

# ***NATIONAL APARTMENT ASSOCIATION PRESS RELEASE***

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Robert J. Sheehan

## **For Immediate Release**

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### **Rental Apartment Vacancy Rate Continued its Downward Trend in the Fourth Quarter**

“Improvement in the in the economy and job market helped the rental apartment market in the fourth quarter of last year,” said Robert Sheehan, consulting economist for the National Apartment Association (NAA). The rental apartment (units in structures with 5 or more units) vacancy rate at 10.1 percent in the fourth quarter was down from the 10.4 percent recorded in the third quarter. It was up from the 9.5 percent from the same quarter a year earlier in the U.S. Department of Commerce’s data series, which is not seasonally adjusted.

“The rental apartment vacancy rate estimated for the fourth quarter of 2005 was probably a statistical outlier,” Sheehan said. “A trend of improvement in the rental apartment market has been occurring since the third quarter of 2004.”

Rental vacancy rates for all rental units was essentially unchanged at 9.8 percent in the fourth quarter vs. 9.9 percent in third quarter, but was up from the 9.6 percent reported for the fourth quarter of 2005.

Vacancy rates were mixed regionally from a year ago. The rate dropped in the Northeast (6.5 percent vs. 6.7 percent), and the Midwest (11.9 percent from 12.3 percent). It increased in the South (12.4 percent vs. 11.4 percent). No change was recorded in the West (7 percent in both quarters.)

The seasonally adjusted rate of the renter's share of total households increased to 31.3 percent in the fourth quarter from the third quarter's 31.1 percent.

Household growth fell to 667,000 in December from 1.681 million a year ago a year earlier. It is quite probable that the level of household estimated for December of last year is another statistical outlier. Household growth probably did moderate last year as the for-sale housing market entered a period of significant retreat in 2006 from the boom of the two previous years. The true level of change in households last year we estimate was about 1.3 million vs. 1.7 million in 2005.

Attachment with tables and charts

**About NAA:** NAA, based in Arlington, Va., is the leading advocate for quality rental housing. NAA is a federation of 189 state and local affiliated associations representing more than 51,000 members responsible for more than 6 million apartment homes nationwide. It is the largest broad-based organization dedicated solely to rental housing. NAA members include apartment owners, management executives, developers, builders, investors, property managers, leasing consultants, maintenance personnel, suppliers and related business professionals throughout the United States and Canada. NAA provides a wealth of information through advocacy, research, technology, education and strategic partnerships. NAA publishes *UNITS* magazine and other industry publications; holds an annual Education Conference and Exposition; and promotes industry professionalism. For information, call 703/518-6141, e-mail [information@naahq.org](mailto:information@naahq.org), or visit [www.naahq.org](http://www.naahq.org). The NAA Education Institute offers six nationally recognized designation programs and actively promotes the apartment industry as a viable career choice.

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