provide for renewals, obsolescence, etc., and 42,000 family units to house new population, making a total of 56,000 units, assuming all new families and owners of obsolete structures, etc., were willing and able to pay for new homes. To maintain the same ratio shown by the 1930 Census, 60% of the 42,000 should be single-family structures.

A study of the record of "reconditioning permits" of the city indicates that the foregoing estimate to cover renewals, etc., is probably much too conservative, and a review of observations made when the Security Area Map was under construction also leaves a definite impression that this is the case. Obsolescence, dilapidation, and lack of thorough maintenance was observed in almost all of the "A" and "B" areas, this being particularly applicable to the following areas: "C-1", "C-2", "C-3", "C-4", "C-16", "C-18", "C-28", "D-1", "D-2", "D-6", "D-8", "D-12", "D-13", and "D-15". Obsolescence was also notable to a degree in "A-3", "A-4", "A-5", "A-6", and "A-14". Maintenance, however, in these "A" areas was generally of an excellent quality.

II. New Construction

Residential building permits issued during 1938 amounted to $8,479,400 and were equal to 55% of 1928 or 27% of the 1927 peak. Improvement continued in 1934 when the first quarter showed an increase of 42% from the first quarter 1936. For detail see Appendix Page 31-4.

With the pressing need for new residential construction shown above, it is astonishing that new construction has not proceeded at a more rapid rate when improved conditions and ease of financing are taken into consideration. This very apparent lag in new construction can be partially accounted for in a number of different ways:

1. The depression has so depleted savings that many who would normally build are lacking even the 20 or 25% of the purchase price necessary to avail themselves of the liberal terms offered.

2. Young couples who would normally have been saving for a home have been unable to do so owing to the low salaries and wages which prevailed during the depression years. Lack of and irregular employment has also augmented this number.

3. Salary and wages have not kept pace with construction costs and the cost of living, and many having the initial payment lack sufficient income to maintain even twenty-year amortization payments and home upkeep.

4. The very rapid increase in construction costs and prices of new homes has caused a wide-spread impression that these costs are too high and that purchases under present conditions are inadvisable.