

Survey of Market Absorption of New Multifamily Units

Second Quarter 2017–ABSORPTIONS (Completions in First Quarter 2017)

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Issued September 2017
H130/17-Q2

INTRODUCTION

This report presents data on how soon privately financed, nonsubsidized, unfurnished units in buildings with five or more units were rented or sold (absorbed) in the second quarter of 2017 for units that were completed in the first quarter 2017.¹ The data are based on information collected in the Survey of Market Absorption of Multifamily Units (SOMA), which has been measuring market absorption for over 40 years.

The SOMA is conducted by the U.S. Census Bureau, for the Department of Housing and Urban Development (HUD). The sample consists of approximately 900 buildings with five or more housing units. As with all surveys, estimates vary from actual values because of sampling variations or other factors. See Accuracy of the Estimates at the end of this report for more details.

Report Release Schedule

The SOMA produces and releases quarterly reports 3 months after the end of the absorption quarter. For example, the units in this report were completed in the first quarter (January, February, and March) 2017 and had their initial absorptions recorded in the second quarter (April, May, and June) 2017. In July and August, these data were analyzed and this report was released to the public the first week of September. For additional information, see Sample Design on page 19 of this report.

¹ Most of the estimates presented in this report are based on unfurnished rental units. Some estimates of absorption rates include both rented and sold units and are clearly labeled.

In early April 2017, the Annual Absorption Report was released. It detailed information on all privately financed, nonsubsidized, unfurnished units in buildings with five or more units absorbed in 2016 and completed in 2015. That report provided details on all construction and breaks down absorption in 3-month, 6-month, 9-month, and 12-month categories.

In early July 2017, the SOMA Characteristics Report was released which provided an overview of all privately financed, nonsubsidized, unfurnished units in buildings with five or more units constructed in 2016. That report, along with construction data, included details exclusive to the 3-month absorption rates for all of those units.

Seasonally Adjusted Data

This report presents both seasonally and nonseasonally adjusted estimates.

The construction of new housing units is typically lower during certain times of the year. For example, construction in the Northeast is lowest in December, January, and February when it is curtailed due to weather conditions (cold, snow, etc.). In contrast, new construction tends to rise during the summer.

These seasonal changes in the number of new constructions reflect typical weather patterns that have a tendency to repeat year after year. These changes make it difficult to determine whether changes from one month to the next are a measurement of normal seasonal patterns or to varying economic conditions. To adjust for these seasonal changes, a statistical technique called “seasonal adjustment” is used. Seasonally adjusting brings into play the history of the series

to identify the seasonal movements and to calculate the size and direction of these movements. A seasonal adjustment factor is then developed and applied to the estimates to eliminate the effects of regular seasonal fluctuations on the data. When a statistical series is seasonally adjusted, the normal seasonal fluctuations are smoothed out and data for any month may be more meaningfully compared with data from any other month or with an annual average. Many time series that are based on monthly data are seasonally adjusted.

HIGHLIGHTS²

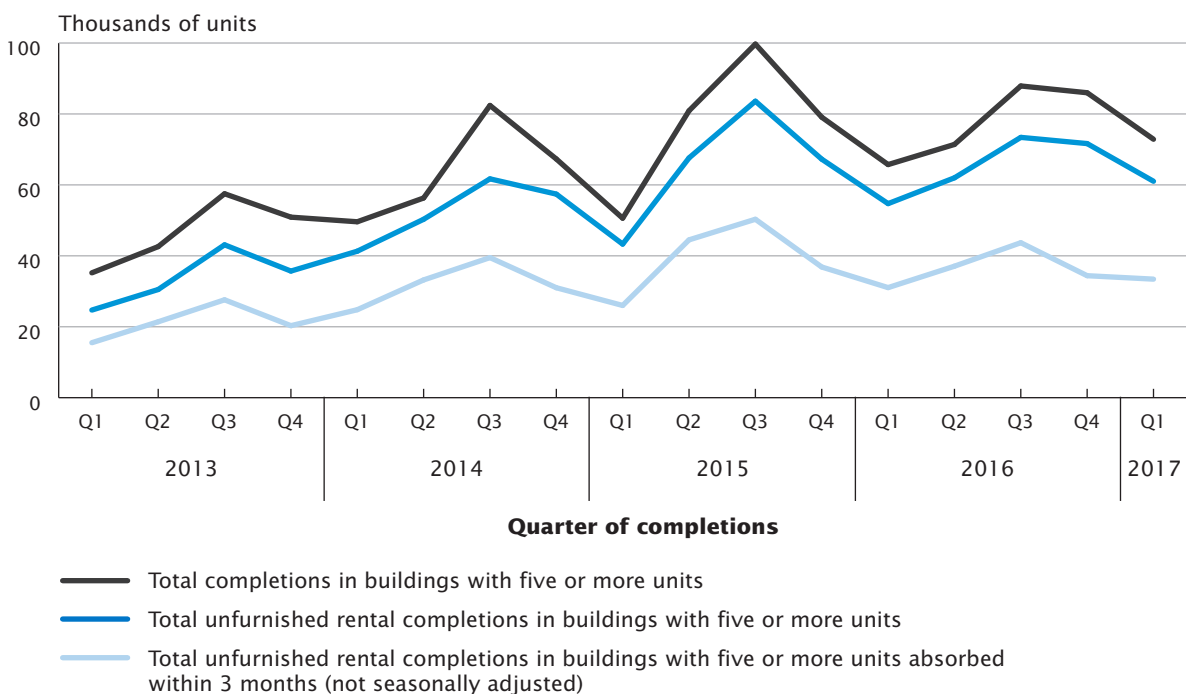
- **New construction (private, unfurnished):** During the first quarter of 2017, there were approximately 61,000 privately financed, nonsubsidized, unfurnished rental apartments completed in buildings with five or more units. This figure was approximately 10,700 units fewer than the 71,700 units constructed in the previous quarter. However, the 61,000 units completed in the first quarter of 2017 were approximately

5,900 more than the 55,100 constructed in the first quarter of 2016 (Tables 1 and 2; Figures 1 and 2).

Of the 268,100 total number of new unfurnished rental construction in buildings with five or more units completed in the previous four quarters, 145,900 units were rented prior to the second quarter of 2017. Approximately 62,700 units were rented in the second quarter of 2017 with approximately 59,500 units remaining in the market available for rent at the end of the second quarter of 2017 (Tables 3 and 4).

² Details may not sum to totals because of rounding.

Figure 1.
Number of Units in Apartment Buildings Completed and Absorbed: 2013 to 2017



Source: U.S. Census Bureau, 2013 to 2017 Survey of Market Absorption of New Multifamily Units.

Table 1.

Absorption Rates of Privately Financed, Nonsubsidized, Unfurnished Rental Apartments: 2011 to 2017

(In buildings with five units or more. Percentages are computed using unrounded data)

Quarter of completion	Unfurnished apartments completed		Seasonally adjusted ¹ —rented within 3 months		Not seasonally adjusted—rented within:							
					3 months		6 months		9 months		12 months	
	Total	Margin of error ² (±)	Percent	Margin of error ² (±)	Percent	Margin of error ² (±)	Percent	Margin of error ² (±)	Percent	Margin of error ² (±)	Percent	Margin of error ² (±)
2017												
January–March ^p	61,000	2,486	56	2.8	55	2.7	N	N	N	N	N	N
2016												
October–December	71,700	4,259	53	2.7	48	2.4	72	2.1	N	N	N	N
July–September	73,400	1,858	58	2.3	60	2.4	78	1.7	89	1.2	N	N
April–June	62,000	1,462	52	2.7	57	2.9	78	2.3	87	1.8	94	1.1
January–March	55,100	1,916	57	2.8	55	2.8	79	2.2	90	1.7	95	1.0
2015												
October–December	67,300	2,245	60	2.7	55	2.4	77	1.8	90	1.6	96	0.9
July–September	83,600	2,546	59	1.8	60	1.8	79	1.8	91	1.1	96	0.6
April–June	67,600	2,122	60	3.5	66	3.8	83	2.6	90	1.9	96	0.9
January–March	43,300	1,512	62	2.1	60	2.0	82	1.6	92	1.0	96	0.6
2014												
October–December	57,400	1,752	59	4.0	54	3.6	76	4.2	88	3.9	94	1.3
July–September	61,700	5,163	62	2.5	64	2.6	82	2.0	91	1.3	96	0.7
April–June	50,300	1,638	61	2.7	66	2.9	86	1.2	94	0.6	97	0.5
January–March	41,300	1,630	62	2.6	60	2.5	84	1.9	93	1.0	97	0.5
2013												
October–December	35,700	2,260	61	3.3	57	3.1	78	2.0	92	0.9	96	0.6
July–September	43,100	3,240	62	3.0	64	3.1	80	2.2	91	1.1	96	0.7
April–June	30,500	2,020	65	2.9	70	3.1	85	2.0	90	1.9	95	1.5
January–March	25,000	2,150	65	3.4	62	3.2	87	1.8	95	0.9	97	0.6
2012												
October–December	31,100	1,190	61	4.4	58	4.2	78	2.7	92	1.2	96	1.0
July–September	30,400	2,710	63	6.0	65	6.2	78	5.2	86	5.2	92	3.5
April–June	27,100	1,710	67	3.8	70	4.0	85	4.0	90	3.6	93	2.5
January–March	15,900	1,310	61	4.1	60	4.0	84	1.9	96	1.1	98	0.9
2011												
October–December	15,300	2,700	55	9.4	52	8.9	68	9.6	90	3.3	94	3.7
July–September	24,600	3,520	68	7.5	70	7.7	78	7.7	84	7.9	93	3.2
April–June	13,000	1,510	51	10.0	52	10.2	64	11.8	68	12.5	73	13.2
January–March	21,800	1,520	56	4.5	55	4.4	76	4.8	84	4.5	88	4.2

N Not available.

^p Preliminary.^r Revised.¹ The Census Bureau performs seasonal adjustment of a time series of estimates only given clear evidence of seasonal behavior (i.e., new construction in the Northeast is lowest in December, January, and February when it is curtailed due to weather conditions) and only when the adjustment passes a suitable set of diagnostic tests.² A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2011 to 2017 Survey of Market Absorption of New Multifamily Units.

Table 2.

Type of Apartments Completed in Buildings With Five Units or More: 2011 to 2017

(Details may not sum to totals because of rounding)

Quarter of completion	Total		Unfurnished		Furnished		Condominiums and cooperatives		Subsidized tax credit ²		Other units ³	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
2017												
January–March ^p	72,900	2,968	61,000	2,486	2,200	1,779	3,700	1,342	5,800	1,365	100	172
2016												
October–December	86,000	5,110	71,700	4,259	700	372	8,200	4,468	4,500	941	900	646
July–September	87,900	2,224	73,400	1,858	2,400	735	6,700	1,609	5,000	1,061	400	254
April–June	71,400	1,684	62,000	1,476	800	421	3,200	815	4,500	1,083	1,000	570
January–March	65,700	2,286	55,100	1,462	600	277	3,000	850	6,400	1,492	800	620
2015												
October–December	79,100	2,639	67,300	2,245	1,000	523	3,200	715	7,200	2,200	400	240
July–September	99,700	3,038	83,600	2,546	4,600	1,828	4,300	1,446	7,100	2,223	100	67
April–June	80,900	2,538	67,600	2,122	300	152	2,700	925	9,900	1,822	300	170
January–March	50,600	1,767	43,300	1,512	800	267	1,200	333	4,900	1,358	400	451
2014												
October–December	67,300	2,054	57,400	1,752	800	746	2,000	664	6,100	1,327	1,000	524
July–September	82,400	6,895	61,700	5,163	6,700	2,998	1,900	627	11,400	4,258	700	294
April–June	56,300	1,832	50,300	1,638	300	192	1,600	378	3,800	1,558	400	208
January–March	49,600	1,960	41,300	1,630	100	100	1,600	500	5,200	1,280	1,400	810
2013												
October–December	50,900	3,220	35,700	2,260	200	190	1,600	560	13,500	2,160	Z	Z
July–September	57,500	4,323	43,100	3,240	2,000	1,570	1,400	650	10,600	2,160	300	210
April–June	42,600	2,820	30,500	2,020	1,100	1,060	2,900	1,740	6,700	1,790	1,500	1,010
January–March	35,200	3,030	25,000	2,150	Z	Z	1,500	580	7,900	2,350	900	230
2012												
October–December	42,100	1,610	31,100	1,190	100	110	1,900	430	8,500	1,070	500	110
July–September	51,200	4,560	30,400	2,710	2,100	1,370	1,700	790	11,600	3,270	5,400	1,480
April–June	35,200	2,220	27,100	1,710	300	150	1,100	390	5,600	1,590	1,100	310
January–March	29,000	2,390	15,900	1,310	1,200	930	1,800	400	8,800	1,560	1,500	580
2011												
October–December	31,900	5,630	15,300	2,700	Z	Z	3,400	780	12,200	3,070	1,000	440
July–September	42,700	6,110	24,600	3,520	1,100	620	2,300	770	11,500	3,350	3,200	1,360
April–June	25,500	2,960	13,000	1,510	Z	Z	2,800	870	8,400	1,240	1,300	500
January–March	29,800	2,080	21,800	1,520	500	50	2,800	540	4,200	980	900	540

Z Represents zero or rounds to zero.

^p Preliminary.

^r Revised.

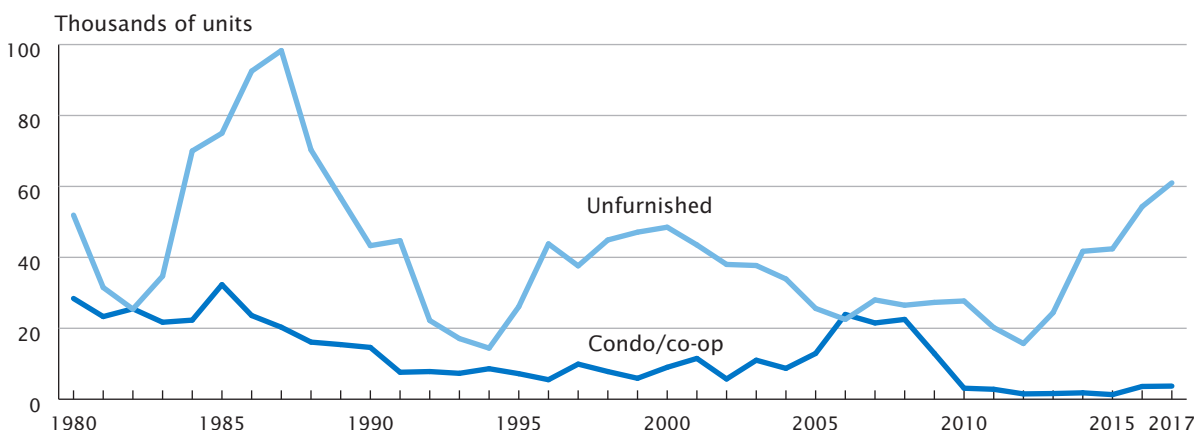
¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

² Beginning with completions in the second quarter of 2004, Low Income Tax Credit units were included in this category.

³ Other includes time-share units, continuing-care retirement units, and turnkey housing (privately built for and sold to local public housing).

Source: U.S. Census Bureau, 2011 to 2017 Survey of Market Absorption of New Multifamily Units.

Figure 2.
Number of Unfurnished Rental Apartments and Condominium and Cooperative Units: 1980 to 2017 First Quarter Completions¹



¹ As originally published for privately financed, nonsubsidized, unfurnished units in buildings with five or more units.
Source: U.S. Census Bureau, 1980 to 2017 Survey of Market Absorption of New Multifamily Units.

Table 3.

Asking Rent and Number of Bedrooms of All Unfurnished Apartments Completed in the Previous Four Quarters, Rented, or Remaining for Rent in the Second Quarter of 2017

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

Asking rent	Total		Rented prior to second quarter 2017		Rented in second quarter 2017		Remaining for rent at the end of second quarter 2017	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
Total	268,100	5,897	145,900	3,870	62,700	2,550	59,500	3,897
Less than \$850	19,300	3,522	11,500	2,372	4,400	966	3,400	693
\$850 to \$1,049	33,100	4,839	19,600	2,409	8,500	1,373	5,100	1,587
\$1,050 to \$1,249	36,700	4,536	20,300	2,718	7,900	1,026	8,500	2,128
\$1,250 to \$1,449	39,400	2,780	21,800	2,069	9,500	795	8,000	983
\$1,450 to \$1,649	30,600	2,250	16,000	1,299	7,300	818	7,300	1,002
\$1,650 to \$1,849	25,300	2,936	14,100	1,874	5,900	879	5,200	692
\$1,850 to \$2,049	18,600	1,929	10,900	1,522	4,100	606	3,600	547
\$2,050 to \$2,249	11,000	1,344	6,400	930	2,600	469	2,000	356
\$2,250 to \$2,449	11,700	2,123	6,000	1,233	2,700	589	3,000	756
\$2,450 or more	42,500	4,323	19,400	2,755	9,800	1,388	13,400	1,595
Median asking rent	\$1,486	\$48	\$1,447	\$47	\$1,479	\$47	\$1,581	\$77
BEDROOMS								
Fewer than 2 bedrooms	142,500	4,789	76,900	2,999	31,900	1,358	33,700	2,745
2 bedrooms	106,500	3,801	58,300	3,253	25,800	1,442	22,300	1,100
3 bedrooms or more	19,100	1,720	10,700	914	5,000	569	3,500	656

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Note: These data are for completions in the second, third, and fourth quarters of 2016 and the first quarter of 2017.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 4.

Unfurnished Apartments Completed in the Previous Four Quarters Reported as Rented or Remaining for Rent in the Current Quarter: 2011 to 2017

(Privately financed, nonsubsidized, condominium apartments in buildings with five units or more)

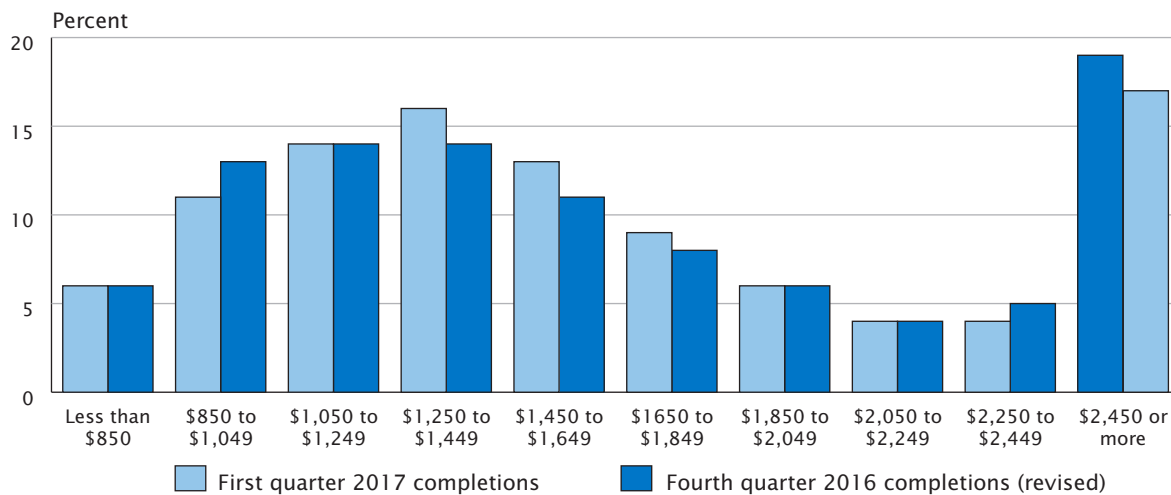
Quarter of completion	Total		Rented prior to current quarter		Rented in current quarter		Remaining for rent at the end of the current quarter	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
2017								
January–March	268,100	5,897	145,900	3,870	62,700	2,550	59,500	3,897
2016								
October–December	264,100	4,950	142,300	3,411	57,900	2,609	63,900	3,654
July–September	257,900	4,027	140,000	3,528	68,200	2,773	49,700	2,957
April–June	268,100	3,989	159,500	3,347	62,400	2,321	46,200	3,165
January–March	272,500	5,327	165,500	4,487	59,800	2,705	47,200	2,683
2015								
October–December	259,500	5,472	147,300	4,030	60,600	2,718	51,600	3,342
July–September	251,700	4,744	132,500	3,786	72,200	2,968	47,000	2,693
April–June	229,600	6,686	126,700	5,062	67,400	3,870	35,500	2,434
January–March	210,300	6,239	130,200	5,276	46,200	2,373	33,900	2,037
2014								
October–December	209,100	6,510	121,000	4,730	49,200	2,500	38,900	2,890
July–September	194,900	5,320	101,700	3,360	58,400	2,850	34,800	2,840
April–June	171,400	5,700	93,200	4,340	51,000	2,250	27,200	2,030
January–March	150,800	6,630	82,300	4,580	39,500	1,960	29,100	1,940
2013								
October–December	132,500	5,420	77,500	2,610	29,200	2,260	25,800	2,260
July–September	129,100	4,770	71,000	3,050	36,500	2,350	21,600	2,000
April–June	115,800	4,230	65,700	5,090	33,200	1,510	16,900	1,780
January–March	113,100	5,110	66,000	5,610	24,800	1,510	22,300	2,370
2012								
October–December	104,900	4,520	57,800	4,530	25,500	2,270	21,600	3,200
July–September	88,400	5,800	45,700	3,300	26,000	3,310	16,700	2,380
April–June	82,400	6,970	40,500	4,490	27,900	2,820	14,000	1,940
January–March	68,400	6,040	36,000	4,710	13,900	1,230	18,500	3,510
2011								
October–December	75,300	7,110	44,000	5,310	11,000	1,680	20,300	4,460
July–September	74,200	5,660	36,300	3,800	20,300	3,060	17,600	5,030
April–June	66,000	4,760	38,200	4,780	13,400	1,360	14,300	3,520
January–March	81,900	6,360	48,800	4,270	16,500	1,710	16,600	1,710

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Figure 3.

New Unfurnished Apartments by Rent Category: First Quarter 2017 Completions and Fourth Quarter 2016 Completions (Revised)



Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

■ **Absorption (seasonally adjusted):**

Within the first 3 months after completion, 56 percent of seasonally adjusted, newly completed, unfurnished rental apartments built in the first quarter of 2017 were rented. The 56 percent seasonally adjusted rate in the first quarter of 2017 did not differ significantly from the 53 percent reported in the fourth quarter of 2016; nor the 57 percent reported in the first quarter of 2016 (Table 1).

- **Absorption (not seasonally adjusted):** Within the first 3 months after completion, 55 percent of the not seasonally adjusted newly completed,

unfurnished rental apartments built in the first quarter of 2017 were rented. This figure is 7 percentage points higher than the nonseasonally adjusted rate of 48 percent from the fourth quarter of 2016 and did not differ significantly from the 55 percent recorded in the first quarter 2016 (Table 1; Figure 2).

■ **Rent (unfurnished apartments):**

The median asking rent for all privately financed, nonsubsidized, unfurnished rental units completed in buildings with five or more units in the first quarter of 2017 was \$1,498. There were no significant differences detected between the

first quarter 2017 median asking rent and the revised median figure of \$1,503 for the fourth quarter 2016, nor the median asking rent of \$1,456 in the first quarter of 2016 (Tables 5, 6, and 7; Figure 3).

The 3-month absorption rate by asking rent ranged from 45 percent (units renting for \$2,450 or more) to 68 percent (units renting for \$850 or less). The median asking rent for units absorbed within 3 months was \$1,466 (Table 5).

Table 5.

Asking Rent and Number of Bedrooms of Unfurnished Apartments Completed During the First Quarter of 2017 and Those Rented Within 3 Months (Preliminary)—Not Seasonally Adjusted

(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 percentages are computed using unrounded data)

Asking rent	Total		Total units		Rented within 3 months	
	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
Total	61,000	2,486	100	X	55	2.7
Less than \$850	3,500	909	6	1.5	68	5.8
\$850 to \$1,049	6,700	1,500	11	2.3	59	5.2
\$1,050 to \$1,249	8,500	1,355	14	2.4	52	5.8
\$1,250 to \$1,449	9,800	996	16	1.5	57	4.6
\$1,450 to \$1,649	8,100	1,308	13	1.9	52	4.4
\$1,650 to \$1,849	5,400	981	9	1.6	61	4.6
\$1,850 to \$2,049	3,800	787	6	1.2	59	5.4
\$2,050 to \$2,249	2,200	536	4	0.9	62	6.4
\$2,250 to \$2,449	2,500	797	4	1.3	47	12.2
\$2,450 or more	10,500	1,822	17	3.0	45	7.9
Median asking rent	\$1,498	\$47	X	X	\$1,466	\$55
Fewer than two bedrooms	33,500	1,654	55	1.6	53	2.9
Less than \$850	2,600	689	4	1.2	71	6.4
\$850 to \$1,049	4,900	1,310	8	2.1	58	6.9
\$1,050 to \$1,249	6,600	1,121	11	1.9	47	6.4
\$1,250 to \$1,449	5,000	1,145	8	1.9	58	5.0
\$1,450 to \$1,649	3,000	864	5	1.4	50	4.6
\$1,650 to \$1,849	2,900	788	5	1.3	60	6.6
\$1,850 to \$2,049	1,600	531	3	0.8	50	6.5
\$2,050 to \$2,249	1,200	523	2	0.8	60	10.9
\$2,250 to \$2,449	1,200	670	2	1.1	35	18.5
\$2,450 or more	4,500	1,329	7	2.2	40	14.3
Median asking rent	\$1,357	\$58	X	X	\$1,324	\$57
Two bedrooms or more	27,500	1,528	45	1.6	57	3.0
Less than \$850	1,000	410	2	0.7	62	7.6
\$850 to \$1,049	1,800	929	3	1.5	62	5.3
\$1,050 to \$1,249	1,900	664	3	1.2	69	6.8
\$1,250 to \$1,449	4,800	1,073	8	1.7	56	9.6
\$1,450 to \$1,649	5,100	1,090	8	1.7	54	7.3
\$1,650 to \$1,849	2,500	493	4	0.8	63	5.7
\$1,850 to \$2,049	2,200	586	4	0.9	66	6.1
\$2,050 to \$2,249	1,000	260	2	0.4	66	6.7
\$2,250 to \$2,449	1,300	395	2	0.6	59	8.9
\$2,450 or more	6,000	974	10	1.6	49	5.2
Median asking rent	\$1,616	\$50	X	X	\$1,607	\$55
BEDROOMS						
No bedroom	4,200	945	7	1.5	52	6.7
1 bedroom	29,300	1,307	48	1.3	53	2.9
2 bedrooms	23,500	1,224	39	1.4	56	3.1
3 bedrooms or more	4,000	674	7	1.0	63	3.9

X Not applicable.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 6.

Asking Rent and Number of Bedrooms of Unfurnished Apartments Completed During the Fourth Quarter of 2016 and Those Rented Within 3 Months (Revised)—Not Seasonally Adjusted

(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 percentages are computed using unrounded data)

Asking rent	Total		Total units		Rented within 3 months	
	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
Total	71,700	4,259	100	X	48	2.4
Less than \$850	4,600	1,170	6	1.7	45	6.6
\$850 to \$1,049	9,600	1,755	13	2.2	53	4.8
\$1,050 to \$1,249	9,700	2,253	14	2.9	49	7.9
\$1,250 to \$1,449	9,900	1,266	14	1.6	53	3.6
\$1,450 to \$1,649	7,700	992	11	1.2	48	3.1
\$1,650 to \$1,849	5,700	852	8	1.1	46	4.4
\$1,850 to \$2,049	4,400	696	6	0.9	50	5.5
\$2,050 to \$2,249	3,000	791	4	1.1	50	4.9
\$2,250 to \$2,449	3,400	855	5	1.2	45	7.4
\$2,450 or more	13,600	2,212	19	3.2	42	6.2
Median asking rent	\$1,503	\$79	X	X	\$1,452	\$83
Fewer than two bedrooms	39,200	3,254	55	2.6	50	2.7
Less than \$850	2,800	784	4	1.1	39	5.6
\$850 to \$1,049	6,500	1,595	9	2.0	62	4.0
\$1,050 to \$1,249	6,400	2,016	9	2.6	48	8.2
\$1,250 to \$1,449	5,400	878	8	1.1	52	4.3
\$1,450 to \$1,649	3,500	680	5	0.9	47	3.4
\$1,650 to \$1,849	3,300	739	5	1.0	46	7.0
\$1,850 to \$2,049	2,300	544	3	0.8	49	6.9
\$2,050 to \$2,249	1,200	323	2	0.4	54	8.4
\$2,250 to \$2,449	1,600	759	2	1.1	51	13.6
\$2,450 or more	6,100	1,871	9	2.7	44	10.7
Median asking rent	\$1,391	\$93	X	X	\$1,360	\$90
Two bedrooms or more	32,400	2,365	45	2.6	46	2.8
Less than \$850	1,800	781	2	1.1	55	7.3
\$850 to \$1,049	3,100	927	4	1.3	34	11.5
\$1,050 to \$1,249	3,300	1,158	5	1.6	53	11.0
\$1,250 to \$1,449	4,400	839	6	1.2	53	5.5
\$1,450 to \$1,649	4,200	646	6	0.7	48	4.8
\$1,650 to \$1,849	2,400	400	3	0.5	46	4.4
\$1,850 to \$2,049	2,100	369	3	0.5	50	7.1
\$2,050 to \$2,249	1,800	657	3	0.9	48	5.8
\$2,250 to \$2,449	1,800	447	2	0.6	39	5.0
\$2,450 or more	7,500	1,054	10	1.5	40	4.3
Median asking rent	\$1,621	\$69	X	X	\$1,580	\$74
BEDROOMS						
No bedroom	4,100	599	6	0.9	48	4.1
1 bedroom	35,100	3,191	49	2.6	50	2.9
2 bedrooms	27,000	2,177	38	2.6	46	3.1
3 bedrooms or more	5,500	629	8	0.7	46	3.3

X Not applicable.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate.

This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 7.

Asking Rent and Number of Bedrooms of All Unfurnished Apartments Completed During the First Quarter of 2016 and Those Rented Within 3 Months (Final)—Not Seasonally Adjusted

(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 percentages are computed using unrounded data)

Asking rent	Total		Total units		Rented within 3 months	
	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
Total	55,100	1,916	100	X	55	2.8
Less than \$850	4,900	1,188	9	2.1	49	6.6
\$850 to \$1,049	7,100	1,742	13	3.1	65	11.7
\$1,050 to \$1,249	7,900	1,278	14	2.2	60	4.3
\$1,250 to \$1,449	7,400	986	13	1.8	57	3.1
\$1,450 to \$1,649	6,000	927	11	1.7	64	3.7
\$1,650 to \$1,849	5,000	805	9	1.4	53	5.4
\$1,850 to \$2,049	4,500	1,137	8	2.0	58	8.4
\$2,050 to \$2,249	1,400	403	3	0.7	44	6.4
\$2,250 to \$2,449	3,400	1,288	6	2.3	46	10.1
\$2,450 or more	7,300	1,531	13	2.8	44	6.7
Median asking rent	\$1,456	\$83	X	X	\$1,417	\$78
Fewer than two bedrooms	28,700	1,529	52	2.1	53	3.7
Less than \$850	3,300	699	6	1.2	54	8.2
\$850 to \$1,049	3,800	1,407	7	2.5	51	13.7
\$1,050 to \$1,249	4,900	783	9	1.5	58	5.6
\$1,250 to \$1,449	4,000	730	7	1.3	55	4.6
\$1,450 to \$1,649	2,900	694	5	1.3	56	4.7
\$1,650 to \$1,849	2,300	650	4	1.2	54	4.2
\$1,850 to \$2,049	2,700	1,114	5	2.0	62	12.6
\$2,050 to \$2,249	400	187	1	0.3	38	10.5
\$2,250 to \$2,449	1,100	587	2	1.1	21	14.0
\$2,450 or more	3,300	973	6	1.8	49	8.4
Median asking rent	\$1,370	\$84	X	X	\$1,351	\$84
Two bedrooms or more	26,400	1,476	48	2.1	58	2.9
Less than \$850	1,700	564	3	1.0	40	7.9
\$850 to \$1,049	3,300	885	6	1.6	80	10.0
\$1,050 to \$1,249	3,000	1,100	5	1.9	63	8.2
\$1,250 to \$1,449	3,400	845	6	1.6	58	4.1
\$1,450 to \$1,649	3,100	450	6	0.8	71	4.9
\$1,650 to \$1,849	2,700	633	5	1.2	52	9.3
\$1,850 to \$2,049	1,800	382	3	0.7	53	7.4
\$2,050 to \$2,249	1,000	361	2	0.7	47	8.6
\$2,250 to \$2,449	2,400	1,208	4	2.2	58	4.1
\$2,450 or more	4,000	682	7	1.3	40	6.2
Median asking rent	\$1,562	\$90	X	X	\$1,485	\$80
BEDROOMS						
No bedroom	3,000	475	5	0.9	60	6.2
1 bedroom	25,700	1,432	47	1.9	53	3.8
2 bedrooms	21,900	1,437	40	2.1	55	3.1
3 bedrooms or more	4,500	596	8	1.1	70	5.2

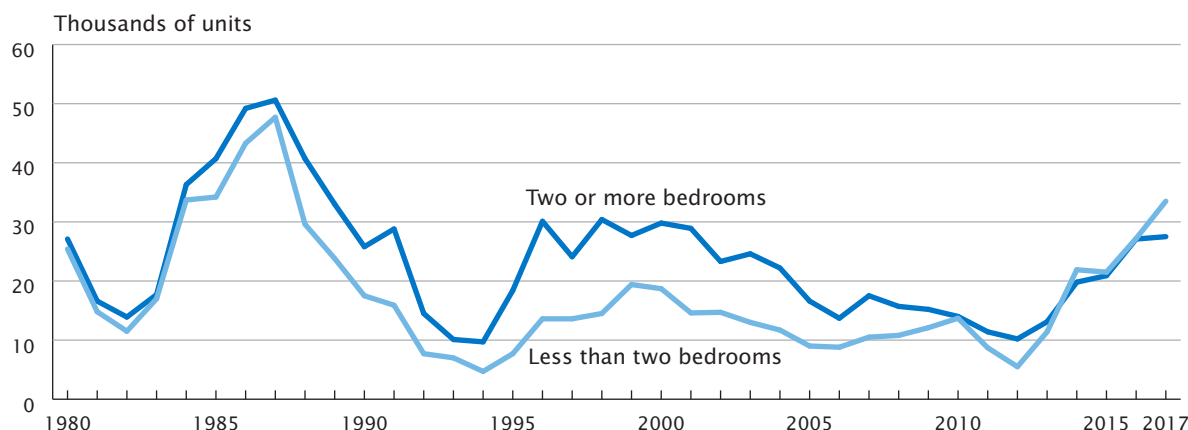
X Not applicable.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate.

This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Figure 4.
Number of Bedrooms in Unfurnished Apartments: 1980 to 2017 First Quarter Completions¹



¹ As originally published for privately financed, nonsubsidized, unfurnished units in buildings with five or more units.
Source: U.S. Census Bureau, 1980 to 2017 Survey of Market Absorption of New Multifamily Units.

- **Rent (number of bedrooms):** One-bedroom units (48 percent) made up the largest percentage of new unfurnished rental construction in buildings with five or more units during the first quarter of 2017. The percentage of two-bedroom units was the next highest

accounting for 39 percent of new construction. Efficiencies (no bedrooms) and units with three or more bedrooms each accounted for 7 percent of the total construction (Table 5; Figure 4).

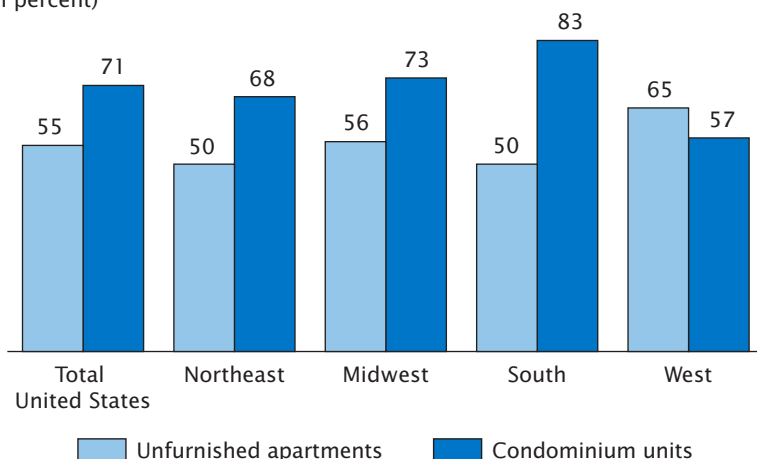
After 3 months, 63 percent of the units with three or more

bedrooms were absorbed. There were no significant differences detected among the 3-month absorption rates for two-bedroom units at 56 percent, one-bedroom units at 53 percent, and efficiency units at 52 percent (Table 5).

- **Rent (region):** The South led the nation in new unfurnished rental construction in buildings with five units, accounting for approximately 52 percent of the total production. The West had the next largest percentage of new construction with 26 percent. There were no significant differences detected between the Northeast (12 percent) and the Midwest (10 percent) during the first quarter of 2017 (Table 8).

After 3 months, the absorption rate in the West was 65 percent. This figure did not differ significantly from the 56 percent in the Midwest. However, both were higher than the absorption rate of 50 percent in both the Northeast and the South (Table 8; Figure 5).

Figure 5.
Unfurnished Apartments and Condominium Units 3-Month Absorption Rates by Region: First Quarter 2017 Completions¹
(In percent)



¹ Not seasonally adjusted.
Source: U.S. Census Bureau, 2016 Survey of Market Absorption of New Multifamily Units.

Table 8.

Number, Asking Rent, and Absorption Rate of Unfurnished Apartments Completed During the First Quarter of 2017 by Geographic Area—Not Seasonally Adjusted

(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 percentages are computed using unrounded data)

Geographic area	Total		Median asking rent		Total units		Rented within 3 months	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
United States	61,000	2,486	\$1,498	\$47	100	X	55	2.7
Inside CBSA ²	60,300	2,486	\$1,502	\$47	99	Z	54	2.8
Inside principal city of CBSA ²	40,300	5,548	\$1,585	\$103	67	7.5	52	3.7
Outside principal city of CBSA ²	20,000	4,212	\$1,365	\$110	33	7.5	59	4.2
Outside CBSA ²	700	230	\$1,350	\$444	1	Z	96	31.5
Northeast	7,600	594	\$2,479	\$84	12	1.0	50	9.7
Midwest	6,000	1,471	\$1,151	\$48	10	2.3	56	11.7
South	31,500	1,555	\$1,327	\$53	52	2.2	50	3.5
West	15,900	1,293	\$2,030	\$249	26	1.7	65	5.9

X Not applicable.

Z Represents zero or rounds to zero.

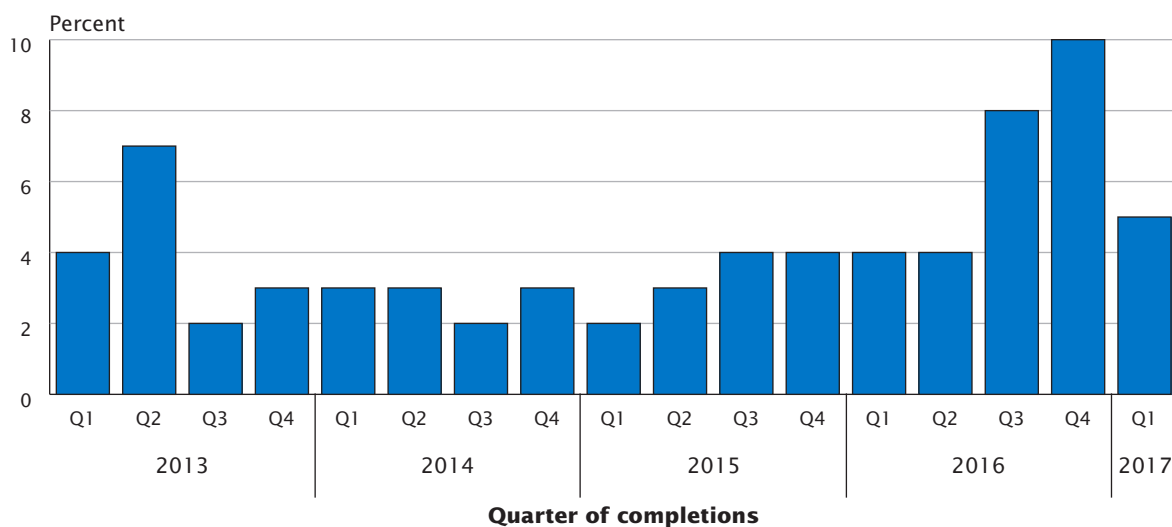
¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

² Core-Based Statistical Area. For more information on CBSAs, see Characteristics of the Data on page 18 of this report.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Figure 6.

Condominium and Cooperative Completions as a Percentage of Total Completions: 2013 to 2017



Source: U.S. Census Bureau, 2013 to 2017 Survey of Market Absorption of New Multifamily Units.

Table 9.

Absorption Rates of Condominium and Cooperative Apartments: 2011 to 2017—Not Seasonally Adjusted

(Privately financed, nonsubsidized, condominium and cooperative apartments in buildings with five units or more. Percentages are computed using unrounded data)

Quarter of completion	Total		All completions		Absorbed in 3 months		Absorbed in 6 months		Absorbed in 9 months		Absorbed in 12 months	
	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
2017												
January–March ^P	3,700	1,342	5	1.8	71	9.9	N	N	N	N	N	N
2016												
October–December	8,200	4,468	10	5.2	37	23.8	88	2.4	N	N	N	N
July–September	6,700	1,609	8	1.8	70	7.4	84	3.5	92	1.7	N	N
April–June	3,200	815	4	1.1	64	8.4	86	3.0	90	3.2	97	1.7
January–March	3,000	850	4	1.3	65	12.4	90	2.7	96	1.8	97	1.2
2015												
October–December	3,200	715	4	0.9	81	4.2	92	2.6	96	1.7	98	1.4
July–September	4,300	1,446	4	1.5	51	14.0	70	16.6	78	14.1	88	7.9
April–June	2,700	925	3	1.1	63	12.8	87	5.0	97	2.5	99	0.4
January–March	1,200	333	2	0.7	70	8.4	91	2.7	97	1.3	98	1.1
2014												
October–December	2,000	664	3	1.0	78	7.5	87	6.0	91	4.3	95	2.9
July–September	1,900	627	2	0.8	58	12.0	85	5.8	94	2.8	97	1.5
April–June	1,600	378	3	0.7	78	7.4	89	4.3	95	1.6	99	0.5
January–March	1,600	500	3	1.0	80	6.8	93	3.2	96	2.2	98	1.5
2013												
October–December	1,600	560	3	1.1	74	7.4	88	3.8	96	2.0	98	1.4
July–September	1,400	650	2	1.1	89	4.9	96	2.7	99	1.2	100	0.3
April–June	2,900	1,740	7	4.1	84	14.4	89	12.3	92	11.9	93	11.4
January–March	1,500	580	4	1.6	82	7.0	92	4.4	96	2.4	98	1.1
2012												
October–December	1,900	430	5	1.0	76	4.6	89	3.6	93	3.5	96	3.3
July–September	1,700	790	3	1.5	58	14.2	78	7.8	91	5.4	93	4.3
April–June	1,100	390	3	1.1	66	6.0	81	4.9	91	5.2	94	4.9
January–March	1,800	440	6	1.5	64	6.8	82	5.9	88	6.0	95	2.7
2011												
October–December	3,400	780	11	2.4	45	6.0	77	8.4	80	7.7	86	5.6
July–September	2,300	770	5	1.8	79	5.7	88	3.5	94	2.0	96	2.0
April–June	2,800	870	11	3.4	54	13.8	69	15.8	84	7.8	89	6.7
January–March	2,800	540	9	1.8	54	4.4	78	3.5	88	2.5	92	1.6

N Not available.

^P Preliminary.^r Revised.¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 10.

Asking Price and Number of Bedrooms of All Condominium Apartments Completed During the First Quarter of 2017 and Those Sold Within 3 Months (Preliminary)—Not Seasonally Adjusted

(Privately financed, nonsubsidized, unfurnished, 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 percentages are computed using unrounded data)

Asking price	Total		Total condominiums		Sold within 3 months	
	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
Total	3,700	1,342	100	X	71	9.9
Less than \$200,000	200	112	5	3.0	80	13.6
\$200,000 to \$249,999	200	88	5	2.6	49	24.3
\$250,000 to \$299,999	100	64	3	1.7	54	17.3
\$300,000 to \$349,999	300	136	7	3.8	81	9.4
\$350,000 to \$399,999	300	144	8	2.3	81	15.4
\$400,000 to \$449,999	200	94	5	2.3	71	15.4
\$450,000 to \$499,999	200	144	7	2.2	88	8.5
\$500,000 to \$549,999	300	278	9	5.2	86	2.6
\$550,000 to \$599,999	100	53	3	1.4	70	17.9
\$600,000 to \$649,999	100	75	3	2.0	87	5.9
\$650,000 to \$699,999	500	410	14	7.9	78	8.7
\$700,000 or more	1,100	507	31	10.9	56	21.7
Median asking price	\$572,000	\$99,194	X	X	\$535,100	\$56,323
BEDROOMS						
Fewer than 2 bedrooms	1,000	550	28	8.7	61	22.6
2 bedrooms	1,800	670	50	7.2	73	6.5
3 bedrooms or more	800	308	21	4.3	79	7.5

X Not applicable.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 11.

Asking Price and Number of Bedrooms of All Condominium Apartments Completed During the Fourth Quarter of 2016 and Those Sold Within 3 Months (Revised)—Not Seasonally Adjusted

(Privately financed, nonsubsidized, unfurnished, 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 percentages are computed using unrounded data)

Asking price	Total		Total condominiums		Sold within 3 months	
	Total	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
Total	8,200	4,468	100	X	37	23.8
Less than \$200,000	300	145	3	2.8	71	15.7
\$200,000 to \$249,999	400	207	5	3.9	64	18.5
\$250,000 to \$299,999	200	217	3	3.4	83	26.2
\$300,000 to \$349,999	500	381	6	5.5	94	6.6
\$350,000 to \$399,999	500	398	7	5.8	87	6.5
\$400,000 to \$449,999	200	185	3	2.6	58	13.0
\$450,000 to \$499,999	200	210	3	3.2	87	18.2
\$500,000 to \$549,999	100	20	1	0.6	77	13.3
\$550,000 to \$599,999	100	39	1	0.7	91	5.1
\$600,000 to \$649,999	200	145	3	2.5	94	5.9
\$650,000 to \$699,999	100	64	1	1.1	94	4.2
\$700,000 or more	5,400	4,437	65	23.1	14	15.4
Median asking price	+\$700,000	\$39,004	X	X	\$396,900	\$120,505
BEDROOMS						
Fewer than 2 bedrooms	1,100	603	14	9.9	87	7.2
2 bedrooms	2,000	719	25	15.6	71	7.1
3 bedrooms or more	5,000	4,370	61	24.6	13	15.5

X Not applicable.

+ More than.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

- **Condominium and cooperative apartment units:** Condominium and cooperative units accounted for approximately 5 percent of all completions in buildings with five units or more during the first quarter in 2017 (Table 9; Figure 6).³
- **Condominium apartment units:** In the first quarter of 2017, an estimated 3,700 condominium apartments in buildings with five or more units were completed. This figure is approximately 4,500 units fewer than the 8,200 reported in the previous quarter (Tables 10 and 11).
- **Absorption (condominium apartments units):** Of the 3,700 condominium apartments

completed in the first quarter of 2017, approximately 71 percent were sold within 3 months after completion. This figure was 34 percentage points higher than the revised 3-month absorption rate of 37 percent in the previous quarter (Tables 10 and 11; Figure 5).

Of the 21,500 total number of new condominium apartment units in buildings with five or more units completed in the past four quarters, 11,300 units were sold prior to the second quarter of 2017. There were 7,500 units sold in the second quarter of 2017 and approximately 2,700 remained on the market for sale at the end of the second quarter of 2017 (Tables 12 and 13).

- **Asking price (condominiums):** The median asking price for a new condominium constructed in the first quarter 2017 was \$572,000. The median asking price for a condominium in the fourth quarter of 2016 exceeded the \$700,000 upper limit of the SOMA cost range and thus, could not be compared to the 2017 first quarter cost (Tables 10 and 11).⁴
- **Number of bedrooms (condominium apartments):** Of the 3,700 new condominiums completed in the first quarter of 2017, two-bedroom units accounted for 50 percent of the new construction. Twenty-eight percent were constructed with

³ There were no cooperative units identified among the first quarter 2017 completions.

⁴ The questionnaire asks 12 range categories of selling price from less than \$200,000 to \$700,000 or more.

Table 12.

Asking Price of Condominium Apartments Completed in the Previous Four Quarters, Sold, or Remaining for Sale in the Second Quarter of 2017

(Privately financed, unsubsidized, 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 are computed using unrounded data)

Asking price	Total		Sold prior to second quarter 2017		Sold in second quarter 2017		Remaining for sale at end of second quarter 2017	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
Total	21,500	5,123	11,300	2,281	7,500	3,929	2,700	849
Less than \$200,000	800	292	600	249	200	91	100	62
\$200,000 to \$249,999	1,400	786	1,100	756	200	73	200	105
\$250,000 to \$299,999	900	483	700	458	100	42	100	53
\$300,000 to \$349,999	1,200	442	900	389	300	124	100	53
\$350,000 to \$399,999	1,700	578	1,200	503	300	154	100	70
\$400,000 to \$449,999	900	268	600	171	200	101	100	56
\$450,000 to \$499,999	1,200	433	900	484	300	137	Z	28
\$500,000 to \$549,999	500	291	200	74	300	240	Z	40
\$550,000 to \$599,999	800	236	500	162	200	70	100	39
\$600,000 to \$649,999	600	199	500	176	100	70	Z	12
\$650,000 to \$699,999	900	281	400	183	400	342	100	73
\$700,000 or more	10,600	4,707	4,000	1,253	4,900	3,763	1,600	813
Median asking price	\$689,000	\$119,262	\$491,200	\$109,387	+\$700,000	\$17,661	+\$700,000	\$15,694
BEDROOMS								
Fewer than 2 bedrooms	4,600	1,101	3,100	1,090	900	365	600	363
2 bedrooms	8,000	1,235	4,900	910	2,000	654	1,100	242
3 bedrooms or more	8,900	4,562	3,300	1,078	4,600	3,757	1,000	679

Z Represents zero or rounds to zero.

+ More than.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate.

This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Note: These data are for completions in the second, third, and fourth quarters of 2016 and the first quarter of 2017.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Table 13.

Condominium Apartments Completed in the Previous Four Quarters, Sold, or Remaining for Sale in Current Quarter: 2010 to 2017

(Privately financed, nonsubsidized, condominium apartments in buildings with five units or more)

Quarter of completion	Total		Sold prior to current quarter		Sold in the current quarter		Remaining for sale at the end of the current quarter	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
2017								
January–March	21,500	5,123	11,300	2,281	7,500	3,929	2,700	849
2016								
October–December	18,500	3,846	9,700	1,783	4,100	1,258	4,800	2,812
July–September	15,600	2,209	7,800	1,229	5,500	1,734	2,300	389
April–June	13,300	1,955	8,400	1,265	3,000	835	1,900	745
January–March	13,800	2,158	8,200	1,557	3,100	716	2,500	1,005
2015								
October–December	11,900	2,026	5,700	1,305	4,400	840	1,700	657
July–September	9,700	1,993	4,600	954	2,800	803	2,300	1,274
April–June	6,500	1,086	4,400	906	1,400	366	700	203
January–March	7,000	1,226	4,900	934	1,300	392	700	220
2014								
October–December	7,600	1,310	4,000	770	2,800	790	800	290
July–September	6,800	1,160	4,300	800	1,400	370	1,100	450
April–June	5,900	1,240	3,800	1,000	1,600	280	500	180
January–March	7,300	2,130	4,800	1,980	1,700	500	800	350
2013								
October–December	7,400	2,460	4,800	2,000	1,700	550	900	390
July–September	7,500	2,200	5,700	2,020	1,200	290	600	220
April–June	8,300	2,110	4,600	1,390	2,800	1,770	900	260
January–March	6,300	1,460	3,800	1,080	1,800	400	700	180
2012								
October–December	6,400	1,430	3,400	970	2,000	630	1,000	300
July–September	8,000	1,430	4,900	770	1,400	530	1,700	590
April–June	8,600	1,490	5,900	1,070	1,200	340	1,400	420
January–March	9,600	1,210	5,800	820	2,200	410	1,700	410
2011								
October–December	10,300	1,820	6,000	1,060	1,800	500	2,500	960
July–September	12,500	1,790	6,600	880	3,300	740	2,500	730
April–June	14,300	2,100	7,500	1,140	2,700	680	4,000	860
January–March	18,100	2,070	8,500	1,000	3,300	570	6,200	1,000
2010								
October–December	18,500	2,120	7,800	920	3,600	620	7,100	1,150
July–September	21,200	1,300	8,200	610	4,000	380	9,000	640
April–June	23,700	2,090	11,100	1,010	3,200	420	9,300	1,170
January–March	28,500	2,510	13,400	1,220	4,000	530	11,100	1,380

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate.

This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

Source: U.S. Census Bureau, 2010 to 2017 Survey of Market Absorption of New Multifamily Units.

fewer than two bedrooms and 21 percent contained three or more bedrooms (Table 10).

- **Regions (condominiums):** The South accounted for 45 percent of new condominium construction in the first quarter of 2017.

The 45 percent did not differ significantly from the 38 percent of new construction reported in the West during the first quarter of 2017. However, both were higher than 13 percent of new construction in the Northeast

and 4 percent of new construction in the Midwest—there were no significant differences detected between the percentages for the Northeast and Midwest (Table 14).

Table 14.

Number, Asking Price, and Absorption Rate of Condominium Apartments Completed During the First Quarter of 2017 by Geographic Area—Not Seasonally Adjusted

(Privately financed, nonsubsidized, condominium apartments in buildings with five units or more. Data regarding 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 percentages are computed using unrounded data)

Geographic area	Total		Median asking price		Total units completed		Sold within 3 months	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)	Percent	Margin of error ¹ (±)
United States	3,700	1,342	\$572,000	\$99,194	100	X	71	9.9
Inside CBSA ²	3,700	1,342	\$572,000	\$99,194	100	Z	71	9.9
Inside principal city of CBSA ²	3,000	1,269	\$665,200	\$35,179	82	8.8	71	12.2
Outside principal city of CBSA ²	700	302	\$340,800	\$36,975	18	8.8	70	9.8
Outside CBSA ²	Z	Z	Z	Z	Z	Z	Z	Z
Northeast	500	262	\$587,100	\$150,395	13	7.4	68	9.9
Midwest	200	141	\$520,500	\$8,895	4	4.0	73	6.2
South	1,700	1,109	\$506,300	\$137,969	45	17.6	83	7.8
West	1,400	571	+\$700,000	\$50,101	38	14.7	57	19.2

X Not applicable.

Z Represents zero or rounds to zero.

+ More than.

¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate.

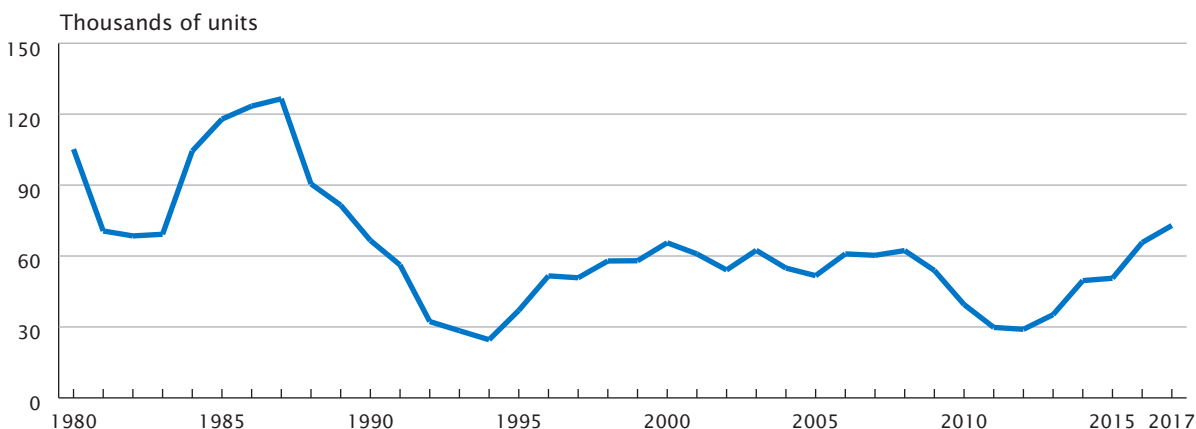
This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

² Core-Based Statistical Area. For more information on CBSAs, see Characteristics of the Data on page 18 of this report.

Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

Figure 7.

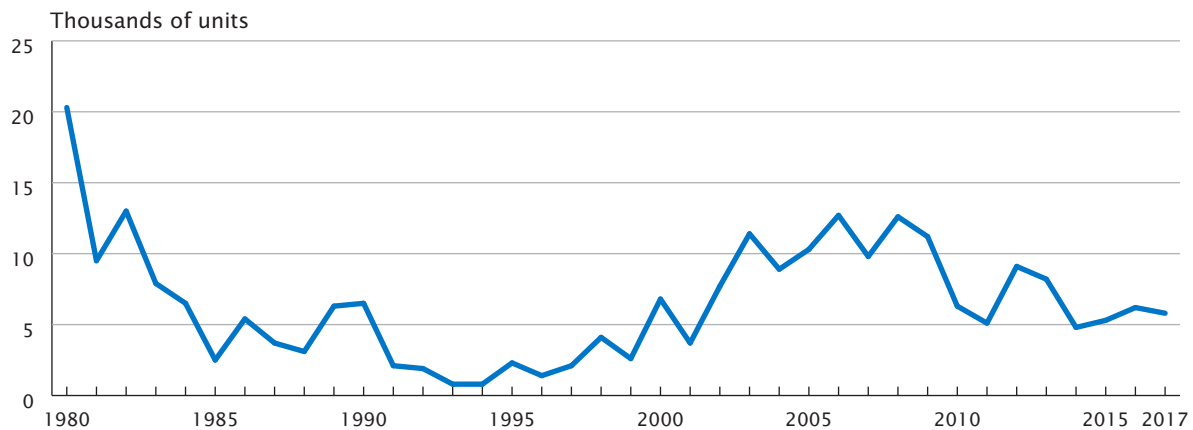
Number of Privately Financed Units Completed in Buildings With Five or More Units: 1980 to 2017 First Quarter Completions¹



¹ As originally published for privately financed, nonsubsidized, unfurnished units in buildings with five or more units.

Source: U.S. Census Bureau, 1980 to 2017 Survey of Market Absorption of New Multifamily Units.

Figure 8.
Number of Subsidized and Tax Credit Units: 1980 to 2017 First Quarter Completions¹



¹ As originally published for privately financed, nonsubsidized, unfurnished units in buildings with five or more units.
Source: U.S. Census Bureau, 1980 to 2017 Survey of Market Absorption of New Multifamily Units.

The South reported the highest 3-month absorption rate at 83 percent. There were no significant differences detected in the 3-month absorption rates among the Midwest with 73 percent, the Northeast at 68 percent, and the West at 57 percent (Table 14; Figure 3).

- **All Apartments:** An estimated 72,900 apartments were constructed in all buildings with five or more units in the first quarter of 2017. This figure was 13,100 units fewer than the 86,000 units built in the previous quarter. However, the 72,900 total apartment units in the first quarter of 2017 was an increase of approximately 7,200 from the 65,700 built in the first quarter of 2016 (Table 2; Figures 1 and 7).
- **Summary Distribution of All Apartment Units:** In the first quarter of 2017, there were approximately 72,900 apartments constructed in buildings with five or more units. Unfurnished units accounted for

84 percent or approximately 61,000 of those units. Condominium and cooperative units accounted for 5 percent or 3,700. Furnished units constructed were 3 percent, or approximately 2,200. There were 5,800 units federally subsidized or receiving a tax credit, and approximately 100 units were classified as out of scope (i.e., dormitories, townhouses, timeshare, continuing-care retirement units) (Table 2; Figures 8 and 9).

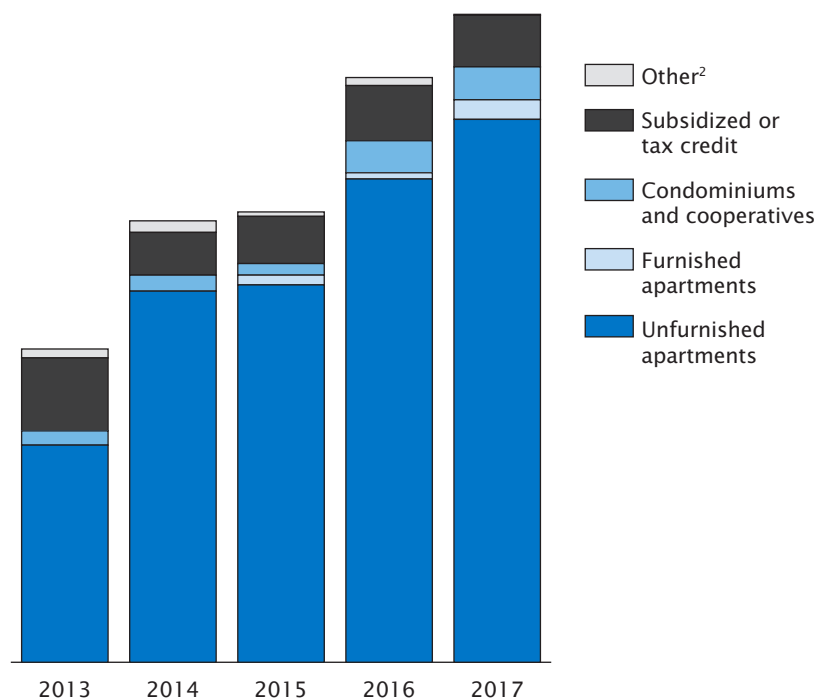
CHARACTERISTICS OF THE DATA

All statistics from the SOMA refer to apartments in newly constructed buildings with five or more units. 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 federally subsidized or receiving tax credits include the units subsidized under the following HUD or Federal Housing Administration programs—Sections 8, 202, 811, 221(d)(3), or 221(d)(4). In addition, units receiving Low Income Housing Tax Credit through the Internal Revenue Service program are included in this category. 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, 3, 4, 5, 6, 7, and 8, provide information about privately financed, nonsubsidized, unfurnished rental apartments. Table 9 provides information about privately financed, nonsubsidized condominium and cooperative apartments, while Tables 10, 11, 12, 13, and 14 provide information about condominium apartments

Figure 9.
Types of Multifamily Units: 2013 to 2017 First Quarter Completions¹
(In thousands)



¹ Data as originally published from Table 2.

² Other—Includes time-share units, continuing-care retirement units, and privately built for and sold to local public housing.

Source: U.S. Census Bureau, 2013 to 2017 Survey of Market Absorption of New Multifamily Units.

only. Table 2 summarizes the totals for all types of newly constructed apartments in buildings with five or more units.

Additionally, SOMA tabulates and reports absorption rates for units based on their Core-Based Statistical Area (CBSA). CBSAs include an urban center of at least 10,000 people and adjacent areas that are socioeconomically tied to the urban center by commuting. The term "CBSA" refers collectively to both metropolitan statistical areas and micropolitan areas. Micropolitan areas are based around Census Bureau-defined urban clusters of at least 10,000 and fewer than 50,000 people. Absorption rates within the CBSAs are further

divided into "Inside Principal City" and "Outside Principal City."

Principal cities of a CBSA are the largest incorporated places with a population of at least 10,000 in the CBSA. If there is no such place present in the CBSA, the largest incorporated place or census designated place (CDP) in the CBSA is termed the "Principal City." Principal cities also include any additional incorporated place or CDP with a population of at least 250,000 or in which 100,000 or more persons work.

Geographic regions. The four major regions of the United States for which data are presented in this report represent groups of states as follows:

Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

NOTE TO DATA USERS

In April of 2014, the SOMA began using interviewing software on laptop computers to collect data for January 2014 completions. At the same time, we revised the asking rent and selling cost ranges for residential buildings containing five or more units.

The SOMA adopted new ratio estimation procedures in 1990 to derive more accurate estimates of completions (see Estimation). Please use caution when comparing the number of completions in 1990 and following years with those in earlier years.

SAMPLE DESIGN

The 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 come from those included in the Census Bureau's Survey of Construction (SOC).⁵ For the SOC, the United States is first divided into primary sampling units (PSUs) that 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 or more units within sampled places and a subsample of buildings with one to four units are included in the SOC.

For SOMA, each quarter the Census Bureau selects 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 areas that do not issue permits.⁶

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

The Census Bureau publishes preliminary estimates for a given quarter and may revise these estimates in ensuing quarters. Each quarter, some of the absorption data for some buildings arrive after the deadline for that quarter's report;

these late data appear as revised in tables released in the next quarterly report. Final data appear in the Census Bureau's H-130 report series, *Survey of Market Absorption of New Multifamily Apartments* annual report.

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 new procedure to the 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.

Using the original estimation procedure, the Census Bureau created design-unbiased 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 provided the final estimate:

*"Total units in buildings with five units or more in permit-issuing areas as estimated by the SOC for that quarter **divided by** total units in buildings with five units or more as estimated by the SOMA for that quarter."*⁷

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 census

regions. Multiplying the unbiased regional estimates by the corresponding ratio-estimate factors provides the final estimate for regions. The Census Bureau obtains the final estimate 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 the published figures from the SOC and reduces, to some extent, the sampling variability of the estimates of totals.

Absorption rates and other characteristics of units not included in the interviewed group or not accounted for, are assumed 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.

A survey interview is complete once the Field Representative collects information for the bedrooms. SOMA does not collect the characteristics for subsidized units, therefore, if any unit that is a Section 8 or receives any government assistance, the interview is then complete.

An interview is considered a sufficient partial interview when at least the building type (Unfurnished Rental, Furnished Rental, Cooperative, Condominium, or Owned or Leased by a Public Housing Agency) is recorded.

The response rates for SOMA are calculated by dividing the number of building interviews by the number of eligible buildings:

$$\frac{\text{Interviews}}{\text{Interviews plus Type A's (e.g., refusals)}} \times 100$$

Out-of-scope cases (i.e., dormitories, townhouses, group quarters, timeshare, continuing-care

⁵ See Section V (sample design) at <www.census.gov/construction/nrc/how_the_data_are_collected/soc.html> for further details on the SOC sample design.

⁶ The Census Bureau Building Permits Survey provides data on the number of new housing units authorized by building permits. Data are available monthly, year-to-date, and annually at the national, state, and selected metropolitan area levels. See <www.census.gov/construction/bps/>.

⁷ Beginning with January 2001 completions, the SOC revised its methodology for estimating the number of units completed for five or more multiunit structures. See <www.census.gov/ftp/pub/const/www/new_methodology_const.html> for these changes. Thus, caution is advised when comparing data from 2001 and forward to any estimates prior to 2001.

retirement unit) are excluded in this calculation.

The response rate for 2017 Second Quarter Completions (2017 First Quarter Absorptions) interviewing was 93 percent.

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 likely 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 interpreting 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 employs quality control procedures throughout the process to minimize this type of error.

Sampling Errors

The margins of error shown in the tables are primarily measures of sampling variability—the variations that occurred by chance because a sample rather than the entire population was surveyed. The sample estimate and its standard error enable one to construct margins of error—ranges that would include the average results of all possible samples with a known probability. For example, if all possible samples were selected, each of these being surveyed under essentially the same general conditions and using the same sample design, and if an estimate and its standard error were calculated from each sample, then approximately 90 percent of the margins of error would include the average result of all possible samples.

The average estimate derived from all possible samples is or is not contained in any particular computed margin of error. However, for a particular sample, one can say with specified confidence that the average estimate derived from all possible samples is included in the margin of error.

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.

For example, Table 2 of this report illustrates that during the first quarter of 2017 (January through March), there were 72,900 privately financed, nonsubsidized buildings with five or more units. The margin of error allows the user to construct 90 percent confidence intervals. Thus, the 90 percent confidence interval shown by these data with a margin of error of 2,968 is from 69,932 to 75,868. A conclusion that the estimate derived from all possible samples lies within a range computed in this way would be correct for roughly 90 percent of all possible samples.

CONTACT INFORMATION

For further information on the *Survey of Market Absorption of New Multifamily Units* data or questions regarding these data, please contact:

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