

Market Absorption of Apartments

Annual 2003 Absorptions

Apartments Completed in 2002

Issued April 2004

H130/03-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.

The estimates in this report are based on responses from a sample of the population. As with all surveys, estimates vary from actual values because of sampling variation or other factors. All comparisons made in this report have undergone statistical testing and are significant at the 90-percent confidence level.

HIGHLIGHTS¹

- During 2002, a total of 204,100 privately financed, nonsubsidized, unfurnished, rental apartments in buildings of five units or more were completed in permit-issuing areas in the United States. This estimate does not differ from the 193,100 completions of similar units in 2001, or the 209,900 estimated in 1998. However, 2002 unfurnished rental completions were about 22,100 fewer than 2000, and some 21,800 below 1999 levels (1999 and 2000 levels did not differ) (see Table 8).
- Fifty-nine percent of the unfurnished rental apartments built in the United States in 2002 were absorbed (rented) within the first 3 months of completion, 78 percent within 6 months, 88 percent within 9 months, and 93 percent were rented within a year of completion (see Table 1). The South, with 47 percent of rental completions, had more than any of the other regions. The West was next with 26 percent, followed by the Midwest with 17 percent, and the Northeast with 10 percent. The 3-month absorption rate for units built in the Midwest was 69 percent, which exceeded the rate for each of the other regions. The 3-month absorption rate for the South, West, and Northeast did not differ.
- About half (52 percent) of the new unfurnished, rental apartments in 2002 were built in suburban areas, exceeding the estimated 43 percent built in the nation's central cities. Only 5 percent were built outside metropolitan areas (MAs). The 3-month absorption rate for new apartments completed inside central cities of metropolitan areas (MAs) was 62 percent, no different from the rate for apartments completed outside MAs, or the rate for units built outside central cities (suburbs).
- The median asking rent for unfurnished apartments completed in 2002 was \$918, which was not statistically different from the 2001 median asking rent of \$895 (in 2002 dollars; \$881 in 2001 dollars). In 2002, about 38 percent of unfurnished apartments rented for \$1,050 or more—a greater proportion than any of the other asking rent categories. Units renting for \$850-\$949 and \$950-\$1,049 both constituted 9 percent of the inventory, and were the lowest proportions of new unfurnished units. The middle group of available units included those with asking rents of less than \$650, \$650-\$749, and \$750-\$849 (see Table 3).
- The 3-month absorption rate for unfurnished apartments renting for less than \$650 was 70 percent, which exceeded the rate for units renting between \$750-\$849 by 11 percentage points, and the rate for units renting for \$1,050 or more by 17 percentage

¹Details 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.

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Table 1. Absorption Rates for Unfurnished Apartments Completed by Geographic Area: 2002

(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	204,100	100	59	78	88	93
Inside metropolitan areas.....	194,900	95	69	79	88	93
In central city.....	87,800	43	62	80	89	94
Not in central city (suburbs).....	107,000	52	56	77	87	92
Outside metropolitan areas.....	9,300	5	62	75	90	94
Northeast.....	19,400	10	61	80	87	95
Midwest.....	34,500	17	63	87	93	96
South.....	96,200	47	57	77	88	94
West.....	54,000	26	68	79	95	90

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

points. There were no other significant differences among the 3-month absorption rates. The 12-month absorption rate (90 percent) for unfurnished apartments renting \$1,050 or more was less than the rate for units renting for less than \$650 (97 percent), \$650-\$749 (97 percent), and those renting for \$750-\$849 (95 percent). There were no other significant differences among the 12-month absorption rates (see Table 3).

- The most common type of unit built in 2002 was two-bedroom apartments (50 percent). Those were followed by one-bedroom units (35 percent), units with 3 bedrooms or more (13 percent), and efficiencies (no bedrooms), respectively. The highest median asking rent (\$1,132) was for those apartments with 3 bedrooms or more, followed by two-bedroom units (\$939), and those with one bedroom (\$839). Efficiencies, only about 3 percent of the total unfurnished rental completions, had a median asking rent of \$938, which did not differ from the rent of the other types of apartments (see Table 3).
- Of the 204,100 newly-built rental apartments in 2002, 95 percent had air conditioning and 76 percent had a swimming pool available. Natural gas for heating was available in about one-half (54 percent) of newly built units (see Table 4).
- About 37,400 condominium and cooperative apartments were completed in 2002, some 8,300 fewer than the 45,700 such completions in 2001. Within 3 months, 73 percent had been sold (absorbed), and by the end of 12 months, 95 percent were sold. The 3-month absorption rates in the four regions did not differ from each other, nor did the 12-month rates (see Table 5).
- The median asking price for all condominium apartments built in 2002 was \$199,400, not

different from the median asking price of \$186,100 (in 2002 dollars; \$183,200 in 2001 dollars) for new condominiums built in 2001. Eighty-five percent of all new condominium completions in 2002 had two-or-more bedrooms. The South, with 47 percent of new condominium completions in 2002, had more than any other region, followed by the West, with 30 percent. Next came the Midwest (13 percent), and the Northeast (10 percent) which did not differ (see Table 6).

- More new condominium units were built in central cities of metropolitan areas (48 percent) than in suburban areas (37 percent). New condominium units constructed outside metropolitan areas comprised only 16 percent of the total and were 93 percent absorbed within 3 months. This absorption rate exceeded that for such units built inside central cities (61 percent), but not the 82 percent rate for condominium units built in the suburbs (the latter two rates also did not differ from one another).
- There were 288,100 apartments of all types constructed in buildings of five or more units in 2002—no difference from the number of completions in 2001, 2000, 1999 and 1998 (total completions in 2000 exceeded those from 1998 by 26,100). New apartments built in each of these 5 years represent a larger number of new completions than in any year since 1990. Seventy-one percent of 2002 completions were nonsubsidized, unfurnished, rental apartments; 1 percent were furnished rental units; 13 percent were condominiums and cooperatives; 11 percent were federally subsidized; and the remaining 4 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 two 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.

²See ESTIMATION.

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, 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 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 selects, 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 basis 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:

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

³See the January 2004 issue of "Housing Starts," Current Construction Reports, Series C20, for details of this survey.

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. 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 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, 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 each of the different samples would likely differ from each other. The deviation of a sample estimate from the average 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 5 of this report shows that 5,000 condominium and cooperative apartments contained one bedroom. Table A-1 shows the standard error of an estimate of this size to be approximately 1,200. To obtain a 90-percent confidence interval, multiply 1,200 by 1.6 and add and subtract the result from 5,000 yielding limits of 3,080 and 6,920. The average estimate of these 1-bedroom units 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 5 also shows that the rate of absorption after 3 months for these 5,000 1-bedroom condominium/cooperative units is 64 percent. Table B-1 shows the standard error on a 64 percent rate on a base of 5,000 to be approximately 11.4 percent. Multiply 11.4 by 1.6 (yielding 18.2) and add and subtract the result from 64. The 90-percent confidence interval for the absorption rate of 64 percent is from 45.8 percent to 82.2 percent.

Table 2 shows that the median asking rent for an estimated 34,500 unfurnished rental apartments built in the Midwest was \$760. The standard error of this median is about \$23.

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, 34,500.
- 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 34,500 is about 4.5 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, 20 percent. The standard error of the median is obtained by using the following approximation:

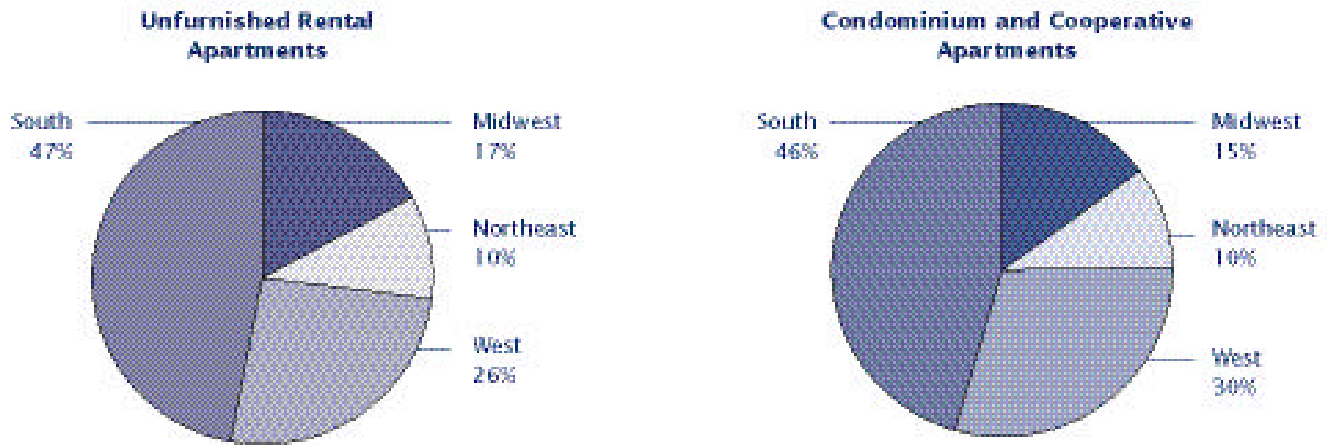
$$\text{standard error of median} = \sigma 50\% \times \frac{\text{length of interval containing the sample median}}{\text{estimated proportion of the base falling within the interval containing the sample median}}$$

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

$$4.5 \times 100/20 = \$23$$

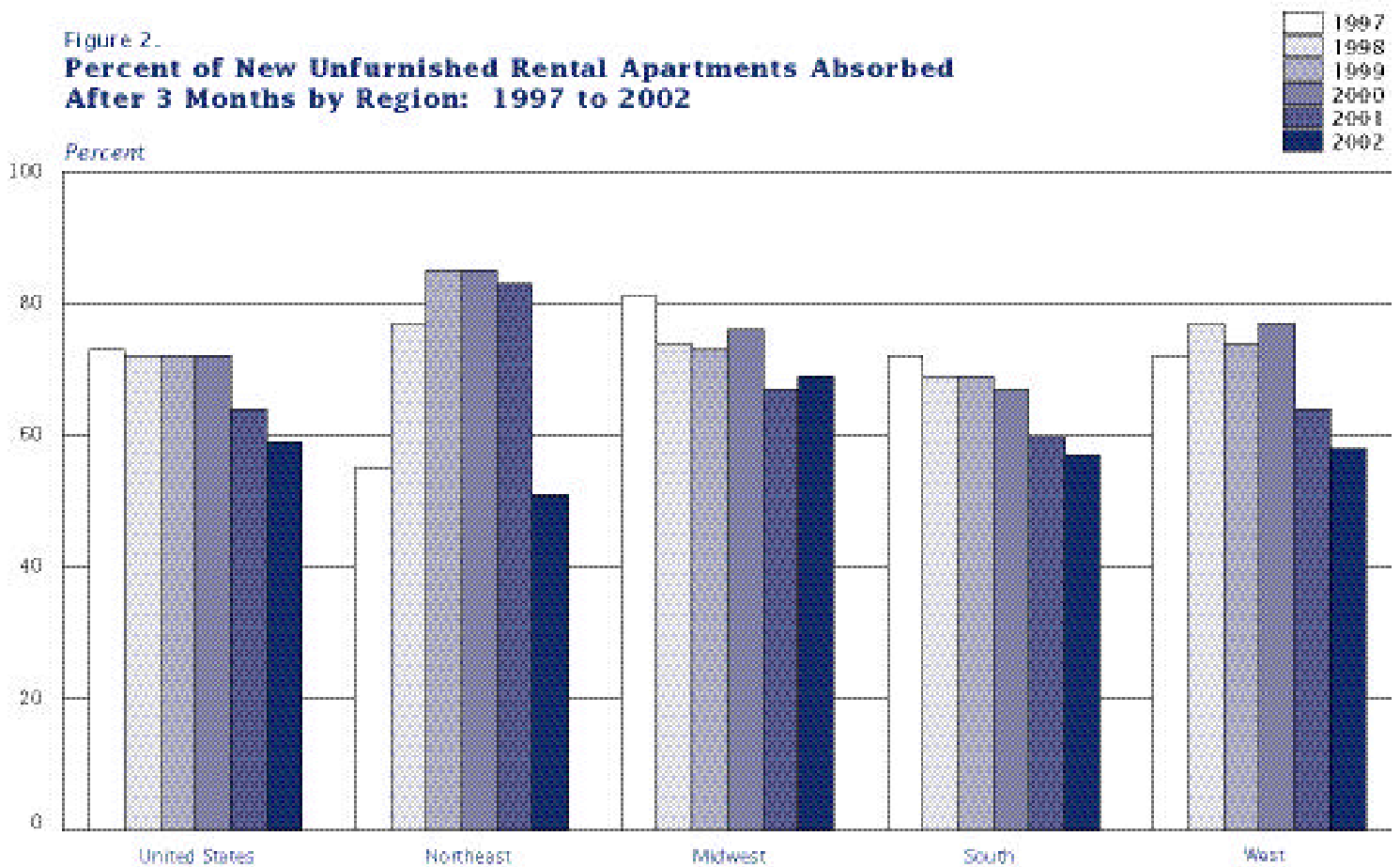
Therefore, 1.6 standard errors equals \$37. Consequently, an approximate 90-percent confidence interval for the median asking rent of \$760 is between \$723 and \$797 (\$760 plus or minus \$37).

Figure 1.
Percent Distribution of New Unfurnished Rental and New Condominium and Cooperative Units Completed by Region: 2002



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

Figure 2.
Percent of New Unfurnished Rental Apartments Absorbed After 3 Months by Region: 1997 to 2002



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

Table 2. Absorption Rates for Unfurnished Apartments Completed by Rent for the United States and Regions: 2002

[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 month	9 months	12 months
Total	204,100	100	59	78	88	93
Less than \$650	29,700	15	70	86	93	97
\$650 to \$749	30,300	15	60	82	93	97
\$750 to \$849	29,100	14	59	80	91	95
\$850 to \$949	18,900	9	58	76	86	92
\$950 to \$1,049	18,700	9	62	78	88	93
\$1,050 or more	77,400	38	53	74	84	90
Median asking rent	\$918	(X)	(X)	(X)	(X)	(X)
Northeast	19,400	100	51	84	88	96
Less than \$650	500	3	42	65	65	100
\$650 to \$749	300	2	36	36	36	100
\$750 to \$849	600	3	73	90	94	97
\$850 to \$949	500	2	61	93	95	100
\$950 to \$1,049	2,700	14	15	73	84	91
\$1,050 or more	14,900	77	52	87	91	95
Median asking rent	\$1,050+	(X)	(X)	(X)	(X)	(X)
Midwest	34,500	100	69	87	93	96
Less than \$650	6,500	19	80	91	95	98
\$650 to \$749	10,000	29	73	92	98	99
\$750 to \$849	6,800	20	62	89	97	99
\$850 to \$949	2,500	7	61	79	91	94
\$950 to \$1,049	1,800	5	65	76	80	85
\$1,050 or more	6,800	20	65	80	86	89
Median asking rent	\$760	(X)	(X)	(X)	(X)	(X)
South	96,200	100	57	77	88	94
Less than \$650	17,200	18	65	84	92	95
\$650 to \$749	15,800	16	52	76	90	95
\$750 to \$849	17,100	18	57	76	88	94
\$850 to \$949	9,600	10	58	76	86	93
\$950 to \$1,049	10,200	11	58	76	88	94
\$1,050 or more	26,400	27	54	75	85	92
Median asking rent	\$838	(X)	(X)	(X)	(X)	(X)
West	54,000	100	58	73	85	90
Less than \$650	5,500	10	75	89	96	99
\$650 to \$749	4,200	8	62	81	92	97
\$750 to \$849	4,700	9	60	77	88	93
\$850 to \$949	6,300	12	57	73	83	88
\$950 to \$1,049	4,000	7	54	72	85	92
\$1,050 or more	29,300	54	55	69	82	86
Median asking rent	\$1,050+	(X)	(X)	(X)	(X)	(X)

X Not applicable.

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

Table 3. Absorption Rates for Unfurnished Apartments Completed by Number of Bedrooms and Rent for the United States: 2002

[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	204,100	100	59	78	88	93
Less than \$650	29,700	15	70	86	93	97
\$650 to \$749	30,300	15	60	82	93	97
\$750 to \$849	29,100	14	59	80	91	95
\$850 to \$949	18,900	9	58	76	86	92
\$950 to \$1,049	18,700	9	62	78	88	93
\$1,050 or more	77,400	38	53	74	84	90
Median asking rent	\$918	(X)	(X)	(X)	(X)	(X)
No bedrooms	5,600	100	61	81	87	93
Less than \$650	1,600	28	69	89	94	97
\$650 to \$749	400	8	81	92	96	100
\$750 to \$849	500	8	45	74	87	95
\$850 to \$949	400	7	71	82	86	96
\$950 to \$1,049	300	4	56	76	88	98
\$1,050 or more	2,500	46	55	75	81	88
Median asking rent	\$938	(X)	(X)	(X)	(X)	(X)
1 bedroom	70,900	100	60	78	88	93
Less than \$650	14,200	20	72	87	95	98
\$650 to \$749	11,400	16	61	81	89	95
\$750 to \$849	11,000	15	64	81	90	95
\$850 to \$949	6,500	9	60	78	87	92
\$950 to \$1,049	5,700	8	55	74	87	91
\$1,050 or more	22,200	31	51	70	84	89
Median asking rent	\$839	(X)	(X)	(X)	(X)	(X)
2 bedrooms	102,000	100	56	77	87	93
Less than \$650	11,000	8	63	82	89	94
\$650 to \$749	16,700	16	57	82	94	98
\$750 to \$849	14,400	14	54	79	91	95
\$850 to \$949	10,000	10	56	75	84	91
\$950 to \$1,049	11,400	11	65	79	87	93
\$1,050 to \$1,149	6,500	6	54	74	85	91
\$1,150 or more	32,000	31	51	74	83	90
Median asking rent	\$939	(X)	(X)	(X)	(X)	(X)
3 bedrooms or more	25,600	100	65	81	91	94
Less than \$650	2,900	11	85	94	99	100
\$650 to \$749	1,800	7	74	89	99	100
\$750 to \$849	3,300	13	62	80	91	94
\$850 to \$949	2,100	8	58	75	88	94
\$950 to \$1,049	1,400	5	70	88	97	99
\$1,050 to \$1,149	1,700	7	67	81	89	93
\$1,150 or more	12,500	49	60	78	88	92
Median asking rent	\$1,132	(X)	(X)	(X)	(X)	(X)

X Not applicable.

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

Table 4. Absorption Rates for Unfurnished Apartments Completed by Presence of Selected Features and Utilities for the United States: 2002

[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	204,100	100	59	78	88	93
SELECTED FEATURES						
Swimming pool:						
Available:						
Included in rent	149,800	73	58	78	87	93
At extra cost	6,100	3	42	76	85	96
Not available.....	48,200	24	63	79	90	94
Parking:						
Available:						
Included in rent	190,800	94	59	78	88	93
At extra cost	6,600	3	60	80	86	91
Not available.....	6,700	3	53	82	89	94
Air-conditioning:						
Available	194,200	95	59	79	89	93
Not available.....	9,900	5	51	66	76	85
Dishwasher:						
Available	200,000	98	59	78	88	93
Not available.....	4,100	2	62	75	83	90
UTILITIES						
Electricity:						
Included in rent	15,900	8	56	78	84	91
At extra cost	188,200	92	59	78	88	93
Gas:						
Available:						
Included in rent	21,100	10	59	79	86	92
At extra cost	89,800	44	57	78	88	93
Not available.....	93,200	46	60	78	88	94

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

Table 5. Absorption Rates for Condominium and Cooperative Apartments Completed by Number of Bedrooms and Geographic Area: 2002

[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	37,400	100	73	87	92	95
BEDROOMS						
No bedrooms	800	2	45	71	85	92
1 bedroom.....	5,000	13	64	80	90	92
2 bedrooms.....	21,200	57	74	87	92	95
3 bedrooms or more	10,400	28	78	90	93	95
REGION						
Northeast.....	3,600	10	72	86	93	96
Midwest.....	5,500	15	70	86	93	97
South.....	17,200	46	72	86	91	93
West.....	11,100	30	77	88	93	95
AREA						
Inside metropolitan areas.....	31,800	85	70	85	91	94
In central cities.....	17,600	47	62	78	86	91
Not in central cities (suburbs).....	14,100	38	80	93	96	98
Outside metropolitan areas	5,700	15	93	99	99	100

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

Table 6. Absorption Rates for Condominium Apartments Completed by Asking Price, Number of Bedrooms, and Geographic Area: 2002

[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	36,100	100	74	87	92	95
PRICE CLASS						
Less than \$125,000	6,800	19	65	83	91	95
\$125,000 to \$149,999	5,300	15	84	95	98	99
\$150,000 to \$199,999	6,100	17	79	93	97	98
\$200,000 to \$249,999	3,200	9	78	89	93	96
\$250,000 to \$299,999	2,800	8	83	91	94	95
\$300,000 or more	12,000	33	68	80	87	90
Median asking price	\$199,400	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedroom	800	2	45	71	85	92
1 bedroom	4,800	13	65	80	89	92
2 bedrooms	20,200	56	75	87	92	95
3 bedrooms or more	10,300	29	79	90	93	95
REGION						
Northeast	3,500	10	72	86	93	96
Midwest	4,900	13	69	85	93	97
South	16,900	47	73	86	91	93
West	10,800	30	78	88	93	95
AREA						
Inside metropolitan areas	30,400	84	70	84	91	94
In central cities	17,200	48	61	78	86	90
Not in central cities (suburbs)	13,200	37	82	93	96	98
Outside metropolitan areas	5,700	16	93	99	99	100

X Not applicable.

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

Table 7. Absorption Rates for Furnished Apartments Completed by Rent and Number of Bedrooms for the United States: 2002

[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	3,100	100	48	50	93	99
RENT CLASS						
Less than \$650	1,100	37	77	83	91	100
\$650 to \$749	200	5	86	86	100	100
\$750 to \$849	-	-	-	-	-	-
\$850 to \$949	100	4	3	3	100	100
\$950 to \$1,049	300	10	76	77	78	100
\$1,050 or more	1,400	44	17	18	98	98
Median asking rent	\$987	(X)	(X)	(X)	(X)	(X)
BEDROOMS						
No bedroom	800	25	78	80	96	97
1 bedroom	200	5	81	92	100	100
2 bedrooms	500	18	40	47	68	100
3 bedrooms or more	1,600	52	33	33	100	100

- No activity.

X Not applicable.

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

Table 8. Apartments Completed in Buildings With Five Units or More: 1970 to 2002

[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
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

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, *Survey of Market Absorption*.

Table A-1. Standard Errors of Estimated Totals: Completions in 1986 to 2002

[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, *Survey of Market Absorption*.

Table B-1. Standard Errors of Estimated Percentages: Completions in 1986 to 2002

[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, *Survey of Market Absorption*.

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, *Survey of Market Absorption*.

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, *Survey of Market Absorption*.

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, *Survey of Market Absorption*.

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, *Survey of Market Absorption*.