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Apartment Resources

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Albany-Schenectady-Troy, NY; Madison, WI; Orlando, FL, and Albuquerque, NM

WHO'S MOVING: GEOGRAPHICAL MOBILITY IN 1989-90

The multifamily business is built on mobility. So, when the US Census Bureau released their most recent detailed mobility study, *Geographical Mobility: March 1987 to March 1990* (Series P- 20, Number 456), we decided the report was vital for multifamily professionals. The report is a detailed look at who is moving in America--and where. This article will summarize some of the more important findings of the report, with particular emphasis on renter-occupied units. The report details mobility for three years, but we will focus on mobility between March 1989 and March 1990 in order to provide a "snapshot" of the most current American mobility patterns. It is important to remember that this information is not trended.

GENERAL MOBILITY

Overall, 16.9% of American households changed residence between March 1989 and March 1990. By occupancy status, this represents 33.6% of all households in renter-occupied units, or, approximately 11.3 million of the 33.5 million renter households in the United States. Only 7.6% (approximately 4.5 million) of the 59.8 million households in owner-occupied housing moved. A distribution of all mover households indicates that 71.2% moved into a renter-occupied unit and 28.8% moved into an owner-occupied unit.

The majority of these moves were within the same county, with more renters moving locally than owners, as indicated in the following table:

	Previous Household		
	Same County	Different County, Same State	Different State
Renters	63.2%	18.6%	18.3%
Owners	58.5%	23.1%	18.1%

Marital Status

By marital status, the group with the highest mobility rate was the Married-Spouse Absent group, of which 30.8% moved. No distribution was available of marital status for renter-occupied and owner-occupied units. The following table indicates the mobility rate by marital status for all mover households:

Marital Status	Percent Moved
Single	20.5%
Married- Spouse Present	13.7%
Married-Spouse Absent	30.7%
Widowed	8.0%
Divorced	23.6%

AGE

People in their twenties were the most likely to move, with over one-third (36.3%) of those between 20 and 24 moving. The median age of those moving was 26.6 years, almost 7 years below the overall median of 33.2 years and over 9 years below the nonmover median of 35.6 years. Not surprisingly, after the peak of movers in the 20 to 24 age range, the percent of movers decreases with each succeeding age group except the last.

A distribution of all movers by age and sex indicates that more women than men moved in the 15 to 24 and post-55 age groups, while more men moved than women in the 25 to 50 age groups, as indicated in the table on the following page :

A total of 33.6% of all households in renter-occupied units had moved in the last year, compared to only 7.6% of those in owner-occupied units.

Percent Moved			
Age	All	Male	Female
1 to 14	18.4%	18.6%	18.3%
15 to 19	16.6%	15.4%	17.9%
20 to 24	36.3%	35.1%	37.5%
25 to 29	32.4%	33.3%	31.4%
30 to 34	22.5%	23.3%	21.7%
35 to 39	17.3%	18.1%	16.5%
40 to 44	13.5%	14.3%	12.8%
45 to 49	10.2%	10.5%	9.9%
50 to 54	8.8%	8.9%	8.7%
55 to 59	8.0%	7.8%	8.1%
60 to 64	6.6%	6.5%	6.6%
65 to 69	5.6%	5.6%	5.6%
70 to 74	4.2%	3.8%	4.4%
75 or over	5.8%	4.8%	6.0%

HOUSEHOLD SIZE

An examination of movers by household size indicates that one-person households moved more frequently at 18.4%. The group least likely to move was households with seven or more members at 14.1%.

A distribution of all movers by household size indicates that over half (59.2%) of all movers were in one- or two-person households. The following table shows a distribution of movers by household size and the percentage of movers for each household size:

Household Size	Distribution of All Movers	Percent Moved
One	26.7%	18.4%
Two	32.5%	17.0%
Three	18.3%	18.0%
Four	13.1%	14.3%
Five	5.9%	15.0%
Six	2.3%	16.4%
Seven or more	1.2%	14.1%
Total	100.0%	

EDUCATION

Those with more education tended to have a higher rate of moving. Of those 25 or over, people with four years of college had the highest moving rate at 17.2%.

Those with only some elementary school had the lowest rate, 10.4%. However, it should be noted that those with only an elementary school education tend to be clustered in the highest age ranges.

Of those in the key apartment-renting ages of 25 to 34, however, those with 5 or more years of college (i.e., graduate students or lawyers), showed the highest moving rate (40.5% between 25 and 29 and 26.3% between 30 and 34). A distribution of moving percent by education and for the 25 to 34 age groups follows:

Percent Moved			
Education Level (Years)	Overall	25 to 29	30 to 34
Elementary (0 to 8)	10.3%	34.2%	25.5%
High School (1 to 3)	14.8%	35.5%	25.1%
High School (4)	16.6%	28.8%	21.1%
College (1 to 3)	16.6%	31.5%	22.0%
College (4)	17.2%	36.7%	22.0%
College (5 or more)	15.6%	40.5%	26.3%

INCOME

There is a direct correlation between income and whether a person will be found in owner-occupied housing or renter-occupied housing as indicated on the accompanying graph. As the table on Page 4 shows, the percentage of movers who moved into rental housing decreased as incomes increased. In the lowest income bracket (below \$10,000), 89.3% of all movers moved into rental housing, while in the highest income bracket (over \$100,000) only 26.4% moved into rental housing.

The one-quarter of over-\$100,000 households who chose to move into rental housing are likely renters by choice. They can afford single-family housing, but evidently are choosing to live in rental housing for other reasons, including the greater flexibility in moving (see below). This group is a very small one, however, as it represents only 1.0% of all households which moved into rental housing.

Household Income	Moved to Rental Unit	Moved to Owned Unit
Less than \$10,000	89.3%	10.7%
\$10,000 to \$19,999	82.7%	17.3%
\$20,000 to \$29,999	76.2%	23.8%
\$30,000 to \$39,999	65.8%	34.2%
\$40,000 to \$49,999	56.6%	43.4%
\$50,000 to \$59,999	54.2%	45.8%
\$60,000 to \$69,999	46.2%	53.8%
\$70,000 to \$79,999	39.2%	61.1%
\$80,000 to \$89,999	34.4%	65.6%
\$90,000 to \$99,999	32.9%	67.1%
\$100,000 or more	26.4%	73.6%

It should also be noted that, overall, the percentage of movers tended to decrease as incomes increased, with households making between \$10,000 and \$19,999 moving the most frequently, and those making over \$100,000 moving the least frequently. However, this was not the case of renters, as the percentage of high income renters who had moved remained relatively consistent throughout all income groups. This makes it appear likely that many of the higher-income renters rent because they move more frequently than others in their income range and like the flexibility of renting as opposed to the complications of selling and buying owned units. The following chart shows the overall percentage of movers by income range, as well as percentage of renter movers:

Percent Moved		
Household Income	Overall	Renters
Less than \$10,000	19.2%	30.3%
\$10,000 to \$19,999	20.5%	36.6%
\$20,000 to \$29,999	19.3%	35.3%
\$30,000 to \$39,999	16.0%	32.9%
\$40,000 to \$ 49,999	13.6%	30.7%
\$50,000 to \$59,999	12.9%	34.6%
\$60,000 to \$69,999	13.2%	34.6%
\$70,000 to \$79,999	13.2%	36.4%
\$80,000 to \$89,999	11.8%	50.6%
\$90,000 to \$99,999	11.7%	35.4%
Over \$100,000	11.1%	30.5%

A distribution by income of those who moved into rental housing indicates that almost half (49.4%) are making less than \$19,999, with over two-thirds (70.2%) making less than \$29,999, as follows:

Household Income	Distribution of Renter-mover Households
Less than \$10,000	22.8%
\$10,000 to \$19,999	26.6%
\$20,000 to \$29,999	20.8%
\$30,000 to \$39,999	12.3%
\$40,000 to \$49,999	6.9%
\$50,000 to \$59,999	4.4%
\$60,000 to \$79,999	4.0%
\$80,000 to \$99,999	1.2%
\$100,000 or more	1.0%
Total	100.0%

In addition, it should be noted that higher-income renters made fewer local moves than those with lower incomes. Over two-thirds (68.9%) of renter movers making less than \$10,000 moved within the same county compared to only 38.9% of those making \$100,000 or more. What this means is that owners and managers of upscale properties dependent on renters in upper income brackets may need to become more effective at designing marketing programs targeting movers from out of the area or corporate transfers. The following table details the percentage of renter movers who stayed within the same county:

Household Income	Percent Renters Moving Within Same County
Less than \$10,000	68.9%
\$10,000 to \$19,999	65.2%
\$20,000 to \$29,999	64.2%
\$30,000 to \$39,999	61.4%
\$40,000 to \$49,999	53.1%
\$50,000 to \$59,999	52.5%
\$60,000 to \$69,999	52.6%
\$70,000 to \$79,999	59.1%
\$80,000 to \$89,999	51.8%
\$90,000 to \$99,999	62.7%
\$100,000 or more	38.3%

The Danter Apartment Rent and Vacancy Report Series: Setting a New Standard

For years, getting reliable rent and vacancy information has been a problem. Most studies were based on samples, which may be accurate, or may not. The Census rarely distinguishes between rental apartments and other types of rentals, and even when they do, they do it by the number of units in the structure--not in the project. Even when you did find reliable information on a market, it was not comparable to information on any other market because it was most likely done by a local firm, and all local firms had differing standards and definitions,

The Danter Apartment Rent and Vacancy Report Series is designed to solve these problems. This report is a breakthrough in apartment reporting for several reasons:

--**The 100% Data Base methodology** pioneered by The Danter Company means that all the modern apartments with over 100 units will be surveyed in each market. In some markets the survey will include even smaller projects. No sampling errors. No gaps. Just the real story.

--**Standard definitions of rent and vacancies** for all projects insures comparability. The Danter Company uses a special computer application to adjust all rents to net rent. We also use the same definition of vacancy in every market. The result: reports that provide rent and vacancy data that are comparable across all markets.

--**Top 298 MSAs.** *The Danter Apartment Rent and Vacancy Report Series* will be available for the top 298 MSAs, with each market being released as completed.

--**Four Report Levels** insures that the report you need is available. Reports available include the standard metro area overview, which can be supplemented by a Danter-established submarket or a submarket that you can define. In addition, we can track data for a selected apartment community.

Following is a list of projects to be available soon:

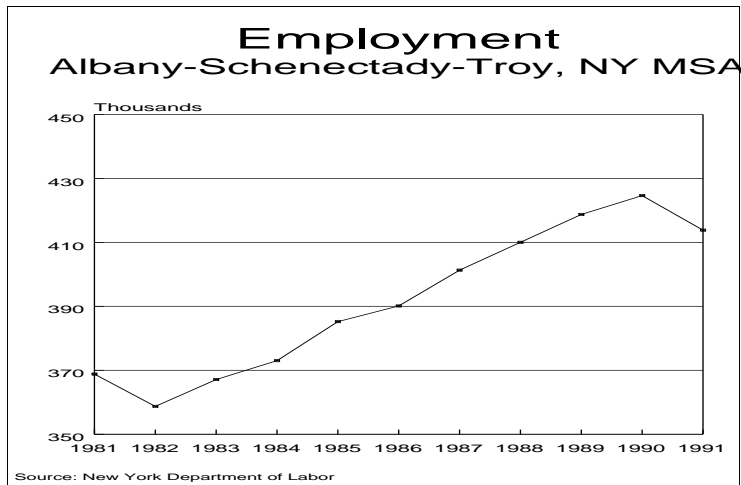
<u>CITY</u>	<u>DATE AVAILABLE</u>
COLUMBUS, OH	NOW!
MUNCIE, IN	NOW!
ALBANY, GA	SEPTEMBER 92
CANTON, OH	SEPTEMBER 92
CINCINNATI, OH	SEPTEMBER 92
ORLANDO, FL	SEPTEMBER 92
SANTA FE, NM	SEPTEMBER 92
SARASOTA, FL	SEPTEMBER 92
TOLEDO, OH	SEPTEMBER 92
TOPEKA, KS	SEPTEMBER 92

Give us a call at 1-800-532-6837 for a price list for these cities, or to find out when the cities you need will be available.

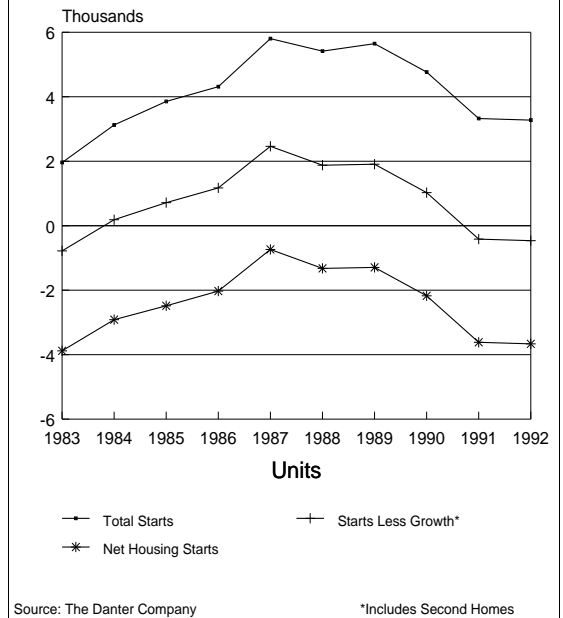
Market at a Glance

Market at a Glance is a special feature offered by The Danter Company that compares housing demand with housing supply for one market in each major Census region. Each Housing Demand Analysis graph compares total starts (housing supply) with demand from household growth, second home construction, and internal mobility on a 10-year historical basis.

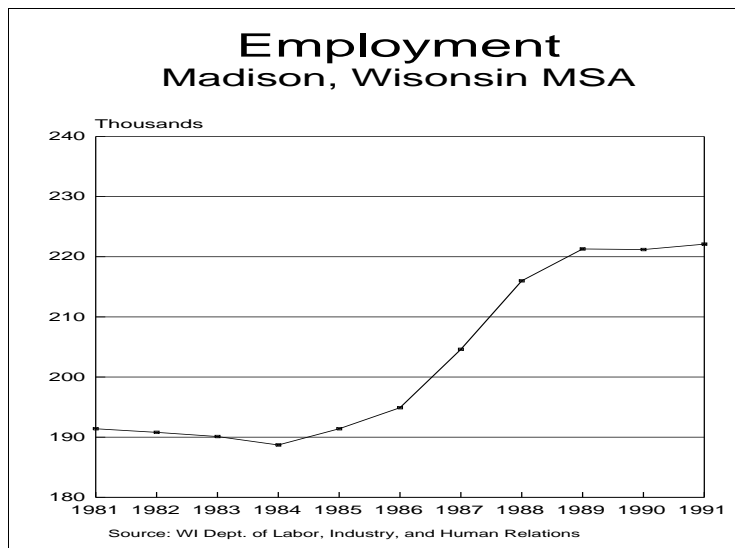
East--Albany, Schenectady-Troy, NY MSA



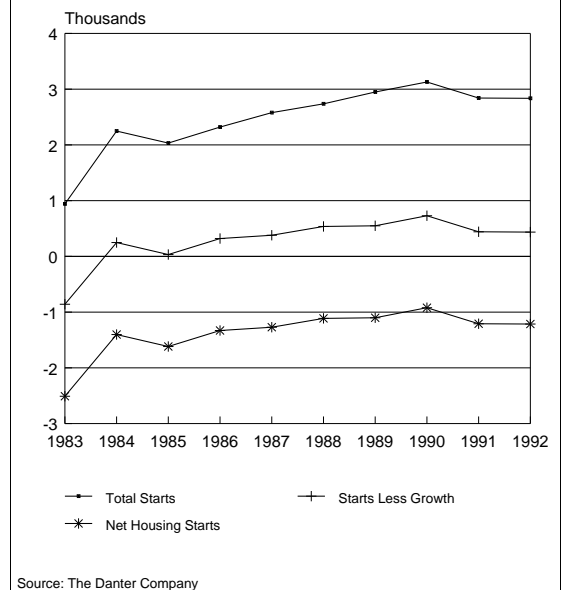
Housing Demand Analysis Albany-Schenectady-Troy MSA



Midwest--Madison, WI MSA

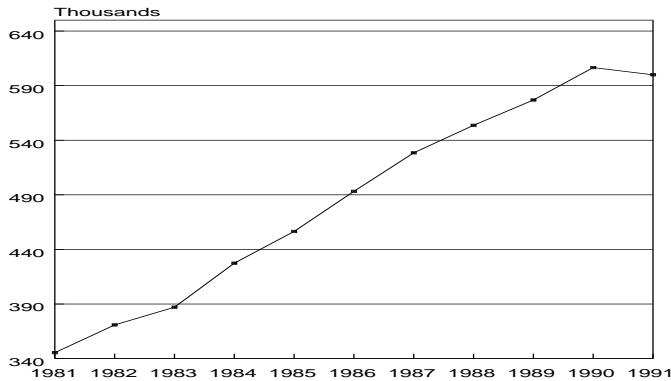


Housing Demand Analysis Madison, Wisconsin MSA



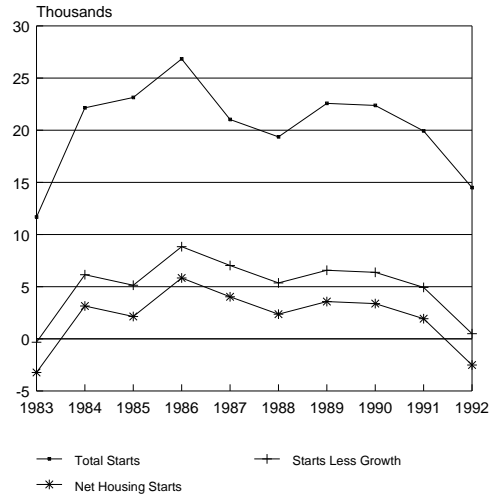
South--Orlando, FL MSA

Employment Orlando, Florida MSA



Source: FL Dept. of Labor and Emp. Sec.

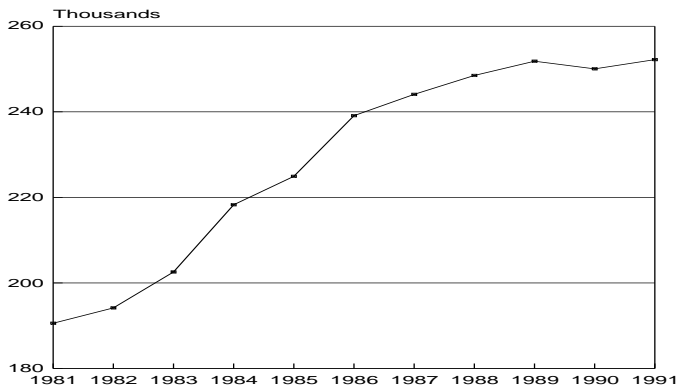
Housing Demand Analysis Orlando, Florida MSA



Source: The Danter Company

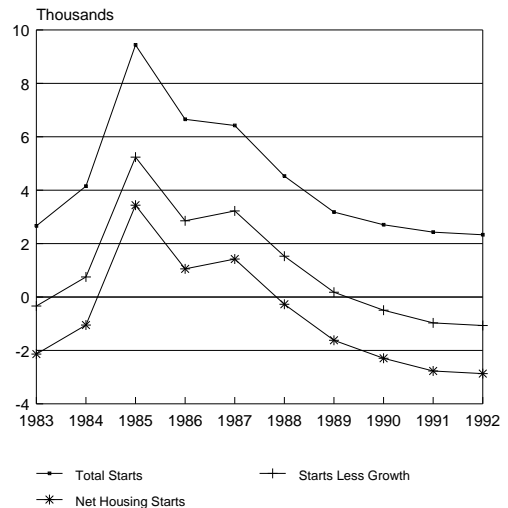
West--Albuquerque, NM MSA

Employment Albuquerque, New Mexico MSA



Source: New Mexico Emp. Security Dept.

Housing Demand Analysis Albuquerque, New Mexico MSA



Source: The Danter Company



News and Notes

- Look for a new article by Kenneth Danter, President of The Danter Company, in the July issue of *Mortgage Banking*. Issues addressed include interpreting rent and vacancy surveys, and trended versus untrended rents.
- The Danter Company is pleased to announce *The Danter Apartment Rent and Vacancy Report Series*. Call us at 1-800-532-6837 to find out for which cities the report is available.
- Don't forget that The Danter Company is more than the best source of information on apartments. We are a full-service real estate research firm that also studies condominium, single-family, golf course, motel/hotel, retail, office, industrial, congregate care/assisted-living, nursing home, resort, marina, and mobile/manufactured home development. Call us to find out how we can meet all of your real estate research needs.
- We would like to welcome members of the National Housing and Rehabilitation Association. As an official analyst for the organization, The Danter Company provides this newsletter without charge to all association members.
- Kenneth Danter, president of The Danter Company and nationally-recognized expert on real estate development and trends, is available for speaking engagements. He has addressed numerous regional and national associations and conferences and local apartment associations throughout the country on issues of importance to multifamily professionals.
- In case you missed it, "Apartment Lending After the Boom" is now available in reprint. Written by Kenneth Danter, president of The Danter Company especially for *Mortgage Banking*, this article details survival strategies for the nineties that no multifamily professional should be without. Call, write, or fax us today to get your copy.

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