

U.S. Department of Commerce
Economics and Statistics Administration
BUREAU OF THE CENSUS

U.S. Department of Housing
and Urban Development

Market Absorption of Apartments

ANNUAL 1997 ABSORPTIONS (Apartments Completed in 1996)

H130/97-A
Issued April 1998

HIGHLIGHTS¹

- During 1996, a total of 191,300 privately financed, nonsubsidized, unfurnished, rental apartments in buildings of five units or more were completed in permit-issuing areas in the United States. This was a 23 (± 11) percent increase over the 155,000 like completions in 1995, and an 84 (± 19) percent increase over the 104,000 such units completed in 1994. It was the largest number of such completions since the 214,300 units in 1990. (See Table 8.)
- Seventy-two (± 3) percent of the unfurnished rental apartments built in the United States in 1996 were absorbed (rented) within the first 3 months of completion, 88 (± 2) percent within 6 months, 95 (± 1) percent within 9 months, and 98 (± 1) percent were rented within a year of completion. The majority (51 percent) of these units were built in the South, followed by the West with 27 percent. The Midwest was third in terms of rental completions with 19 percent, while the Northeast had the fewest (3 percent) completions in 1996. (See Table 1.)
- Forty-seven percent of new rental apartments in 1996 were built in suburban areas, as well as in the nations central cities; the remaining 6 percent were built outside Metropolitan Areas (MAs). New apartments inside MAs were 88 percent absorbed after 3 months on the market, which was 17 (± 9) percentage points higher than the 71 percent for those completed inside MAs.
- The median asking rent for unfurnished apartments completed in 1996 was \$672, which was not significantly different from the median of \$655 for rental apartments completed in 1995. In 1996, about 36 percent rented for more than \$750 and were absorbed at a 3-month rate of 69 percent and a 12-month rate of 97 percent. Units with asking rents of \$650 to \$749, about 18 percent of the total, were also 69 percent absorbed in 3 months and 98 percent absorbed in 12 months. The 10 percent of the 1996 completions with an asking rent below \$450 were 79 percent and 98 percent absorbed in 3 and 12 months respectively. (See Table 2.)
- The 3-month absorption rate for units renting for less than \$450 per month was 10 (± 9) percentage points higher than the rate for units renting for \$750 or more, but not significantly different from the rate for units renting from \$650 to \$749 per month. The 3-month absorption rates for units renting from \$650 to \$749 and \$750 or more did not differ significantly from one another, nor did any of the 12-month absorption rates.
- One- and two-bedroom apartments accounted for 84 percent of all new rental-apartment completions. One-bedroom apartments had a median asking rent of \$639, \$38 (± 35) lower than the median of \$677 for two-bedroom units, and \$146 (± 65) lower than the \$785 median for apartments with three-or-more bedrooms. (See Table 3.)
- The 3-month absorption rate for efficiency (no-bedroom) apartments was 74 percent, one-bedroom apartments were 73 percent absorbed within 3 months, two-bedroom units were 71 percent absorbed within 3 months, and 74 percent of three-or-more bedroom apartments were absorbed within 3 months on the market. There were no significant differences among any of these absorption rates.
- Of the 191,300 newly-built rental apartments in 1996, 91 percent had air conditioning available, while 73 percent had a swimming pool available. Natural gas was only available in 49 percent of newly-built units. (See Table 4.)
- About 36,900 condominium and cooperative apartments were completed in 1996, not significantly different from the 36,400 such completions in 1995. Within 3 months, 80 (± 6) percent had been sold (absorbed), and by the end of 12 months, 97 (± 2) percent were sold. (See Table 5.)
- The median asking price for all condominium apartments built in 1996 was \$115,800, not significantly different from the \$114,000 asking price in 1995. Ninety percent of all new condominiums built in 1996 had two bedrooms or more. The majority of these new condominiums were built in suburban areas (53 percent),

¹Numbers in parentheses represent the 90-percent confidence interval. Details may not sum to totals because of rounding.

central cities were next with 30 percent, while the fewest (17 percent) were built outside of metropolitan areas. (See Table 6.)

- Completions of apartments in all residential buildings with five units or more increased by about 18 (± 9) percent between 1995 and 1996 from 212,400 to 251,300 (Table 8). The number of 1996 apartment completions was the second highest number of completions in the 1990s. Seventy-six percent of 1996 completions were nonsubsidized, unfurnished, rental apartments, 6 percent were in federally subsidized properties, 15 percent were condominiums and cooperatives, 1 percent were furnished rental units, and the remaining 3 percent were not in the scope of the survey.

CHARACTERISTICS OF THE DATA

All statistics from the Survey of Market Absorption (SOMA) are limited to apartments in newly constructed buildings with five units or more. Absorption rates are based on the first time an apartment offered for rent is rented after completion, or the first time a condominium or cooperative apartment is sold after completion. If apartments initially intended to be sold as condominium or cooperative units are, instead, offered by the builder or building owner for rent, they are counted as rental apartments. Units categorized as federally subsidized are those built under the following programs of the Department of Housing and Urban Development: Low Income Housing Assistance (Section 8), Senior Citizens Housing Direct Loans (Section 202), and all units in buildings containing apartments in the Federal Housing Administration (FHA) rent supplement program. The data on privately financed units include privately owned housing subsidized by state and local governments. Units categorized as not in the scope of the survey include time-sharing units, continuing care retirement units, and turnkey units (privately built for and sold to local public housing authorities after completion).

Tables 1 through 4 are restricted to privately financed, nonsubsidized, unfurnished rental apartments. Table 5 is restricted to privately financed, nonsubsidized, condominium and cooperative apartments, while Table 6 is limited to privately financed, nonsubsidized condominium apartments only. Table 7 covers privately financed, nonsubsidized, furnished, rental apartments and Table 8 is an historical summary table which includes all newly constructed apartments in buildings with five units or more.

The SOMA is a sample survey and consequently all statistics in this report are subject to sampling variability. Estimates derived from different samples would differ from one another. The standard error of a survey estimate is a measure of the variation among the estimates from all possible samples.

Estimates of standard errors can be calculated by using Tables A and B. The standard error allows us to construct an interval with prescribed confidence that the interval

includes the average of the estimates from all possible samples. For all the change statements made in this report, 90-percent confidence intervals for statistical comparisons can be constructed by using the 90-percent deviate shown in parentheses after the change; however, when a 90-percent confidence interval contains zero, we are uncertain whether or not the change has occurred. In addition, any statistical findings that are not part of the tables or that are derived by collapsing intervals within a table are also provided with a 90-percent confidence interval.

NOTE TO DATA USERS

The SOMA adopted new ratio estimation procedures in 1990 to derive more accurate estimates of completions.² This new procedure was used for the first time for the processing of annual data for 1990. Caution must be used when comparing completions in 1990 and later with those in earlier years.

SAMPLE DESIGN

The SOMA is designed to provide data concerning the rate at which privately financed, nonsubsidized, unfurnished units in buildings with five or more units are rented or sold (absorbed). In addition, data on characteristics of the units, such as number of bedrooms and rent or price, are collected.

The buildings selected for the SOMA are drawn from those included in the Census Bureau's Survey of Construction (SOC).³ For the SOC, the United States is first divided into primary sampling units (PSUs) which are stratified based on population and building permits. The PSUs to be used for the survey are then randomly selected from each stratum. Next, a sample of permit-issuing places is chosen within each of the selected PSUs. Finally, all newly constructed buildings with five units or more within sampled places, as well as a subsample of buildings with one to four units, are included in the SOC.

Each quarter, a sample of buildings with five units or more in the SOC sample reported as completed during that quarter are chosen for the sample for the SOMA. Buildings completed in nonpermit-issuing areas are excluded from consideration. Information on the proportion of units absorbed 3, 6, 9, and 12 months after completion is obtained for units in buildings selected in a given quarter in each of the next 4 quarters.

ESTIMATION

Beginning with data on completions in the fourth quarter of 1990 (which formed the base for absorptions in the first quarter of 1991), the estimation procedure was modified.

²See ESTIMATION above.

³See the January 1998 issue of "Housing Starts," Construction Reports, Series C20, for details of this survey.

The modified estimation procedure was also applied to data for the other 3 quarters of 1990 so that annual estimates for 1990 could be derived using the same methodology for 4 quarters. No additional re-estimation of past data is planned.

Before this change in the estimation procedure, unbiased quarterly estimates were formed by multiplying the counts for each building by its base weight (the inverse of its probability of selection) and then summing over all buildings. The final estimate was then obtained by multiplying the unbiased estimate by the following ratio-estimate factor for the Nation as a whole:

$$\frac{\text{total units in buildings with five units or more in permit-issuing areas as estimated by SOC for that quarter}}{\text{total units in buildings with five units or more as estimated by the SOMA for that quarter}}$$

For the modified estimation procedure, instead of applying a single ratio-estimate factor for the entire nation, separate ratio-estimate factors are computed for each of the four census regions. The final estimates for regions are obtained by multiplying the unbiased regional estimates by the corresponding ratio-estimate factors. The final national estimate is obtained by summing the final regional estimates.

This procedure produces estimates of the units completed in a given quarter which are consistent with unpublished figures from the SOC and reduces, to some extent, the sampling variability of the estimates of totals. Annual absorption rates are obtained by computing a weighted average of the four quarterly estimates.

Absorption rates and other characteristics of units not included in the interviewed group or not accounted for are assumed to be identical to rates for units where data were obtained. The noninterviewed and not-accounted-for cases constitute less than 2 percent of the sample of housing units in this survey.

ACCURACY OF THE ESTIMATES

There are two types of possible errors associated with data from sample surveys: nonsampling and sampling errors. The following is a description of the nonsampling and sampling errors associated with the SOMA.

Nonsampling Errors

In general, nonsampling errors can be attributed to many sources: inability to obtain information about all cases in the sample; difficulties with definitions; differences in interpretation of questions; inability or unwillingness of the respondents to provide correct information; and errors made in processing the data. These nonsampling errors also occur in complete censuses. Although no direct measurements of the biases have been obtained, we believe that most of the important response and operational errors were detected during review of the data for reasonableness and consistency.

Sampling Errors

The particular sample used for this survey is one of many possible samples of the same size that could have been selected using the same design. Even if the same questionnaires, instructions, and interviewers were used, estimates from each of the different samples would likely differ from each other. The deviation of a sample estimate from the average of estimates from all possible samples is defined as the sampling error. The standard error of a survey estimate attempts to provide a measure of this variation among the estimates from the possible samples and, thus, is a measure of the precision with which an estimate from a sample approximates the average result from all possible samples.

As calculated for this survey, the standard error also partially measures the variation in the estimates due to errors in responses and by the interviewers (nonsampling errors), but it does not measure, as such, any systematic biases in the data. Therefore, the accuracy of the estimates depends on both the standard error, biases, and some additional nonsampling errors not measured by the standard error. As a result, confidence intervals around sample results reflect only a portion of the uncertainty that actually exists. Nonetheless, such intervals are extremely useful because they do capture all of the effect of sampling error and, in this case, some nonsampling error as well.

If all possible samples were selected, each of them was surveyed under essentially the same general conditions, there were no systematic biases, and an estimate and its estimated standard error were calculated from each sample, then:

- Approximately 68 percent of the intervals from one standard error below the estimate to one standard error above the estimate (i.e., the 68-percent confidence interval) would include the average result from all possible samples.
- Approximately 90 percent of the intervals from 1.6 standard errors below the estimate to 1.6 standard errors above the estimate (i.e., the 90-percent confidence interval) would include the average result from all possible samples.
- Approximately 95 percent of the intervals from two standard errors below the estimate to two standard errors above the estimate (i.e., the 95-percent confidence interval) would include the average result from all possible samples.

This report uses a 90-percent confidence level as its standard for statistical significance.

For very small estimates, the lower limit of the confidence interval may be negative. In this case, a better approximation to the true interval estimate can be achieved by restricting the interval estimate to positive values, that is, by changing the lower limit of the interval estimate to zero.

The reliability of an estimated absorption rate (i.e., a percentage) computed by using sample data for both the numerator and denominator depends on both the size of the rate and the size of the total on which the rate is based. Estimated rates of this kind are relatively more reliable than the corresponding estimates of the numerators of the rates, particularly if the rates are 50 percent or more.

Tables A and B present approximations to the standard errors of various estimates shown in the report. Table A presents standard errors for estimated totals, and Table B presents standard errors of estimated percents. In order to derive standard errors that would be applicable to a wide variety of items and could be prepared at moderate cost, a number of approximations were required. As a result, the tables of standard errors provide an indication of the order of magnitude of the standard errors rather than the precise standard error for any specific item. Standard errors for values not shown in Tables A-1 to A-3 or B-1 to B-3 can be obtained by linear interpolation.

ILLUSTRATIVE USE OF THE STANDARD ERROR TABLES

Table 2 of this report shows that 6,000 apartments completed in the Midwest rented for \$350 to \$449. Table A-1 shows the standard error of an estimate of this size to be approximately 1,300. To obtain a 90-percent confidence interval, multiply 1,300 by 1.6 and add and subtract the result from 6,000 yielding limits of 3,920 and 8,080. The average estimate of these units completed in the Midwest renting for \$350 to \$449 may or may not be included in this computed interval, but one can say that the average is included in the constructed interval with a specified confidence of 90 percent.

Table 2 also shows that the rate of absorption after 3 months for these units is 81 percent. Table B-1 shows the standard error on an 81 percent rate on a base of 6,000 to be approximately 8.6 percent. Multiply 8.6 by 1.6 (yielding 13.8) and add and subtract the result from 81. The 90-percent confidence interval for the absorption rate of 81 percent is from 67.2 to 94.8.

Table 2 also shows that the median asking rent for an estimated 96,900 unfurnished rental apartments built in the South was \$697. The standard error of this median is about \$15.

Several statistics are needed to calculate the standard error of a median.

- The base of the median—the estimated number of units for which the median has been calculated. In this example, 96,900.
- The estimated standard error from Table B-1 of a 50-percent characteristic on the base of the median ($\sigma 50\%$). In this example, the estimated standard error of a 50-percent characteristic with the base of 96,900 is about 2.7 percent.
- The length of the interval that contains the median. In this example, the median lies between \$650 and \$749. The length of the interval is \$100.
- The estimated proportion of the base falling in the interval that contains the median. In this example, 18 percent. The standard error of the median is obtained by using the following approximation:

$$\text{standard error of median} = \sigma 50\% \times \frac{\text{length of interval containing the sample median}}{\text{estimated proportion of the base falling within the interval containing the sample median}}$$

For this example, the standard error of the median of \$697 is:

$$2.7 \times \frac{100}{18} = \$15$$

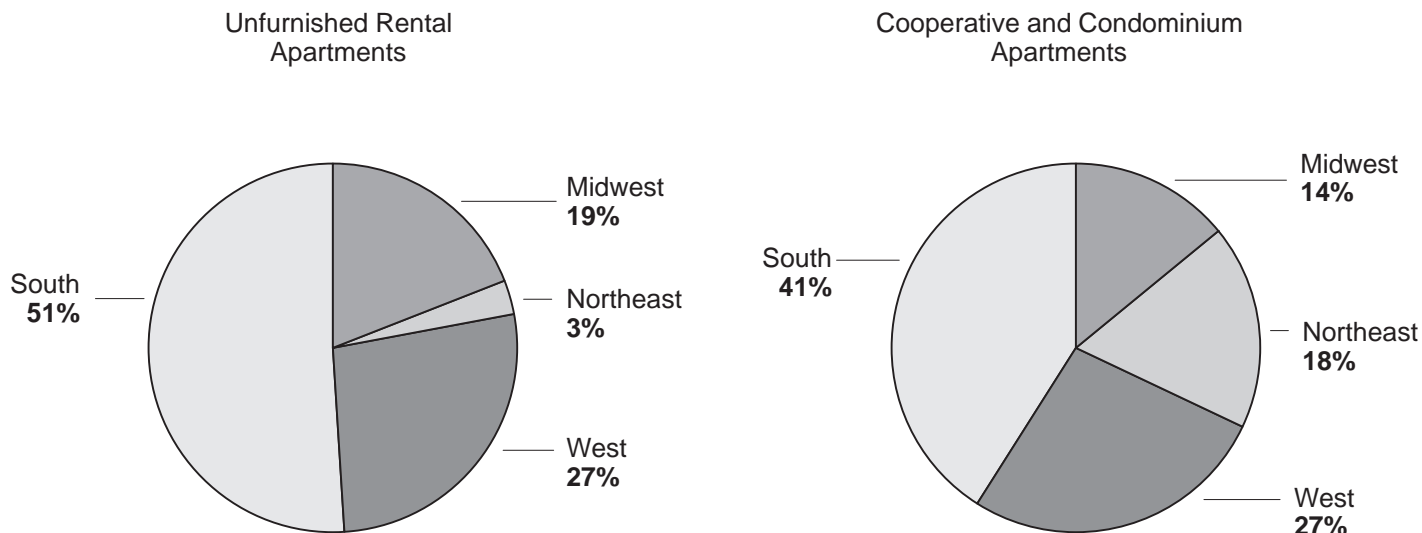
Therefore, 1.6 standard errors equals \$24. This means that an approximate 90-percent confidence interval for the median asking rent of \$656 would be between \$673 and \$721 (\$697 plus or minus \$24).

Table 1. **Absorption Rates for Unfurnished Apartments Completed by Geographic Area: 1996**

[Privately financed, nonsubsidized, unfurnished, rental apartments in buildings with five units or more. Details may not sum to totals because of rounding]

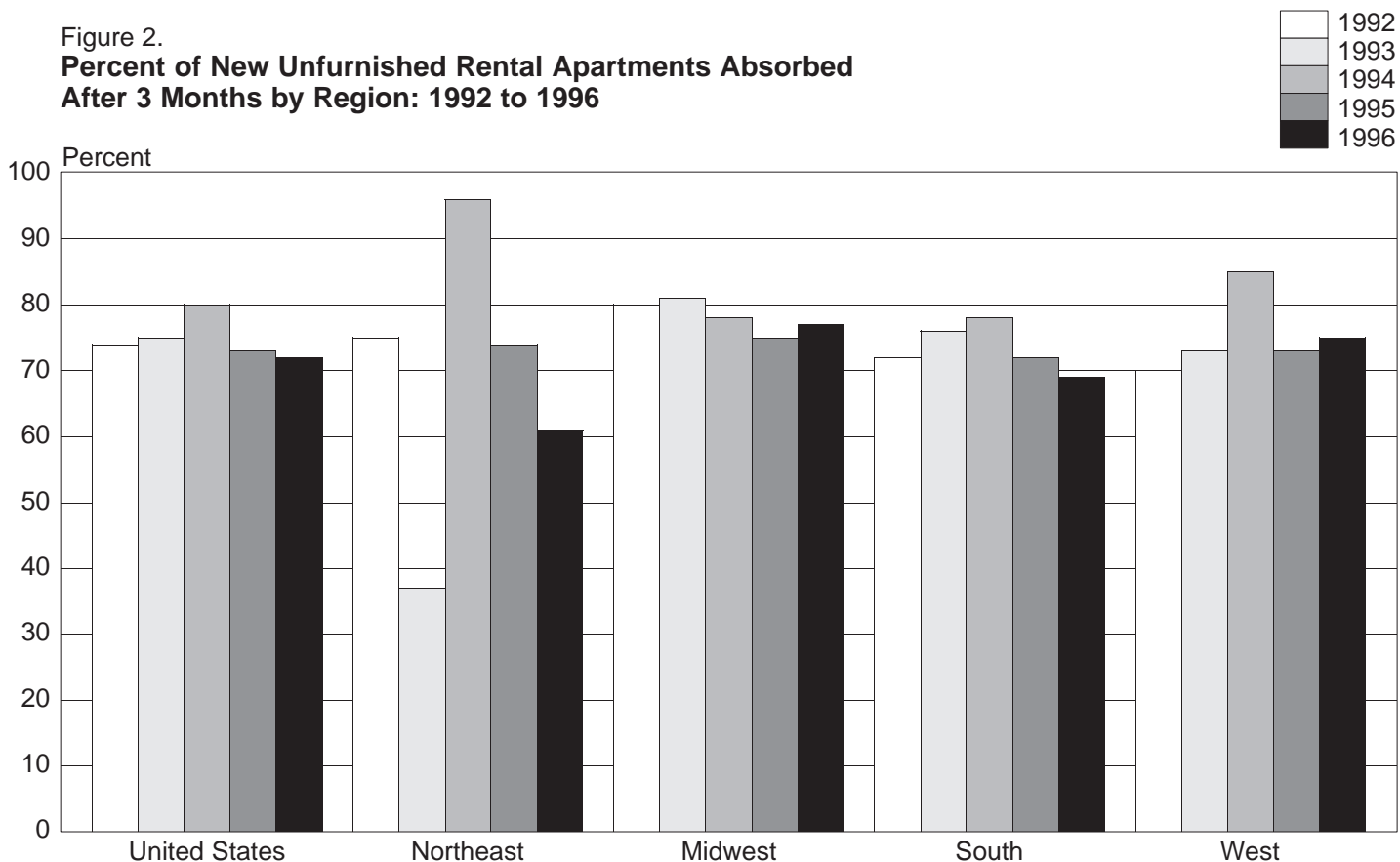
Geographic areas	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
United States, total	191,300	100	72	88	95	98
Inside MA	180,100	94	71	88	95	98
In central city	89,900	47	73	89	95	98
Not in central city (suburbs)	90,300	47	70	87	95	98
Outside MA	11,200	6	88	95	98	99
Northeast	6,100	3	61	71	98	100
Midwest	37,200	19	77	90	94	97
South	96,900	51	69	87	94	98
West	51,100	27	75	91	97	99

Figure 1.
Percent Distribution of New Unfurnished Rental and New Cooperative and Condominium Units Completed by Region: 1996



Source: U.S. Bureau of the Census, Market Absorption of Apartments.

Figure 2.
Percent of New Unfurnished Rental Apartments Absorbed After 3 Months by Region: 1992 to 1996



Source: U.S. Bureau of the Census, Market Absorption of Apartments.

Table 2. Absorption Rates for Unfurnished Apartments Completed by Rent for the United States and Regions: 1996

[Privately financed, nonsubsidized, unfurnished, rental apartments in buildings with five units or more. Data regarding asking rent are collected at the initial interview, i.e., 3 months following completion. Details may not sum to totals because of rounding. Medians are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	191,300	100	72	88	95	98
Less than \$350	4,300	2	70	78	99	100
\$350 to \$449	14,700	8	82	94	96	98
\$450 to \$549	32,700	17	78	91	96	98
\$550 to \$649	36,200	19	72	90	96	99
\$650 to \$749	34,700	18	69	87	95	98
\$750 or more	68,800	36	69	86	94	97
Median asking rent	\$672	(X)	(X)	(X)	(X)	(X)
Northeast	6,100	100	61	71	98	100
Less than \$350	1,000	17	19	19	100	100
\$350 to \$449	100	1	69	89	100	100
\$450 to \$549	1,100	17	73	74	100	100
\$550 to \$649	900	14	49	61	96	100
\$650 to \$749	1,400	22	55	83	93	100
\$750 or more	1,700	28	91	96	98	99
Median asking rent	\$650	(X)	(X)	(X)	(X)	(X)
Midwest	37,200	100	77	90	94	97
Less than \$350	400	1	83	100	100	100
\$350 to \$449	6,000	16	81	94	97	99
\$450 to \$549	13,700	37	79	90	95	98
\$550 to \$649	8,500	23	77	94	97	99
\$650 to \$749	2,700	7	85	95	98	99
\$750 or more	5,900	16	65	76	83	87
Median asking rent	\$538	(X)	(X)	(X)	(X)	(X)
South	96,900	100	69	87	94	98
Less than \$350	1,300	1	77	94	98	99
\$350 to \$449	6,200	6	80	92	95	96
\$450 to \$549	14,300	15	76	91	95	98
\$550 to \$649	18,500	19	69	88	94	98
\$650 to \$749	17,000	18	65	84	93	97
\$750 or more	39,600	41	67	85	95	98
Median asking rent	\$697	(X)	(X)	(X)	(X)	(X)
West	51,100	100	75	91	97	99
Less than \$350	1,500	3	96	98	100	100
\$350 to \$449	2,400	5	93	99	100	100
\$450 to \$549	3,500	7	85	96	99	100
\$550 to \$649	8,400	17	78	95	98	99
\$650 to \$749	13,600	27	72	91	96	99
\$750 or more	21,600	42	70	88	96	99
Median asking rent	\$721	(X)	(X)	(X)	(X)	(X)

X Not applicable.

Table 3. Absorption Rates for Unfurnished Apartments Completed by Number of Bedrooms and Rent for the United States: 1996

[Privately financed, nonsubsidized, unfurnished, rental apartments in buildings with five units or more. Data regarding number of bedrooms and asking rent are collected at the initial interview, i.e., 3 months following completion. Details may not sum to totals because of rounding. Medians are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	191,300	100	72	88	95	98
Less than \$350	4,300	2	70	78	99	100
\$350 to \$449	14,700	8	82	94	96	98
\$450 to \$549	32,700	17	78	91	96	98
\$550 to \$649	36,200	19	72	90	96	99
\$650 to \$749	34,700	18	69	87	95	98
\$750 or more	68,800	36	69	86	94	97
Median asking rent	\$672	(X)	(X)	(X)	(X)	(X)
No bedrooms	2,200	100	74	91	95	98
Less than \$350	600	26	89	98	99	100
\$350 to \$449	300	15	63	92	100	100
\$450 to \$549	200	8	69	88	99	100
\$550 to \$649	300	13	73	96	97	97
\$650 to \$749	200	8	80	98	100	100
\$750 or more	700	30	66	82	86	93
Median asking rent	\$600	(X)	(X)	(X)	(X)	(X)
1 bedroom.....	59,300	100	73	89	96	98
Less than \$350	1,900	3	43	51	99	99
\$350 to \$449	6,400	11	85	93	95	97
\$450 to \$549	8,600	14	72	89	97	99
\$550 to \$649	14,300	24	73	92	97	99
\$650 to \$749	14,000	24	72	90	96	99
\$750 or more	14,100	24	72	88	96	98
Median asking rent	\$639	(X)	(X)	(X)	(X)	(X)
2 bedrooms.....	101,000	100	71	87	94	97
Less than \$350	1,800	2	93	100	100	100
\$350 to \$449	7,700	8	81	94	97	99
\$450 to \$549	19,400	19	80	91	94	97
\$550 to \$649	16,900	17	68	86	94	99
\$650 to \$749	16,800	17	67	86	93	97
\$750 to \$849	15,000	15	66	85	95	98
\$850 or more	23,400	23	67	84	93	96
Median asking rent	\$677	(X)	(X)	(X)	(X)	(X)
3 bedrooms or more.....	28,700	100	74	89	96	99
Less than \$350	(Z)	(Z)	(Z)	(Z)	(Z)	(Z)
\$350 to \$449	200	1	85	100	100	100
\$450 to \$549	4,500	16	79	92	99	100
\$550 to \$649	4,800	17	86	97	99	100
\$650 to \$749	3,600	13	61	83	95	98
\$750 to \$849	3,700	13	71	90	96	98
\$850 or more	12,000	42	71	86	95	98
Median asking rent	\$785	(X)	(X)	(X)	(X)	(X)

X Not applicable.

Z Fewer than 50 units or less than one-half of one percent.

Table 4. Absorption Rates for Unfurnished Apartments Completed by Presence of Selected Features and Utilities for the United States: 1996

[Privately financed, nonsubsidized, unfurnished, rental apartments in buildings with five units or more. Data regarding features and utilities are collected at the initial interview, i.e., 3 months following completion. Details may not sum to totals because of rounding]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	191,300	100	72	88	95	98
SELECTED FEATURES						
Swimming pool:						
Available:						
Included in rent	138,400	72	71	88	95	98
At extra cost	1,300	1	36	44	99	100
Not available	51,600	27	77	89	95	97
Parking:						
Available:						
Included in rent	189,400	99	72	88	95	98
At extra cost	1,200	1	81	99	100	100
Not available	700	(Z)	51	81	87	93
Air-conditioning:						
Available	174,500	91	72	88	95	98
Not available	16,800	9	75	92	97	98
Dishwasher:						
Available	181,000	95	73	89	95	98
Not available	10,300	5	62	76	90	95
UTILITIES						
Electricity:						
Included in rent	5,900	3	70	88	94	98
At extra cost	185,400	97	72	88	95	98
Gas:						
Available:						
Included in rent	11,400	6	75	94	98	100
At extra cost	82,700	43	74	89	95	98
Not available	97,200	51	70	86	94	98

Z Fewer than 50 units or less than one-half of one percent.

Table 5. Absorption Rates for Condominium and Cooperative Apartments Completed by Number of Bedrooms and Geographic Area: 1996

[Privately financed, nonsubsidized apartments in buildings with five units or more. Data regarding number of bedrooms are collected at the initial interview, i.e., 3 months following completion. Details may not sum to totals because of rounding]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total.....	36,900	100	80	90	94	97
BEDROOMS						
No bedrooms.....	600	2	81	94	95	96
1 bedroom.....	3,100	8	83	93	97	98
2 bedrooms.....	27,200	74	82	90	94	97
3 bedrooms or more.....	6,000	16	74	87	93	95
REGION						
Northeast.....	6,600	18	92	96	99	99
Midwest.....	5,100	14	70	81	90	95
South.....	15,200	41	87	94	96	98
West.....	10,000	27	68	84	90	93
AREA						
Inside MA.....	30,600	83	78	89	94	96
In central city.....	11,000	30	70	84	90	94
Not in central city (suburbs).....	19,600	53	82	91	96	97
Outside MA.....	6,300	17	93	97	97	100

Table 6. Absorption Rates for Condominium Apartments Completed by Asking Price, Number of Bedrooms, and Geographic Area: 1996

[Privately financed, nonsubsidized apartments in buildings with five units or more. Data regarding number of bedrooms and asking price are collected at the initial interview, i.e., 3 months following completion. Details may not sum to totals because of rounding. Medians are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total.....	36,500	100	81	90	94	97
PRICE CLASS						
Less than \$50,000.....	500	1	97	100	100	100
\$50,000 to \$74,999.....	4,300	12	92	95	98	100
\$75,000 to \$99,999.....	9,500	26	82	92	95	97
\$100,000 to \$149,999.....	12,800	35	80	89	95	97
\$150,000 to \$199,999.....	5,800	16	79	90	96	97
\$200,000 or more.....	3,700	10	65	77	86	89
Median asking price.....	\$115,800	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedroom.....	600	2	81	94	95	96
1 bedroom.....	3,000	8	82	93	97	98
2 bedrooms.....	27,000	74	82	90	94	97
3 bedrooms or more.....	5,900	16	75	88	93	96
REGION						
Northeast.....	6,500	18	93	97	100	100
Midwest.....	5,000	14	69	81	90	95
South.....	15,100	41	88	94	96	98
West.....	10,000	27	68	84	90	93
AREA						
Inside MA.....	30,300	83	78	89	94	96
In central city.....	10,900	30	71	84	90	94
Not in central city (suburbs).....	19,400	53	82	91	96	97
Outside MA.....	6,300	17	93	97	97	100

X Not applicable.

Table 7. Absorption Rates for Furnished Apartments Completed by Rent and Number of Bedrooms for the United States: 1996

[Privately financed, nonsubsidized, furnished, rental apartments in buildings with five units or more. Data regarding number of bedrooms and asking rent are collected at the initial interview, i.e, 3 months following completion. Details may not sum to totals because of rounding. Medians are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total.....	2,400	100	90	96	99	100
RENT CLASS						
Less than \$350	100	2	98	100	100	100
\$350 to \$549	1,500	62	88	94	99	100
\$550 to \$749	100	3	100	100	100	100
\$750 or more	800	32	91	100	100	100
Median asking price	\$486	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedroom	(Z)	(Z)	(Z)	(Z)	(Z)	(Z)
1 bedroom.....	800	34	100	100	100	100
2 bedrooms.....	200	10	96	98	100	100
3 bedrooms or more.....	1,300	55	82	94	99	100

X Not applicable. Z Fewer than 50 units or less than one-half of one percent.

Table 8. Apartments Completed in Buildings With Five Units or More: 1970 to 1996

[Details may not sum to totals because of rounding]

Year	Total	Unfurnished apartments		Furnished apartments		Condominiums and cooperatives		Federally-subsidized		Other ¹	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1996.....	251,300	191,300	76	2,400	1	36,900	15	14,200	6	6,400	3
1995.....	212,400	155,000	73	1,600	1	36,400	17	13,700	6	5,700	3
1994.....	154,900	104,000	67	1,100	1	34,400	22	11,800	8	3,600	2
1993.....	124,800	77,200	62	2,700	2	32,000	26	7,700	6	5,200	4
1992.....	155,200	110,200	71	700	(Z)	31,100	20	7,000	5	6,000	4
1991.....	216,500	165,300	76	2,800	1	35,300	16	9,600	4	3,500	2
1990.....	294,400	214,300	73	2,900	1	52,600	18	13,800	5	10,800	4
1989.....	337,900	246,400	73	4,900	1	59,700	18	19,800	6	7,200	2
1988.....	388,600	284,500	73	4,300	1	76,200	20	15,200	4	8,400	2
1987.....	474,200	345,600	73	7,900	2	92,300	19	17,000	4	11,300	2
1986.....	550,200	407,600	74	11,600	2	101,700	18	23,300	4	6,000	1
1985.....	533,300	364,500	68	7,400	1	135,800	25	12,000	2	13,700	3
1984.....	506,000	313,200	62	9,800	2	143,600	28	28,500	6	10,700	2
1983.....	370,700	191,500	52	4,700	1	111,800	30	47,700	13	15,100	4
1982.....	288,200	117,000	41	5,400	2	107,900	37	48,000	17	10,000	3
1981.....	332,500	135,400	41	6,000	2	112,600	34	66,100	20	12,500	4
1980.....	418,900	196,100	47	9,700	2	122,800	29	79,900	19	10,500	3
1979.....	439,300	241,200	55	12,100	3	91,800	21	87,500	20	6,700	2
1978.....	362,700	228,700	63	11,200	3	54,500	15	54,100	15	14,300	4
1977.....	289,400	195,600	68	16,200	6	43,000	15	26,000	9	8,700	3
1976.....	258,200	157,000	61	12,800	5	46,300	18	32,000	12	10,000	4
1975.....	371,400	223,100	60	11,100	3	84,600	23	38,900	10	13,800	4
1974.....	685,400	405,500	59	20,700	3	159,000	23	75,400	11	25,000	4
1973.....	774,800	531,700	69	36,200	5	98,100	13	82,000	11	26,800	3
1972.....	718,200	497,900	69	37,700	5	57,300	8	93,800	13	31,400	4
1971.....	583,400	334,400	57	32,200	6	49,100	8	104,800	18	63,000	11
1970.....	526,000	328,400	62	48,200	9	72,500	14	55,900	11	21,000	4

Z Fewer than 50 units or less than one-half of one percent.

¹Other includes time-sharing units, continuing care retirement units, and turnkey units (privately built for and sold to local public housing authorities subsequent to completion).

Table A-1. **Standard Errors of Estimated Totals: Completions in 1986 to 1996**

[2 chances out of 3]

Estimated total	Standard error	Estimated total	Standard error
1,000	500	35,000	3,200
2,000	800	50,000	3,800
3,000	900	75,000	4,700
4,000	1,100	100,000	5,400
5,000	1,200	150,000	6,600
10,000	1,700	250,000	8,500
15,000	2,100	350,000	10,100
20,000	2,400	450,000	11,400
25,000	2,700	600,000	13,200

Note: See page 4 for information on the use of this table.

Table B-1. **Standard Errors of Estimated Percentages: Completions in 1986 to 1996**

[2 chances out of 3]

Base of percentage	98 or 2	95 or 5	90 or 10	80 or 20	75 or 25	60 or 40	50
1,000	7.5	11.7	16.1	21.5	23.3	26.3	26.9
2,000	5.3	8.3	11.4	15.2	16.5	18.6	19.0
3,000	4.3	6.8	9.3	12.4	13.4	15.2	15.5
4,000	3.8	5.9	8.1	10.8	11.6	13.2	13.4
5,000	3.4	5.2	7.2	9.6	10.4	11.8	12.0
10,000	2.4	3.7	5.1	6.8	7.4	8.3	8.5
15,000	1.9	3.0	4.2	5.6	6.0	6.8	6.9
20,000	1.7	2.6	3.6	4.8	5.2	5.9	6.0
25,000	1.5	2.3	3.2	4.3	4.7	5.3	5.4
35,000	1.3	2.0	2.7	3.6	3.9	4.5	4.5
50,000	1.1	1.7	2.3	3.0	3.3	3.7	3.8
75,000	0.9	1.4	1.9	2.5	2.7	3.0	3.1
100,000	0.8	1.2	1.6	2.2	2.3	2.6	2.7
150,000	0.6	1.0	1.3	1.8	1.9	2.2	2.2
250,000	0.5	0.7	1.0	1.4	1.5	1.7	1.7
350,000	0.4	0.6	0.9	1.1	1.2	1.4	1.4
450,000	0.4	0.6	0.8	1.0	1.1	1.2	1.3
600,000	0.3	0.5	0.7	0.9	1.0	1.1	1.1

Note: See page 4 for information on the use of this table.

Table A-2. **Standard Errors of Estimated Totals: Completions in 1985**

[2 chances out of 3]

Estimated total	Standard error	Estimated total	Standard error
5,000	1,430	75,000	5,720
10,000	2,030	100,000	6,650
15,000	2,500	150,000	8,310
20,000	2,880	250,000	11,110
25,000	3,240	350,000	13,590
35,000	3,830	450,000	15,890
50,000	4,620	600,000	19,180

Note: See page 4 for information on the use of this table.

Table B-2. **Standard Errors of Estimated Percentages: Completions in 1985**

[2 chances out of 3]

Base of percentage	98 or 2	95 or 5	90 or 10	80 or 20	75 or 25	50
5,000	4.0	6.3	8.5	11.4	12.4	14.3
10,000	2.9	4.3	6.1	8.1	8.7	10.0
15,000	2.3	3.5	5.0	6.6	7.1	8.2
20,000	1.9	3.1	4.3	5.8	6.1	7.1
25,000	1.8	2.7	3.9	5.2	5.5	6.4
35,000	1.5	2.4	3.2	4.3	4.7	5.5
50,000	1.3	1.9	2.7	3.5	3.9	4.5
75,000	1.0	1.6	2.3	2.9	3.2	3.7
100,000	1.0	1.5	1.9	2.6	2.7	3.2
150,000	0.8	1.1	1.6	2.1	2.3	2.6
250,000	0.6	0.8	1.3	1.6	1.8	2.1
350,000	0.5	0.8	1.0	1.3	1.5	1.8
450,000	0.5	0.6	1.0	1.1	1.3	1.5
600,000	0.3	0.6	0.8	1.0	1.1	1.3

Note: See page 4 for information on the use of this table.

Table A-3. **Standard Errors of Estimated Totals: Completions in 1970 to 1984**

[2 chances out of 3]

Estimated total	Standard error	Estimated total	Standard error
5,000	1,060	75,000	4,220
10,000	1,500	100,000	4,910
15,000	1,840	150,000	6,140
20,000	2,130	250,000	8,210
25,000	2,390	350,000	10,040
35,000	2,830	450,000	11,750
50,000	3,520	600,000	14,160

Note: See page 4 for information on the use of this table.

Table B-3. **Standard Errors of Estimated Percentages: Completions in 1970 to 1984**

[2 chances out of 3]

Base of percentage	98 or 2	95 or 5	90 or 10	80 or 20	75 or 25	50
5,000	3.0	4.6	6.3	8.4	9.2	10.6
10,000	2.1	3.2	4.5	6.0	6.4	7.4
15,000	1.7	2.6	3.7	4.9	5.2	6.1
20,000	1.4	2.2	3.2	4.3	4.5	5.2
25,000	1.3	2.0	2.9	3.8	4.0	4.8
35,000	1.1	1.8	2.4	3.2	3.5	4.0
50,000	1.0	1.4	2.0	2.6	2.9	3.3
75,000	0.7	1.2	1.7	2.1	2.4	2.7
100,000	0.7	1.1	1.4	1.9	2.0	2.4
150,000	0.6	0.8	1.2	1.5	1.7	1.9
250,000	0.5	0.6	1.0	1.2	1.3	1.5
350,000	0.4	0.6	0.7	1.0	1.1	1.3
450,000	0.4	0.5	0.7	0.8	1.0	1.1
600,000	0.2	0.5	0.6	0.7	0.8	0.8

Note: See page 4 for information on the use of this table.