



MULTIFAMILY REPORT

Sacramento Outpaces Nation

December 2024

Occupancy Jumps Above 95%

Rent Gains Surpass US Figures

Construction Starts Temper

SACRAMENTO MULTIFAMILY



Market Performance Shows Momentum

Sacramento displayed improving fundamentals in 2024, exceeding national averages. Average advertised asking rents rose 1.6% year-over-year through October, to \$1,954, almost double the 0.9% U.S. rate. The occupancy rate in stabilized properties increased a strong 70 basis points year-over-year, to 95.3%, in October. Meanwhile, the average U.S. occupancy figure slid 10 basis points, to 94.7%.

Employment growth ebbed and flowed in 2024 in Sacramento, but stayed above the 1.4% U.S. average, at 2.4% as of August. The metro gained 22,500 net jobs in the 12 months ending in August. Even so, most sectors lost jobs, with the steepest contractions recorded in leisure and hospitality (-2,100 jobs), information (-1,100) and manufacturing (-1,000). Education and health services (17,200 jobs) and government (7,000 jobs) led job gains. Unemployment stood at 4.7% in September, outperforming the 5.3% state rate, but trailed the U.S. (4.1%). One notable project underway in Sacramento is The Railyards, which this year had a senior housing component delivered. The 244-acre project also includes a Major League Soccer stadium that is slated to open in 2027.

Developers completed 2,333 units in the area in 2024 through October and had an additional 8,534 apartments under construction. During this period, investors traded \$250 million in multifamily assets, surpassing last year's total. The price per unit increased 12.6% year-to-date, to \$194,100.

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Recent Sacramento Transactions

Eviva Midtown



City: Sacramento, Calif.
Buyer: ConAm
Purchase Price: \$40 MM
Price per Unit: \$340,042

Courtyard



City: Carmichael, Calif.
Buyer: EKHO Capital
Purchase Price: \$21 MM
Price per Unit: \$150,725

Wind Chase



City: Sacramento, Calif.
Buyer: Pearl Investments
Purchase Price: \$21 MM
Price per Unit: \$218,085

Mutual Housing at River Garden



City: Sacramento, Calif.
Buyer: Apartment Corp.
Purchase Price: \$9 MM
Price per Unit: \$74,194