

Appendix F

Topcoding

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To ensure the confidentiality of the data on the microdata files, all financial characteristics that are not calculated variables have been topcoded. The number of cases that need to be topcoded for each characteristic is equal to either $\frac{1}{2}$ of 1 percent of the total universe, or 3 percent of all reporting cases, whichever is less. In addition, age was topcoded to 90 years, stories in structure and floor of unit were topcoded at 21 floors, and units in structure was topcoded at 100 units.

For each characteristic, the value which meets one of the two criteria above was determined and became the topcode value. The mean value for all cases falling above the topcode value was calculated and was then assigned to each individual case. For example, approximately $\frac{1}{2}$ of 1 percent of the renter occupied units had a contract rent above \$2,950. The mean contract rent for these cases was calculated to be \$3,817. This rent was assigned to each case falling above the topcode.

For calculated variables such as contract rent per room, contract rent as a percent of income, gross rent per room, and gross rent as a percent of income, cases with values above the topcode amounts are included in the not computed category.

A list of the items topcoded, the topcode amount, and the mean value above the topcode that was assigned are shown on the following pages.

<u>Item</u>	<u>Topcode Value*</u>	<u>Mean Value Above Topcode</u>
Age	90 years	N/A
Asking Rent	\$2,500	\$6,502
Down Payment	\$230,000	\$594,673
Monthly Condominium or Maintenance Fees	\$2,500	N/A
Monthly Contract Rent	\$3,500	\$4,573
Monthly Cost of Electricity	\$290	\$383
Monthly Cost of Gas	\$400	\$568
Monthly Cost of Gas and Electricity Combined	\$300	\$445
Monthly Mortgage Payment	\$2,900	\$4,485
Number of Stories/Floor of Unit	21	N/A
Units in Structure	100	N/A
Person Income From:		
Wages, Salary, Commissions, etc.	\$210,000	\$416,973
Farm or Nonfarm Business, etc.	\$275,000	\$690,662
Interest, Dividends, Royalties, etc.	\$80,000	\$163,356
Social Security or Railroad Retirement	\$19,000	\$22,901
SSI, AFDC, Home Relief, or other Public Assistance Payments	\$11,800	\$14,687
Retirements, Survivor, or Disability Pensions	\$48,000	\$65,042

<u>Item</u>	<u>Topcode Value*</u>	<u>Mean Value Above Topcode</u>
VA Payments, Unemployment, Child Support, Alimony, or Other Income Sources	\$20,000	\$56,256
Purchase Price	\$800,000	\$1,674,807
Value	\$950,000	\$1,957,402
Year Built	1990	N/A
Yearly Cost of Other Fuels	\$3,850	\$5,029
Yearly Cost of Water and Sewer	\$896	\$912
2001 Fire and Liability Insurance	\$2,500	\$4,979
2001 Real Estate Taxes	\$7,500	N/A

* Data represents values above which topcoding begins.