

Market Absorption of Apartments

Annual 1998 Absorptions

Apartments Completed in 1997

Annual

1998

Issued June 1999

H130/98-A

HIGHLIGHTS¹

- During 1997, a total of 189,200 privately financed, nonsubsidized, unfurnished, rental apartments in buildings of five units or more were completed in permit-issuing areas in the United States. The number is about the same as completions of similar units in 1996, but 22 (± 11) percent greater than the 155,000 units completed in 1995. The years 1996 and 1997 showed the largest numbers of such completions since the 214,300 units built in 1990. (See Table 8.)
- Seventy-three (± 3) percent of the unfurnished rental apartments built in the United States in 1997 were absorbed (rented) within the first 3 months of completion, 90 (± 2) percent within 6 months, 95 (± 1) percent within 9 months, and 97 (± 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 18 percent, while the Northeast had the fewest (4 percent) completions in 1997. (See Table 1.)
- Fifty-three percent of new unfurnished, rental apartments in 1997 were built in suburban areas and 40 percent in the Nation's central cities; the remaining 7 percent were built outside Metropolitan Areas (MAs). New apartments completed inside MAs were 73 percent absorbed after 3 months on the market, which was not significantly different from the 3-month absorption rate for apartments completed outside MAs. (See Table 1.)
- The median asking rent for unfurnished apartments completed in 1997 was \$724, about \$52 (± 24) higher than the median of \$672 for rental apartments completed in 1996. In 1997, about 31 percent rented for \$850 or more and were absorbed at a 3-month rate of 71 percent and a 12-month rate of 95 percent. Units with asking rents of \$750 to \$849, about 14 percent of the total, were 72 percent absorbed in 3 months and 96 percent absorbed in 12 months. The 8 percent of the 1997 completions with an asking rent below \$450 were 81 percent and 98 percent absorbed in 3 and 12 months, respectively. (See Table 2.)
- The 3-month absorption rates for unfurnished apartments did not differ significantly among the six rent categories. In contrast, there were some statistically significant differences in the 12-month absorption rates, with the rates for unfurnished apartments renting from \$450 to \$549 and \$550 to \$649 exceeding the rate for those renting for \$850 or more by 4 (± 3) percentage points. All other differences in 12-month absorption rates were not statistically significant. (See Table 2.)
- One- and two-bedroom apartments accounted for 82 percent of all new rental-apartment completions. One-bedroom apartments had a median asking rent of \$679, \$49 (± 33) lower than the median of \$728 for two-bedroom units, and \$149 (± 57) lower than the \$828 median for apartments with three or more bedrooms. The small number of efficiency (no bedrooms) apartments had a median asking rent of more than \$850. (See Table 3.)

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

Questions regarding these data may be directed to **Housing and Household Economic Statistics Division**, telephone: 301-457-3199. For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Current Housing Reports

Table 1.

Absorption Rates for Unfurnished Apartments Completed by Geographic Area: 1997

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

Geographic areas	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
United States, total	189,200	100	73	90	95	97
Inside MA	175,800	93	73	90	96	98
In central city	75,400	40	74	91	96	98
Not in central city (suburbs)	100,400	53	73	89	95	98
Outside MA	13,400	7	72	84	87	88
Northeast	7,700	4	55	69	82	83
Midwest	34,100	18	81	95	97	100
South	96,100	51	72	90	95	97
West	51,300	27	72	89	96	98

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

- The 3-month absorption rate for efficiency apartments was 61 percent; one-bedroom apartments were 76 percent absorbed within 3 months; two-bedroom units were 74 percent absorbed within 3 months; and 67 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. (See Table 3.)
- The 3-month absorption rate for efficiency apartments was 61 percent, compared with 76 percent for one-bedroom apartments, 74 percent for two-bedroom units, and 67 percent for three-or-more bedroom apartments. There were no significant differences among any of these absorption rates. (See Table 3.)
- Of the 189,200 newly built rental apartments in 1997, 92 (± 2) percent had air conditioning available, while 70 (± 3) percent had a swimming pool available. Natural gas was only available in one-half (50 ± 3) of newly built units. (See Table 4.)
- About 35,800 condominium and cooperative apartments were completed in 1997, not significantly different from the 36,900 such completions in 1996. 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 1997 was \$118,900, not significantly different from the \$115,800 asking price in 1996. Ninety percent of all new condominiums built in 1997 had two bedrooms or more. More of these new condominiums were built in suburban areas (46 percent) than in central cities (32 percent), and outside of metropolitan areas (22 percent). (See Table 6.)
- Completions of apartments in all residential buildings with five units or more were statistically the same for 1997 (247,100) and 1996 (251,300). These years represented the highest number of apartment completions since 1990 when 294,400 apartments were built. Seventy-seven percent of 1997 completions were nonsubsidized, unfurnished, rental apartments; 6 percent were federally subsidized; 15 percent were condominiums and cooperatives; 1 percent were furnished rental units; and the remaining 2 percent were not in the scope of the survey. (See Table 8.)

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 a 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 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 four 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. The modified estimation procedure was also applied to data for the other three quarters of 1990 so that annual estimates for 1990 could be derived using the same methodology for four quarters. No additional re-estimation of past data has been done. 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:

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

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.

³See the January 1999 issue of "Housing Starts," Current Construction Reports, Series C20, for details of this survey.

²See ESTIMATION.

This procedure produces estimates of the units completed in a given quarter which are consistent with published 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 think 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 the standard

error, biases, and some additional nonsampling errors not measured by the standard error. As a result, confidence intervals around estimates based on this sample 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 12,000 apartments completed in the West rented for \$650 to \$749. Table A-1 shows the standard error of an estimate of this size to be approximately 1,860. To obtain a 90-percent confidence interval, multiply 1,860 by 1.6 and add and subtract the result from 12,000 yielding limits of 9,020 and 14,980. The average estimate of these units completed in the West renting for \$650 to \$749 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 74 percent. Table B-1 shows the standard error on a 74 percent rate on a base of 12,000 to be approximately 6.8 percent. Multiply 6.8 by 1.6 (yielding 10.9) and add and subtract the result from 74. The 90-percent confidence interval for the absorption rate of 74 percent is from 63.1 percent to 84.9 percent.

Table 2 also shows that the median asking rent for an estimated 51,300 unfurnished rental apartments built in the West was \$760. The standard error of this median is about \$21.

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, 51,300.
- 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 51,300 is about 3.8 percent.
- The length of the interval that contains the median. In this example, the median lies between \$750 and \$849. 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:

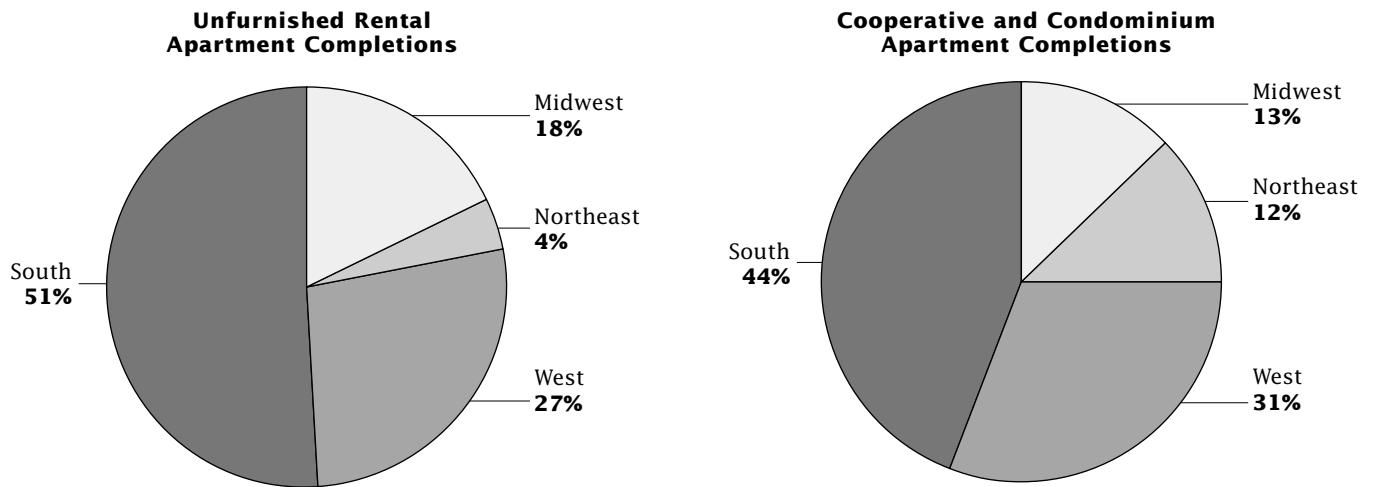
$$\text{standard error of median} = \sigma 50\% \times \frac{\text{length of interval containing the sample median}}{\text{estimated proportion of the base falling within the interval containing the sample median}}$$

For this example, the standard error of the median of \$760 is:

$$3.8 \times \frac{100}{18} = \$21$$

Therefore, 1.6 standard errors equals \$34. Consequently, an approximate 90-percent confidence interval for the median asking rent of \$760 is between \$726 and \$794 ($\$760 \pm \34).

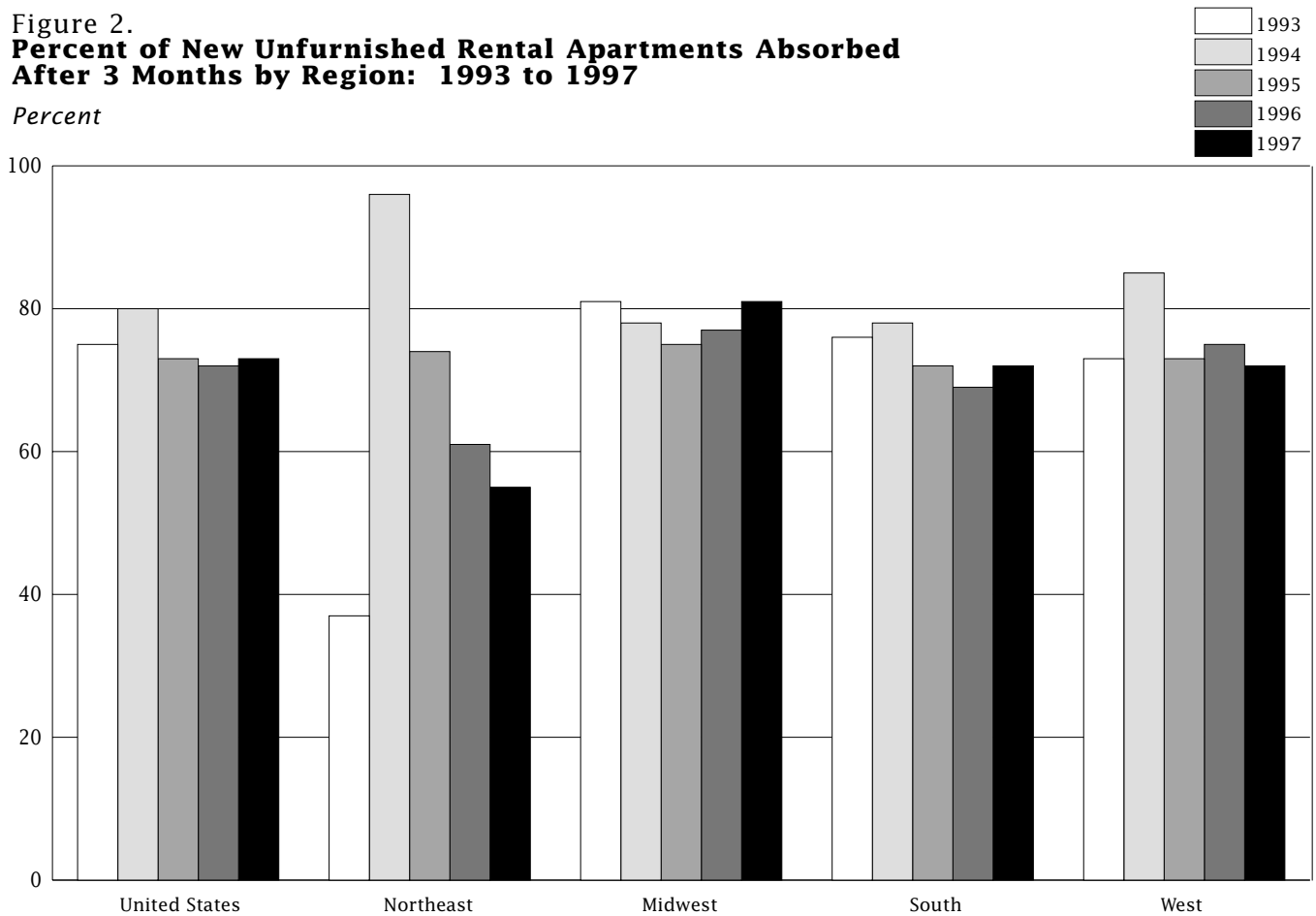
Figure 1.
Percent Distribution of New Unfurnished Rental and New Cooperative and Condominium Units Completed by Region: 1997



Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Figure 2.
Percent of New Unfurnished Rental Apartments Absorbed After 3 Months by Region: 1993 to 1997

Percent



Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 2. Absorption Rates for Unfurnished Apartments Completed by Rent for the United States and Regions: 1997

[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	189,200	100	73	90	95	97
Less than \$450	14,700	8	81	95	97	98
\$450 to \$549	22,100	12	75	93	97	99
\$550 to \$649	29,900	16	72	91	97	99
\$650 to \$749	37,300	20	74	90	96	98
\$750 to \$849	26,400	14	72	88	94	96
\$850 or more	58,700	31	71	87	93	95
Median asking rent	\$724	(X)	(X)	(X)	(X)	(X)
Northeast	7,700	100	55	69	82	83
Less than \$450	200	2	63	88	94	97
\$450 to \$549	100	1	51	68	81	93
\$550 to \$649	200	3	77	91	99	100
\$650 to \$749	1,900	25	39	56	99	100
\$750 to \$849	500	6	94	99	99	100
\$850 or more	4,800	63	56	69	73	73
Median asking rent	\$850+	(X)	(X)	(X)	(X)	(X)
Midwest	34,100	100	81	95	97	100
Less than \$450	3,100	9	74	99	99	100
\$450 to \$549	7,400	22	83	94	97	99
\$550 to \$649	8,900	26	74	93	98	100
\$650 to \$749	5,600	16	85	91	91	100
\$750 to \$849	2,600	8	91	98	99	100
\$850 or more	6,600	19	85	97	99	99
Median asking rent	\$624	(X)	(X)	(X)	(X)	(X)
South	96,100	100	72	90	95	97
Less than \$450	9,100	10	85	94	96	97
\$450 to \$549	11,100	12	72	94	98	99
\$550 to \$649	14,000	15	72	90	96	98
\$650 to \$749	17,900	19	75	91	96	98
\$750 to \$849	13,900	15	67	84	91	93
\$850 or more	30,100	31	71	89	95	97
Median asking rent	\$727	(X)	(X)	(X)	(X)	(X)
West	51,300	100	72	89	96	98
Less than \$450	2,400	5	77	93	96	99
\$450 to \$549	3,600	7	71	89	95	98
\$550 to \$649	6,800	13	70	89	96	99
\$650 to \$749	12,000	23	74	93	98	99
\$750 to \$849	9,500	18	74	90	97	99
\$850 or more	17,200	34	71	85	93	97
Median asking rent	\$760	(X)	(X)	(X)	(X)	(X)

X Not applicable.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 3. Absorption Rates for Unfurnished Apartments Completed by Number of Bedrooms and Rent for the United States: 1997

[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	189,200	100	73	90	95	97
Less than \$450	14,700	8	81	95	97	98
\$450 to \$549	22,100	12	75	93	97	99
\$550 to \$649	29,900	16	72	91	97	99
\$650 to \$749	37,300	20	74	90	96	99
\$750 to \$849	26,400	14	72	88	94	96
\$850 or more	58,700	31	71	87	93	95
Median asking rent	\$724	(X)	(X)	(X)	(X)	(X)
No bedrooms	7,200	100	61	69	76	81
Less than \$450	1,800	24	94	97	99	99
\$450 to \$549	900	13	84	96	98	99
\$550 to \$649	400	5	75	90	100	100
\$650 to \$749	300	4	69	89	91	100
\$750 to \$849	100	1	94	99	100	100
\$850 or more	3,800	52	38	44	56	63
Median asking rent	\$850+	(X)	(X)	(X)	(X)	(X)
1 bedroom.....	56,500	100	76	91	97	99
Less than \$450	6,000	11	75	90	93	96
\$450 to \$549	7,700	14	75	88	94	97
\$550 to \$649	10,900	19	77	91	97	99
\$650 to \$749	12,300	22	78	92	98	99
\$750 to \$849	8,500	15	75	90	97	99
\$850 or more	11,100	20	76	93	98	100
Median asking rent	\$679	(X)	(X)	(X)	(X)	(X)
2 bedrooms.....	97,700	100	74	91	96	99
Less than \$450	6,100	6	81	98	99	100
\$450 to \$549	12,100	12	76	95	99	100
\$550 to \$649	14,200	15	71	90	96	98
\$650 to \$749	20,900	21	77	90	95	98
\$750 to \$849	13,400	14	72	89	97	99
\$850 to \$949	11,200	11	67	84	93	96
\$950 or more	19,700	20	78	93	98	99
Median asking rent	\$728	(X)	(X)	(X)	(X)	(X)
3 bedrooms or more.....	27,800	100	67	86	93	94
Less than \$450	800	3	100	100	100	100
\$450 to \$549	1,300	5	63	97	99	100
\$550 to \$649	4,400	16	66	90	98	100
\$650 to \$749	3,800	14	50	75	99	100
\$750 to \$849	4,500	16	67	79	81	81
\$850 to \$949	4,100	15	57	78	82	83
\$950 or more	8,800	32	77	93	98	99
Median asking rent	\$828	(X)	(X)	(X)	(X)	(X)

X Not applicable.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 4. Absorption Rates for Unfurnished Apartments Completed by Presence of Selected Features and Utilities for the United States: 1997

[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. Percents are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total.....	189,200	100	73	90	95	97
SELECTED FEATURES						
Swimming pool:						
Available:						
Included in rent	130,300	69	73	89	96	98
At extra cost	1,300	1	63	84	92	100
Not available.....	57,500	30	74	90	94	96
Parking:						
Available:						
Included in rent	182,100	96	73	90	95	97
At extra cost	5,500	3	67	87	92	98
Not available.....	1,600	1	74	88	94	98
Air-conditioning:						
Available	173,900	92	73	89	95	97
Not available.....	15,300	8	74	90	95	98
Dishwasher:						
Available	178,700	94	75	90	96	98
Not available.....	10,500	6	51	74	81	85
UTILITIES						
Electricity:						
Included in rent	9,800	5	60	72	79	84
At extra cost	179,300	95	74	90	96	98
Gas:						
Available:						
Included in rent	17,200	9	66	80	86	90
At extra cost	77,100	41	73	91	95	97
Not available.....	94,900	50	74	90	96	98

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 5. Absorption Rates for Condominium and Cooperative Apartments Completed by Number of Bedrooms and Geographic Area: 1997

[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. Percents are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total.....	35,800	100	80	92	95	97
BEDROOMS						
No bedrooms.....	400	1	87	93	97	97
1 bedroom.....	3,300	9	81	91	95	97
2 bedrooms.....	25,500	71	79	91	94	96
3 bedrooms or more.....	6,700	19	83	94	97	98
REGION						
Northeast.....	4,400	12	85	96	98	99
Midwest.....	4,600	13	67	93	95	97
South.....	15,900	44	88	94	96	98
West.....	11,000	31	74	87	92	94
AREA						
Inside MA.....	27,300	76	80	92	95	97
In central city.....	11,400	32	76	90	94	96
Not in central city (suburbs).....	15,900	44	83	94	96	98
Outside MA.....	8,500	24	81	91	93	94

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 6. Absorption Rates for Condominium Apartments Completed by Asking Price, Number of Bedrooms, and Geographic Area: 1997

[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.....	33,800	100	81	92	95	96
PRICE CLASS						
Less than \$75,000.....	2,200	7	73	93	96	98
\$75,000 to \$99,999.....	10,000	30	79	88	92	94
\$100,000 to \$124,999.....	6,200	18	87	95	98	99
\$125,000 to \$149,999.....	5,600	17	76	93	96	98
\$150,000 to \$199,999.....	5,200	15	85	94	95	97
\$200,000 or more.....	4,600	14	84	92	95	96
Median asking price.....	\$118,900	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedrooms.....	400	1	86	93	97	97
1 bedroom.....	2,900	9	82	91	95	97
2 bedrooms.....	24,100	71	80	91	94	96
3 bedrooms or more.....	6,400	19	85	94	97	98
REGION						
Northeast.....	4,000	12	87	97	99	99
Midwest.....	4,000	12	73	92	94	97
South.....	14,900	44	88	94	96	98
West.....	10,900	32	74	87	92	94
AREA						
Inside MA.....	26,500	78	81	92	95	97
In central city.....	10,800	32	77	90	94	97
Not in central city (suburbs).....	15,700	46	83	94	96	98
Outside MA.....	7,300	22	84	90	92	93

X Not applicable.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 7. Absorption Rates for Furnished Apartments Completed by Rent and Number of Bedrooms for the United States: 1997

[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.....	3,000	100	76	97	99	100
RENT CLASS						
Less than \$450	300	11	56	100	100	100
\$450 to \$549	500	15	69	100	100	100
\$550 to \$649	200	8	94	97	100	100
\$650 to \$749	300	11	99	100	100	100
\$750 to \$849	200	8	100	100	100	100
\$850 or more	1,400	47	70	94	99	99
Median asking rent	\$807	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedrooms	800	26	95	95	98	99
1 bedroom.....	300	11	14	100	100	100
2 bedrooms.....	500	18	91	98	100	100
3 bedrooms or more.....	1,300	45	75	97	100	100

X Not applicable.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table 8. Apartments Completed in Buildings With Five Units or More: 1970 to 1997

[Details may not sum to totals because of rounding. Percents are computed using unrounded data]

Year	Total	Unfurnished apartments		Furnished apartments		Condominiums and cooperatives		Federally-subsidized		Other ¹	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1997....	247,100	189,200	77	3,000	1	35,800	15	14,100	6	5,000	2
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).

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table A-1. Standard Errors of Estimated Totals: Completions in 1986 to 1997

[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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

Table B-1. Standard Errors of Estimated Percentages: Completions in 1986 to 1997

[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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.

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 5 for information on the use of this table.

Source: U.S. Census Bureau, H130, Market Absorption of Apartments.