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ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

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REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

To: Community Development Department
City of Sacramento

From: Keyser Marston Associates, Inc.

Date: February 8, 2013

Subject: Market Survey & Financial Feasibility: Mixed Income Housing Ordinance Update

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The purpose of this memorandum is to provide the city of Sacramento with a summary of the residential market survey and financial feasibility analysis that Keyser Marston Associates (KMA) has undertaken to date related to our assignment on the Mixed Income Housing Ordinance update. This memorandum has four components: (1) it describes the residential building prototypes utilized for the analysis, (2) it summarizes the residential market data that we have researched and analyzed, (3) it summarizes the general financial feasibility of new residential home construction in the city of Sacramento today, and (4) it discusses what implications the financial feasibility conclusions might have on modifications to the Mixed Income Housing Ordinance.

It should be noted that this memorandum is a summary of existing conditions with respect to the Sacramento residential market and financial feasibility. Future tasks of KMA's overall assignment will explore potential market improvement scenarios and its implications for the Mixed Income Ordinance update.

I. Residential Prototypes

In collaboration with City staff, a total of eight market rate residential prototypes were selected for analysis – five for-sale prototypes and three rental prototypes. The intent of the selected prototypes is to identify representative developments generally being built by the private marketplace in Sacramento in order to gain a general understanding of the economic opportunities and challenges of new residential development today.

The first five prototypes (all for-sale prototypes) were utilized in the 2008/09 Mixed Income Housing Ordinance “Feasibility Analysis” performed for SHRA. These five for-sale prototypes are again being utilized for KMA’s assignment, to which the three rental prototypes have been added. The eight prototypes are as follows:

Residential Prototypes	Units	Density	Avg. Unit Size
<u>For-Sale Prototypes</u>			
1) Suburban Infill Small SFR Project	16 units	5 du/acre	2,200 sq. ft.
2) Outer-edge Suburban Large SFR Project	103 units	5 du/acre	2,200 sq. ft.
3) Outer-edge Suburban Small Lot/ Cluster SFR	118 units	10 du/acre	1,600 sq. ft.
4) Suburban Infill Large Condo Project	135 units	30 du/acre	1,200 sq. ft.
5) Urban Infill Condo Project	92 units	84 du/acre	950 sq. ft.
<u>Rental Prototypes</u>			
6) Suburban Infill Smaller Apartment Project	25 units	30 du/acre	950 sq. ft.
7) Urban Infill Smaller Apartment Project	25 units	60 du/acre	850 sq. ft.
8) Urban Infill Larger Apartment Project	150 units	100 du/acre	850 sq. ft.

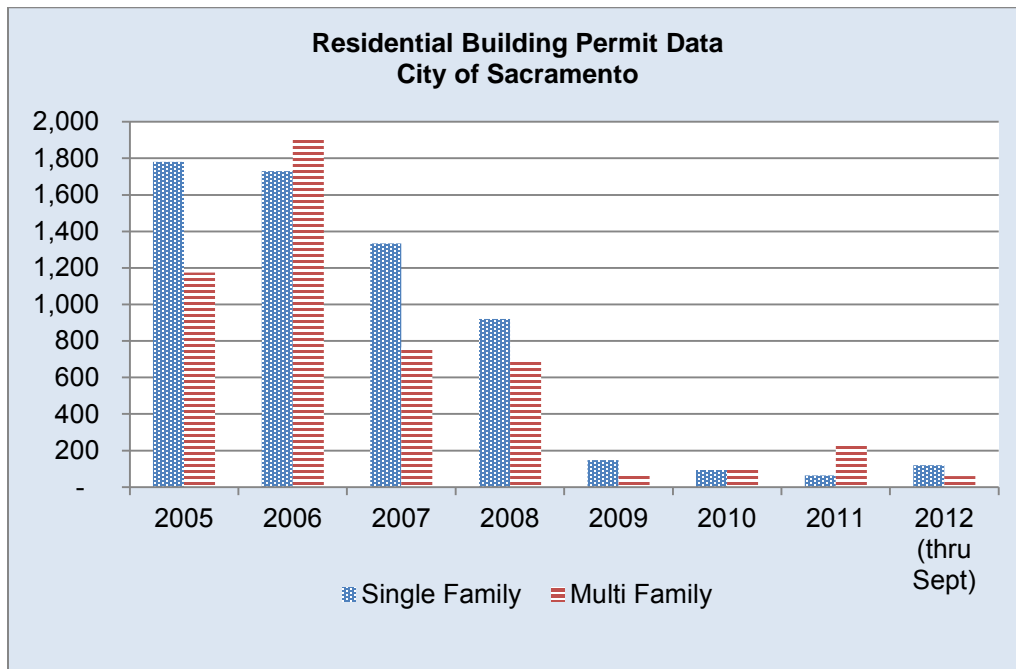
These prototypes were selected because they generally represent the range of project densities being built in Sacramento (or expected to be built when the market recovers) ranging from a low density single family prototype which is the predominant prototype in the Greenfield and outer-edge suburban areas of the city, to higher density condominium and apartment complexes, which are found in some parts of the Central City. The lower density prototypes are all Type V wood frame construction, while the higher density Central City prototypes would include concrete parking podiums and possibly steel frame construction. More detailed information about the prototypes is included in Appendix A Table 1.

Since the purpose of the analysis is to examine the impact that the city’s Mixed Income Housing ordinance has on market rate development projects that would be impacted by the city’s affordable housing requirements, these are all 100% market rate projects. There are no prototypes that are intended to reflect 100% deed-restricted affordable housing projects. A separate analysis will address the economics of deed-restricted affordable projects, including the amount of public subsidies that are typically required to make these projects feasible.

II. Market Survey

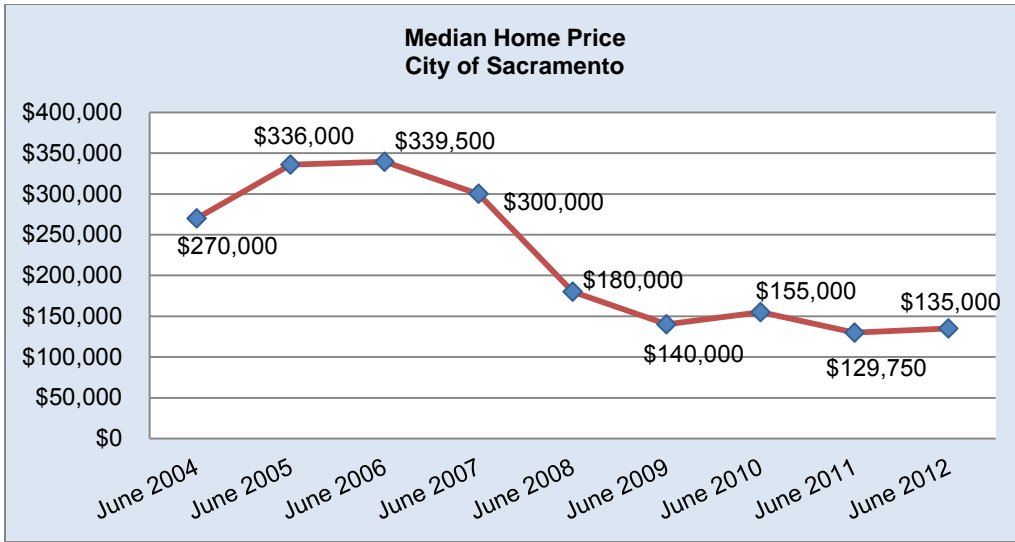
a) Overview of For-Sale Residential Market

As has been the case in most localities throughout the State of California, the city of Sacramento has experienced a steep decline in both home values and construction activity since the onset of the recession. As shown in the following chart, building permit activity has declined precipitously between 2005 and 2012.



Source: Construction Industry Research Board

The median sale home price in Sacramento (single family and condominiums combined) has declined by about 60% - from \$340,000 in June 2006 to \$130,000 in June 2011 (there was a slight uptick in pricing in 2010 resulting from a temporary federal homebuyer tax credit).



Source: Dataquick

Median home prices can sometimes be a misleading indicator of actual changes in home values because median prices are affected by the mix of homes being sold. For example, the homes that were purchased with sub-prime mortgages tended to be weighted toward the lower end of the price range, and many of these homes were sold or foreclosed upon during the recession. However, data from the Case-Shiller Index, which eliminates the issue of housing mix by focusing solely on repeat sales of the same homes, indicated a similar percentage decline in home prices as the median home prices shown above. For example, in the Sacramento MSA, the Case-Shiller Index indicated a nearly 50% decline in home values from Q1 2006 to Q1 2009, tapering to a 6% decline from Q2 2009 to Q2 2012. In either case, it is clear that the Sacramento housing market has been significantly weakened by the area's recessionary conditions.

Of significance, the median priced home in Sacramento has dropped to levels that are well within affordable prices for Low Income households (up to 80% of AMI) and even Very Low Income households (up to 50% of AMI), although it is recognized that it remains very difficult for many Low Income and Very Low Income households to come up with the down payment and to secure the mortgage financing necessary to buy a home. In addition it is difficult for homebuyers to compete against the many investors in the market who are willing to purchase homes with cash and without many of the common homebuyer contingencies. The fact that market rate home prices in Sacramento are, in some cases, below the restricted affordable prices will present some challenges for successfully marketing and selling affordably priced homes, which is an issue that will be addressed later when revisions to the city's current program are discussed.

Maximum Affordable Home Prices	2-Bedroom	3-Bedroom	4-Bedroom
Very Low Income	\$154,550	\$171,697	\$185,460
Low Income	\$247,505	\$274,805	\$296,916

Source: HUD and SHRA (November 2012)

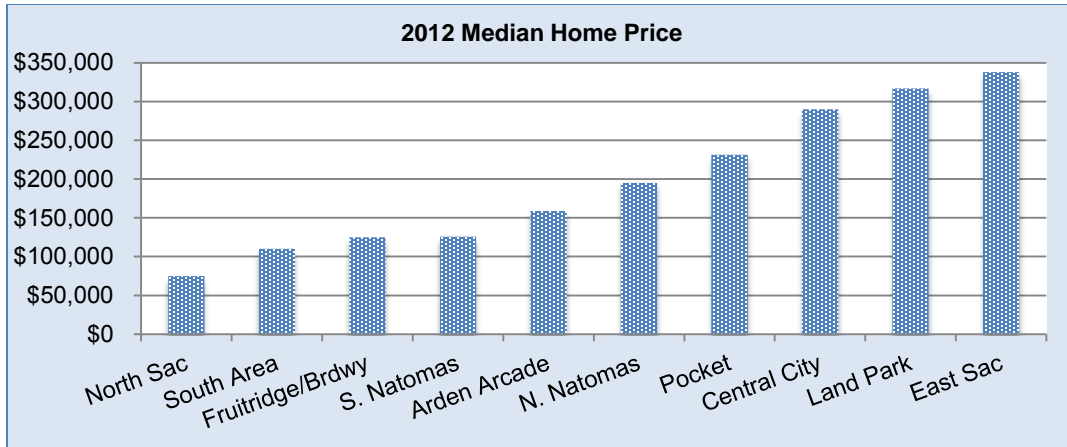
b) Current Trends/Outlook

Residential market conditions improved in 2012 with the median home price moving up slightly to \$135,000. Additionally, a recent report by the Gregory Group indicated that home inventories (available homes for sale) in the Sacramento region are decreasing, which is having the effect of pushing home prices higher. In September, the National Association of Home Builders added Sacramento to their list of improving housing markets based on increased employment, home prices, and building permits.

In another encouraging sign, several economists and market participants including Beacon Economics and the National Association of Realtors, believe that a variety of regulatory and policy factors will help prevent the remaining shadow inventory of homes in the foreclosure process from swamping the market and undermining the housing recovery. Nonetheless, the housing recovery is expected to be a measured one, with the pace of recovery ultimately depending upon a number of factors such as continued improvement in the U.S. and regional economies, consumer confidence, and the ability of federal policy makers to keep mortgage interest rates at or near record lows.

c) Intra-City Variation

As a large metropolitan area, home values within the city of Sacramento vary significantly from one area to another. In general terms, home values in the Central City area and some of the more established and conveniently located neighborhoods close to the Central City tend to be higher than the newer subdivisions in the Greenfield (outer edge suburban) areas and the more socio-economically challenged infill areas of the city. The following chart indicates the 2012 median home prices in each of the city's Community Plan Areas (a map of Sacramento's Community Plan Areas is included in Appendix B).

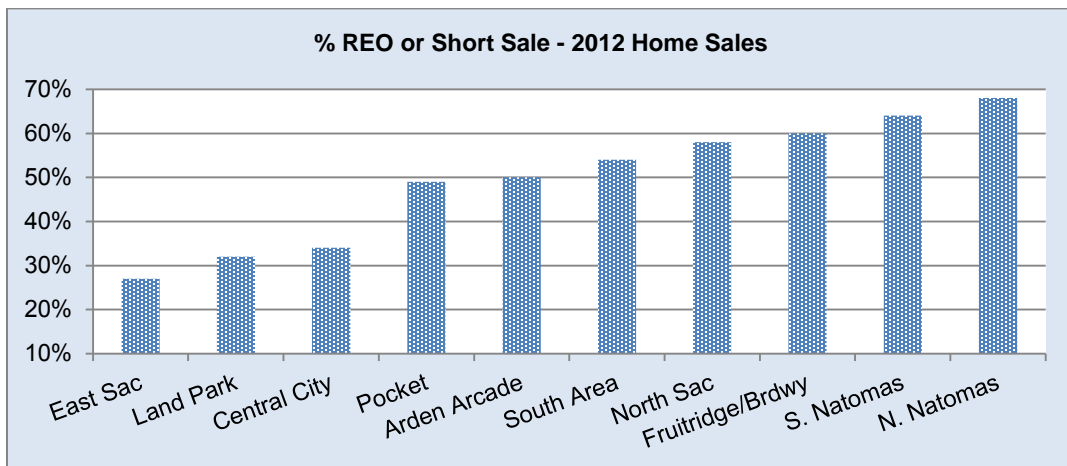


Source: Dataquick based on data through October 2012.

Note: Source data is based on zip codes, which do not conform exactly with Sacramento Community Plan Area boundaries.

d) REO's & Short-Sales

The median home prices in Sacramento are heavily influenced by the number of short sales and bank real estate owned (REO) sales. As shown in the following chart, a significant percentage of 2012 sales in the city of Sacramento were REO or short sales, ranging from slightly below 30% in East Sacramento to slightly below 70% in North Natomas.



Source: Dataquick based on data through October 2012.

The large magnitude of foreclosure-related sales continues to significantly drag down median home prices, which has the effect of distorting home prices that can be achieved in non-distressed sale situations. Nationwide home sales data indicates that homes in

foreclosure or bank-owned were selling for about one-third less than non-foreclosure homes as of August 2012¹.

e) New Home Projects and Pricing

Focusing next on newly built homes, KMA researched asking prices of newly constructed homes currently on the market in Sacramento. Market research firm Hanley Wood identified ten single family home developments currently being marketed for sale in the city of Sacramento and one attached condominium development.

Newly Built Residential Projects	Community Plan Area	Home Size Range*	Price Range*	Price PSF*
<u>Attached Condos</u>				
1) Pavilions	Arden Arcade	2,006 – 2,537	\$499k-\$545k	\$215-\$249
<u>Single Family Detached</u>				
1) Tapestri Square	Central City	1,320 – 2,900	\$599k-\$795k	\$272-\$274
2) Wilhaggin Terrace	Arden Arcade	2,253	\$400k	\$178
3) Islands at Riverlake	Pocket	2,284	\$372k	\$163
4) Vineyard Point	Fruitridge/Bwy	1,268-2,811	\$208k-\$317k	\$113-\$164
5) Wickford Square	South Area	1,200-2,200	\$140k-\$229k	\$104-\$125
6) Villa Terrassa	South Area	1,041-1,784	\$155k-\$216k	\$121-\$149
7) East 34 th	Fruitridge/Bwy	1,335	\$195k	\$146
8) Park Place East	Fruitridge/Bwy	1,335-1,407	N/Av	N/Av
9) Hampton Station	South Area	1,033-2,036	\$149k-204k	\$100-\$144
10) Del Paso Nuevo	North Sac	768-2,370	\$99k-\$205k	\$86-\$129

Source: Hanley Wood, project websites, KMA. See Appendix B for additional details.

*Only includes models that are currently available and with a listed home price.

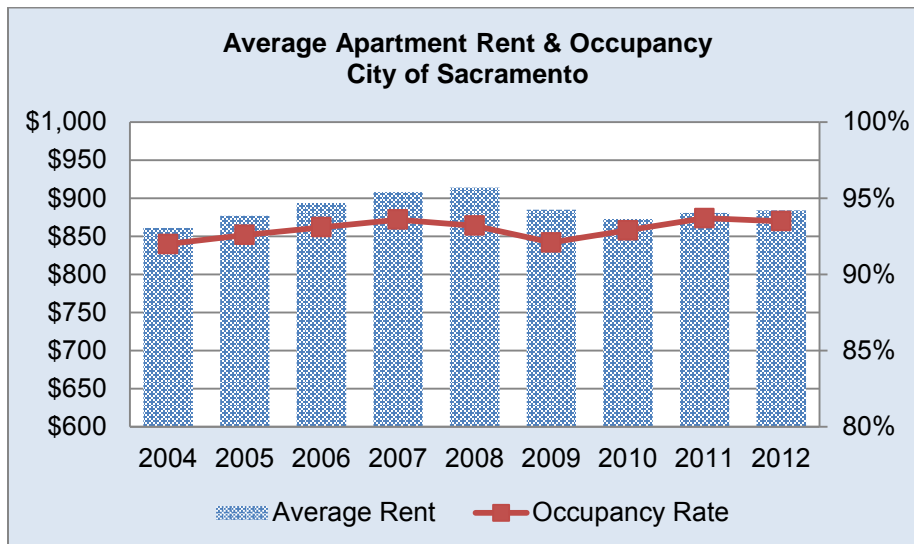
As can be seen, there is a wide range of prices depending on the project's location in Sacramento. The project with the highest asking prices, both in absolute and per square foot terms, is Tapestri Square located at 20th and T Streets in Midtown (Central City). The lowest prices are the Del Paso Nuevo project in North Sacramento, and while half of these units are deed restricted affordable to Low Income households, the asking prices are actually significantly below the Low Income prices that are permitted to be charged (as shown on the earlier table in this memo). As another example of the wide price range, at Hampton Station (South Area) a roughly 2,000 sq. ft. home is selling for \$100 per sq. ft. while a roughly 2,200 sq. ft. home at Wilhaggin Terrace (Arden Arcade) is selling for \$178 per sq. ft. For more detailed information about the projects in the above table, see Appendix C (KMA also researched home prices in nearby areas outside the city's boundaries, which is also included in Appendix C).

¹ Source: Inman News (August 30, 2012).

It is notable that there is only one attached residential project currently being marketed for sale, the 60-unit Pavilions project in Arden Arcade. Several higher density condominium projects that were completed in the midst of the recession have halted sales and units are instead being rented. As one example, the 92-unit L Street Lofts sold 25 units before the bank took the project back from the developer in 2008. The 67 remaining unsold units were sold to a southern California developer earlier this year who is now renting the units with the intent of making them available for sale when the condo market improves².

f) *Rental Housing Market*

The rental housing market in Sacramento tends to be older building stock and primarily weighted to Class C product. Of the 198 Sacramento apartment projects tracked by market research firm RealFacts, over 85% were built in the 1980s or earlier and only 16 are considered Class A. Unlike the for-sale housing market, the Sacramento rental housing market did not experience a major downturn during the recent recession. Rather, the rental housing market has maintained relatively stable rents and occupancy rates, as summarized in the following chart. The average apartment rent declined only about 5% from its high in 2008 to its low in 2010. The occupancy rate ranged from a low of 92% in 2009 to almost 94% currently. An occupancy rate of $\pm 95\%$ is generally considered healthy in a normal market.



Source: RealFacts (October 2012)

² Sacramento Business Journal (May 25, 2012).

KMA has conducted a survey of newer apartment developments in the city of Sacramento (i.e. built between 2003 and 2012). Of these properties, the rough range of rents is as follows (additional information is contained in Appendix C):

Newer Sacramento Apartment Developments	Rent/Unit	Rent/Sq. Ft.
<u>Central City</u>		
Studio	\$1,100 - \$1,300	\$2.00 - \$2.50
1-Bedroom	\$1,500 - \$1,600	\$1.90 - \$2.00
2-Bedroom	\$1,700 - \$2,500	\$1.60 - \$2.00
<u>Suburban Areas</u>		
1-Bedroom	\$1,000 - \$1,200	\$1.10 - \$1.50
2-Bedroom	\$1,100 - \$1,500	\$1.10 - \$1.20
3-Bedroom	\$1,500 - \$1,600	\$1.00 - \$1.15

Source: KMA Survey (October 2012)

Sales of existing apartment developments in the Sacramento region have generally been of older Class C product, mirroring the predominance of older properties in the market. These sales transacted with cap rates in the 6% to 7% range. Higher quality, Class A product is in high demand by investors, but owners of these properties have been reluctant to put their properties on the market for lack of quality alternative investments. The few Class A properties that have sold recently have done so with cap rates closer to the 5% range³.

Unlike other housing markets like San Francisco, which are benefitting from strong growth in tech employment, the rental housing market in Sacramento has not experienced substantially increased rents. As a result, there are few new apartment projects nearing construction other than subsidized affordable housing projects and the East End Gateway projects under the jurisdiction of CADA. At this point, rents have not increased to a level that makes new construction of most apartment projects financially feasible, as discussed in Section IV.

III. Affordability Gap

The affordability gap is the financial burden associated with developing affordable units. As one method of calculating the affordability gap, the applicable affordable sale prices and rents for each prototype are compared to the market rate prices and rents that can be achieved for each of the prototypes. The differential in price (or capitalized value in

³ Cassidy Turley (3rd Quarter 2012).

the case of the apartments) represents the affordability gap. An understanding of the affordability gaps is important as the City considers options for updating the Mixed Income Housing Ordinance.

The following are the affordability gaps for the eight prototypes assuming Low Income prices for the for-sale prototypes and Very Low Income rents for the rental prototypes. In cases where the affordable price exceeds the market rate price, there effectively is no affordability gap⁴. Further analysis of affordability gaps at varying affordability levels will be conducted in the options phase of the assignment.

Affordability Gaps	Assumed Average Bedrooms	Market Rate Price/Value	(Less) Affordable Price/ Value	Affordability Gap
<u>For-Sale Prototypes (at Low Income prices)</u>				
1) Suburban Infill Small SFR Project	4 BR	\$310,000	(\$296,916)	\$13,084
2) Outer-edge Suburban Large SFR Project	4 BR	\$270,000	(\$296,916)	None
3) Outer-edge Suburban Small Lot/ Cluster SFR	3 BR	\$220,000	(\$274,805)	None
4) Suburban Infill Large Condo Project	3 BR	\$280,000	(\$274,805)	\$5,195
5) Urban Infill Condo Project	2 BR	\$330,000	(\$247,505)	\$82,495
<u>Rental Prototypes (at Very Low Income rents)</u>				
6) Suburban Infill Smaller Apartment Project	2 BR	\$196,400	(\$73,300)	\$123,100
7) Urban Infill Smaller Apartment Project	2 BR	\$252,700	(\$53,300)	\$199,400
8) Urban Infill Larger Apartment Project	2 BR	\$250,900	(\$51,500)	\$199,400

IV. Financial Feasibility

a) Purpose/Approach

The purpose of the financial feasibility analysis is to gain an understanding of the economic opportunities and challenges of developing new market rate residential projects in the city of Sacramento today and how the possible modifications to the city’s Mixed Income Housing Ordinance might impact project economics. The financial feasibility profile of deed restricted affordable housing projects is the subject of a separate analysis and is not addressed in this memo.

The intent is to evaluate the economics as they apply to the eight aforementioned residential prototypes, recognizing that the economics of specific projects even within

⁴ Because the growth in affordable rents and home prices are restricted by increases in the Area Median Income (AMI), over an extended period of time affordable rents and prices do not keep pace with the market. Therefore, affordability gaps tend to increase over time.

the same prototype can vary significantly based on a variety of factors. For example, the pricing of homes in “infill” areas of the city will vary widely from Land Park or the Pocket, which are generally on the higher end, to North Sacramento or South Area, which are generally on the lower end. Land values also will vary significantly from one part of the city to another, with the highest land sale prices being achieved in the Central City area. However, the dearth of recent comparable land sale data at this time makes it especially difficult to analyze land values in a fine grained fashion, particularly among the city’s many infill residential neighborhoods.

The need to replace or upgrade offsite infrastructure represents a significant cost in some infill areas to a greater degree than others. Fees and permits costs is also a variable in that the outer suburban edge/Greenfield or “new growth areas” of the city generally have higher impact fees in order to help finance the cost of area-wide infrastructure while most of the infill areas do not. As a consequence, the economics of residential projects in Sacramento are wide ranging, and therefore it is not possible to say what the economics of a “typical” prototype project are on a general level. For purposes of informing the overall assignment however, KMA has modeled the economics of each of the prototypes by estimating a “mid-point” condition with respect to both prices and development costs. By doing so, it is understood that there will be some projects that will look somewhat better and some that will look somewhat worse than what is shown.

The assumptions used in the financial feasibility analysis were based on data gathered from a variety of sources including third party market and cost data sources, KMA’s experience with residential projects in other assignments, and discussions with Sacramento developers and other housing stakeholders recommended by City staff. The following are the individuals KMA spoke with for the financial feasibility assessment:

1. Rachel Green, St. Anton Partners
2. John Griffin, Griffin Industries
3. John Mansfield, Keusder-Mansfield Homes
4. David Nybo, formerly Signature Properties
5. Gregory Thatch, Law Offices of Gregory Thatch
6. Ron Vrilakas, Vrilakas Architects

It is recognized that given the still challenging real estate market conditions, there is relatively little residential development occurring in Sacramento today, and some of the eight prototypes in this analysis are essentially not being built at all. For example, there is no residential development occurring in the Greenfield areas of North Natomas (due to a flood-related building moratorium imposed by FEMA) or in Delta Shores (due to poor market conditions more generally), and there are also no urban infill condominiums (for-

sale) being built. Most of the new residential product on the market today is single family detached homes of small to medium size, roughly in the range of 1,200 to 2,500 sq. ft. and in the suburban infill areas of the city.

b) Summary of Financial Feasibility

The following table summarizes the outcome of the financial feasibility analysis. What it indicates is that the estimated mid-point price and development cost for all eight prototypes does not yield a financially feasible project. For the Outer-edge Suburban Large SFR Project prototype, the achievable sale price based on today's market is actually less than the costs of development (including land acquisition), resulting in a negative return for the developer. For the other for-sale prototypes, the development returns are not sufficient to justify the costs (should be at least 10% as further discussed later in this section). For the rental prototypes, the estimated value of the project at completion is either less than the costs of development or the returns are substandard (more detailed information on the financial feasibility assumptions is contained in Appendix A Table 2).

Summary of Project Returns	Sale Price/ Apt Value	(Less) Costs	Project Return	% of Costs
<u>For-Sale Prototypes</u>				
1) Suburban Infill Small SFR Project	\$310,000	(\$305,200)	\$4,800	1.6%
2) Outer-edge Suburban Large SFR Project	\$270,000	(\$276,800)	(\$6,800)	-2.5%
3) Outer-edge Suburban Small Lot/ Cluster SFR	\$220,000	(\$220,000)	\$0	0%
4) Suburban Infill Large Condo Project	\$280,000	(\$268,800)	\$11,200	4.2%
5) Urban Infill Condo Project	\$330,000	(\$310,500)	\$19,500	6.3%
<u>Rental Prototypes</u>				
6) Suburban Infill Small Apartment Project	\$196,400	(\$191,600)	\$4,800	2.5%
7) Urban Infill Smaller Apartment Project	\$252,700	(\$253,400)	(\$700)	-0.3%
8) Urban Infill Larger Apartment Project	\$250,900	(\$257,400)	(\$6,500)	-2.5%

As indicated above, the Suburban Infill for-sale prototypes (#1 and #4) are more feasible than the master planned outer-edge suburban prototypes. The continued high inventory of foreclosure sales particularly in the Greenfield areas is having the effect of constraining price improvement until the inventory is significantly reduced. The Urban Infill Condo prototype (#5) actually generates the highest theoretical return (though still substandard for financial feasibility) however financing for large, higher density condo projects is extremely difficult to obtain even in the strongest of markets today, thus rendering this prototype virtually unbuildable in today's market. In this residential market,

developers prefer to build homes in small phase increments (“sell as you go”) in order to reduce the risk of holding high unsold inventories.

For the rental prototypes, the Suburban Infill apartments are the most feasible although in general rents are still not at a point that supports new development. The Urban Infill apartment prototypes are challenging due to the high land and construction costs. It is noted that, in general terms, both sale prices and construction costs are lower today than the assumptions that were used in the previously mentioned 2008/09 “Feasibility Analysis” study performed for SHRA.

Required developer returns vary depending upon a variety of factors including the product type, project size, cost of capital, general market outlook, and overall risk profile of the project. For purposes of this initial feasibility analysis, we are assuming returns would need to be at least 10% of total development costs for the typical residential project. In order to achieve a return of 10% of total costs, sale prices and rental rates would need to increase in the range of 5% to 15% from today’s values for financial feasibility, assuming development costs remain flat. Should development costs increase going forward, which will likely be the case to some degree, market prices and rents would need to increase even further.

Notwithstanding the conclusions of this preliminary prototype analysis, there are in fact new residential projects that are proceeding in today’s market. There are several reasons why this might be the case: (1) higher achievable prices than the mid-point analysis based on superior location; (2) lower land acquisition costs (for example if land was acquired many years ago or if land costs are treated as “sunk costs” by developers); or (3) lower offsite infrastructure requirements.

In conclusion, it is clear that residential market conditions in Sacramento today are such that only a limited number of projects are financially feasible (or close enough to be feasible for developers to proceed in order to remain active and keep their crews employed). Furthermore, with most market observers expecting only a measured housing recovery, the economic challenges facing new project development is a condition, to one degree or another, that will likely last for some time to come.

V. Implications for Mixed Income Housing Ordinance Update

The aforementioned financial feasibility analysis did not assume any affordable housing obligations. Any additional cost of incorporating affordable housing requirements into a project (whether it be on-site affordable units, an in-lieu/impact fee, or off-site development or land dedication), will make financial feasibility more challenging in the

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near term. An additional problem is that many market rate housing projects are already priced below HUD/SHRA affordable levels, at least at the Low and Moderate Income levels. As a result, deed restricted units with similar pricing to market rate units will meet buyer resistance and not be marketable.

It is recognized that the imposition of affordable housing requirements, especially where they have not been applied previously, will create financial feasibility challenges for some projects. In an upcoming phase of this assignment, KMA will work with city staff to evaluate options for correlating the imposition of affordable housing requirements with prevailing market conditions so as to soften the ordinance's impacts on project feasibility.

APPENDIX A. Table 1.

Residential Prototypes
 Mixed-Income Housing Ordinance Update
 City of Sacramento

	For-Sale Prototypes					Rental Prototypes		
	1	2	3	4	5	6	7	8
	Suburban Infill Small SFR Project	Outer-edge Suburban Large SFR Project	Outer-edge Suburban Small Lot/ Cluster SFR	Suburban Infill Large Condo Project	Urban Infill Condo Project	Suburban Infill Smaller Apt Project	Urban Infill Smaller Apt Project	Urban Infill Larger Apt Project
<i>Example Location</i>	<i>North Sac</i>	<i>North Natomas</i>	<i>North Natomas</i>	<i>South Area</i>	<i>Central City</i>	<i>East Sac</i>	<i>Central City</i>	<i>Central City</i>
Site Acres	3.1 acres	19.8 acres	11.2 acres	4.5 acres	1.1 acres	0.8 acres	0.4 acres	1.5 acres
Units	16 units	103 units	118 units	135 units	92 units	25 units	25 units	150 units
Density (units/acre)	5.2 du/acre	5.2 du/acre	10.5 du/acre	30.0 du/acre	83.6 du/acre	30.0 du/acre	60.0 du/acre	100.0 du/acre
Lot sq. ft.	5,000 lot sf	5,000 lot sf	2,500 lot sf	n/a lot sf	n/a lot sf	n/a lot sf	n/a lot sf	n/a lot sf
Avg Unit sq. ft.	2,200 sf	2,200 sf	1,600 sf	1,200 sf	950 sf	950 sf	850 sf	850 sf
Avg bedrooms	4 BR	4 BR	3 BR	3 BR	2 BR	2 BR	2 BR	2 BR
Parking Type	Garage	Garage	Garage	Garage	Podium	Surface	Podium	Podium
Dedicated spaces/unit	2.0 spaces	2.0 spaces	2.0 spaces	2.0 spaces	1.0 spaces	1.5 spaces	1.0 spaces	1.0 spaces
Example Projects <i>(Market Rate only)</i>	Iris Subdivision Del Paso Heights North Sac	Northborough Village II North Natomas	Natomas Central Ridgefield North Natomas	Copperstone Village Wolf Ranch Condos South Area	L Street Lofts Midtown	River View Apartments East Sac (proposed)		16th & N Project (CADA)
	Alta Vista Meadows North Sac	Hampton Station South Sac		Broadway Triangle Oak Park (rental & for-sale)				

APPENDIX A. Table 2.
Preliminary Feasibility Analysis
Mixed-Income Housing Ordinance Update
City of Sacramento

	For-Sale Prototypes										Rental Prototypes						
	1		2		3		4		5		6		7		8		
	Suburban Infill Small SFR Project		Outer-edge Suburban Large SFR Project		Outer-edge Suburban Small Lot/ Cluster SFR		Suburban Infill Large Condo Project		Urban Infill Condo Project		Suburban Infill Smaller Apt Project		Urban Infill Smaller Apt Project		Urban Infill Larger Apt Project		
Development Program																	
Total Units	16 units		103 units		118 units		135 units		92 units		25 units		25 units		150 units		
Site Size	3.1 acres		19.8 acres		11.2 acres		4.5 acres		1.1 acres		0.8 acres		0.4 acres		1.5 acres		
Density	5.2 du/acre		5.2 du/acre		10.5 du/acre		30.0 du/acre		83.6 du/acre		30.0 du/acre		60.0 du/acre		100.0 du/acre		
Average Unit Size	2,200 sf		2,200 sf		1,600 sf		1,200 sf		950 sf		950 sf		850 sf		850 sf		
Average Number of Bedrooms	4 BR		4 BR		3 BR		3 BR		2 BR		2 BR		2 BR		2 BR		
Parking Spaces / Unit	2.0 spaces		2.0 spaces		2.0 spaces		2.0 spaces		1.0 spaces		1.5 spaces		1.0 spaces		1.0 spaces		
Development Costs	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	
Land *	\$23	\$50,000	\$5	\$10,000	\$3	\$5,000	\$8	\$10,000	\$26	\$25,000	\$11	\$10,000	\$41	\$35,000	\$24	\$20,000	
On/Offsites	\$18	\$40,000	\$16	\$35,000	\$16	\$25,000		incl. below		incl. below		incl. below		incl. below		incl. below	
Construction	\$55	\$121,000	\$55	\$121,000	\$60	\$96,000	\$135	\$162,000	\$191	\$181,500	\$125	\$118,800	\$174	\$147,500	\$194	\$164,500	
Fees & Permits	\$16	\$34,100	\$24	\$53,300	\$31	\$49,200	\$18	\$21,000	\$19	\$18,400	\$25	\$23,300	\$25	\$21,000	\$22	\$18,600	
Other Soft Costs	\$22	\$48,300	\$21	\$46,800	\$23	\$36,300	\$50	\$59,900	\$71	\$67,200	\$31	\$29,700	\$43	\$36,900	\$48	\$41,100	
Construction Financing	\$5	\$11,800	\$5	\$10,700	\$5	\$8,500	\$13	\$15,900	\$19	\$18,400	\$10	\$9,800	\$15	\$13,000	\$16	\$13,200	
<i>Total Development Costs</i>	\$139	\$305,200	\$126	\$276,800	\$138	\$220,000	\$224	\$268,800	\$327	\$310,500	\$202	\$191,600	\$298	\$253,400	\$303	\$257,400	
Revenue	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	
Market Rate Units	1.00	\$141	\$310,000	\$123	\$270,000	\$138	\$220,000	\$233	\$280,000	\$347	\$330,000	\$1.42	\$16,200	\$2.00	\$20,400	\$2.00	\$20,400
Affordable Units	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Total Gross Sales		\$141	\$310,000	\$123	\$270,000	\$138	\$220,000	\$233	\$280,000	\$347	\$330,000	\$1.42	\$16,200	\$2.00	\$20,400	\$2.00	\$20,400
<Less> Sales Expense		included in costs		included in costs		included in costs		included in costs		included in costs		Exp	(\$5,400)	Exp	(\$6,500)	Exp	(\$6,600)
Sales Net of Sales Expenses		\$141	\$310,000	\$123	\$270,000	\$138	\$220,000	\$233	\$280,000	\$347	\$330,000	NOI	\$10,800	NOI	\$13,900	NOI	\$13,800
<Less> Development Costs		(\$139)	(\$305,200)	(\$126)	(\$276,800)	(\$138)	(\$220,000)	(\$224)	(\$268,800)	(\$327)	(\$310,500)	Cap	5.5%	Cap	5.5%	Cap	5.5%
Net Return ⁽¹⁾		\$2	\$4,800	(\$3)	(\$6,800)	\$0	\$0	\$9	\$11,200	\$21	\$19,500	Value	\$196,400	Value	\$252,700	Value	\$250,900
As % of Total Costs			1.6%		-2.5%		0.0%		4.2%		6.3%		(\$191,600)		(\$253,400)		(\$257,400)
As % of Gross Sales			1.5%		-2.5%		0.0%		4.0%		5.9%		\$4,800		(\$700)		(\$6,500)
* Land Value per Acre		\$258,065	\$52,020	\$52,679	\$300,000	\$2,090,909	\$300,000	\$2,100,000	\$2,000,000								
Land Value per Sq. Ft.		\$5.92	\$1.19	\$1.21	\$6.89	\$48.00	\$6.89	\$48.21	\$45.91								

⁽¹⁾ See report text for discussion of typical developer returns.

APPENDIX B

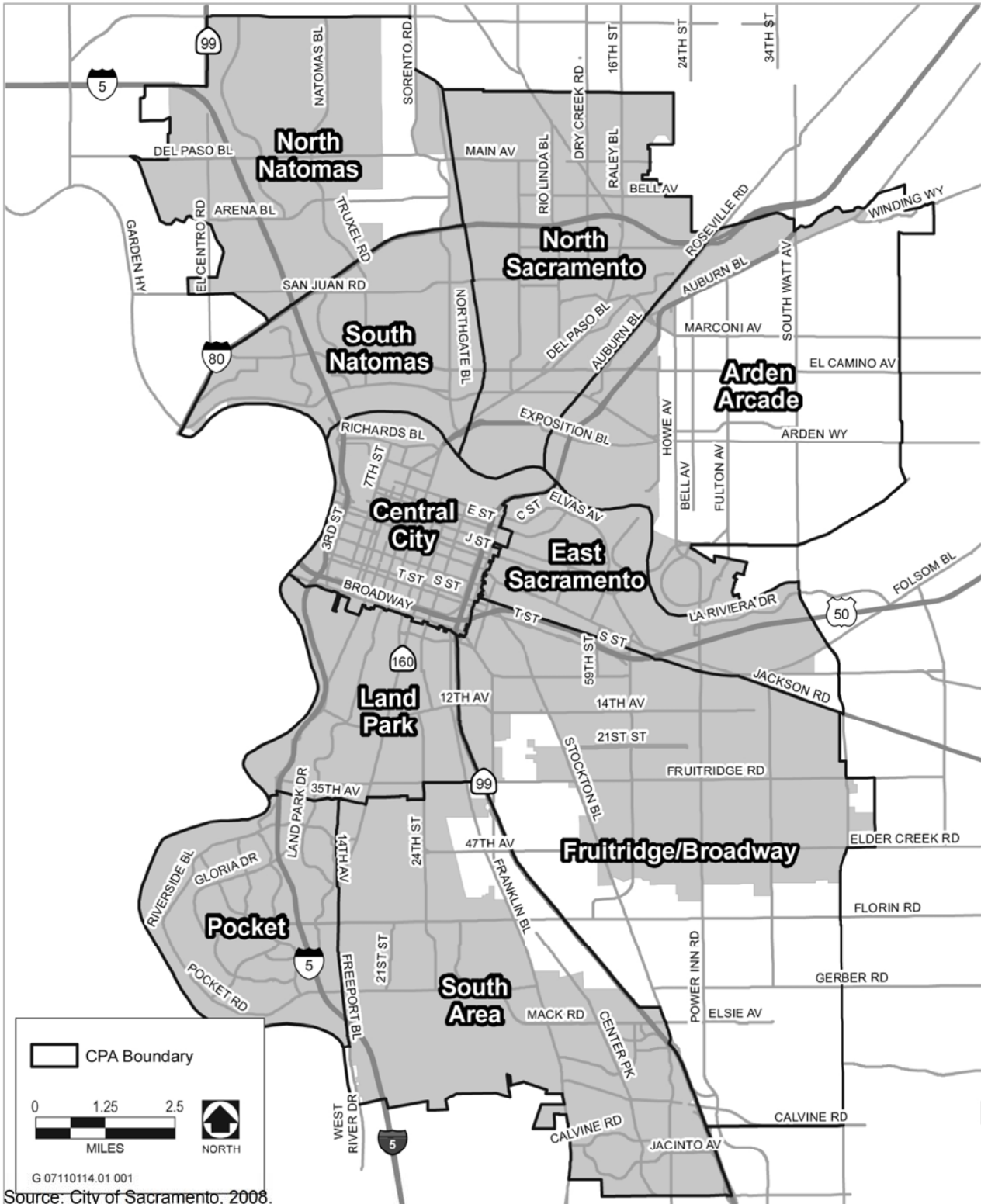


Figure H 3-3: Community Plan Areas

APPENDIX C. Table 1.
Asking Prices of New Residential Projects (as of December 2012)
Mixed Income Housing Update
City of Sacramento

	BR	BA	Sq. Ft.	Base Price	\$/SF	Notes
I. Attached Residential						
<i>Pavilions</i>						
Lucca	3	3	2,006	\$499,000	\$249	- Location: 2430 Pavilions Place Lane (Arden Arcade)
Volterra	3	3	2,277	\$499,000	\$219	- 60 units
Cortona	3	4	2,367	\$555,000	\$234	- Complex includes clubhouse & pool
Siena	4	3	2,537	\$545,000	\$215	
II. Single Family Detached						
<i>Tapetri Square</i>						
Brookfield	2	2	1,320	Sold Out		- Location: 2010 20th Street at T Street (Midtown)
Highland	3	2.5	2,200	\$599,000	\$272	- 58 Brownstone-style units
Madison	3	2.5	2,900	\$795,000	\$274	
<i>Wilhaggin Terrace</i>						
Residence 1	3	3	2,253	\$399,990	\$178	- Location: 912 Baytree Place (Arden Arcade)
Residence 2	5	4	3,110	N/Av		- Developer: Warmington
Residence 3	3	3	2,420	N/Av		- 10 units
Residence 4	4	3	3,140	N/Av		- Most units sold in the \$400,000's
<i>Islands at Riverlake</i>						
Iris	3	2	1,428	N/Av		- Location: 8002 Linda Isle Lane (Pocket)
Taro	3	2	1,500	N/Av		- Developer: Regis Homes
Orchid	3	3	2,034	N/Av		
Papyrus	3	2.5	2,284	\$372,327	\$163	
Jasmine	3	3	2,318	N/Av		
<i>Gables/Gardens at Vineyard Point</i>						
The Ascot	3	2	1,268	\$208,490	\$164	- Location: 9582 Blue Mountain Way (Fruitridge/Broadway)
The Bristol	3	2	1,428	\$221,490	\$155	- Developer: Lennar
The Carlyle	3	2.5	1,876	\$249,490	\$133	
The Montiero	5	3	2,567	\$292,490	\$114	
The Boracay	4	2	1,794	\$257,690	\$144	
The Claremont	4	3	2,295	\$280,990	\$122	
The Montiero	5	3	2,567	\$299,490	\$117	
The Versatillion	5	3	2,811	\$316,990	\$113	
<i>Wickford Square</i>						
The Portchester	4	2.5	1,850	\$215,000	\$116	- Location: 5012 Wuthering Avenue (South Area)
The Whittington	4	2.5	2,200	\$229,000	\$104	- Developer: S360 Development
The Pembroke	3	2.5	1,550	\$194,000	\$125	
The Brancaster	3	2.5	1,850	\$209,000	\$113	
The Windsor	3	2.5	1,400	\$174,999	\$125	
The Newport	2	2.5	1,200	\$139,999	\$117	
<i>Villa Terrassa</i>						
Aria	3	2	1,041	\$154,999	\$149	- Location: 7836 Abramo Walk (South Area)
Serena	3	2.5	1,413	\$189,999	\$134	- Developer: S360 Development
Carmina	3	2.5	1,575	\$199,999	\$127	
Rosetta	4	2.5	1,784	\$215,999	\$121	

APPENDIX C. Table 1.
Asking Prices of New Residential Projects (as of December 2012)
Mixed Income Housing Update
City of Sacramento

	BR	BA	Sq. Ft.	Base Price	\$/SF	Notes
<i>East 34th</i>						
Model 1	3	2.5	1,335	\$195,000	\$146	- Location: 3434 Trio Lane (Fruitridge/Broadway)
<i>Park Place East</i>						
Residence 1335	3	2.5	1,335	N/Av		- Location: 2123 34th Street (Fruitridge/Broadway)
Residence 1407	3	2.5	1,407	N/Av		- Developer: New Faze Development
<i>Hampton Station</i>						
Plan 7 Heritage	3	2	1,033	\$148,990	\$144	- Location: 7527 Wainscott Way (South Area)
Plan 8 Arlington	3	2.5	1,258	N/Av		- Developer: Woodside Homes
Plan 2 Huntington	3	2.5	1,693	N/Av		
Plan 5 Empire	4	2.5	2,036	\$203,990	\$100	
<i>Park at Del Paso Nuevo</i>						
Residence 1	2	1	768	\$99,000	\$129	- Location: 533 Hayes Ave (North Sacramento)
Residence 1A	2	1	768	\$99,000	\$129	- Developer: New American Communities
Residence 2	3	2.5	1,253	\$139,000	\$111	- Some units are deed-restricted affordable
Residence 3	3	2.5	2,034	\$180,000	\$88	
Residence 4	5	2.5	2,370	\$205,000	\$86	

Source: Hanley Wood; project websites; sales offices

APPENDIX C. Table 2.

Asking Prices of New Homes - County of Sacramento (excl. City of Sacramento) (As of December 2012)

Mixed Income Housing Update

City of Sacramento

	BR	BA	Sq. Ft.	Base Price	\$/SF	Notes
<u>South Sacramento County</u>						
<u>Aria at Madeira</u>						
The Melody	4	2	2,038	\$324,990	\$159	Location: 8005 Cellana Dr, Elk Grove
The Concerto	4	3	2,507	\$348,990	\$139	Developer: Lennar
The Harmony	3	3	2,410	\$352,990	\$146	70 Lots including 3 models
The Verismo	4	3	2,767	\$368,990	\$133	
The Legacy	3	3.5	2,785	\$375,990	\$135	
<u>Gardner Square</u>						
The Teddy L	4	2	2,186	\$269,990	\$124	Location: 9716 Babylon Dr, Elk Grove
The Janessa	4	2.5	2,740	\$309,990	\$113	Developer: Centex Homes
The Boz	4	3	2,886	\$323,990	\$112	SOLD OUT
The Prize	5	3	3,214	\$349,990	\$109	
<u>Glenbrooke</u>						
The Gianna	2	2	1,257	\$212,990	\$169	Location: 9985 Westminster Way, Elk Grove
The Randall	2	2	1,371	\$222,990	\$163	Developer: Del Webb
The Aidan	2	2	1,343	\$227,990	\$170	Retirement Community
The Maggie	3	2	1,569	\$263,990	\$168	
The Colby	3	2	1,644	\$266,990	\$162	
The Sanders	3	2	1,859	\$278,990	\$150	
The Julie Marie	2	2	2,066	\$324,990	\$157	
The Williams	2	2.5	2,252	\$339,990	\$151	
<u>Mirabela at Madeira</u>						
Meridien	3	2	1,561	\$300,000	\$192	Location: 9827 Joebar Cr, Elk Grove
Amadora	4	2	1,904	\$311,000	\$163	Developer: Taylor Morrison
Santana	4	2.5	2,062	\$321,000	\$156	
Marquesa	4	3	2,293	\$341,000	\$149	
Alameda	3	2.5	2,301	\$351,000	\$153	
Bandeira	3	3	2,568	\$361,000	\$141	
Marina	4	3	2,860	\$376,000	\$131	
<u>Providence/Jmc Homes</u>						
Jamestown	3	2.5	2,247	N/Av		Location: 9936 Winkle Cr, Elk Grove
Bristol	5	3	2,731	\$439,990	\$161	Developer: JMC Homes
Greenwich	5	3	3,227	N/Av		79 Total Lots
Charlestown	5	4.5	3,435	\$485,990	\$141	
Wickford	5	4	3,957	\$549,990	\$139	
<u>Ranch at Madeira</u>						
The Coronado	3	2	1,801	\$349,990	\$194	Location: 7020 Cordially Way, Elk Grove
The Dakota	4	3	2,234	\$369,990	\$166	Developer: JMC Homes
The Shenandoah	5	4	2,537	N/Av		
The Southfork	5	3	2,813	\$409,990	\$146	
<u>Ranch at Sheldon Hills</u>						
The Scottsdale	5	2.5	3,257	N/Av		Location: 11870 Trailrider Ct., Elk Grove
The Tucson	5	3.5	4,398	\$584,900	\$133	Developer: JMC Homes
<u>Rancho Verde</u>						
Cielo - Plan 1	3	2	1,657	\$259,000	\$156	Location: 10409 Fossil Way, Elk Grove
Cielo - Plan 2	3	2	1,768	\$269,000	\$152	Developer: Taylor Morrison
Cielo - Plan 3	4	2.5	1,940	\$279,000	\$144	
Cielo - Plan 4	4	3.5	2,168	\$292,000	\$135	
Vista - Plan 5	3	3	2,004	\$304,000	\$152	
Vista - Plan 6	3	3	2,194	\$314,000	\$143	
Vista - Plan 7	4	3	2,451	\$324,000	\$132	
Vista - Plan 8	5	3.5	2,920	\$352,000	\$121	

APPENDIX C. Table 2.

Asking Prices of New Homes - County of Sacramento (excl. City of Sacramento) (As of December 2012)

Mixed Income Housing Update

City of Sacramento

	BR	BA	Sq. Ft.	Base Price	\$/SF	Notes
<u>Destinations at Vineyard Point</u>						
The Catalina	2	2	996	\$173,990	\$175	Location: 7501 Chevelle Way, Sacramento
The Mendocino	2	2	1,057	\$182,990	\$173	Lennar Homes
The Pebble Beach	2	2	1,199	\$187,990	\$157	Retirement Community
The Sedona	2	2	1,117	\$191,990	\$172	
The Napa Valley	3	2	1,314	\$208,990	\$159	
<u>Rockwood Estates at Vineyard Point</u>						
Plan 2597 Modeled	5	2	2,597	N/Av		Location: 9578 Cherry Grove Cr, Sacramento
Plan 1774	3	2	1,774	N/Av		Developer: KB Home
Plan 1996 Modeled	4	2	1,996	N/Av		
Plan 1604	4	2	1,604	\$243,500	\$152	
Plan 2269 Modeled	4	2	2,269	\$261,000	\$115	
Plan 2308	5	3	2,308	\$270,500	\$117	
<u>Sandalwood/Kb Home</u>						
Plan 1659	4	2.5	1,659	N/Av		Location: 8895 Cobble Crest Dr, Sacramento
Plan 2078	5	3	2,078	N/Av		Developer: KB Home
Plan 2308 Modeled	5	3	2,308	N/Av		
Plan 1703 Modeled	4	2.5	1,703	N/Av		
Plan 1445	3	2.5	1,445	\$193,500	\$134	
Plan 1654	4	2.5	1,654	\$216,500	\$131	
<u>Northeast Sacramento County</u>						
<u>Woodlands</u>						
RESIDENCE 2 - Audubon	3	2.5	2,366	N/Av		Location: 4022 Braxton Ln, Fair Oaks
RESIDENCE 2X - Thoreau	3	2.5	2,328	N/Av		Developer: True Life Communities
<u>Enclave / Gentry Homes</u>						
Enclave Plan One	3	3.5	2,720	Homes start		Location: Close to Old Town Folsom
Enclave Plan Two	4	3.5	2,800	at \$500,000		Developer: Gentry Homes
Enclave Plan Three	4	3.5	3,000			10 Homes
Enclave Plan Four	4	3.5	3,250			
<u>Hideaway At Treehouse</u>						
Plan 4	3	2.5	1,332	\$253,500	\$190	Location: 900 Bullion Ln, Folsom
Plan 5	3	2.5	1,319	\$257,500	\$195	Developer: KB Home
Plan 1 Modeled	3	2.5	1,690	\$305,500	\$181	
Plan 2 Modeled	4	3	1,878	\$318,500	\$170	
Plan 3 Modeled	4	2.5	1,941	\$328,500	\$169	
<u>New Riata at Empire Ranch</u>						
The Caviata	3	2	1,777	\$461,950	\$260	Location: 661 Burlond Ct, Folsom
The Remuda	3	2	1,919	\$476,950	\$249	Developer: Elliott Homes
The Parada	4	2	2,943	\$486,950	\$165	
The Roderia	5	3	3,043	\$561,950	\$185	
The Alamar	4	3	2,735	\$560,950	\$205	
The Mirada	5	3.5	3,246	\$619,950	\$191	
<u>Parkside Signature Homes</u>						
The Blue Oak	3	2.5	1,633	Priced from the		Location: 306 Barnhill Dr, Folsom
The Cottonwood	4	2.5	1,856	mid \$300,000s		Developer: Signature Homes
The Alder	4	3	2,009			
<u>Trails at Folsom</u>						
Residence 1	3	3	1,874			Location: 1768 Parkway Dr, Folsom
Residence 2	4	3	1,997			Developer: The New Home Company
Residence 3	4	3	2,203			

APPENDIX C. Table 2.

Asking Prices of New Homes - County of Sacramento (excl. City of Sacramento) (As of December 2012)

Mixed Income Housing Update

City of Sacramento

	BR	BA	Sq. Ft.	Base Price	\$/SF	Notes
<u><i>Brentwood Villas</i></u>						
The Amber II	2	2	1,331	\$215,900	\$162	Location: 9025 Pecor Way, Orangevale
The Gardenia II	3	3	1,526	\$232,900	\$153	Developer: Tim Lewis Communities
The Cherry Blossom II	3	2.5	1,624	\$234,900	\$145	SOLD OUT
The Jasmine II	3	2.5	1,996	\$257,900	\$129	
<u><i>Cresleigh Almondwood</i></u>						
The Camellia	3	2.5	2,338	From the high		Location: 5805 Almond Ave, Orangevale
The Holly	4	3	2,535	\$300,000s		Developer: Cresleigh Homes
The Hawthorne	4	3.5	2,968			38 Total homes
The Laurel	5	3.5	3,183			
<u><i>Bella Brisas at Sunridge Park</i></u>						
4000 Avila	3	2	1,451			Location: 12378 Canyonlands Dr, Rancho Cordova
4011 Laguna	3	2	1,646			Developer: Woodside Homes
4015 Newport	4	2	1,832			120 houses incl. model
4022 Coronado	4	3	2,092			SOLD OUT
<u><i>Cazadero at Kavala Ranch</i></u>						
The Boracay	4	2	1,794	\$259,990	\$145	Location: 11886 Elk View Way, Rancho Cordova
The Claremont	4	3	2,295	\$282,990	\$123	Developer: Lennar Homes
The Montiero	5	3	2,567	\$300,990	\$117	
The Versatillion	5	4	2,811	\$319,990	\$114	
<u><i>Copper Ridge at Kavala Ranch</i></u>						
Eagle Peak	3	2	1,841	\$235,900	\$128	Location: 12089 Runswick Ct, Rancho Cordova
Kingston Peak II	3	2.5	2,817	\$284,900	\$101	Developer: Tim Lewis Communities
Mission Peak II	5	4	2,840	\$294,400	\$104	
Castle Peak	3	2	1,629	\$209,900	\$129	
<u><i>Eclipse at Sunridge Park</i></u>						
5001 Sunset	4	3	1,983	\$291,990	\$147	Location: 12409 Kibbie Lake Way, Rancho Cordova
5002 Star	4	2	2,256	N/Av		Developer: Woodside Homes
5003 Crescent	5	3.5	2,687	\$342,990	\$128	
<u><i>Mariposa at Sunridge Park</i></u>						
Plan 4 Hanford	4	2	2,245	\$318,990	\$142	Location: 12409 Kibbie Lake Way, Rancho Cordova
Plan 1 Kentfield	4	2	2,597	N/Av		Developer: Woodside Homes
Plan 2 Brookshire	5	3	2,983	\$372,990	\$125	
<u><i>Rio Del Sol</i></u>						
Residence One	3	2	1,768	\$233,500	\$132	Location: 12367 El Portal Way, Rancho Cordova
Residence Two	3	2	1,946	\$263,500	\$135	Developer: K. Hovanian Homes
Residence Three	3	2	2,100	\$273,500	\$130	64 Total houses
<u><i>Sky View at Sunridge Park</i></u>						
Starlight	3	2	1,667	\$225,990	\$136	Location: 12317 Edyth Lake Way, Rancho Cordova
Sunset	4	2	1,856	\$239,990	\$129	Developer: Beazer Homes
Horizon	4	3	2,249	\$276,490	\$123	

Source: Hanley Wood, project websites

APPENDIX C. Table 3.
Asking Rents for Newer Apartment Projects (Built between 2003 & 2012)
Mixed Income Housing Update
City of Sacramento

	Sq. Ft.	Rent Range	Rent PSF	Notes
Fremont Mews				
Studio	495	\$1,100	\$2.22	Location: 1400 P Street (Central City)
1 Bedroom/1 Bath	705	\$1,425	\$2.02	119 units
2 Bedroom/1 Bath	1,008	\$1,795	\$1.78	Built in 2005
2 Bedroom/2 Bath	1,008	\$1,795	\$1.78	
Alexan Midtown				
Studio	616	\$1,200	\$1.95	Location: 3111 South Street (Central City)
Studio	648	\$1,325	\$2.04	275 units
1 Bedroom/1 Bath	739	\$1,560	\$2.11	Built in 2010
1 Bedroom/1 Bath	747	\$1,575	\$2.11	
1 Bedroom/1 Bath	761	\$1,560	\$2.05	
1 Bedroom/1 Bath	794	\$1,525	\$1.92	
1 Bedroom/1 Bath	823	\$1,625	\$1.97	
1 Bedroom/1 Bath	842	\$1,575	\$1.87	
1 Bedroom/1 Bath	844	\$1,585	\$1.88	
1 Bedroom/1 Bath	904	\$1,625	\$1.80	
2 Bedroom/2 Bath	1,064	\$1,725	\$1.62	
2 Bedroom/2 Bath	1,148	\$2,100	\$1.83	
2 Bedroom/2 Bath	1,115	\$1,995	\$1.79	
2 Bedroom/2 Bath	1,171	\$1,859	\$1.59	
2 Bedroom/2 Bath	1,235	\$2,610	\$2.11	
2 Bedroom/2 Bath	1,354	\$2,900	\$2.14	
800 J Lofts				
Studio	547	\$1,120	\$2.05	Location: 800 J Street (Central City)
Studio	632	\$1,220	\$1.93	225 units
1 Bedroom/1 Bath	772	\$1,409	\$1.83	Built in 2006
1 Bedroom/1 Bath	851	\$1,600	\$1.88	
1 Bedroom/1 Bath	899	\$1,686	\$1.88	
2 Bedroom/2 Bath	944	\$1,530	\$1.62	
2 Bedroom/2 Bath	970	\$1,699	\$1.75	
2 Bedroom/2 Bath	1,100	\$2,048	\$1.86	
2 Bedroom/2 Bath	1,362	\$2,609	\$1.92	
1801 L Apartments				
1 Bedroom/1 Bath	712	\$1,425	\$2.00	176 units
2 Bedroom/2 Bath	1,025	\$1,875 - \$2,025	\$1.83 - \$1.98	Built in 2006
2 Bedroom/2 Bath	1,084	\$1,875	\$1.73	
Penthouse 3 Bed/3 Bath	1,920	\$3,000	\$1.56	
Ashton Parc				
1 Bedroom/1 Bath	790	\$1,125 - \$1,135	\$1.42 - \$1.44	Location: 2201 Arena Boulevard (North Natomas)
1 Bedroom/1 Bath	932	\$1,195 - \$1,205	\$1.28 - \$1.29	168 units
2 Bedroom/2 Bath	1,136	\$1,350 - \$1,375	\$1.19 - \$1.21	Built in 2008
2 Bedroom/2 Bath	1,240	\$1,450 - \$1,475	\$1.17 - \$1.19	
Medici				
1 Bedroom/1 Bath	815	\$1,025	\$1.26	Location: 4450 El Centro Road (North Natomas)
1 Bedroom/1 Bath	975	\$1,135	\$1.16	216 units
1 Bedroom/1 Bath	984	\$1,170	\$1.19	Built in 2005
1 Bedroom/1 Bath	1,083	\$1,215	\$1.12	
2 Bedroom/2 Bath	1,164	\$1,305	\$1.12	
2 Bedroom/2 Bath	1,214	\$1,365	\$1.12	
2 Bedroom/1 Bath	1,064	\$1,195	\$1.12	
3 Bedroom/2 Bath	1,401	\$1,575	\$1.12	

APPENDIX C. Table 3.
Asking Rents for Newer Apartment Projects (Built between 2003 & 2012)
Mixed Income Housing Update
City of Sacramento

	Sq. Ft.	Rent Range	Rent PSF	Notes
Natomas Park				
1 Bedroom/1 Bath	702	\$650 - \$825	\$0.93 - \$1.18	Location: 1850 Club Center Drive (North Natomas) 212 units Built in 2004
2 Bedroom/2 Bath	990	\$782 - \$999	\$0.79 - \$1.01	
3 Bedroom/2 Bath	1,271	\$904 - \$1,275	\$0.71 - \$1.00	
Lofts (The)				
1 Bedroom/1 Bath	780	\$995	\$1.28	Location: 3351 Duckhorn Drive (North Natomas) 149 units Built in 2004
1 Bedroom/1 Bath	812	\$1,010 - \$1,023	\$1.24 - \$1.26	
1 Bedroom/1 Bath	879	\$1,125	\$1.28	
1 Bedroom/1 Bath	1,182	\$1,299	\$1.10	
2 Bedroom/2 Bath	1,256	\$1,162 - \$1,450	\$0.93 - \$1.15	
2 Bedroom/2 Bath	1,478	\$1,349 - \$1,595	\$0.91 - \$1.08	
Homecoming At Creekside				
1 Bedroom/1 Bath	729	\$1,140	\$1.56	Location: 4800 Kokomo Drive (North Natomas) 450 units Built in 2004
1 Bedroom/1 Bath	764	\$1,060	\$1.39	
1 Bedroom/1 Bath	764	\$1,010	\$1.32	
1 Bedroom/1 Bath	808	\$1,190	\$1.47	
1 Bedroom/1 Bath	843	\$1,105	\$1.31	
1 Bedroom/1 Bath	861	\$1,275	\$1.48	
1 Bedroom/1 Bath	861	\$1,225	\$1.42	
2 Bedroom/2.5 Bath	1,092	\$1,300	\$1.19	
2 Bedroom/2 Bath	1,201	\$1,360	\$1.13	
2 Bedroom/2 Bath	1,244	\$1,425	\$1.15	
2 Bedroom/2.5 Bath	1,309	\$1,470	\$1.12	
2 Bedroom/2.5 Bath	1,383	\$1,550	\$1.12	
3 Bedroom/2.5 Bath	1,499	\$1,650	\$1.10	
3 Bedroom/2.5 Bath	1,488	\$1,675	\$1.13	
3 Bedroom/3.5 Bath	1,614	\$1,680	\$1.04	
3 Bedroom/3 Bath	1,730	\$1,715	\$0.99	
Granite Point				
1 Bedroom/1 Bath	662	\$895 - \$985	\$1.35 - \$1.49	Location: 4500 Truxel Road (North Natomas) 384 units Built in 2003
1 Bedroom/1 Bath	805	\$920 - \$1,025	\$1.14 - \$1.27	
1 Bedroom/1 Bath	940	\$960 - \$1,065	\$1.02 - \$1.13	
1 Bedroom/1 Bath	975	\$970 - \$1,075	\$0.99 - \$1.10	
1 Bedroom/1 Bath	1,079	\$1,065 - \$1,170	\$0.99 - \$1.08	
2 Bedroom/1 Bath	1,051	\$1,110 - \$1,230	\$1.06 - \$1.17	
2 Bedroom/2 Bath	1,151	\$1,195 - \$1,315	\$1.04 - \$1.14	
2 Bedroom/2 Bath	1,196	\$1,215 - \$1,335	\$1.02 - \$1.12	
3 Bedroom/2 Bath	1,337	\$1,405 - \$1,525	\$1.05 - \$1.14	
Villagio				
1 Bedroom/1 Bath	751	\$936 - \$1,024	\$1.25 - \$1.36	Location: 4101 Innovator Drive (North Natomas) 272 units Built in 2003
1 Bedroom/1 Bath	751	\$1,070 - \$1,150	\$1.42 - \$1.53	
1 Bedroom/1 Bath	800	\$1,190 - \$1,215	\$1.49 - \$1.52	
2 Bedroom/2 Bath	1,129	\$1,325 - \$1,325	\$1.17 - \$1.17	
2 Bedroom/2 Bath	1,149	\$1,425 - \$1,525	\$1.24 - \$1.33	
Regatta				
1 Bedroom/1 Bath	739	\$1,000 - \$1,075	\$1.35 - \$1.45	Location: 2751 West River Drive (South Natomas) 146 units Built in 2004
1 Bedroom/1 Bath	773	\$1,025 - \$1,100	\$1.33 - \$1.42	
1 Bedroom/1 Bath	741	\$1,125 - \$1,225	\$1.52 - \$1.65	
2 Bedroom/2 Bath	998	\$1,175 - \$1,275	\$1.18 - \$1.28	
2 Bedroom/2 Bath	1,048	\$1,225 - \$1,325	\$1.17 - \$1.26	
2 Bedroom/2 Bath	1,048	\$1,325 - \$1,425	\$1.26 - \$1.36	
3 Bedroom/2 Bath	1,296	\$1,500 - \$1,600	\$1.16 - \$1.23	

APPENDIX C. Table 3.
Asking Rents for Newer Apartment Projects (Built between 2003 & 2012)
Mixed Income Housing Update
City of Sacramento

	Sq. Ft.	Rent Range	Rent PSF	Notes
Broadstone At Strawberry Creek				
1 Bedroom/1 Bath	746	\$925	\$1.24	Location: 8282 Calvine Road (South Area) 264 units Built in 2005
1 Bedroom/1 Bath	822	\$1,160	\$1.41	
2 Bedroom/2 Bath	1,101	\$1,150	\$1.04	
2 Bedroom/2 Bath	1,126	\$1,195	\$1.06	
2 Bedroom/2 Bath	1,162	\$1,280	\$1.10	
3 Bedroom/2 Bath	1,331	\$1,420	\$1.07	
3 Bedroom/2 Bath	1,367	\$1,460	\$1.07	
Sycamore Terrace				
1 Bedroom/1 Bath	876	\$805	\$0.92	Location: 40 Park City Court (Pocket) 244 units Built in 2006
1 Bedroom/1 Bath	1,080	\$825	\$0.76	
1 Bedroom/1 Bath	827	\$830	\$1.00	
1 Bedroom/1 Bath	946	\$830	\$0.88	
2 Bedroom/2 Bath	1,223	\$935	\$0.76	
2 Bedroom/2 Bath	1,151	\$950	\$0.83	
2 Bedroom/2 Bath	1,372	\$995	\$0.73	
2 Bedroom/2 Bath	1,455	\$1,025	\$0.70	
2 Bedroom/2 Bath	1,217	\$1,090	\$0.90	
2 Bedroom/2 Bath	1,104	\$1,150	\$1.04	
3 Bedroom/2 Bath	1,630	\$1,110	\$0.68	
3 Bedroom/2 Bath	1,665	\$1,160	\$0.70	

Source: RealFacts, project websites, forrent.com