



Household Trends

Household percentage growth matches population's

Between 1987 and 1997, Montgomery County gained 53,600 households reaching a total of 311,140. Over this ten-year period, the average annual growth of 5,358 households amounted to a 2.1 percent gain, practically matching the 2.2 percent average annual rate of population increase. Household growth no longer outpaces population growth as it did in the 1970s and early 1980s. During the 1970s, the ratio between the percent of annual household gains and population gains was three to one. Between 1980 and 1984 this ratio dropped to two to one. The decline is attributed to a slowdown in the rate of average household size decline, decrease in the amount of new household formations, and fall-off in housing production during the early 1980's recession. The ratio of household to population percent growth rate first equalized in the 1984 to 1987 period, and remained stable at this level between 1987 and 1997. The current household and population forecasts maintain the matching growth ratios until 2010.

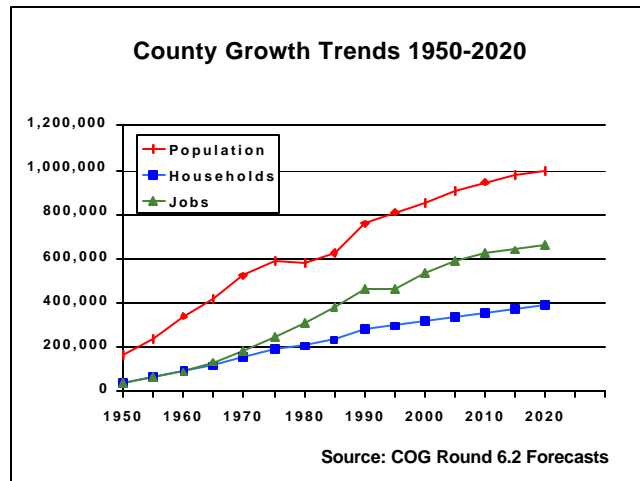


Figure 16: County Growth Trends 1950-2020

By 2000, an additional 10,000 households in Montgomery County are anticipated. The latest Cooperative Forecast of the Montgomery County Department of Park and Planning (Round 6.2) predicts County households will total 317,500 in 2000, 356,500 in 2010, and 392,000 in 2020 when the population reaches one million. According to the population forecast, future gains in the prime homeowner age group, 35 to 44, will remain flat from 2000 to 2010 and then gain 7,900 people by 2020 – far less than the 34,360 increase in 35 to 44 year olds between 1987 and 1997. The other age component of potential household formation, typically the new family group of 25 to 34 year olds, slips from 124,99 to 120,585 in 2005 before increasing by 7,440 in 2010 and continuing gains of 6,250, into 2020.

I-270 is the County's high growth corridor

The addition of 20,000 households in the I-270 Corridor - by far outpacing growth in any of the other combined planning areas - represents 37.3 percent of the County's total household increase between 1987 and 1997. The housing stock in this high-growth

area of Germantown, Gaithersburg, and Clarksburg increased by 43 percent, averaging 2,000 new households annually over the ten-year period. Because of the concentration of townhouse developments and available large tracts of land for residential development, the I-270 Corridor has accommodated the highest levels of new housing construction. The affordable townhouses and residential developments in this high-growth corridor are attracting young families.

The next greatest levels of housing growth over the decade are seen in Potomac (11.1 percent increase), Colesville (10.4 percent) and Rockville/North Bethesda (9.3 percent), together accounting for 30.8 percent of the total County growth. The combined Potomac area (including Travilah and Darnestown) added nearly 6,000 households with an average annual growth of 3.0 percent. The Potomac area's strong appeal as a place to live and its relatively large supply of available land spurred the housing growth there. The comparatively affordable land costs in the eastern section of the County following the US 29 Corridor through the White Oak, Fairland and Cloverly combined planning areas contributed to this area's average growth of 559 households annually, or 2.2 percent annual growth from 1987 to 1997. This growth occurred notwithstanding a moratorium on new development approvals during this period. Despite limited amounts of vacant land for residential development, Rockville/North Bethesda registered an average increase of just under 500 households per year, or 1.7 percent average annual growth. More intensive development has characterized housing production in this area, reflected by higher density multi-family condominiums on prestige sites and higher-priced townhouses.

Two areas with the highest growth rates in the County are Olney and Poolesville, both small areas gaining half again as many households between 1987 and 1997. Olney gained 3,769 households to break the 10,000 mark, more importantly, a 58.3 percentage change, during the ten-year period. Poolesville added just fewer than 1,000 new households over the decade, but this is a 55.4 percentage increase as the area grew from about 1,700 to 2,700 households.

Planning Areas Combined	Households		87-97		%	Average Annual		% of Total	
	CUS 97	%	CUS 87	%		Change	Growth		Growth %
Silver Spring/Takoma Park	27,935	9.0	25,202	9.8	2,733	10.8%	273	1.1%	5.1%
Bethesda/Chevy Chase	35,657	11.5	33,357	13.0	2,300	6.9%	230	0.7%	4.3%
Rockville/ N. Bethesda	33,771	10.9	28,794	11.2	4,977	17.3%	498	1.7%	9.3%
Kensington/Wheaton/Aspen Hill	65,287	21.0	60,802	23.6	4,485	7.4%	449	0.7%	8.4%
I-270 Corridor	66,514	21.4	46,506	18.1	20,008	43.0%	2,001	4.3%	37.3%
Colesville	31,425	10.1	25,834	10.0	5,591	21.6%	559	2.2%	10.4%
Potomac	25,635	8.2	19,693	7.6	5,942	30.2%	594	3.0%	11.1%
Olney	10,233	3.3	6,464	2.5	3,769	58.3%	377	5.8%	7.0%
Damascus	11,981	3.9	9,170	3.6	2,812	30.7%	281	3.1%	5.2%
Poolesville	2,697	0.9	1,736	0.7	961	55.4%	96	5.5%	1.8%
Total	311,137	100.0	257,558	100.0	53,578	20.8%	5,358	2.1%	100.0%

Table 21: Households by Combined Planning Area 1987 and 1997

Average household size drops a person since 1960

After decades of declining average household size from 3.65 in 1960 to 2.62 in 1987, the trend appears to be bottoming out. The County's average household size showed a slight up-tick to 2.65 in 1990 and subsequently has remained stable at this point through 1997. Many competing factors affecting household size are at play as the County's underlying demographics change. Factors holding down the average size include the unlikelihood that the level of births in the near future will revisit the birth peak of 1990. The crest of the prevalent baby boomer households, in their mid-fifties in 2000, is moving into the empty-nest stage. Baby boomers blessed with increasing longevity mean more married couple households later in life, but also more single-person households of very elderly persons beginning in 2020. On the other hand, the high fertility rates of recent immigrants and the County's current immigration pattern of consolidating families in this country appear likely to continue and tend to bring larger households. The latest household forecast predicts a relatively stable household size until 2005, and then a drop to 2.50 persons per household in 2025.

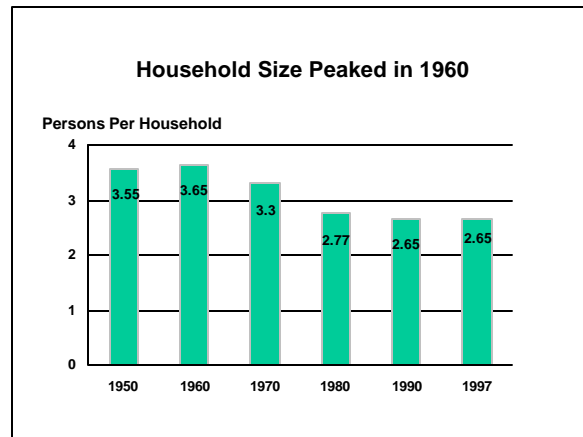


Figure 17: Average Household Size 1950-1997

Slide in single-family and multi-family household size

Examining average household size by structure type reveals that the average number of people living in single-family homes dropped since 1977 as the multi-family household size vacillated before starting a downward trend after 1994. The average single-family household size in 1977 was 3.41, dropping to 2.94 in 1987 and fixing at 2.95 in 1997. This drop reflects the trend of smaller family size and the emergence of empty-nester households. In contrast, the number of persons per multi-family unit dipped from 1.96 in 1977 to 1.83 in 1984 before hitting its highpoint in 1994 at 2.01. The decline in the multi-family's average household size is marked in 1997 at 1.94 people per household. Families are increasingly settling on multi-family apartments as an affordable housing option. Moreover, recent immigrant households usually start in apartments and tend to have more children than native-born households. The increasing presence of elderly in multi-family units is countering the larger households. The household forecast predicts a rise in single-family household size after 1997 until 2005, reaching 3.01 persons per households before falling off to 2.81 in 2025.

Year	Single-Family	Multi-Family	All Households
1977	3.41	1.96	2.77
1984	3.00	1.83	2.64
1987	2.94	1.86	2.62
1990	2.94	1.98	2.65
1994	2.93	2.01	2.66
1997	2.95	1.94	2.65
2000	2.99	1.93	2.66
2005	3.01	1.92	2.66
2010	2.94	1.90	2.61
2015	2.86	1.90	2.55
2020	2.82	1.89	2.51
2025	2.81	1.88	2.50

Table 22: Average Household Size 1977-2025

Multi-family household size is expected to have peaked in 1997 at 1.94 and begin a slow decline through 2025 to 1.88.

Average household size is further differentiated by racial variations in the number of people residing in single and multi-family dwellings. Minorities, on average, have a larger household size than whites due to higher fertility rates and a proclivity for extended families to live together – particularly recent immigrants. Among single-family households, nonwhites average 3.66 persons per household compared to 2.80 for whites. For multi-family households, nonwhite households average 2.42 compared to 1.70 for white households. Overall, whites average 2.54 persons per household versus 3.11 for nonwhite households. Basically, there is little change in multi-family average household size for the white and nonwhite groups between 1987 and 1997, but a rise occurred in single-family structures over this time period. The average household size of single-family white households dropped from 2.87 in 1987 to 2.80 ten years later. In contrast, the average number of nonwhite persons living in single-family homes jumped from 3.51 in 1987 to 3.66 in 1997.

Life stages and associated household size

The age of the household head demarcates the household's stage in the family cycle and its associated household size. The largest average household size, 3.25, occurs in households where the householder is 35 to 44 years old, coinciding with the life stage when more children are present in the household. The large family size of this age group occurs in both single-family structures, averaging 3.57 persons per household, and multi-family households, at 2.36. With an average household size of 2.09, householders under 25 are usually paired-up, even in multi-family housing averaging just fewer than two people per unit. This indicates doubling up in units rather than single-person occupancy within this age category. Elderly headed households have the smallest household size, 1.82. Most seniors - the majority, active "young" couples choosing to stay in their homes - average 2.04 persons per household. Multi-family housing for seniors predominately serves the older and frail elderly, and the high rate of single-person survivor occupancy is evidenced in the lowest of all average household sizes, 1.39.

Head Age	1997			1987		
	Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total
< 25	2.61	1.99	2.09	2.67	1.99	2.18
25-34	2.97	2.02	2.49	2.87	2.04	2.53
35-44	3.57	2.36	3.25	3.51	2.13	3.22
45-64	2.96	1.96	2.77	2.94	1.80	2.73
65+	2.04	1.39	1.82	2.03	1.40	1.79
All Ages	2.95	1.94	2.65	2.94	1.86	2.62
Total HH	215,765	95,370	311,135	179,261	74,752	254,013

Table 23: Age of Householder by Average Household Size

Minor changes in average household size by age of the householder occurred between 1987 and 1997. The only household sizes that dropped over the decade are associated with young householders less than 34 years old; all other age groups increased average household size, as did the County overall. For single-family householders 25 to 34 years old, the average household size increased from 2.87 in 1987 to 2.97 in 1997. Perhaps this is a sign of lessening delay in child rearing among those who can afford homeownership. The size of households headed by a person

under 25 dropped from 2.18 in 1987 to 2.09 ten years later, while in the same period heads aged 25 to 34 witnessed a drop in household size from 2.53 to 2.49. When examining household size by age groups and structure type over the decade, the biggest changes occurred in multi-family dwellings with heads age 35 to 44 (2.13 in 1987 rises to 2.36 in 1997) and 45 to 64 (1.80 to 1.96). The increasing household size is the result of more families living in multi-family dwellings and the appeal of luxury condominiums to the empty nesters.

Average household size differentiates combined planning areas

The differences in average household size among the combined planning areas are largely driven by each area's mix of single-family and multi-family housing stock. The higher proportion of multi-family dwellings with its associated lower average household size in an area draws down the overall household size while single-family housing accommodating larger family sizes swings high. Three groups of average household size defined by the housing stock mix are evident in the County. At the low end, the multi-family groups of Silver Spring/Takoma Park, Bethesda/Chevy Chase, and Rockville/North Bethesda have average household size ranges from 2.32 to 2.44. Silver Spring/Takoma Park has the highest proportion of multi-family units, 62 percent, and the lowest average household size, 2.32. Bethesda/Chevy Chase slightly higher at 2.37 persons per household, is one-third multi-family characterized by high-rise apartments averaging 1.44 persons. Multi-family structures (predominately garden apartments) make up 40 percent of the Rockville/North Bethesda's households, keeping the average number of people per household around 2.44. The mid-level average household size (ranges from 2.58 to 2.75) is found in areas characterized by a multi-family and townhouse mix. The areas of Kensington/Wheaton/Aspen Hill, I-270 Corridor and Colesville are nearly 30 percent multi-family and a high percent of townhouses. The townhouse developments recruit large numbers of first-time homebuyers - usually young, married couples, who are just starting families. The largest average household sizes continue to be encountered in Olney, Damascus, and Potomac, 3.26, 3.17 and 3.08 respectively, reflecting a continuing dominance of larger-sized, detached, single family housing stock. Typical suburban features include a younger population, comparatively larger household sizes, more married couple families, and more school-age children.

Planing Areas Combined	Average Household			
	Size		'97-'87 % Change	Avg Annual % Change
	1997	1987		
Silver Spring/Takoma Park	2.31	2.21	4.6%	0.5%
Bethesda/Chevy Chase	2.37	2.41	-1.7%	-0.2%
Rockville/ N. Bethesda	2.44	2.51	-2.9%	-0.3%
Kensington/Wheaton/Aspen Hill	2.58	2.57	0.4%	0.0%
I-270 Corridor	2.67	2.64	0.9%	0.1%
Colesville	2.75	2.73	0.9%	0.1%
Potomac	3.10	3.18	-2.5%	-0.2%
Olney	3.26	3.24	0.4%	0.0%
Damascus	3.17	3.14	0.9%	0.1%
Poolesville	3.08	3.30	-6.5%	-0.7%
Montgomery County	2.64	2.62	0.9%	0.1%

Table 24: Average Household Size by Combined Planning Area

From 1987 to 1997, the overall average household size in the County recorded a slight gain from 2.62 to 2.65. Most of the combined planning areas experienced minimal changes – the average just moving within hundredths of a percentage point. Three exceptions are the average household sizes of Silver Spring/Takoma Park, significantly rising from 2.17 to 2.32, Rockville/North Bethesda, declining from 2.51 to 2.44, and Poolesville, dropping from 3.30 to 3.08. The marked rise in Silver Spring/Takoma Park's average household size, a mature inner suburban area characterized by multi-family housing, may be attributed to the area attracting larger families than are typically found in multi-family dwellings. Both recent immigrants, either doubling-up or as extended families, and long-term renters with growing families are choosing some of the most affordable housing in the County, the area's garden apartments. Also, the established residential area is undergoing the stage in the neighborhood cycle where families with children replace older, smaller households. The slight drop in Rockville/North Bethesda area's average household size is the result of the addition of new multi-family condominiums to the housing inventory; these units characteristically attract smaller households. Poolesville's drop in average household size reflects both statistical and substantive changes in the area. The area has less than 1 percent of the County's housing, and such a low number of households combined with one of the highest growth rates makes it easier to move the average. Poolesville's new housing is attracting young, and thereby smaller, families.

County households are headed by increasingly older individuals

The median age of all heads of households increased since 1987 from 44 years to 47 years in 1997. The influence of the younger, new in-mover households averaging 39 years of age and heading one-fifth of the County's households is ineffectual in swaying the balance of the median age when the average age of over half of long term resident householders is 56. Householder age is expected to continue creeping upwards as the dominating post-World War II baby boomers age. Montgomery County, as did nearly every state in the nation, recorded a decline in the number of householders ages 25 to 34, a natural result of the aging baby boomers and the smaller cohort of the Generation Xers.

Structure	1987	1997	Change	% of Total 1997 Structures
Single-family	46	48	2	69.3%
Detached	49	50	1	52.0%
Attached	36	42	6	17.3%
Multi-family	39	41	2	30.7%
Garden Apt	35	38	3	20.9%
High-rise Apt	58	54	-4	9.8%
All Types	44	47	3	100.0%

Table 25: Median Age of Householder by Structure Type

Householder age increased across all structure types except for high-rise apartments, where median age dropped from 58 years to 54 years. During this ten-year period, most of the new high-rise buildings were luxury units commanding high rents that usually only heads in their prime-earning years, 45 to 55, can afford. Of the four housing structure types, the greatest increase in median head age occurred in townhouses. Townhouses in Montgomery County are no longer just starter homes for young families; the new luxury townhouses expand housing options for older, well-

heeled couples looking for smaller accommodations, fewer domestic responsibilities, and urban amenities. The median age of householders living in garden apartments increased by 3 years to 38 years in 1997. Why a rise in the median head age? Garden apartment residents are staying put as more garden apartment households in 1997 rented the same apartment for more than 5 years than in 1987. The cheaper housing option appeals to a broader group as those who cannot afford to buy delay homeownership. Also, the early 1990's recession and a tight rental market constrained the formation of younger, single-person households who traditionally select the more affordable, multi-family rental units for first time, independent living.

Head Age	1997			1987		
	Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total
< 25	0.4%	5.1%	5,819	1.2%	7.4%	7,634
25-34	12.4%	28.9%	54,248	18.8%	31.7%	57,462
35-44	27.6%	22.6%	81,164	27.5%	18.1%	62,856
45-64	41.4%	22.6%	110,946	37.2%	20.4%	81,881
65+	18.1%	20.8%	58,958	15.3%	22.3%	44,180
Total	100.0%	100.0%		100.0%	100.0%	
Total HH	215,765	95,370	311,135	179,261	74,752	254,013
Median Age	48	41	47	46	39	44

Table 26: Householder Age by Structure Type

Heads of single-family dwellings are older than are householders living in multi-family units. Each structure type serves divergent housing functions, befitting the different life stages of households. Multi-family buildings, predominately rental units, offer more affordable housing suitable to younger households with lower incomes. Multi-family structures often serve as a temporary step preceding home ownership, providing a stopover for new residents who are typically younger. Single-family dwellings, predominately owner occupied, require a minimum income met by usually dual earner couples with established careers. The age structure of the County's population, characterized by the bulk of baby boomers, is driving up median age of single-family heads. In 1997, the median age of household heads living in single-family houses is 48, 7 years older than those household heads occupying multi-family units (41 years old). The median age differential, after shrinking from 10 years in 1977 to 7 years in 1987, stabilized in 1997 at 7 years.

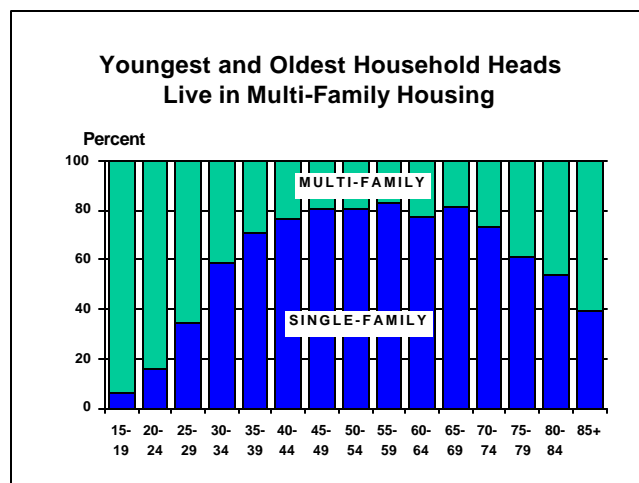


Figure 18 : Age of Householder by Structure Type

Typical suburban household types

The mix of household types in Montgomery County is typical of a maturing suburban area. Families make up 75 percent of the County's households, compared to 70 percent nationwide. Locally, married couple families comprise 64 percent of households compared to 54 percent for the nation as a whole. Only 9 percent of the County's households are single-parent families, compared to 16 percent nationally. Non-family households make up 25 percent of all the County's households; most of these households are people living alone, one-third of whom are ages 65 and above.

Since 1987, changes in household types are evident among single-family and multi-family structure types. Single-family housing has an increased percentage of single-person households and a decreased share of married couple households, especially in townhouses where married couple households have declined from 65.4 percent of all households in 1987 to 61.2 percent in 1997. At the same time, there is a growing percentage of married couple households in both garden and high-rise apartments, with high-rise showing the greatest increase from 28.7 percent in 1987 to 33.1 percent in 1997. The changes in household composition appear to reflect the aging of the population and continuing immigration. An older population means more surviving spouses living alone in single-family housing and more middle-aged divorced singles with the affluence and interest in home ownership, especially townhouses. The growing supply of specialized housing for the elderly also attracts some married couples to apartments who might otherwise be in single-family homes. Meanwhile, the growing foreign-born population tends to stay longer in rental housing, especially apartments, even after they have school age children. As the population continues to age and immigration continues, the trend toward more families in apartments and fewer married couples in single-family detached households is expected to continue.

Percentage of Household Types by Structure Type: 1987 and 1997								
Household Type	1987				1997			
	Single-Family		Garden		Single-Family		Garden	
	Detached	Attached	Apt.	High-rise	Detached	Attached	Apt.	High-rise
Family								
Married Couple	80.1	65.4	39.8	28.7	79.1	61.2	41.2	33.1
SingleParent	6.3	10.5	11.9	5.2	7.1	13.1	14.1	6.0
Other Related	1.7	2.8	2.8	3.2	1.4	2.0	2.7	2.2
Nonfamily								
Nonrelated	2.5	4.3	8.4	4.0	1.7	3.9	4.3	2.6
Single	9.3	17.0	37.1	58.9	10.8	19.7	37.7	56.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Households	143,295	37,915	48,540	27,810	161,925	53,840	65,020	30,350

Table 27: Household Types by Structure Type 1987 and 1997

Homeownership exceeds national rate

In 1997, five out of seven households of the County's 311,135 total households are owner occupied, the remainder, almost 90,000 households, are rental units. The current rate of homeownership in the County exceeds the national rate of 64 percent by

7 percentage points. Contrasting with the national experience, homeownership in Montgomery County continued to gain from 64.7 percent in 1980 to 70.1 percent in 1987, then leveling off at 71.2 percent in 1997. The County's ownership gain during the 1980s results from the dominance of single-family housing sales, which accounted for three-quarters of the area's total housing completions. Many maturing baby boom households during the local economic boom could take advantage of favorable housing affordability conditions and become first-time homebuyers. On the national scene, ownership, which had increased steadily since World War II, paused and began to retreat in the 1980's, from 64.4 percent in 1980 to 64.0 percent in 1987, and remained stagnant through 1997.

Among owners, over two-thirds, 68.1 percent, reside in detached single-family structures, 20.6 percent live in townhouses, and 11.3 percent are in multi-family condominiums. Over half of all renters live in garden apartments, almost 2.5 times the number of high-rise tenants.

About one-fifth of renters occupy single-family units;

detached rental units exceed townhouse rental, 12.3 percent to 9.1 percent. Over 60 percent of the County's occupied rental inventory is located in the I-270 corridor, Kensington/Wheaton and Silver Spring/Takoma Park - each area with about 20 percent of the all rentals. Another one-third is found in Rockville/North Bethesda (12.4 percent), Colesville (11.1 percent) and Bethesda/ Chevy Chase (10.3 percent). The single-family suburban areas of Potomac, Damascus, Olney and Poolesville, characterized by ownership housing, contain less than 5 percent of the County's rental stock.

During the decade, the percentage of owner households has increased in most housing types. The only exception is single-family detached housing where the percentage remains essentially unchanged, up half a point since 1987. The percentage of owner-occupants has increased by 7 percentage points in high-rise housing, 6 percentage points in garden apartments and 3.5 percentage points in townhouses. These changes reflect growth in the number of condominiums in the County and few, if any, new rental townhouses. A large segment of new owner-occupied units are in specialized housing for the elderly. Both Leisure World and Asbury have added hundreds of apartments during the decade. Low vacancy rates and some increase in rents in existing apartments suggest that there is a market for more rental apartments. If the housing market responds to these indicators, the trend toward increased ownership may slow. Increasing growth in the number of jobs may reinforce the market for rental housing by attracting new workers to the area who usually want to rent for a period before selecting a home to buy.

Structure Type	1987		1997	
	% Own	% Rent	% Own	% Rent
Single-family Detached	74.3	12.0	68.1	12.3
Single-family Attached	17.1	9.2	20.6	9.1
Garden Apartment	4.9	51.6	7.0	55.3
High-rise	3.8	27.1	4.3	23.3
Total	100.0	100.0	100.0	100.0
Total Households	180,575	76,985	221,650	89,485

Table 28: Tenure by Structure Type 1987 and 1997

Owner vs. renter household differences

Tenure choice is commonly age dependent, reflecting the life stage of the householder. Young householders just starting careers and families usually have lower incomes and generally are more mobile. Rental housing offers the flexibility for new arrivals and is an affordable housing option for lower incomes – both groups most likely to be young. The County's rental housing accommodates younger households: half the tenants are between 18 and 44 and the average householder age is 43.2 years old. Almost 40 percent of rentals are non-family households and the majority of these are single persons. The average length of residence in a rental apartment is two years. In contrast, older householders desire the American Dream of homeownership for raising their family and have established careers -- probably dual household incomes -- enabling them to afford a mortgage. Home ownership requires a minimum income level, which for most is associated with age or length of career. In contrast to renters, half the people in owner-occupied housing are between 30 and 64 and the average householder age is 51.4. Families make up 81 percent of owner households and the average length of residency is nine years. Since owner-occupied dwellings usually house families, the average household size, 2.79 persons per owner-occupied household, is larger than the average for rental units, 2.29.

1996 Income by Tenure and Householder Age						
Owners						
1996 Income	< 25	25-34	35-44	45-64	65+	Total
<\$15,000	*	0.1%	0.3%	1.1%	5.3%	1.7%
\$15,000-29,999	*	3.9%	2.4%	3.7%	15.5%	6.1%
\$30,000-44,999	*	14.8%	10.2%	8.1%	17.8%	11.6%
\$45,000-59,999	*	20.3%	14.5%	11.0%	16.8%	14.3%
\$60,000-74,999	*	18.2%	15.5%	11.9%	14.0%	14.0%
\$75,000-99,999	*	22.0%	20.4%	18.0%	12.8%	17.8%
\$100,000+	*	20.8%	36.8%	46.2%	17.9%	34.4%
Total		100.0%	100.0%	100.0%	100.0%	100.0%
Total Owners	774	25,881	57,332	90,579	47,084	221,650
Median HH 1996 Income	*	\$69,310	\$82,635	\$92,285	\$54,545	\$77,815
Avg Monthly HousngCosts	*	\$1,275	\$1,489	\$1,359	\$626	\$1,244
Renters						
1996 Income	< 25	25-34	35-44	45-64	65+	Total
<\$15,000	23.6%	5.0%	8.2%	12.5%	25.0%	10.9%
\$15,000-29,999	19.5%	21.5%	20.2%	16.5%	29.4%	20.7%
\$30,000-44,999	36.3%	25.4%	25.5%	22.5%	19.2%	24.5%
\$45,000-59,999	14.0%	19.7%	16.9%	15.8%	12.0%	16.9%
\$60,000-74,999	4.9%	15.8%	12.6%	11.1%	5.0%	12.1%
\$75,000-99,999	1.7%	8.6%	8.3%	7.4%	5.1%	7.6%
\$100,000+		4.0%	8.4%	14.1%	4.5%	7.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Renters	5,092	28,563	23,937	20,259	11,634	89,485
Median HH 1996 Income	\$33,185	\$43,710	\$42,840	\$43,835	\$26,820	\$40,190
Avg Monthly HousngCosts	\$699	\$799	\$850	\$859	\$716	\$804
* Insufficient data for reliable estimates.						

Table 29: Household Income by Tenure and Householder Age

Tenure is further distinguished along racial lines, with a more diverse population living in rental apartment complexes. About 78.0 percent of white householders in 1997 are owners, compared to 53.6 percent of nonwhite householders. For the most part, this mirrors the choice of structure type with 72.7 percent of white and 55.7 percent of nonwhite householders living in single-family homes – usually owner-occupied. Even though nonwhite households are more likely to rent multi-family units, almost an equal number of whites and nonwhites rent multi-family apartments.

Tenure by Race	% of Households			Total	Persons per Household			Avg Length of Residence		
	Single-Family	Multi-Family	Total %		Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total
Owners										
White	88.4%	11.6%	100.0%	175,212	2.78	1.54	2.64	14.5	8.3	13.8
Nonwhite	90.3%	9.7%	100.0%	46,438	3.51	2.34	3.4	8.7	6.4	8.5
Total	88.8%	11.2%	100.0%	221,650	2.93	1.68	2.79	13.3	8.0	12.7
Renters										
White	26.3%	73.7%	100.0%	49,365	2.89	1.62	1.96	3.9	5.5	5.1
Nonwhite	15.7%	84.3%	100.0%	40,120	3.82	2.5	2.71	3.3	3.4	3.4
Total	21.5%	78.5%	100.0%	89,485	3.19	2.04	2.29	3.7	4.5	4.3
Total Households	215,765	95,370		311,135	2.95	1.94	2.65	12.5	5.4	10.3

Table 30: Tenure and Average Household Size by Race and Structure Type

Renter household incomes are substantially lower than those of owners. For the most part, the difference may be attributed to the younger age of the renters, the higher percentage of persons living alone, and the prevalence of lower income nonwhite renter households. Renter median income in 1996 amounted to \$40,910, 62 percent of the median of all households, \$66,085, and only 53 percent of median of owner households, \$77,815. These percentages match the relationships in the previous decade, when the 1986 renter median income of \$28,714 was 61 percent of all County households and half the income of owners.

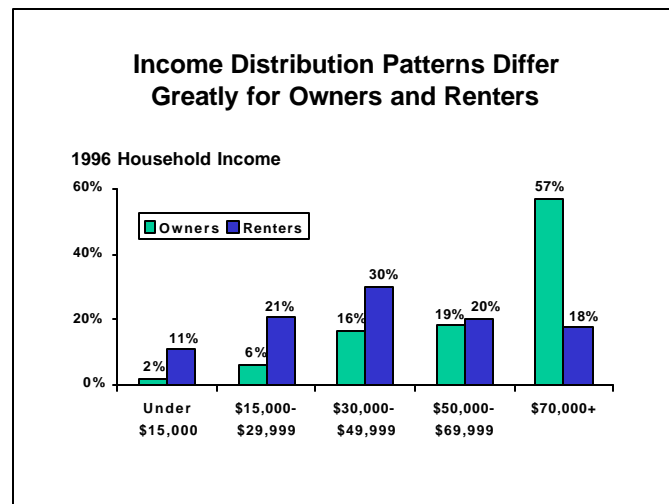


Figure 19: 1996 Household Income by Tenure

1996 Household Income by Tenure				
1996 Household Income	Tenure		Total Households	%
	Owner	Renter		
< \$5,000	0.2%	3.4%	3,226	1.0%
\$5,000- 9,999	0.3%	3.7%	3,787	1.2%
\$10,000- 14,999	1.2%	3.8%	5,762	1.9%
\$15,000- 19,999	1.4%	5.1%	7,354	2.4%
\$20,000- 24,999	2.1%	7.5%	10,869	3.5%
\$25,000- 29,999	2.6%	8.0%	12,514	4.0%
\$30,000- 34,999	3.3%	8.3%	14,387	4.6%
\$35,000- 39,999	3.7%	8.7%	15,487	5.0%
\$40,000- 44,999	4.6%	7.5%	16,661	5.4%
\$45,000- 49,999	4.8%	5.8%	15,783	5.1%
\$50,000- 54,999	5.5%	6.6%	17,956	5.8%
\$55,000- 59,999	4.0%	4.5%	12,919	4.2%
\$60,000- 64,999	5.1%	5.6%	16,204	5.2%
\$65,000- 69,999	4.0%	3.7%	12,245	3.9%
\$70,000- 74,999	4.9%	2.8%	13,555	4.4%
\$75,000- 79,999	4.1%	2.3%	11,243	3.6%
\$80,000- 89,999	7.0%	2.9%	18,434	5.9%
\$90,000- 99,999	6.8%	2.3%	17,555	5.6%
\$100,000- 119,999	11.0%	3.0%	27,706	8.9%
\$120,000- 139,999	7.3%	1.8%	18,414	5.9%
\$140,000- 159,999	4.7%	1.1%	11,711	3.8%
\$160,000+	11.4%	1.3%	27,364	8.8%
Total Percentage	100.0%	100.0%	311,135	100.0%
Total Households	221,650	89,485	311,135	
Median 1996 Income	\$77,815	\$40,190	\$66,085	
% HH > \$100,000	34.4%	7.3%		27.4%

Table 31: Household Income by Tenure

Owners of single-family detached units have the highest median income, \$89,715, as compared to \$64,505 for townhouse owners. Owners of high-rise apartment condominium units have a median income of \$58,010. The median income of owner-occupied garden apartment units amounts to \$46,995, a higher median than rental garden and high-rise apartments. Among renters, detached single-family tenants have the highest median income, \$61,145; this group pays the highest median rent as well. Townhouse renter occupants are next at \$56,255. Following are high-rise renter occupants at \$38,590 and garden apartment renters, at \$37,155. High-rise units, 68.9 percent of which are rental, have 21.6 percent of their rental occupancy represented by the elderly, whose median income is the lowest of all County age groups.

Median incomes of renters and owners differ by race and Hispanic origin. Of renter-occupied units, white renter households show the highest median income, \$41,106, compared to \$37,844 for black renters, and \$35,998 for Asian renters. Hispanic renters show the lowest median income, \$28,178, which is 68.9 percent of the median for all renters. The median income of white owners, \$79,458, modestly exceeds the

\$78,035 for Asians and \$70,200 for blacks. Hispanic owners exhibit the lowest incomes, \$59,590, or 76.6 percent of the County's median owner income.

Homeowners enjoy substantial income and housing cost advantages

The housing cost advantages of home ownership is illustrated by comparing the average monthly homeownership costs (monthly "PITI" of combined principal, interest, real estate taxes, and insurance) with the average contract rents (amount paid to landlord, exclusive of utility and other costs paid separately by tenant). In 1997, the median income of homeowners may be nearly double that of renters, but their housing costs at \$1,244 devours half again the average monthly rental costs of \$804. This is in stark contrast to a decade ago when owners, again with double the household income of renters, benefited from paying ownership costs only 18 percent higher than the typical rental fees. The cost benefit of homeownership may have slipped over the decade as rising housing prices outstripped household income gains, but still, a much smaller proportion of homeowners experience the housing cost burden facing many renter households. Only 11.5 percent of homeowners are spending more than 30 percent of their income on housing costs compared to 28.0 percent of renters.

Aside from substantially higher incomes, the advantaged position of most homeowners derives from their longer occupancy. The dominant PITI cost element is payment for debt service, i.e., mortgage principal and interest. For many owners, mortgage obligations were incurred at pre-inflation price levels and at substantially lower interest rates. Among owners, single-family detached housing accounts for 68.1 percent of occupancy; two out of every five of these detached unit owners have occupied their homes for 15 or more years, predating the housing price inflation of the late 1980s'. In 1997, 16.7 percent of homeowners lived in the same residence for 25 or more years and another 31.0 percent for 10 to 24 years. Many of the more recent purchasers are able to enjoy lower debt burdens on the basis of having applied large, inflation-gained equities against more expensive, trade-up homes.

Monthly ownership costs in 1997 are lowest in the older neighborhoods of Kensington/Wheaton (\$965) and Silver Spring/Takoma Park (\$1,094), and in the I-270 corridor (\$1,102); these area's monthly payments range between 13 and 30 percent below the County's average of \$1,244. The older suburban areas contain housing inventories whose current median resale prices are among the lowest in the County, while the high-growth I-270 Corridor is predominately moderately priced townhouses. The next rung of monthly ownership costs that fall below the County average is found in the areas of Rockville/North Bethesda (\$1,148), Colesville (\$1,149), and Poolesville (\$1,206). The most expensive areas are Potomac at \$1,947 (36 percent above the County's average) followed by Bethesda/Chevy Chase at \$1,586, Damascus at \$1,379, and Olney at \$1,342 (7 percent above the average).

Rents vary by structure type and location

In 1997, approximately 89,485, or two out of seven households in the County, are rental units. Over half of all rental households are garden apartments, averaging the lowest contract rent of \$712, almost 15 percent below the overall County average of \$804 per month. High-rises, comprising almost one-quarter of the rental stock, average \$818 in monthly fees. Rental rates for single-family housing – only 21 percent of the rental inventory – are above the County average of \$804, with townhouses typically

costing \$934 per month and single-family detached homes (12.3 percent of all rentals) commanding the highest of rents at \$1,099.

The most affordable rental rates are found in Silver Spring/Takoma Park, \$709, where 61 percent of the total housing is an even mix of garden and high-rise apartments; the other areas, Kensington/Wheaton, \$738, and the I-270 Corridor and Colesville, both averaging \$768, have garden apartments making up about one third of each area's housing. These low-cost areas combined contain almost three-quarters of the County's total rental stock. Mid-level rental rates characterize Rockville/North Bethesda, \$877, with 12.4 percent of all rental households, and Damascus, \$885, offering only 1 percent of the total. Bethesda/Chevy Chase, with about 10 percent of all rental households, is the County's high rent market, predominately luxury high-rise units averaging \$1,026 per month. Potomac has the County's highest monthly rental rates, \$1,112, but it also has less than 3 percent of all rental households.

Owner Occupied Households 1997 Census Update Survey

Montgomery County, MD.

		SINGLE- FAMILY DETACHED	TOWN- HOUSE	GARDEN APT.	HIGH- RISE	ALL TYPES
P O P U L A T I O N	Household Population	454,110	122,630	27,360	14,550	618,650
	% Female	51.4%	54.0%	58.8%	60.9%	52.5%
	Age Distribution:					
	% 0-4 Years Old	7.0%	9.4%	5.1%	1.4%	7.2%
	% 5-17 Years Old	20.4%	17.4%	8.7%	3.4%	18.9%
	% 18-29 Years Old	8.9%	13.5%	13.9%	3.4%	9.9%
	% 30-44 Years Old	23.2%	33.8%	31.2%	18.6%	25.5%
	% 45-64 Years Old	27.9%	19.5%	23.1%	21.9%	25.9%
	% 65-74 Years Old	7.9%	4.3%	7.6%	21.5%	7.5%
	% Over 74 Years Old	4.8%	2.1%	10.6%	29.8%	5.1%
	Average Age	37.2	32.6	42.0	59.4	37.0
	Race:					
	% White	81.9%	66.5%	78.1%	86.5%	78.7%
	% Black	6.3%	15.8%	12.6%	9.3%	8.6%
	% Asian or Pacific Islander	10.0%	13.6%	5.9%	3.2%	10.4%
	% Other	1.8%	4.1%	3.3%	1.0%	2.3%
	% Hispanic Origin ¹	5.8%	11.4%	13.0%	4.4%	7.2%
	Educational Attainment:					
	Persons 25 Years and Older	303,680	82,420	22,080	13,720	421,900
	% Less than High School Diploma	7.3%	7.9%	10.9%	7.4%	7.6%
% High School Graduate	26.4%	28.6%	35.9%	32.4%	27.4%	
% Associate or Trade School	3.6%	5.4%	5.6%	5.5%	4.1%	
% Bachelor's Degree	28.4%	32.2%	29.0%	24.0%	29.0%	
% Grad, Professional or Doctoral	34.4%	25.8%	18.5%	30.7%	31.9%	
L A B O R F O R C E	Number of Employed Residents ²	242,785	75,240	17,410	5,980	341,415
	% Females Who Are Employed ²	64.3%	76.5%	69.2%	40.7%	66.1%
	Women with Children Under Age 6	32,165	11,475	1,780	160	45,580
	% Employed ²	67.4%	70.8%	74.4%	*	68.4%
	Employer:					
	% Private for Profit	46.5%	53.0%	52.8%	41.7%	48.1%
	% Private not for Profit	12.8%	12.6%	13.5%	21.0%	12.9%
	% Self-Employed	13.9%	8.9%	8.2%	10.2%	12.5%
	% Government	26.8%	25.5%	25.4%	27.1%	26.5%
	Work Location:					
	% In the County	57.2%	60.2%	60.1%	42.4%	57.7%
	% Inside the Beltway	17.2%	15.5%	18.5%	25.9%	17.1%
	% Outside the Beltway	40.0%	44.7%	41.6%	16.5%	40.6%
	% Elsewhere in Maryland	9.1%	9.4%	7.3%	5.0%	9.0%
	% to Washington, D.C.	24.5%	19.4%	21.7%	38.6%	23.5%
	% to Virginia	7.9%	9.2%	9.3%	13.2%	8.4%
	Work Trip:					
	% Driving	84.3%	85.3%	79.7%	66.0%	84.0%
	% Alone	75.7%	75.3%	71.1%	57.3%	75.1%
	% Carpool	8.6%	10.0%	8.7%	8.7%	8.9%
% Public Transit or Rail	10.2%	10.8%	17.5%	29.3%	11.0%	
% Walk/Bicycle/Other	1.3%	1.3%	0.8%	1.2%	1.3%	
% Work at Home	4.2%	2.5%	2.0%	3.5%	3.8%	
Access to Metrorail:						
% Car	62.9%	69.3%	43.6%	16.1%	60.8%	
% Ride-On/Metrobus	14.2%	19.9%	26.4%	23.6%	16.6%	
% Walk/Bicycle	22.8%	10.8%	29.9%	60.3%	22.6%	

* Insufficient data for reliable estimates.

¹ Those of Hispanic origin may be of any race.² Ages 16 and older and employed full- or part-time.**Table 32: Profile of Owner Occupied Households**

Owner Occupied Households (cont.)

	SINGLE-FAMILY DETACHED	TOWN- HOUSE	GARDEN APT.	HIGH- RISE	ALL TYPES	
H O U S I N G	Owner Households by Structure Type	150,960	45,705	15,560	9,425	221,650
	% Owner Households by Structure Type	68.1%	20.6%	7.0%	4.3%	100.0%
	Average Household Size	3.01	2.69	1.75	1.55	2.79
	Tenure:					
	% Owner of Total Households	93.2%	84.8%	23.9%	31.1%	71.2%
	Average Monthly Costs:					
	Homeowners	\$1,379	\$1,051	\$800	\$869	\$1,244
	% in Same Home 5 Years Ago	74.0%	57.3%	54.6%	63.6%	68.7%
	Median Years in Same Home	11	6	6	7	9
	Average Age of Household Head	52.7	45.0	50.4	63.7	51.4
	% Households with Foreign Born Head or Spouse	22.2%	29.8%	20.9%	23.3%	23.7%
	Households by Type:					
	% Family Households	88.0%	75.6%	45.6%	43.1%	80.6%
	% Married-Couple	79.8%	62.0%	35.4%	38.3%	71.3%
	% Single-Parent	6.7%	11.6%	8.2%	3.0%	7.7%
	% Nonfamily Households	12.0%	24.4%	54.4%	56.9%	19.4%
	% Householder Living Alone	10.8%	21.3%	51.5%	54.0%	17.7%
	Persons in Households:					
	% 1 Person	10.8%	21.3%	51.5%	54.0%	17.7%
	% 2 Persons	34.5%	31.1%	33.2%	39.9%	33.9%
	% 3 Persons	19.1%	19.9%	9.0%	4.2%	17.9%
	% 4 Persons	21.1%	17.1%	3.8%	0.9%	18.2%
	% 5+ Persons	14.5%	10.6%	2.6%	1.0%	12.3%
Average Number of Cars	2.2	1.8	1.3	1.2	2.0	
% of Households with Computers	75.6%	71.9%	49.0%	38.0%	71.6%	
% with Internet Connection	64.3%	62.3%	57.6%	59.0%	63.5%	
I N C O M E	1996 Household Income Distribution:					
	% Under \$15,000	1.5%	1.1%	4.7%	2.6%	1.7%
	% \$15,000 to \$29,999	4.7%	5.7%	17.1%	13.0%	6.1%
	% \$30,000 to \$49,999	12.2%	23.7%	33.4%	23.2%	16.4%
	% \$50,000 to \$69,999	15.8%	25.3%	24.9%	23.2%	18.6%
	% \$70,000 to \$99,999	23.4%	24.7%	13.6%	16.8%	22.7%
	% \$100,000+	42.4%	19.5%	6.3%	21.1%	34.4%
	1996 Median Household Income	\$89,715	\$64,505	\$46,995	\$58,010	\$77,815
% of Households Spending More Than 25% of Income on Housing Costs:						
% Homeowners	17.7%	25.6%	34.3%	28.6%	21.1%	

* Insufficient data for reliable estimates.

Source: 1997 Census Update Survey; Montgomery County Planning Dept, Research and Technology Center, February 2000.

Renter Occupied Households 1997 Census Update Survey

Montgomery County, MD.

		SINGLE-FAMILY DETACHED	TOWN- HOUSE	GARDEN APT.	HIGH- RISE	ALL TYPES
P O P U L A T I O N	Household Population	36,700	24,525	108,060	35,565	204,850
	% Female	52.6%	53.2%	55.6%	58.7%	55.3%
	Age Distribution:					
	% 0-4 Years Old	8.9%	8.5%	6.4%	4.3%	6.7%
	% 5-17 Years Old	23.2%	24.6%	15.9%	9.5%	17.1%
	% 18-29 Years Old	17.3%	20.0%	27.0%	20.2%	23.2%
	% 30-44 Years Old	32.2%	31.1%	32.0%	27.7%	31.2%
	% 45-64 Years Old	16.0%	12.3%	13.0%	16.7%	14.1%
	% 65-74 Years Old	1.6%	2.1%	2.8%	6.1%	3.1%
	% Over 74 Years Old	0.9%	1.3%	2.9%	15.5%	4.5%
	Average Age	28.7	28.2	31.1	42.2	32.2
	Race:					
	% White	69.8%	61.5%	50.3%	52.8%	55.6%
	% Black	20.0%	25.6%	30.8%	29.4%	28.0%
	% Asian or Pacific Islander	8.8%	10.6%	14.1%	11.8%	12.3%
	% Other	1.4%	2.3%	4.8%	6.0%	4.1%
	% Hispanic Origin ¹	10.7%	9.0%	15.5%	7.8%	12.5%
	Educational Attainment:					
	Persons 25 Years and Older	21,730	14,525	72,705	27,615	136,575
	% Less than High School Diploma	6.5%	9.0%	12.9%	10.2%	10.9%
% High School Graduate	27.9%	31.6%	30.6%	27.9%	29.7%	
% Associate or Trade School	5.9%	7.5%	6.3%	3.8%	5.9%	
% Bachelor's Degree	26.5%	26.7%	27.3%	29.4%	27.5%	
% Grad, Professional or Doctoral	33.2%	25.3%	22.9%	28.6%	26.0%	
L A B O R F O R C E	Number of Employed Residents ²	21,760	14,190	68,405	19,950	124,305
	% Females Who Are Employed ²	75.9%	79.3%	76.6%	54.9%	72.3%
	Women with Children Under Age 6	3,960	2,365	7,840	1,780	15,945
	% Employed ²	62.6%	62.8%	71.2%	62.5%	67.0%
	Employer:					
	% Private for Profit	48.4%	54.8%	57.5%	52.4%	54.8%
	% Private not for Profit	13.3%	12.4%	14.2%	15.9%	14.1%
	% Self-Employed	15.2%	6.1%	5.8%	6.3%	7.5%
	% Government	23.1%	26.6%	22.5%	25.4%	23.5%
	Work Location:					
	% In the County	51.5%	65.2%	62.2%	48.2%	58.5%
	% Inside the Beltway	16.3%	17.5%	24.1%	29.5%	22.9%
	% Outside the Beltway	35.2%	47.8%	38.1%	18.7%	35.6%
	% Elsewhere in Maryland	8.3%	9.8%	10.0%	9.5%	9.6%
	% to Washington, D.C.	31.2%	16.7%	20.1%	33.3%	23.7%
	% to Virginia	7.5%	7.6%	6.8%	6.7%	7.0%
	Work Trip:					
	% Driving	77.4%	83.8%	74.3%	61.3%	73.8%
	% Alone	65.3%	75.7%	64.5%	54.2%	64.3%
	% Carpool	12.1%	8.1%	9.8%	7.1%	9.6%
% Public Transit or Rail	15.0%	14.0%	20.8%	30.3%	20.6%	
% Walk/Bicycle/Other	3.8%	1.5%	3.4%	7.3%	3.9%	
% Work at Home	3.8%	0.7%	1.5%	1.0%	1.7%	
Access to Metrorail:						
% Car	41.0%	55.9%	44.2%	14.5%	36.8%	
% Ride-On/Metrobus	34.5%	18.3%	17.5%	9.9%	18.2%	
% Walk/Bicycle	24.5%	25.8%	38.3%	75.6%	45.0%	

* Insufficient data for reliable estimates.

¹ Those of Hispanic origin may be of any race.

² Ages 16 and older and employed full- or part-time.

Table 33: Profile of Renter Occupied Households

Renter Occupied Households (cont.)

		SINGLE- FAMILY DETACHED	TOWN- HOUSE	GARDEN APT.	HIGH- RISE	ALL TYPES
H O U S I N G	Rental Households by Structure Type	11,000	8,165	49,480	20,840	89,485
	% Rental Households by Structure Type	12.3%	9.1%	55.3%	23.3%	100.0%
	Average Household Size	3.34	2.99	2.18	1.71	2.29
	Tenure:					
	% Rental of Total Households	6.8%	15.2%	76.1%	68.9%	28.8%
	Average Monthly Costs:					
	Renters	\$1,099	\$934	\$712	\$818	\$804
	% in Same Home 5 Years Ago	20.3%	18.6%	22.7%	32.1%	24.2%
	Median Years in Same Home	2	2	2	2	2
	Average Age of Household Head	42.2	41.1	40.2	51.6	43.2
	% Households with Foreign Born Head or Spouse	30.6%	21.9%	35.3%	30.2%	32.3%
	Households by Type:					
	% Family Households	81.9%	80.2%	62.0%	40.5%	61.0%
	% Married-Couple	68.7%	56.3%	43.1%	30.8%	44.5%
	% Single-Parent	12.1%	21.4%	16.0%	7.4%	14.0%
	% Nonfamily Households	18.1%	19.8%	38.0%	59.5%	39.0%
	% Householder Living Alone	9.2%	10.9%	32.9%	56.5%	33.4%
	Persons in Households:					
	% 1 Person	9.2%	10.9%	32.9%	56.5%	33.4%
	% 2 Persons	24.4%	30.2%	36.8%	28.3%	32.7%
% 3 Persons	24.8%	24.1%	16.2%	7.4%	15.9%	
% 4 Persons	21.2%	22.3%	9.1%	5.0%	10.8%	
% 5+ Persons	20.4%	12.5%	5.1%	2.8%	7.1%	
Average Number of Cars	1.9	1.8	1.2	1.0	1.3	
% of Households with Computers	80.2%	67.2%	53.7%	45.2%	56.3%	
% with Internet Connection	67.1%	67.6%	59.0%	63.8%	62.3%	
I N C O M E	1996 Household Income Distribution:					
	% Under \$15,000	4.3%	4.5%	11.8%	15.2%	10.9%
	% \$15,000 to \$29,999	9.7%	13.0%	24.6%	20.7%	20.7%
	% \$30,000 to \$49,999	22.4%	23.9%	34.4%	27.2%	30.2%
	% \$50,000 to \$69,999	22.7%	27.0%	19.6%	18.4%	20.4%
	% \$70,000 to \$99,999	18.8%	16.1%	7.6%	10.3%	10.4%
	% \$100,000+	22.1%	15.5%	2.1%	8.2%	7.3%
	1996 Median Household Income	\$61,145	\$56,255	\$37,155	\$38,590	\$40,910
% of Households Spending More Than 25% of Income on Housing Costs:						
% Renters	30.7%	27.4%	40.2%	48.2%	39.7%	

* Insufficient data for reliable estimates.

Source: 1997 Census Update Survey; Montgomery County Planning Dept, Research and Technology Center, February 2000.

Younger households pay the highest monthly housing costs

Just as the newest residents tend to pay the highest monthly housing costs, younger households tend to pay more than older ones. Again, this seems unfair since these households are often raising and educating families and their incomes are often lower than those of older households with no children at home. The reasons are similar, however. Older households generally paid less for their housing relative to current income, may have completed paying for their homes, or have had years of rent increases that are below rents for new tenants.

Among homeowners, households with heads aged 30 to 44 years old pay the highest monthly payments, an average of \$1,444. The majority of both first time and move-up buyers are in this age group. The lowest average for homeowners is \$564, paid by households with heads aged 75 or older. Many of these owners no longer have a mortgage. Their housing costs are primarily property taxes and insurance.

The pattern for renters is somewhat different. The highest average rent is paid by households with heads aged 45 through 64, \$874. Comparatively few households rent in this age group. Of those who do, single professionals and empty nesters are important elements. These two groups have tended to prefer the newer, down-County buildings that charge the County's highest rents.

Lowest income households bear the highest proportional housing cost burdens

Excessive housing cost burden is defined as a household spending 30 percent or more of its annual income on housing costs – either contract rent or mortgage costs. As expected, the lowest income households show the highest incidence of excessive housing cost burdens. Furthermore, since rental households have a lower median income than homeowners (\$40,910 versus \$77,815), rental households are more likely to incur excessive housing costs burden.

Rental households hardest hit

Among renters in the bottom quintile of the 1996 household income distribution – annual income under \$20,000 - 80.5 percent allocate 30 percent or more of their income to rent. Moreover, 60 percent of these low-income households are spending at least half their annual income on rent. Renters with incomes between \$20,000 and \$34,999, the second quintile, also face excessive housing cost burden. The rental cost burden does not ease until household income reaches \$35,000. Owners in the bottom quintile of their income range are half as likely as comparable renters to face a correspondingly excessive housing cost burden. That is, 36.9 percent of owner households with incomes below \$45,000 pay more than 30 percent of their incomes on mortgage costs. Excessive cost burdens drop sharply for owners at incomes of \$45,000 and higher.

The percent of renters' incidence of excessive housing cost burden remained relatively unchanged over the decade. In 1987, 29.4 percent of County renters paid 30 percent or more of income for contract rent compared to 28.0 percent in 1997. Also during this period, no change occurred for an even more highly distressed segment of the County's rental market, that is, those households paying 35 percent or more of income for contract rent. Between 1987 and 1997, the County's incidence hovered around 20.0 percent paying more than 35 percent of income on rent.

Households experiencing excessive rental cost burdens exhibit distinguishing characteristics regarding household size, householder age and race, and mobility. The burden is comparatively highest among one-person, four-person, and five- or more person renter households; about one-third of each group spending more than 30 percent of their income on rent. The single-occupant renter, characterized by the lowest median income among the various household sizes, is typically a one-wage earner - for the most part, youthful householders with low-paying, entry level jobs - or one of the many non-working, sole-surviving elderly. The larger households of four or more tenants are not common, only 16.0 percent of all rental households. This group may have the highest median income across the range of household sizes, but the large households frequently bear the higher rents associated with multi-bedroom units.

The highest excessive rent burdens are borne by residents ages 65 years and over, with 47.7 percent paying 30 percent or more of income for rent. Almost one-third of young renters under 25 years of age dedicate 30 percent of their income to rent. The lowest incidence is found among householders between the ages of 25 and 34. This group frequently contains secondary earners coupled with smaller household sizes requiring units with fewer bedrooms, thereby lowering rental costs.

Whites and blacks are nearly alike regarding the percentage of households spending more than 30 percent of their income on rent, 25.4 percent and 28.5 percent, respectively. In contrast, Asians show 34.9 percent incidence and Hispanic renters, 44.6 percent. The latter two groups are likely to contain recent immigrants facing language barriers and lower wage earning potential.

Recent movers who rent their housing face higher average rental costs than non-movers, but exhibit a lower incidence of excessive rent burden than non-movers. Excessive rent burden rates of recent movers, both within and into the County, are lower than the 32.8 percent of households renting the same place since prior to 1992, even though movers pay higher average rents than non-movers. New residents pay the highest average monthly rent, \$851, followed by within County movers, who average \$795, compared to stationary renters, who average \$719. The long-term renters usually benefit from rent increases that are less than the rent charged to new tenants granting them lower monthly rates. Unfortunately, the incomes of long-term renters, typically single elderly, are also lower, leading to excessive housing cost hardship. Recent movers (those who moved after 1992) show 30.3 percent with excessive rent burden. Recent in-migrants to the County show a 23.4 percent incidence, the lowest of the three mobility groups. Recent movers, many occupying the newest apartment buildings charging the highest rents, have higher incomes to deflect the higher housing costs.

Fewer owners bear excessive housing cost burdens

Only 11.5 percent of owners in 1997 report mortgage outlays exceeding 30 percent of income, compared to 28.0 percent incidence among renters who pay the same percentage of income for contract rent. In 1987, 8.8 percent of owners paid at least 30 percent of their income on monthly housing costs.

Owners of detached, single-family housing units enjoy the most favorable housing expense condition; only 9.5 percent endure excessive mortgage burden. They also show the highest median income, \$89,715, compared to \$64,505 for townhouses,

\$46,995 for garden apartments, and \$58,010 for high-rise owners. Townhouse owners - many recent purchasers - show a slightly higher rate of excessive housing costs at 12.6 percent. High-rise condominium owners at 18.9 percent show excessive mortgage burdens at twice the rate of detached unit owners; and garden apartment owners fare even worse with one-out-of-five households spending more than 30 percent of their income on housing costs.

Single-person owners show the highest rate of excessive mortgage outlay, 18.1 percent, which is more than double the rate for the group with the lowest excessive housing cost burden, two-person households. The single owners are typically sole surviving, non-working elderly, or young, first-time buyers just starting careers. Households occupied by five or more persons have the next highest incidence of spending more than 30 percent of their income on ownership costs; 14.7 percent of owners in these larger households face such a burden, yet this is less than half the rate associated with large rental households, 32.6 percent.

The youngest homeowners bear the highest comparative incidence of excessive mortgage burden. In the under-35 age group (mainly first time buyers and some move-ups), 16.8 percent pay 30 percent or more of income for homeownership costs. The next highest age group, 35 to 44, shows an 11.3 percent incidence. The lowest comparative incidence is found in the over 65-age group, 9.8 percent. This group generally includes the “younger” seniors, many of whom own their homes free and clear and their housing costs are primarily property taxes and insurance.

White owners, the group with the County's highest median income (\$79,457), show the lowest rate of excessive mortgage payments relative to income, 9.8 percent. Black and Asian headed households have approximately equal shares of homeownership – each about 7.0 percent of the total households owned in the County – but Asian owners have a disproportionate rate of excessive housing cost burden with 20.2 percent spending more than 30 percent of their income compared to 13.5 percent for blacks. This is a particularly poignant difference, considering Asian owners have higher median incomes than black owners, \$78,035 versus \$70,200, respectively. The difference in homeownership burden lies largely with each group's timing of homeownership. A higher percentage of Asian owners (67.6 percent versus 49.5 percent of white owners) bought their homes since 1988 - particularly during the peak housing price inflation period of 1988 through 1992. Also, Asian households have the lowest percentage of long-term owners among the three racial groups; only 9.4 percent of Asian owners have lived in their homes for 20 or more years compared to 15.2 percent of black owners and 25.0 percent of white owners. The incidence of homeownership cost burden reflects the in-migration pattern of Asians into Montgomery County over the past two decades. Hispanic homeowners – the lowest median income compared to the racial groups - are also especially hard hit, with over one-quarter spending 30 percent or more of their income on homeownership. Mirroring this group's in-migration trends, almost three-quarters of all Hispanic owners bought a home between 1988 and 1997, and only 5.4 percent owned their present home for 20 or more years.

Longer-term residency clearly provides housing cost advantages. Among homeowners, movers pay substantially more for their housing each month than non-movers. In 1997, new residents average \$1,510 for monthly mortgage costs and movers within the County, pay \$1,523, about \$400 more than the typical non-mover owner household. Inopportunately, the mover's higher housing costs coincide with its other

typical characteristics, i.e., younger households, with wage earners just starting careers and with subsequently lower median household incomes. Among recent mover-owners (that is, households that did not live in their present house five years prior to the survey), 29.9 percent report excessive mortgage payments, compared to only 9.0 percent for non-movers. Moreover, 70.3 percent of non-mover households pay less than 20.0 percent of their income on housing costs compared to 45.0 percent of households that had moved. The same general experience is seen regarding homeowners new to the County, a subgroup of the mover-owner households. Among such in-migrants, 16.7 percent pay more than 30 percent of income for PITI. On the flipside, the majority of new County residents buying homes, 67.3 percent, are paying less than 25 percent of their income on ownership costs. A large number of non-mover households bought their homes many years ago so that they have either retired their mortgages or their incomes have grown substantially relative to their monthly housing costs, while recent movers pay higher prices that are reflected in their monthly payments.

Widespread computer ownership

In 1997, two-thirds of households in Montgomery County have at least one personal computer, and of these households, 63.2 percent have access to the Internet. Home computer use in the County far exceeds the national figure of only 34.6 percent of U.S. households owning personal computers reported in 1997 by the U.S. Bureau of Labor Statistics. Moreover, in Montgomery County, a rapid increase in first-time home computer purchases occurred between 1994 and 1997 with almost half again as many additional households, or over 23,000 homes per year jumping on the computer bandwagon. The preponderance of wired households is no surprise since affluent, well-educated residents, telecommuting white-collar workers, and families with children characterize Montgomery County. Even grandparents are embracing technology to e-mail their grandchildren. Rocketing computer purchases are expected to persist as computer prices continue to decline, making technology affordable to most households and as computer technology increasingly pervades daily life.

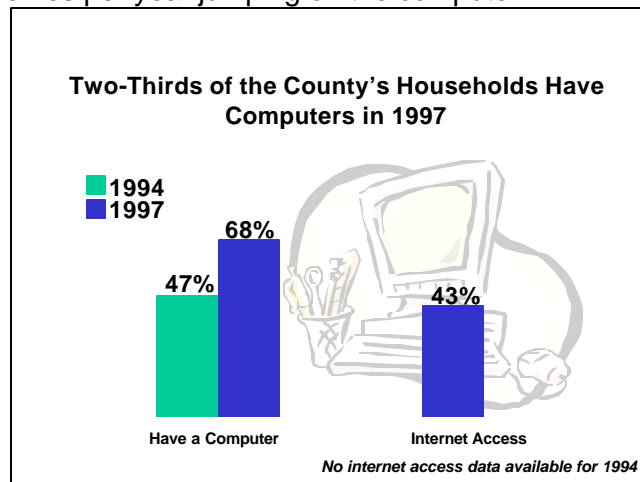


Figure 20: Computer Ownership 1994 and 1997

Single-family detached housing consistently has the highest rate of home computer ownership with over half of these dwelling types owning at least one computer in 1994 rising to three-quarters in 1997. High-rise occupants are least likely to have a personal computer, yet the rate of ownership is still impressive at 42.6 percent. The greatest increase in computer ownership occurred in garden apartments witnessing a 76 percent increase from 29.8 percent in 1994 to 52.5 percent in 1997. Similar differences are exhibited by tenure where 71.6 percent of owner occupied households own personal computers compared to 56.3 percent of rental households. The majority of renters live in multi-family dwellings associated with lower home computer ownership rates. The discrepancy in the rate of home computer ownership by structure type or by tenure

reflects for the most part differences in household income, or, in the case of high-rise apartments, the presence of elderly - the group least likely to own a computer.

The extreme cohorts of household head age groups – those below age 25 and those 65 years and older – have the lowest rate of computer ownership, 45.4 percent and 35.5 percent respectively. Discretionary income may be a factor for both age groups, but seniors are more likely to have little interest or be stumped by computer technology. Computers are practically a given in the homes of all other householders. Almost three out of four householders between the ages of 25 and 64 have at least one computer hooked up at home. Householders between the ages 45 and 54 have the highest percentage of computer ownership, 81.8 percent.

Family type illustrates the division of in-home use, with computers found in three-quarters of family households versus less than half of non-family homes. Children and computers seem inseparable, as married couple and single-parent households have the strongest ties to the computer revolution (77.7 and 62.6 percent, respectively, own computers).

The presence of a computer in a household is highly correlated with household income. Over three quarters of the home computers in the County are found in households with greater than \$50,000 annual income. Almost 80 percent of these households with incomes of at least \$50,000 own a computer and over half have Internet access compared to national rates of 64.5 percent and 40.7 percent, respectively. Roughly one out of four County households with annual incomes less than \$15,000 has a computer in their home. Eight out of nine households with annual incomes exceeding \$100,000 have at least one computer.

**1997 Demographic Characteristics of
Households Owning Computers
Montgomery County and the United States**

Householder Characteristic	Percent of households	
	County	U.S.
Own a computer	67.6	34.6
Education		
8th grade or less	33.6	6.9
Some high school	32.9	11.5
High school graduate	41.5	22.5
Some college	60.1	39.9
College graduate	73.5	56.2
Graduate school	82.7	65.6
Age		
<25	45.4	31.6
25-34	70.6	37.6
35-44	79.4	44.0
45-54	81.8	45.8
55-64	69.4	32.2
65-74	47.6	15.7
75+	21.2	6.6
Race		
White	68.1	36.1
Black	57.6	17.9
Asian or Pacific Islander	78.3	49.1
Hispanic Origin		
Hispanic	65.0	n.a.
Nonhispanic	67.7	n.a.
Foreign-born status		
Yes	70.4	n.a.
No	67.1	n.a.
Household type		
Married couple	77.7	n.a.
Single parent	62.6	n.a.
Related	54.8	n.a.
Unrelated	69.6	n.a.
Single person	41.9	n.a.
1996 Income		
Quintile 1	40.8	17.1
Quintile 2	60.1	17.8
Quintile 3	72.9	28.0
Quintile 4	82.6	44.6
Quintile 5	90.5	65.4
Combined Planning Area		
Silver Spring/Takoma Park	60.8	n.a.
Bethesda/Chevy Chase	68.7	n.a.
Rockville/N. Bethesda	65.6	n.a.
Kensington/Wheaton	58.6	n.a.
I-270 Corridor	69.8	n.a.
Colesville	69.2	n.a.
Potomac	82.3	n.a.
Olney	78.4	n.a.
Damascus	76.9	n.a.
Poolesville	69.5	n.a.

Source: 1997 Consumer Expenditure Interview Survey, Bureau of Labor Statistics, U.S. Dept. of Labor. 1997 Census Update Survey, Montgomery County Dept. of Park and Planning.

Table 34: Characteristics of Households Owning Computers

Neighborhood and local parks attract nearby families

The 1997 Census Update Survey included a question regarding the most frequent park usage by any person in the household. The respondent was asked to estimate the greatest number of visits made to the various types of Montgomery County owned parks by any household member(s) during the year prior to the survey. The most frequent user may be a different person for each park type. Park usage information for the four types of County parks was obtained. These include small neighborhood parks with play equipment or basketball and tennis courts; local parks with ball fields or recreation centers; large, multi-use parks such as Wheaton, Black Hill/Lake Seneca, or Cabin John Regional Parks; and natural park areas in stream valleys and conservation parks.

A household's proximity to a County park appears to be the harbinger of heavy park usage. Almost one-fifth of households visited a neighborhood park and 12.3 percent visited a local park at least 25 times within a year of the survey. Large and natural parks are each visited more than 24 times a year by about 6 percent of households. Large and natural parks attracted more households

visiting infrequently rather than heavy users, perhaps due to the parks' specialty nature and their proximity to fewer households. Of the households in the County, approximately 42.0 percent visited large parks and 37.8 percent visited natural parks one to six times a year.

It is no surprise that families with children have the highest rate of park usage across all types of parks. Both married couples and single parents are moderate and heavy users of the County's parks. Single-person households (many of which are elderly) have the lowest rates of park usage; almost half of these households did not visit a Montgomery County park during the year prior to the survey. Concomitant with the household type, the householder age group with the highest park usage generally ranged from 30 to 44 years of age and the lowest rates were held by heads ages 55 and up. No appreciable difference in park usage was seen among the combined planning areas. If a large or natural park was located near a combined planning area, the park usage rates for this area were slightly higher than areas further removed.

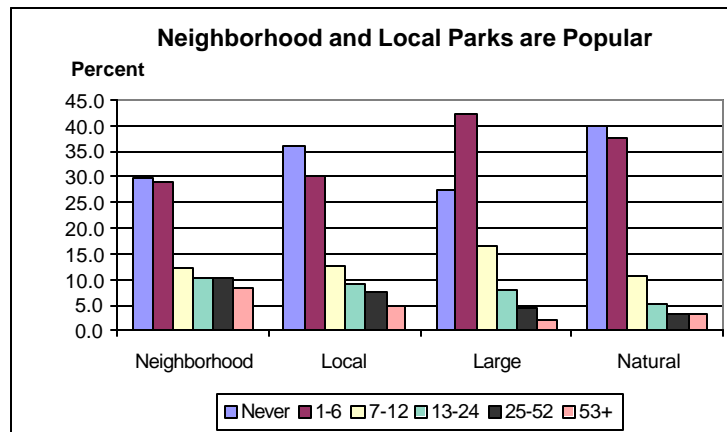


Figure 21: Park Usage by Types of Parks

Type of Park	Selected Household Types			Total
	Married-Couple	Single Parent	Nonfamily	
Neighborhood park				
Never	25.2	20.0	44.9	29.6
1-6	26.9	32.5	32.9	29.0
7-12	13.7	11.8	9.1	12.5
13-24	12.2	12.1	5.3	10.5
25-52	12.5	13.6	3.5	10.3
53+	9.5	9.9	4.3	8.2
Total	100.0	100.0	100.0	100.0
Local park				
Never	31.0	27.9	51.7	35.7
1-6	30.0	32.2	29.5	30.2
7-12	13.8	16.4	8.6	12.7
13-24	10.7	10.2	4.8	9.2
25-52	8.7	8.8	3.3	7.4
53+	5.9	4.5	2.1	4.9
Total	100.0	100.0	100.0	100.0
Large, multi-use park				
Never	22.6	22.3	40.7	27.2
1-6	42.8	47.0	38.2	42.0
7-12	18.6	15.8	10.9	16.3
13-24	9.1	8.7	4.6	8.0
25-52	4.8	3.3	3.3	4.3
53+	2.1	2.9	2.2	2.2
Total	100.0	100.0	100.0	100.0
Natural stream valley park				
Never	35.4	46.4	48.5	39.8
1-6	40.5	34.4	32.2	37.8
7-12	11.5	10.4	8.5	10.7
13-24	5.7	4.0	4.7	5.4
25-52	3.5	2.1	3.0	3.2
53+	3.3	2.6	3.0	3.1
Total	100.0	100.0	100.0	100.0
Total Households	197,880	29,470	78,000	311,135

Table 35: Park Usage by Selected Household Types

Residents plan to retire in the County

For the first time, the 1997 Census Update Survey asked the question, "if the householder or spouse plans to retire within the next five years, whether the household expects to retain a permanent residence in Montgomery County during the first five years of retirement." Of the approximate 31,000 households with heads or spouses between the ages 55 to 65 in 1997 who plan to retire in the County before 2002, 75 percent said they would stay in the County during the first five years of retirement. The length of residency in the County does not influence the retirement choice, as there is little difference between the average length of residency for those choosing to stay (18 years) and those considering moving (17 years). Also, both groups have approximately the same 1996 median income, around \$100,000. There are a higher percentage of renters in the group considering moving at retirement, 10.6 percent compared to 3.8 percent of at-place retiree households. Among the racial groups, Asians disproportionately favor retiring in the County compared to 72.3 percent of white and 77.3 percent of black households.