



## Multifamily Vacancy Indices - Q3 2014 (Seasonally Adjusted)

### RENTAL VACANCY IN CURRENT VS. PRIOR QUARTER

	2008		2009				2010				2011				2012				2013				2014		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Multifamily Vacancy Index</b>	63	64	68	70	64	63	58	42	39	33	35	36	35	35	31	36	33	31	38	42	40	38	37	38	41
<b>MVI Components:</b>																									
Class A apartments	69	75	77	75	71	65	58	40	42	37	34	36	35	33	29	35	33	30	38	42	36	36	38	39	40
Class B apartments	61	59	65	70	61	64	58	42	37	28	34	34	34	34	30	38	31	30	37	41	42	39	35	36	41
Class C apartments	58	56	58	60	56	56	59	43	41	38	40	43	38	39	42	33	35	37	40	43	41	43	41	40	46

### EXPECTED VACANCY: NEXT 6 MONTHS VS. CURRENT QUARTER

	2008		2009				2010				2011				2012				2013				2014		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Class A apartments	72	64	66	62	57	59	50	41	43	32	34	34	40	30	32	36	37	37	40	43	33	40	36	42	44
Class B apartments	62	54	57	56	55	56	49	44	38	25	33	28	38	29	32	36	34	31	37	41	34	43	41	38	41
Class C apartments	51	50	50	51	47	48	49	44	40	38	40	36	38	35	41	36	35	35	40	43	40	46	42	45	45

MVI components are based on questions asking if occupancy is higher, about the same, or lower in the current vs. prior quarter.

Expected vacancy indices are based on similar questions about occupancy during the next 6 months vs. the current quarter.

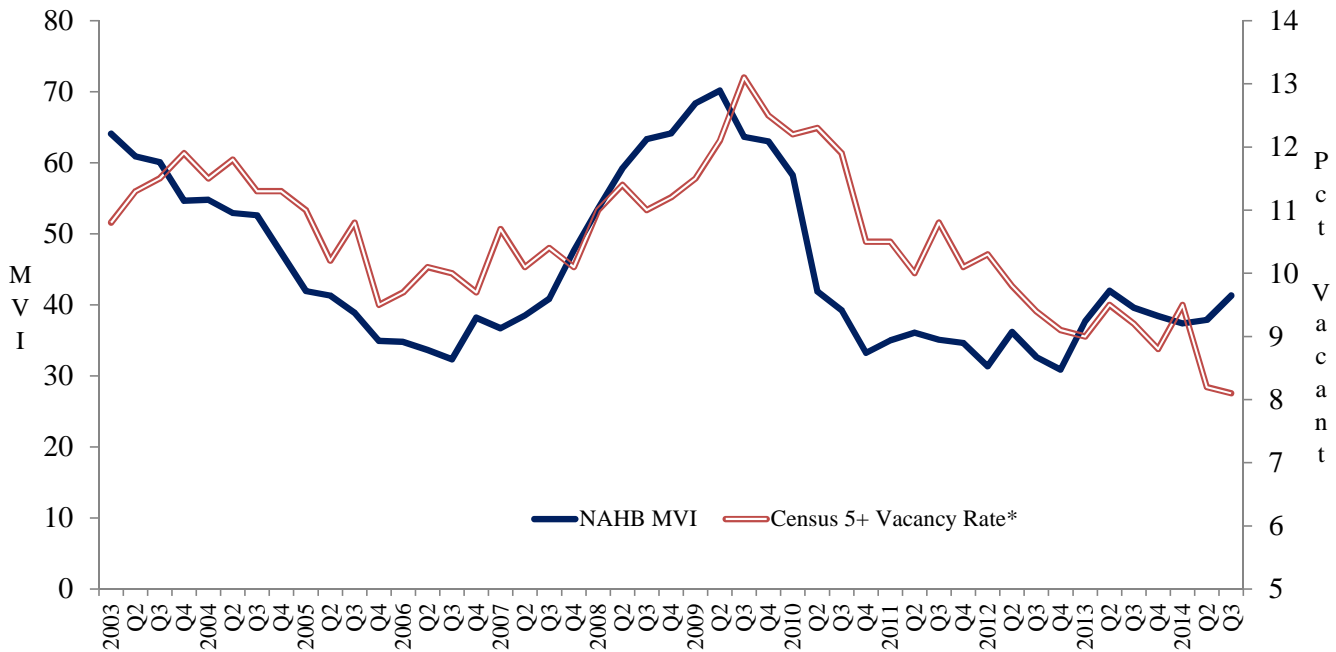
Individual vacancy indices are calculated from the percentage responses using the formula  $(\text{Lower Occupancy} - \text{Higher Occupancy} + 100) / 2$ .

The overall Multifamily Vacancy Index is a weighted average of the three components:  $.3632 \times \text{Class A} + .4630 \times \text{Class B} + .1738 \times \text{Class C}$ .

The weights are derived from a statistical analysis of the historical relationship between the components and Census rental vacancy rates.

Source: Multifamily Market Survey, NAHB Economics and Housing Policy Gr. Q3 2014 results based on 103 responses.

**NAHB Multifamily Vacancy Index (MVI) and 5+ Rental Vacancy Rate**



\*Source: U.S. Census Bureau, Housing Vacancies and Homeownership

(<http://www.census.gov/hhes/www/housing/hvs/hvs.html>) The rental vacancy rate is the number of vacant rental units divided by the number of vacant rental units plus the number of rental units occupied plus the number of rental units rented but not yet occupied.