Figure 6.
Metropolitan and Nonmetropolitan Distribution of Housing Units: 1940 and 1990

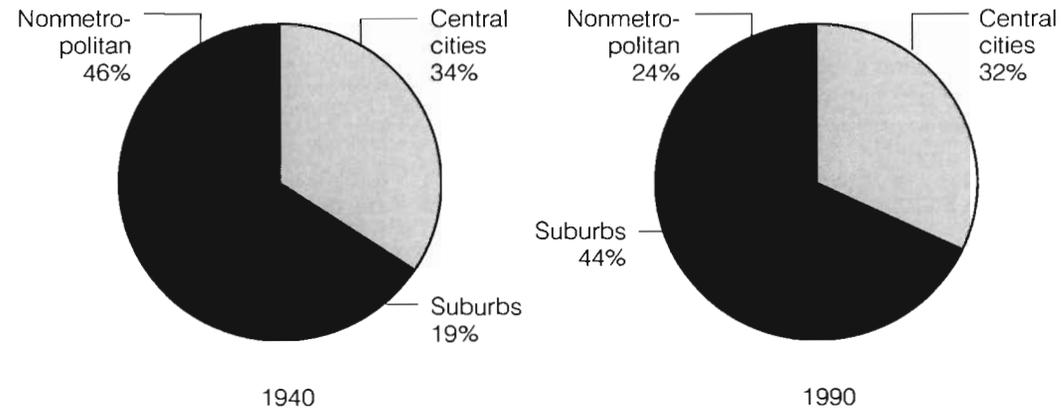


Table 7.

Percent of Housing Units Inside and Outside Metropolitan Areas: 1940 to 1990

Year	Inside metropolitan areas			Outside metropolitan areas
	Total	Cities	Suburbs	
1940	54	34	19	46
1950	59	35	24	41
1960	62	34	29	38
1970	67	33	35	33
1980	74	31	43	26
1990	76	32	44	24

Note: 1940 data exclude Alaska and Hawaii.

Table 8.

Percent of Housing Units Inside and Outside Metropolitan Areas, by Region: 1950 and 1990

Region	Inside metropolitan areas			Outside metropolitan areas
	Total	Cities	Suburbs	
1950				
United States	59	35	24	41
Northeast	77	44	33	23
Midwest	55	35	20	45
South	42	26	16	58
West	67	36	32	33
1990				
United States	76	32	44	24
Northeast	86	33	53	14
Midwest	70	30	39	30
South	70	30	41	30
West	80	36	46	17

Note: 1940 data not available for metropolitan/ nonmetropolitan location, by region.

Urban Growth

In the 50-year span from 1940 to 1990, while the Nation's housing increased by 174 percent, housing increased by 253 percent in urban areas and by only 66 percent in rural areas (table 9).

Table 9.

Urban and Rural Housing Units: 1940 and 1990

(In millions)

Area	1940	1990	1940 to 1990 Change	
			Number	Percent
Total	37.3	102.3	65.0	174
Urban	21.6	76.2	54.6	253
Rural	15.7	26.1	10.3	66

Note: 1940 data exclude Alaska and Hawaii (1940-1990 = 174 percent).

By 1940, the United States was already an urban nation, with 58 percent of all housing units in urban areas (defined as cities and other incorporated places having 2,500 inhabitants or more). By 1950, 64 percent of housing units were urban. The urban definition was expanded in 1950 to include all places of 2,500 inhabitants or more, whether incorporated or unincorporated, in addition to the central places of 50,000 or more and their densely settled urban fringe areas. The revision of the urban definition was estimated to account for about one-third of the increase in urban housing units from 1940 to 1950.¹⁴

¹⁴U.S. Bureau of the Census, Census of Housing: 1950, Volume I General Characteristics, Part 1 United States Summary, Summary of Findings.

By 1960, 70 percent of housing units were located in urban areas. The proportion increased to 73 percent in 1970, stayed at that level in 1980, then increased to 75 percent in 1990 (table 10, figure 7).

In 1990, the West was the most urban region, with 85 percent of its housing in urban areas. The Northeast was the second most urban region in 1990, with 78 percent urban, the same percentage as in 1950. (Regional data are not available for 1940.) Urban housing was 71 percent in the Midwest and 69 percent in the South in 1990. The South was rapidly moving toward the urban levels of the other regions, having increased its urban proportion from 51 to 69 percent (table 11).

Table 10.
Urban and Rural Housing Units: 1940 to 1990

Area	1940	1950	1960	1970	1980	1990
Millions of units:						
Urban	21.6	29.7	40.8	50.1	64.9	76.2
Rural	15.7	16.4	17.6	18.5	23.4	26.1
Percent:						
Urban	58	64	70	73	73	75
Rural	42	36	30	27	27	25

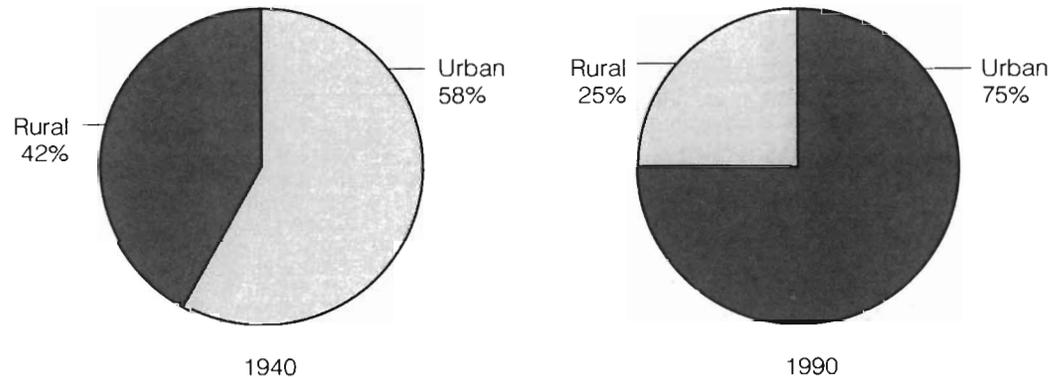
Note: 1940 data exclude Alaska and Hawaii.

Table 11.
Percent of Housing Units in Urban and Rural Areas, by Region: 1950 and 1990

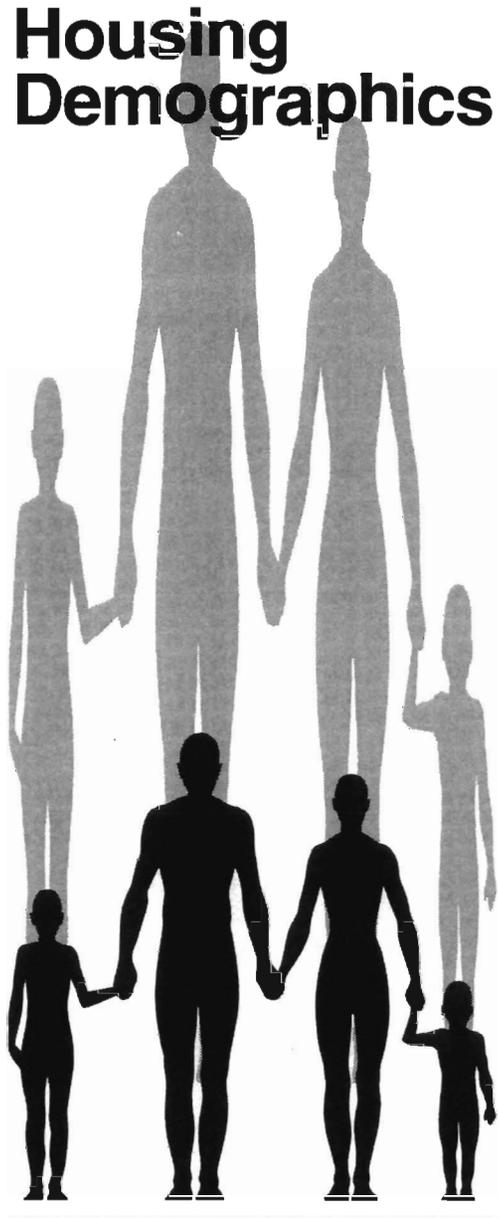
Area	1950					1990				
	United States	North-east	Mid-west	South	West	United States	North-east	Mid-west	South	West
Urban	64	78	63	51	70	75	78	71	69	85
Rural	36	22	37	49	30	25	22	29	31	15

Note: 1940 data not available for urban/rural location, by region.

Figure 7.
Urban and Rural Distribution of Housing Units: 1940 and 1990



Housing Demographics



Housing and Population

Housing units have increased almost twice as fast as population since 1940. While the 1940-1990 population increase was 88 percent, housing units increased by 173 percent. The increase in occupied housing units (households) was also a substantial 163 percent in the 50-year period (table 12).

Table 12.
Increase in Population, Households, and Housing Units: 1940 to 1990

(In millions)

Year	Population	Households	Housing units
1990	248.7	91.9	102.3
1940	132.2	35.0	37.4
<i>1940 to 1990</i>			
Numeric increase:			
	116.5	57.0	64.8
Percent increase:			
	88	163	173

Note: 1940 data include Alaska and Hawaii.

The large percentage increases in housing units and households reflect smaller average size of households, changing life styles and living arrangements, and increases in second homes for seasonal, recreational, and occasional use.¹⁵

Average persons per household dropped from 3.67 in 1940 to 2.63 in 1990. The

¹⁵See VACANT HOUSING, pp. 54-56, for a description of changes in the inventory of these homes.

smaller household size in 1990 represented a demand for about 26 million housing units that would not have been required with 1940 average household size.

Households

Changing life styles mirror the demographic composition of households. Comparison of 1990 households with those in 1940 shows overall household growth of 163 percent.

Growth rates varied widely, however, for different householder types and age groups. Householders aged 75 years and over were the fastest growing age group, increasing by 554 percent. Nonfamily householders increased by 693 percent, far greater than the 105 percent increase for family householders. Married-couple householders increased by only 91 percent while the combination of both family and nonfamily householders increased by 392 percent for all male householders and 393 percent for all female householders (table 13).

As a result of these different growth rates, female householders increased from 15 to 28 percent of all households from 1940 to 1990, male householders from 9 to 17 percent, and married couples dropped from 76 to 55 percent (figure 8).

Changes in marital status since 1940 have affected the numbers and types of households. The proportions of both single (never married) and married persons declined for males and females from 1940 to 1990. However, the proportions of divorced persons increased dramatically for both sexes and separated persons added 2 or 3 percent-

age points to marital status. The proportions of widowed persons changed slightly for both sexes (table 14 and figure 9).

Figure 8.
Major Types of Households:
1940 and 1990

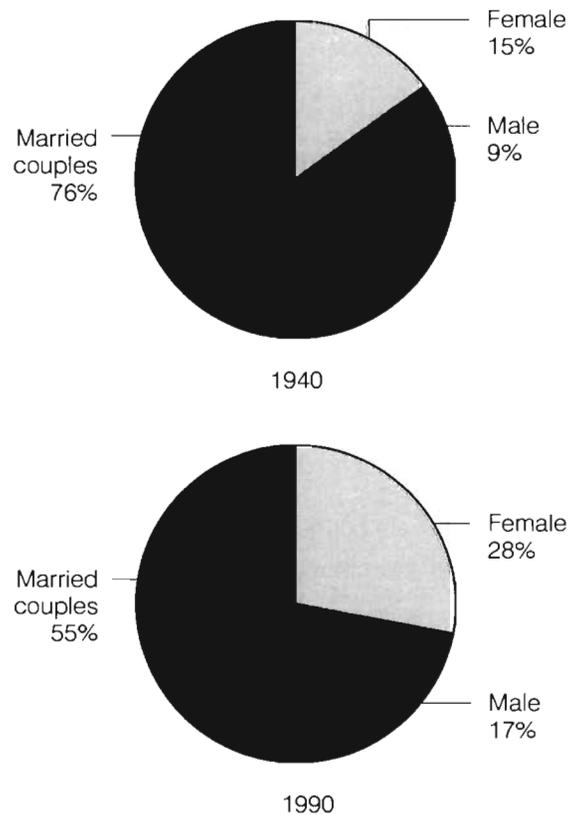


Table 13.
Demographic Changes in Households: 1940 to 1990

(In millions)

Characteristic	1940	1990	1940 to 1990 Change	
			Number	Percent
Total households	34.9	91.9	57.0	163
Family householder	31.5	64.5	33.0	105
Married couples	26.6	50.7	24.1	91
Male, no wife present	1.5	3.1	1.6	108
Female, no husband present	3.4	10.7	7.3	213
Nonfamily householder	3.5	27.4	24.0	693
Male	1.6	12.1	10.5	659
Female	1.9	15.3	13.4	722
Summary:				
Married couples	26.6	50.7	24.1	91
Male householders	3.1	15.3	12.2	392
Female householders	5.3	26.0	20.7	393
Age groups:				
15 to 24 years	1.4	5.0	3.7	268
25 to 34 years	7.0	19.9	12.8	183
35 to 44 years	8.2	20.4	12.2	150
45 to 54 years	7.9	14.3	6.4	82
55 to 64 years	5.7	12.4	6.7	117
65 to 74 years	3.5	11.5	8.0	225
75 years and over	1.3	8.5	7.2	554

Table 14.

Marital Status of Persons 15 Years and Over: 1940 and 1990

(In percent)

Marital Status	1940	1990
Male	100.0	100.0
Single (never married)	33.2	30.7
Now married	61.2	57.3
Separated	(NA)	2.0
Widowed	4.3	2.5
Divorced	1.3	7.4
Female	100.0	100.0
Single (never married)	25.8	23.4
Now married	61.0	52.4
Separated	(NA)	2.6
Widowed	11.5	12.0
Divorced	1.7	9.5

NA Not available.

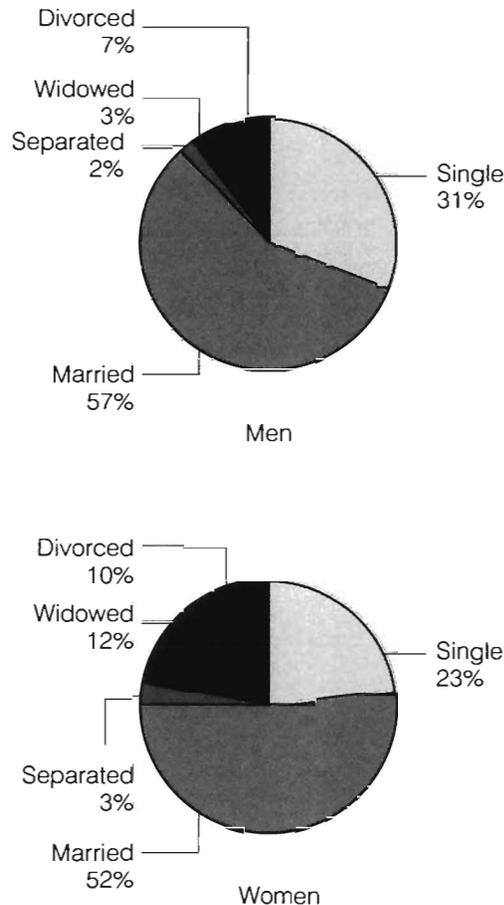
Regional Differences

Demographic changes in population and households are reflected in homeownership rates. Striking regional differences in the 1980's illustrate this. While the homeownership rate dropped in most of the Nation, the rate increased in the Northeast. The reasons for this countertrend are rooted in population and household changes of recent decades, which affected the numbers of owners and renters living in each region in the 1980's.¹⁶

¹⁶See OWNERS AND RENTERS, pp. 19-22.

Figure 9.

Marital Status of Persons 15 Years and Over: 1990



A major factor was the aging of the population in the Northeast, which had the highest median age of any region in both 1980 and 1990. Aging of the region's population tended to increase the overall ownership rate since older householders generally have higher ownership rates than younger ones. For example, householders in ages from 45 to 64 in the Northeast had higher ownership rates than those from 25 to 44. This was true for White, Black, American Indian, Eskimo, or Aleut, Asian or Pacific Islander, and Hispanic-origin householders.

Population increased by only 3 percent in the Northeast in the 1980's — only the Midwest's gain of 1 percent was lower. Hidden within the 3 percent gain was a decline of 1 percent in the region's White population, which was only slightly offset by the substantial percentage gains of Blacks, American Indians, Eskimos, or Aleuts, Asians or Pacific Islanders, Other races, and Hispanic-origin persons (who may be of any race). The net loss of 257,000 Whites in the Northeast was higher than the 177,000 loss in the Midwest, while major gains of 6.6 million and 5.1 million were recorded for Whites in the South and West, respectively.

Changes in age distribution of the White population, the racial group with the highest ownership rate in every region, added thrust to the aging of population in the Northeast. The proportions of the White population under 35 years were lowest in the Northeast in both 1980 and 1990. Conversely, the proportions of the White population 45 years and over were highest in the Northeast in both 1980 and 1990. Although the regional percentage differ-

ences were small, they were large enough to tip the balance in favor of a higher ownership rate in the Northeast in 1990 than in 1980, while the rate dropped in other regions (table 15).

These population changes were driven by interregional and international migration and affected the numbers of owners and renters in 1990. The Northeast lost 183,000 White renters in the 1980's, a drop of 3.3 percent. This was the only region with a loss of renters, for any racial group or for Hispanics. The number of White homeowners increased in the Northeast, however, as in all other regions. All other racial groups and Hispanics also had increases in owners in all regions. The decrease in White renters

Table 15.
White Population Under 35 Years and 45 Years and Over, by Region: 1980 and 1990

(In percent)

Region	Under 35 years		45 years and over	
	1980	1990	1980	1990
United States	55	51	32	34
Northeast	54	49	35	37
Midwest	57	52	32	33
South	55	51	33	34
West	57	53	31	30

in the Northeast was significant, therefore, because it increased the proportion of all owners, pushing the homeownership rate to a higher level in 1990 than in 1980, for Whites and for all householders.¹⁷

The number of homeowners increased nationwide by only 14 percent in the 1980's, while renters increased by 15 percent. Regional growth rates for owners and renters were sharply contrasting, however. Growth rates were slower than nationwide in both the Northeast and Midwest. Renter growth was slowest in the Northeast, however — only 2 percent. The Northeast gained 1.3 million total owners and 134,000 total renters from 1980 to 1990. Although White owners were 82 percent of the total increase in the region's owners, the loss of 183,000 White renters reduced the region's net gain to only 134,000 renters. Because of the predominance of White owners, therefore, the ownership rate in the Northeast continued to increase in the 1980's (tables 16 and 17).

¹⁷These changes are described in F. John Devaney, "Demographic Factors Affecting Regional Changes in Homeownership in the 1980's," paper presented at the annual meeting of the Southern Demographic Association, New Orleans, LA, October 21-23, 1993.

Table 16.
Percent Change in Owners and Renters, by Region: 1980 to 1990

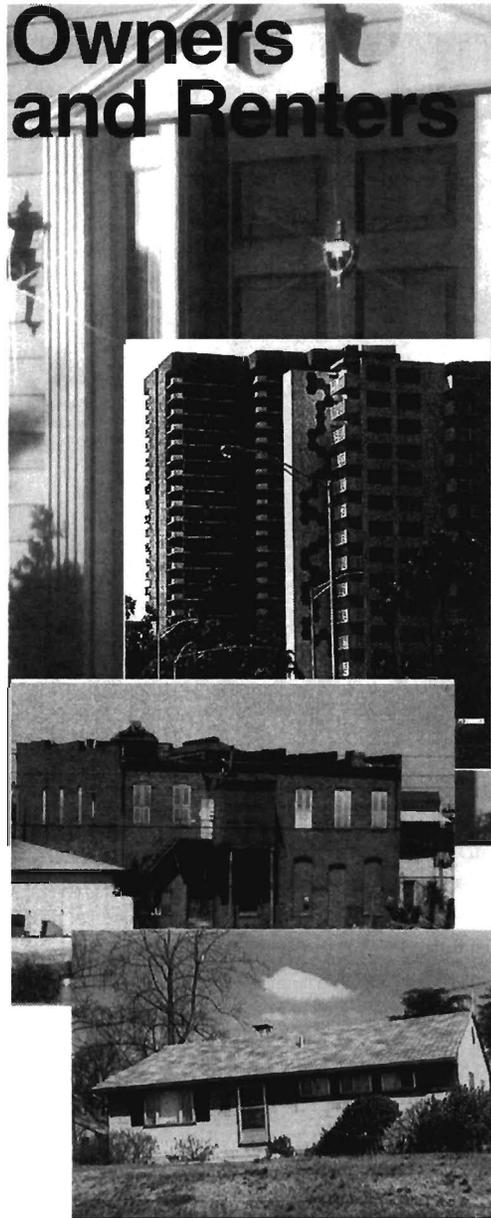
Region	Owners	Renters
United States	14	15
Northeast	12	2
Midwest	6	9
South	19	23
West	19	25

Table 17.
Change in Owners and Renters in the Northeast, by Race and Hispanic Origin: 1980 to 1990

(In thousands)

Characteristic	Owners	Renters
Total	1,267	134
White	1,041	-183
Black	104	137
Asian or Pacific Islander	103	108
Am. Ind., Esk, or Aleut	6	10
Hispanic origin ¹	90	230

¹May be of any race



Ownership Rates

The housing census of 1940 was the last in the 20th century in which renters outnumbered homeowners. In that year there were 19.7 million renters and 15.2 million owners. Homeownership rates in every census from 1890 to 1940 had remained within a narrow range of about 43 to 48 percent. The rate had dropped from 47.8 percent in 1930 to 43.6 percent in 1940 (table 18).

The 1940 report noted the number of occupied dwelling units in 1940 was not exactly the same as the number of private families but the differences were so small as to be negligible. The count of families for 1930 and 1900 represented private families only; that for 1920, 1910, and 1890 included the small number of quasi-family groups which were counted as families in those years.

Table 18.

Homeownership Rates: 1890 to 1940

(In millions)

Year	Occupied units or families	Reporting tenure	Owned		Rented	
			Units	Percent	Units	Percent
1940	34.9	34.9	15.2	43.6	19.7	56.4
1930	29.9	29.3	14.0	47.8	15.3	52.2
1920	24.4	23.8	10.9	45.6	12.9	54.4
1910	20.3	19.8	9.1	45.9	10.7	54.1
1900	16.0	15.4	7.2	46.7	8.2	53.3
1890	12.7	12.7	6.1	47.8	6.6	52.2

Source: U.S. Bureau of the Census, *Census of Housing, 1940, Volume II, General Characteristics, Part 1 United States Summary*, Introduction, table III.

In the 1920's, growth rates for occupied housing units (households) and population had been the highest of any decade since 1890. In that decade, homeowner housing increased by 29 percent and rental units by 18 percent. In the depression-plagued 1930's, growth in homeowner units had slowed to 9 percent while rental units, swelled by conversions of units from owner- to renter-occupancy, increased by 28 percent.

The planners of the first housing census in 1940 could not have anticipated the dramatic changes that were to unfold in the 1940's. One of the most significant developments was the emergence of homeownership for the majority of American householders by 1950, when there were 8.4 million more homeowners than in 1940, a gain of 55 percent. The ownership rate surged from 43.6 percent to 55.0 percent in that ten-year span.

The 1950 summary made these observations.

The gain from 1940 to 1950 resulted from new construction and the sale of existing rental homes for owner occupancy. The shift to owner occupancy was so great that there was a net decrease of approximately 400,000 in the number of renter-occupied units... It is estimated, ... , from the data on tenure and year built, that at least 3,000,000 owner-occupied units in 1950 were renter occupied in 1940. A large part of the shift from renters to owners occurred in the 1-dwelling-unit detached structures. In an increasing

market of home owners, this segment of rental housing was the most likely to change in tenure.¹⁸

During the 40 years from 1940 to 1980, ownership climbed with each census. After increasing to 55.0 percent in 1950, the rate rose to 61.9 percent in 1960, 62.9 percent in 1970, and 64.4 percent in 1980. Then, in the 1980's, the cycle of ownership growth was broken, as the 1990 census recorded an ownership rate of 64.2 percent (figure 10).

The decline from 1980 to 1990 was probably greater than recorded, because the homeowner question was changed in 1990 to distinguish between owning mortgaged and nonmortgaged homes, to improve the count of owner-occupied homes. Research after the 1980 census indicated some respondents did not consider their units owned if they had a mortgage, and reported their homes as rented.¹⁹

The decrease reflected demographic and economic changes during the 1980's, when household growth slowed as young adults delayed marriage and remained single for longer periods. [See next shaded box] Also, escalating housing costs during the decade and the impact of two recessions in the 1980-1982 period on income growth created affordability problems for both homeowner and renter housing (table 19).

¹⁸U.S. Bureau of the Census, *Census of Housing: 1950, Volume I General Characteristics, Part 1 United States Summary*, Summary of Findings.

¹⁹These trends are described in F. John Devaney, *Housing in America*, Current Housing Reports, H123/91-1, U.S. Bureau of the Census, pp. 41-56.

Table 19.
Homeownership Rates: 1940 to 1990

(In percent)

Year	Ownership rate
1990	64.2
1980	64.4
1970	62.9
1960	61.9
1950	55.0
1940	43.6

Drop in Homeownership Hits Baby Boomers

Housing surveys conducted in the 1980's by the Census Bureau showed the drop in the ownership rate actually occurred between 1980 and 1985. Since 1985, however, the overall ownership rate has remained statistically unchanged on a year-to-year basis, as continued losses among young age groups were generally offset by gains in old age groups. Baby boomers were hard hit by the decline in ownership rates in the 1980's. This population group included householders in ages from 16 to 35 in 1980 and from 26 to 44 in 1990. Ownership rates for three householder age groups — under 25, 25 to 34, and 35 to 44 — illustrate this. Census data for 1980 and 1990 show ownership rates for the under 25 householders dropped from 20 to 17 percent in the decade. Rates for householders 25 to 34 dropped from 47 to 45 percent, and for those 35 to 44, the decline was from 68 to 66 percent.

Figure 10.
Homeownership Rates: 1890 to 1990

(In percent)

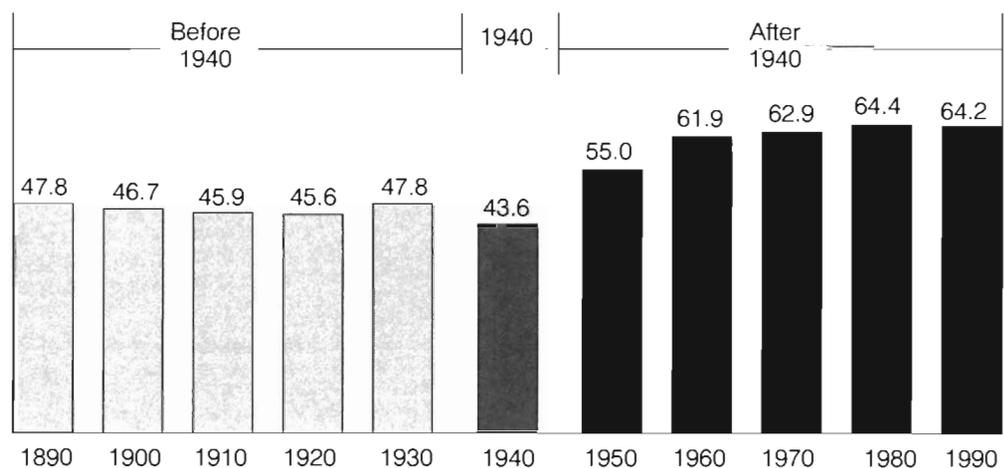
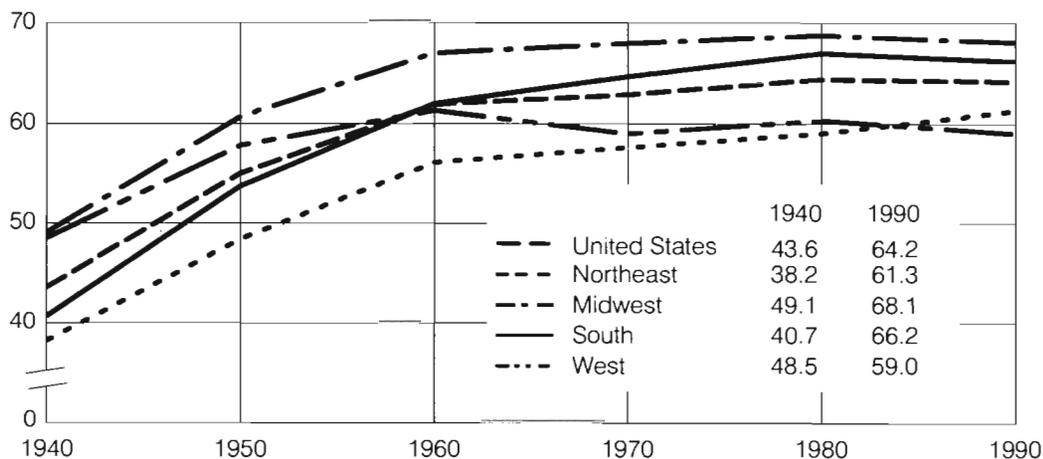


Figure 11.
Regional Homeownership Rates: 1940 to 1990

(In percent)



Owner and Renter Growth Rates

Following the remarkable transformation from renter to owner majority in the 1940's, homeowner units increased by 9.2 million in the 1950's, a gain of 39 percent. Rates of growth in owner-occupied units were lower in the 1960's, 1970's, and 1980's. The gain of only 14 percent from 1980 to 1990 was the lowest of any decade from 1940 to 1990 (table 20).

The highest intercensal numerical increase in rental units since 1940 was the 5.0 million increase from 1970 to 1980, a growth rate of 21 percent. Rental units increased by 4.3 million in the 1980's, a gain of 15 percent.

Regional Patterns

Ownership rates in the Northeast, Midwest, and South generally followed the national pattern from 1940 to 1990. The ownership rate was highest in the Midwest throughout the period. The South had the greatest increase, 25.5 percentage points, from 1940 to 1990. The Northeast was the only region to register increases in the ownership rate in every decade from 1940 to 1990 (table 21, figure 11).

Patterns were erratic in the West, where the ownership rate increased in the 1940's and 1950's, dropped in the 1960's, increased again in the 1970's, and dropped in the 1980's. Throughout the period from 1950 to 1990 the West's ownership rate remained within a narrow range from about 58 to 61 percent. The high rate of mobility among householders in the West perhaps mitigates growth of the homeownership rate.

Striking differences are seen in regional growth rates for owner and renter housing since 1940. Growth rates for owner units outpaced growth rates for renter units by wide margins in all regions. In the South and West, owner housing increased by more than 400 percent. The West also had a growth rate of more than 200 percent for renter units (table 22).

Homeowner units increased in the South by more than 2 million in every decade from 1950 to 1990. The increase in rental units was also 2 million in the South from 1980 to 1990, the only increase of that magnitude for rental units in any decade in any region since 1940.

Growth rates were sharply different at regional levels in the 1980's. From 1980 to 1990, owner units increased by 19 percent in the South and West, by 12 percent in the Northeast, and by 6 percent in the Midwest. Growth in rental units was more than 20 percent in the West and South, but only 9 percent in the Midwest and 2 percent in the Northeast (table 23).²⁰

²⁰See HOUSING DEMOGRAPHICS, pp. 15-18, above.

Table 20.

Increase in Owner- and Renter-Occupied Units: 1940 to 1990

Year	Total occupied	Owner-occupied	Renter-occupied
Millions:			
1980 to 1990	11.6	7.2	4.3
1970 to 1980	16.9	11.9	5.0
1960 to 1970	10.4	7.1	3.3
1950 to 1960	10.2	9.2	1.0
1940 to 1950	8.0	8.4	-.4
Percent:			
1980 to 1990	14	14	15
1970 to 1980	27	30	21
1960 to 1970	20	22	17
1950 to 1960	24	39	5
1940 to 1950	23	55	-2

Table 21.

Homeownership Rates, by Region: 1940 to 1990

(In percent)

Year	Northeast	Midwest	South	West
1990	61.3	68.1	66.2	59.0
1980	59.0	68.8	67.0	60.3
1970	57.6	68.0	64.7	59.0
1960	56.1	67.0	62.0	61.3
1950	48.4	60.7	53.7	57.8
1940	8.2	49.1	40.7	48.5

Table 22.

Increase in Owner- and Renter-Occupied Units, by Region: 1940 to 1990

(In thousands)

Region	1940	1990	1940 to 1990 Change	
			Number	Percent
Owner-occupied				
United States	15,196	59,025	43,829	288
Northeast	3,625	11,571	7,946	219
Midwest	5,383	15,200	9,817	182
South	4,183	21,076	16,893	404
West	2,005	11,177	9,172	457
Renter-occupied				
United States	19,659	32,923	13,264	67
Northeast	5,855	7,301	1,446	25
Midwest	5,580	7,117	1,537	28
South	6,095	10,746	4,651	76
West	2,129	7,759	5,630	264

Note: Alaska and Hawaii not included in West in 1940.

Table 23.

Increase in Owner- and Renter-Occupied Units, by Region: 1980 to 1990

(In thousands)

Region	1980	1990	1980 to 1990 Change	
			Number	Percent
Owner-occupied				
United States	51,795	59,025	7,230	14
Northeast	10,304	11,571	1,267	12
Midwest	14,357	15,200	843	6
South	17,743	21,076	3,333	19
West	9,391	11,177	1,786	19
Renter-occupied				
United States	28,595	32,923	4,328	15
Northeast	7,167	7,301	134	2
Midwest	6,502	7,117	615	9
South	8,743	10,746	2,003	23
West	6,183	7,759	1,576	25

Household Mobility and Housing Turnover



Owners and Renters

The 1940 census was the first to ask for place of residence 5 years before the census year, and the 1960 census introduced a question that asked householders when they had moved into their present residence, providing a measure of household mobility for owners and renters. On April 1, 1960, 22 percent of all householders reported they had moved into their homes between January 1, 1959 and March 30, 1960, a period of 1 year and 3 months prior to the census. Another 13 percent had lived in their homes since 1939 or earlier, a period of 20 years and 4 months or more. The remaining 65 percent had lived in their homes for periods ranging roughly from 1 year to 20 years (table 24).

The proportions in 1960 moving within the previous 1 year and 3 months were greatly different for owners (12 percent) and renters (38 percent). Subsequent census reports for 1970, 1980, and 1990 showed general consistency in this pattern.

Among owners, however, the proportion of recent movers (within 1 year, 3 months) dropped, from 12 percent in 1960 to 9 percent in 1990. Conversely, the proportion of owners who moved into their homes more than 20 years earlier increased from 18 to 26 percent. These proportions reflect the slowing of growth rates in homeownership, the aging of the population, and a lower turnover of homes in the home sales markets.

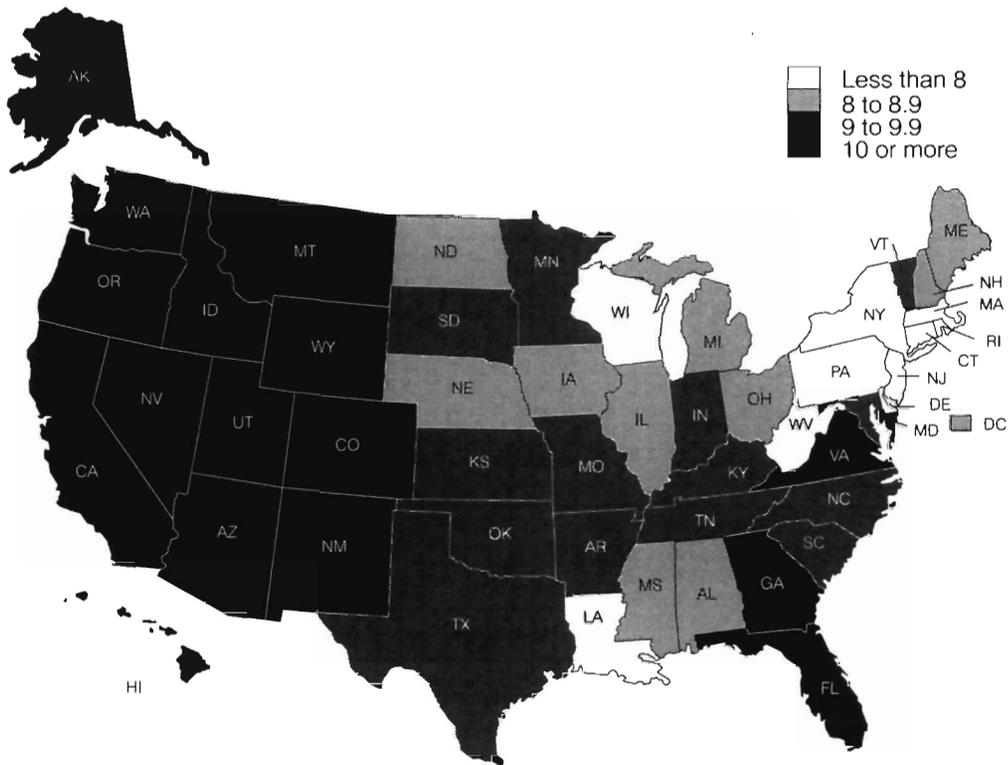
Table 24.

Year Moved into Present Residence, by Tenure: 1960 to 1990

(In percent)

Characteristic	1960	1970	1980	1990
All occupied units				
Within 1 year, 3 months	22	22	23	21
1 year 4 months to 20 years 3 months	65	63	61	61
20 yrs. 4 mos. or more	13	15	16	18
Owner-occupied units				
Within 1 year, 3 months	12	11	12	9
1 year 4 months to 20 years 3 months	70	69	66	64
20 years 4 months or more	18	20	23	26
Renter-occupied units				
Within 1 year, 3 months	38	40	42	42
1 yr. 4 mos. to 20 yrs. 3 mos.	56	54	53	54
20 yrs. 4 mos. or more	6	6	5	4

Figure 12.
Percent of Owners Moved into Homes 1989 to March 1990



In 1990, only about one-half the owner-occupied homes had changed occupancy or had been available for sale during the 1980's. States in which 10 percent or more of homeowners had moved in during 1989 or the first 3 months of 1990 were located in the South and West, with a majority in the West (figure 12).

Among renters, the proportion of recent movers (within 1 year, 3 months) was

higher in 1990 (42 percent) than in 1960 (38 percent). This was a minor difference, however, as was the difference between proportions of renters in 1960 and 1990 who had lived in the same residence for 20 years and 4 months or longer.

Regional Patterns

Regional patterns generally reflected national changes in residential mobility from 1960

to 1990. For example, the proportions of recent movers among owners decreased in all regions from 1960 to 1990. Also, the proportions of owners living in their homes for more than 20 years increased in all regions (table 25 and figure 13).

Among renters, proportions of the most recent movers increased in the Northeast, Midwest, and South from 1960 to 1990. The recent-mover rate dropped in the West, although that region has consistently maintained the highest regional mobility rate for all households since 1960.

In 1990, only 20 percent of the West's homeowners had lived in their homes for more than 20 years, compared with 24 percent in the South, 28 percent in the Midwest, and 34 percent in the Northeast.

The slowdown in homeowner mobility, or the increase in "staying rate," was most visible in the Northeast, where the proportion of owners living in their homes more than 20 years jumped from 22 to 34 percent between 1960 and 1990.

Figure 13.

**Owners Living in Their Homes 20 Years
4 Months or More, by Region: 1960 and 1990**

(In percent)

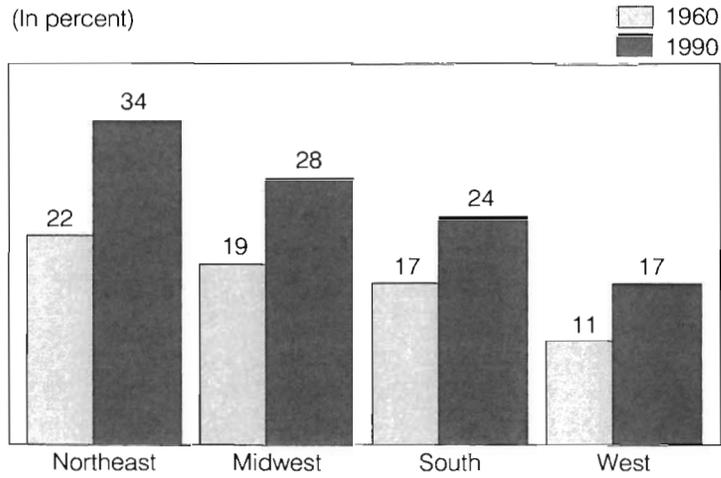


Table 25.

**Year Moved into Present Residence,
by Tenure and Region: 1960 and 1990**

Characteristic	Within 1 year 3 months	1 year 4 months to 20 years 3 months	20 years 4 months or more
Owner-occupied			
Northeast			
1990	7	59	34
1960	9	69	22
Midwest			
1990	9	63	28
1960	11	70	19
South			
1990	10	66	24
1960	14	70	17
West			
1990	12	68	20
1960	17	72	11
Renter-occupied			
Northeast			
1990	29	62	9
1960	26	64	10
Midwest			
1990	41	55	4
1960	39	55	6
South			
1990	47	50	3
1960	43	52	5
West			
1990	46	52	2
1960	52	46	2



Race

The Housing Census of 1940 enumerated occupied housing units by "race of occupants," using terms in common usage at the time. The 34.9 million occupied units in the first housing census included 31.6 million "White" occupants and 3.3 million "Nonwhite" occupants. The nonwhites included 3.2 million "Negro" and 137,000 "Other nonwhite."

The introduction in the summary report in 1940 described this enumeration.

Color of occupants. - Occupied dwelling units are classified by race of head of household in accordance with the definition used in the 1940 Census of Population. Three major race classifications are distinguished in the statistics by tenure, namely, White, Negro, and "other races."²¹

In 1940, White "heads of household" were 90.6 percent of all occupied units; Negro were 9.1 percent, and other races were 0.4 percent. From 1940 to 1950, White households increased by 24 percent while Negro households increased by only 15 percent. In 1950, the occupied-unit numbers were White — 39.0 million, Negro — 3.6 million, and other races — 149,000. The percents were: White, 91.2; Negro, 8.5; and other races, 0.4.

As noted in the 1950 summary report, the number of nonwhite households increased

²¹U.S. Bureau of the Census, *Census of Housing: 1940, Volume II General Characteristics, Part 1 United States Summary*, Introduction.

at a slower rate than White households in the 60-year period from 1890 to 1950, dropping from 11.3 percent of all households in 1890 to 8.8 percent by 1950. On the average, during that period the nonwhite population increased by 12 percent per decade and the White population increased by 16 percent.

The 1950 report further described racial differences in population and household growth rates prior to 1940 and from 1940 to 1950.

... there were considerable variations in the rates of growth between the White and nonwhite population during the 60-year period. Prior to 1920, the White population grew much faster than the nonwhite population. The differential increase was largely due to the greater migration of White persons into the United States and to the higher death rate among nonwhites. During the 1920's and 1930's, the White and nonwhite population increased at about the same rate. In the 1940's, however, the percentage increase among nonwhites surpassed that of the White population — 17 percent and 14 percent, respectively.

Although the nonwhite population increased about the same or faster than the White population in recent decades, the rate of increase in the number of dwelling units the nonwhites occupied lagged far behind the rate of increase for White households. ... "Spreading-out" occurred to a greater extent among Whites than among nonwhites. The White population per occupied dwelling unit decreased from 3.7 in

1940 to 3.5 in 1950, whereas the non-white average remained about the same, 4.1 in 1940 and 4.2 in 1950.²²

Racial differences in population and household growth rates changed after 1950. The 36 percent increase in nonwhite households in the 1950's outpaced the White household increase of 23 percent.

The 6.2 million Negro households in 1970 were 10 percent of all households. By 1980 the proportion of White householders had dropped to 86 percent. Black householders increased to 10 million in 1990, representing 11 percent of all households. Black householder growth of 19 percent in the 1980's outpaced White householder growth of 11 percent (table 26).

More than one-half (52 percent) of Black householders lived in the South in 1990. The Northeast and Midwest each contained about 19 percent, and 10 percent were in the West.

Hispanic Origin

Nationwide identification of Hispanic origin householders was incorporated in the census for the first time in 1970, when 2.3 million householders of "Hispanic heritage" represented 3.6 percent of all households. Hispanic-origin households expanded by 74 percent in the 1970's and 51 percent in the 1980's. Their numbers increased to

4 million in 1980 and 6 million in 1990, when they represented 7 percent of all households.

In 1990, the major categories of the 6 million Hispanic-origin householders (who may be of any race) included 3.3 million Mexican (56 percent), 0.8 million Puerto Rican (14 percent), 0.4 million Cuban (7 percent), and 1.4 million other Hispanic (24 percent). The West contained 42 percent of Hispanic householders and the South 32 percent.

Owners and Renters

Ownership rates for Whites were the highest of any race or ethnic group throughout the period from 1940 to 1990. In 1940, the ownership rate for White households was 45.7 percent and for Blacks, 22.8 percent. In 1970, the ownership rate of Hispanic origin households was 46.2 percent while the White rate was 65.2 percent.

The increase in homeowners in the 1940's affected ownership rates of both Whites and Blacks. The 1950 ownership rates were 57.0 percent for Whites and 34.4 percent for Blacks. The White ownership rate soared to 64.4 percent in 1960, then tapered off with slight increases to 68.2 percent in 1990. The Black ownership rate increased to 41.6 percent in 1970 and then remained at about 43 or 44 percent through 1980 and 1990 (table 27 and figure 4).

Ownership rates for American Indians, Eskimos, or Aleuts and among Asians or Pacific Islanders were slightly above 50 percent in 1980 and 1990. Ownership rates for both groups increased from 1980 to 1990. Other races includes all other persons not included in the race categories listed in table 27. This group had the lowest ownership rate in both 1980 and 1990.

Despite substantial increases in the number of homeowners among Hispanic-origin households in the 1970's (63 percent) and 1980's (48 percent), the Hispanic ownership rate declined from 46.2 percent in 1970 to 42.4 percent in 1990. The rapid growth of young adults among the Hispanic population, most of whom are renters, has contributed to this decline. For example, Hispanics in the age group from 25 to 44 years increased by 81 percent from 1980 to 1990. The homeownership rate for Hispanics in that age group dropped from 40.4 to 36.5 percent during the decade, however.

As noted earlier, the ownership rate for all households declined in the 1980's for the first time since 1940. However, while ownership rates declined for two groups (Black and Hispanic origin) the rates increased for three groups (White; American Indian, Eskimo and Aleut; and Asian and Pacific Islander).

²²U.S. Bureau of the Census, *Census of Housing: 1950, Volume I General Characteristics, Part 1 United States Summary*, Summary of Findings.

Table 26.

Race and Hispanic Origin of Households: 1940 to 1990

(In millions)

Race and Hispanic origin	1940	1950	1960	1970	1980	1990
(Number)						
Total	34.9	42.8	53.0	63.4	80.4	91.9
White	31.6	39.0	47.9	57.3	69.0	76.9
Black	3.2	3.6	5.1	6.2	8.4	10.0
AIEA	(NA)	(NA)	(NA)	(NA)	0.4	0.6
API	(NA)	(NA)	(NA)	(NA)	1.0	2.0
Other race	(NA)	(NA)	(NA)	(NA)	1.8	2.5
Hispanic origin	(NA)	(NA)	(NA)	2.3	4.0	6.0
(Percent)						
White	91	91	90	90	86	84
Black	9	8	10	10	10	11
AIEA	(NA)	(NA)	(NA)	(NA)	1	1
API	(NA)	(NA)	(NA)	(NA)	1	2
Other race	(NA)	(NA)	(NA)	(NA)	2	3
Hispanic origin	(NA)	(NA)	(NA)	4	5	7

NA Not available.

Notes: AIEA refers to American Indian, Eskimo, or Aleut; API refers to Asian or Pacific Islander; Hispanic origin may be of any race; 1970 White households include White and other races, derived by subtracting Black households from total households.

Table 27.

Ownership Rates, by Race and Hispanic Origin: 1940 to 1990

(In percent)

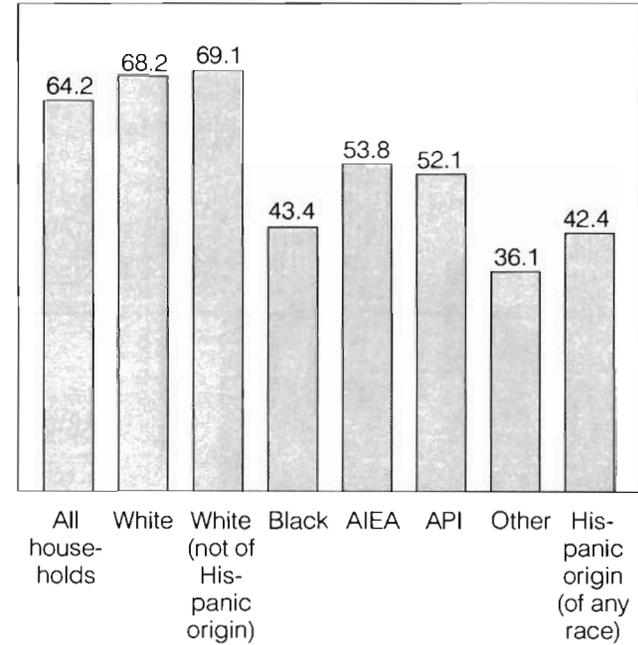
Year	Total	White	Black	AIEA	API	Other	Hispanic
1990	64.2	68.2	43.4	53.8	52.1	36.1	42.4
1980	64.4	67.8	44.4	52.4	51.4	35.9	43.3
1970	62.9	65.2	41.6	(NA)	(NA)	(NA)	46.2
1960	61.9	64.4	38.4	(nonwhite)			(NA)
1950	55.0	57.0	34.4	(45.0 other races)			(NA)
1940	43.6	45.7	22.8	(42.3 other nonwhite)			(NA)

NA Not available.

Figure 14.

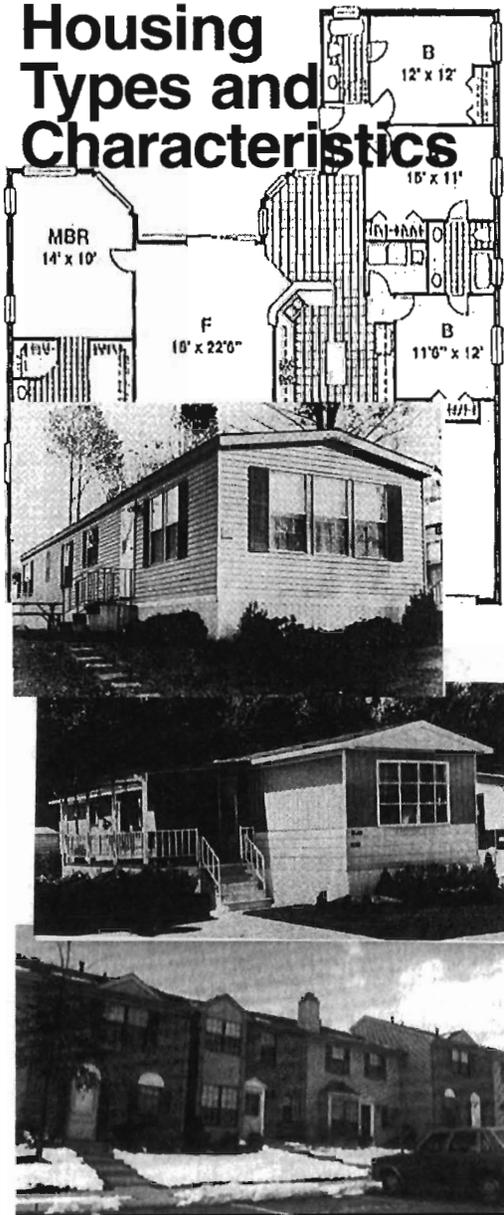
Homeownership Rates, by Race and Hispanic Origin: 1990

(In percent)



Notes for table 27 and figure 14: AIEA refers to American Indian, Eskimo, or Aleut; API refers to Asian or Pacific Islander; Other refers to persons reporting in the "Other race" category and providing write-in entries such as multiracial, multi-ethnic, mixed, interracial, Wesort, or a Spanish/Hispanic origin group (such as Mexican, Cuban, or Puerto Rican).

Housing Types and Characteristics



Units in Structure

Most Americans live in single-family homes. Throughout the period from 1940 to 1990 the proportion of households living in these homes has been about 65 to 69 percent, except in 1960, when housing construction for families with baby boom children pushed the proportion up to 75 percent.

Pre-1940 data indicate most of the Nation's families were probably housed in single-family units earlier in the 20th century, as well. For example, in the period from 1900 to 1939, 66 percent of new housing units started were one-unit homes.²³

Single-family homes totalled 65.8 million in 1990, 64 percent of all housing units. The gain from 1940 to 1990 was 164 percent, slightly less than the 174 percent increase for all housing units (tables 28 and 29 and figure 15).

Most single-family homes have been owner-occupied in every census since 1940, when 57 percent were occupied by homeowners. Homeowner use of these homes jumped sharply to 72 percent by 1950, and steadily increased to 84 percent in 1990.

²³U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970, Bicentennial Edition, part 2, Series N 156-169*. Washington, DC, 1975.

Table 28.

Housing Units, by Units in Structure: 1940 to 1990

(In percent)

Units in structure	1940	1950	1960	1970	1980	1990
Total	100	100	100	100	100	100
1 unit	67	66	75	69	66	64
2 to 4 units	22	22	13	13	11	10
5 or more units	11	11	11	15	18	18
Mobile homes and other	1	1	1	3	5	8

Table 29.

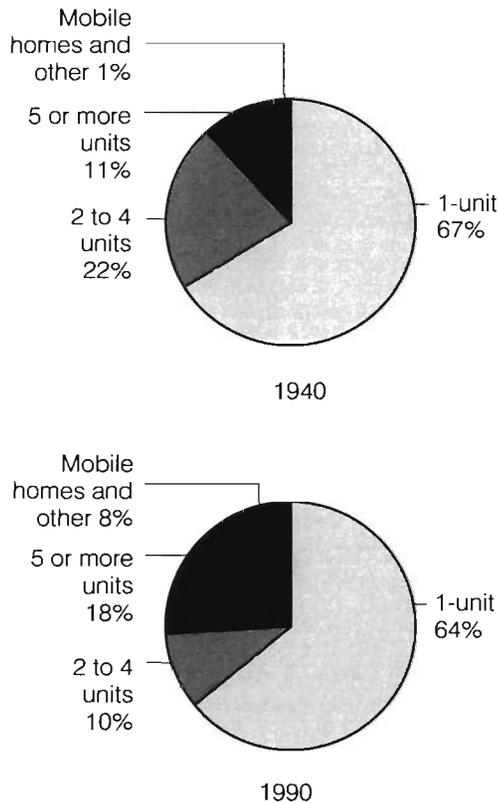
Total Housing Units, by Units in Structure: 1940 and 1990

(In millions)

Units in structure	1940	1990	1940 to 1990 Change	
			Number	Percent
Total	37.3	102.3	64.9	174
1 unit	24.9	65.8	40.9	164
2 to 4 units	8.3	9.9	1.6	19
5 or more units	3.9	18.1	14.2	361
Mobile homes and other	0.2	8.5	8.4	5,002

Note: 1940 data exclude Alaska and Hawaii.

Figure 15.
**Housing Units by Units in Structure:
 1940 and 1990**



Although these homes have become less important in the rental market, 30 percent of renter units were still in single-family homes in 1990. Also, 21 percent of these homes were renter-occupied in the West, where the ownership rate was lowest.

Housing units in structures with two to four units are now less prevalent than in 1940 and 1950. The proportion dropped from 22 percent in those years to about 13 percent in 1960 and 1970, to 11 percent in 1980, and to 10 percent in 1990.

Housing units in structures with five or more units have increased substantially since 1940, from 3.9 million units to 18.1 million in 1990, a gain of 361 percent. About 90 percent of these units were rental apartments in 1990. Most of the remaining units were owner-occupied condominiums.

Condominiums

Strictly speaking, condominiums are not a specific type of structure. Rather, the term condominium applies to a form of housing ownership. [See next shaded box] Condominiums increased rapidly in the 1970's and 1980's. The 4.8 million condominiums in 1990 were more than double the 2.3 million units in 1980.

In 1990 the South had the largest share of condominiums, 37 percent. The West had 28 percent, the Northeast, 21 percent, and the Midwest, 14 percent (table 30 and figure 16).

Condominiums were first enumerated in 1970, when they were grouped with cooperatives. In that census, 370,000 owner-occupied cooperatives or condominiums were identified. The 2.3 million total condominiums reported in 1980 clearly identified the 1970's as the decade in which

What Are Condominiums?

Condominium is a type of ownership that enables a person to own an apartment or house in a development of similarly owned units and to hold a common or joint ownership in some or all of the common areas and facilities such as land, roof, hallways, entrances, elevators, swimming pool, etc.

Condominiums (also known as "condos") may be single-family houses as well as units in apartment buildings. Condominiums differ from cooperatives in that owners of condos own their own unit and share ownership of common areas while owners of cooperatives own a share of the entire project and have rights to live in a particular unit.

condominiums emerged as an important form of homeownership.

In 1990, 4 million condominiums were occupied by households on a year-round basis—62 percent by homeowners and 38 percent by renters. The remaining 800,000 condos were currently in the sales or rental markets, were held for seasonal, recreational, or occasional use, or vacant for other reasons.

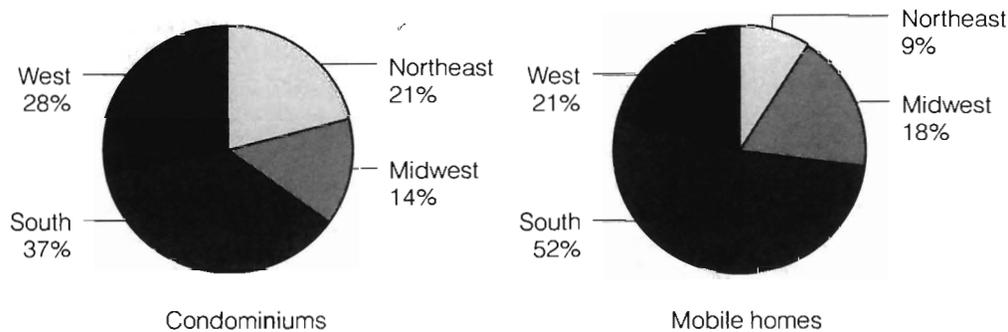
One-third of the year-round, occupied condos were single-family homes, and two-thirds were in structures with two-or-more units. Most of the condos in single-family homes (92 percent) were attached, one-unit homes, commonly called town houses or row houses (table 31).

Table 30.
Condominiums, by Region: 1990

(In thousands)

Region	Total housing units	Condominiums		
		Number	Percent of total	Percent by region
United States	102,264	4,848	4.7	100
Northeast	20,811	1,019	4.9	21
Midwest	24,493	677	2.8	14
South	36,065	1,793	5.0	37
West	20,895	1,359	6.5	28

Figure 16.
Regional Distribution of Condominiums and Mobile Homes: 1990



Mobile Homes²⁴

Mobile homes have had the most dramatic growth of all types of housing in the past

²⁴Mobile homes were enumerated in the 1990 census in the question: "H2: Which best describes this building?" The choice for this category of housing was "A mobile home or trailer." However, respondents were instructed to identify the housing unit as a "one-family detached house" if one or more rooms had been added or built onto the mobile home or trailer.

50 years. The 1990 Census reported 8.5 million mobile homes and other dwelling places, of which 7.4 million were mobile homes. The 1940 census reported 167,000 occupied units classified as "other dwelling places." These units included trailers, tourist cabins, boats, etc., and were enumerated only when occupied by persons having no other place of residence. More than one-half the mobile homes are in the South (table 32 and figure 16).

Table 31.
Occupied Condominiums, by Tenure and Units in Structure: 1990

(In thousands)

Characteristic	Number	Percent
Total	4,012	100
Owner	2,491	62
Renter	1,521	38
Units in structure:		
1, detached	111	3
1, attached	1,201	30
2 to 4	438	11
5 to 9	513	13
10 to 19	517	13
20 to 49	518	13
50 or more	715	18

Age of Housing

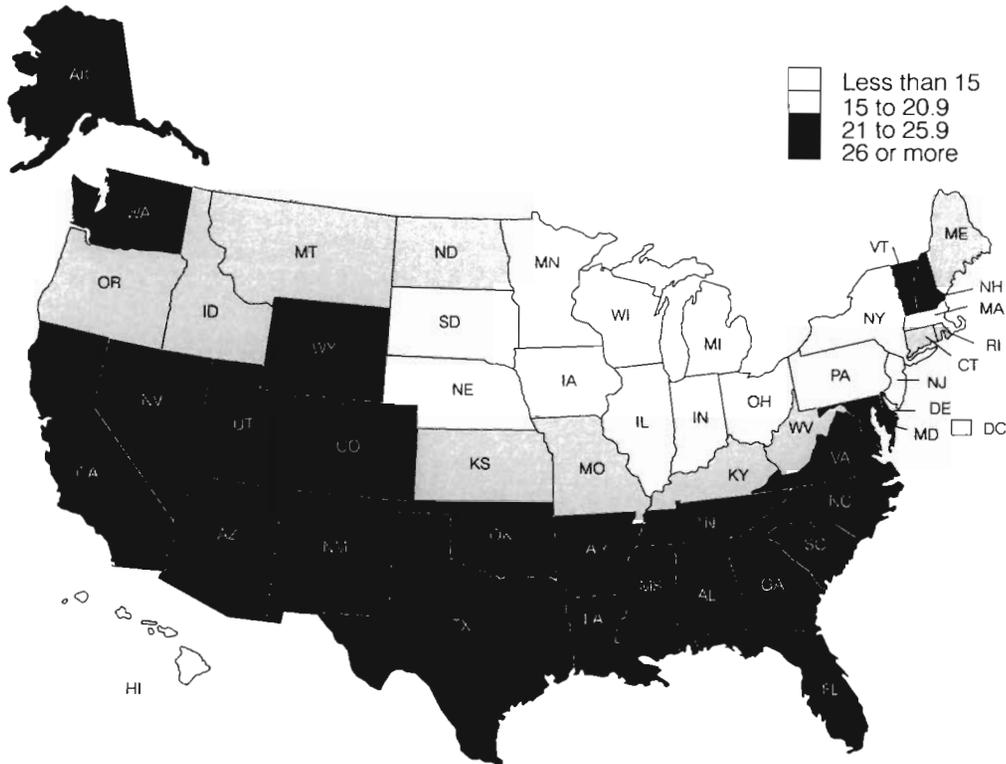
The median age of housing units was 25 years in 1940, indicating one-half had been built before 1915 and one-half after 1915. The effects of the Depression were seen in the meagre 16 percent of housing units built within the 10 years or so from 1930 to April, 1940, while 41 percent had been built 30 years or more before 1940. In 1950 and 1960 the proportions of both these newest and oldest housing age groups were larger than in 1940 and the median ages were higher than in 1940. As housing production increased in the 1960's and 1970's, and as older housing dropped out of the inventory, the median age of housing dropped to 23 years in 1970 and 1980. In 1990, the median age returned to 25 years, as the proportion of recently built housing (10 years or less) dropped to the 1950 level of 21 percent.

Table 32.
Mobile Homes, by Region: 1990

(In thousands)

Region	Total housing units	Mobile homes		
		Number	Percent of total	Percent by region
United States	102,264	7,400	7.2	100
Northeast	20,811	637	3.1	9
Midwest	24,493	1,339	5.4	18
South	36,065	3,835	10.6	52
West	20,895	1,589	7.6	21

Figure 17.
Percent of Housing Units Built 1980 to March 1990



Regional data on year built from the 1990 census depicts the aging of housing in the Northeast and Midwest and the growth of newer housing in the South and West. The South had the highest proportion built since 1980, 28 percent. The Northeast had the highest proportion of housing built prior to 1960, 58 percent.

Nationwide, about 21 percent of housing units were built in the 1980's. Most of the States with 21 percent or more of their housing units built since 1980 were in the South and West (figure 17).

Other Characteristics

Rooms- The median number of rooms in housing units increased from 4.7 in 1940 to 5.2 in 1990.²⁵ Large homes were more common in 1990, when 25.1 million, or 25 percent of all housing units, had seven or more rooms. In 1940, 6.4 million units, or only 18 percent, had seven or more rooms.

Basements- The type of foundation under residential buildings was enumerated only in 1960 and 1970. Slightly more than one-half of housing units were found to have basements in both census years. Since data for basements were enumerated for total housing units in 1960, and for year-round units in 1970, direct comparisons are not possible. In 1970, however, about 8 of 10 year-round housing units in

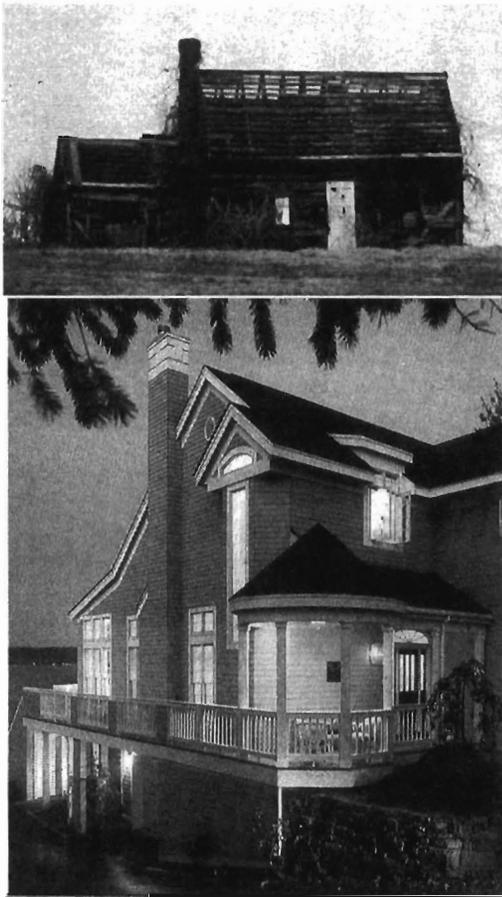
²⁵The median divides distribution into two equal parts. Whole rooms used for living purposes are counted in each housing unit. The median for rooms is rounded to the nearest tenth. The 1940 median of 4.7 rooms indicates that the mid-point of all housing units fell between four and five rooms, while in 1990 the mid-point fell between five and six rooms.

structures with basements were in the Northeast and Midwest; about 8 of 10 units in structures with concrete slab foundations were located in the South and West; and about 8 of 10 units with only crawl space or in structures resting on supports or directly on the ground were also in the South and West.²⁶

²⁶Veteran employees of the Census Bureau suggest that enumeration of basements in the housing census may have been prompted by civil defense interest — a symptom of the Cold War. The Census Bureau joined with other Federal agencies in the 1960's in surveys of residential and other buildings for below-ground spaces suitable for use as fallout shelters.

Elevators- Information on elevators was first collected in 1960. The description of the structure as walkup or elevator type, however, was limited to housing units in large cities and further limited to housing units in structures with four floors or more. New York City, with its preponderance of rental units, clearly had the highest proportion of units (56 percent) in structures with four floors or more; roughly half of these units were in structures with elevators and half were in walkup structures. The 1970 census reported 3 percent of year-round units nationwide in structures of four floors or more with elevators.

Housing Quality and Amenities



Housing Quality

1940- Concern for living conditions was high on the housing policy agenda when Congress authorized the first housing census. Major items of enumeration included the structure's state of repair and plumbing facilities. Also, the number of persons per room was derived as an index of crowding.

By modern standards, the Nation's housing was grossly deficient in 1940. Key findings included (figure 18):

- 18 percent in need of major repair
- 45 percent with one of these conditions:
 - no running water (31 percent)
 - with running water, no private flush toilet (10 percent)
 - with private flush toilet, no private bath (4 percent)
- 44 percent without bathtub or shower in the structure for exclusive use
 - 39 percent with none
 - 5 percent shared with others
- 35 percent with no flush toilet in the structure
 - 32 percent with an outside toilet or privy
 - 3 percent with no toilet or privy

Enumerators also identified water supply and its distance from the home. Four percent of homes had a hand pump in the unit, 21 percent had running water within 50 feet of the home, and 5 percent had no water supply within 50 feet.

The number of persons per room in occupied housing units was calculated as a measurement of crowding. Twenty percent of occupied units had 1.01 or more persons per room. This included 11 percent at 1.01 to 1.50 persons per room and 9 percent at 1.51 or more persons per room, which housing analysts consider to be serious crowding conditions.

The 1940 census also enumerated the exterior material used in construction of residential structures, a characteristic never again included in a census. The findings, related to structures rather than housing units, revealed wood used in 82 percent, brick in 11 percent, stucco in 4 percent, and other materials in 3 percent.

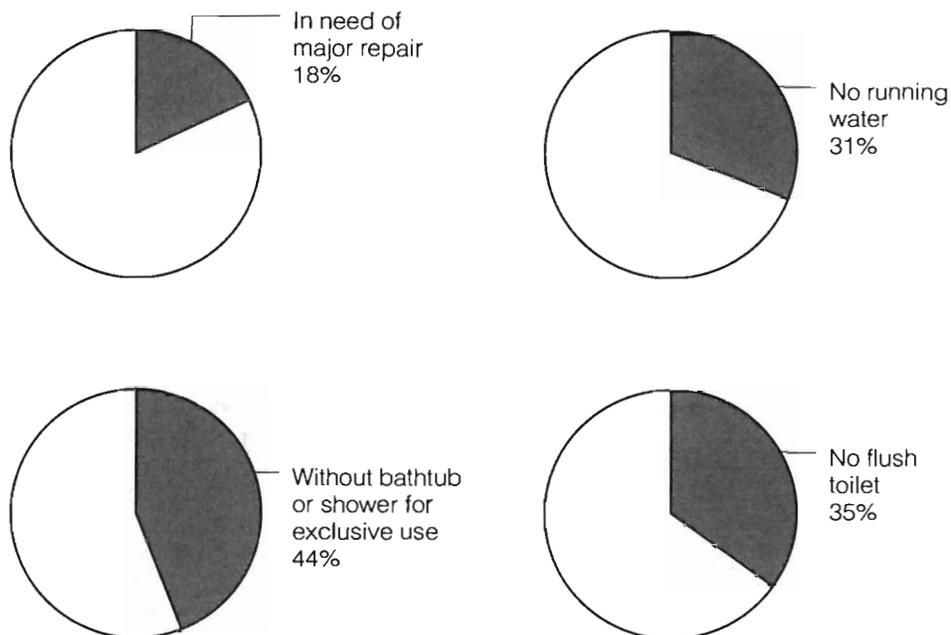
1950- The 1940 census documented the enormity of the Nation's housing problems for the first time. As a follow-up, the 1950 census once again focused on structural condition, plumbing facilities, and kitchen sink as measures of housing quality.

The 1940 census concept of "major repairs" was replaced by the concept of "dilapidation" in 1950. Both were determined by Census field enumerators. Because the two terms differed significantly, the 1940 and 1950 results on condition were not comparable.

The 1950 Census found 10 percent of housing units dilapidated, including 8 percent lacking hot water, private toilet, or bath. The 90 percent of units not dilapidated included 12 percent with running water but lacking private toilet or bath, and 12 percent with no running water.

Figure 18.

Major Housing Problems in 1940



Improvement was noted in 1950 in conditions regarding toilet and bathing facilities. The proportion of all housing units with no flush toilet (or other) inside the structure was reduced from 35 to 25 percent. Also, the proportion of units with no bathtub or shower dropped from 39 to 27 percent.

Conditions on water supply in all housing units also showed improvement, with hot and cold piped running water found inside the structure in 70 percent of units. Crowd-

ing conditions had also improved as occupied units with 1.01 or more persons per room dropped from 20 to 16 percent in the 1940's.

1960- The 1960 census showed further improvements. A three-way classification (sound, deteriorating, and dilapidated) was used to measure condition, also enumerator-determined. The change from the two-way to the three-way classification probably introduced an element of difference in the statistics for 1950 and 1960.

Comparisons of 1960 and 1950 results, however, showed the proportion of dilapidated units dropped from 10 to 5 percent. Also, the proportion of sound or deteriorating units with all plumbing facilities increased from 63 to 82 percent. Further, hot and cold piped water inside the structure was available in 87 percent of housing units, versus 70 percent in 1950. Only 7 percent of units had no piped water inside the structure, down from 17 percent in 1950. Housing units lacking flush toilets dropped from 25 to 10 percent in the decade.

The 1960 census enumerated the number of bathrooms. In that year, 69 percent of housing units had one bathroom, an additional 7 percent also had a partial bathroom, 8 percent had two or more, and 17 percent shared a bathroom or had none.²⁷ Also, the proportion of occupied housing units with 1.01 or more persons per room was now down to 12 percent, including less than 4 percent in households with 1.51 or more persons per room.

1970- The Census Bureau abandoned the enumeration of residential structural condition following the 1960 census, when evaluations showed substantial inconsistencies in classification of individual units. Moreover, the 1970 census was conducted primarily through self-enumeration, via mail, eliminating opportunities for enumerator inspection of housing units in the field.

²⁷Source of water and means of sewage disposal were also enumerated in 1960, although the data were published only for individual States.

Plumbing facilities were tabulated for year-round housing units in 1970, rather than for all housing units. In that year, 93 percent of units had all plumbing facilities, although 4 percent lacked a flush toilet, and 8 percent had no bathroom or jointly used a bathroom with another household.

Also, public system or private company were the water source for 82 percent of units and individual well for 16 percent. Public sewer was used by 71 percent of year-round units and septic tank or cess-pool by 25 percent. Only 8 percent of occupied housing units had 1.01 or more persons per room, down from 12 percent in 1960.

1980 and 1990- In 1980, only 3 percent of year-round units had inadequate plumbing. The 97 percent with complete plumbing for exclusive use had hot and cold piped water, a flush toilet, and a bathtub or shower inside the housing unit for the exclusive use of the occupants of the unit. In 1990, only 1 percent of all housing units were lacking complete plumbing facilities.

In 1980, 24 percent of year-round housing units had two or more complete baths. Number of bathrooms was not asked in 1990. Public systems or private companies supplied water to 84 percent of year-round units in 1980, while 15 percent used wells. Also, 74 percent were on a public sewer system. In 1990, 84 percent of housing units were supplied water by public water systems or private companies and 75 percent were served by public sewer systems.

In both 1980 and 1990, about 4 or 5 percent of occupied units had 1.01 or more persons per room. However, while the proportion of households with 1.01 to 1.50 persons per room dropped from 3.1 percent in 1980 to 2.9 percent in 1990, the proportion with 1.51 or more persons per room increased from 1.4 percent to 2.1 percent. Some analysts suggest this slight increase in severe crowding conditions reflects the immigration of large families from abroad during the 1980's.

Housing Amenities and Equipment

The housing census has chronicled housing amenities and equipment which first appeared in small numbers of homes and eventually became commonplace. A variety of items have appeared for a census year or two and then have dropped out of the picture (figure 19).

Lighting- This item was enumerated in 1940 and 1950. In 1940, 79 percent of all housing units had electric lighting, 20 percent had kerosene or gasoline lighting equipment, and 1 percent used gas and other means. Electric lighting was found in 94 percent of housing units in 1950 and no electric lights in 6 percent. With electric lighting commonplace by 1950, this item no longer appeared in the housing census.

Refrigeration- In 1940, 44 percent of all housing units had mechanical refrigeration, 27 percent used ice, and 29 percent had none or other means. The situation changed rapidly in the 1940's, so that by 1950

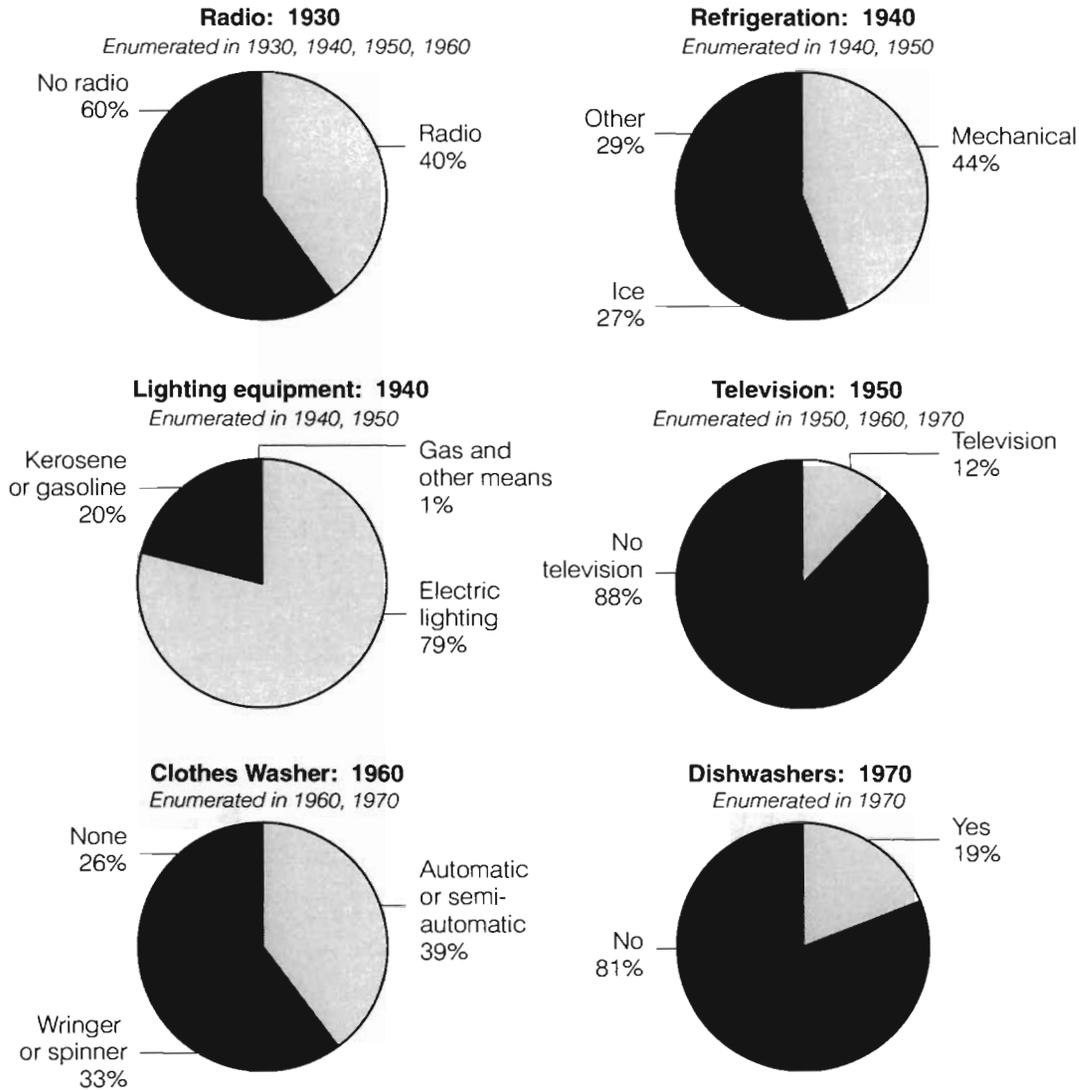
80 percent had mechanical refrigeration, while only 11 percent used ice and 9 percent had none or other. Although refrigeration equipment was dropped in 1960, the enumeration of home food freezers in that year found 18 percent of occupied housing units with one or more freezers.

Radio and Television- Radios grew in popularity in the 1920's and 1930's. The 1940 census found radios in 83 percent of occupied units, doubling the 40 percent of homes with radios in 1930. The proportion of homes with radios peaked at 96 percent in 1950, then declined to 92 percent in 1960, as television soared in popularity. The 1950's witnessed a television explosion, as the percentage of homes with television increased from 12 to 87 percent in the decade. By 1970 the proportion of homes with television had increased to 96 percent and UHF-equipped sets were found in 52 percent of homes. Enumeration of television sets was dropped after 1970.

Kitchen and Cooking Equipment- The kitchen was not included in the 1940 census. The kitchen sink was enumerated in 1950, when 85 percent of homes had a sink and 15 percent had none. In 1960, "kitchen or cooking equipment" was part of the definition of the housing unit and data were not reported in the census for this item. In 1970, 1980, and 1990 "complete kitchen facilities" was the item of enumeration, which included sink, with piped water, a range or cook stove, and a refrigerator. Complete kitchen facilities were found in

Figure 19.

**Selected Housing Amenities and Equipment:
1930, 1940, 1950, 1960, and 1970**



95 percent of year-round housing units in 1970 and in 98 percent in 1980. The census found 99 percent of all units with complete kitchen facilities in 1990. [See next shaded box]

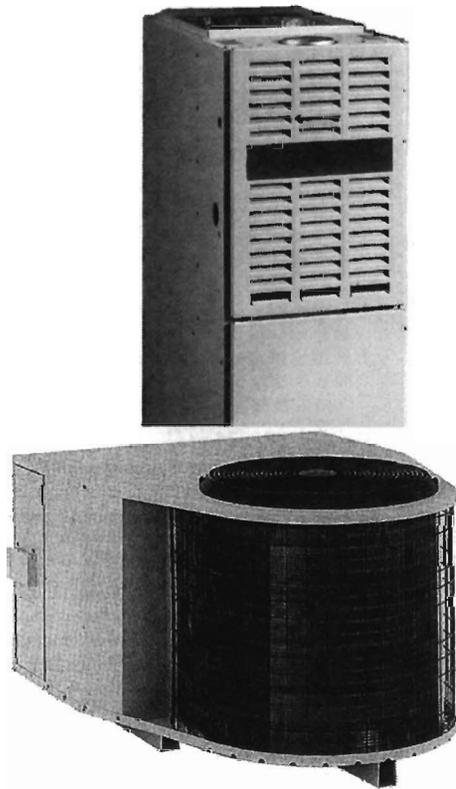
Washing Clothes and Dishes - Clothes washers and dryers were enumerated in 1960 and 1970. In 1960, 39 percent of occupied housing units had automatic or semi-automatic clothes washers, 33 percent had wringer or spinner, and 26 percent had none. (Two percent had a washer-dryer combination.) By 1970, 60 percent of homes had automatic or semi-automatic washers, 11 percent had wringer or spinner, and 29 percent had none.

Clothes dryers were less prevalent, with 83 percent of homes reporting none in 1960 and 58 percent in 1970.

Dishwashers were enumerated only in 1970. In that year, 19 percent of homes reported "yes" and 81 percent reported "no" to the question on this modern convenience.

Telephone - The availability of telephone has been enumerated for occupied units since 1960. They were available to 78 percent of homes in 1960, and climbed to 95 percent in 1990. One-half the homes with no telephone in 1990 were located in the South, where such homes are more likely to be found in rural than urban areas (figure 20).

Energy Consumption



Fuels

Coal shovels and axes were essential household tools in 1940. Coal (or coke) was used to heat 55 percent of homes and wood was the predominant fuel for 23 percent. Solid fuels were the leading means of heating the Nation's homes prior to World War II.

The 1940 map of predominant house heating fuel shows the large area of States dominated by coal or coke stretching from the Atlantic coastal States across the Midwest, into the Great Plains, and westward to the Mountain States of Idaho and Nevada. Wood was predominant in the northernmost New England States of Maine, New Hampshire, and Vermont, along the Southeastern and Gulf Coast States from North Carolina to Texas (including Arkansas), into New Mexico and Arizona in the Southwest, and in Washington and Oregon in the Northwest. Gas was predominant only in Oklahoma and California. (Information was not available for Alaska and Hawaii.) (Figure 21).

Fuels have changed drastically in the past 50 years. Long before 1990, coal had virtually disappeared as a house heating fuel. Wood was still used to heat a small proportion of homes, having experienced a mini-revival with the advent of wood stoves and other wood-burning equipment in recent decades.

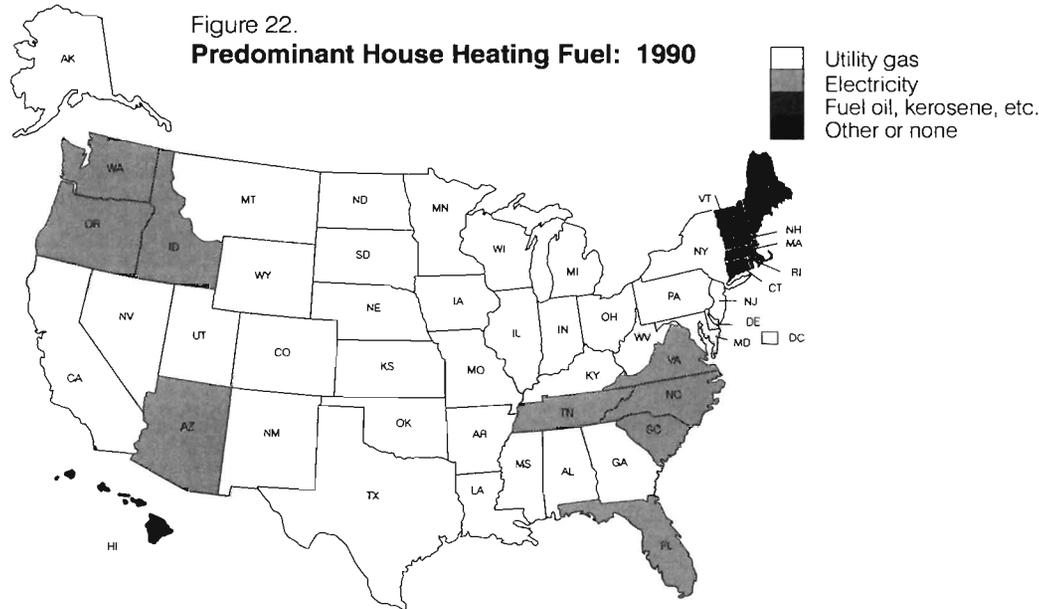
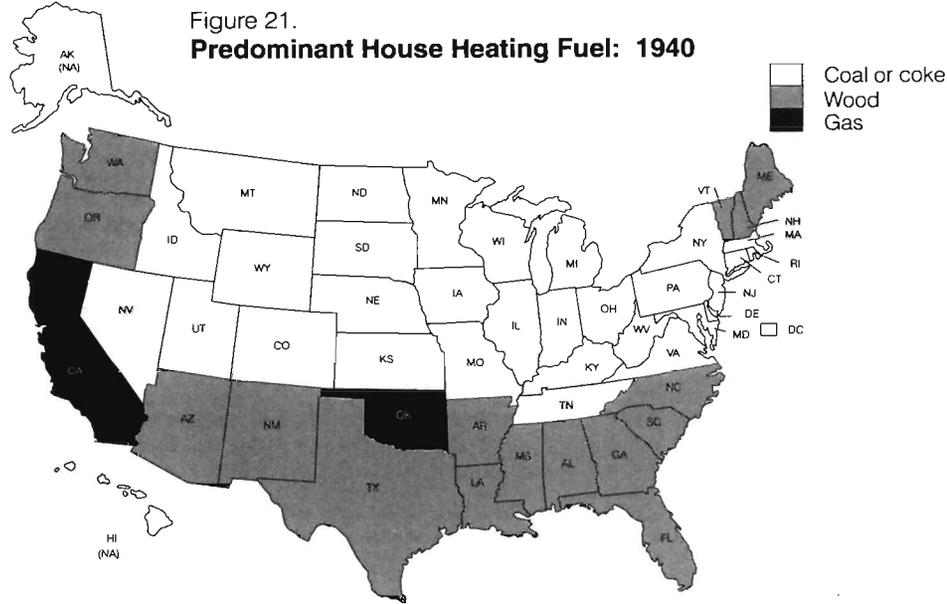
As solid fuels declined in use, heating systems in many homes were converted to fuel oil and kerosene. Use of these fuels increased to 32 percent of homes by 1960, then

declined to 12 percent by 1990. Utility gas emerged rapidly in the 1950's and 1960's as an important home heating fuel. In 1970, 1980, and 1990 more than one-half of homes were gas-heated.

Electricity became an important heating fuel in the 1970's and 1980's and was the second most predominant fuel in 1990, heating 26 percent of homes. Solar energy, introduced in the 1990 census sample questionnaire, was used in only 55,000 homes, less than one-tenth of 1 percent of occupied housing units (table 33).

The 1990 map of predominant house heating fuel shows utility gas predominant in a large area of States from the Atlantic to the Gulf to the Pacific and across the northern tier of States bordering Canada from New York to Montana, and including Alaska. Fuel oil remained dominant in the six Northeastern States and Delaware. Electricity was predominant in six Southeastern States, in Arizona in the Southwest, and in Idaho, Oregon, and Washington in the Northwest. Hawaii, with its warm climate, was the single State where "Other or none" was predominant (figure 22).

Cooking fuels were included in the housing census from 1940 to 1980 and dropped in 1990. About one-half of homes used utility gas for cooking from 1940 to 1970. The proportion dropped to 40 percent in 1980. Use of electricity expanded during the 1940 to 1980 period. In 1980, electricity was used in approximately one-half of homes as the primary cooking fuel, having replaced gas as the most-used cooking fuel in the 1970's.



Several cooking fuels used extensively in 1940 were virtually eliminated from use by 1980. These included wood, used for cooking in 24 percent of homes, coal (or coke), used in 12 percent, and kerosene, gasoline and similar fuels, used in 10 percent. Home cooking has apparently become safer as a result of these changes in cooking fuels (table 34).

Heating and Cooling Equipment

Questions on heating equipment were asked in censuses from 1940 to 1980 and dropped in 1990. In 1940, 42 percent of occupied housing units were heated by central systems, which included steam or hot water or central warm-air furnace. These furnaces were either "piped" or "pipeless." The 58 percent of homes with noncentral heating systems included those with a heating stove (47 percent of all homes) or with other means or no heat at all. In 1950, one-half the occupied housing units had central heating, consisting of steam or hot water systems or warm-air furnaces.

Central heating systems were found in 66 percent of all housing units in 1960. Central systems provided heat in 83 percent of year-round units in 1980. Electric heat pumps were included for the first time in 1980 and were found in 4 percent of year-round units.

Air conditioning was included in 1960, 1970, and 1980. In the first enumeration, the 1960 census reported 12 percent of occupied housing units with air conditioning, including

Table 33.

House Heating Fuels in Occupied Housing Units: 1940 to 1990

(In percent)

Fuel	1940	1950	1960	1970	1980	1990
Total	100	100	100	100	100	100
Utility gas	11	29	43	55	53	51
Bottle, tank, liquid petroleum	(NA)	(NA)	5	6	6	6
Electricity	(NA)	(NA)	2	8	18	26
Fuel oil, kerosene, etc.	10	23	32	26	18	12
Coal or coke	55	35	12	3	1	(Z)
Wood	23	10	4	1	3	4
Solar energy	(NA)	(NA)	(NA)	(NA)	(NA)	(Z)
Other fuel	(Z)	3	(Z)	(Z)	(Z)	(Z)
None	1	1	1	1	1	1

NA Not available. Z Less than 1 percent.

Table 34.

Selected Cooking Fuels in Occupied Housing Units: 1940 to 1980

(In percent)

Fuels	1940	1950	1960	1970	1980
Total	100	100	100	100	100
Utility gas	49	52	52	49	40
Electricity	5	15	31	41	52
All other	46	33	17	10	8

Table 35.

Vehicles Available in Occupied Housing Units: 1960 to 1990

(In percent)

Number of vehicles	1960	1970	1980	1990
None	22	17	13	12
1 vehicle	57	48	36	34
2 vehicles	22 ¹	29	34	37
3 or more vehicles	(NA)	6	18	17

NA Not available. ¹2 or more in 1960.

Note: Automobiles only in 1960 and 1970; automobiles, pickup trucks, and vans in 1980 and 1990.

only 2 percent with central cooling systems. In the enumeration of year-round units in 1970, 36 percent of homes had air conditioning. By 1980, 55 percent of year-round homes had air conditioning, including 27 percent with central systems. (The 1991 American Housing Survey reported 71 percent of housing units with air conditioning.)

Vehicles

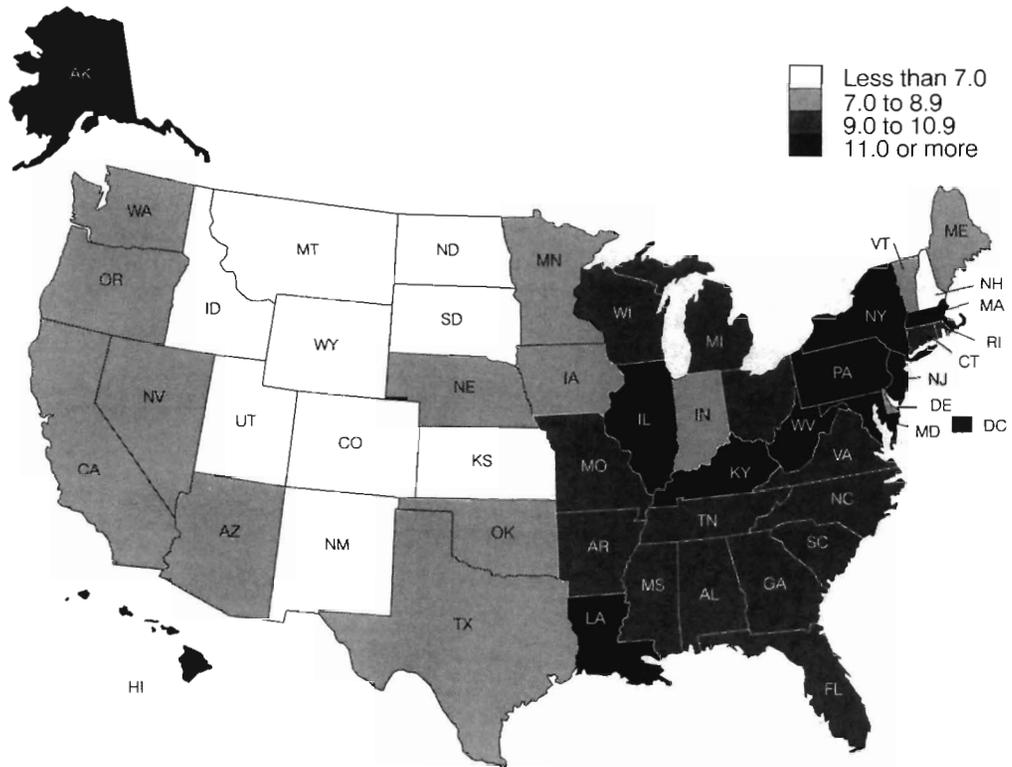
Reflecting the emerging dominance of the automobile in our national lifestyle, the number of automobiles available in households was first enumerated in 1960. In that census, 57 percent of homes already had one automobile available, 22 percent had two or more, and 22 percent had none. Vans and pickup trucks were still insignificant in usage as household vehicles. In 1970, when the enumeration of automobiles was expanded to differentiate households with three or more, 6 percent of households had that many, and the proportion of homes with none dropped to 17 percent (table 35).

As vans and pickups proliferated, the 1980 census enumerated these vehicles as well as automobiles. In that year, the census found 18 percent of homes with three or more vehicles. The proportion with three or more was still in a range of 17 and 18 percent in 1990. Automobiles were not enumerated separately from trucks and vans in 1990.

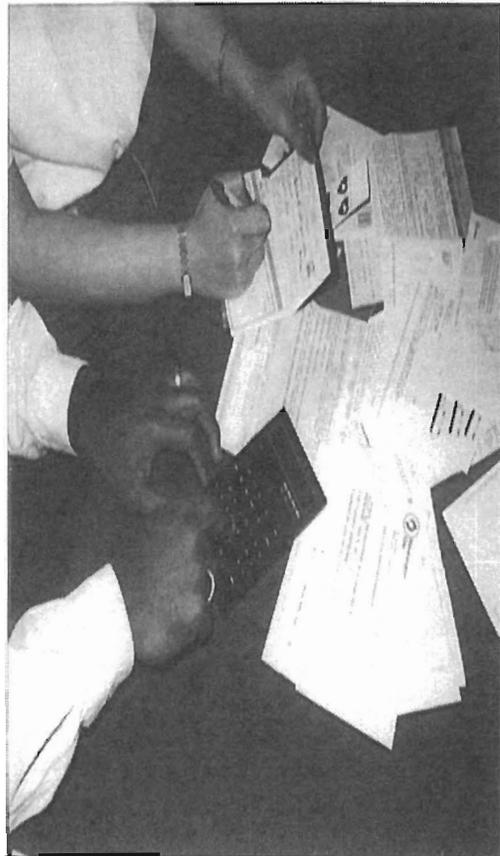
During the years from 1960 to 1990, the proportion of homes with only one vehicle dropped from 57 to 34 percent. Regional differences are illustrated by the 19 percent

of households with no vehicles available in the Northeast in 1990, and only about 10 percent or less lacking any vehicles in other regions. In some large cities of the Northeast more than one-third of households had no vehicles available. In New York City, 56 percent of households were without a vehicle for personal use of household residents (figure 23).

Figure 23.
Percent With No Vehicle Available: 1990



Housing Prices and Costs



Home Values

The 1940 census verified the downturn in home values experienced by millions of homeowners in the 1930's. Median value had dropped 39 percent from \$4,800 in 1930 to \$2,900 in 1940. Converted to 1990 dollars, the loss in value was 27 percent.

Home values rebounded with a 45 percent increase in the 1940's, however. Gains of 30 percent or more occurred in the 1950's and 1970's, while increases were less than 10 percent in the 1960's and 1980's.

The 6 percent growth in the 1980's contrasted sharply with the 31 percent gain in

the 1970's. In that fast-growing decade, home values increased in every State and the District of Columbia. Twenty-two States had gains of 50 percent or more. Growth rates were more diverse in the 1980's, however. Thirty States suffered declines in home values, including nine with losses of 20 percent or more. The big gainers were in the Northeast, where the regional increase was 66 percent. The only regional loss in the 1980's was in the Midwest, where median value dropped by 10 percent.

The 1990 median value of \$79,100 represented a gain of 111 percent since 1930, in 1990 dollars. The gain since 1940 was 188 percent, however, accounting for losses during the 1930's (table 36 and figure 24).

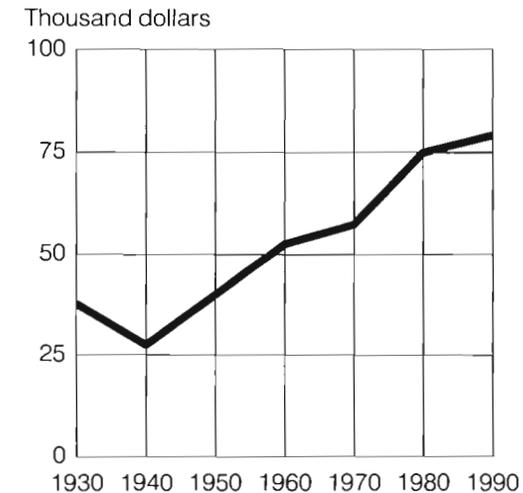
Table 36.
Median Value of Owner-Occupied Homes: 1930 to 1990

Year	1990 dollars		
	Current dollars	Median value	Percent change to 1990
1990	79,100	79,100	(NA)
1980	47,200	74,900	6
1970	17,000	57,300	38
1960	11,900	52,500	51
1950	7,354	39,900	98
1940	2,938	27,400	188
1930	4,800	37,600	111

NA Not available.

Figure 24.
Median Home Values: 1930 to 1990

(In 1990 dollars)



Nonmortgaged homes have increased in value at a faster pace (70 percent) than mortgaged homes (57 percent) since 1960. Increases in the 1980's were 18 percent for nonmortgaged homes and 9 percent for mortgaged homes.

Housing Costs for Owners and Renters

In the 1980's, housing costs increased faster for mortgaged homeowners than for nonmortgaged owners or renters because of rising interest rates and home prices. Differences in cost increases were smaller in the 1970's, while in the 1960's costs in nonmortgaged homes had the highest growth rate. (Costs in non-mortgaged homes were not enumerated prior to 1960.) (Table 37). [See next shaded box]

Costs in mortgaged homes increased by a staggering 77 percent in the 1950's, reflecting the rapid increase (85 percent) in newly mortgaged homes in that decade.

The increase in rental costs (37 percent) in the 1950's was the highest increase in any decade from 1940 to 1990, and followed rental cost declines in the 1930's and 1940's, in 1990 dollars (table 38 and figure 25).

Table 37.
Percent Change in Housing Costs: 1930 to 1990

(In 1990 dollars)

Year	Monthly housing costs				Gross rent	
	Mortgaged homes Year-to year	Year-to 1990	Nonmortgaged homes Year-to year	Year-to 1990	Year-to year	Year-to 1990
1990	27	(X)	3	(X)	16	(X)
1980	5	27	5	3	6	16
1970	21	33	25	8	16	23
1960	77	61	(NA)	35	37	42
1950	(NA)	184	(NA)	(NA)	-10	94
1940	(NA)	(NA)	(NA)	(NA)	-6	75
1930	(NA)	(NA)	(NA)	(NA)	(NA)	65

NA Not available. X Not applicable.

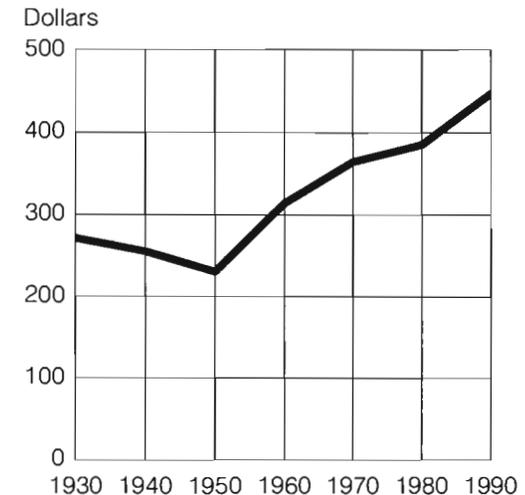
Note: 1970 homeowner data are from the 1971 Survey of Residential Finance, part of the 1970 Census of Housing.

Table 38.
Median Gross Rent: 1930 to 1990

Year	Current dollars	1990 dollars
1990	447	447
1980	243	385
1970	108	364
1960	71	314
1950	42.47	230
1940	27.28	255
1930	34.59	271

Figure 25.
Median Gross Rent: 1930 to 1990

(In 1990 dollars)



What Is Included in Housing Costs?

Housing costs include payments for mortgage, rent, real estate taxes, utilities, and fuels. Expenditures for repairs, maintenance, and improvements are not included in these data.

For renters, gross rent is the contract rent plus the estimated average monthly cost of utilities and fuels if these are paid for by the renter (or by someone for the renter). Contract rent is the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, or services that may be included. Gross rent is intended to eliminate differentials which result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

For owners, selected monthly owner costs is the sum of payments for mortgages or similar debts on the property (including payments for the first, second, or junior mortgages, and home equity loans); real estate taxes, fire, hazard, and flood insurance on the property; utilities; and fuels.

The percentage of household income spent for gross rent and selected monthly owner costs is a computed ratio of monthly rent/ costs to monthly household income in 1989. The ratio was computed separately for each unit and was rounded to the nearest whole percentage. For owners, the data are tabulated separately for specified owner-occupied units, condominiums, and mobile homes. Separate distributions are shown for mortgaged and nonmortgaged homes.

Renters have seen their housing cost burden increase faster than homeowners during the past several decades. Renters paid a median 17 percent of income for gross rent in 1950, the first year for this calculation. In 1990, rental costs consumed 26 percent of their income.

In 1960, owners of mortgaged homes and renters paid 19 percent of income for housing costs while owners of nonmortgaged homes paid 10 percent. The cost burden for owners of mortgaged homes dropped to 17 percent in 1970, moved back to 19 percent in 1980, and increased to 21 percent in 1990. In nonmortgaged homes, the percent of income crept upward to 13 percent in 1990 (table 39).

The median real estate tax paid by homeowners has been tracked since 1950 in homes with a mortgage and since 1960 in nonmortgaged homes. After large increases in the 1950's and 1960's for mortgaged homes and in the 1960's for nonmortgaged homes, real estate taxes tumbled by about one-third in the 1970's in both mortgaged and nonmortgaged homes, in constant 1990 dollars. The reason for this is that many States enacted laws in the 1970's which reduced homeowner real estate taxes and placed restraints on their annual rates of increase. Taxes resumed a steady pattern of increases in the 1980's, however. The median real estate tax for the previous year in mortgaged homes was \$1,361 in 1991, higher than in any previous census. The median \$662 tax for nonmortgaged homes

in 1991 was still lower than the \$829 median in 1971, however, resulting in a drop of 20 percent from 1971 to 1991 (table 40).

Table 39.

Median Percent of Income Spent for Housing Costs: 1950 to 1990

Year	Homeowners		Renters
	Mortgaged homes	Nonmortgaged homes	
1990	21	13	26
1980	19	12	25
1970/1971	17	11	20
1960	19	10	19
1950	(NA)	(NA)	17

NA Not available.

Note: Median percent of income is calculated from all individual household percentages, not by dividing the median cost for all households by the median income for all households.

Sources for table 39:

1990: 1990 census.

1980: 1980 census.

1970/1971: 1971 data for homeowners from Survey of Residential Finance, 1970 census. 1970 data for renters from census.

1960: 1960 data for homeowners from Survey of Residential Finance, 1960 census. 1960 data for renters from census.

1950: 1950 data for renters from census (nonfarm housing).

Table 40.

Percent Change in Median Homeowner Real Estate Taxes: 1950 to 1991

Year	Mortgaged homes		Nonmortgaged homes	
	Year-to year	Year-to 1991	Year-to year	Year-to 1991
1991	56	(X)	21	(X)
1981	-33	56	-34	21
1971	63	4	63	-20
1960	73	70	(NA)	30
1950	(NA)	195	(NA)	(X)

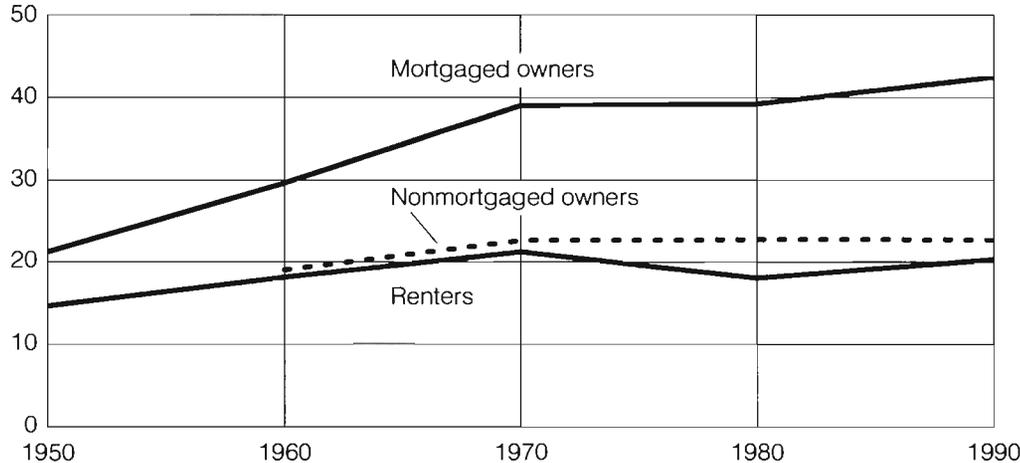
NA Not available. X Not applicable.

Figure 26.

Median Income of Owners and Renters: 1950 to 1990

(In 1990 dollars)

Thousand dollars



Note:

1950 - 1970: Median income of families and unrelated individuals.

1980 - 1990: Median income of households.

Income

Mortgaged homeowners have seen their median income increase by 101 percent since 1950 (in 1990 dollars). In contrast, renter income has increased by only 39 percent.

Since 1960, when nonmortgaged homes were first included in the Survey of Residential Finance, income has grown by 19 percent for these owners. Mortgaged owners have seen their income increase by 44 percent from 1960 to 1990, while renter income growth has been only 12 percent.

Income for mortgaged owners was higher in 1990 than in any previous census year since 1950 or 1960. Income for owners of nonmortgaged homes was virtually unchanged from 1970 to 1990. Renter median income dropped from 1970 to 1980, then increased from 1980 to 1990. Income of renters in 1990, however, was still below the 1970 median income level (table 41 and figure 26).

Historically, housing tenure has tended to sort out households by income. Two factors which help to explain these differences in growth rates are the income and asset requirements for purchasing a home and demographic composition of owner and renter households.

Table 41.

Percent Change in Median Income: 1950 to 1990

Year	Homeowners				Renters	
	Mortgaged homes		Nonmortgaged homes		Year-to year	Year-to 1990
	Year-to year	Year-to 1990	Year-to year	Year-to 1990		
1990	9	(X)	(Z)	(X)	4	(X)
1980	(Z)	9	1	(Z)	-15	13
1970	32	9	19	(Z)	17	-4
1960	40	44	(NA)	19	24	12
1950	(NA)	101	(NA)	(NA)	(NA)	39

NA Not available. X Not applicable. Z Less than 1 percent.

Notes: 1950-1970: Median income of families and primary individuals

1980-1990: Median income of households

Both family and household incomes were available for owners in 1980.

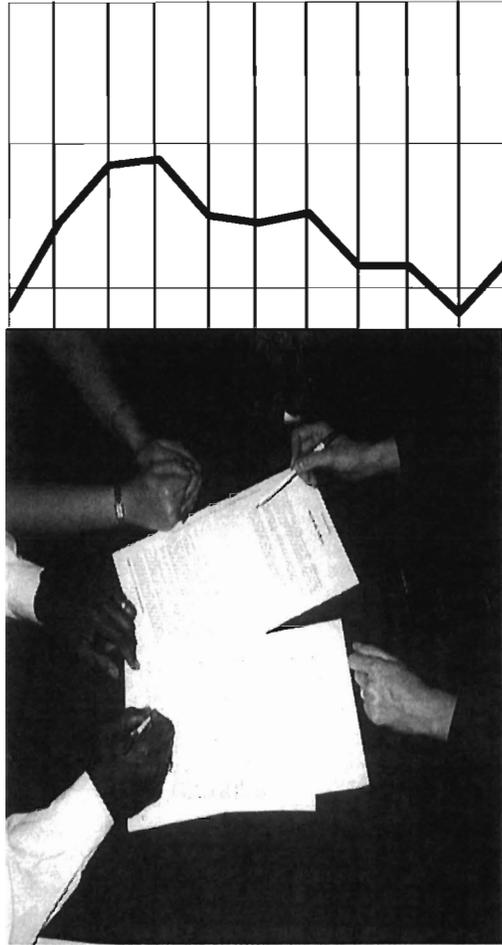
The median incomes were:

(1990 dollars)		
Mortgaged homes:	Families -	\$38,533
	Households -	\$39,168
Nonmortgaged homes:	Families -	\$21,136
	Households -	\$22,722

Most first-time home buyers borrow money to pay for their homes.²⁸ Mortgage lenders normally require evidence of adequate income to pay for monthly mortgage payments, and a down payment to obtain the loan. As householders shift from renter to homeowner status, therefore, higher income householders are filtered up to homeowner status, while lower income householders remain in renter status.

²⁸In 1989, 87 percent of first-time homeowners obtained a mortgage to purchase their homes. See: Ellen Wilson, Current Housing Reports, H121/93-1, *First-Time Homeowners in 1989: A Comparative Perspective*. U.S. Bureau of the Census, Washington, DC.

Ownership and Mortgage Characteristics



Growth of Mortgaged and Nonmortgaged Homes

Homeowners with a mortgage were less common prior to 1940 than they are today. From 1890 to 1920, the proportion of mortgaged homes had never been higher than 40 percent. In the first housing census of 1940, 45 percent of homes were mortgaged. (No mortgage data had been collected in 1930.) (Table 42).

Although homeownership increased dramatically in the 1940's, the percentage of mortgaged homes remained about the same — 45 percent in 1940 and 44 percent in 1950. The sale of several million new homes for owner occupancy in the 1940's and the great turnover among existing homes were accompanied by increased activity in the mortgage market. As the number of mortgaged homes increased significantly in the decade, repayments apparently offset new transactions at such a rate that the percentage of mortgaged homes did not increase. While the number of mortgaged homes increased from 4.8 to 7.8 million, nonmortgaged homes increased from 5.8 to 10.0 million from 1940 to 1950.²⁹

The number and percentage of mortgaged homes continued to increase dramatically in the 1950's, so that by 1960 58 percent of homeowner units were mortgaged. Non-mortgaged homes increased by only about 5 percent in the decade.

²⁹U.S. Bureau of the Census, *Census of Housing: 1950, Volume I General Characteristics, Part I United States Summary, Summary of Findings.*

Table 42.
Mortgage Status of Owner-Occupied Homes: 1890 to 1990

Year	Percent of owner-occupied homes	
	With mortgage	With no mortgage
1990	65	35
1981	61	39
1971	61	39
1960	58	42
1950	44	56
1940	45	55
1930	(NA)	(NA)
1920	40	60
1910	33	67
1900	32	68
1890	28	72

NA Not available.

Note: 1990 data are from the 1990 census. 1960, 1971, and 1981 data are from the residential finance surveys conducted as part of the decennial census.

1940-1990 data are for specified owner-occupied units (one-family houses on lots less than 10 acres with no business on the property). 1940 and 1950 data are for units in one- to four-unit structures, including structures with a business on the property.

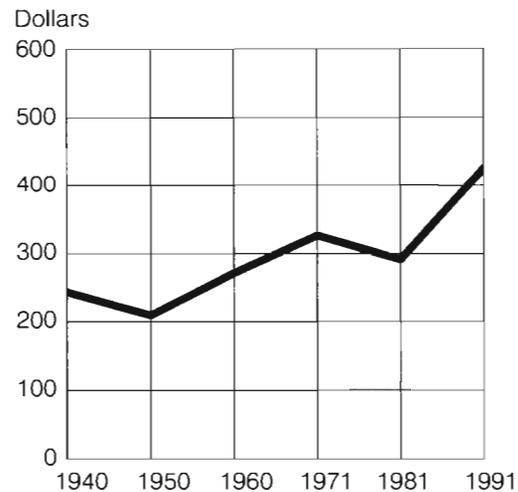
1890-1920 data are for total owner-occupied units in all types of structures.

While both mortgaged and nonmortgaged homes steadily increased in the 1960's and 1970's, the proportion of mortgaged homes rose only to about 61 percent in 1971 and 1981. In 1990, however, 65 percent of owner-occupied homes were mortgaged. All the States with 70 percent or more of homes with a mortgage in 1990 had above-average population growth rates in the 1980's, with population increases ranging from about 13 to 50 percent. (Nationwide growth was 9.8 percent) (figure 27).

Figure 28.

Median Monthly Payment for Principal and Interest on First Mortgage: 1940 to 1991

(In 1991 dollars)



Interest rates averaged 5.6 percent in 1940 and, after dropping to 5.0 percent in 1950, steadily increased to 9.7 percent in 1991. Average term of the first mortgage was only 13 years in 1950. (Data are not available for 1940.) The average terms of outstanding mortgages increased in the 1950's and 1960's as the number of mortgaged homes increased rapidly. Mortgage terms of 25 and 30 years became more common in the 1960's as higher housing prices drove up the amounts on first mortgages and as savings and loans, banks, and other mortgage lenders found investors willing to purchase first mortgages in the secondary market. Average mortgage term was 30 years in 1991.

Table 43.

Selected Characteristics of First Mortgage: 1940 to 1991

(In 1991 dollars)

Characteristic	1940	1950	1960	1971	1981	1991
(medians)						
Loan (dollars)	(NA)	23,736	40,492	43,046	36,858	47,510
Percent change:						
Year-to-year	(NA)	(NA)	71	6	-14	28
Year-to-1991	(NA)	98	16	9	28	(X)
Outstanding debt						
(dollars)	18,912	17,520	31,749	33,966	31,016	41,286
Percent change:						
Year-to-year	(NA)	-7	81	7	-9	33
Year-to-1991	118	136	30	22	33	(X)
Current interest rate (percent)	5.6	5.0	5.1	6.0	8.7	9.7
Term (years)	(NA)	13	20	25	29	30
Monthly payment, principal and interest						
(dollars)	243	209	271	326	291	425
Percent change:						
Year-to-year	(NA)	-14	30	20	-11	46
Year-to-1991	75	103	57	30	46	(X)

NA Not available. X Not applicable.

Increasing Federal Role

In 1940, the 4 million owner-occupied, single-family homes with a mortgage had total outstanding debt of \$8.5 billion on first mortgages and total value of \$16.5 billion. Converted to 1991 dollars, this was a total debt of \$83.2 billion and total value of \$160.5 billion. The debt represented 52 percent of value. In 1991, 30 million

owner-occupied, single-family homes with a mortgage had total outstanding debt of \$1.9 trillion on first mortgages and total value of \$3.3 trillion.³⁰ The debt represented 58 percent of value.

³⁰Outstanding debt and value for owner-occupied, mortgaged, single-family homes in 1991 includes condominiums and mobile homes.

As the financial size and scope of home mortgages expanded after 1940, mortgage instruments and the mortgage market became more complex. [See next shaded box] In 1940, 26 percent of mortgages on single-family homes were held by individuals, 23 percent by banks, and 21 percent by building and loans (later to be called savings and loans). In 1991, individuals held only 5 percent of mortgages, while savings and loans held 22 percent and banks held 16 percent.

The proportion of mortgages held directly or sponsored by the Federal government has tripled since 1940. Whereas the Home Owners Loan Corporation, an arm of the Federal government created in the 1930's, held 13 percent of mortgages in 1940, various Federal agencies and federally sponsored secondary-market agencies or pools held 39 percent in 1991. State and municipal governments had also become mortgage lenders, holding 3 percent of mortgages in 1991 (table 44 and figure 29).

Some mortgages held directly by Federal agencies are the result of foreclosures. These include Farmer's Home Administration (FMHA), Federal Housing Administration (FHA), Department of Housing and Urban Development (HUD), Resolution Trust Corporation (RTC), Small Business Administration (SBA), and Department of Veterans Affairs (VA). Also, mortgages are insured by FHA, VA, FMHA, SBA, and state bonding agencies. In 1991, 5 percent of mortgages were held directly by federal agencies.

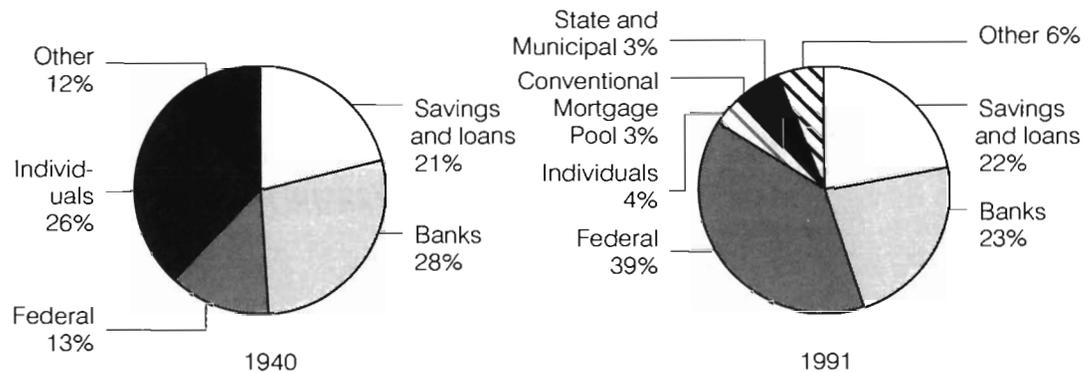
Table 44.
Holders of First Mortgages on Single-Family Homes: 1940 and 1991

(In percent)

Mortgage holders	1940	1991
Building (savings) and loans	21	22
Banks (commercial and savings)	23	16
Mortgage companies (banks)	5	7
Federal:	13	39
Home Owners Loan Corporation	13	(X)
Federal Agencies	(X)	5
Federally sponsored secondary-market agency or pool	(X)	34
Individuals	26	4
Conventional mortgage pool	(X)	3
State, municipal	(X)	3
Other (Life insurance companies, pension funds, credit unions, real estate investment trusts, finance companies)	12	6

X Not applicable.

Figure 29.
Holders of First Mortgages on Single-Family Homes: 1940 and 1991



(See table 44 for complete description of categories.)

Federally sponsored secondary-market agencies or pools held 34 percent of mortgages in 1991. These include mortgages guaranteed by securities issued by federally sponsored agencies such as the Government National Mortgage Association (GNMA), as well as quasi-governmental corporations such as the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).

Mortgage Innovations

Innovative instruments have appeared in the mortgage market in recent years to accommodate changes in financial market conditions and the needs of lenders and borrowers. Some mortgage types used in 1991 that were not available in 1940 include:

- Adjustable rate mortgage (ARM) is a mortgage loan that allows the interest rate to be changed, usually based on an established index, at specific intervals over the maturity of the loan. ARM's came into popular use in the early 1980's when lenders wanted some means of reducing risk from long-term mortgages under escalating interest rate conditions. About 10 percent of mortgages in 1991 were ARM's.

- Home equity line of credit can be either a first mortgage or a junior mortgage. This type of financing allows the property owner to borrow against the equity in the property from time to time up to a predetermined maximum amount without reapplying for a loan. Their tax deductible feature has been popular with homeowner consumers as a means of financing education, medical, and home improvement expenses.

- Wrap-around mortgage is a mortgage whose face value encompasses the unpaid balance of the first mortgage (and any other earlier junior mortgages) plus the amount of new funds extended by the wrap-around lender.

Vacant Housing



Growth of Vacant Housing

Almost 7 percent of housing units were vacant in 1940, by Census Bureau definition. [See next shaded box] Despite the slowdown in housing construction in the 1930's, with less than 3 million new housing units started, occupied housing units had increased by 5 million.³¹ Given Americans' preference for private living conditions, living spaces in many large housing units were converted into additional units with smaller space per unit. One analyst estimated that "... conversions totaled more than a million units in the 1930's, almost supplanting new construction as the primary source of growth in the supply of housing units."³²

When incomes and prices declined in the 1930's, families took advantage of housing bargains and conversions, and moved into less space in smaller housing units, rather than doubling up with relatives or other families. This held the housing vacancy rate at a relatively low level.

Since 1940 vacant housing has increased 317 percent, while total housing units have increased 173 percent. The gross vacancy rate (vacant units as a percent of total units) stood at 10.1 percent in 1990. The 10.3 million vacant units in 1990 was the

³¹U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970, Bicentennial Edition, part 2, Series N 156-169*. Washington, DC, 1975.

³²Louis Winnick, *American Housing and Its Use, The Demand for Shelter Space*, for the Social Science Research Council in cooperation with the U.S. Department of Commerce, Bureau of the Census, New York, John Wiley & Sons, Inc., 1957, p. 55.

largest number ever recorded in a housing census (table 45).

The growth of vacant housing has provided Americans with wider choices in the types and locations of housing. Also, the housing stock available for occasional or seasonal use has expanded as increasing numbers of families and individuals have discretionary income for purchase and rental of second homes and recreational housing.

Table 45.

Vacant Housing Units: 1940 to 1990

(In millions)

Year	Housing units Total	Vacant	Percent vacant
1990	102.3	10.3	10.1
1980	88.4	8.0	9.1
1970	68.7	5.2	7.6
1960	58.3	5.3	9.1
1950	46.0	3.2	6.9
1940	37.3	2.4	6.6

Housing Market and Vacant Housing

Fifty percent of vacant housing units in 1990 were being marketed for sale, for rent, or were awaiting occupancy after being sold or rented. To find a higher percentage of vacant housing units available for the sales and rental markets, it is necessary to go back to 1940, when 60 percent of vacant units were being sold or rented (figure 30).

The lowest level of vacant housing being marketed was in 1950, when improved economic status of families contributed to a high demand for housing in the post-war

What Is Vacant Housing?

The Census Bureau's definition of vacant housing is far broader than the typical images of the vacant apartment down the hall, or the house for sale down the street, or the seldom-used country home. A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by persons who have a usual residence elsewhere are also classified as vacant. An illustration might be two adjacent houses in a resort area. The occupants of one house live there throughout the year and work in the area. This house is an "occupied housing unit." The second house is occupied by its owners at various times of the year, and rented to others who come to the resort area, but have a permanent residence elsewhere. This house is a "vacant housing unit."

Vacant units are subdivided according to their housing market classification as follows:

For Rent - vacant units offered "for rent" or either "for rent or for sale"

For Sale Only - vacant units offered "for sale only"

Rented or Sold, Not Occupied - if renter/owner has agreed/paid for rent/sale, and not yet moved in, the vacant unit is classified "rented or sold, not occupied"

For Seasonal, Recreational, or Occasional Use - vacant units used or intended for use only in certain seasons or for weekend or other occasional use throughout the year, and including beach cottages, hunting cabins, quarters for loggers, and time-sharing units

For Migrant Workers - vacant units intended for seasonal occupancy by migratory farm workers

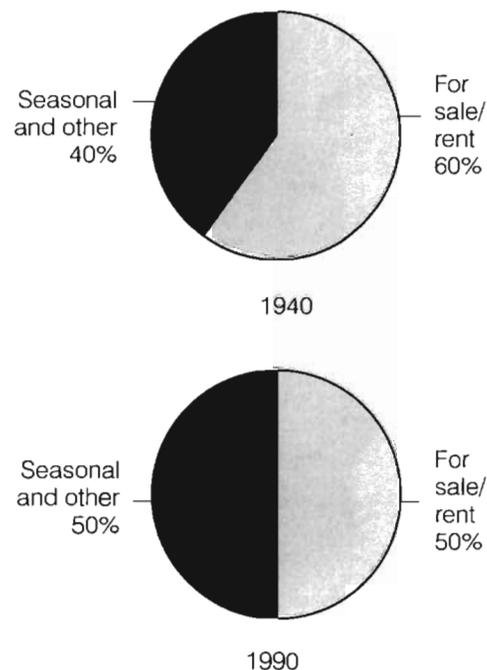
Other Vacant - vacant units not falling into any categories above, such as units occupied by caretaker or held for personal reasons of the owner

economy. The summary of the 1950 housing census noted:

Many of the vacancies in 1950 were for seasonal occupancy or were in the "wrong" places for most families looking for houses for year-round use; 35 percent of the vacancies were for seasonal use and 37 percent were nonseasonal vacancies in rural areas. The great migration of families from the

farms and small towns to the large centers of population during World War II resulted in an oversupply of houses in some areas, but a serious shortage in many others. Many of the large urban centers had critical housing shortages in 1950; approximately two-fifths of the standard metropolitan areas had available vacancy rates of 1.0 percent or less.³³

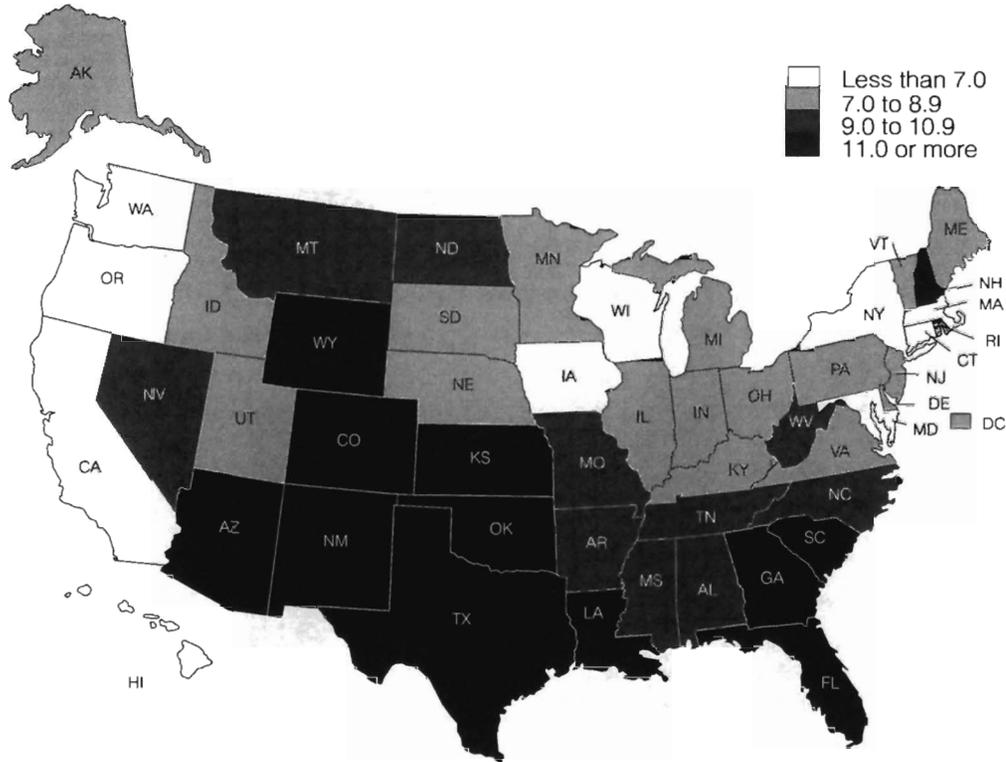
Figure 30.
Vacant Housing: 1940 and 1990



In 1990, also, many vacant housing units were in the "wrong" places. With a national rental vacancy rate of 8.5 percent, regional rates ranged from 6.3 percent in the Northeast to 11.1 percent in the South. Twelve States in the South and six States in the West had rental vacancy rates of more than

³³U.S. Bureau of the Census, *Census of Housing: 1950, Volume I General Characteristics, Part 1 United States Summary*, Summary of Findings.

Figure 31.
Rental Vacancy Rates, by State: 1990



9 percent, reflecting overbuilding in many housing markets and depressed economic conditions in many areas in the 1980's. Most metropolitan areas of Texas and Oklahoma, for example, had rental vacancy rates above 10 percent in 1990 (figure 31).

Nationwide, however, the proportion of vacant housing units in the "available"

housing market has changed only slightly since 1960, increasing from 42 percent in that year to 50 percent in 1990. Vacant units classified as seasonal, recreational, occasional, and migratory have remained within a range of 30 to 40 percent of total vacant units.

Rental vacancy rates stayed at 6 or 7 percent from 1960 to 1980, after the very

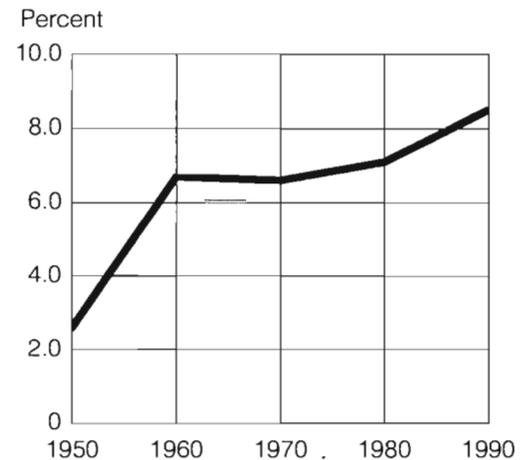
low rate of about 3 percent in the tight market conditions of 1950. The national rental vacancy rate then reached a new high of 8.5 percent in 1990, reflecting the economic conditions preceding the recession which began in August 1990, a slowdown in the rate of household growth, and increasing proportions of young adults living with their parents and delaying marriage (table 46 and figure 32).

Table 46.
Rental Vacancy Rates: 1950 to 1990

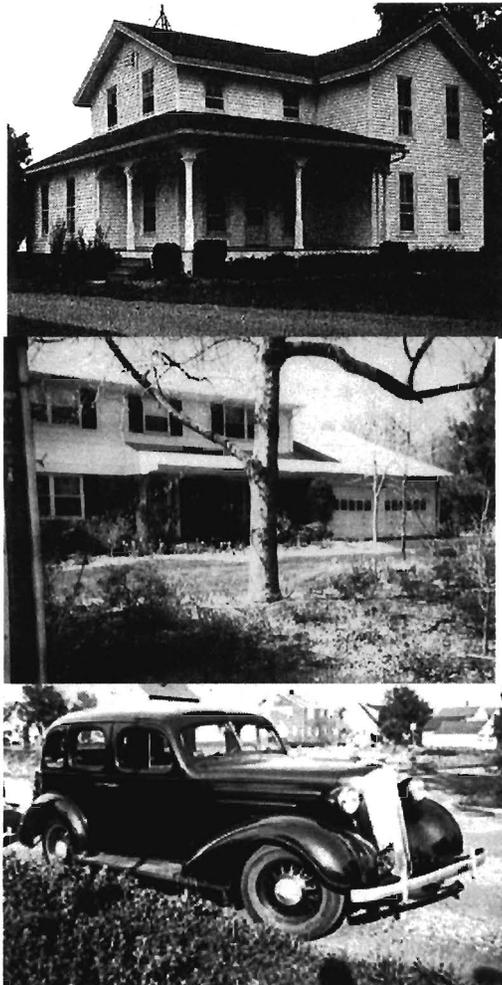
Year	Percent
1990	8.5
1980	7.1
1970	6.6
1960	6.7
1950	2.6

Note: 1940 data are not available.

Figure 32.
Rental Vacancy Rates: 1950 to 1990



The Author Remembers



Born 2 months after the stock market crashed in 1929, and growing up during the Depression and World War II, the author has witnessed sweeping changes in housing and living conditions before and after 1940.

He remembers—

- having his thumb stabbed when he grabbed for a piece of ice while the iceman chipped off a block for delivery to his house on a warm summer day
- watching and listening to the roar of coal rushing down the chute from the truck, through the small window, and into the cellar coal bin
- shoveling hot ashes from the furnace into the metal ash barrel
- smelling breakfast cooking on the kerosene stove in the back kitchen early on a cold winter morning
- shovelling snow from under the clothes lines in the back yard
- feeling anxiety and then relief as his parents saved enough money for the annual mortgage payment
- watching cautiously when homeless, unemployed men begged for food at the back door and sat on the steps eating hot soup, coffee, and sandwiches
- the annual rituals of mounting screens on the front and side porches in spring and heavy, wooden-framed storm windows in autumn
- riding and bouncing in the rumble seat of the car of his cousin's parents
- the wringer washer being replaced by an automatic washer and dryer
- our first electric refrigerator
- our first telephone
- the large radio being placed in the living room, delivered as a surprise on Christmas eve
- our first shower
- the coal stove in the main kitchen being replaced by a gas stove
- the coal furnace and "one-pipe heater" being replaced by a fuel oil furnace and hot water radiators
- seeing his parents' pride as they made the last mortgage payment on their home
- moving away after college and later seeing his boyhood home converted to a duplex and eventually sold
- renting his first apartment after college
- with his wife, buying their first home for \$17,000 in 1958 (\$77,000 in 1990 dollars)
- moving his school-age family into a two-story, single-family home with full basement, central gas heating and electric air conditioning, two full baths, two half baths, three fire-

places, electric washer and dryer, refrigerator with automatic ice maker, home freezer, electric stove and two ovens, color TV with remote control for 120 cable channels, stereo equipment with speakers in living room and den, and two-car garage with automatic door openers

Children of this author's generation have witnessed far-reaching social and economic changes in their lifetimes. A majority have lived out their adult lives in housing and living conditions that are superior to the conditions of their childhood experience.

The latest generation of children — and those born in the 1990's and beyond — will surely witness changes in housing and living conditions in the next 50 years of their lives. We can only speculate on the technological, demographic, and social developments that might set these changes in motion — and whether the coming generations will live in superior conditions 50 years from now. The decennial census of population and housing can be a vital instrument for continued measurement of these changes in the decades ahead.

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