

Survey of Market Absorption of New Multifamily Units

Third Quarter 2017—ABSORPTIONS (Completions in Second Quarter 2017)

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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 third quarter of 2017 for units that were completed in the second 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 1,100 buildings with five or more housing units.²

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 second quarter (April, May, and June) 2017 and had their initial absorptions recorded in the third quarter (July, August, and September) 2017. In October and November, these data were analyzed and this report was released to the public the first week of December. For additional information, see Sample Design on page 20 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.

² 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.

On April 23, 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 includes absorption in 3-month, 6-month, 9-month, and 12-month categories.

On July 6, 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 maybe more meaningfully compared with data from any other month or with

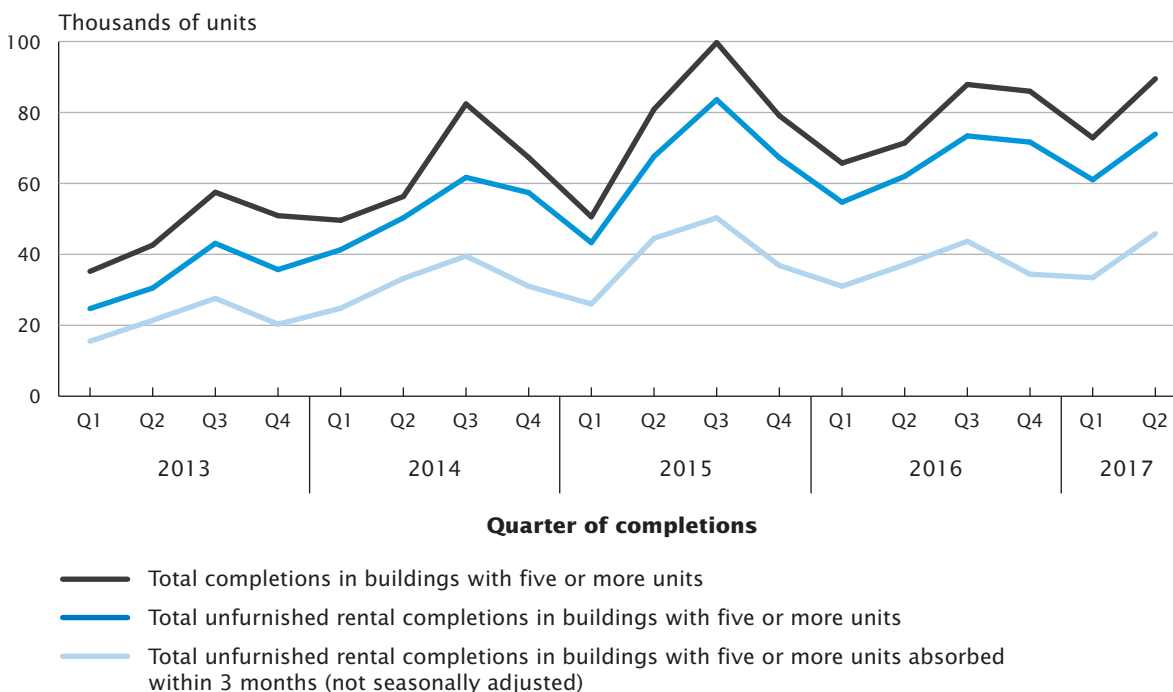
an annual average. Many time series that are based on monthly data are seasonally adjusted.

HIGHLIGHTS³

- **New construction (private, unfurnished):** During the second quarter of 2017, there were approximately 73,900 privately financed, nonsubsidized, unfurnished rental apartments completed in buildings with five or more units. This figure was approximately 12,500 units more than the revised figure of 61,400 units constructed in the previous quarter, and 11,900 more than the 62,000 units constructed in the second quarter of 2016 (Tables 1 and 2; Figures 1, 2, and 9).
- Of the 280,500 total number of new unfurnished rental construction in buildings with five or more units completed in the previous four quarters, 149,900 units were rented prior to the third quarter of 2017. Approximately 75,000 units were rented in the third quarter of 2017 with approximately 55,600 units remaining in the market available for rent at the end of the third quarter of 2017 (Tables 3 and 4).

³ 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												
April–June ^p	73,900	2,774	57	2.4	62	2.6	N	N	N	N	N	N
January–March	'61,400	2,044	'55	'2.9	'54	2.8	77	2.5	N	N	N	N
2016												
October–December	'71,700	4,212	'52	'2.6	48	2.4	71	2.0	87	1.4	N	N
July–September	'73,400	1,861	58	'2.4	'59	2.4	'78	1.8	89	1.4	95	1.0
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												
April–June ^p	89,500	3,358	73,900	2,774	400	396	4,100	1,133	10,500	2,765	500	367
January–March	72,900	2,425	61,400	2,044	2,500	1,614	3,100	1,093	5,700	1,185	100	140
2016												
October–December	86,000	5,045	71,800	4,212	800	377	8,100	4,419	4,400	933	900	630
July–September	87,900	2,229	73,400	1,861	2,400	735	6,700	1,626	5,000	1,056	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.

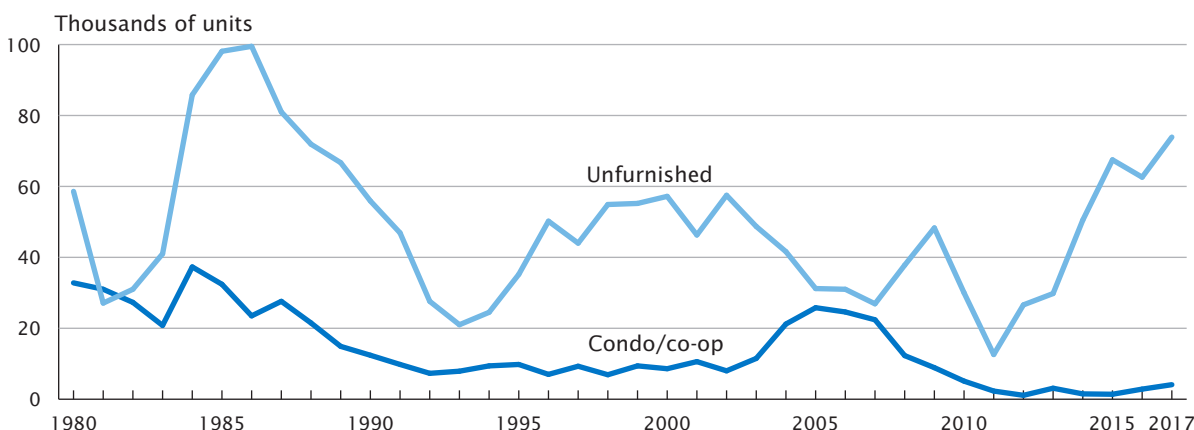
¹ A margin of error is a measure of an estimate's reliability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

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 Second 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 Third 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 third quarter 2017		Rented in third quarter 2017		Remaining for rent at the end of third quarter 2017	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
Total	280,500	6,019	149,900	4,369	75,000	2,853	55,600	3,715
Less than \$850	17,600	3,012	10,600	2,244	3,700	912	3,300	866
\$850 to \$1,049	31,000	4,109	19,700	2,396	7,400	1,472	4,000	1,044
\$1,050 to \$1,249	37,100	4,187	19,800	2,470	10,600	1,549	6,800	1,391
\$1,250 to \$1,449	42,000	3,200	22,500	1,925	12,100	1,482	7,400	1,103
\$1,450 to \$1,649	31,900	2,359	16,500	1,487	8,900	907	6,500	652
\$1,650 to \$1,849	25,400	2,756	13,500	1,822	7,100	864	4,800	675
\$1,850 to \$2,049	20,900	2,446	11,000	1,416	5,200	567	4,700	952
\$2,050 to \$2,249	13,300	1,622	7,200	997	3,700	653	2,400	384
\$2,250 to \$2,449	11,900	2,019	6,800	1,658	2,600	380	2,500	477
\$2,450 or more	49,500	3,904	22,400	2,484	13,700	1,498	13,400	1,514
Median asking rent	\$1,528	\$47	\$1,479	\$52	\$1,532	\$51	\$1,648	\$87
BEDROOMS								
Fewer than 2 bedrooms	150,700	4,507	79,000	2,848	39,300	1,978	32,400	2,265
2 bedrooms	110,300	3,791	59,500	2,992	30,700	2,035	20,100	1,573
3 bedrooms or more	19,400	1,482	11,400	1,088	5,000	612	3,100	433

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 third and fourth quarters of 2016 and the first and second quarters 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)

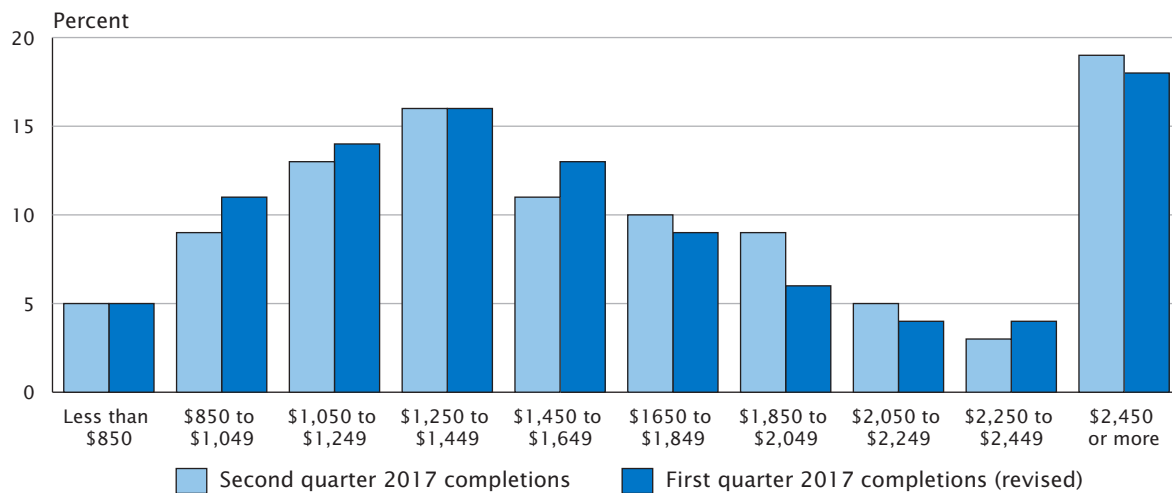
Quarter of completion	Total		Rented prior to current quarter		Rented in current quarter		Remaining for rent at the end of the current quarter	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
2017								
April–June	280,500	6,019	149,900	4,369	75,000	2,853	55,600	3,715
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: Second Quarter 2017 Completions and First Quarter 2017 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, 57 percent of seasonally adjusted, newly completed, unfurnished rental apartments built in the second quarter of 2017 were rented. The 57 percent seasonally adjusted rate in the second quarter of 2017 did not differ significantly from the revised 55 percent reported in the first quarter of 2017. However, the 57 percent was 5 percentage points higher than the 52 percent reported in the second quarter of 2016 (Table 1).
- Absorption (not seasonally adjusted):** Within the first 3 months after completion, 62 percent of the not seasonally adjusted, newly completed, unfurnished rental apartments built in the second quarter of 2017 were rented. This figure is 8 percentage points higher than the nonseasonally adjusted rate of 54 percent from the first quarter of 2017, and 5 percentage point higher than the 57 percent recorded in the second quarter 2016 (Table 1).
- 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 second quarter of 2017 was \$1,563. There were no significant differences detected between the second quarter 2017 median asking rent and the revised median figure of \$1,522 for the first quarter 2017. However, the \$1,563 median asking rent in the second quarter of 2017 was \$135 higher than median asking rent of \$1,428 in the second quarter of 2016 (Tables 5, 6, and 7; Figure 3).
- The 3-month absorption rates for units completed in the second quarter 2017 by asking rent varied from 52 percent (units renting for less than \$850, and \$2,250 to \$2,449) to 67 percent (units renting in the \$1,250 to \$1,449 range). The median asking rent for units absorbed within 3 months was \$1,529 (Table 5).**
- Rent (number of bedrooms):** One-bedroom units (46 percent) made up the largest percentage of new unfurnished rental construction in buildings with five

Table 5.

Asking Rent and Number of Bedrooms of Unfurnished Apartments Completed During the Second 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	73,900	2,774	100	X	62	2.6
Less than \$850	4,000	1,348	5	1.8	52	11.5
\$850 to \$1,049	6,500	1,343	9	1.7	65	7.7
\$1,050 to \$1,249	9,600	1,776	13	2.3	65	3.9
\$1,250 to \$1,449	12,200	1,665	16	2.1	67	5.2
\$1,450 to \$1,649	8,300	923	11	1.2	63	4.4
\$1,650 to \$1,849	7,100	872	10	1.2	64	5.0
\$1,850 to \$2,049	6,400	1,221	9	1.6	53	6.3
\$2,050 to \$2,249	4,000	848	5	1.1	64	5.1
\$2,250 to \$2,449	2,000	437	3	0.6	52	8.1
\$2,450 or more	13,800	1,807	19	2.5	59	4.1
Median asking rent	\$1,563	\$66	X	X	\$1,529	\$72
Fewer than two bedrooms	39,900	2,128	54	2.3	58	2.8
Less than \$850	2,400	798	3	1.1	56	11.0
\$850 to \$1,049	4,600	962	6	1.3	60	7.4
\$1,050 to \$1,249	6,900	1,288	9	1.7	67	4.5
\$1,250 to \$1,449	6,300	902	9	1.2	65	6.0
\$1,450 to \$1,649	4,300	773	6	1.0	53	5.7
\$1,650 to \$1,849	3,600	631	5	0.9	55	6.9
\$1,850 to \$2,049	3,200	1,023	4	1.4	46	9.4
\$2,050 to \$2,249	2,000	659	3	0.9	53	6.0
\$2,250 to \$2,449	500	139	1	0.2	60	11.2
\$2,450 or more	6,100	1,364	8	1.9	57	5.3
Median asking rent	\$1,440	\$63	X	X	\$1,393	\$52
Two bedrooms or more	34,000	2,290	46	2.3	65	3.3
Less than \$850	1,500	598	2	0.8	47	13.7
\$850 to \$1,049	1,900	1,051	3	1.4	78	10.3
\$1,050 to \$1,249	2,700	932	4	1.3	61	10.4
\$1,250 to \$1,449	5,800	1,522	8	2.0	69	8.1
\$1,450 to \$1,649	4,000	692	5	0.9	73	4.7
\$1,650 to \$1,849	3,500	772	5	1.0	73	6.4
\$1,850 to \$2,049	3,200	739	4	1.0	60	6.4
\$2,050 to \$2,249	2,000	513	3	0.7	75	7.0
\$2,250 to \$2,449	1,600	381	2	0.5	49	8.7
\$2,450 or more	7,800	1,174	11	1.6	60	4.6
Median asking rent	\$1,709	\$97	X	X	\$1,676	\$102
BEDROOMS						
No bedroom	6,000	1,003	8	1.3	56	6.1
1 bedroom	34,000	1,626	46	1.7	59	3.0
2 bedrooms	29,400	2,014	40	2.1	65	3.5
3 bedrooms or more	4,600	723	6	1.0	68	4.7

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 First Quarter of 2017 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	61,400	2,044	100	X	54	2.8
Less than \$850	3,100	759	5	1.3	66	7.2
\$850 to \$1,049	6,800	1,376	11	2.1	58	6.7
\$1,050 to \$1,249	8,400	1,307	14	2.2	54	5.9
\$1,250 to \$1,449	9,600	1,168	16	1.8	59	5.2
\$1,450 to \$1,649	7,700	1,097	13	1.6	52	4.5
\$1,650 to \$1,849	5,400	884	9	1.4	61	4.1
\$1,850 to \$2,049	3,900	751	6	1.2	55	5.5
\$2,050 to \$2,249	2,700	432	4	0.7	62	5.2
\$2,250 to \$2,449	2,700	724	4	1.1	46	9.7
\$2,450 or more	11,100	1,810	18	2.9	45	7.1
Median asking rent	\$1,522	\$55	X	X	\$1,479	\$60
Fewer than two bedrooms	33,400	1,512	54	1.8	52	2.9
Less than \$850	2,300	578	4	1.0	68	7.8
\$850 to \$1,049	5,000	1,269	8	2.0	57	9.1
\$1,050 to \$1,249	6,000	1,027	10	1.7	48	6.1
\$1,250 to \$1,449	4,600	983	8	1.6	57	4.6
\$1,450 to \$1,649	3,100	771	5	1.3	48	6.7
\$1,650 to \$1,849	3,100	714	5	1.2	61	5.6
\$1,850 to \$2,049	1,900	528	3	0.9	50	8.9
\$2,050 to \$2,249	1,200	402	2	0.7	61	8.7
\$2,250 to \$2,449	1,400	605	2	1.0	39	15.4
\$2,450 or more	4,900	1,237	8	2.0	41	11.4
Median asking rent	\$1,397	\$61	X	X	\$1,361	\$56
Two bedrooms or more	28,000	1,483	46	1.8	57	3.3
Less than \$850	900	348	1	0.6	60	8.3
\$850 to \$1,049	1,700	789	3	1.3	60	6.0
\$1,050 to \$1,249	2,500	787	4	1.3	69	8.7
\$1,250 to \$1,449	5,000	1,339	8	2.2	60	10.5
\$1,450 to \$1,649	4,700	977	8	1.5	54	7.0
\$1,650 to \$1,849	2,300	429	4	0.7	60	5.9
\$1,850 to \$2,049	2,000	495	3	0.8	60	5.5
\$2,050 to \$2,249	1,500	407	2	0.7	63	9.8
\$2,250 to \$2,449	1,300	355	2	0.6	54	9.3
\$2,450 or more	6,200	894	10	1.4	47	5.0
Median asking rent	\$1,621	\$67	X	X	\$1,587	\$70
BEDROOMS						
No bedroom	4,300	870	7	1.4	50	6.0
1 bedroom	29,100	1,162	47	1.4	53	2.9
2 bedrooms	24,000	1,280	39	1.6	56	3.4
3 bedrooms or more	4,100	622	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 7.

Asking Rent and Number of Bedrooms of All Unfurnished Apartments Completed During the Second 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	62,000	1,462	100	X	57	2.9
Less than \$850	5,200	1,473	8	2.4	46	8.0
\$850 to \$1,049	8,500	1,653	14	2.6	48	5.3
\$1,050 to \$1,249	9,000	1,494	15	2.3	64	6.0
\$1,250 to \$1,449	9,300	1,445	15	2.2	69	4.5
\$1,450 to \$1,649	6,800	719	11	1.2	60	4.2
\$1,650 to \$1,849	7,000	1,227	11	1.9	52	7.3
\$1,850 to \$2,049	4,200	672	7	1.1	51	6.0
\$2,050 to \$2,249	2,300	509	4	0.8	54	7.6
\$2,250 to \$2,449	2,100	550	3	0.9	53	8.1
\$2,450 or more	7,600	1,560	12	2.6	55	4.1
Median asking rent	\$1,428	\$53	X	X	\$1,413	\$47
Fewer than two bedrooms	31,600	1,622	51	2.6	57	3.2
Less than \$850	3,400	826	5	1.4	41	8.7
\$850 to \$1,049	4,400	1,533	7	2.4	60	10.0
\$1,050 to \$1,249	5,200	928	8	1.5	65	5.8
\$1,250 to \$1,449	4,700	1,040	8	1.7	68	4.9
\$1,450 to \$1,649	3,200	655	5	1.1	53	4.4
\$1,650 to \$1,849	4,200	1,104	7	1.8	53	11.2
\$1,850 to \$2,049	1,700	474	3	0.8	54	9.1
\$2,050 to \$2,249	900	312	1	0.5	54	14.0
\$2,250 to \$2,449	900	403	1	0.7	53	16.0
\$2,450 or more	3,000	894	5	1.5	52	6.3
Median asking rent	\$1,368	\$71	X	X	\$1,347	\$60
Two bedrooms or more	30,400	1,863	49	2.6	56	4.0
Less than \$850	1,800	930	3	1.5	55	10.2
\$850 to \$1,049	4,100	849	7	1.4	36	8.0
\$1,050 to \$1,249	3,800	1,291	6	2.0	63	11.1
\$1,250 to \$1,449	4,600	1,139	7	1.8	70	8.2
\$1,450 to \$1,649	3,600	547	6	0.9	66	5.7
\$1,650 to \$1,849	2,700	623	4	1.0	52	9.0
\$1,850 to \$2,049	2,500	488	4	0.8	49	8.2
\$2,050 to \$2,249	1,400	351	2	0.6	54	9.1
\$2,250 to \$2,449	1,200	375	2	0.6	53	7.7
\$2,450 or more	4,700	913	8	1.5	57	4.4
Median asking rent	\$1,499	\$82	X	X	\$1,490	\$97
BEDROOMS						
No bedroom	3,200	562	5	1.0	66	5.5
1 bedroom	28,400	1,699	46	2.6	56	3.4
2 bedrooms	26,000	1,920	42	2.8	56	4.4
3 bedrooms or more	4,300	630	7	1.0	58	6.6

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: 1990 to 2017
Second 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.

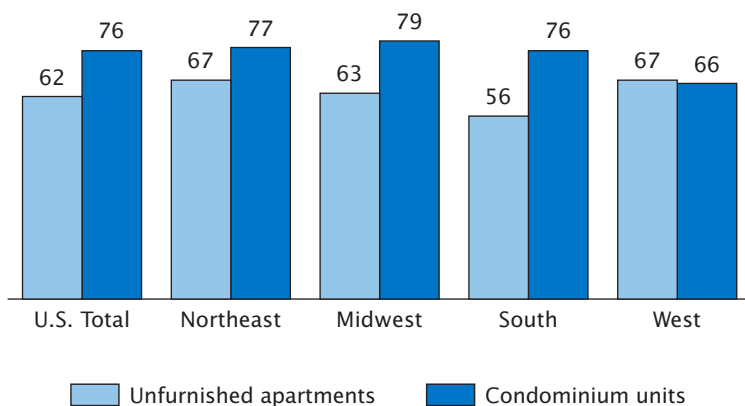
or more units during the second quarter of 2017. The percentage of two-bedroom units was the next highest accounting for 40 percent of new construction, followed by efficiency (no bedroom) units that accounted for 8 percent of new construction. The lowest percentage

of construction in the second quarter of 2017 was for the units constructed with three or more bedrooms, accounting for 6 percent of the total construction (Table 5; Figure 4).

- After 3 months, 62 percent of all apartment units were absorbed.

The 3-month absorption rates for three-or-more bedroom units (68 percent) did not differ significantly from two-bedroom units (65 percent). However, both of these 3-month absorption percentages were higher than the 3-month absorption rates for one-bedroom units (59 percent) and efficiencies (56 percent). There were no significant differences detected between the 3-month absorption rates for efficiencies and one-bedroom units (Table 5).

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



¹ Not seasonally adjusted.
Source: U.S. Census Bureau, 2017 Survey of Market Absorption of New Multifamily Units.

- **Rent (region):** The South led the nation in new unfurnished rental construction in buildings with five units, accounting for approximately 44 percent of the total production. The West had the next largest percentage of new construction with 28 percent. There were no significant differences detected between the Northeast and the Midwest, both accounting for 14 percent each during the second quarter of 2017 (Table 8).

Table 8.

Number, Asking Rent, and Absorption Rate of Unfurnished Apartments Completed During the Second 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	73,900	2,774	\$1,563	\$66	100	X	62	2.6
Inside CBSA ²	73,900	2,774	\$1,563	\$66	100	X	62	2.6
Inside principal city of CBSA ²	47,400	4,215	\$1,749	\$103	64	5.7	58	2.7
Outside principal city of CBSA ²	26,500	4,482	\$1,350	\$66	36	5.7	68	3.6
Outside CBSA ²	Z	Z	X	X	Z	Z	Z	Z
Northeast	10,600	1,202	+\$2,450	\$140	14	1.5	67	6.9
Midwest	10,000	2,014	\$1,221	\$73	14	2.4	63	5.5
South	32,800	1,089	\$1,412	\$64	44	1.7	56	2.9
West	20,500	977	\$1,892	\$162	28	1.4	67	5.2

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 17 of this report.

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

- After 3 months, both the Northeast and the West reported 67 percent of their units rented/absorbed while the Midwest reported 63 percent absorbed. There were no significant differences detected among these three regions. However, all three of these 3-month absorption rates were higher than the 56 percent reported in the South. (Table 8; Figure 5).
- **Condominium and cooperative apartment units:** There were approximately 4,100 condominium and cooperative units constructed in the second quarter of 2017. This accounted for approximately 5 percent of all completions in buildings with five units or more during that period (Table 9; Figures 2, 6, and 9).
- **Condominium apartment units:** In the second quarter of 2017, an estimated 3,900 condominium apartments in buildings with five or more units were completed. This figure did not differ significantly from the 3,100 new condominium construction reported in the previous quarter (Tables 10 and 11).
- **Absorption (condominium apartments units):** Of the 3,900 condominium apartments completed in the second quarter of 2017, approximately 76 percent were sold within 3 months after completion. There was no significant difference detected between this figure and the 3-month absorption rate of 72 percent for the previous quarter (Tables 10 and 11; Figure 5).
- Of the 21,800 total number of new condominium apartment units in buildings with five or more units completed in the past four quarters, 15,600 units were sold prior to the third quarter of 2017. There were 3,800 units sold in the third quarter of 2017 and approximately 2,400 remained on the market for sale at the end of the third quarter of 2017 (Tables 12 and 13).
- **Asking price (condominiums):** The median asking price for a new condominium constructed in the second quarter 2017 was \$540,900. There were no significant differences detected between this figure and the 2017 first quarter revised median asking rent of \$544,900 (Tables 10 and 11).

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												
April–June ^p	4,100	1,133	5	1.3	76	6.9	N	N	N	N	N	N
January–March	3,100	1,093	4	1.5	72	9.0	87	3.8	N	N	N	N
2016												
October–December	8,100	4,419	9	5.1	37	23.8	88	2.4	90	3.4	N	N
July–September	6,700	1,626	8	1.9	70	7.5	84	3.5	92	1.8	96	0.9
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	76	4.6	89	3.6	93	3.5	96	3.3
July–September	1,700	790	3	1.2	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 Second 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	3,900	1,006	100	X	76	6.3
Less than \$200,000	200	159	5	4.1	59	16.6
\$200,000 to \$249,999	200	140	4	3.6	84	15.2
\$250,000 to \$299,999	200	83	4	2.1	91	8.2
\$300,000 to \$349,999	800	518	20	11.9	94	6.4
\$350,000 to \$399,999	200	95	6	2.4	90	7.9
\$400,000 to \$449,999	100	54	4	1.2	74	11.2
\$450,000 to \$499,999	100	33	2	1.1	93	5.9
\$500,000 to \$549,999	200	182	6	3.9	77	7.9
\$550,000 to \$599,999	200	92	4	2.4	89	9.7
\$600,000 to \$649,999	100	49	3	1.2	70	13.6
\$650,000 to \$699,999	300	281	9	5.9	81	3.1
\$700,000 or more	1,300	426	33	8.7	58	11.0
Median asking price	\$540,900	\$131,813	X	X	\$476,900	\$142,167
BEDROOMS						
Fewer than 2 bedrooms	1,000	413	25	6.6	84	6.3
2 bedrooms	1,700	493	43	5.6	78	8.6
3 bedrooms or more	1,200	364	32	8.1	65	7.4

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 First Quarter of 2017 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	3,100	1,093	100	X	72	9.0
Less than \$200,000	200	98	6	3.2	83	12.5
\$200,000 to \$249,999	100	69	5	2.4	50	22.2
\$250,000 to \$299,999	100	51	3	1.6	56	17.3
\$300,000 to \$349,999	200	108	7	3.6	82	9.3
\$350,000 to \$399,999	300	116	9	1.9	81	14.4
\$400,000 to \$449,999	200	76	5	2.2	73	14.7
\$450,000 to \$499,999	200	123	7	2.2	85	9.5
\$500,000 to \$549,999	300	235	9	5.1	86	2.2
\$550,000 to \$599,999	100	42	3	1.3	70	18.1
\$600,000 to \$649,999	100	61	4	2.0	85	5.7
\$650,000 to \$699,999	400	343	14	7.6	79	7.8
\$700,000 or more	900	387	29	9.8	57	21.3
Median asking price	\$544,900	\$78,135	X	X	\$527,500	\$47,046
BEDROOMS						
Fewer than 2 bedrooms	800	437	26	8.2	62	22.1
2 bedrooms	1,600	552	52	6.9	74	5.8
3 bedrooms or more	700	248	21	4.0	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 12.

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

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

Asking price	Total		Sold prior to third quarter 2017		Sold in third quarter 2017		Remaining for sale at end of third quarter 2017	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
Total	21,800	5,009	15,600	4,155	3,800	889	2,400	754
Less than \$200,000	900	336	600	231	100	84	100	99
\$200,000 to \$249,999	1,400	822	1,100	760	200	140	100	59
\$250,000 to \$299,999	700	351	500	343	200	84	Z	23
\$300,000 to \$349,999	1,800	679	1,000	400	800	516	100	40
\$350,000 to \$399,999	1,700	561	1,400	522	300	109	100	29
\$400,000 to \$449,999	900	268	600	215	100	56	100	40
\$450,000 to \$499,999	1,100	396	1,000	383	100	36	Z	17
\$500,000 to \$549,999	700	135	400	218	200	128	100	28
\$550,000 to \$599,999	800	244	600	192	200	95	Z	20
\$600,000 to \$649,999	600	199	500	182	100	39	100	25
\$650,000 to \$699,999	1,100	191	600	191	300	223	100	33
\$700,000 or more	10,200	4,557	7,400	3,870	1,200	361	1,600	714
Median asking price	\$665,400	\$127,063	\$670,600	\$151,452	\$510,300	\$122,523	+\$700,000	\$9,415
BEDROOMS								
Fewer than 2 bedrooms	5,000	1,149	3,500	905	1,100	375	400	158
2 bedrooms	8,100	1,271	5,500	960	1,800	465	800	196
3 bedrooms or more	8,800	4,476	6,600	3,777	1,000	263	1,200	683

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.

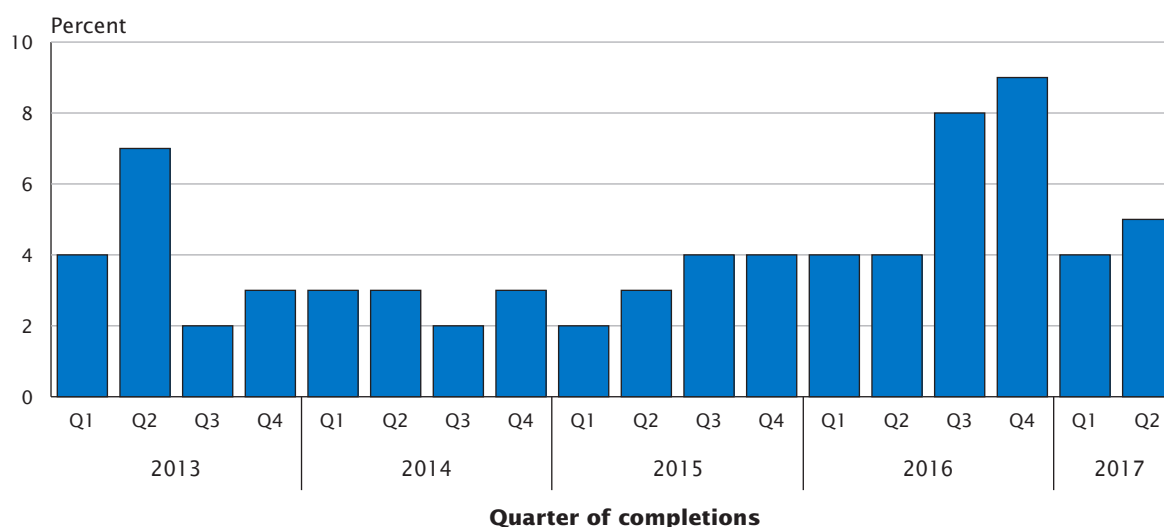
This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

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

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 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)

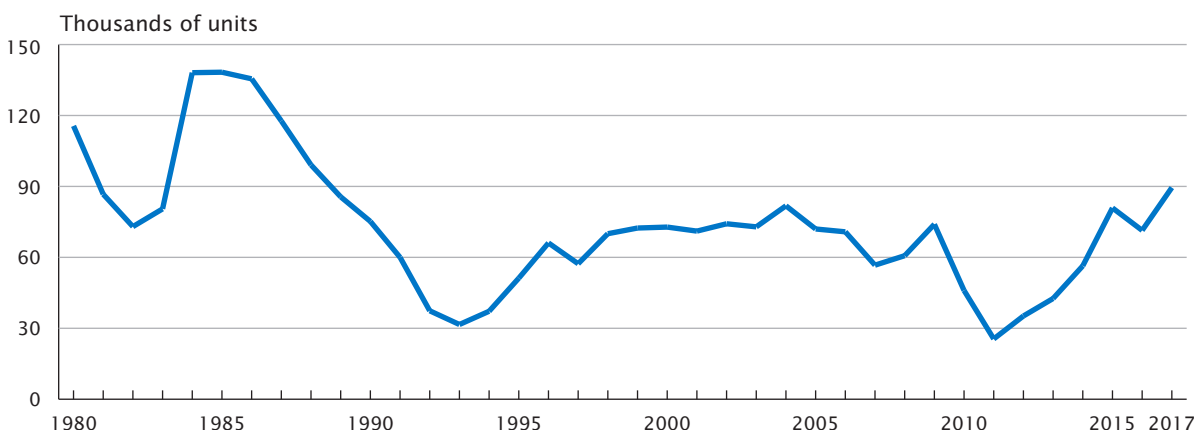
Quarter of completion	Total		Sold prior to current quarter		Sold in the current quarter		Remaining for sale at the end of the current quarter	
	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)	Number	Margin of error ¹ (±)
2017								
April–June	21,800	5,009	15,600	4,155	3,800	889	2,400	754
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.

Figure 7.

Number of Privately Financed Units Completed in Buildings With Five or More Units: 1980 to 2017 Second 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.

- **Number of bedrooms (condominium apartments):** Of the 3,900 new condominium units completed in the second quarter of 2017, two-bedroom units accounted for the largest percentage of the new condominium construction at 43 percent. There were no differences detected between the percentage of units constructed with three bedrooms or more at 32 percent, and units with fewer than two bedrooms at 25 percent (Table 10).

- **Regions (condominiums):** With the exception of the Northeast and the West, there were no significant differences detected among the four regions and their percentages of new condominium construction in the second quarter of 2017. The Northeast accounted for 33 percent, while the West accounted for 16 percent. The South and Midwest accounted for 29 percent and 22 percent, respectively (Table 14).

- There were no significant differences detected in the 3-month absorption rates among the

four regions—Midwest with 79 percent, Northeast at 77 percent, South at 76 percent, and West at 66 percent (Table 14; Figure 5).

- **All apartments:** An estimated 89,500 apartments were constructed in all buildings with five or more units in the second quarter of 2017. That figure represents an increase of approximately 16,600 units greater than the 72,900 units built in the previous quarter. The 89,500 is also approximately 18,100 units more than the 71,400 total apartment units constructed during the second quarter of 2016 (Table 2; Figures 1 and 7).

- **Summary distribution of all apartment units:** In the second quarter of 2017, there were approximately 89,500 apartments constructed in buildings with five or more units. Unfurnished units accounted for 83 percent or approximately 73,900 units. Condominiums and cooperatives accounted for 5 percent or 4,100 units. Approximately 400 furnished units available

in the second quarter of 2017 accounted for less than one-half of 1 percent. Approximately 10,500 units (12 percent) were federally subsidized or received some form of a tax credit, and approximately 500 units (1 percent) were classified as out of scope (i.e., dormitories, townhouses, time-share, 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

Table 14.

Number, Asking Price, and Absorption Rate of Condominium Apartments Completed During the Second 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	3,900	1,006	\$540,900	\$131,813	100	X	76	6.3
Inside CBSA ²	3,900	1,006	\$540,900	\$131,813	100	X	76	6.3
Inside principal city of CBSA ²	2,700	892	\$684,400	\$33,342	70	12.9	71	6.5
Outside principal city of CBSA ²	1,100	563	\$320,900	\$11,886	30	12.9	86	10.0
Outside CBSA ²	Z	Z	Z	Z	Z	Z	Z	Z
Northeast	1300	546	+\$700,000	\$16,913	33	12.0	77	7.9
Midwest	800	471	\$338,800	\$195,852	22	10.8	79	22.5
South	1,100	659	\$509,000	\$200,414	29	13.5	76	5.6
West	600	290	\$354,600	\$222,905	16	7.6	66	14.3

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.

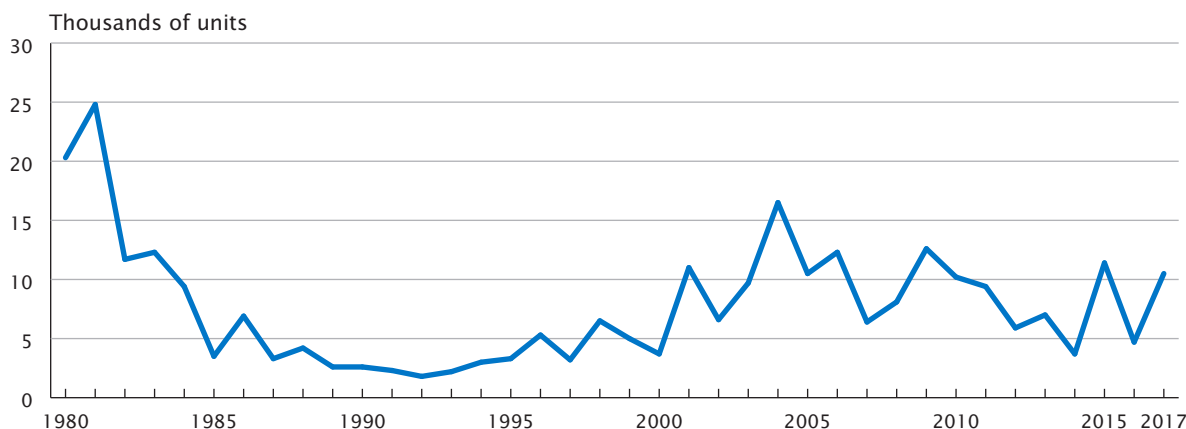
This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval.

² Core-Based Statistical Area. For more information on CBSAs, see Characteristics of the Data on page 17 of this report.

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

Figure 8.

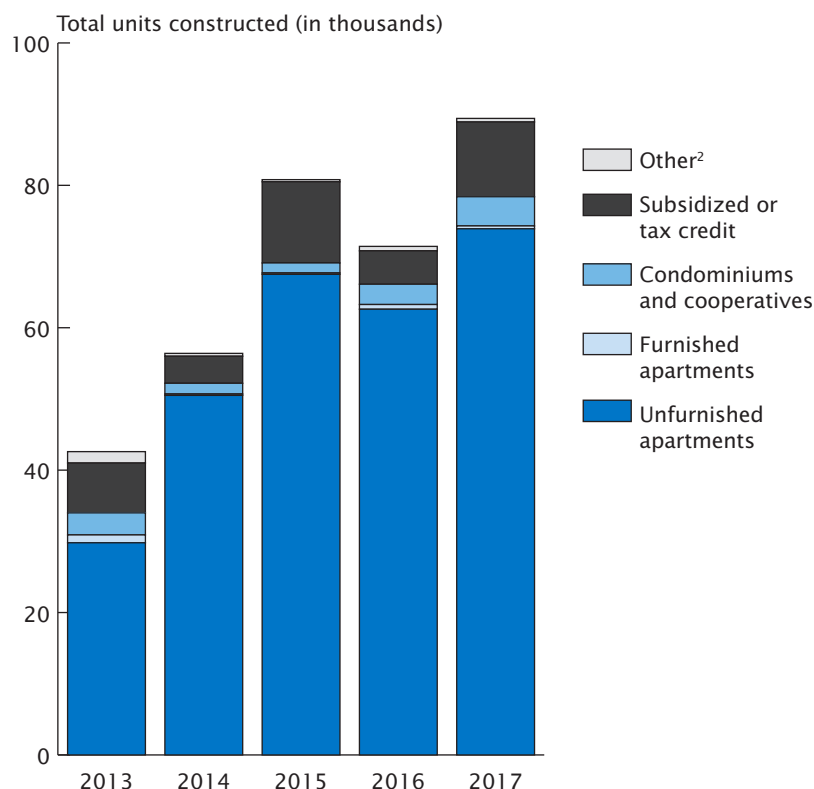
Number of Subsidized and Tax Credit Units: 1980 to 2017 Second Quarter Completions¹



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 9.
**Types of Multifamily Units: 2013 to 2017 Second
 Quarter Completions¹**



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.

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 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 socio-economically 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, the asking rent and selling cost ranges for residential buildings containing five or more units were revised.

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).⁴ 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.

⁴ 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.

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.⁵

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

⁵ 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/>.

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."*⁶

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

⁶ 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.

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, time-share, continuing-care retirement unit) are excluded in this calculation.

The response rate for 2017 Third Quarter Absorptions (2017 Second Quarter Completions) interviewing was 91.2 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 margin of error enable one to construct confidence levels—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 confidence intervals 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 confidence interval. However, for a particular sample, one can say with specified confidence that the average estimate derived from all possible samples is included in the confidence interval. 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 second quarter of 2017 (April, May, and June), there were 89,500 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 3,358 is from 86,142 to 92,858. 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.

Third quarter 2017 data collection note: Due to Hurricanes Harvey and Irma, September 2017 SOMA data collection was conducted under special guidance in the affected areas (July and August 2017 data collections were not affected). If a field representative arrived at an unoccupied sample unit that appeared damaged and/or unlivable, we instructed the field representatives to classify the sample unit in a manner that the unit remained in the sample for the next month.

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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