

Characteristics of Apartments Completed: Annual 2005

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INTRODUCTION

The Survey of Market Absorption (SOMA) measures how soon privately financed, nonsubsidized, unfurnished units in buildings with five or more units are rented or sold (absorbed) after completion. In addition, the survey collects data on characteristics such as number of bedrooms, asking rent, and asking price.

As with all surveys, estimates may vary from actual values because of sampling variation or other factors. All statements in this report have undergone statistical testing and are significant at the 90-percent confidence level.

HIGHLIGHTS¹

- Preliminary estimates from the SOMA show that, during 2005, a total of 111,900 privately financed, nonsubsidized, unfurnished rental apartments in buildings of five units or more were completed in permit-issuing areas in the United States. This total is lower by about 43,100 from the estimated 155,000 completions in 2004. New unfurnished rental completions in 2005 were less than similar completions in every year dating back to 1994, in which there was no statistical difference (Table 8).
- The South, with 51 percent, had the largest proportion of new, unfurnished rental completions of any region, followed by the West, with 27 percent. The Midwest (17 percent) ranked third, while the Northeast had 4 percent of new rental completions in 2005 (Table 1 and Figure 1).
- Two-bedroom units were the predominant size built, accounting for about 50 percent of newly constructed rental apartments, followed by one-bedroom units (33 percent). The third group comprised units with three or more bedrooms (14 percent), and the smallest group, efficiencies (no bedrooms), accounted for 3 percent of new 2005 rental completions (Table 1).
- The median monthly asking rent for all unfurnished rental apartments completed in 2005 was \$943—not statistically different than the \$1,007 (in 2005 dollars; \$974 in 2004 dollars) median rent for unfurnished apartments completed in 2004 (Table 2). Units with three or more bedrooms had a median asking rent of \$1,166, the highest among the four categories. The median asking rent for efficiencies (\$889) did not differ statistically from that for both one-bedroom and two-bedroom units, however the \$955 median asking rent for two-bedroom units exceeded that for one-bedroom units (\$864) by about \$91 (Table 2).
- In 2005, about 33 percent of the completed unfurnished rental apartments had a median asking rent of \$1,150 or more—by far the largest proportion of rental completions based on asking rent. Units renting between \$1,050–\$1,149 comprised 7 percent of new unfurnished rental completions,

¹ Details may not sum to totals because of rounding.

Questions regarding these data may be directed to **Housing and Household Economic Statistics Division**, telephone: 301-763-3199. For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Current Housing Reports

Table 1. Unfurnished Apartments Completed by Rent and Number of Bedrooms for the United States and Regions: 2005

[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 and percents are computed using unrounded data]

Characteristic	Number of unfurnished apartments					Percent distribution				
	United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
Total	111,900	4,800	19,500	57,400	30,300	100	100	100	100	100
Asking Rent										
Less than \$750	28,600	(Z)	11,900	14,300	2,400	26	(Z)	61	25	8
\$750 to \$849	13,800	–	2,600	8,000	3,100	12	(X)	14	14	10
\$850 to \$949	14,500	(Z)	2,000	8,900	3,500	13	(Z)	10	16	12
\$950 to \$1,049	10,500	100	600	6,500	3,300	9	1	3	11	11
\$1,050 to \$1,149	8,100	100	500	4,700	2,700	7	3	3	8	9
\$1,150 or more	36,500	4,600	1,800	14,900	15,200	33	96	9	26	50
Median asking rent	\$943	\$1,150+	\$750–	\$921	\$1,150+	(X)	(X)	(X)	(X)	(X)
Bedrooms										
No bedroom	3,200	500	1,100	800	800	3	10	6	1	3
1 bedroom	37,300	2,400	4,700	20,200	10,100	33	49	24	35	33
2 bedrooms	56,300	1,600	10,200	28,700	15,900	50	33	52	50	52
3 bedrooms or more	15,100	400	3,500	7,700	3,500	14	8	18	13	12

– Represents zero. X Not applicable. Z Fewer than 50 units or less than one-half of 1 percent.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

a lower proportion than each of the asking rent categories, except the 9 percent renting for \$950–\$1,049. The \$950–\$1,049 group was lower by four percentage points than the \$850–\$949 group (13 percent), but did not differ statistically from the 12 percent comprising the group renting between \$750–\$849 (Table 2).

- The 3-month absorption rate for unfurnished rental apartments was 64 percent. The rate for such apartments renting for less than \$750 (71 percent) was higher by about 13 percentage points than the rate for those renting for \$850–\$949 and \$1,050–\$1,149 (58 percent). There were no other statistical differences in the 3-month absorption rates among asking rent categories (Table 2).
- There were no statistically significant differences among 3-month absorption rates for unfurnished apartments built in 2005 based on number of bedrooms (Table 2).
- More new unfurnished rental units were completed inside central cities of metropolitan areas (51 percent), about 8 percent more than the 43 percent built outside the nation's central cities (suburbs). About 4 percent of new rental units were completed outside of metropolitan areas. Three-month absorption rates among these three types of areas did not differ (Table 3).

- Of the 111,900 unfurnished rental apartments completed in 2005, 95 percent had air conditioning available, while 77 percent had a swimming pool available. About 5 percent included electricity in the monthly rent, and 6 percent included the cost of natural gas (Table 4).
- About 81,800 condominium and cooperative apartments were completed in 2005, some 22,200 more than the 59,600 such completions in 2004. Within 3 months, 75 percent of these units completed in 2004 had been sold (absorbed). The South, with 49 percent of new condominium and cooperative completions in 2005 had a larger proportion than any other region. There were no other statistical differences among the percentage of completions in the other three regions (Table 5).
- The median asking price for all new condominium apartments built in 2005 was \$303,100—not statistically different from the 2004 median asking price of \$274,100 (in 2005 dollars; \$265,100 in 2004 dollars). Eighty-three percent of all new condominiums built in 2005 had two bedrooms or more (Table 6).
- Forty-one percent of newly built condominiums had a median asking price above \$350,000, a larger proportion than in any of the other asking-price ranges, followed by those selling for less than \$150,000 (18 percent). There were no other statistical differences among the proportion of new condominium units by asking price range. Comparisons of 3-month

absorption rates for units in each of the asking-price ranges showed no statistical differences (Table 6).

- Approximately 258,000 apartments in residential buildings with five units or more were completed in 2005, about 27,400 units fewer than the 285,400 total completions in 2004, but not statistically different from total completions in 2003. There were fewer completions in 2005 and 2003 than in every other year dating back to 1999. Forty-three percent of 2005 completions were unsubsidized, unfurnished rental apartments; 18 percent were subsidized and tax credit units; 32 percent were condominiums and cooperatives; 2 percent were furnished rental units; and the remaining 5 percent were not in the scope of the survey (Table 8).

CHARACTERISTICS OF THE DATA

All statistics from the SOMA refer to apartments in newly constructed buildings with five units or more. Absorption rates reflect the first time an apartment 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 subsidized and tax credited are those built under two U.S. Department of Housing and Urban Development (HUD) programs (Section 8, Low Income Housing Assistance and Section 202, Senior Citizens Housing Direct Loans) 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. Time-share units, continuing-care retirement units, and turnkey units (privately built for and sold to local public housing authorities after completion) are outside the scope of the survey.

Tables 1 through 4 are restricted to privately financed, unsubsidized, unfurnished rental apartments. Table 5 is restricted to privately financed, unsubsidized, condominium and cooperative apartments, while Table 6 is limited to privately financed, unsubsidized condominium apartments only. Table 7 covers privately financed, unsubsidized, furnished rental apartments and Table 8 is a historical summary of the totals for all types of newly constructed apartments in buildings with five units or more. Estimates published in this report are preliminary and are subject to revision in the H-130, Market Absorption of Apartments annual report.

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 in processing annual data for 1990. Please use caution when comparing completions in 1990 and following years with those in earlier years.

SAMPLE DESIGN

The U.S. Census Bureau designed the survey to provide data concerning the rate at which privately financed, unsubsidized, unfurnished units in buildings with five units or more are rented or sold (absorbed). In addition, the survey collects data on characteristics such as number of bedrooms, asking rent, and asking price.

Buildings for the survey came 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 geographic locations that issue permits is chosen within each of the selected PSUs. All newly constructed buildings with five units or more within sampled places and a subsample of buildings with one to four units are included in the SOC.

For the SOMA, the Census Bureau selects, each quarter, a sample of buildings with five units or more that have been reported in the SOC sample as having been completed during that quarter. The SOMA does not include buildings in areas that do not issue permits. In each of the subsequent four quarters, the proportion of units in the quarterly sample that are sold or rented (absorbed) are recorded, providing data for absorption rates 3, 6, 9, and 12 months after completion.

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 Census Bureau modified the estimation procedure and applied the new estimation procedure to data for the other three quarters of 1990 so that annual estimates using the same methodology for four quarters could be derived. The Census Bureau did not perform any additional re-estimation of past data.

² See ESTIMATION section below.

³ See the January 2005 issue of "Housing Starts," *Current Construction Reports*, Series C20, for details of this survey.

Using the original estimation procedure, the Census Bureau created design-unbiased quarterly estimates by multiplying the counts for each building by its base weight (the inverse of its probability of selection) and then summing over all buildings. Multiplying the design-unbiased estimate by the following ratio-estimate factor for the country as a whole provides the following estimate:

total units in buildings with five units or more in permit-issuing areas as estimated by the SOC for that quarter

total units in buildings with five units or more as estimated by the SOMA for that quarter

Beginning with January 2001 completions, the SOC revised its methodology for estimating the number of units completed for 5+ multiunit structures. See http://www.census.gov/ftp/pub/const/www/new_methodology_const.html for these changes. Thus, caution is required when comparing data from 2001 and forward to any estimates prior to 2001.

In the modified estimation procedure, instead of applying a single ratio-estimate factor for the entire country, the Census Bureau computes separate ratio-estimate factors for each of the four geographic regions. Multiplying the unbiased regional estimates by the corresponding ratio-estimate factors provides the final estimates for regions. The Census Bureau obtains the final estimates for the country by summing the final regional estimates.

This procedure produces estimates of the units completed in a given quarter that 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 about which data were obtained. The noninterviewed and not-accounted-for cases constitute less than 2 percent of the sample housing units in this survey.

ACCURACY OF THE ESTIMATES

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 these.

Two types of possible errors are associated with data from sample surveys: nonsampling and sampling.

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 data processing errors. Although no direct measurements of any bias that might result from nonsampling errors have been obtained, the Census Bureau thinks 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 different samples would likely differ from each other. The deviation of a sample estimate from the average of all possible samples is defined as the sampling error. The standard error of a survey estimate provides a measure of this variation and, thus, is a measure of the precision with which an estimate from a sample approximates the average result from all possible samples.

If all possible samples were selected, if each was surveyed under the same general conditions, and if 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, B, and C present approximations to the standard errors of various estimates shown in the report. Table A presents standard errors for estimated totals, and Tables B and C present standard errors for estimated percentages for rental apartments and condominiums, respectively. 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, B, or C can be obtained by linear interpolation.

ILLUSTRATIVE USE OF THE STANDARD ERROR TABLES

Table 6 of this report shows that there were about 80,000 new condominium apartments built in 2005. Table A shows the standard error of an estimate of this size to be approximately 5,380. To obtain a 90-percent confidence interval, multiply 5,380 by 1.6 and add and subtract the result from 80,000, yielding limits of 71,390 and 88,610. The average estimate of these units completed in 2005 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 6 also shows that the rate of absorption after 3 months for these condominium apartments is 75 percent. Table C shows the standard error on a 75 percent rate on a base of 80,000 to be approximately 3.1 percent. Multiply 3.1 by 1.6 (yielding 5.0) and add and subtract the result from 75. The 90-percent confidence interval for the absorption rate of 75 percent is from 70 percent to 80 percent.

Table 6 also shows that the median asking price for the estimated 80,000 condominium apartments was \$303,100. The standard error of this median is about \$20,000.

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, 80,000.
- The estimated standard error from Table C 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 80,000 is about 3.6 percent.
- The length of the interval that contains the median. In this example, the median lies between \$300,000 and \$349,999. The length of the interval is \$50,000.
- The estimated proportion of the base falling in the interval that contains the median: in this example, 9 percent (7,300 condominium units selling for \$300,000 to \$349,999 divided by 80,000 condominium units). The standard error of the median is obtained by using the following approximation:

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

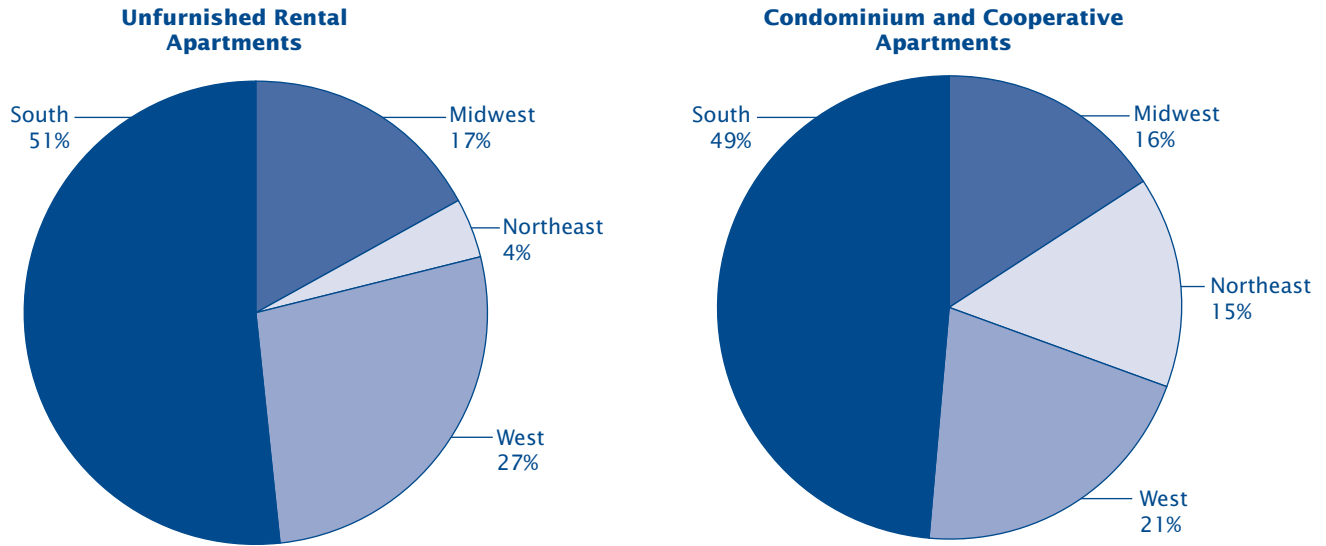
For this example, the standard error of the median of \$303,100 is:

$$3.6 \times 50,000/9 = \$20,000$$

Therefore, 1.6 standard errors equals \$32,000. Consequently, an approximate 90-percent confidence interval for the median asking price of \$303,100 is between \$271,100 and \$335,100 (\$303,100 plus or minus \$32,000).

Figure 1.

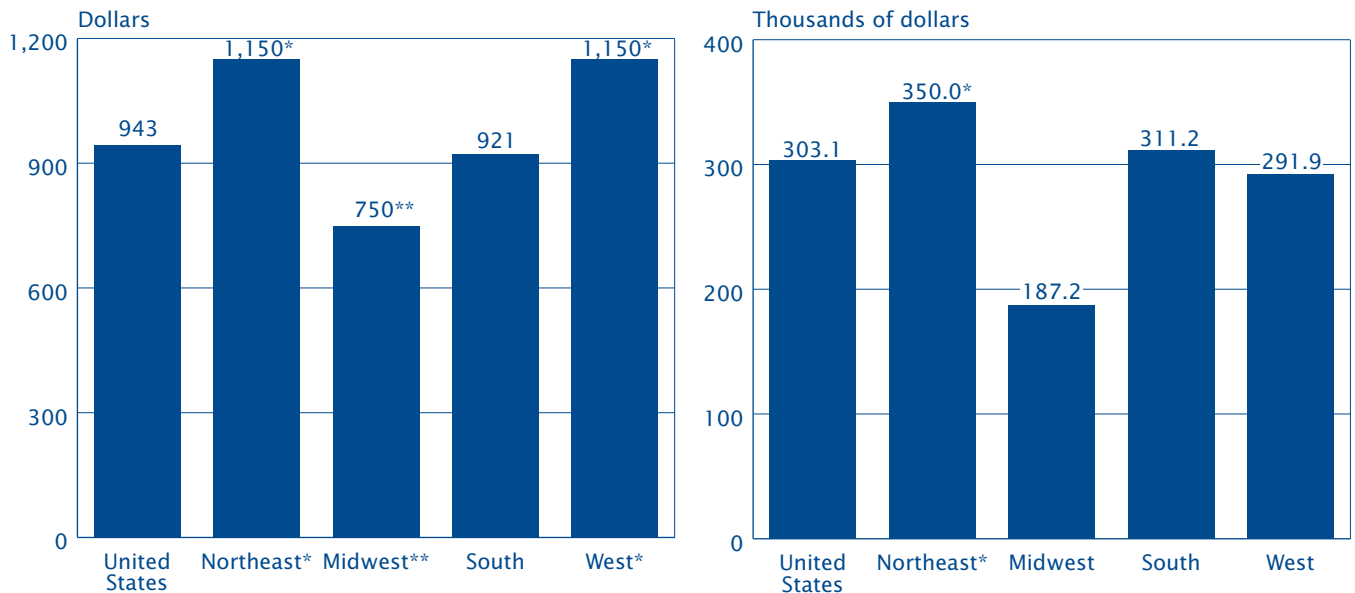
Percent Distribution of New Unfurnished Rental and New Condominium and Cooperative Units Completed by Region: 2005



Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Figure 2.

Median Asking Rent/Price for Unfurnished Rental and Condominium Apartments Completed in 2005



*Northeast and West median asking rent is \$1,150 or more.

**Midwest median asking rent is \$750 or less.

*Northeast median asking price is \$350,000 or more.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 2. Unfurnished Apartments Completed and 3-Month Absorption Rate by Rent and Number of Bedrooms for the United States and Regions: 2005

[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 and percents are computed using unrounded data]

Characteristic	Number of unfurnished apartments					Percent absorbed within 3 months				
	United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
Total	111,900	4,800	19,500	57,400	30,300	64	75	63	63	65
Less than \$750.....	28,600	(Z)	11,900	14,300	2,400	71	(Z)	70	72	71
\$750 to \$849.....	13,800	-	2,700	8,000	3,100	61	(X)	57	63	62
\$850 to \$949.....	14,500	(Z)	2,000	8,900	3,500	58	(Z)	46	60	59
\$950 to \$1,049.....	10,500	100	600	6,500	3,300	63	80	47	62	69
\$1,050 to \$1,149.....	8,100	100	500	4,700	2,700	58	96	62	59	55
\$1,150 or more.....	36,500	4,600	1,800	14,900	15,200	63	74	55	57	66
Median asking rent.....	\$943	\$1,150+	\$750-	\$921	\$1,150+	(X)	(X)	(X)	(X)	(X)
No bedroom.....	3,200	500	1,100	800	800	66	90	64	60	62
Less than \$950.....	1,800	(Z)	1,100	300	400	66	(Z)	64	65	73
\$950 or more.....	1,400	500	(Z)	500	400	66	90	(Z)	57	51
Median asking rent.....	\$889	\$1,150+	\$750-	\$991	\$966	(X)	(X)	(X)	(X)	(X)
1 bedroom.....	37,300	2,400	4,700	20,200	10,100	66	78	63	64	68
Less than \$750.....	11,400	-	3,800	6,500	1,100	71	(X)	63	75	73
\$750 to \$849.....	6,600	-	500	4,900	1,200	64	(X)	64	62	73
\$850 to \$949.....	4,900	-	100	2,900	1,900	64	(X)	65	63	65
\$950 to \$1,049.....	2,000	(Z)	(Z)	1,500	500	66	(Z)	(Z)	65	71
\$1,050 to \$1,149.....	2,100	(Z)	200	1,200	700	56	(Z)	80	50	58
\$1,150 or more.....	10,300	2,300	100	3,200	8,500	66	78	23	53	68
Median asking rent.....	\$864	\$1,150+	\$750-	\$823	\$1,103	(X)	(X)	(X)	(X)	(X)
2 bedrooms.....	56,300	1,600	10,200	28,700	15,900	62	64	64	62	61
Less than \$750.....	13,900	(Z)	6,200	6,600	1,100	71	(Z)	73	69	67
\$750 to \$849.....	5,900	-	1,700	2,600	1,600	58	(X)	48	68	52
\$850 to \$949.....	7,900	-	1,100	5,500	1,300	55	(X)	45	59	47
\$950 to \$1,049.....	6,400	-	200	4,000	2,200	63	(X)	49	60	68
\$1,050 to \$1,149.....	4,600	100	100	2,700	1,700	58	99	41	61	54
\$1,150 to \$1,249.....	2,900	(Z)	200	1,800	900	67	(Z)	46	65	76
\$1,250 or more.....	14,600	1,500	700	5,400	7,000	58	61	57	52	62
Median asking rent.....	\$955	\$1,250+	\$750-	\$942	\$1,151	(X)	(X)	(X)	(X)	(X)
3 bedrooms or more...	15,100	400	3,500	7,700	3,500	65	81	64	62	71
Less than \$750.....	2,000	-	900	1,000	100	79	(X)	87	69	100
\$750 to \$849.....	1,100	-	400	500	200	64	(X)	85	41	71
\$850 to \$949.....	1,400	-	800	400	200	53	(X)	44	67	58
\$950 to \$1,049.....	1,600	-	300	800	500	64	(X)	46	66	75
\$1,050 to \$1,149.....	1,200	-	200	700	300	61	(X)	48	67	54
\$1,150 to \$1,249.....	1,400	-	300	1,000	100	65	(X)	57	68	50
\$1,250 or more.....	6,400	400	600	3,300	2,200	65	81	57	59	73
Median asking rent.....	\$1,166	\$1,250+	\$904	\$1,195	\$1,250+	(X)	(X)	(X)	(X)	(X)

- Represents zero. X Not applicable. Z Fewer than 50 units or less than one-half of 1 percent.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 3. Unfurnished Apartments Completed and 3-Month Absorption Rate by Rent and Number of Bedrooms for the United States and Inside or Outside Metropolitan Areas: 2005

[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 and percents are computed using unrounded data]

Characteristic	Number of unfurnished apartments				Percent absorbed within 3 months			
	United States	Inside metropolitan areas		Outside metropolitan areas	United States	Inside metropolitan areas		Outside metropolitan areas
		In central city	Not in central city			In central city	Not in central city	
Total	111,900	56,900	47,600	7,400	64	63	64	65
Less than \$750	28,600	15,400	8,000	5,200	71	70	71	72
\$750 to \$849	13,800	8,000	5,900	600	61	60	65	45
\$850 to \$949	14,500	5,800	8,500	200	58	60	56	78
\$950 to \$1,049	10,500	4,900	5,600	(Z)	63	62	64	(Z)
\$1,050 to \$1,149	8,100	3,700	4,400	100	58	56	60	100
\$1,150 or more	36,500	19,100	16,000	1,400	63	61	66	42
Median asking rent	\$943	\$936	\$987	\$750-	(X)	(X)	(X)	(X)
No bedroom	3,200	2,200	900	100	66	63	73	67
Less than \$950	1,800	1,500	200	100	66	66	70	67
\$850 or more	1,400	700	700	-	66	59	74	(X)
Median asking rent	\$889	\$751	\$1,150+	\$750-	(X)	(X)	(X)	(X)
1 bedroom	37,300	20,000	15,900	1,300	66	64	69	57
Less than \$750	11,400	6,400	4,000	1,000	71	75	67	56
\$750 to \$849	6,600	3,500	3,100	-	64	63	65	(X)
\$850 to \$949	4,900	1,900	3,000	-	64	53	71	(X)
\$950 to \$1,049	2,000	1,100	900	-	66	56	79	(X)
\$1,050 to \$1,149	2,100	1,100	1,000	-	56	53	60	(X)
\$1,150 or more	10,300	6,000	3,900	300	66	61	73	60
Median asking rent	\$864	\$856	\$880	\$750-	(X)	(X)	(X)	(X)
2 bedrooms	56,300	26,300	25,600	4,400	62	61	61	68
Less than \$750	13,900	7,000	3,700	3,300	71	67	75	73
\$750 to \$849	5,900	3,700	1,800	500	58	57	63	46
\$850 to \$949	7,900	2,800	5,000	100	55	68	47	100
\$950 to \$1,049	6,400	2,200	4,200	-	63	64	62	(X)
\$1,050 to \$1,149	4,600	1,800	2,800	-	58	55	61	(X)
\$1,150 to \$1,249	2,900	1,300	1,600	-	67	64	70	(X)
\$1,150 or more	14,600	7,500	6,500	500	58	57	60	52
Median asking rent	\$955	\$939	\$1,006	\$750-	(X)	(X)	(X)	(X)
3 bedrooms or more	15,100	8,300	5,200	1,600	65	65	66	62
Less than \$750	2,000	900	200	800	79	67	87	89
\$750 to \$849	1,100	700	400	(Z)	64	59	74	(Z)
\$850 to \$949	1,400	900	400	100	53	48	61	55
\$950 to \$1,049	1,600	1,200	400	(Z)	64	69	51	(Z)
\$1,050 to \$1,149	1,200	600	600	100	61	65	53	100
\$1,150 to \$1,249	1,400	600	800	(Z)	65	62	66	(Z)
\$1,250 or more	6,400	3,400	2,400	600	65	70	68	20
Median asking rent	\$1,166	\$1,121	\$1,226	\$750-	(X)	(X)	(X)	(X)

- Represents zero. X Not applicable. Z Fewer than 50 units or less than one-half of 1 percent.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 4. Unfurnished Apartments Completed and 3-Month Absorption Rate by Amenities and Utilities for the United States: 2005

[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]

Characteristic	Number	Percent	Percent absorbed within 3 months
Total	111,900	100	64
AMENITIES			
Swimming pool			
Available			
Included in rent	85,600	76	63
At extra cost	1,500	1	37
Not available	24,900	22	67
Parking			
Available			
Included in rent	104,600	93	64
At extra cost	5,400	5	58
Not available	2,000	2	55
Air-conditioning			
Available	105,900	95	64
Not available	6,000	5	66
Dishwasher			
Available	109,600	98	64
Not available	2,300	2	50
UTILITIES			
Electricity			
Included in rent	5,700	5	59
At extra cost	106,300	95	64
Gas			
Available			
Included in rent	7,000	6	72
At extra cost	39,000	35	65
Not available	65,900	59	62

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 5. Condominium and Cooperative Apartments Completed and 3-Month Absorption Rate by Number of Bedrooms and Geography: 2005

[Privately financed, nonsubsidized condominium and cooperative 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]

Characteristic	Number	Percent	Percent absorbed within 3 months
Total	81,800	100	75
BEDROOMS			
Fewer than 2 bedrooms	14,800	18	79
2 bedrooms	47,300	58	72
3 bedrooms or more	19,700	24	81
REGION			
Northeast	12,000	15	56
Midwest	13,000	16	60
South	39,800	49	82
West	17,100	21	84
AREA			
Inside metropolitan areas	77,500	95	75
In central city	39,200	48	77
Not in central city (suburbs)	38,300	47	73
Outside metropolitan areas	4,300	5	76

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 6. Condominium Apartments Completed and 3-Month Absorption Rate by Asking Price, Number of Bedrooms, and Geography: 2005

[Privately financed, nonsubsidized condominium 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 and percents are computed using unrounded data]

Characteristic	Number	Percent	Percent absorbed within 3 months	Median asking price
Total	80,000	100	75	\$303,100
ASKING PRICE				
Less than \$150,000	14,100	18	77	(X)
\$150,000 to \$199,999	9,500	12	78	(X)
\$200,000 to \$249,999	8,000	10	75	(X)
\$250,000 to \$299,999	7,900	10	71	(X)
\$300,000 to \$349,999	7,300	9	66	(X)
\$350,000 or more	33,200	41	77	(X)
BEDROOMS				
Fewer than 2 bedrooms	14,300	18	79	\$281,600
2 bedrooms	46,200	58	72	\$282,600
3 bedrooms or more	19,600	25	81	\$400,000+
REGION				
Northeast	11,900	15	57	\$350,000+
Midwest	11,900	15	59	\$187,200
South	39,200	49	82	\$311,200
West	17,000	21	75	\$291,900
AREA				
Inside metropolitan areas	76,000	95	75	\$301,500
In central city	38,500	48	78	\$321,800
Not in central city (suburbs)	37,500	47	73	\$272,400
Outside metropolitan areas	4,000	5	84	\$350,000+

X Not applicable.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 7. Furnished Apartments Completed and 3-Month Absorption Rate by Asking Rent, Number of Bedrooms, and Geography: 2005

[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 and percents are computed using unrounded data]

Characteristic	Number	Percent	Percent absorbed within 3 months	Median asking rent
Total	5,400	100	85	\$1,150+
ASKING RENT				
Less than \$950	1,900	36	92	(X)
\$950 or more	3,500	64	82	(X)
BEDROOMS				
Fewer than 2 bedrooms	1,400	26	92	\$750-
2 bedrooms or more	4,000	74	83	\$1,250+
REGION				
Northeast	1,000	19	100	\$1,150+
Midwest	1,000	18	73	\$1,150+
South	2,600	48	80	\$849
West	800	15	98	\$1,150+
AREA				
Inside metropolitan areas	5,200	96	86	\$1,150+
In central city	3,700	69	82	\$1,150+
Not in central city (suburbs)	1,500	27	96	\$1,150+
Outside metropolitan areas	200	4	67	\$1,150+

X Not applicable.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table 8. Total Apartments Completed in Buildings With Five Units or More: 1970 to 2005

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

Year	Total	Unfurnished apartments		Furnished apartments		Condominiums and cooperatives		Subsidized and Tax Credit*		Other ¹	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2005	258,000	111,900	43	5,400	2	81,800	32	45,200	18	13,600	5
2004	285,400	155,000	54	4,400	2	59,600	21	55,700	20	10,800	4
2003	261,000	167,800	64	2,200	1	41,900	16	37,800	15	11,300	4
2002	288,100	204,100	71	3,100	1	37,400	13	32,100	11	11,500	4
2001	281,000	193,100	69	4,500	2	45,700	16	26,700	10	11,100	4
2000	300,000	226,200	75	2,900	1	36,100	12	24,400	8	10,500	3
1999	291,800	225,900	77	7,700	3	34,200	12	13,600	5	10,400	4
1998	273,900	209,900	77	3,000	1	34,500	13	20,000	7	6,600	2
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

* Beginning with data in the second quarter of 2004, the category was expanded to include units built under the Low Income Housing Tax Credit program. Z Fewer than 50 units or less than one-half of 1 percent.

¹ Other 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, *Survey of Market Absorption*, 2005.

Table A. Standard Errors for Estimates of Apartments in Buildings With Five Units or More: Completions in 2005

Estimated number	Standard error		Estimated number	Standard error	
	Rental apartments	Condominium apartments		Rental apartments	Condominium apartments
500	300	200	25,000	2,500	2,900
800	400	300	35,000	2,900	3,500
1,000	500	400	50,000	3,500	4,200
2,000	700	600	75,000	4,300	5,200
3,000	900	800	100,000	5,000	6,100
4,000	1,000	1,000	150,000	6,100	7,500
5,000	1,100	1,200	250,000	7,900	(X)
10,000	1,600	1,800	350,000	9,300	(X)
15,000	1,900	2,200	450,000	10,600	(X)
20,000	2,200	2,600	600,000	12,200	(X)

X Not applicable.

Note: See page 5 for instructions on the use of this table.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table B. Standard Errors of Estimated Percentages for Rental Apartments: Completions in 2005

Estimated percentages	500	800	1,000	5,000	10,000	20,000	50,000	75,000	100,000	150,000	350,000	600,000
98 or 2	9.9	7.8	7.0	3.1	2.2	1.6	1.0	0.8	0.7	0.6	0.4	0.3
95 or 5	15.4	12.1	10.9	4.9	3.4	2.4	1.5	1.3	1.1	0.9	0.6	0.4
90 or 10	21.1	16.7	14.9	6.7	4.7	3.3	2.1	1.7	1.5	1.2	0.8	0.6
80 or 20	28.2	22.3	14.4	8.9	6.3	4.5	2.8	2.3	2.0	1.6	1.1	0.8
75 or 25	30.5	24.1	21.6	9.6	6.8	4.8	3.0	2.5	2.2	1.8	1.2	0.9
60 or 40	34.5	27.3	24.4	10.9	7.7	5.5	3.5	2.8	2.4	2.0	1.3	1.0
50	35.2	27.8	24.9	11.1	7.9	5.6	3.5	2.9	2.5	2.0	1.3	1.0

Note: See page 5 for instructions on the use of this table.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.

Table C. Standard Errors of Estimated Percentages for Condominium Apartments: Completions in 2005

Estimated percentages	500	800	1,000	3,000	5,000	10,000	15,000	25,000	50,000	75,000	100,000	150,000
98 or 2	12.5	9.9	8.9	5.1	4.0	2.8	2.3	1.8	1.3	1.0	0.9	0.7
95 or 5	19.5	15.4	13.8	8.0	6.2	4.4	3.6	2.8	1.9	1.6	1.4	1.1
90 or 10	26.8	21.2	19.0	11.0	8.5	6.0	4.9	3.8	2.7	2.2	1.9	1.5
80 or 20	35.8	28.3	25.3	14.6	11.3	8.0	6.5	5.1	3.6	2.9	2.5	2.1
75 or 25	38.7	30.6	27.4	15.8	12.2	5.7	7.1	5.5	3.9	3.2	2.7	2.2
60 or 40	43.8	34.6	31.0	17.9	13.9	9.8	8.0	6.2	4.4	3.6	3.1	2.5
50	44.7	35.4	31.6	18.3	14.1	10.0	8.2	6.3	4.5	3.7	3.2	2.6

Note: See page 5 for instructions on the use of this table.

Source: U.S. Census Bureau, *Survey of Market Absorption*, 2005.



UNITED STATES DEPARTMENT OF COMMERCE
Economics and Statistics Administration
U.S. Census Bureau
Washington, DC 20233-0001

SOMA Data User:

The U.S. Census Bureau is contacting known users of the Survey of Market Absorption (SOMA) data to inform them that the survey may be discontinued due to funding issues and to provide users with a point of contact to express their views on the importance of the data.

The Census Bureau processes the Survey of Market Absorption under a reimbursable agreement with the Department of Housing and Urban Development (HUD). The Census Bureau receives no funding of our own for this survey apart from the money received from HUD, but does consider it an essential part of knowing what is happening in the housing industry. Funding for the SOMA has become an issue. Many federal agencies, including HUD, are feeling the budget crunch and have had to make spending cuts. For FY 2007, the Census Bureau has received only half of the normal funds for the SOMA. This will allow us to complete data collection for the 2006 statistical months (complete January–December processing). Whether we receive additional funding to continue the survey remains to be seen at this time. We may not know until the fall of 2006.

We believe it would be helpful if users contacted HUD to express their needs for SOMA data. It would be of great benefit if as many data users as possible would let HUD know that the information provided by the SOMA is useful, important, and necessary. Our counterparts at HUD also consider this very important data, but they are the ones that must decide on the future of the survey. Hopefully, getting positive feedback from the industry and data users will influence the decision-makers to continue the survey. Please be as specific as possible about the consequences of not having SOMA data in the future. Please state how it would affect your interests and usage of the data from SOMA.

To express your interest in the continuation of the survey, please send your comments to:

Ronald J. Sepanik
Director, Housing & Demographic Analysis Division
Office of Policy Development & Research
U.S. Department of Housing and Urban Development
451 7th Street, SW, Room 8218
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If you have any questions or concerns, please contact me.

Thanks for your support.

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