

MARKET AT A GLANCE



OCCUPANCY RATE

96.4%

No change since 1Q19



EFFECTIVE RENT

\$1,514

Up 4.0% since 1Q19



DELIVERIES

548

Units YTD

MARKET IMPACT ANALYSIS

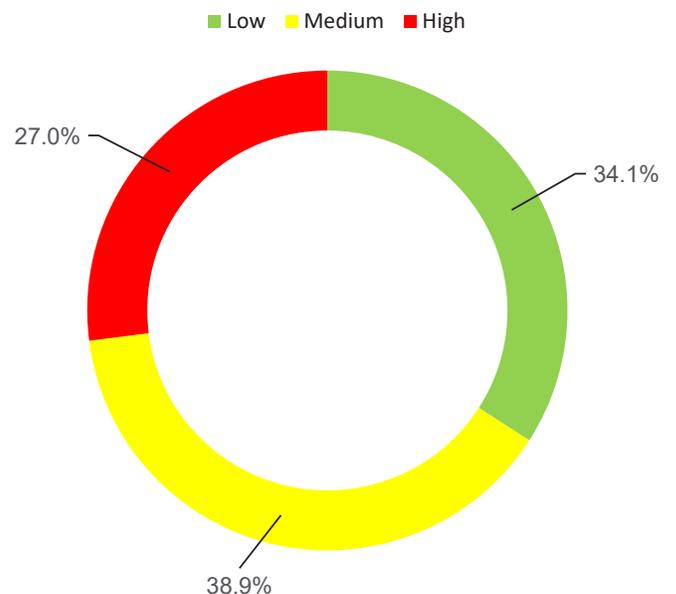
CONSTRUCTION AND PUBLIC-SECTOR EMPLOYMENT BOOSTING ECONOMY

Sacramento's tax revenues have shrunk significantly because of travel restrictions and the stay-at-home mandate. The city expects a \$30 million shortfall in this year's budget and a \$60 million deficiency in the next fiscal year. On April 21, 2020, Sacramento received an \$89.6 million stimulus check from the federal government. The mayor and city council are deliberating its best use for boosting the economy, but it cannot be applied to the city's budget. One project being considered involves redeveloping commercial corridors to foster business development. Businesses with 50 or fewer employees are typically more vulnerable to economic downturns. These businesses comprise 34% of metrowide enterprises, a share considerably higher than in many other metro areas. One bright spot in the local economy is the government sector, which accounted for 24% of those employed prior to the economic disruption. To date, public-sector employment in the U.S. has largely been unaffected by the downturn. Construction is another essential industry, and many local projects remain active where labor and supply chains are uninterrupted. As of mid-April, 17 apartment communities totaling 3,059 units were underway in the metro area, and 11 properties were in lease-up. Just over 40 multifamily developments were in some stage of planning. However, the current economic atmosphere will probably shift some planned projects into a state of uncertainty.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	1.3%	1.1%
Finance & insurance	4.5%	4.7%
Health care & social assistance	19.1%	16.0%
Information	1.5%	2.2%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Transportation & warehousing	3.6%	4.4%
Utilities	0.4%	0.4%
Wholesale trade	3.7%	4.7%
Total	34.1%	33.9%
MEDIUM		
Administrative & waste services	8.0%	7.4%
Educational services	1.6%	2.3%
Manufacturing	4.8%	10.1%
Other services, except public administration	4.2%	3.6%
Professional & technical services	7.5%	7.5%
Retail trade	12.8%	12.2%
Total	38.9%	43.1%
HIGH		
Accommodation & food services	11.8%	11.1%
Arts, entertainment, & recreation	2.1%	1.9%
Construction	9.2%	6.1%
Management of companies & enterprises	1.7%	1.9%
Real estate & rental & leasing	2.2%	1.8%
Unclassified	0.0%	0.1%
Total	27.0%	23.0%

JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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