



MARKET AT A GLANCE



OCCUPANCY RATE **96.4%**
Down **30 bps** since 2Q19



EFFECTIVE RENT **\$1,542**
Up **1.7%** since 2Q19



RENT PAYMENT TRACKER (July 1-20) **95.3%**
Down **140 bps** since June 1-20

OCCUPANCY AND RENT TRENDS

APARTMENT FUNDAMENTALS STABLE IN MOST SACRAMENTO SUBURBS

Sacramento-area employment rebounded 4.5% from the beginning of May 2020 to the end of June. Overall disruption was minimal in the local apartment market, as average apartment occupancy rose 10 basis points since March 2020 to 96.4% in June, while monthly effective rent dipped 0.4% to \$1,542. During this period, seven submarkets outside central Sacramento averaged a 50-basis-point increase in apartment occupancy. Four of those submarkets also had quarter-over-quarter rent growth. Conversely, in the Central Sacramento submarket, effective rent fell 2.9% and occupancy dropped 110 basis points amid a supply overhang in the second quarter of 2020. The downward movement in urban core apartment fundamentals can be attributed in part to subdued economic recovery in Downtown Sacramento. Inner core businesses, already contending with on-and-off reopening and damage from early June unrest, face delayed recovery as approximately 75% of government employees—a key customer base—are working from home—and may for some time. Even so, major expansions of the convention center and the Kaiser Permanente medical campus that are underway are foundational for a resurgence in Downtown Sacramento.



SACRAMENTO

MULTIFAMILY REPORT

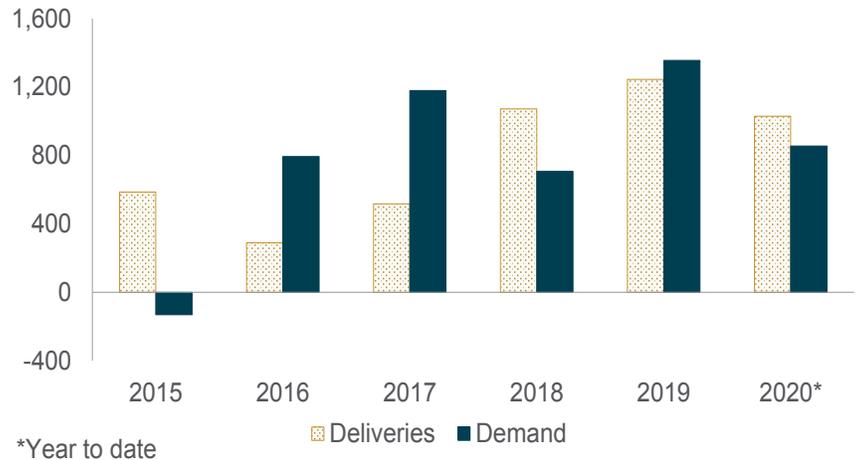
DELIVERIES AND DEMAND



DELIVERIES 1,029
Units YTD



NET ABSORPTION 855
Units YTD



ECONOMIC TRENDS

2019 3.7% **UNEMPLOYMENT*** 1,050 BPS CHANGE 2020 14.2%

2019 1.0m **EMPLOYMENT**** -9.3% CHANGE 2020 0.9m

2019 28.1k **EXISTING SFH SALES**** -6.4% CHANGE 2020 26.3k

2019 2.4m **POPULATION**** 0.7% CHANGE 2020 2.4m

2019 2.07% **10-YEAR TREASURY**** -130 BPS CHANGE 2020 0.73%

*May; **June



SACRAMENTO

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Arden/Arcade	96.7%	60	-30	\$1,309	0.0%	5.1%	93	-21	0	25
Carmichael	97.5%	90	40	\$1,265	0.4%	4.0%	82	34	0	0
Central Sacramento	93.6%	-110	-230	\$1,829	-2.9%	-2.5%	-26	379	169	810
Citrus Heights	96.2%	50	-50	\$1,356	0.3%	2.7%	35	-37	0	0
Davis	99.0%	-20	20	\$2,033	0.5%	4.9%	-22	21	0	0
Folsom/Orangevale/Fair Oaks	94.6%	20	-110	\$1,639	-1.0%	-1.7%	144	321	117	490
Natomas	96.4%	90	40	\$1,556	0.9%	1.1%	198	131	83	83
North Sacramento/North Highlands	97.4%	40	130	\$1,346	0.2%	3.4%	41	128	0	0
Rancho Cordova/East Sacramento	96.8%	-20	20	\$1,386	0.9%	2.6%	-23	24	0	0
Roseville/Rocklin	96.5%	20	50	\$1,671	-1.4%	-0.8%	57	372	28	300
South Sacramento	96.4%	-20	-60	\$1,490	0.1%	2.8%	-44	-131	0	0
Woodland/West Sacramento	97.5%	-30	-60	\$1,369	0.5%	4.6%	-22	19	0	69
TOTALS	96.4%	10	-30	\$1,542	-0.4%	1.7%	513	1,241	397	1,777

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