

Market Absorption of Apartments Annual 1999 Absorptions

Apartments Completed in 1998

Annual
1999

Issued April 2000

H130/99-A

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.

HIGHLIGHTS¹

- During 1998, a total of 209,900 privately financed, nonsubsidized, unfurnished, rental apartments in buildings of five units or more were completed in permit-issuing areas in the United States. This number is about 11 percent greater than completions of similar units in 1997 and was the largest number of unfurnished rental apartments built since 1990, when 214,300 were constructed (see Table 8).
- Seventy-two percent of the unfurnished rental apartments built in the U.S. in 1998 were absorbed (rented) within the first 3 months of completion, 89 percent within 6 months, 95 percent within 9 months, and 98 percent were rented within a year of completion. The South, with 55 percent of rental completions, had more than any of the other regions. The West was next with 23 percent, followed by the Midwest with 17 percent. The Northeast had the fewest (5 percent) rental completions in 1998 (see Table 1).
- About half (53 percent) of new unfurnished, rental apartments in 1998 were built in suburban areas compared with 41 percent in the nation's central cities. Only 6 percent were built outside metropolitan areas (MAs). New apartments completed inside MAs were 72 percent absorbed after 3 months on the market, 14 percentage points lower than the 3-month absorption rate for apartments completed outside MAs. (See Table 1.)
- The median asking rent for unfurnished apartments completed in 1998 was \$734, which was not significantly different from the median of \$724 for rental apartments completed in 1997. In 1998, about 32 percent rented for \$850 or more and were absorbed at a 3-month rate of 69 percent and a 12-month rate of 96 percent. Units with asking rents of \$750 to \$849, about 15 percent of the total, were 71 percent absorbed in 3 months and 99 percent absorbed in 12 months. The 6 percent of the 1998 completions with an asking rent below \$450 were 82 percent and 98 percent absorbed in 3 and 12 months, respectively (see Table 2).
- The 3-month absorption rate for units with asking rents of less than \$450 was about 13 percentage points higher than the 3-month absorption rate for units with asking rents of \$850 or more. Three-month absorption rates did not differ significantly among the remaining rent categories in 1998. Twelve-month absorption rates for all apartments with asking rents of \$550 to \$649, \$650 to \$749 and \$750 to \$849 were 99 percent absorbed and exceeded the rate for units renting

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.

Table 1.

Absorption Rates for Unfurnished Apartments Completed by Geographic Area: 1998

[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	209,900	100	72	89	95	98
Inside metropolitan areas	196,900	94	72	89	95	98
In central city	85,500	41	73	89	95	98
Not in central city (suburbs)	111,400	53	70	88	94	97
Outside metropolitan areas	13,000	6	86	94	96	97
Northeast	10,600	5	77	95	98	100
Midwest	35,500	17	74	88	93	96
South	115,100	55	69	88	95	98
West	48,700	23	77	91	96	98

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

for \$850 or more by 3 percentage points. There were no other statistically significant differences among 12-month absorption rates by asking rent category (see Table 2).

- One- and two-bedroom apartments accounted for 83 percent of all new rental-apartment completions in 1998. One-bedroom apartments had a median asking rent of \$668, \$92 lower than the median of \$760 for two-bedroom units and \$217 lower than the \$885 median for apartments with three or more bedrooms. Efficiency (no-bedrooms) apartments had a median asking rent of \$603, significantly different (\$282 lower) only from the median asking rent for 3 or more bedroom units (see Table 3).
- The 3-month absorption rate for efficiency and 1-bedroom apartments was 71 percent, compared with 73 percent for two-bedroom units and 76 percent for three or more bedroom apartments. There were no significant differences among any of these absorption rates (see Table 3).
- Of the 209,900 newly built rental apartments in 1998, 94 percent had air conditioning available, while 76 percent had a swimming pool available. Conversely, natural gas was not available in one-half (50 percent) of newly built units (see Table 4).
- About 34,500 condominium and cooperative apartments were completed in 1998, not significantly different from the 35,800 such completions in 1997. Within 3 months, 79 percent had been sold (absorbed), and by the end of 12 months, 94 percent were sold (see Table 5).
- The median asking price for all condominium apartments built in 1998 was \$118,800, not significantly different from the \$118,900 asking price for new

condominiums built in 1997. Eighty-nine percent of all new condominiums built in 1998 had two bedrooms or more. The South, with 50 percent of condominium completions in 1998, had more than any other region, followed by the West with 30 percent. The Midwest, with 16 percent, ranked third, while the Northeast had only 4 percent of new condominiums (see Table 6).

- There was no significant difference between the number of new condominium units built in central cities and in MAs outside of central cities (suburbs). However, there were fewer such units constructed outside MAs in 1998 than in cities or the suburbs. The 3-month absorption rates for these newly built condominium units was about the same for the three types of areas.
- There were 26,800 more apartments of all types constructed in buildings of five or more units in 1998 than in 1997. New units built in 1998 represented the highest number of apartment completions since 1990, when 294,400 apartments were built. Seventy-seven percent of 1998 completions were nonsubsidized, unfurnished, rental apartments; 7 percent were federally subsidized; 13 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 SOMA are limited to apartments in newly constructed buildings with five units or more. Absorption rates are based on 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 federally subsidized are those built under the following programs of the Department of Housing and Urban Development (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. 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. The methodology for calculating standard errors is explained in the section on Accuracy of the Estimates.

NOTE TO DATA USERS

The SOMA adopted new ratio estimation procedures in 1990 to derive more accurate estimates of completions². 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, nonsubsidized, unfurnished units in buildings with five or more units are rented or sold (absorbed). In addition, the survey collects data on characteristics such as number of bedrooms, rent, and 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 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.

For the SOMA, the Census Bureau chose, each quarter, a sample of buildings with five or more units that have been reported in the SOC sample as having been completed during that quarter. The SOMA does not include buildings completed in nonpermit-issuing areas. Information is then obtained on the proportion of units absorbed 3, 6, 9, and 12 months after completion 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 Census Bureau modified the estimation procedure and applied the modified estimation procedure to data for the other 3 quarters of 1990 so that one could derive annual estimates using the same methodology for 4 quarters. The Census Bureau has not performed any additional re-estimation of past data.

Before the estimation procedure changed, the Census Bureau had formed 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 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 SOC for that quarter

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 country, the Census Bureau computes separate ratio-estimate factors for each of the four census regions.

²See ESTIMATION.

³See the January 2000 issue of "Housing Starts," Current Construction Reports, Series C20, for details of this survey.

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 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

Two types of possible errors are 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 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, if each of them was surveyed under essentially the same general conditions, if there were no systematic biases, 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 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. 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 3 of this report shows that 8,000 1-bedroom apartments rented for \$750 to \$849. Table A-1 shows the standard error of an estimate of this size to be approximately 1,500. To obtain a 90-percent confidence interval, multiply 1,500 by 1.6 and add and subtract the result from 8,000 yielding limits of 5,600 and 10,400. The average estimate of these 1-bedroom units renting for \$750 to \$849 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 3 also shows that the rate of absorption after 3 months for these units is 76 percent. Table B-1 shows the standard error on a 76 percent rate on a base of 8,000 to be approximately 8.5 percent. Multiply 8.5 by 1.6 (yielding 13.6) and add and subtract the result from 76. The 90-percent confidence interval for the absorption rate of 76 percent is from 62.4 percent to 89.6 percent.

Table 3 also shows that the median asking rent for an estimated 103,500 unfurnished 2-bedroom rental apartments was \$760. The standard error of this median is about \$16.

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, 103,500.
- 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 103,500 is about 2.7 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, 17 percent. The standard error of the median is obtained by using the following approximation:

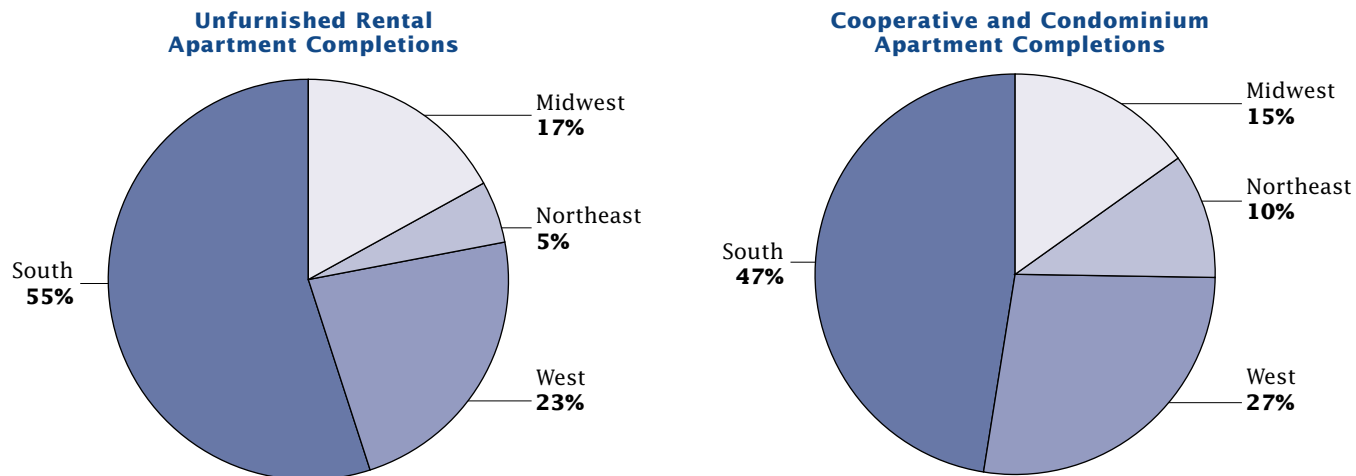
$$\text{standard error of median} = \sigma 50\% \times \frac{\text{length of interval containing the sample median}}{\text{estimated proportion of the base falling within the interval containing the sample median}}$$

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

$$2.7 \times \frac{100}{17} = \$16$$

Therefore, 1.6 standard errors equals \$26. Consequently, an approximate 90-percent confidence interval for the median asking rent of \$760 is between \$734 and \$786 (\$760 plus or minus \$26).

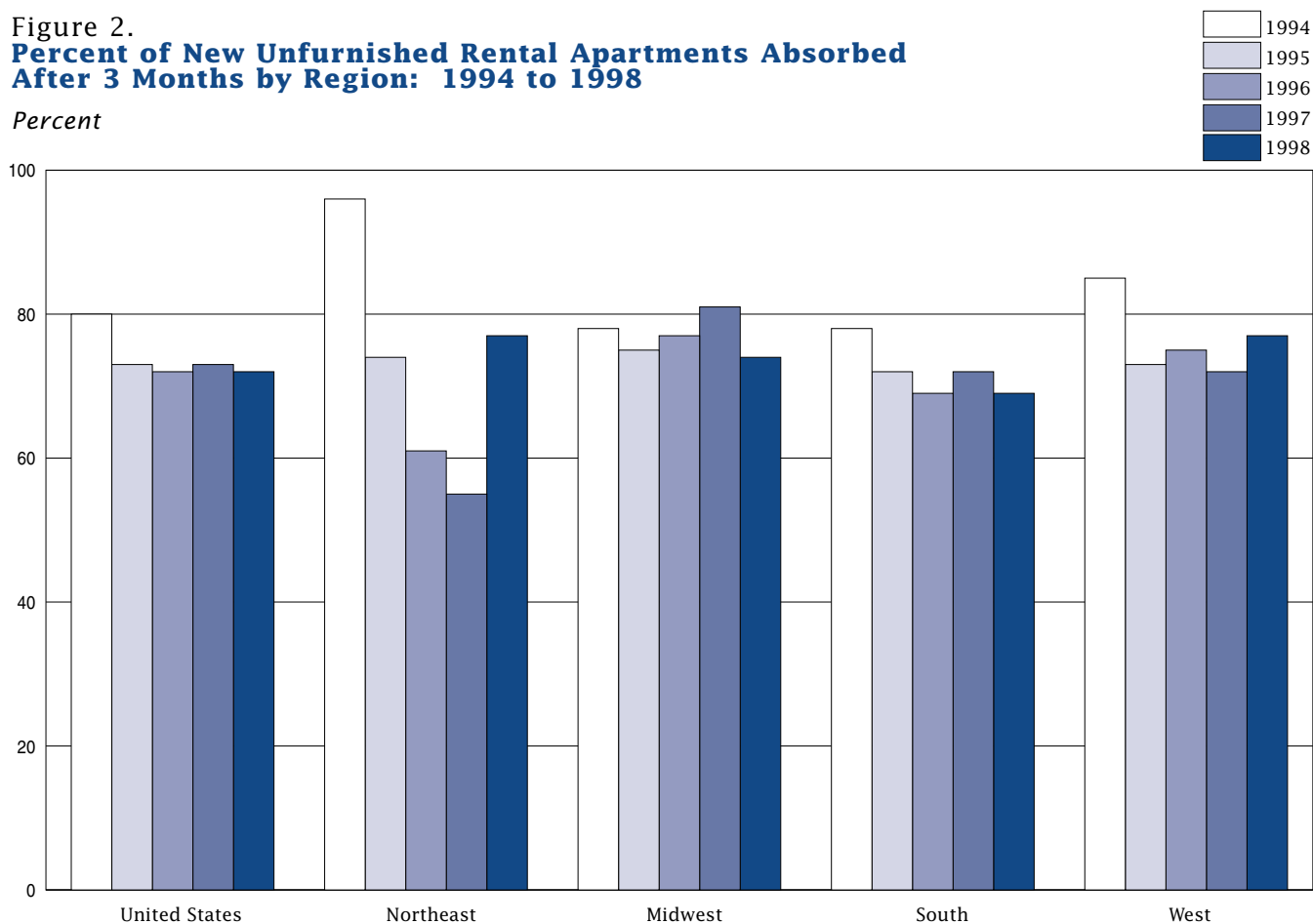
Figure 1.
Percent Distribution of New Unfurnished Rental and New Cooperative and Condominium Units Completed by Region: 1998



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

Figure 2.
Percent of New Unfurnished Rental Apartments Absorbed After 3 Months by Region: 1994 to 1998

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: 1998

[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 and percents are computed using unrounded data.]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	209,900	100	72	89	95	98
Less than \$450	13,000	6	82	87	92	98
\$450 to \$549	26,200	13	73	87	94	96
\$550 to \$649	31,000	15	75	91	96	99
\$650 to \$749	41,200	20	73	92	97	99
\$750 to \$849	31,400	15	71	89	96	99
\$850 or more	67,100	32	69	87	93	96
Median asking rent	\$734	(X)	(X)	(X)	(X)	(X)
Northeast	10,600	100	77	95	98	100
Less than \$450	300	3	99	100	100	100
\$450 to \$549	500	5	70	85	91	99
\$550 to \$649	500	5	91	100	100	100
\$650 to \$749	2,600	25	62	95	99	100
\$750 to \$849	1,100	10	71	95	98	100
\$850 or more	5,600	53	83	96	98	100
Median asking rent	\$850+	(X)	(X)	(X)	(X)	(X)
Midwest	35,500	100	74	88	93	96
Less than \$450	2,600	7	89	95	97	99
\$450 to \$549	10,500	30	68	81	87	91
\$550 to \$649	8,500	24	74	89	93	98
\$650 to \$749	5,700	16	78	94	97	98
\$750 to \$849	3,200	9	79	94	98	100
\$850 or more	5,000	14	69	89	94	97
Median asking rent	\$604	(X)	(X)	(X)	(X)	(X)
South	115,100	100	69	88	95	98
Less than \$450	8,900	8	78	83	90	97
\$450 to \$549	10,100	9	73	92	98	100
\$550 to \$649	18,900	16	75	92	97	99
\$650 to \$749	22,500	20	72	90	96	99
\$750 to \$849	19,100	17	67	88	95	99
\$850 or more	35,600	31	64	84	91	95
Median asking rent	\$737	(X)	(X)	(X)	(X)	(X)
West	48,700	100	77	91	96	98
Less than \$450	1,200	3	93	98	100	100
\$450 to \$549	5,100	10	84	93	99	100
\$550 to \$649	3,200	7	77	91	97	99
\$650 to \$749	10,400	21	77	92	96	98
\$750 to \$849	8,000	16	77	91	97	99
\$850 or more	20,800	43	75	89	94	97
Median asking rent	\$806	(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: 1998

[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]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	209,900	100	72	89	95	98
Less than \$450	13,000	6	82	87	92	98
\$450 to \$549	26,200	13	73	87	94	96
\$550 to \$649	31,000	15	75	91	96	99
\$650 to \$749	41,200	20	73	92	97	99
\$750 to \$849	31,400	15	71	89	96	99
\$850 or more	67,100	32	69	87	93	96
Median asking rent	\$734	(X)	(X)	(X)	(X)	(X)
No bedrooms	5,400	100	71	87	90	91
Less than \$450	1,300	25	89	99	100	100
\$450 to \$549	1,000	19	84	95	99	99
\$550 to \$649	700	12	73	88	95	96
\$650 to \$749	300	6	82	95	99	100
\$750 to \$849	100	3	84	97	100	100
\$850 or more	1,900	35	48	70	73	77
Median asking rent	\$603	(X)	(X)	(X)	(X)	(X)
1 bedroom	71,700	100	71	88	94	97
Less than \$450	6,100	8	83	89	94	100
\$450 to \$549	12,500	17	61	79	88	92
\$550 to \$649	14,100	20	70	90	95	99
\$650 to \$749	17,400	24	75	93	98	99
\$750 to \$849	8,000	11	76	91	97	99
\$850 or more	13,600	19	68	86	93	96
Median asking rent	\$668	(X)	(X)	(X)	(X)	(X)
2 bedrooms	103,500	100	73	89	95	98
Less than \$450	5,200	5	79	82	88	95
\$450 to \$549	10,600	10	84	95	99	100
\$550 to \$649	13,800	13	80	93	97	99
\$650 to \$749	20,100	19	71	90	95	98
\$750 to \$849	17,900	17	66	87	95	99
\$850 to \$949	12,800	12	68	86	93	97
\$950 or more	23,000	22	70	87	93	96
Median asking rent	\$760	(X)	(X)	(X)	(X)	(X)
3 bedrooms or more	29,300	100	76	92	97	98
Less than \$450	300	1	78	91	96	100
\$450 to \$549	2,200	7	86	95	99	100
\$550 to \$649	2,500	8	76	91	96	99
\$650 to \$749	3,300	11	79	94	98	99
\$750 to \$849	5,300	18	77	93	98	100
\$850 to \$949	3,200	11	67	93	98	99
\$950 or more	12,600	43	74	89	95	97
Median asking rent	\$885	(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: 1998

[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	209,900	100	72	89	95	98
SELECTED FEATURES						
Swimming pool:						
Available:						
Included in rent	157,000	75	69	87	94	97
At extra cost	2,600	1	79	97	99	100
Not available.....	50,400	24	81	94	97	98
Parking:						
Available:						
Included in rent	201,000	96	72	89	95	97
At extra cost	6,200	3	75	93	97	99
Not available.....	2,700	1	90	98	100	100
Air-conditioning:						
Available	196,900	94	72	89	95	97
Not available.....	13,000	6	77	92	96	98
Dishwasher:						
Available	199,300	95	72	89	95	98
Not available.....	10,600	5	72	89	93	97
UTILITIES						
Electricity:						
Included in rent	7,800	4	60	79	83	86
At extra cost	202,100	96	73	89	95	98
Gas:						
Available:						
Included in rent	21,600	10	75	88	91	94
At extra cost	82,700	39	73	90	96	98
Not available.....	105,700	50	71	88	95	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: 1998

[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	34,500	100	79	88	92	94
BEDROOMS						
No bedrooms.....	1,700	5	46	55	60	61
1 bedroom.....	3,900	11	63	75	76	83
2 bedrooms.....	21,400	62	83	92	96	97
3 bedrooms or more.....	7,500	22	82	91	96	97
REGION						
Northeast.....	3,400	10	32	47	53	60
Midwest.....	5,300	15	88	96	98	99
South.....	16,200	47	84	92	95	97
West.....	9,500	27	82	92	96	97
AREA						
Inside metropolitan areas.....	26,800	78	76	86	90	92
In central city.....	12,200	35	79	89	93	95
Not in central city (suburbs).....	14,500	42	73	84	87	89
Outside metropolitan areas.....	7,700	22	89	95	97	99

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: 1998

[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 and percents are computed using unrounded data]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	31,600	100	83	92	95	97
PRICE CLASS						
Less than \$75,000	3,000	10	86	97	99	100
\$75,000 to \$99,999	8,900	28	86	94	97	98
\$100,000 to \$124,999	5,200	16	85	94	97	98
\$125,000 to \$149,999	4,400	14	84	93	97	98
\$150,000 to \$199,999	4,200	13	79	89	92	95
\$200,000 or more	5,900	19	75	87	91	93
Median asking price	\$118,800	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedrooms	600	2	79	89	94	94
1 bedroom	2,900	9	77	88	90	93
2 bedrooms	20,900	66	84	93	96	98
3 bedrooms or more	7,200	23	82	91	96	97
REGION						
Northeast	1,300	4	57	76	85	89
Midwest	5,100	16	87	96	98	99
South	15,900	50	84	92	95	97
West	9,400	30	82	92	96	97
AREA						
Inside metropolitan areas	24,200	77	81	91	95	97
In central city	11,800	37	79	89	93	95
Not in central city (suburbs)	12,400	39	83	93	96	98
Outside metropolitan areas	7,400	23	88	95	97	99

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: 1998

[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]

Item	Total		Percent absorbed within—			
	Number	Percent	3 months	6 months	9 months	12 months
Total	3,000	100	67	86	96	98
RENT CLASS						
Less than \$450	100	4	100	100	100	100
\$450 to \$549	200	6	91	100	100	100
\$550 to \$649	300	10	95	98	98	100
\$650 to \$749	(Z)	2	88	100	100	100
\$750 to \$849	200	6	100	100	100	100
\$850 or more	2,100	72	56	80	95	97
Median asking rent	\$850+	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedrooms	500	18	80	82	94	95
1 bedroom	300	10	78	82	90	95
2 bedrooms	500	15	94	97	99	99
3 bedrooms or more	1,700	58	53	84	97	99

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

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

Table 8. Apartments Completed in Buildings With Five Units or More: 1970 to 1998

[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
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

Z Fewer than 50 units or less than one-half of 1 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 1998

[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 1998

[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.