



MULTIFAMILY REPORT

Sacramento's Balancing Act

December 2025

Transactions Pick Up

Occupancy Steady, Above 95%

Employment Market Below US

SACRAMENTO MULTIFAMILY



Rents Slide Amid Supply Surge

Sacramento's average advertised asking rent was down 0.2%, on a trailing three-month basis through October, to \$1,959, mirroring national trends. Meanwhile, even as supply accelerated beyond the market's regular pace, occupancy in stabilized assets remained flat year-over-year, at 95.3%, and above the 94.7% U.S. rate.

Sacramento employment gains continued to soften, at 0.6% through August, and 20 basis points below the U.S. average. Education and health services led growth, adding 10,600 net positions, but the metro lost a combined 12,900 jobs across seven other sectors. The area's unemployment rate stood at 5.4% as of August, 110 basis points above the national figure, according to preliminary data from the Bureau of Labor Statistics. Sacramento's economy could get a boost from the development of the mixed-use Cordova City Center. The \$1 billion project is set to break ground next year, with completion slated for 2027.

Developers delivered 4,662 units through October, representing 3.2% of stock. That marked the strongest development pace for Sacramento in at least a decade. Meanwhile, investment accelerated: A total of \$583 million in assets traded in 2025 through October, already some \$120 million more than 2024's entire volume.

Market Analysis | December 2025

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x14006

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Madalina Pojoga
Associate Editor

On the cover: Photo by Jacob Boomsma/iStockphoto.com

Recent Sacramento Transactions

The Falls at Arden



City: Sacramento, Calif.
Buyer: Jackson Square Properties
Purchase Price: \$55 MM
Price per Unit: \$200,735

ReNew Arden



City: Sacramento, Calif.
Buyer: FPA Multifamily
Purchase Price: \$19 MM
Price per Unit: \$124,178

Pointe Townhomes



City: Sacramento, Calif.
Buyer: Cahill Realty
Purchase Price: \$12 MM
Price per Unit: \$190,625

River Cove

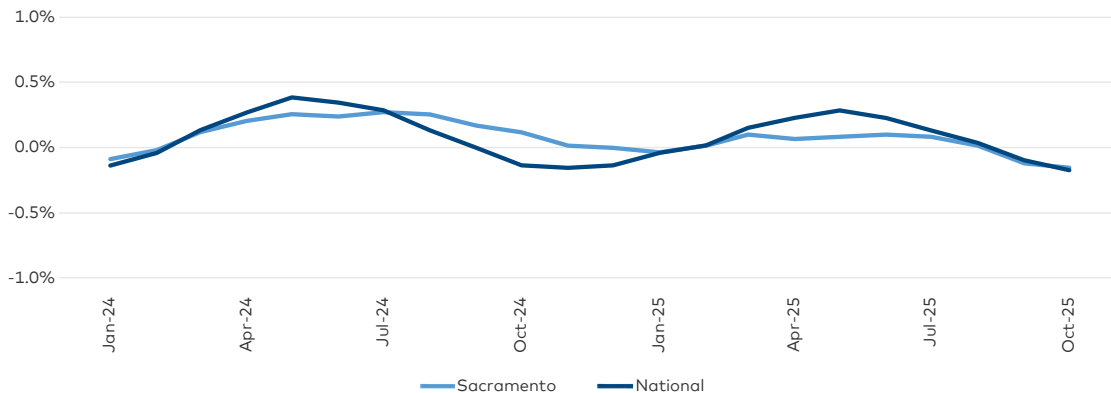


City: Sacramento, Calif.
Buyer: Cahill Realty
Purchase Price: \$11 MM
Price per Unit: \$185,000

RENT TRENDS

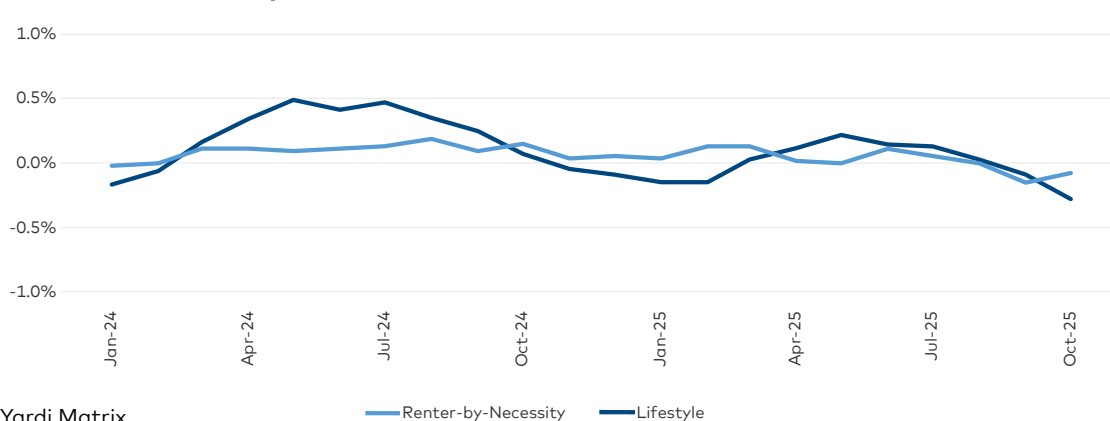
- ▶ Sacramento's average advertised asking rent slid 0.2%, on a trailing three-month (T3) basis as of October, to \$1,959, mirroring national trends. Year-over-year, area rent movement reached a plateau in November 2024, then saw growth during 2025's prime leasing months only to settle at -0.1% through October. Meanwhile, the national average asking rent rose 0.5% over 12 months.
- ▶ Movement was uneven across quality segments. Rates in working-class Renter-by-Necessity properties were down 0.1%, on a T3 basis through October, to \$1,773. Meanwhile, Lifestyle rates recorded a steeper slide, down 0.3%, to \$2,272. This followed several stronger months for the upscale segment, with improvement starting in March and reaching a 0.3% peak in May 2025.
- ▶ The metro's average overall occupancy rate in stabilized properties stood at 95.3% as of September, flat year-over-year. The national average was up 10 basis points, to 94.7%. Sacramento's Lifestyle rate saw an uptick of 10 basis points, to 95.6%, while occupancy for RBN assets declined, down 10 basis points to 95.1%.
- ▶ Of the 48 submarkets tracked by Yardi Matrix, 18 registered contractions in advertised asking rents year-over-year through October. The metro's urban core mostly stayed within positive margins, sustaining the area's performance. Midtown saw a 1.3% average asking rent increase, to \$2,035. The Broadway Corridor also improved, up 8.8% to \$2,392.

Sacramento vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Sacramento Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Sacramento employment gains continued to soften, down to 0.6% through August and 20 basis points below the U.S. figure. The rate has been slipping steadily since June last year, when it stood at 1.8%.
- Performance was spotty across sectors. Education and health services led growth, with 10,600 net positions added to the workforce in the 12 months ending in August, for a 5.3% yearly gain. Leisure and hospitality (1,600 jobs) and other services (300 jobs) followed. Meanwhile, seven sectors lost 12,900 positions combined, with professional and business services accounting for the largest losses, shedding 6,100 jobs.
- Sacramento's unemployment rate stood at 5.4% as of August, 110 basis points above the national average, according to preliminary data from the Bureau of Labor Statistics. Yet, the figure stood below California's 5.5% average.
- The Sacramento City Council approved the Cordova City Center project, a mixed-use district that is set to encompass a 7,500-seat arena, 150,000 square feet of retail space and mixed-use residences. Groundbreaking on the \$1 billion development is planned for next year, while the project is slated for delivery in the fall of 2027.

Sacramento Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	210.2	19.3%
70	Leisure and Hospitality	115.2	10.6%
80	Other Services	40.2	3.7%
50	Information	8.9	0.8%
30	Manufacturing	40.2	3.7%
40	Trade, Transportation and Utilities	165.6	15.2%
55	Financial Activities	45.8	4.2%
90	Government	257.9	23.7%
15	Mining, Logging and Construction	76.1	7.0%
60	Professional and Business Services	129.9	11.9%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Sacramento's population expanded by 15,305 residents in 2022, marking a 0.6% increase. Meanwhile, the U.S. population grew 0.4%.
- The metro gained some 250,000 residents in the 10 years ending in 2022, with growth steady throughout.

Sacramento vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Sacramento	2,315,980	2,338,866	2,379,368	2,394,673

Source: U.S. Census

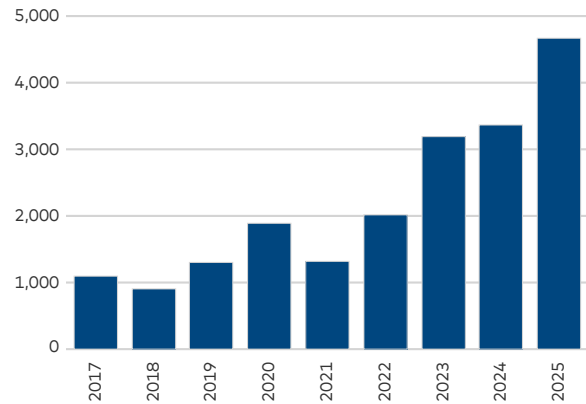
SUPPLY

- ▶ Developers brought 4,662 units online in 2025 through October, accounting for 3.2% of existing stock. That was 60 basis points higher than the national average, marking a significant spike for an otherwise undersupplied market. Another stat bucking the trend: More than half of the units coming online in 2025 were affordable, with the rest in the Lifestyle segment.
- ▶ Sacramento had 5,473 units under construction as of October 2025. Meanwhile, another 39,000 units were in the planning and permitting stages. The under-construction pipeline was concentrated in upscale projects, which comprised 68.6% of units, while Renter-by-Necessity and fully affordable developments accounted for the remaining 31.4%.
- ▶ Construction starts went up compared to 2024, though not by much. Work started on only 1,921 units across 11 projects in 2025 through October. By comparison, developers kicked off 10 projects totaling 1,729 units during the same period of 2024.
- ▶ Of the 48 submarkets tracked by Yardi Matrix, 15 had at least one project of more than 50 units underway. Only one submarket crossed the 1,000-unit mark, as Rocklin/Roseville led

with 1,040 units underway. The Central Business District (946 units) and Outlying Placer County (549 units) followed.

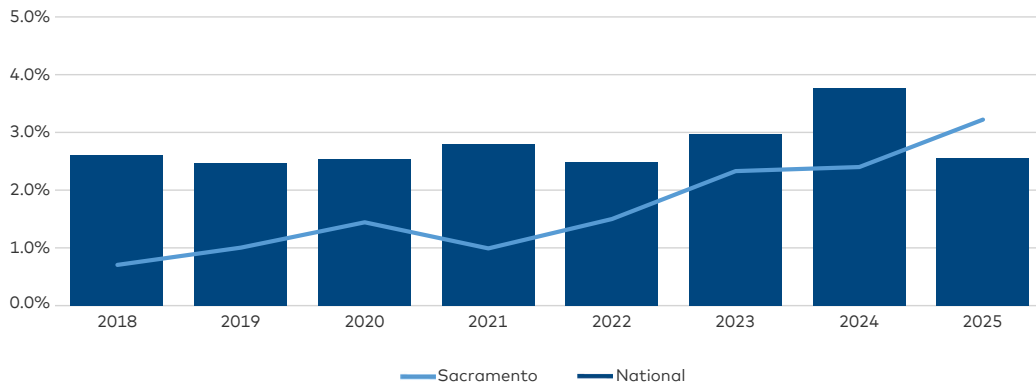
- ▶ The Harper, in Rocklin, Calif., is the largest project expected to come online in 2026 in metro Sacramento. Developed by Advanced Building Solutions, the 397-unit, 13-building property benefited from a \$60 million construction loan from Comerica Bank in 2024.

Sacramento Completions (as of October 2025)



Source: Yardi Matrix

Sacramento vs. National Completions as a Percentage of Total Stock (as of October 2025)

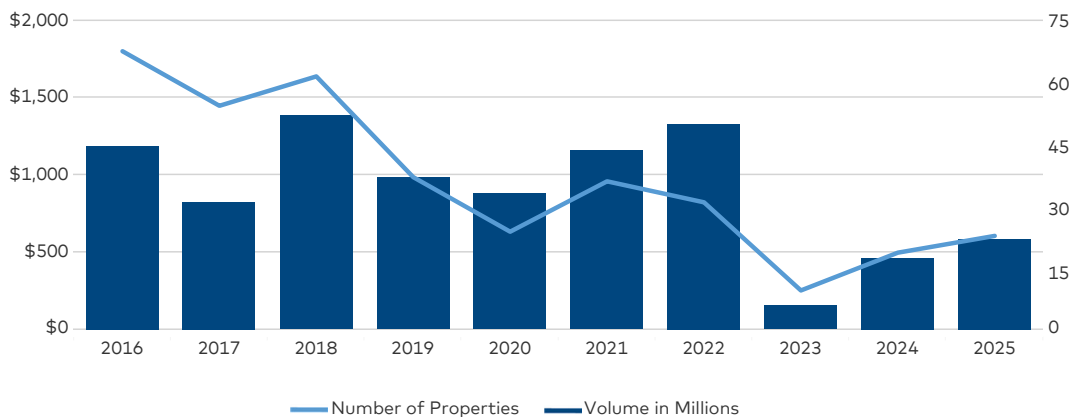


Source: Yardi Matrix

TRANSACTIONS

- ▶ Sacramento multifamily deals reached \$583 million in the first 10 months of 2025. Investment activity is picking up after the previous two years marked a sharp slowdown, with the total volume at just \$614 million for 2013 and 2014 combined.
 - ▶ Sales composition was tilted heavily toward value-add plays in 2025 through October, with Renter-by-Necessity assets accounting for 20 of the 24 properties trading in metro Sacramento.
- Still, the price per unit rose to \$210,495, up 17.5% from 2024 and just above the \$207,418 U.S. average.
- ▶ Only two submarkets exceeded the \$100 million mark for multifamily transactions during the 12 months ending in October. North West Sacramento led, with \$184 million in assets changing hands, followed by North Highlands (\$128 million) and Encina/Ethan/Woodside (\$97 million).

Sacramento Sales Volume and Number of Properties Sold (as of October 2025)



Source: Yardi Matrix

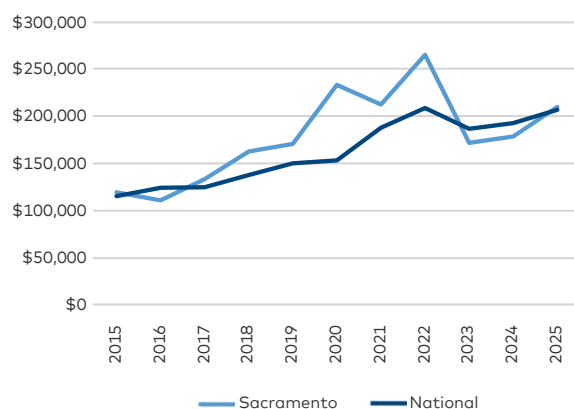
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
North West Sacramento	184
North Highlands	128
Encina/Ethan/Woodside	97
Rocklin/Roseville	63
Natomas	53
Pocket/West Greenhaven	51
South Woodland	41

Source: Yardi Matrix

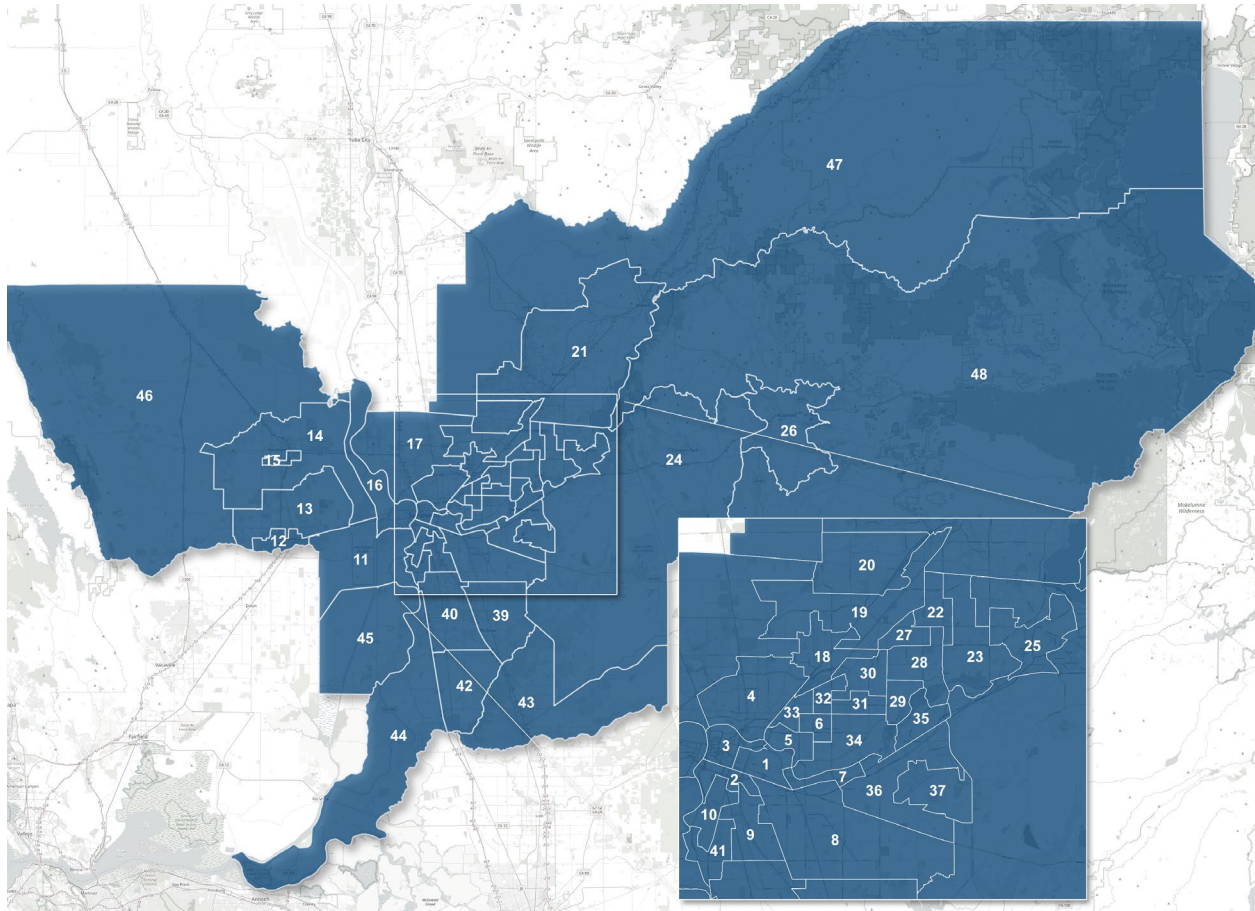
¹ From November 2024 to October 2025

Sacramento vs. National Sales Price per Unit



Source: Yardi Matrix

SACRAMENTO SUBMARKETS



Area No.	Submarket
1	Midtown
2	Broadway Corridor
3	Central Business District
4	North Sacramento
5	Encina/Ethan/Woodside
6	Arden Gardens/Arden Terrace
7	La Riviera
8	Florin/Southeast Sacramento
9	Parkway/South Sacramento
10	Land Park
11	Pocket/West Greenhaven
12	Central Davis
13	Greater Davis
14	North Woodland
15	South Woodland
16	North West Sacramento

Area No.	Submarket
17	Natomas
18	North Highlands
19	Foothills Farms/West Citrus Heights
20	Antelope
21	Rocklin/Roseville
22	Central Citrus Heights
23	Fair Oaks
24	Greater Folsom/El Dorado Hills
25	Central Folsom/South Orangevale
26	Placerville
27	Southwest Citrus Heights
28	Northeast Carmichael/West Fair Oaks
29	Southeast Carmichael
30	West Carmichael
31	Arcade Village/Mission
32	Mira Loma/Marconi

Area No.	Submarket
33	Bellview/Howe Edison
34	Arden Manor/Sierra Oaks Vista
35	North Rancho Cordova
36	South Rancho Cordova/Rosemont
37	Mather Airport
39	Elk Grove
40	Laguna Wes
41	East Greenhaven/South Land Park
42	Franklin/Laguna
43	Galt
44	Outlying Sacramento County
45	South Yolo County
46	Western Yolo County
47	Outlying Placer County
48	Outlying El Dorado County

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.



Yardi[®] Matrix

Power your business
with the industry's
leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily
provides accurate data on
nearly **23 million** units, covering
over **92%** of the U.S. population.



(800) 866-1144

Learn more at yardimatrix.com/multifamily

Contact
US



DISCLAIMER

Although every effort is made to ensure the accuracy, timeliness and completeness of the information provided in this publication, the information is provided "AS IS" and Yardi Matrix does not guarantee, warrant, represent or undertake that the information provided is correct, accurate, current or complete. Yardi Matrix is not liable for any loss, claim, or demand arising directly or indirectly from any use or reliance upon the information contained herein.

COPYRIGHT NOTICE

This document, publication and/or presentation (collectively, "document") is protected by copyright, trademark and other intellectual property laws. Use of this document is subject to the terms and conditions of Yardi Systems, Inc. dba Yardi Matrix's Terms of Use (<http://www.yardimatrix.com/Terms>) or other agreement including, but not limited to, restrictions on its use, copying, disclosure, distribution and decompilation. No part of this document may be disclosed or reproduced in any form by any means without the prior written authorization of Yardi Systems, Inc. This document may contain proprietary information about software and service processes, algorithms, and data models which is confidential and constitutes trade secrets. This document is intended for utilization solely in connection with Yardi Matrix publications and for no other purpose.

Yardi®, Yardi Systems, Inc., the Yardi Logo, Yardi Matrix, and the names of Yardi products and services are trademarks or registered trademarks of Yardi Systems, Inc. in the United States and may be protected as trademarks in other countries. All other product, service, or company names mentioned in this document are claimed as trademarks and trade names by their respective companies.

© 2025 Yardi Systems, Inc. All Rights Reserved.