

US, Northeast housing compared in survey

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One of the more interesting publications of the US Census Bureau is the annual new housing survey, which characterizes and tabulates new housing units constructed in this country. The most recent survey was done for housing built in 1987, with some data also provided for each year back to 1983.

The survey provides detailed new housing information, such as prices, square footage, size of lots and a variety of other features, but a major limitation is the size of geographic areas covered. Because these data come from a sample, it is impossible to get numbers for individual states, thus the data deal only with the whole country, metropolitan and non-metropolitan areas, and the four census regions of the Northeast, South, Midwest and West.

Metropolitan areas contain approximately three-fourths of the nation's population, and the housing numbers here tend to parallel the whole country, so a more useful discussion of new housing would be to compare our region, the Northeast, with others and the entire nation.

The Northeast, according to the Census Bureau, includes the six New England states of Maine, New Hampshire, Vermont, Massachusetts, Connecticut and Rhode Island together with the Middle Atlantic states of New York, Pennsylvania and New Jersey.

1.9 million new units

In 1987 there were 1,669,000 new single and multifamily housing units completed in the country, consisting of 1,123,000 single units and 546,000 multifamily units. In addition, 239,000 mobile homes were placed for a grand total of 1,908,000 new housing units completed. This total represents a 14.3 percent increase over the 1,669,000 new units completed in 1983, comprised of 924,000 single units, 467,000 multifamily units and 278,000 mobile homes.

Of the 1,123,000 new single housing units built in 1987, 706,000 were built for sale, 203,000 were built for owners by contractors, 176,000 were built by owners acting as their own contractors and 38,000 were built for rent.

The 546,000 multifamily units completed consisted of 412,000 for rent and 134,000 for sale. Most mobile homes, 134,000, were located outside of mobile home communities, while the remainder, 105,000, were placed in park communities.

A composite can be made of the typical new one-family house completed in this country in 1987. This typical house had three bedrooms, two bathrooms, a fireplace, gas heat, a central warm-air heating system, central air conditioning, a two-car (or more) garage, wood siding, a slab foundation and an average size of 1905 square feet or a median of 1755 square feet. (Average figures are normally higher because numbers raise the average while the median or mid-point is not affected in this manner.) Further, this typical house was one story, conventionally financed and had an average sales price of \$127,200, or a median of \$104,500.

The yankee way

A typical new house in the Northeast, by comparison, was higher, bigger and more expensive: This house had 2½ bathrooms and a full or partial basement, was two stories or more high, averaged 1955 square feet or a median of 1840 square feet, and had an average sales price of \$170,900 or a median of \$140,000, both sales figures highest in the country.

Typical multifamily buildings in the nation and the Northeast were the same in having one to three floors, two to four units, air conditioning, two bedrooms and one bathroom. But while the nation typically heats its homes with electricity, gas is the preferred fuel in the Northeast. Units were smaller in the nation than in the Northeast, averaging 980 square feet or a median of 920 square feet in the nation compared with an average of 1250 square

feet or a median of 1135 square feet in the Northeast.

Mobile homes represented one of every eight new housing units completed in 1987. Just over one-half of these units were located outside of mobile home communities in the nation while the Northeast was just the reverse, with just over one-half in mobile home parks. The Northeast, with 21 percent of the country's population, had 10 percent of these new mobiles in 1987; while the South, with 34 percent of the country's population, had 61 percent of the new mobiles.

Lot sizes were given only for 432,000 new one-family houses sold in 1987. Of interest in Rhode Island, where communities are commonly increasing house lot sizes, 49 percent of house lots in the nation were less than 9000 square feet in size, or approximately five houses to the acre. It should also be noted that 29 percent of house lots were less than 7000 square feet, which would allow approximately six houses to the acre.

In Rhode Island, where one-half acre lots are commonly the minimum allowed in most communities, only 12 percent of all these houses sold had a lot exceeding 22,000 square feet, approximately one-half acre. The average lot size for these houses sold in the nation was 17,600 square feet or a median of 9295 square feet.

The final and most interesting data provided in the housing survey is the comparison of national house prices expressed as a price index of houses sold, and this helps explain one major reason for increased house prices: the trend toward larger houses with increased amenities.

The process used by the Census Bureau to arrive at a price index is to compare 10 select items such as floor area, lot size, location and other characteristics over time and to place a value of 100 on a base period. The base period used is 1982 and the value of 100 is placed on the average sale price of a house at that time, of \$83,900.

By 1987 the index had reached 116.8 or an increase of 16.8 percent to a price of \$98,000, based on the same 10 items used for comparison. But since the actual house price average was \$127,200, a 51.6 percent increase over the base of \$83,900, the difference of \$29,200 or 34.8 percent between the actual and indexed price represented the amount of value added to the house over and above the 10 select items. This difference of \$29,200 or 34.8 percent "may be attributed to the shift towards larger houses and houses with more amenities" according to the Census Bureau study.

Until the 1990 census is tabulated and state and local data become available, the Census Bureau annual survey of characteristics of new housing provides the best detailed information available on a national and regional level.

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