

# Investment sales remain sluggish while occupancy and rents grow in Q3

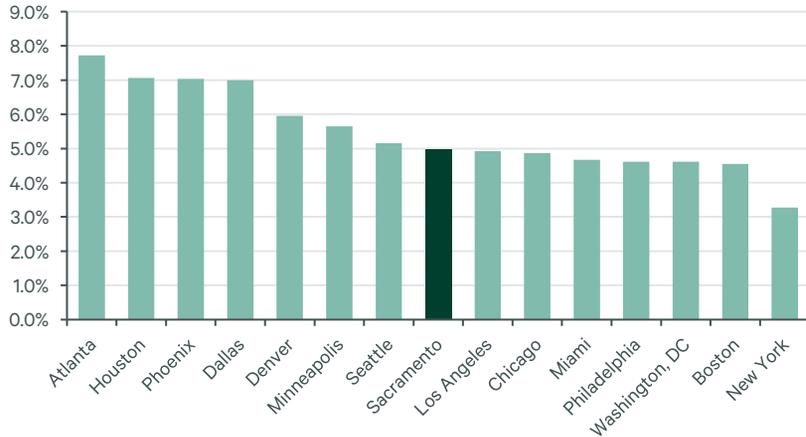
		Q3 2024	Q2 2024	Q3 2023
Occupancy Rate	▲	95.0%	94.7%	94.4%
Average Rental Rate (Unit)	▲	\$2,005	\$1,985	\$1,975
Net Absorption (Units)	▲	1,392	1,090	845
Total Deliveries (Units)	▼	911	550	974
Total Inventory (Units)	▲	166,407	165,496	162,375
Investment Sales Volume	▲	\$113.6M	\$184.2M	\$45.2M
Investment Price/Unit	▼	\$157.9K	\$227.4K	\$193.6K

## MARKET HIGHLIGHTS

- The Sacramento apartment market closed Q3 2024 with an occupancy rate of 95.0%. This represented a 61.4-basis-point increase from Q3 2023.
- The overall average monthly asking rate for apartments in Sacramento ended Q3 2024 at \$2,005, which was up 1.5% from Q3 2023.
- The total apartment units absorbed in Q3 2024 was 1,392, compared to 845 units in Q3 2023.
- There were 911 new apartment units delivered in Q3 2024, compared to 974 units in Q3 2023.
- The total apartment sales in Q3 2024 amounted to \$113.6 million in total volume, compared to \$45.2 million in Q3 2023. The average price per door in Sacramento was \$157,851 in Q3 2024, 18.5% higher than in Q3 2023.

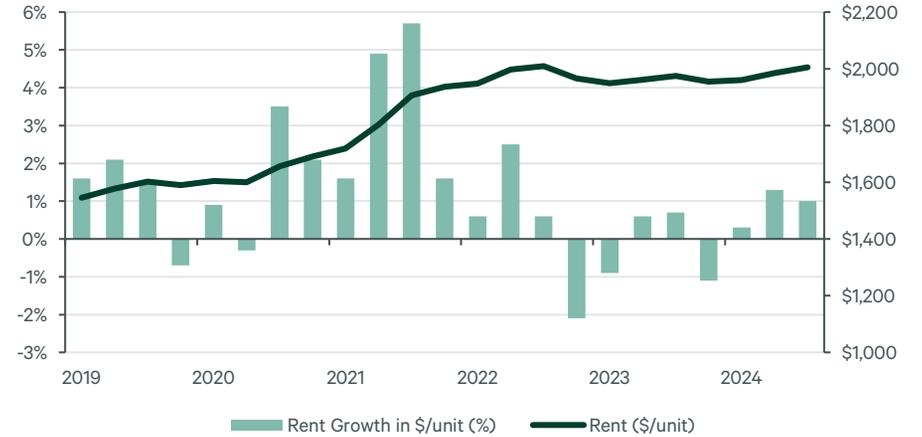
Note: Arrows indicate change from previous year. Investment activity for communities 16 units and greater.

FIGURE 1: Vacancy Rates Across Major Metros



Source: CBRE Research, Econometric Advisors, Q3 2024.

FIGURE 2: Marketwide Asking Rent (R) Effective Rent Growth (L) Trend



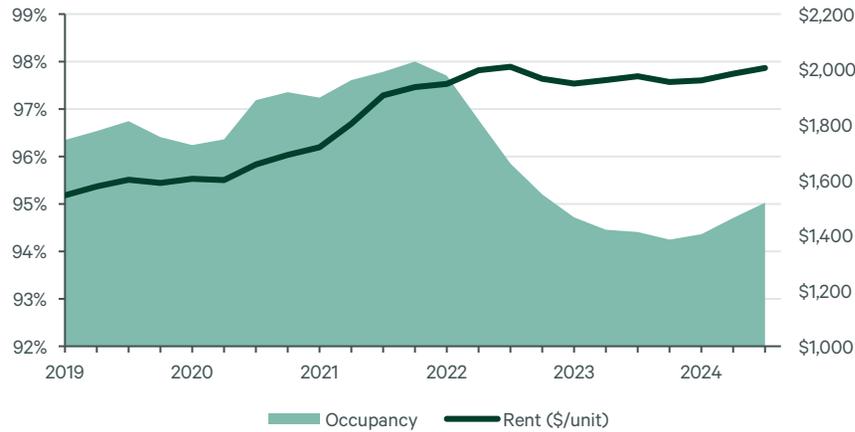
Source: CBRE Research, Econometric Advisors, Q3 2024.

FIGURE 3: Sacramento Market Area Overview

Submarket	Existing Inventory (Units)	Completions			Net Absorption		Vacancy Rate		Rent per Unit			
		Current Qtr. (Units)	Current Qtr. (% of E.I.)	YTD (Units)	Current Qtr. (Units)	YTD (Units)	Current Qtr. (%)	YoY Chg. (BPS)	Current Qtr. (\$)	Q2 2024 (\$)	QoQ Change (\$)	YoY Change (%)
Arden/Arcade	15,726	0	0.0%	0	14	-65	6.2%	-67	\$1,658	\$1,649	\$8.71	0.2%
Carmichael	9,770	0	0.0%	0	58	23	5.0%	-125	\$1,640	\$1,645	-\$4.43	-0.8%
Central Sacramento	20,828	30	0.1%	223	215	-6	7.4%	141	\$2,166	\$2,157	\$9.01	-0.5%
Citrus Heights	6,720	0	0.0%	0	21	39	4.5%	-94	\$1,767	\$1,742	\$24.50	1.6%
Davis	10,756	0	0.0%	72	-214	116	5.4%	321	\$2,441	\$2,514	-\$73.39	-1.5%
Folsom/Orangevale/Fair Oaks	16,598	150	0.9%	0	157	72	4.2%	-136	\$2,185	\$2,156	\$28.79	1.9%
Natomas	11,752	120	1.0%	538	141	590	4.9%	-140	\$2,048	\$1,998	\$49.14	2.5%
North Sacramento/North Highlands	12,097	331	2.7%	21	409	-10	5.7%	-94	\$1,933	\$1,904	\$29.87	1.0%
Rancho Cordova/East Sacramento	11,370	82	0.7%	278	175	220	5.8%	-63	\$1,799	\$1,790	\$9.16	0.5%
Roseville/Rocklin	18,896	198	1.0%	189	202	218	4.5%	-33	\$2,273	\$2,229	\$44.48	3.5%
South Sacramento	23,019	0	0.0%	248	159	305	3.6%	-150	\$1,990	\$1,961	\$29.12	3.5%
Woodland/West Sacramento	8,875	0	0.0%	0	129	-45	4.6%	-83	\$1,853	\$1,857	-\$4.20	-1.0%
<b>Sacramento</b>	<b>166,407</b>	<b>911</b>	<b>0.5%</b>	<b>1,569</b>	<b>1,392</b>	<b>1,665</b>	<b>5.0%</b>	<b>-61</b>	<b>\$2,005</b>	<b>\$1,985</b>	<b>\$20.17</b>	<b>1.5%</b>

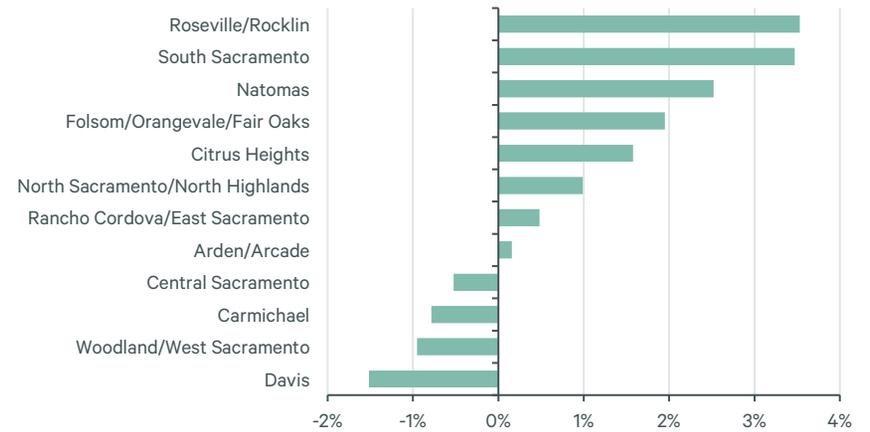
Source: CBRE Research, Econometric Advisors, Q3 2024.

FIGURE 4: Sacramento Occupancy (L) & Average Rent (R) Trend



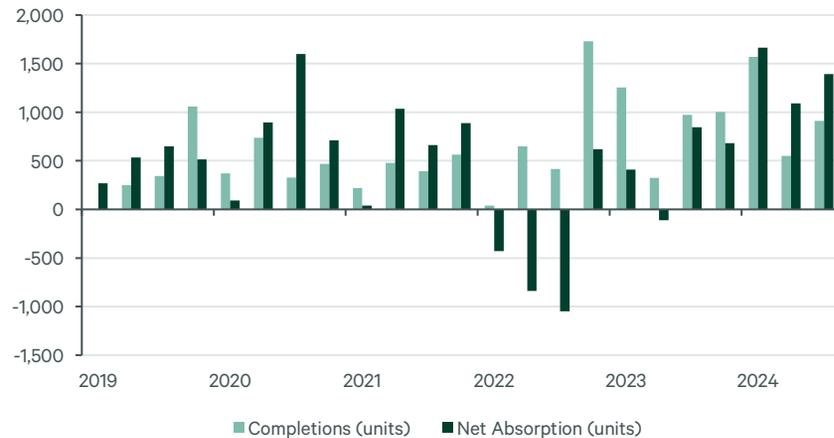
Source: CBRE Research, Oxford Economics, Q3 2024.

FIGURE 6: Sacramento Year over Year Rent Change by Submarket



Source: CBRE Research, Oxford Economics, Q3 2024.

FIGURE 5: Sacramento Historical Completions & Net Absorption Trend



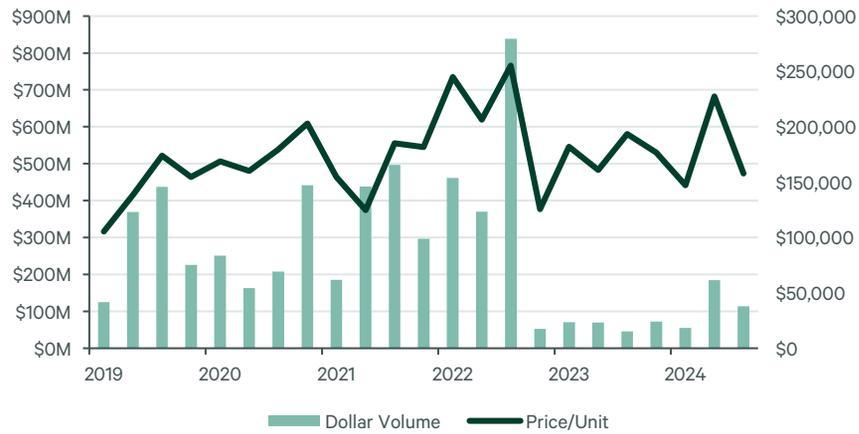
Source: CBRE Research, Oxford Economics, Q3 2024.

FIGURE 7: Sacramento Inventory by Vintage of Property

Vintage	Properties	Total Units	% of Base
Pre-1960s	319	12,258	8%
1960s	325	18,203	12%
1970s	363	33,468	21%
1980s	313	37,195	24%
1990s	98	11,995	8%
2000s	145	22,853	15%
2010s	57	7,152	5%
2020s	85	13,117	8%

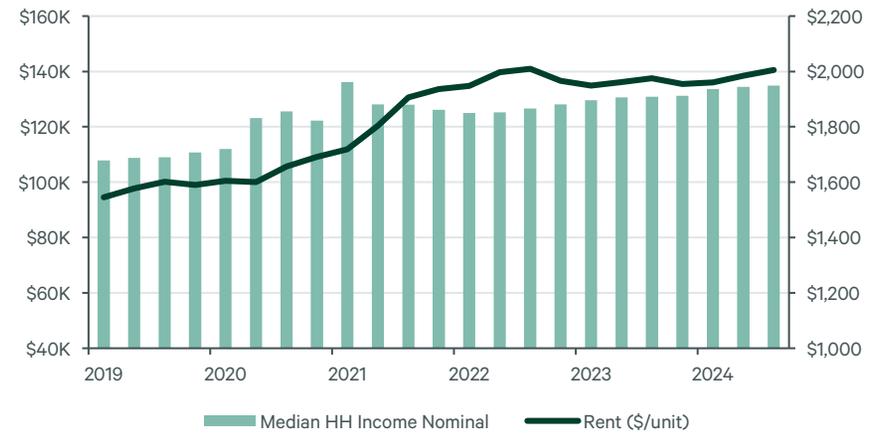
Source: CBRE Research, Costar, Q3 2024.

FIGURE 8: Sacramento Investment \$ Volume (L) & Price / Unit (R) Trend



Source: CBRE Research, Costar Q3 2024.

FIGURE 9: Sacramento Median HH Income (L) & Avg. Rent (R) Trend



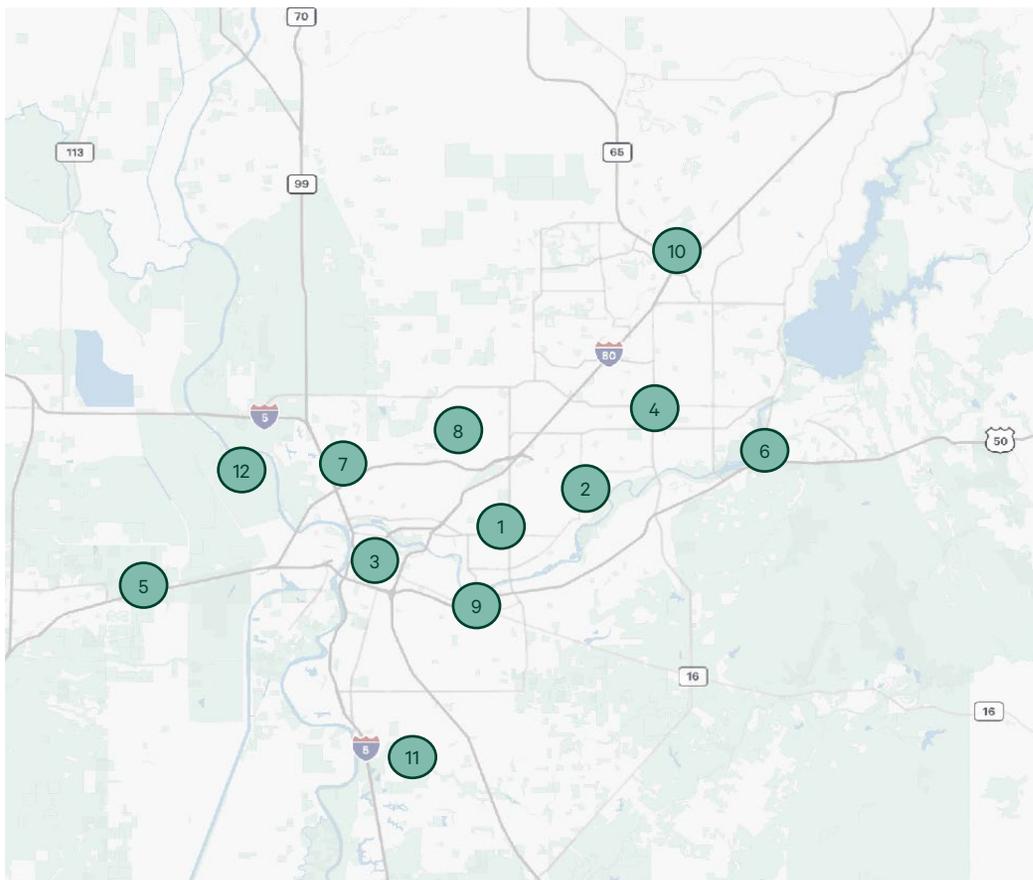
Source: CBRE Research, Oxford Economics, Q3 2024.

FIGURE 10: Sacramento Recent Sales Transactions

Property Name	City	Units	Year Built	Price	Sale Price/Unit	Sale Price/SF	Sale Date
Eviva Midtown	Sacramento	118	2016	\$40,125,000	\$340,042	\$223	Aug-24
Wind Chase Apartments	Sacramento	94	1988	\$20,500,000	\$218,085	\$244	Jul-24
Granite Creek	Rocklin	80	2002	\$19,550,000	\$244,375	\$270	Jul-24
Washington Square	Sacramento	40	1975	\$11,397,367	\$284,934	\$286	Sep-24
River Garden Estates	Sacramento	123	1987	\$9,200,000	\$74,797	\$39	Aug-24
Date Tree Apartments	Sacramento	42	1988	\$7,995,000	\$190,357	\$232	Aug-24

Source: CBRE Research, Costar Q3 2024.

**Market Area Overview**



- Submarkets:**
- 1. Arden/Arcade
  - 2. Carmichael
  - 3. Central Sacramento
  - 4. Citrus Heights
  - 5. Davis
  - 6. Folsom/Orangevale/Fair Oaks
  - 7. Natomas
  - 8. North Sacramento/North Highlands
  - 9. Rancho Cordova/East Sacramento
  - 10. Roseville/Rocklin
  - 11. South Sacramento
  - 12. Woodland/West Sacramento

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