Survey of Market Absorption of New Multifamily Units

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

By George T. Boyd

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 fourth quarter of 2017 for units that were completed in the third 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 U.S. Department of Housing and Urban Development (HUD). The sample consists of approximately 1,100 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 third quarter (July, August, and September) 2017 and had their initial absorptions recorded in the fourth quarter (October, November, and December) 2017. In January and February, these data were analyzed and this report was released to the public the

first week of March. For additional information, see Sample Design on page 20 of this report.

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 breaks down 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 non-seasonally 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

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[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.

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.
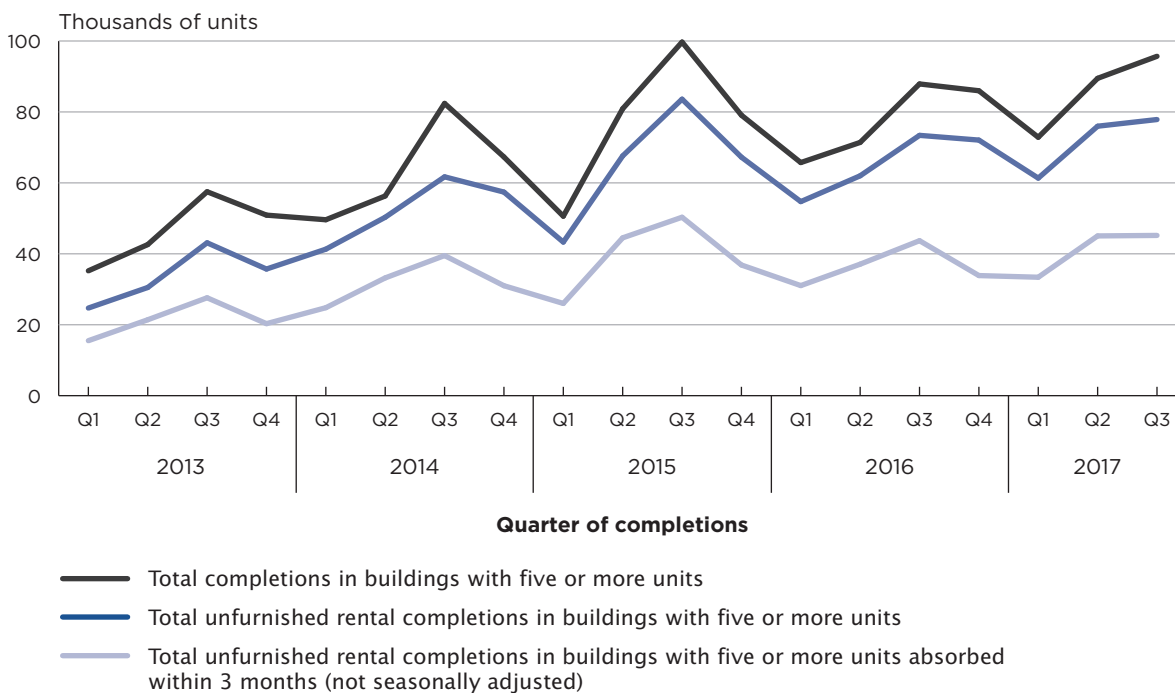
HIGHLIGHTS[2]

- New construction (private, unfurnished): During the third quarter of 2017, there were approximately 77,900 privately financed, nonsubsidized, unfurnished rental apartments completed in buildings with five or more units. This figure did not differ significantly from the revised figure of 76,000 constructed in the previous

[2] Details may not sum to totals because of rounding.

quarter. However, the 77,900 figure was approximately 4,500 more than the 73,400 reported in the third quarter in 2016 (Tables 1 and 2; Figures 1, 2, and 9).

Of the 287,200 total number of new unfurnished rental construction in buildings with five or more units completed in the previous four quarters, 154,600 units were rented prior to the fourth quarter of 2017. Approximately 72,200 units were rented in the fourth quarter of 2017, with approximately 60,400 units remaining in the market available for rent at the end of the fourth quarter of 2017 (Tables 3 and 4).

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

Thousands of units

Quarter of completions

— Total completions in buildings with five or more units

— Total unfurnished rental completions in buildings with five or more units

— Total unfurnished rental completions in buildings with five or more units absorbed within 3 months (not seasonally adjusted)

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

Table 1.
Absorption Rates of Privately Financed, Nonsubsidized, Unfurnished Rental Apartments: 2012 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												
July–September[p]	77,900	3,877	56	3.1	58	3.2	N	N	N	N	N	N
April–June.	76,000	2,081	r55	2.4	59	2.6	r80	2.1	N	N	N	N
January–March.	r61,300	2,029	55	2.8	54	2.8	r77	2.5	88	2.0	N	N
2016												
October–December.	r72,100	4,157	r51	2.6	r47	2.4	71	2.1	86	1.4	93	1.2
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

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, Survey of Market Absorption of New Multifamily Units.

Table 2.
Type of Apartments Completed in Buildings With Five Units or More: 2012 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												
July–September[p]	95,700	4,765	77,900	3,877	5,900	3,246	3,200	1,037	8,600	1,810	100	137
April–June.	89,500	2,451	76,000	2,081	700	418	3,300	965	8,900	2,036	600	315
January–March.	72,900	2,410	61,300	2,029	2,600	1,577	3,100	1,075	5,700	1,171	100	135
2016												
October–December.	86,000	4,959	72,100	4,157	ʳ800	364	7,900	4,370	4,300	916	900	624
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

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 authorities after completion).
Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

Figure 2.
Number of Unfurnished Rental Apartments and Condominium and Cooperative Units: 1980 to 2017 Third Quarter Completions[1]
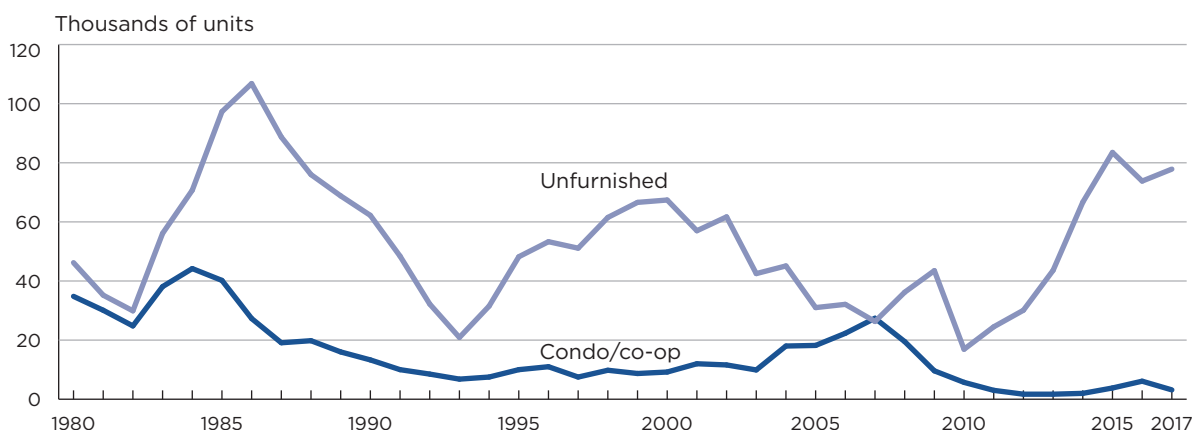
Thousands of units

[1] As originally published for privately financed, nonsubsidized, unfurnished units in buildings with five or more units.
Source: U.S. Census Bureau, 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 Fourth 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 fourth quarter 2017		Rented in fourth quarter 2017		Remaining for rent at the end of fourth quarter 2017	
	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)
Total	**287,200**	**6,762**	**154,600**	**4,849**	**72,200**	**3,664**	**60,400**	**5,340**
Less *than* $850.	20,200	4,115	8,800	1,700	5,300	1,706	6,100	1,811
$850 to $1,049	34,600	6,159	19,000	2,743	9,300	1,412	6,300	3,106
$1,050 to $1,249	39,400	4,206	21,400	3,042	10,900	1,386	7,100	1,162
$1,250 to $1,449	42,800	3,626	23,800	2,213	10,600	1,169	8,400	2,276
$1,450 to $1,649	31,500	2,283	17,700	1,534	7,200	712	6,600	774
$1,650 to $1,849	26,000	2,968	14,500	2,033	6,200	847	5,300	652
$1,850 to $2,049	19,400	1,919	9,800	883	4,800	1,196	4,800	694
$2,050 to $2,249	12,200	1,541	7,000	957	3,100	601	2,100	340
$2,250 to $2,449	11,800	1,984	6,700	1,352	2,300	392	2,800	652
$2,450 or more.	49,400	4,635	25,900	2,468	12,500	2,369	11,000	1,545
Median asking rent	$1,492	$51	$1,498	$51	$1,451	$58	$1,521	$105
BEDROOMS								
Fewer than 2 bedrooms.	155,000	5,465	82,300	3,012	40,000	2,834	32,600	3,187
2 bedrooms.	113,000	3,492	60,900	3,186	27,700	1,488	24,300	2,114
3 bedrooms or more.	19,300	1,472	11,300	1,023	4,500	509	3,500	553

[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 fourth quarter of 2016 and the first, second, and third quarters of 2017.
 Source: U.S. Census Bureau, 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: 2012 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								
July–September..........	287,200	6,762	154,600	4,849	72,200	3,664	60,400	5,340
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

[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, Survey of Market Absorption of New Multifamily Units.

Figure 3.
New Unfurnished Apartments by Rent Category: Third Quarter 2017 Completions and Second Quarter 2017 Completions (Revised)

Percent

Third quarter 2017 completions
Second quarter 2017 completions (revised)
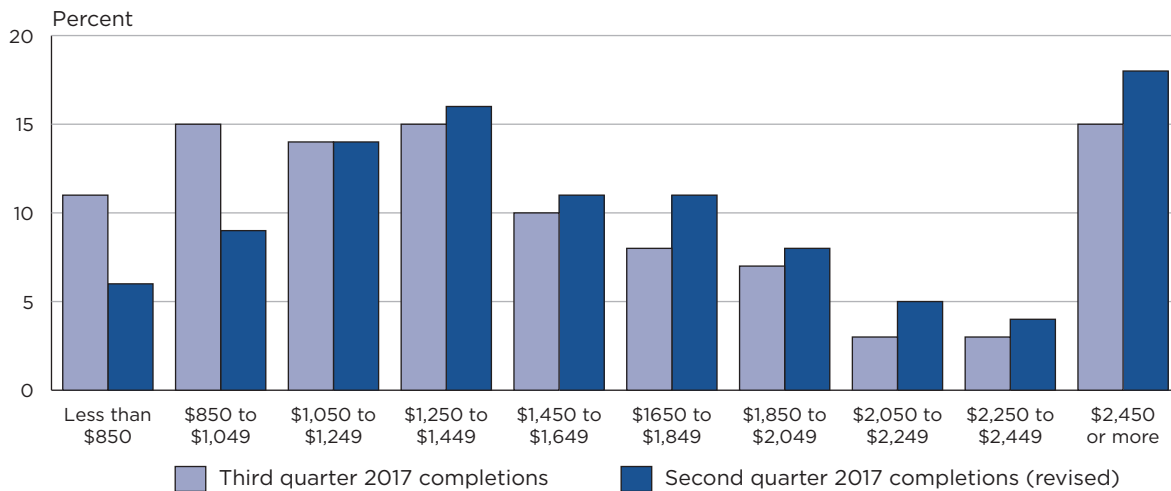
Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

- **Absorption (seasonally adjusted):** Within the first 3 months after completion, 56 percent of seasonally adjusted, newly completed, unfurnished rental apartments built in the third quarter of 2017 were rented. The 56 percent was not significantly different from the second quarter revised rate (55 percent), nor the third quarter 2016 revised rate (58 percent) (Table 1).

- **Absorption (not seasonally adjusted):** Within the first 3 months after completion, 58 percent of the not seasonally adjusted, newly completed, unfurnished rental apartments built in the third quarter of 2017 were rented. This figure did not differ significantly from the 59 percent reported in the second quarter of 2017, nor with the revised figure of 59 percent reported in the third quarter of 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 third quarter of 2017 was $1,383. This was approximately $190 less than the revised figure of $1,573 for the second quarter 2017, and approximately $131 less than the median asking rent of $1,514 in the third quarter of 2016 (Tables 5, 6, and 7; Figure 3).

In the third quarter 2017, 58 percent of the units completed were absorbed within the first 3 months and had a median asking rent of $1,358 (Table 5).

- **Rent (number of bedrooms):** Units with one bedroom accounted for 46 percent of new unfurnished rental construction in buildings with five or more units during the third quarter of 2017. The percentage of two-bedroom units was the next highest accounting for 42 percent of the new construction. There were no significant differences detected between the 7 percent of the units constructed with three-or-more bedrooms and the 6 percent designated as efficiencies (no bedroom) (Table 5; Figure 4).

There were no significant differences detected among the 3-month absorption rates based on number of bedrooms (Table 5).

Table 5.
Asking Rent and Number of Bedrooms of Unfurnished Apartments Completed During the Third 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	**77,900**	**3,877**	**100**	**X**	**58**	**3.2**
Less than $850.............	8,300	3,114	11	3.9	52	5.2
$850 to $1,049.............	11,800	3,261	15	3.9	63	11.5
$1,050 to $1,249............	11,200	1,811	14	2.5	64	4.2
$1,250 to $1,449............	11,400	2,189	15	2.8	58	6.6
$1,450 to $1,649............	7,600	1,061	10	1.4	55	4.6
$1,650 to $1,849............	6,100	915	8	1.2	52	3.6
$1,850 to $2,049	5,100	1,186	7	1.5	53	11.2
$2,050 to $2,249	2,600	610	3	0.8	65	8.1
$2,250 to $2,449	2,300	557	3	0.7	52	8.0
$2,450 or more.............	11,300	2,626	15	3.2	58	7.4
Median asking rent	$1,383	$62	X	X	$1,358	$63
Fewer than two bedrooms....	**40,400**	**2,876**	**52**	**1.9**	**59**	**4.0**
Less than $850.............	5,600	1,732	7	2.1	56	7.9
$850 to $1,049.............	8,600	3,311	11	4.1	60	14.3
$1,050 to $1,249............	6,500	1,238	8	1.7	63	5.7
$1,250 to $1,449............	4,500	897	6	1.2	64	5.4
$1,450 to $1,649............	2,900	878	4	1.1	50	8.7
$1,650 to $1,849............	2,700	484	3	0.7	41	7.1
$1,850 to $2,049	2,400	1,131	3	1.4	68	17.6
$2,050 to $2,249	1,100	514	1	0.6	66	14.6
$2,250 to $2,449	1,300	426	2	0.5	59	8.5
$2,450 or more.............	4,700	1,528	6	1.9	64	10.7
Median asking rent	$1,233	$81	X	X	$1,228	$67
Two bedrooms or more	**37,500**	**1,946**	**48**	**1.9**	**57**	**3.0**
Less than $850.............	2,700	1,572	4	2.0	44	8.3
$850 to $1,049.............	3,200	1,076	4	1.4	70	7.4
$1,050 to $1,249............	4,600	1,011	6	1.3	66	6.2
$1,250 to $1,449............	6,900	2,317	9	2.9	55	9.5
$1,450 to $1,649............	4,800	621	6	0.8	57	4.8
$1,650 to $1,849............	3,500	706	4	0.9	61	3.6
$1,850 to $2,049	2,700	599	3	0.8	40	5.8
$2,050 to $2,249	1,500	378	2	0.5	64	8.7
$2,250 to $2,449	1,000	320	1	0.4	44	10.6
$2,450 or more.............	6,600	1,331	8	1.6	54	6.9
Median asking rent	$1,501	$84	X	X	$1,469	$78
BEDROOMS						
No bedroom	4,400	820	6	1.0	61	7.1
1 bedroom	36,000	2,702	46	1.9	59	4.2
2 bedrooms.................	32,400	1,868	42	1.9	56	3.0
3 bedrooms or more..........	5,100	740	7	1.0	60	4.6

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, Survey of Market Absorption of New Multifamily Units.

Table 6.
Asking Rent and Number of Bedrooms of Unfurnished Apartments Completed During the Second 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	**76,000**	**2,081**	**100**	**X**	**59**	**2.6**
Less than $850.	4,300	1,114	6	1.5	55	9.5
$850 to $1,049	6,700	1,110	9	1.4	67	6.1
$1,050 to $1,249	10,300	1,696	14	2.2	63	4.4
$1,250 to $1,449	11,800	1,477	16	1.9	64	5.7
$1,450 to $1,649	8,100	847	11	1.1	62	4.0
$1,650 to $1,849	8,700	1,727	11	2.3	61	5.4
$1,850 to $2,049	5,900	1,064	8	1.4	50	5.5
$2,050 to $2,249	3,600	725	5	0.9	56	5.4
$2,250 to $2,449	3,400	1,160	4	1.5	52	5.5
$2,450 or more.	13,300	1,593	18	2.1	55	6.0
Median asking rent	$1,573	$64	X	X	$1,523	$72
Fewer than two bedrooms. . . .	**41,700**	**1,796**	**55**	**1.9**	**56**	**2.8**
Less than $850.	2,800	748	4	1.0	58	8.5
$850 to $1,049	4,800	770	6	1.0	62	6.4
$1,050 to $1,249	7,200	1,274	10	1.6	61	5.8
$1,250 to $1,449	5,800	865	8	1.2	63	6.6
$1,450 to $1,649	4,200	712	6	0.9	54	5.4
$1,650 to $1,849	5,200	1,635	7	2.2	57	8.4
$1,850 to $2,049	3,000	909	4	1.2	44	7.8
$2,050 to $2,249	1,800	582	2	0.8	48	6.0
$2,250 to $2,449	1,700	1,093	2	1.4	55	5.2
$2,450 or more.	5,200	1,258	7	1.7	46	8.1
Median asking rent	$1,460	$65	X	X	$1,396	$51
Two bedrooms or more	**34,200**	**1,806**	**45**	**1.9**	**63**	**3.2**
Less than $850.	1,400	453	2	0.6	48	12.9
$850 to $1,049	1,800	895	2	1.2	79	8.2
$1,050 to $1,249	3,000	865	4	1.2	65	8.0
$1,250 to $1,449	6,000	1,533	8	2.0	64	8.9
$1,450 to $1,649	3,900	580	5	0.8	69	3.5
$1,650 to $1,849	3,500	686	5	0.9	68	6.9
$1,850 to $2,049	2,900	622	4	0.8	56	6.2
$2,050 to $2,249	1,800	384	2	0.5	64	8.6
$2,250 to $2,449	1,600	352	2	0.5	49	7.5
$2,450 or more.	8,100	904	11	1.2	60	5.8
Median asking rent	$1,699	$92	X	X	$1,657	$101
BEDROOMS						
No bedroom	5,500	938	7	1.2	54	6.1
1 bedroom	36,200	1,506	48	1.6	56	3.0
2 bedrooms.	29,500	1,429	39	1.5	63	3.2
3 bedrooms or more	4,700	707	6	0.9	65	4.8

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, Survey of Market Absorption of New Multifamily Units.

Table 7.
Asking Rent and Number of Bedrooms of All Unfurnished Apartments Completed During the Third 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	**73,400**	**1,861**	**100**	**X**	**59**	**2.4**
Less than $850.............	6,000	1,553	8	2.1	67	8.8
$850 to $1,049.............	8,200	1,107	11	1.5	67	3.5
$1,050 to $1,249.............	9,400	1,394	13	1.9	66	4.1
$1,250 to $1,449.............	10,400	1,519	14	2.1	60	3.3
$1,450 to $1,649.............	8,000	812	11	1.1	58	2.4
$1,650 to $1,849.............	7,200	1,235	10	1.7	52	7.9
$1,850 to $2,049	6,200	1,405	8	1.8	68	6.1
$2,050 to $2,249	3,500	657	5	0.9	58	7.7
$2,250 to $2,449	3,700	1,189	5	1.6	62	9.2
$2,450 or more.............	10,700	1,612	15	2.3	44	5.7
Median asking rent	$1,514	$69	X	X	$1,439	$73
Fewer than two bedrooms....	**38,100**	**1,652**	**52**	**2.1**	**62**	**2.6**
Less than $850.............	4,300	1,415	6	1.9	76	9.1
$850 to $1,049.............	4,700	1,004	6	1.4	72	4.9
$1,050 to $1,249.............	5,100	688	7	1.0	69	3.7
$1,250 to $1,449.............	5,900	1,046	8	1.4	57	3.9
$1,450 to $1,649.............	3,400	622	5	0.9	58	4.5
$1,650 to $1,849.............	3,500	882	5	1.2	58	10.9
$1,850 to $2,049	3,500	1,362	5	1.8	73	9.4
$2,050 to $2,249	1,600	414	2	0.6	56	6.0
$2,250 to $2,449	1,100	351	1	0.5	47	8.7
$2,450 or more.............	5,100	1,058	7	1.5	38	6.1
Median asking rent	$1,419	$66	X	X	$1,345	$77
Two bedrooms or more	**35,200**	**1,909**	**48**	**2.1**	**57**	**3.1**
Less than $850.............	1,700	441	2	0.6	45	10.9
$850 to $1,049.............	3,500	1,066	5	1.4	61	7.0
$1,050 to $1,249.............	4,300	1,239	6	1.7	63	9.3
$1,250 to $1,449.............	4,600	986	6	1.3	65	4.8
$1,450 to $1,649.............	4,600	583	6	0.8	57	2.8
$1,650 to $1,849.............	3,600	930	5	1.3	46	9.9
$1,850 to $2,049	2,700	808	4	1.1	60	4.2
$2,050 to $2,249	1,900	459	3	0.6	59	13.5
$2,250 to $2,449	2,700	1,210	4	1.6	68	10.5
$2,450 or more.............	5,600	862	8	1.2	47	6.3
Median asking rent	$1,600	$73	X	X	$1,558	$85
BEDROOMS						
No bedroom	5,400	717	7	1.0	56	4.6
1 bedroom	32,800	1,544	45	1.8	63	2.7
2 bedrooms..................	29,900	1,689	41	1.9	57	3.2
3 bedrooms or more.........	5,300	630	7	0.8	58	4.4

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, Survey of Market Absorption of New Multifamily Units.

Figure 4.
Number of Bedrooms in Unfurnished Apartments: 1990 to 2017 Third Quarter Completions[1]
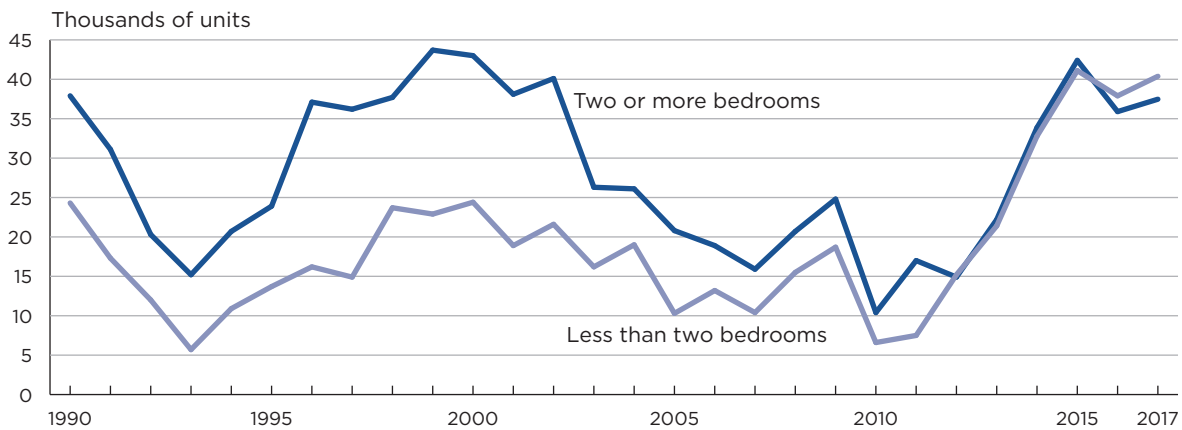
Thousands of units

Two or more bedrooms

Less than two bedrooms

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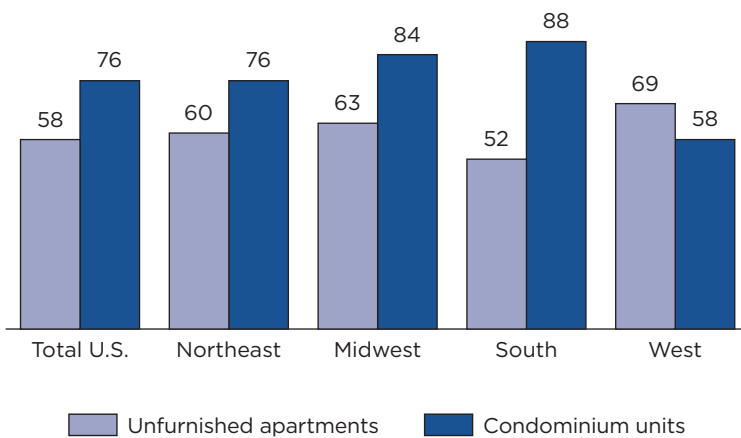Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

- **Rent (region):** The South led the nation in new unfurnished rental construction in buildings with five units or more, accounting for approximately 49 percent of the total 2017 third quarter production. There were no significant differences detected between the Midwest and West, both 19 percent. The Northeast accounted for the least amount of new construction at 13 percent during the third quarter of 2017 (Table 8).

  After 3 months, there was no significant difference detected between the 69 percent absorbed in the West and the 63 percent absorbed in the Midwest. Both of these figures were higher than the 52 percent reported in the South. The Northeast reported 60 percent of their new unfurnished rental construction absorbed within the first 3 months, and did not differ significantly from the other regions (Table 8; Figure 5).

- **Condominium and cooperative apartment units:** There were approximately 3,200 condominium and cooperative units constructed in the third quarter of 2017. This accounted for approximately 3 percent of all completions in buildings with five units or more during that period (Table 9; Figures 2, 6, and 9).

Figure 5.
Unfurnished Apartments and Condominium Units 3-Month Absorption Rates by Region: Third Quarter 2017 Completions[1]
(In percent)

	Unfurnished apartments	Condominium units
Total U.S.	58	76
Northeast	60	76
Midwest	63	84
South	52	88
West	69	58

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

Table 8.

Number, Asking Rent, and Absorption Rate of Unfurnished Apartments Completed During the Third 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	**77,900**	**3,877**	**$1,383**	**$62**	**100**	**X**	**58**	**3.2**
Inside CBSA[2].	74,900	3,936	$1,363	$62	96	0.5	59	3.3
Inside principal city of CBSA[2]	45,100	6,695	$1,397	$117	60	7.9	53	4.4
Outside principal city of CBSA[2] . . .	29,700	5,940	$1,321	$87	40	7.9	69	3.5
Outside CBSA[2].	3,000	310	$1,844	$74	4	0.5	29	13.9
Northeast	10,100	1,196	$2,154	$427	13	1.6	60	7.6
Midwest	14,700	1,834	$1,292	$133	19	2.1	63	8.3
South	38,400	2,806	$1,239	$81	49	2.7	52	4.7
West	14,700	2,048	$1,601	$137	19	2.3	69	5.9

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.

[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, Survey of Market Absorption of New Multifamily Units.

- **Condominium apartment units:** In the third quarter of 2017, an estimated 2,900 condominium apartments in buildings with five or more units were completed. This figure did not differ significantly from the revised figure of 3,100 new condominium construction reported in the previous quarter (Tables 10 and 11).

- **Absorption (condominium apartments units):** Of the 2,900 condominium apartments completed in the third quarter of 2017, approximately 76 percent were sold within 3 months after completion. There were no significant differences detected between this figure and the 3-month absorption rate of 73 percent for the previous quarter (Tables 10 and 11; Figure 5).

Of the 17,000 total number of new condominium apartment units in buildings with five or more units completed in the past four quarters, 12,000 units were sold prior to the fourth quarter of 2017. There were 3,300 units sold in the fourth quarter of 2017, and approximately 1,600 remained on the market for sale at the end of the fourth quarter of 2017 (Tables 12 and 13).

- **Asking price (condominiums):** The median asking price for a new condominium constructed in the third quarter 2017 was $575,600. There were no significant differences detected between this figure and the 2017 second quarter revised median asking price of $520,600 (Tables 10 and 11).

- **Number of bedrooms (condominium apartments):** Of the 2,900 new condominium units completed in the third quarter of 2017, units with three-or-more-bedroom units accounted for 49 percent of the new construction. This figure did not differ significantly from the 34 percent reported for two-bedroom units. Both these figures were higher than the 16 percent of new condominium units built with less than two bedrooms (Table 10).

- **Regions (condominiums):** There were no significant differences detected among the proportions of new condominium construction in the South (42 percent), West (33 percent), and the Northeast (17 percent). Additionally, the proportion of construction in the Midwest (8 percent) was not significantly

Table 9.
Absorption Rates of Condominium and Cooperative Apartments: 2012 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												
July–September[p]	3,200	1,037	3	1.1	78	9.5	N	N	N	N	N	N
April–June[p]	r3,300	965	r4	r1.1	r74	6.9	89	4.3	N	N	N	N
January–March	3,100	1,075	4	r1.5	r72	9.1	r87	3.8	93	3.0	N	N
2016												
October–December	7,900	4,370	9	5.1	r36	r23.7	r87	r2.3	90	r3.2	95	1.4
July–September	6,700	1,626	8	1.9	70	r7.5	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	r92	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

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, Survey of Market Absorption of New Multifamily Units.

Table 10.
Asking Price and Number of Bedrooms of All Condominium Apartments Completed During the Third 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	**2,900**	**1,008**	**100**	**X**	**76**	**10.7**
Less than $200,000	300	164	9	6.2	45	30.2
$200,000 to $249,999	200	127	7	5.4	21	14.3
$250,000 to $299,999	100	79	4	2.6	62	26.4
$300,000 to $349,999	100	60	5	2.0	61	17.4
$350,000 to $399,999	200	115	7	4.0	82	13.6
$400,000 to $449,999	200	121	8	5.3	80	13.9
$450,000 to $499,999	100	77	3	3.1	87	9.1
$500,000 to $549,999	100	86	4	3.6	95	6.1
$550,000 to $599,999	100	63	4	2.4	72	16.1
$600,000 to $649,999	100	57	3	2.0	82	9.3
$650,000 to $699,999	200	189	8	4.5	87	13.4
$700,000 or more	1,100	877	37	20	89	10.9
Median asking price	$575,600	$233,008	X	X	$663,000	$213,183
BEDROOMS						
Fewer than 2 bedrooms	500	227	16	8.8	53	21.2
2 bedrooms	1,000	324	34	14.5	73	10.6
3 bedrooms or more	1,400	1,027	49	22.1	85	12.6

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, Survey of Market Absorption of New Multifamily Units.

Table 11.
Asking Price and Number of Bedrooms of All Condominium Apartments Completed During the Second 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**	**865**	**100**	**X**	**73**	**6.2**
Less than $200,000	200	129	5	4.3	58	16.3
$200,000 to $249,999	200	122	5	4.0	85	13.6
$250,000 to $299,999	100	63	5	2.2	88	8.0
$300,000 to $349,999	600	427	21	12.2	93	6.8
$350,000 to $399,999	200	65	5	2.0	87	8.8
$400,000 to $449,999	100	43	4	1.2	73	11.0
$450,000 to $499,999	100	29	3	1.2	92	5.3
$500,000 to $549,999	200	159	6	4.2	77	7.6
$550,000 to $599,999	100	53	4	1.6	82	11.5
$600,000 to $649,999	100	38	3	1.2	59	17.2
$650,000 to $699,999	300	242	9	6.5	81	2.8
$700,000 or more	900	378	31	8.8	51	9.3
Median asking price	$520,600	$139,531	X	X	$421,000	$151,162
BEDROOMS						
Fewer than 2 bedrooms	600	308	21	5.8	82	7.7
2 bedrooms	1,400	429	44	5.8	77	8.3
3 bedrooms or more	1,100	303	35	8.1	63	6.0

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, 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 Fourth 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 fourth quarter 2017		Sold in fourth quarter 2017		Remaining for sale at end of fourth quarter 2017	
	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)	Number	Margin of error[1] (±)
Total	**17,000**	**4,662**	**12,000**	**3,922**	**3,300**	**1,084**	**1,600**	**422**
Less than $200,000	900	292	500	176	200	104	200	150
$200,000 to $249,999	900	338	600	292	100	28	200	129
$250,000 to $299,999	600	249	400	228	100	72	100	35
$300,000 to $349,999	1,500	596	1,300	577	100	64	100	23
$350,000 to $399,999	1,200	430	900	413	200	121	Z	19
$400,000 to $449,999	700	238	400	210	200	119	100	31
$450,000 to $499,999	600	255	500	240	100	65	Z	17
$500,000 to $549,999	700	162	500	116	200	101	Z	30
$550,000 to $599,999	400	98	300	71	100	57	Z	19
$600,000 to $649,999	500	183	400	160	100	50	Z	17
$650,000 to $699,999	1,000	222	700	158	300	184	100	43
$700,000 or more	8,100	4,472	5,600	3,724	1,600	938	900	336
Median asking price	$680,700	$130,376	$672,800	$179,479	$690,200	$123,512	+$700,000	$112,616
BEDROOMS								
Fewer than 2 bedrooms	300	772	2,200	665	400	218	400	152
2 bedrooms	5,900	1,093	4,200	963	1,100	309	600	149
3 bedrooms or more	8,100	4,426	5,600	3,677	1,800	1,074	700	322

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 fourth quarter of 2016 and the first, second, and third quarters of 2017.
Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

Figure 6.
Condominium and Cooperative Completions as a Percentage of Total Completions: 2013 to 2017
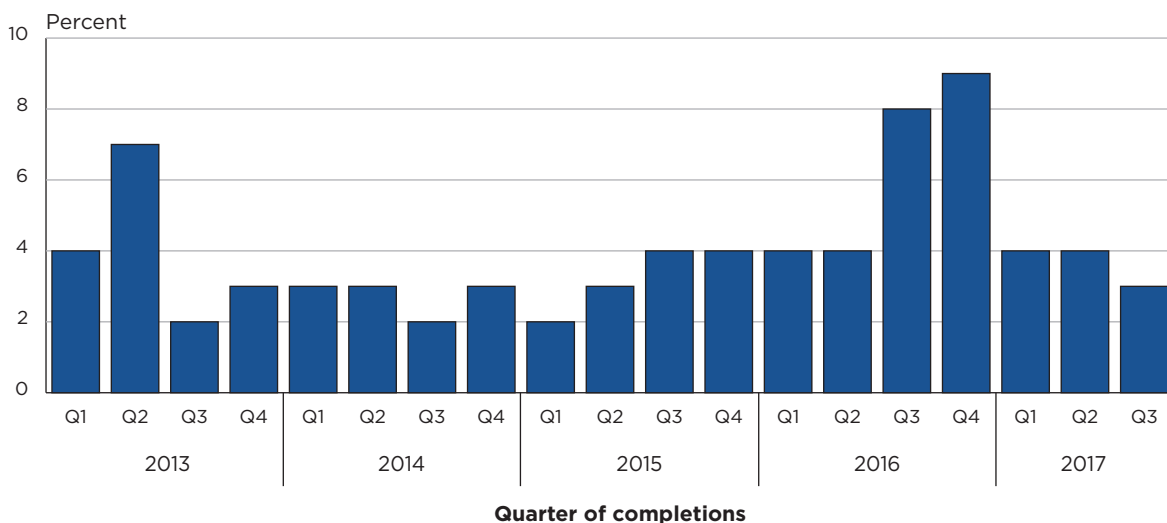
Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

Table 13.
Condominium Apartments Completed in the Previous Four Quarters, Sold, or Remaining for Sale in the Current Quarter: 2012 to 2017
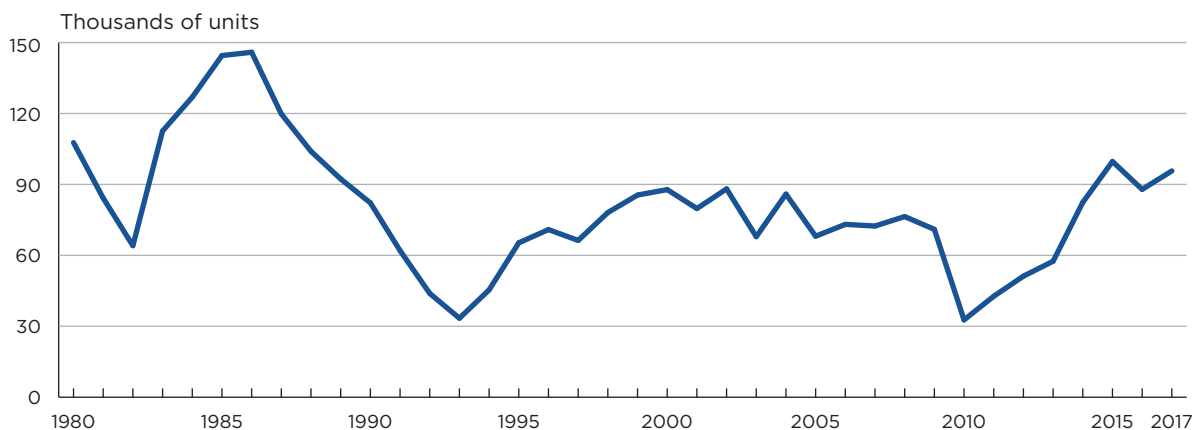
(Privately financed, nonsubsidized, condominium apartments in buildings with five units or more)

| 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								
July–September	17,000	4,662	12,000	3,922	3,300	1,084	1,600	422
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

[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, 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 Third Quarter Completions[1]

Thousands of units

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

different from the proportion of new construction in the Northeast. Whereas, the proportion of new construction in the South and the West were higher than the Midwest (Table 14).

There were no significant differences detected in the 3-month absorption rates among the three regions reporting the highest percentages—South with 88 percent, Midwest with 84 percent, and Northeast at 76 percent. However, all three were higher than the 3-month absorption rate of 58 percent reported in the West (Table 14; Figure 5).

- All apartments: An estimated 95,700 apartments were constructed in all buildings with five or more units in the third quarter of 2017. That figure represents an increase of approximately 6,200 units greater than the revised figure of 89,500 units built in the previous quarter. The 95,700 is also approximately 7,800 units more than

the 87,900 total apartment units constructed during the third quarter of 2016 (Table 2; Figures 1 and 7).

- Summary distribution of all apartment units: In the third quarter of 2017, there were approximately 95,700 apartments constructed in buildings with five or more units. Unfurnished units accounted for 81 percent or approximately 77,900 units. Condominium and cooperative units accounted for 3 percent or 3,200 units. Approximately 5,900 furnished units built in the third quarter of 2017 accounted for 6 percent of the construction. Approximately 8,600 units were federally subsidized or received some form of a tax credit, and approximately 100 units were classified as out of scope (i.e., time-share units, continuing-care retirement units, and turn-key housing [privately built for and sold to local public housing

authorities after completion]) (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

Table 14.

Number, Asking Price, and Absorption Rate of Condominium Apartments Completed During the Third 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	**2,900**	**1,008**	**$575,600**	**$233,008**	**100**	**X**	**76**	**10.7**
Inside CBSA[2]	2,600	1,100	$651,400	$227,071	89	11.7	78	10.9
Inside principal city of CBSA[2]	1,400	426	$649,200	$78,751	53	22.9	69	10.5
Outside principal city of CBSA[2]	1,200	1,022	$653,700	$430,548	47	22.9	88	13.3
Outside CBSA[2]	300	299	$415,000	$167,752	11	11.7	60	22.6
Northeast	500	309	+$700,000	$8,211	17	10.7	76	10.3
Midwest	200	94	$526,500	$141,916	8	4.4	84	11.9
South	1,200	1,027	$670,400	$426,924	42	24.1	88	13.3
West	1,000	461	$410,200	$107,514	33	18.3	58	14.1

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.

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

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

Figure 8.

Number of Subsidized and Tax Credit Units: 1980 to 2017 Third Quarter Completions[1]
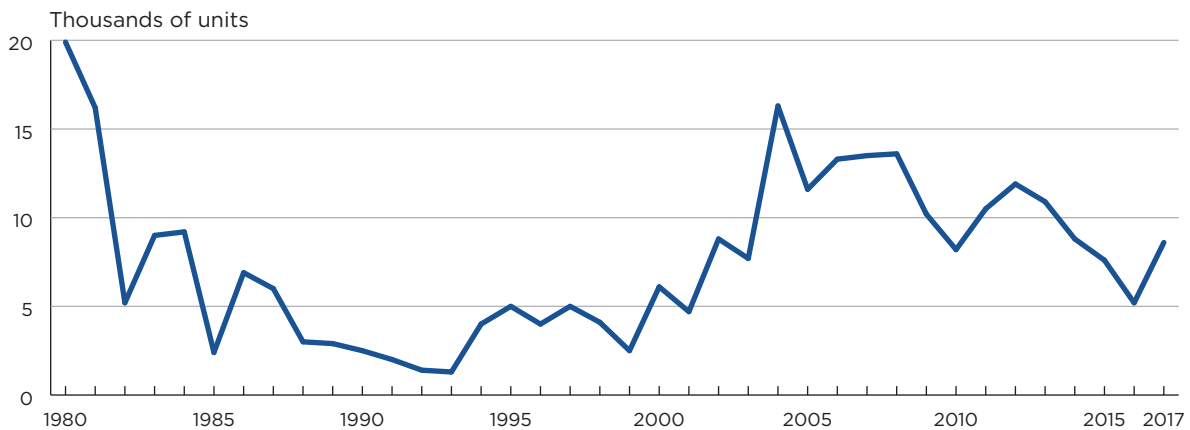
Thousands of units

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

Figure 9.
Types of Multifamily Units: 2013 to 2017 Third Quarter Completions[1]

Total units constructed (in thousands)

Legend:
- Other[2]
- Subsidized or tax credit
- Condominiums and cooperatives
- Furnished apartments
- Unfurnished apartments
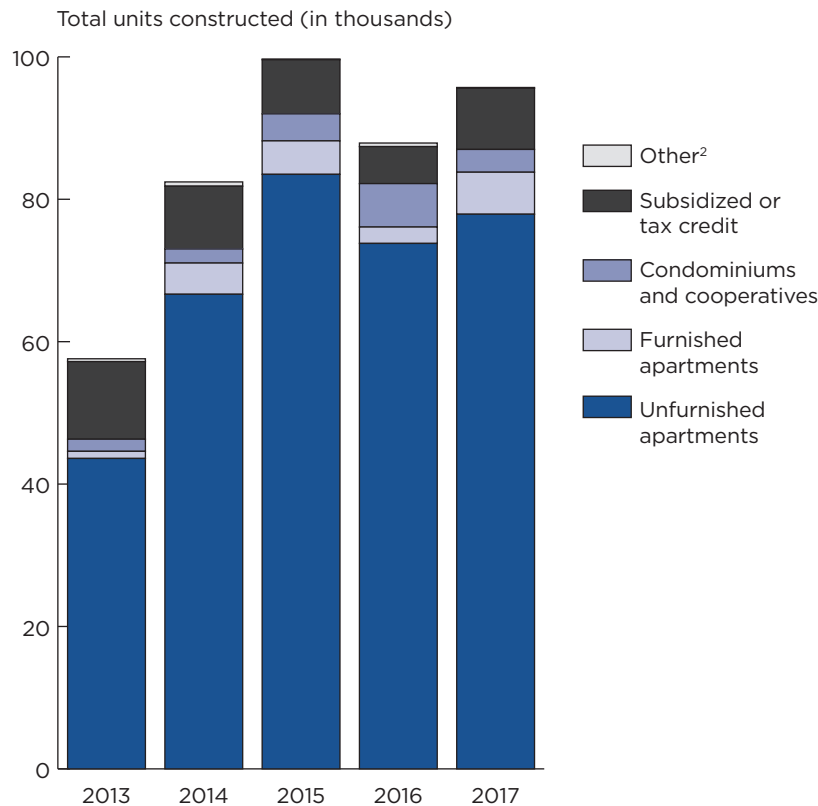
[1] Data as originally published from Table 2.
[2] "Other" includes time-share units, continuing-care retirement units, and turnkey housing (privately built for and sold to local public housing authorities after completion).
Source: U.S. Census Bureau, Survey of Market Absorption of New Multifamily Units.

data on privately financed units include privately owned housing subsidized by state and local governments. Time-share units, continuing-care retirement units, and turnkey housing (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, the 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).[3] 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 the 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.[4]

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 reestimation 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."[5]*

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

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[3] 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.

[4] 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/>.

[5] 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.

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.

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

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

Out-of-scope cases (i.e., time-share units, continuing-care retirement units, and turnkey housing [privately built for and sold to local public housing authorities after completion]) are excluded in this calculation.

The response rate for 2017 Fourth Quarter Absorptions (2017 Third Quarter Completions) interviewing was 91.1 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 populations 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 3 of this report illustrates that during the third quarter of 2017 (July, August, and September), there were approximately 287,200 privately financed, nonsubsidized buildings with five or more units completed in the previous four quarters. 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 6,762 is from 280,438 to 293,962. 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.