

Townhouses—The Other Single Family

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Data for single family construction and the single family stock refer primarily to free-standing detached homes, but also include single family attached, or "townhouse" units, with common walls but separate entries and facilities (as defined further below). Such units, which represent something of a hybrid between single family and multifamily housing, accounted for 126,000 housing starts last year. Although townhouses are typically lumped together with detached homes, they deserve some separate consideration.

Among households living in townhouses in 1999, nearly a third consisted of people living alone, compared to only 19 percent of households in detached homes, according to the Census Bureau's American Housing Survey (AHS). Many of the people living alone in detached homes were widowed, and had lived in their homes for a long time. While 24 percent of the households in townhouses were people under age 65 living alone, only 10 percent of those in detached homes were. Nearly 64 percent of households in detached homes were headed by married couples, compared to 39 percent of households in townhouses. Moreover, the majority of the married couple households in detached homes included children under 18, while relatively few of the married couples in townhouses had minor children. Townhouses were a bit more likely to house single parents, and a lot more likely to house unmarried couples or groups of non-relatives, than detached homes. Characteristics of detached and attached units, and of their occu-

pants, are shown in Table 1.

Fifty percent of the households living in townhouses in 1999 were renters, compared to only about 13 percent of the households living in detached homes. Among single family detached homes, it is only the older units that tend to be renter-occupied, with less than 4 percent of

homes less than 5 years old occupied by renters. The renter share is nearly as high for recently-built townhouses as for older ones, however, with renters accounting for 42 percent of the occupants of townhouses built after 1994.

According to the AHS, there were 8.03 million townhouse units (includ-

Table 1. Occupied Single-Family Units, 1999

	All Occupied Units		Owner		Renter	
	Attached	Detached	Attached	Detached	Attached	Detached
Total Units (000s)	6,963	64,536	3,499	56,471	3,464	8,065
Household Size						
1	32.6%	18.6%	31.2%	18.0%	34.0%	22.8%
2	32.1%	34.6%	36.4%	35.8%	27.7%	26.1%
3	15.1%	17.4%	13.5%	17.2%	16.7%	19.1%
4 or More	20.2%	29.5%	18.8%	29.1%	21.6%	32.1%
Age of Head						
Under 35	32.3%	15.9%	18.1%	12.9%	46.6%	36.8%
35 to 44	21.7%	24.4%	21.0%	23.7%	22.3%	28.6%
45 to 64	28.6%	36.9%	35.2%	38.6%	22.0%	25.1%
65 and over	17.4%	22.8%	25.7%	24.7%	9.1%	9.5%
Household Type						
Married Couple	38.6%	63.6%	47.6%	66.8%	29.5%	41.0%
Other 2+ Persons	28.8%	17.8%	21.2%	15.2%	36.5%	36.3%
Single Male	12.8%	7.6%	9.8%	6.9%	15.9%	12.1%
Single Female	19.8%	11.0%	21.4%	11.1%	18.2%	10.6%
Year Built						
1990-1999	16.1%	13.0%	19.4%	14.3%	12.7%	4.3%
1980-1989	21.0%	11.4%	24.1%	12.1%	17.8%	6.9%
1970-1979	21.4%	17.6%	19.1%	18.2%	23.8%	13.1%
1960-1969	10.3%	14.8%	6.9%	15.0%	13.8%	13.6%
1950-1959	6.5%	15.4%	4.8%	15.0%	8.2%	18.0%
1940-1949	6.3%	8.4%	5.0%	7.7%	7.6%	13.4%
1939 and before	18.5%	19.3%	20.7%	17.6%	16.3%	30.9%
Bedrooms						
0 or 1	15.0%	2.1%	3.7%	1.3%	26.3%	8.0%
2	44.7%	18.1%	39.4%	15.9%	50.1%	33.0%
3	33.4%	54.1%	46.4%	55.3%	20.3%	45.8%
4 or more	6.9%	25.7%	10.5%	27.4%	3.3%	13.2%
Bathrooms						
0 or 1	42.2%	30.6%	22.2%	26.4%	62.4%	60.4%
1.5	21.9%	18.2%	26.7%	19.0%	17.0%	13.0%
2 or more	35.9%	51.2%	51.0%	54.7%	20.6%	26.6%
Condo or Coop	21.2%	0.5%	33.7%	0.4%	8.5%	1.0%

Source: U.S. Census Bureau, American Housing Survey for the United States: 1999

ing vacant units) in 1999, representing 7.0 percent of the total housing stock. That is substantially more than the 5.38 million counted in the 1990 Census. Considering that there were less than a million new single family attached units built in the intervening 9½ years, that comparison no doubt overstates the increase, but the townhouse share of the stock apparently rose during the decade.

Data from the decennial Censuses indicate that the townhouse share of the total stock reached a low point in 1970, when 1.99 million single family attached units were counted, representing 2.9 percent of the total stock of 67.7 million units. In 1970 townhouses not only represented a much smaller share than the 6.3 percent in 1960, but the actual number counted was much lower, compared to the 3.66 million enumerated in 1960. During the 1960s, some townhouses were converted to apartments, but many were demolished. There were more removals of existing units of all types during that decade than in later decades, due to the urban renewal and road building programs that flourished at the time.

Kenneth T. Jackson, in his book *Crabgrass Frontier*, relates that the row house in America dates from 1610 in the Jamestown colony. By 1800 townhouses "had become the basic form of residential building in... large communities on the eastern seaboard," according to Jackson, but "the attraction of 'jammed-together' houses receded with each passing year after 1840."¹

Townhouses are often perceived as a traditional urban form of housing, typically built in cities before World War II, but that was not true in all areas and does not adequately describe the current housing stock. Some cities, such as Philadelphia and Baltimore, include large numbers of townhouses built in the 19th century

and the first half of the 20th century. Older homes in other cities are primarily detached structures, although such homes were often densely clustered. As of 1970, Baltimore and Philadelphia accounted for 1.4 percent of the total number of housing units in the U.S., but contained 27.8 percent of all townhouses.²

In 1999, according to the American Housing Survey, 58 percent of townhouses were less than 30 years old, compared with 42 percent of detached homes. That difference reflects the large number of detached homes built from 1946 to 1969. The share of detached units in 1999 that were reported as built before 1940 (19.3 percent) was virtually the same as the share of townhouse units (18.5 percent) dating from the pre-war period. The older townhouse units are more likely, however, to be found in cities.

About half of the existing stock of both detached and attached single family units in 1999 was located in the suburbs of metropolitan areas.³ The share of the total stock of townhouses that were located in central cities was 42 percent, compared to 23 percent of detached units.

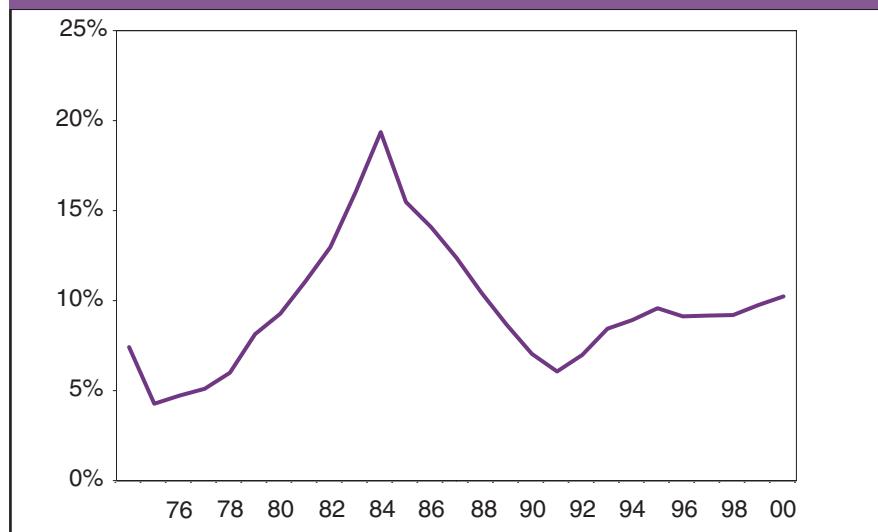
Nonmetropolitan areas included about 28 percent of the nation's stock of detached units, but only 9 percent of townhouse units.

Townhouses represented 17 percent of all single family homes in central cities, versus 10 percent of all suburban single family units. In nonmetropolitan areas, townhouses represented only 3.5 percent of the single family stock, but accounted for nearly 12 percent of renter-occupied single family homes. Among single family units built during 1996 to 1999, 65 percent of both detached and attached units were located in the suburbs of metropolitan areas.

New Construction

In 2000, there were 126,000 townhouse units started, representing 10.2 percent of all single family starts during the year. That was the largest townhouse share since 1988. As Figure 1 illustrates, the townhouse share reached a peak in 1984, when 19.4 percent of single family starts were townhouses. By 1991, only 51,000 townhouses were started, representing 6.1 percent of total single family starts. The decreased share in the late 1980s and early

Figure 1. Townhouse Share of Single-Family Starts



1990s was partly due to a shift of construction toward homes custom-built on the customer's land, rather than homes for sale or rent. Since 1991, increases in the shares of all single family starts that were intended for sale or for rent have meant a larger share for townhouse units, but the townhouse portion among homes built for sale apparently hasn't grown. The townhouse share of new single homes sold remained at 10.4 percent during 1998 through 2000. In 1991, the townhouse share of new home sales was only modestly lower at 9.8 percent, and it increased to a recent peak of 11.7 percent in 1995. In 2000, only 3.0 percent of single family starts were intended to be offered for rent by the builder, but many of those were townhouses. In 1991, only 1.6 percent of single family starts were intended for rentals.

The townhouse share of single family starts in 2000 was greatest in the Northeast, where 20.3 percent of the 118,000 single family units started were townhouses. The townhouse shares in the Midwest, South, and West were 14.6 percent, 8.8 percent, and 5.1 percent, respectively. Although the townhouse share of single family starts in the West has been smaller than in other regions since 1986, in earlier years the share in the West was similar to the national share.

The Census Bureau defines a single family attached/townhouse unit as one that is separated from adjacent units by an unbroken firewall extending from the foundation to the roof, with no shared facilities such as HVAC systems or interstructural utilities. In addition to single family townhouse starts, there were 16,000 "townhouse-type" units in multifamily structures of 5 units or more started in 2000, and perhaps half of the 39,000 units started in structures of 2 to 4 units were also townhouse-type units. A multifamily townhouse unit

Table 2. Characteristics of New Homes Sold

	1999		2000	
	Attached	Detached	Attached	Detached
Sold (000s)	92	815	91	787
Median Sale Price	\$140,000	\$162,800	NA	NA
Median Square Feet	1,675	2,090	NA	NA
Bathrooms				
Less than 2	17%	3%	12%	3%
2	30%	40%	37%	39%
2.5	44%	37%	44%	36%
3 or more	8%	20%	8%	21%
Bedrooms				
2 or less	46%	6%	44%	4%
3	50%	52%	53%	52%
4 or more	4%	42%	3%	44%
Number of Stories				
1	28%	45%	33%	45%
2 or more	71%	54%	66%	53%
Split Level	1%	1%	1%	2%
Parking				
Garage - 1 car	32%	5%	32%	4%
Garage - 2 cars	49%	72%	49%	71%
Garage - 3+ cars	0%	18%	1%	20%
Carport	1%	1%	1%	1%
No garage or carport	18%	4%	17%	5%
Exterior Wall				
Brick	12%	22%	12%	22%
Wood	11%	13%	13%	11%
Stucco	10%	22%	10%	24%
Vinyl	55%	34%	54%	34%
Aluminum	3%	1%	4%	1%
Other	7%	8%	8%	8%
Fireplace				
None	54%	33%	48%	35%
1	44%	62%	50%	60%
2 or more	2%	5%	2%	4%

Source: U.S. Census Bureau, Manufacturing and Construction Division

is one that doesn't meet the separation criteria defining single family townhouses, but that has a separate entrance and doesn't have other units above or below it. Although the distinction between single family and multifamily townhouses is sharply drawn and applied in the construction data, the data from the decennial

census or the American Housing Survey may include some multifamily townhouses as single family (or vice versa).

The median living area in new townhouses sold in 1999 was 1,675 square feet, compared to 2,090 for new detached homes sold. Comparable data on living area for

**Table 3. Single-Family Owner Occupied Homes,
Purchased 1996-1999**

	New Homes		Existing Homes	
	Attached	Detached	Attached	Detached
Total	300	3,413	1,135	11,665
Median Price	\$144,240	\$149,800	\$92,940	\$98,720
Median Income	\$65,123	\$69,360	\$46,337	\$52,957
Location				
Northeast	19%	9%	30%	14%
Midwest	27%	22%	17%	29%
South	32%	46%	33%	34%
West	22%	24%	20%	23%
Central City	17%	13%	34%	26%
Suburb	76%	66%	62%	53%
Nonmetropolitan	8%	20%	3%	22%
Household Type				
Married w/children	10%	45%	15%	39%
Married, no children	42%	36%	26%	28%
Single Parent	5%	4%	10%	9%
Single Person	32%	10%	32%	15%
Other	11%	6%	17%	10%
Age				
Under 35	26%	31%	39%	39%
35 to 44	24%	31%	24%	32%
45 to 54	18%	20%	18%	16%
55 and over	33%	18%	19%	13%
First Time Buyer	34%	25%	49%	41%

Note: Based on homeowner respondents to 1997 and 1999 AHS who purchased single family homes in 2 years preceding survey.

Source: American Housing Survey data, tabulated by NAHB.

2000 are not yet available, but some of the other characteristics of new detached and attached units sold in 2000 are shown in Table 2. The lower numbers of bedrooms and bathrooms, as well as the greater share with garages for only one car, are consistent with the smaller sizes of most households in townhouse units.

Townhouse Buyers

Tabulations of data from the AHS for households acquiring single family homes for owner occupancy during the 1996 to 1999 period (table 3)

show that married couples with children accounted for less than 10 percent of those in newly-constructed townhouses, compared to 45 percent for those in new detached homes. Among those purchasing existing single family homes during that period, married couples with children bought 15 percent of the townhouses and 39 percent of the detached homes. Three-fourths of those buying new townhouses were married couples without children or people living alone. Another 11 percent were households with 2 or more unrelated

adults—mainly, unmarried couples.

While the median age for all householders living in single family homes, including renters and non-moving owners, is greater for those in detached homes than for those in townhouses, the households buying townhouses for owner occupancy tend to be older than those buying detached homes. During 1996 to 1999, 33 percent of those buying new townhouses were aged 55 and over, compared to 18 percent of those buying new detached homes. Among those buying existing townhouses, 19 percent were 55 or older, compared to 13 percent of those buying existing detached homes. Despite the large share of townhouses sold to older households, the first-time buyer share was higher among townhouse buyers than among detached home buyers. For newly-built homes, 34 percent of owner-occupied townhouses were purchased by first-time buyers, compared to 25 percent for detached homes. Among those buying existing townhouses for owner-occupancy, 49 percent were first-time buyers, compared to 42 percent for existing detached homes.

What Home Buyers Want

NAHB's 2000 survey of recent and prospective home buyers included a question asking, "What type of home would you seriously consider buying?" Table 4 shows some of the results. Respondents could indicate more than one type. Overall, 14 percent of survey respondents said they would consider buying a townhouse. The share saying they would consider a townhouse was highest in the Northeast, at 18 percent, but was nearly as high in the West, even though the townhouse share of single family starts in the West has been low than in recent years. The share saying that they would consider a townhouse was

lowest in the South, but at 11 percent was not insignificant.

The responses by type of household were generally consistent with the AHS data on homeowners who bought homes during 1996 to 1999. The households most likely to consider buying a townhouse consisted of people living alone, while married couples with children were least likely to say that they would consider a townhouse. Older respondents were somewhat more likely to consider a townhouse, and less likely to consider a single family detached home.

Those respondents with higher incomes (or expecting to pay more for a home) were no less likely to consider a townhouse than those with lower incomes, even though the AHS data indicate that higher income households are less likely to actually buy a townhouse, and both the AHS and new home sales data show that the median price for townhouses is lower than the median for detached homes.

Conclusion

Clearly, the market for townhouses is quite different from that for single family detached houses. Proponents of new urbanist or neo-traditional community designs suggest that greater production of townhouse units would mean more livable communities. There may be additional market opportunities for townhouses, particularly as the population ages. The market for

Table 4. What Type of Home Would You Seriously Consider Buying?

	Single Family Detached	Attached/Townhouse	Multifamily Condo Apt.	Mobile Home	Other
All Respondents	81%	14%	8%	10%	5%
Location					
Northeast	81%	18%	10%	6%	7%
Midwest	82%	14%	9%	5%	5%
South	81%	11%	8%	14%	5%
West	81%	17%	6%	12%	6%
Income					
Under \$35,000	74%	13%	9%	18%	8%
\$35,000-\$49,999	83%	12%	9%	8%	5%
\$50,000-\$74,999	87%	17%	7%	5%	4%
\$75,000-\$99,999	89%	15%	8%	3%	3%
\$100,000 or more	88%	16%	7%	0%	3%
Age					
Under 35	88%	13%	6%	10%	3%
35-44	87%	13%	5%	6%	5%
45-54	84%	15%	9%	14%	6%
55-64	80%	16%	9%	8%	7%
65 and over	59%	18%	16%	15%	9%
Household Type					
Married w/children	88%	8%	3%	8%	6%
Married, no children	82%	12%	8%	8%	4%
Single male	80%	23%	16%	8%	5%
Single female	64%	23%	15%	14%	10%
Mingle	88%	22%	1%	7%	6%
Single parent	74%	13%	8%	21%	6%

Source: Consumer preference survey data from September 2000, reported in Gopal Ahluwalia, Jo Chapman, and Michael Carliner, *What 21st Century Home Buyers Want* (NAHB, 2001)

townhouses involves a different set of households, however, than the ones seeking detached homes, who will remain the dominant element in the housing market.

¹ Kenneth T. Jackson, *Crabgrass Frontier*. New York: Oxford University Press, 1985 (pp. 55-59).

² U.S. Bureau of the Census, 1970 Census of Housing: Detailed Housing Characteristics, United States Summary (HC(1)-B1).

³ These AHS data are based on the designations of metropolitan areas and central cities that were in place in 1983. Current designations of central cities and metropolitan areas cover more territory, but the overall distribution of housing characteristics and activity would probably be similar if data based on the current boundaries were available.

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