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PAGE

2 Apartment Shoppers By Age: The Aggregated POP Surveys

The final installment of our Aggregated POP Surveys series tells us about upscale apartment shoppers and their household composition and amenity preferences by age group.

Apartment Shoppers By Age: The Aggregated POP Surveys

Editor's Note: Over the last several years, we have conducted our Project Opening Plan (POP) surveys of over 1,100 upscale apartment shoppers across the country. What follows is the last installment of a continuing series highlighting the aggregated survey findings. These surveys identified households who had shopped at an upscale apartment community to determine demographics and apartment preferences.

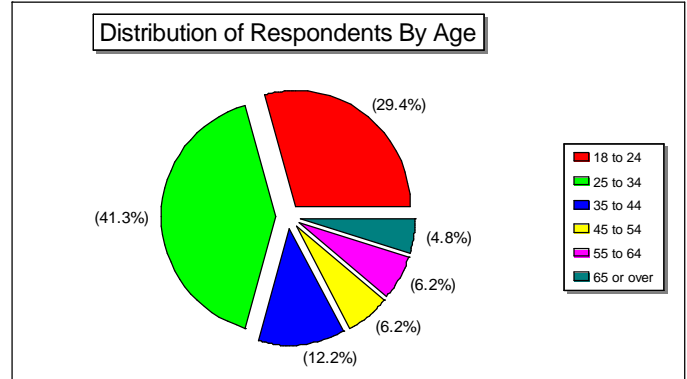
Significant differences exist in apartment shoppers and their preferences by age according to the POP surveys conducted by The Danter Company at communities across the country. The most significant differences are in tenure, household composition, and amenity preferences.

Overall results

The largest age group surveyed was the 25-34 group, which totaled 41.3% of the overall responses.

Following were the 18-24 group (29.4%), the 35-44 group (12.2%), the 55-64 group (6.2%), the 45-54 group (6.2%), and the 65 and over group (4.8%).

Those who refused to give their age were not included in this distribution. It should also be noted that all



Graph 1

distributions include only those who answered the question, unless otherwise specified.

Current residence

As a general rule, the number of upscale apartment shoppers currently living in a single-family home increases with age. The only exception is that more households in the 18-24 range are living in single-family homes than those in the 25-34 range. This is most likely the result of the number of new households being formed by this group, as evidenced by the high number of respondents in this age group living with

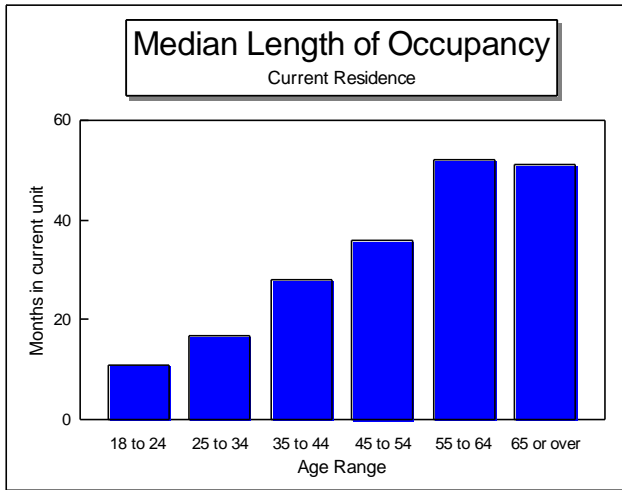
Table 1

What is your current residence?	Apartment Shoppers By Age						Total
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 or over	
Single-family house	30.3%	29.3%	41.5%	53.5%	59.7%	66.1%	36.2%
Apartment	65.6%	64.9%	50.0%	38.0%	34.7%	28.6%	58.0%
Condominium	1.5%	1.0%	2.8%	7.0%	1.4%	1.8%	1.8%
Double/duplex	1.5%	2.9%	4.9%	0.0%	2.8%	3.6%	2.6%
Mobile home	0.0%	0.4%	0.0%	1.4%	0.0%	0.0%	0.3%
Other	1.2%	1.5%	0.7%	0.0%	1.4%	0.0%	1.1%
Total	100%	100%	100%	100%	100%	100%	100%

Table 2

Do you own or rent your current residence?	Apartment Shoppers By Age						Total
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	
Own	5.2%	12.9%	31.9%	52.7%	55.7%	62.5%	20.4%
Rent	72.3%	75.1%	64.5%	40.5%	42.9%	37.5%	67.1%
Live with parents or friends	22.5%	12.0%	3.6%	6.8%	1.4%	0.0%	12.5%
TOTAL	100%	100%	100%	100%	100%	100%	100%

Graph 2



parents or friends. A distribution of respondents by current residence type is located in Table 1.

Not surprisingly, the number of households who own their current residence increases with age, and the number of those currently renting or living with friends decreases. Again, the one exception is that the number of renters in the 25-34 age group is higher than in the 18-24 group. Again,

Table 3

How long have you lived at your current residence?	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
<3 months	20.7%	17.3%	13.9%	11.3%	6.9%	0.0%	16.0%
3-6 months	10.5%	7.7%	8.8%	5.6%	6.9%	3.4%	8.2%
7-9 months	5.0%	3.1%	4.4%	4.2%	2.8%	0.0%	3.7%
10-12 months	21.6%	12.7%	8.8%	4.2%	5.6%	5.2%	13.5%
13-18 months	7.0%	11.4%	4.4%	5.6%	1.4%	3.4%	7.9%
19-23 months	5.0%	11.2%	5.1%	2.8%	1.4%	1.7%	7.1%
2.0 to 2.9 years	7.9%	16.0%	17.5%	16.9%	12.5%	24.1%	14.0%
3.0 to 4.9 years	4.7%	10.0%	13.9%	8.5%	18.1%	20.7%	9.8%
5.0 to 6.9 years	2.0%	4.4%	13.1%	15.5%	13.9%	12.1%	6.4%
7.0 to 9.9 years	3.2%	1.5%	5.1%	11.3%	5.6%	6.9%	3.5%
10.0 years or more	12.5%	4.8%	5.1%	14.1%	25.0%	22.4%	9.8%
MEDIAN	11 mo	17 mo	2.3 yr	3.0 yr	4.3 yr	4.2 yr	20 mo
TOTAL	100%	100%	100%	100%	100%	100%	100%

Table 4

How likely are you to move in the next 12 months?	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
Very likely	53.4%	42.6%	46.3%	37.1%	31.4%	23.6%	44.3%
Somewhat likely	17.0%	25.6%	21.6%	27.1%	40.0%	40.0%	24.2%
Not too likely	5.0%	6.7%	6.0%	4.3%	5.7%	14.5%	6.3%
Not at all likely	24.6%	25.2%	26.1%	31.4%	22.9%	21.8%	25.2%
TOTAL	100%	100%	100%	100%	100%	100%	100%

this slight anomaly is attributed to the higher number in this age group currently living with parents or friends. By the time they reach 25, most shoppers have established their own household. A distribution of respondents by whether they own or rent is located in Table 2.

Tenure at current residence

Not surprisingly, the length of time at the current residence increases with age (see Graph 2). Younger shoppers (18 to 24) tend to have the shortest tenure at their current residence, with over one-third (36.2%) being there less than 9 months. Interestingly, 1 in 8 in this age range (12.5%) have been in their current residence for over 10 years. Given the high number that live with parents or friends, it is likely that these will be new household formations. The overall median tenure for upscale apartment shoppers surveyed is 20 months. A complete distribution is available in Table 3.

Likelihood of moving

Younger households are much more certain than older households about their future plans to move. Over half (53.4%) of the 18 to 24 age group said they were "very likely" to be moving in the next 12 months, compared to only 23.6% of households over 65. However, when the "very likely" and

Table 5

Into what type of housing are you likely to move?	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
Apartment	78.5	76.5%	68.1%	77.3%	84.0%	91.4%	77.4%
Single-family	10.0	14.8%	18.7%	11.4%	10.0%	2.9%	12.7%
Condominium	2.7%	3.4%	6.6%	4.5%	2.0%	0.0%	3.4%
Other	8.8%	5.2%	6.6%	6.8%	4.0%	5.7%	6.6%
TOTAL	100%	100%	100%	100%	100%	100%	100%

"somewhat likely" responses are taken together, the differences between the age groups are actually very small, ranging from 64.2% "very" or "somewhat likely" in the 45 to 54 group to 71.4% in the 55 to 64 group.

It is noteworthy that the number of those who are "somewhat likely" to move increased with age. It could mean that older shoppers actually begin the shopping process substantially earlier than younger shoppers, who are more likely to shop only when they are certain that they will be moving. Distributions by age group are in Table 4.

Of those who were "very" or "somewhat" sure that they will be moving in the next 12 months, the vast majority of apartment shoppers are sure that they want an apartment. Over 9 in 10 of the elderly (over 65)

respondents (91.4%) were planning to move in an apartment. This indicates that when you see elderly shoppers, you don't necessarily have to sell them on apartment life, as they have already made up their mind; instead, you have to sell them on your apartment.

Middle age shoppers (35 to 44) were the most likely to actually be planning to move into a single-family home or condominium. Shoppers in this age group may need to be resold on the apartment lifestyle, as well as the apartment or project itself. A distribution by age can be found in Table 5.

Gas or Electric?

One area in which there were no significant differences in preference by age was in heating preference. Respondents in all groups favored gas over electric by approximately a 60% to 40% ratio. A distribution by age can be found in Table 6.

Amenity preferences

For most amenities, there were no significant differences in preferences by age group. Table 7 on Page 5 lists amenity preferences by age group in the order preferred by the overall group. Amenities preferred by a larger number of younger households were recreational facilities and a swimming pool. The 35 to 44 age group, the group most likely to contain children under 18, noted a higher preference for better schools, washer and dryer hookups, a larger unit, and a fireplace. The 45 to 54 age group was the age group most interested in being closer to employment and having vaulted ceilings.

Table 6

Do you prefer gas or electric heat?	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
Electric	40.2%	36.9%	40.0%	36.6%	40.0%	40.0%	38.6%
Gas	58.3%	61.2%	60.0%	60.6%	58.6%	60.0%	60.0%
No response or preference	1.5%	1.9%	0.0%	2.8%	1.4%	0.0%	1.4%
TOTAL	100%	100%	100%	100%	100%	100%	100%

The number of "somewhat likely" movers increases with age, suggesting that older households may begin shopping earlier than younger households, which shop only when they are certain they will be moving.

Table 7

How important are the following amenities in selecting a new apartment? (only "very important" responses included)	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
Washer/Dryer Hookups	88.9%	87.3%	100.0%	93.9%	90.9%	95.2%	90.5%
Storm Doors/Windows	74.2%	74.1%	72.0%	78.8%	84.8%	76.2%	74.8%
Plush Carpeting	82.0%	80.7%	78.0%	81.8%	84.8%	76.2%	74.8%
Balcony/Patio	65.4%	71.2%	74.4%	81.8%	84.8%	66.7%	70.7%
Larger Unit	66.4%	69.8%	74.4%	69.7%	63.6%	33.3%	67.5%
Project Landscaping	61.3%	57.1%	69.5%	63.6%	87.9%	71.4%	63.0%
Frost-free Refrigerator	54.8%	57.1%	65.9%	69.7%	87.9%	71.4%	60.5%
Cheaper Rents	57.1%	50.0%	51.2%	51.5%	54.5%	66.7%	53.5%
Self-cleaning Oven	48.4%	47.6%	59.8%	72.7%	75.8%	61.9%	53.0%
Closer to Employment	55.3%	47.6%	51.2%	57.6%	33.3%	4.8%	49.0%
Swimming Pool	50.7%	41.5%	46.3%	36.4%	33.3%	28.6%	44.3%
Garage	35.5%	38.7%	42.7%	51.5%	66.7%	57.1%	41.0%
Recreational Facilities	44.7%	36.3%	31.7%	39.4%	12.1%	9.5%	36.7%
Better Schools	32.7%	33.5%	40.2%	30.3%	12.1%	9.5%	32.2%
Closer to Shopping	31.3%	25.5%	35.4%	36.4%	42.4%	52.4%	31.3%
Fireplace	25.3%	31.6%	37.5%	36.4%	36.4%	19.0%	30.3%
All First-Floor Units	21.2%	22.2%	37.8%	30.3%	54.5%	76.2%	28.2%
Microwave	24.9%	23.6%	28.0%	36.4%	39.4%	42.9%	27.0%
Ceiling Fans	24.4%	18.9%	34.1%	42.4%	36.4%	42.9%	26.2%
Vaulted Ceilings	13.4%	10.4%	13.4%	18.2%	15.2%	14.3%	12.7%
Smaller Unit	3.7%	4.7%	1.2%	3.0%	3.0%	4.8%	3.7%

Table 8

How much more would you expect to pay for a brand new apartment versus an older one with similar amenities? (dollars)	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
0 to 25	25.2%	17.0%	22.0%	10.8%	25.9%	18.4%	19.6%
26 to 50	29.3%	33.2%	28.8%	26.2%	27.6%	49.0%	31.5%
51 to 75	15.1%	19.7%	15.3%	15.4%	20.7%	20.4%	17.7%
76 to 100	11.6%	10.4%	13.6%	7.7%	6.9%	0.0%	10.3%
100 to 125	8.7%	7.7%	7.6%	20.0%	6.9%	2.0%	8.5%
126 to 150	7.7%	9.3%	9.3%	16.9%	6.9%	8.2%	9.1%
Over \$150	4.5%	2.7%	3.4%	3.1%	5.2%	2.0%	3.4%
TOTAL	100%	100%	100%	100%	100%	100%	100%
MEDIAN	\$48	\$50	\$49	\$71	\$47	\$41	\$49

The 55 to 64 age group seemed to be the most interested in what might be called "single-family" amenities. This group had the highest preference among the age groups for storm doors/windows, plush carpeting, balcony/patio, project landscaping, frost-free refrigerator, a self-cleaning oven, and a garage. These amenities have to do with practicality, comfort and convenience within the unit.

The 65 and over group is distinguished as much by their lack of preference for certain amenities as their preferences. For example, this group had the lowest need to be closer to employment (only 4.8%), primarily because most are retired. This group also had the lowest preferences for a swimming pool, better schools, a larger unit and recreational facilities. Amenities with higher preferences among the 65 and over group were a smaller unit, ceiling fans, a microwave, being closer to shopping, all first-floor units, and cheaper rents.

The Value of "New"

A distribution by age (Table 8) indicates that there is little difference between ages in the median increase that most shoppers will bear for a similar unit that is new. However, the median for the 45 to 54 age group

Table 9

Household Size	Apartment Shoppers by Age						Total
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	
One	12.8%	29.0%	31.2%	19.7%	22.2%	39.3%	24.0%
Two	46.6%	44.2%	26.8%	40.8%	65.3%	53.6%	44.4%
Three	25.1%	15.8%	24.6%	26.8%	9.7%	7.1%	19.4%
Four	9.9%	7.9%	15.2%	11.3%	2.8%	0.0%	8.9%
Five	3.8%	1.9%	2.2%	0.0%	0.0%	0.0%	2.2%
Six or more	1.7%	1.2%	0.0%	1.4%	0.0%	0.0%	1.1%
TOTAL	100%	100%	100%	100%	100%	100%	100%

Table 10

Number of children under 18 in the household	Apartment Shoppers By Age						Total
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	
None	78.8%	75.9	60.1%	77.5%	97.2%	98.2%	77.2%
One	16.4%	16.0	23.2%	16.9%	2.8%	1.8%	15.5%
Two	5.3%	6.8%	15.9%	0.0%	0.0%	0.0%	6.6%
Three	0.3%	0.8%	0.7%	0.0%	0.0%	0.0%	0.5%
Four or more	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.1%
TOTAL	100%	100%	100%	100%	100%	100%	100%

is substantially higher than for the other group. It is also significant that this group also had the largest number of higher-income households.

Demographics

A distribution of respondents (Table 9) by household size indicates that the 65 and over group is most likely to live alone and the 55 to 64 age group is most likely to live in a two-person household. The 45 to 54 age group is most likely to live in a three-person household. The 35 to 44 group is most likely to live in

In all age groups, the majority of households with children contain only one child.

Table 11

Marital status	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
Married	35.4%	46.5%	48.6%	54.9%	66.7%	55.6%	45.6%
Single	63.5%	44.8%	28.3%	14.1%	8.3%	5.6%	42.4%
Divorced/ Separated	1.1%	8.5%	22.5%	21.1%	6.9%	5.6%	8.6%
Widowed	0.0%	0.2%	0.7%	9.9%	18.1%	33.3%	3.5%
TOTAL	100%	100%	100%	100%	100%	100%	100%

a four-person household. The 18 to 24 group is most likely to live in a household with five or more respondents. This 18 to 24 group is by far the most likely to be living with parents or friends, thus influencing the larger household size.

The 35 to 44 age group is by far the most likely to have a child under 18 in the household, with 39.8% of such shopper household containing at least one child. It should be noted that in all age groups, the majority of households with children contain only one child. Not surprisingly, the older age groups (55 and over) are

very unlikely to contain a child under 18. A distribution of children under 18 by age group is in Table 10.

The age group most likely to be married is the 55 to 64 age group (Table 11). The age group most likely to be single is the 18 to 24 group. The age groups most likely to divorced are the 35 to 44 and 45 to 54 groups. The age group most likely to be widowed is the 65 and over group. It is interesting to note that over half (55.6%) of the shoppers in the 65 and over group are still married.

Median income rises with age, peaks with the 45 to 54 group, and then declines. The overall median income for upscale apartment shoppers was \$27,339. A distribution of incomes is located in Table 12.

Some conclusions

Significant differences exist among apartment shoppers by age group. Given the continuing decrease in the level of younger apartment shoppers due to the aging of the Baby Boomers, it will become even more important in the future to design and build units for those in the 35 to 44 group, for those in the empty-nester category (55 to 64) and for the elderly. They live different lifestyles, have different household configurations, and different apartment needs and preferences than the younger households for which most housing has been designed over the last 20 years.

Table 12

Household income from all sources	Apartment Shoppers By Age						
	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	Total
<\$10,000	5.6%	2.1%	0.8%	0.0%	3.4%	8.1%	3.2%
\$10,000 to \$19,999	27.9%	18.4%	4.9%	8.1%	19.0%	37.8%	19.9%
\$20,000 to \$29,999	34.5%	43.7%	33.6%	19.4%	29.3%	24.3%	36.6%
\$30,000 to \$39,999	14.7%	21.3%	29.5%	22.6%	24.1%	29.7%	20.8%
\$40,000 to \$49,999	7.8%	9.0%	16.4%	24.2%	22.4%	0.0%	10.9%
>\$50,000	9.4%	5.4%	14.8%	25.8%	1.7%	0.0%	8.6%
TOTAL	100%	100%	100%	100%	100%	100%	100%
MEDIAN	\$24,772	\$26,729	\$33,611	\$40,000	\$29,411	\$21,667	\$27,339

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 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 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 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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