

# SURVEY OF COMPONENTS OF CHANGE AND RESIDENTIAL FINANCE: PRINCIPAL DATA-COLLECTION FORMS AND PROCEDURES

## DESCRIPTION OF THE SURVEY

Many agencies, both public and private, have expressed a need for information about types of changes in the Nation's housing and the financing of residential property. The Components of Change and Residential Financing programs were developed by the Bureau of the Census to meet these needs and to provide data for agencies engaged in planning, analysis, or research in housing and related fields. The combined survey, the Survey of Components of Change and Residential Finance (SCARF), initiated in the fall of 1959, was similar to the 1956 National Housing Inventory (NHI), which was the first survey of its kind with respect to components of change. A second phase of SCARF was conducted starting in July 1960. SCARF provides data on changes in the housing inventory and residential financing for the Nation. The statistical tables showing results of the survey are to provide separate figures for (1) all standard metropolitan statistical areas (SMSA's) combined, (2) all central cities combined, (3) all nonmetropolitan territory, (4) each of the four geographic regions of the country, and (5) the United States as a whole. In addition, data on changes in the housing inventory and residential finance are to be provided separately for each of the nine SMSA's which were in the 1956 National Housing Inventory as well as each of eight additional SMSA's which had a population of one million or more in 1950.

## COMPONENTS OF CHANGE PROGRAM

### Purposes and Uses of the Data

The Components of Change program had two major purposes:

(1) To measure the changes which occurred in the housing inventory during the decade 1950 to 1960 as a result of new construction, conversion, merger, demolition, change from residential to nonresidential use or vice versa, and other gains or losses.

(2) To provide information on characteristics of the units involved in each type of change as well as of units in which there was no change.

The data provide information concerning the magnitude of these changes during virtually all of the period between two housing inventories, the 1950 and 1960 Housing Censuses. The net change between censuses consists of partially compensating gross changes of the types listed above; e.g., units may be added by new construction while other units are lost by demolition. As a followup of the 1956 NHI, the program also presents statistics on changes that occurred between December 1956 and December 1959.

In addition to knowing the magnitude of the change, the user of housing data also needs to know the characteristics of units added or lost as well as characteristics of those that remain unchanged, in order to evaluate the impact of these changes.

The need for measures of change in the housing inventory stems from the fact that censuses reflect only the end product of change, not the kinds of activities that created the change. In a dynamic economy, housing changes are of too many types and occur too rapidly to be measured satisfactorily by decennial censuses.

### Concepts and Definitions

Some background on what was measured in the Components of Change program is essential to an understanding of the techniques and forms used in the survey. In the program, the housing inventories were divided into components to reflect the kinds of changes that occur.

The components of the 1959 inventory, in relation to the 1950 or 1956 inventory, consist of--

- Same units
- Units changed by conversion
- Units changed by merger
- Units added through new construction
- Units added through other sources

In the 1950 or 1956 inventory, in relation to the 1959 inventory, the components consist of--

- Same units
- Units changed by conversion
- Units changed by merger
- Units lost through demolition
- Units lost through other means

The definitions of the components used in this program are the same whether the components relate to the comparison of the 1950 and 1959 inventories or of the 1956 and 1959 inventories. In the definitions below, references are made only to the 1950-1959 components, although applicable to either period.

1. Same units.--Living quarters enumerated in 1959 were classified as "same" if the quarters existed as one, and only one, dwelling unit in 1950. Changes in the characteristics of a dwelling unit, such as installation of an extra bathroom after 1950, did not affect its classification as "same" if it remained one dwelling unit in 1959.

2. Units changed by conversion.--Conversion is the creation of two or more units from fewer units through structural alteration or change in use. Structural alteration includes such changes as addition of a kitchen or installation of partitions to form another unit. Change in use is a simple rearrangement in use of the space without structural

alteration, such as locking a door to form a separate unit. One unit in the 1950 inventory which was subsequently converted to three units was counted as one unit changed by conversion to describe what happened to the 1950 inventory, and it was counted as three units changed by conversion to describe the source of the 1959 inventory.

3. Units changed by merger.—Merger is the combination of two or more units into fewer units through structural alteration or change in use. Removal of a partition or unlocking of a door separating two units are examples of ways of combining units. A change in use also occurs when a family now occupies the first and second floor of a house formerly containing a unit on each floor. In this way, two 1950 units changed by merger became one unit changed by merger in 1959.

4. Units added by new construction.—Any unit enumerated which was built between April 1950, the date of the 1950 Census, and the date of the SCARF enumeration was classified as a unit added by new construction. Units built in that period and removed from the inventory before December 1959 were not recorded. Units built during the period, even though changed by conversion or merger before being enumerated, were recorded as new construction in terms of the number of units existing as of December 1959. Units under construction at the time of enumeration were counted only if construction had progressed to the point that all exterior windows and doors were installed and final usable floors were in place.

5. Units added through other sources.—Any unit added to the inventory between April 1950 and December 1959 which was not specifically covered under the heading of new construction or conversion was included as a unit added through other sources. These units include the following types of additions to the housing inventory:

- a. Units created from living quarters classified as non-dwelling-unit quarters in 1950 (or classified as "quasi-dwelling units" in 1956); for example, a one-room unit created from a sleeping room in a roominghouse through installation of cooking equipment.
- b. Units created from nonresidential space, such as stores, garages, barns, and the like.
- c. Units moved to their 1959 site during the period April 1950 to December 1959.

6. Units lost through demolition.—A unit which existed in April 1950 and which was demolished or razed on the initiative of a public agency or by the owner was classified as a unit lost through demolition.

7. Units lost through other means.—Any unit which existed in April 1950 and which was lost to the housing inventory through means other than demolition was classified as a unit lost through other means. The following types of losses are included:

- a. Units lost by change to quasi-unit (the term "quasi-unit" is comparable to "quasi-dwelling unit" in 1956 and "non-dwelling-unit quarters" in 1950).
- b. Units lost by change to nonresidential space.
- c. Units moved from site since April 1950.
- d. Units abandoned or destroyed by fire, flood, etc. A unit was considered as abandoned if it was unfit for occupancy and no longer intended for use as living quarters.

When related to either the 1950 inventory or to the 1959 inventory, the sum of all components except "same" units is a measure of all the changes that took place in the inventory over the period studied. For example, the number of changes which affected the 1950 inventory is the sum of units changed through conversion, units changed through merger, units lost by demolition, and units lost from other causes. Similarly, the number of changes affecting the 1959 inventory is the sum of units changed through conversion, units changed by merger, units added by new construction, and units added by other means.

The components can also be used to describe the net changes between 1950 and 1959. The sum of units added during the period (units added by new construction; units added by conversion—the difference between 1959 units changed through conversion and the 1950 units changed through conversion; and units added to the 1950 inventory through other sources) less the sum of units lost during the period (units lost through demolition; units lost through mergers—the difference between 1950 units changed through merger and the 1959 units changed through merger; and units lost through other means) equals the net increase.

#### Survey Design

The enumeration of the Components of Change program during November and December 1959 provided basic data on the components of change and their characteristics. A second phase of the survey, accomplished in July 1960, used the regular 1960 Housing Census to improve the new construction estimates.

While the basic purpose of the program was to get measures of change between 1950 and 1959, the survey was also designed to take advantage of data obtained from the 1956 National Housing Inventory (NHI), which had provided similar measures of change between 1950 and 1956 for the United States and nine SMSA's. Thus, the survey generally measured changes from 1956 to 1959 in the United States and in the nine SMSA's which had been covered by the NHI. For these areas, the NHI results were pretranscribed on the 1956-59 forms used in the survey so that, by use of an office coding operation, information was available for 1950 to 1959 as well as 1956 to 1959. For example, if a unit existing in 1950 was found by the NHI enumerator to have been converted to two units by 1956, this fact was entered on the 1956-59 form. If the two units were then merged back to one unit by 1959, the office coding operation indicated "same unit" for the period 1950 to 1959 and "one unit changed by merger" for the period 1956 to 1959. In this way all actions affecting the units were recorded.

Special provisions were made for sampling the units added by large concentrations of new construction in all the SMSA's and in the United States. Land areas containing concentrations of new construction were identified and mapped in advance of the regular enumeration, and a sample of segments was drawn from these clusters.

The identification of clusters of new construction was undertaken in the field during the summer of 1959. For the purposes of this preenumeration survey, "new construction" was defined as that which was completed between November 1956 and the date of the survey. (New construction clusters for the period of April 1950 to November 1956 had been identified as a part of NHI.) A cluster was defined as containing 25 or more new units. The identification procedure involved having the enumerator make inquiry of informed local persons, such as building permit officials, tax

assessors, large builders, and others familiar with location of new residential subdivisions.

The enumerator obtained subdivision maps wherever possible, but if these were not available the enumerator prepared a map for each cluster. A sample of these clusters was then selected by the Bureau headquarters in Washington. The next step carried out in the field consisted of dividing the maps for the sample clusters into segments of approximately six units each. Each segment had to have boundaries which could be recognized by the regular SCARF enumerator. Finally, the segmented maps were sent to Washington where a sample of about 8,500 segments was selected (2,500 for the basic national sample and the remainder for supplementation of the sample for the 17 SMSA's). While a large part of the new construction component of the survey was obtained primarily from these segments, all new units found in the regular segments also contributed to that component of the estimate.

The measurement of the components of change for the United States and for the 17 SMSA's is based on data collected in about 24,000 small land segments located in about 650 counties and independent cities in all 50 States. These land segments contained approximately 230,000 dwelling units in 1959. In addition to the land segments, a list sample was used for the eight new SMSA's and the other segments which were not a part of NHI. This list sample, containing approximately 13,500 addresses, was designed to provide the basis for supplementing the information relative to units lost to the inventory between 1950 and 1959. Units lost between 1956 and 1959 in the United States and in the nine SMSA's in the NHI were obtained by enumeration of the land segments. In addition, units reported as losses in 1956 because of changes in use were revisited in 1959 to determine whether they had again changed status after 1956. The enumerator obtained additional data concerning the characteristics of units that changed or remained the same in the various components of the inventory, in a subsample of about 75,000 out of the 230,000 dwelling units.

#### Field Organization

In order to facilitate the collection of data, a separate SCARF office was established in each of the 17 SMSA's. The rest of the national sample was covered by 5 SCARF offices which were outside the 17 SMSA's. In each of the SCARF offices, a specially trained supervisor and staff, including crew leaders and reviewers, were responsible for recruiting and training enumerators, reviewing their work, and maintaining the necessary controls and administrative records. Within the 17 SMSA's special enumerators were recruited, whereas generally outside these SMSA's enumeration was done by the regular enumerators used in current surveys of the Bureau of the Census, e.g., the Current Population and Housing Vacancy Surveys and the National Health Survey.

Approximately 30 enumerators were used for each of the 17 SMSA's, and about 100 enumerators covered the areas outside the 17 SMSA's. The enumerators were paid on an hourly basis at \$1.60 per hour.

The training program was carried out in three stages:

(1) Four Bureau staff members, all of whom were associated with the development of the survey and the training program, were intensively trained.

(2) In late September 1959, these four in turn trained the supervisors and crew leaders from the SCARF offices, at five central locations in 5-day sessions. The

trainer in each location was assisted by other technicians from the Bureau.

(3) In late October, the SCARF supervisor, assisted by the crew leaders and a Bureau subject specialist, trained the enumerators. The SCARF supervisor also trained reviewers and other office personnel. The training sessions for the specially recruited enumerators consisted of 2 1/2 to 3 days of training and included practice enumeration of actual segments while under observation by one of the trainers or technicians. The enumerators who were regularly employed on current surveys of the Bureau generally received only 2 days of training.

To obtain uniformity in training at all levels, a "training guide" was used. The trainers read explanations of procedures from this guide, which included notes on when to ask questions, when to conduct mock interviews, and when to use filmstrips, manuals, practice exercises, and other training aids provided by the Bureau.

#### Enumeration Procedure

The classification of components for each of the three inventories--1950, 1956, and 1959--depended on a unit-by-unit comparison by an enumerator in the field. For segments in the eight new SMSA's and for new construction segments in the NHI areas, an enumerator compared each dwelling unit in the segment with the data reported for the segment in 1950. Similarly, in segments covered by the NHI, an enumerator compared each unit found in the segment in 1959 with the 1956 records. The 1950 to 1959 components in these latter areas, however, were obtained by the office coding operation.

In the enumeration, data were obtained on four basic forms:

1. Inventory Changes, Form H-7--used in all areas for which comparison could be made with the data from the 1956 NHI. The enumerator recorded 1956 to 1959 comparisons on the basis of pretranscribed 1956 information. The form also included the pretranscribed 1950 to 1956 comparisons. In addition to information relative to changes, this form provided space for recording 1959 data on the following characteristics: Number of rooms and persons in the unit, color of occupants, occupancy status, number of dwelling units in the structure, type of quarters, and year built.

2. Inventory Changes, Form H-7a--used in the eight new SMSA's and other segments not included in the NHI sample. Since no 1956 data are available for these areas, this form was used only for the 1950 to 1959 comparison. It provided for recording data on the same characteristics as those listed on form H-7.

3. Address Sample, Form H-14--used in areas which were not included in the 1956 NHI to determine whether or not a specified structure, reported in 1950 as containing one or more dwelling units, was still in existence and whether or not it was still used for residential purposes. This form was used to measure losses of whole structures as it provided the enumerator with the information that a specific structure existed at a specific address in 1950 even though it did not exist in 1959. (Such specific evidence was not available in the area sample.) For example, if a structure recorded in the 1950 Census was demolished shortly thereafter to make way for a street in a new subdivision, it was unlikely that the enumerator or the persons living in the segment in 1959 would know that such a structure ever existed. Losses of units in other than whole structures in

the segment were accounted for on form H-7a because some part of the structure at that address still contained units.

4. Characteristics, Form H-8--used to obtain detailed characteristics from a subsample of dwelling units in each land segment in the survey. The types of data obtained on form H-8 are shown in the table on p. 5. This form was designed so that microfilms of the completed forms could be processed on electronic equipment known as FOSDIC (Film Optical Sensing Device for Input to Computers) which transferred the data to magnetic tape for use as input for the electronic computers.

#### Use of Forms

The basic forms, H-7, H-7a, H-14, and H-8 (see pp. 10 to 19) were used as follows:

1. Form H-7--Section B contained a transcription of the 1956 NHI enumeration of units in each segment. It also included space for describing the 1959 status of each unit. In section C, the enumerator listed all the units he found in the land segment in 1959 with some identifying characteristics as well as year built and year of change. He also made a comparison between 1956 and 1959 by indicating for each unit whether it was the same unit as in 1956, a different unit, or an added unit. A unit was classified as different if it was the result of a conversion or a merger. Added units included those resulting from new construction, those resulting from a change in use of structures from nondwelling unit and nonresidential use to dwelling unit use, and those moved to site.

After completing the 1956-59 comparison for units existing in 1959, the enumerator recorded in section B the current status of the 1956 units by indicating one of these categories: Same, converted, merged, changed to quasi-unit (non-dwelling-unit living quarters), changed to nonresidential, unfit for use, demolished, and other (including moved, burned, etc.).

2. Form H-7a--The enumeration procedure for form H-7a was substantially the same as for H-7 except that (1) the H-7a enumerator was given the 1950 enumeration records from which he transcribed to section B of the form the 1950 information for structures now in the segment, and (2) the comparisons were made between 1950 and 1959. The 1950 records included information for the whole enumeration district in which the segment was located. The enumerator first identified addresses of units currently in the segment and then searched the 1950 records to find corresponding addresses. If a corresponding address could not be found in the 1950 records, the enumerator found out from the occupants of the 1959 unit (or from informed neighbors) whether that unit had existed in 1950 or whether it had been added to the inventory since that time. He did not attempt to account for structures that were no longer in the segment or that no longer contained any units, because such "lost" structures were covered by the address sample.

3. Form H-14--The address sample consisted of clusters, generally containing three addresses each, selected from the 1950 enumeration districts in which the land segments were located. The enumerator transcribed these addresses to form H-14 and, by either interview or observation, determined whether or not the structures involved still existed and still contained dwelling units. If the structure still contained units, he indicated how many. If a structure no longer contained units or no longer existed, he recorded the present status in one of these categories: Entirely quasi-unit (roominghouse, hotel, institution, etc.); entirely

for nonresidential use; unfit (vacant, not usable for living quarters); demolished; moved from site; and other. He also obtained information on the year of change.

In bringing up to date the 1956 address sample, the enumerator visited only those structures which had been reported in 1956 as having been changed from dwelling unit use to either "nonresidential use," "unfit," or "other." The addresses were transcribed for him on an H-7a schedule (with a special designation) and he recorded the current status on that form. For example, the structure might again contain dwelling units or there might have been a change in loss status if a unit reported as changed to nonresidential use in 1956 had been demolished by 1959. Losses between 1956 and 1959 in the nine SMSA's were recorded during the regular enumeration on form H-7.

4. Form H-8--A subsample line was designated on each form H-7 and H-7a. Each time a unit was listed on the line designated for the subsample, the enumerator completed form H-8. The sample lines, designated in advance on form H-7, included those units that were in the NHI sample. In addition, added units were sampled by predesignated sample lines in section D of form H-7. The selection of the subsample for the H-7a was done by predesignated sample lines on the enumerator's control record (form H-113, which was not a public-use form).

The purpose of form H-8 was to collect the information desired on additional characteristics (see p. 5). It also provided for obtaining the name and address of the owner of each property, for use in the residential finance portion of SCARF.

#### Control of Quality and Progress of Enumeration

Control of quality involved observation of the enumerator's work in the field and review in the office of his early work. The enumerator's work in the field was first observed during training and then observed by the crew leader during the enumeration of the first segments. In addition, the reviewers examined completed work in detail for the early segments and discussed errors with the enumerator. Once the enumerator had demonstrated his ability to pass review, the balance of his work was reviewed in less detail. The supervisor was empowered to terminate the employment of enumerators whose work was unacceptable.

Enumeration started in late October 1959. Nearly one-half of the enumeration was completed by the end of November. At the end of December field work for the survey was about 90 percent complete; the segments still to be enumerated were those having mapping or other problems which had to be resolved in Washington.

#### Phase II of the Components of Change Survey

The purpose of Phase II was to provide a means for inflating the sample for the new construction component by the ratio estimating procedure. In effect, Phase II made it possible to provide an improved estimate, in many cases, by taking advantage of the correlation between counts of new construction, segment by segment, and the growth between the 1950 and the 1960 Housing Censuses, by providing counts of the units in the SCARF segment that were enumerated in the 1960 Census. These improved ratio estimates were used in estimating new construction (a separate ratio estimation procedure was used for units existing in 1950).

The field enumeration for Phase II was conducted in June and July 1960. The procedure called for a return visit to each SCARF segment by an enumerator. He was provided

with the 1960 Census listing book (form F-201A) from which he determined the count of the number of units enumerated by the regular census enumerator in that segment. Form H-141, used to record Phase II results, provided space (section A) for listing every structure in the segment, residential and nonresidential. It also included a transcription of Phase I listing (section B) and space for transcribing from the listing book all the units reported by the 1960 census enumerator (section C). The enumerator was to (1) list all structures within the segment boundaries, (2) search the listing book for all units enumerated in those structures, (3) transcribe those units to the H-141, (4) in-

dicating whether or not Phase I units were included in the transcribed 1960 Census records for the segment (column 10, section B), and (5) show the total number of units in each segment for each enumeration.

This procedure took into account differences resulting from (1) changes in definition of the unit of enumeration ("dwelling unit" in SCARF, "housing unit" in the April 1960 Census) and (2) a time difference of 4 to 5 months between enumerations. It also provided a basis for additional work designed to obtain a measure of the effect of changing the unit of enumeration from "dwelling unit" to "housing unit."

Table 1.--ITEMS OF DATA COLLECTED FOR TABULATION, COMPONENTS OF CHANGE PROGRAM

Item	Form H-7	Form H-7a	Form H-8	Form H-14	Item	Form H-7	Form H-7a	Form H-8	Form H-14
<b>1959 Components:</b>					<b>1959 Characteristics--Continued</b>				
Same units.....	X	X	.....	.....	Color of head of household.....	.....	.....	X	.....
Units changed by conversion.....	X	X	.....	.....	Water supply.....	.....	.....	X	.....
Units changed by merger.....	X	X	.....	.....	Toilet.....	.....	.....	X	.....
Units added through new construction.....	X	X	.....	.....	Bath tub or shower.....	.....	.....	X	.....
Units added through other sources.....	X	X	.....	.....	Number of bathrooms.....	.....	.....	X	.....
<b>1950 or 1956 Components:</b>					Condition of unit.....				
Same units.....	X	X	.....	.....	Tenure.....	.....	.....	X	.....
Units changed by conversion.....	X	X	.....	.....	Seasonal status of vacant units.....	.....	.....	X	.....
Units changed by merger.....	X	X	.....	.....	Vacancy status of vacant units.....	.....	.....	X	.....
Units lost through demolition.....	X	X	.....	X	Value of property <sup>1</sup> .....	.....	.....	X	.....
Units lost through other means.....	X	X	.....	X	Rent.....	.....	.....	X	.....
<b>1959 Characteristics:</b>					Utility costs for rented units.....				
Rooms.....	X	X	.....	.....	<b>Characteristics of Previous Residence:<sup>2</sup></b>				
Units in structure.....	X	X	.....	.....	Year head moved into unit.....	.....	.....	X	.....
Year built.....	X	X	.....	.....	Location of previous residence.....	.....	.....	X	.....
Household composition.....	.....	.....	X	.....	Tenure of previous residence.....	.....	.....	X	.....
Number of persons in unit.....	.....	.....	X	.....	Value of previous residence.....	.....	.....	X	.....
					Rent of previous residence.....				

<sup>1</sup>Restricted to 1-unit properties with no business.

<sup>2</sup>Information on previous residence obtained only when head moved into unit in 1958 or 1959.

Table 2.--DESCRIPTION OF FORMS, COMPONENTS OF CHANGE PROGRAM

Form number and title	Use	Distribution	Specifications
H-7 Inventory Changes	Used in the segments that were enumerated in the 1956 National Housing Inventory, mainly in the nine SMSA's and the "national" sample. It also provided for coding 1950 to 1959 status. Section B provided the current status of the units enumerated in the 1956 National Housing Inventory. In section C, the enumerator listed the units in the 1959 inventory and made the comparison between 1956 and 1959.	Included in enumerator's kit.	17" x 14". Buff paper, brown ink. 125,000 forms printed.
H-7a Inventory Changes	Used in the segments that were not enumerated in the 1956 National Housing Inventory, mainly in the eight new SMSA's. Section B provided the current status of the units enumerated in the 1950 Censuses of Housing and Population. In section C, the enumerator listed the units in the 1959 inventory and made the comparison between 1950 and 1959.	Included in enumerator's kit.	17" x 14". Canary paper, brown ink. 78,000 forms printed.
H-8 Characteristics	Used to obtain detailed characteristics of units in the 1959 inventory. The items on the front side of the schedule were obtained in the field enumeration. The data on the back of the schedule were obtained in an office transcription.	Included in enumerator's kit.	17 1/2" x 14", folded to 8 3/4" x 14". White paper, black ink. 450,000 forms printed.
H-14 Address Sample	Used mainly in the eight new SMSA's for the enumeration of a sample of addresses, drawn from the 1950 Census schedules, to measure losses of whole structures from the 1950 inventory.	Included in enumerator's kit.	8" x 10 1/2". Green paper, black ink. 86,000 forms printed.
H-141 Phase II	Used to obtain counts of housing units in the segment reported by the 1960 Census enumerator. Section A provided space for a complete listing of all structures in the segment. Section B contained transcribed data from Phase I showing, among other things, the name of head and address of every unit counted in Phase I; the main purpose was to assist the Phase II enumerator to locate all the 1960 units reported in the census. In section C, the Phase II enumeration listed all the 1960 Census housing units shown in the Listing Book for the segment.	Included in enumerator's kit, with Phase I data pre-transcribed.	19" x 11 3/4". White card stock, black ink. 60,000 forms printed.

## RESIDENTIAL FINANCE PROGRAM

## Purposes and Uses of the Data

The 1960 Residential Finance program is the latest in a series of Bureau of the Census surveys of residential mortgages. As early as 1890, the Bureau collected detailed statistics on the residential mortgage situation. As part of the 1920 and 1940 censuses, mortgage questions were asked of owners who occupied their own homes. In 1950, the census included a separate survey on residential financing, very similar to the 1960 census program; data on mortgages, property, and owners were collected from owners of both owner-occupied and rental properties, and additional information about the mortgage was collected from mortgage lenders. In 1956, as part of the NHI, a survey was made of the mortgage status of owner-occupied properties having from one to four dwelling units.

The Bureau undertook the 1960 Residential Finance program in recognition of the need expressed by the many users of the data for more up-to-date information in this area. The program was designed to provide information for—

- (1) Congress and various Federal agencies which decide policies and programs to (a) regulate the availability of credit so as to control inflation and stimulate recovery from economic recessions, and (b) encourage residential building by providing Government mortgage insurance or guarantees (through the Federal Housing Administration and Veterans Administration), by providing funds for the purchase of residential mortgages (through the Federal National Mortgage Association), and by providing funds for publicly subsidized housing (through the Public Housing Administration).
- (2) Builders of homes and apartments who are interested in the availability of funds for construction loans and mortgage money for prospective home buyers.
- (3) Lenders—such as banks, insurance companies, savings and loan associations, and individuals—who invest savings in mortgages and must decide how much and at what terms money should be lent for residential finance purposes.

A Technical Advisory Committee, consisting of mortgage finance experts from private industry, universities, and the Federal Government, was assembled by the Bureau to work with it in planning and developing the 1960 Residential Finance program.

The 1960 Residential Finance program obtained information on the financing of homes and rental properties. Data were collected on both mortgaged and nonmortgaged properties so that the characteristics of the two types could be compared. The following types of information are to be provided:

1. Mortgage characteristics, such as amount, duration, interest rate, and date of the loan; mortgage payment; Government insurance status; type of lender; presence of junior mortgages; and the size and characteristics of the debt currently outstanding on the property.
2. Property characteristics, such as value, purchase price, year built, year acquired, how acquired, number of dwelling units, condition, and the combined outlay for real estate taxes, fire and hazard insurance, and utilities.
3. Owner characteristics, such as income, veteran status, color, and family composition for owner occupants of

one dwelling unit properties; and type of owner (for example, individual, partnership, or corporation) of rental properties.

United States, regional, and combined metropolitan area totals of the data are to be presented for the following types of properties:

1. Homeowner properties, that is, owner-occupied properties containing one to four dwelling units.
2. Rental and vacant properties with (a) 1 to 4 dwelling units, (b) 5 to 49 dwelling units, and (c) 50 or more dwelling units.

Separate summaries on homeowner properties are to be published for each of the 17 SMSA's.

## Survey Design

The 1960 Residential Finance program was conducted by mailing questionnaires to a sample of property owners and to lenders who held mortgages on those properties. The sample was selected to represent a cross section of all residential properties in the country. The main source of the sample was the group of properties containing the 75,000 dwelling units in the Components of Change survey subsample used to obtain data on the characteristics of the dwelling units and the occupant households (see p. 3).

To reduce the sampling variability for estimates of rental properties, because a large proportion of rental units are in a small proportion of rental properties, the Components of Change subsample was supplemented with a sample of large rental properties, that is, apartment houses and rental developments containing 50 or more units. These were selected from a comprehensive list of all large rental properties. One out of every 4 properties with 50 to 74 units, 1 out of every 2 with 75 to 99 units, and all properties with 100 or more units were selected for the sample. The comprehensive list was compiled from the following sources:

- (1) Large rental properties included in the 1950 Survey of Residential Financing. This group provided, for the new comprehensive list, those properties which were in the inventory at the time of the 1950 survey.
- (2) A listing of new construction made in connection with the NHI of 1956. This listing provided essentially the large rental properties added to the inventory during 1950-56.
- (3) A listing of new construction made in 1959 in connection with the survey of Components of Change. This listing provided essentially the large rental properties added to the inventory during 1956-59.
- (4) Listings of rental and cooperative properties involved in the mortgage insurance programs of the Federal Housing Administration. These listings were used to supplement the other listings and to improve identification of properties included in the other listings.

## Field Organization

The Residential Finance program in the field was handled by the SCARF staffs of the 17 Regional Offices of the Bureau of the Census and 5 special SCARF offices established in Buffalo, Baltimore, Cleveland, San Francisco, and Washington (see p. 3). Although the Residential Finance program was under the general supervision of the SCARF supervisor, primary responsibility for direction of the program in each

office was assigned to the Residential Finance chief clerk. The size of the Residential Finance staff varied from office to office, depending upon the size of the workload. A typical office had, in addition to the Residential Finance chief clerk, a control clerk who maintained the control records, and four or five clerks who initiated the control records, prepared questionnaires for mailing, and who edited the incoming questionnaires.

The chief clerks were trained in October and early November 1959, at three sites--Washington, Kansas City (Mo.), and Denver. The training sessions lasted 2 days and covered the various field office procedures for handling the survey. Personnel from the Washington headquarters of the Bureau conducted the training sessions. A "training guide" was used to obtain uniformity in training. Filmstrips, slides, question-answer periods, and practice exercises reinforced the basic lecture. The chief clerks in turn trained the members of their office staffs. Each office was provided with copies of a manual which detailed the various basic steps of the survey procedure and a "technical guide" which explained the purpose of the survey and the intent of the questions appearing on the questionnaire and contained definitions of housing and financial terms. Training of enumerators is discussed below.

#### Enumeration and Followup Procedures

Three different questionnaires were used to obtain the information in the 1960 Residential Finance program:

1. Homeowner Questionnaire, Form 60H-10--mailed to owners of properties with one to four dwelling units, one of which was owner occupied.
2. Rental Property Questionnaire, Form 60H-11--mailed to owners of all other residential properties.
3. Lender Questionnaire, Form 60H-12--mailed to lenders reported holding mortgages on properties.

More detailed information about the questionnaires is available in the table entitled "Description of Forms," on page 8. The content of the questionnaires is evident in the copies reproduced on pages 22 to 35.

The first step in the Residential Finance office procedure was the preparation of a Residential Finance control card for each dwelling unit in the Components of Change characteristics subsample. The name and address of the owner of the dwelling unit, together with other information about the unit, were transcribed from the Components of Change H-8 form to the Residential Finance control card. The owner's name and address were then transcribed to the appropriate questionnaire--the 60H-10 if the property was owner occupied, the 60H-11 if it was rented. The control card was used to record dates of mailing and receipt of the questionnaires and the completion of other office operations.

The Homeowner Questionnaire and the Rental Property Questionnaire were mailed from the SCARF field offices to the owners of properties in the Components of Change subsample in December 1959. The Rental Property Questionnaire was mailed to owners in the supplemental sample of large rental properties earlier, November 1959, from Washington, because the required addresses were available there at that time.

When questionnaires were received in the field offices, they were reviewed for completeness. Missing information was collected by phone or mail. If the returned questionnaire from the owner showed that the property was mortgaged, the name and address of the mortgage lender re-

ported by the owner was transcribed to a Lender Questionnaire. The field office mailed the Lender Questionnaires during the months of January, February, and, in some instances, March of 1960.

Owners who failed to return their completed questionnaires within a 10-day period were sent a mail reminder and, if that did not secure a response within a week, a second and stronger followup letter was sent.

Owners who failed to respond to the second followup letter were visited by specially trained enumerators. The Residential Finance enumerators were recruited from the Components of Change enumerators. Many were experienced census enumerators who worked for continuing Bureau of the Census programs, such as the Current Population Survey. Special training in completing the Residential Finance questionnaires was given these enumerators by members of the Bureau staff. This training was given in late January of 1960, on the basis of a manual designed to obtain uniformity of instruction and aided by filmstrips, practice exercises, and mock interviews.

For lenders, the followup procedure varied. Nonrespondent lenders who were private individuals received the same followup treatment as owners--two letters and a visit by an enumerator if necessary. The procedure for nonrespondent institutional lenders--banks, insurance companies, mortgage companies, etc.--depended upon the number of Lender Questionnaires they were required to fill. If an institutional lender had received only one questionnaire, the followup procedure was the same as for owners or lenders who were private individuals; those with several questionnaires pending received phone calls asking for their cooperation in returning the questionnaires promptly and explaining the importance and legal authority for the Residential Finance survey. Occasionally, visits were made to lenders in an effort to aid them in completing the questionnaires.

For a relatively small number of recalcitrant lenders and owners of large rental properties who failed to respond after the regular followup procedure, it was necessary to use an additional strongly worded letter indicating that their cases would be referred to Washington headquarters for further action if the completed questionnaires were not returned within a stipulated period of time.

Completed questionnaires were sent from the field offices to the Bureau's Census Operations Office, in Jeffersonville, Ind., for processing of the data.

Collection of data on homeowner properties in the 17 SMSA's began in the spring of 1960. Since this survey occurred about the same time as the main 1960 Censuses of Population and Housing, it was impractical to carry out the SMSA phase of the Residential Finance program in the Census field offices. Therefore, this task was assigned to the Census Operations Office in Jeffersonville, Ind. In late April 1960, that office mailed 25,000 Homeowner Questionnaires to owner occupants of 1- to 4-dwelling-unit properties in the 17 SMSA's. The Lender Questionnaires for mortgages reported on these properties were mailed in June and July of that year.

The procedures followed in Jeffersonville in connection with this supplemental program were identical to those used in the field offices, except that the telephone was not used for supplementing incomplete schedules. When owners failed to respond to the followup letters mailed from Jeffersonville, the cases were referred to the Regional Census Offices for personal visits by enumerators.

## COMPONENTS OF CHANGE

Table 3.--DESCRIPTION OF FORMS, RESIDENTIAL FINANCE PROGRAM

Form number and title	Use	Distribution	Specifications
60H-10 Homeowner Questionnaire	Used to collect mortgage and property data for mortgaged and nonmortgaged properties with 1-4 dwelling units at least one of which was owner occupied.	Mailed to owners of owner-occupied properties in Components of Change characteristics sample.	10 1/2" x 16", folded to 10 1/2" x 8". Black on green. 300,000 forms printed.
60H-11 Rental Property Questionnaire	Used to collect mortgage and property data for mortgaged and nonmortgaged properties with 5 or more dwelling units and, if no unit was owner occupied, with 1-4 dwelling units.	Mailed to owners of rental and vacant properties reported in the Components of Change characteristics sample and in the supplemental sample of large rental property.	10 1/2" x 16", folded to 10 1/2" x 8". Black on yellow. 250,000 forms printed.
60H-12 Lender Questionnaire  (Included 60H-12a, First Mortgage Ques- tionnaire and 60H-12b, Junior Mortgage Questionnaire)	Used to collect detailed mortgage data from the holders of mortgages reported on the forms 60H-10 and 60H-11.	Mailed to holders of mortgages.	16" x 21", folded to 8" x 10 1/2" (8-page booklet). Black on white (2 pages, gray screening). 300,000 forms printed.