

the gregory group

Sacramento Housing Market Forecast
Appraisal Institute

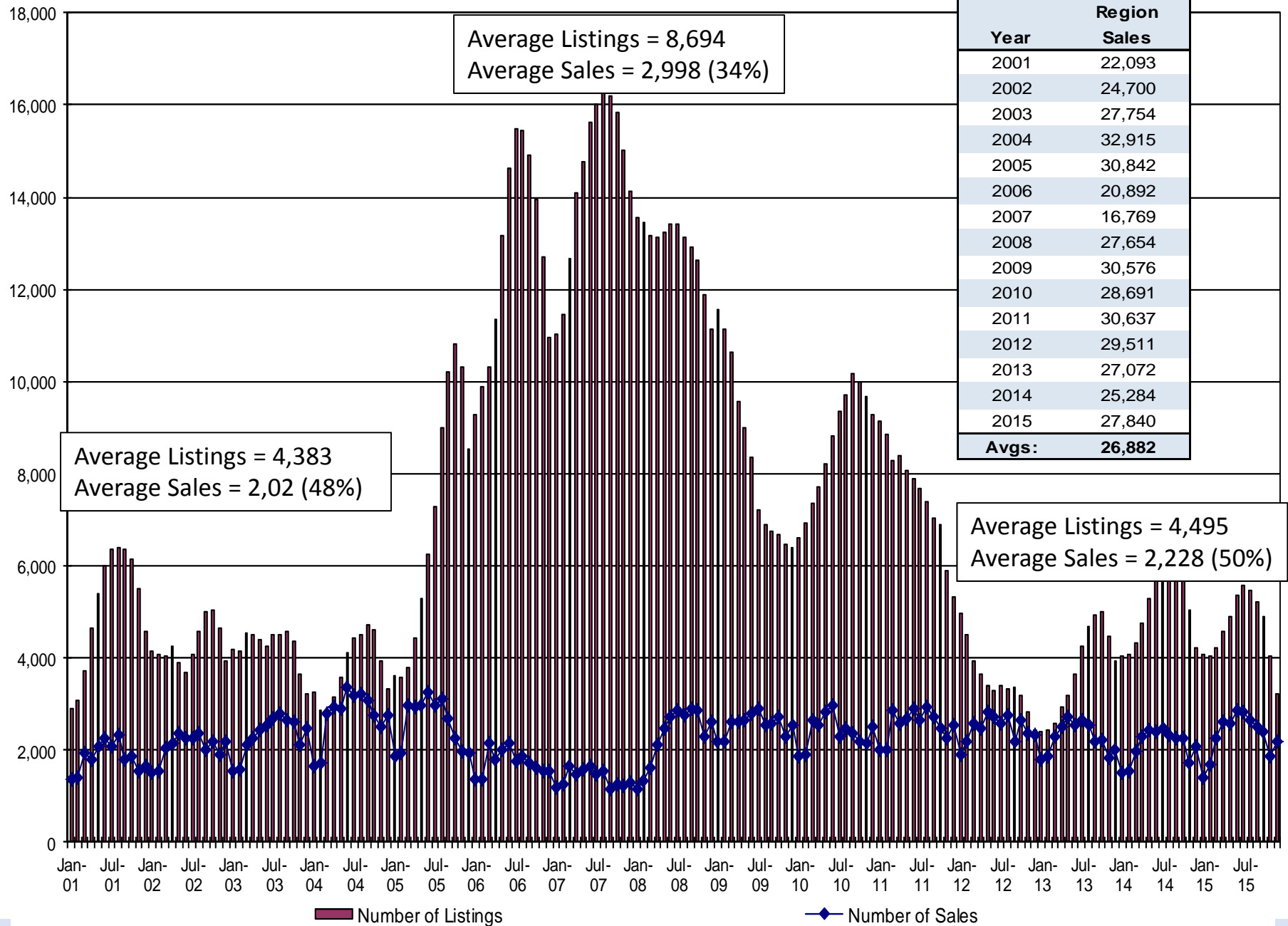
February 5, 2016

Disclaimer

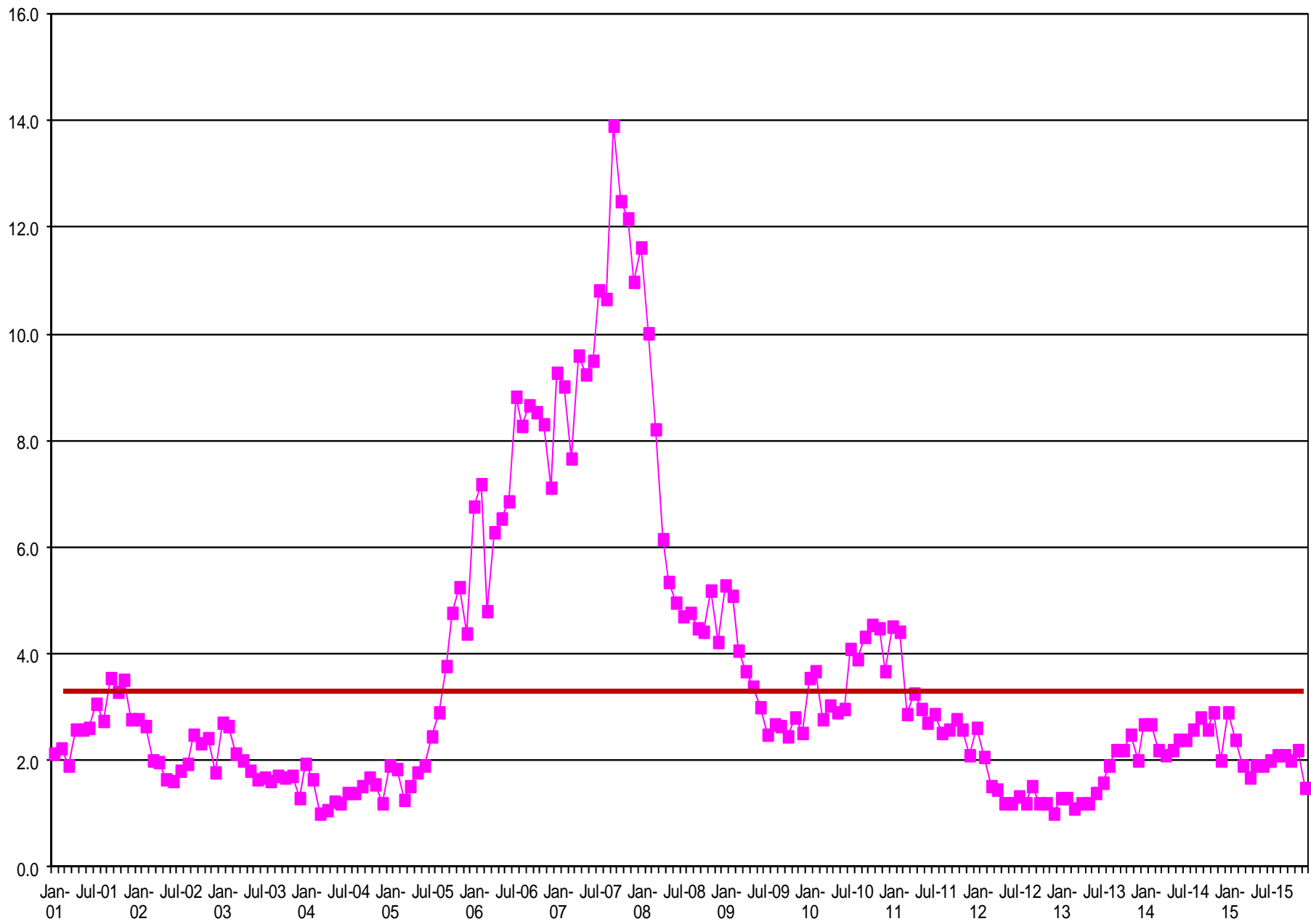
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Number of Listings Versus Number of Sales

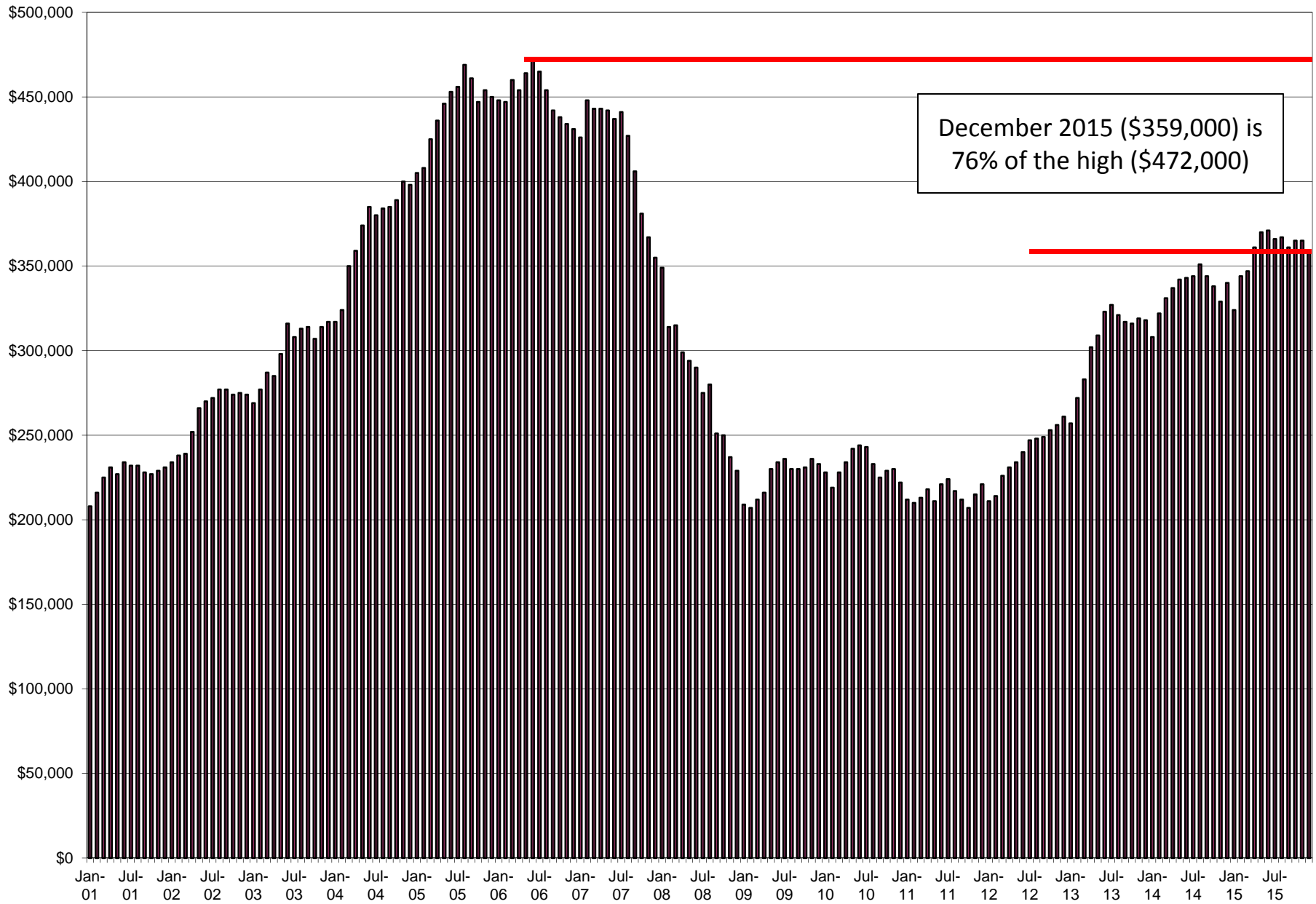
Sacramento Region	
Year	Sales
2001	22,093
2002	24,700
2003	27,754
2004	32,915
2005	30,842
2006	20,892
2007	16,769
2008	27,654
2009	30,576
2010	28,691
2011	30,637
2012	29,511
2013	27,072
2014	25,284
2015	27,840
Avg:	26,882



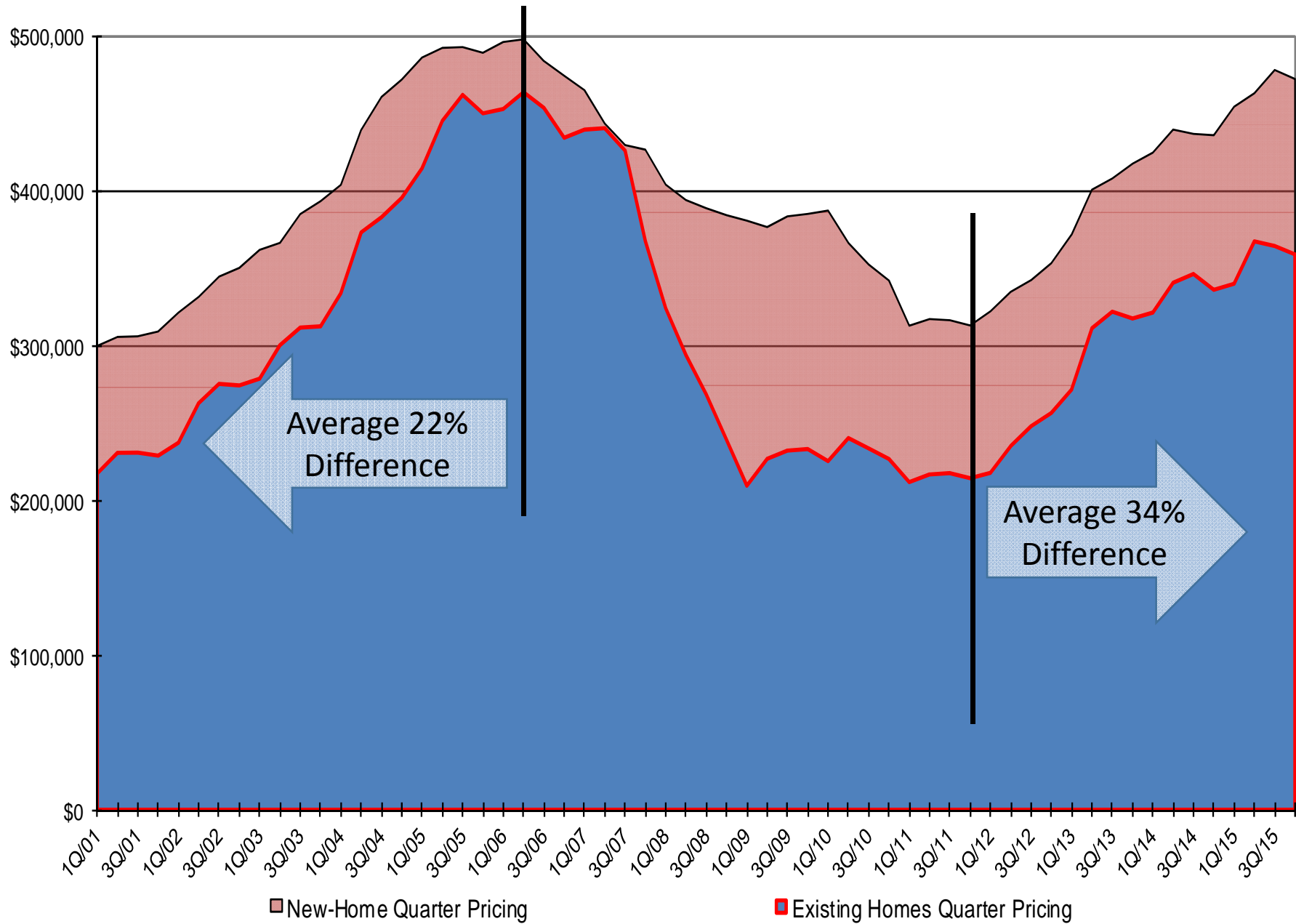
Months of Inventory



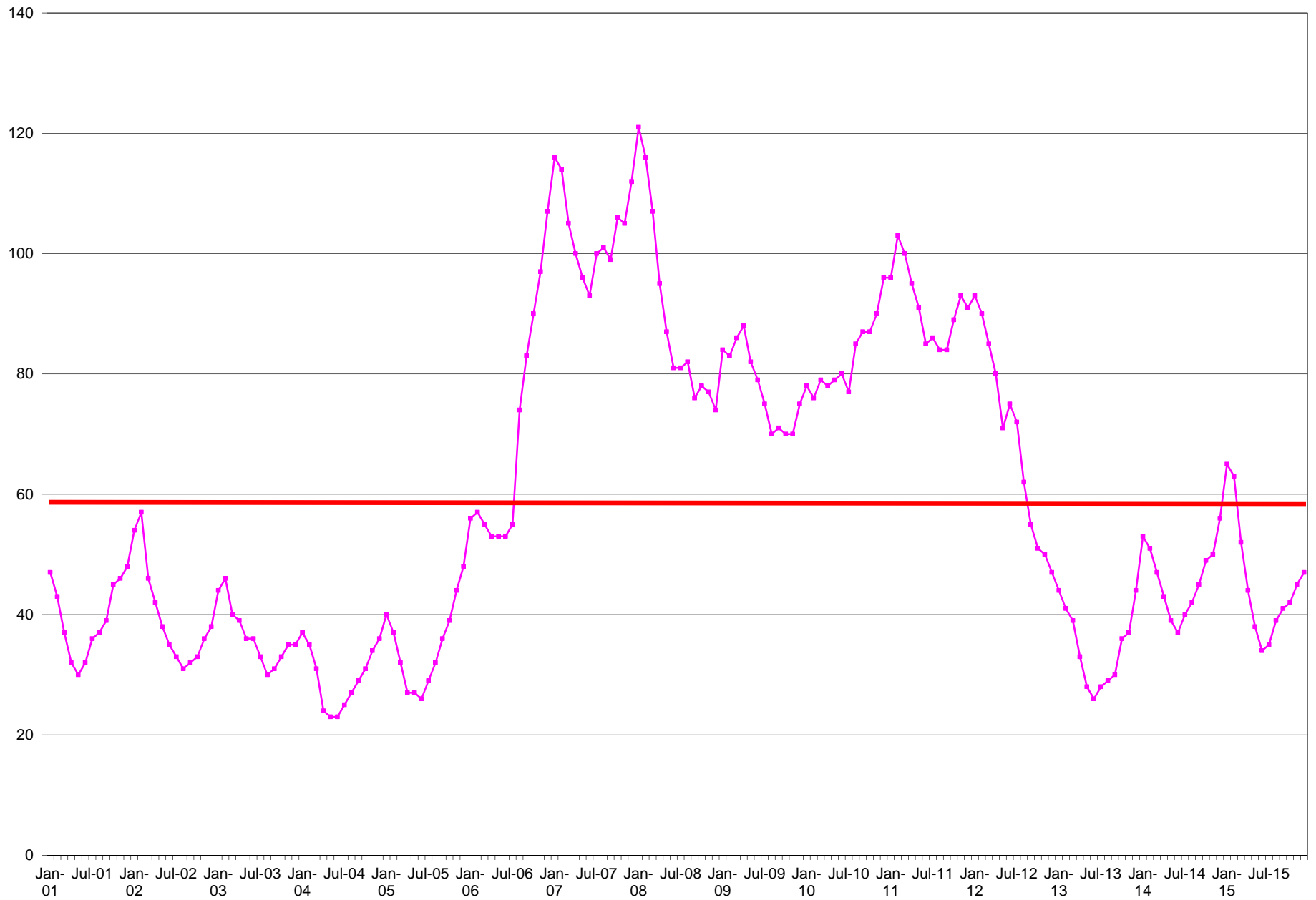
Existing Home Average Sales Price



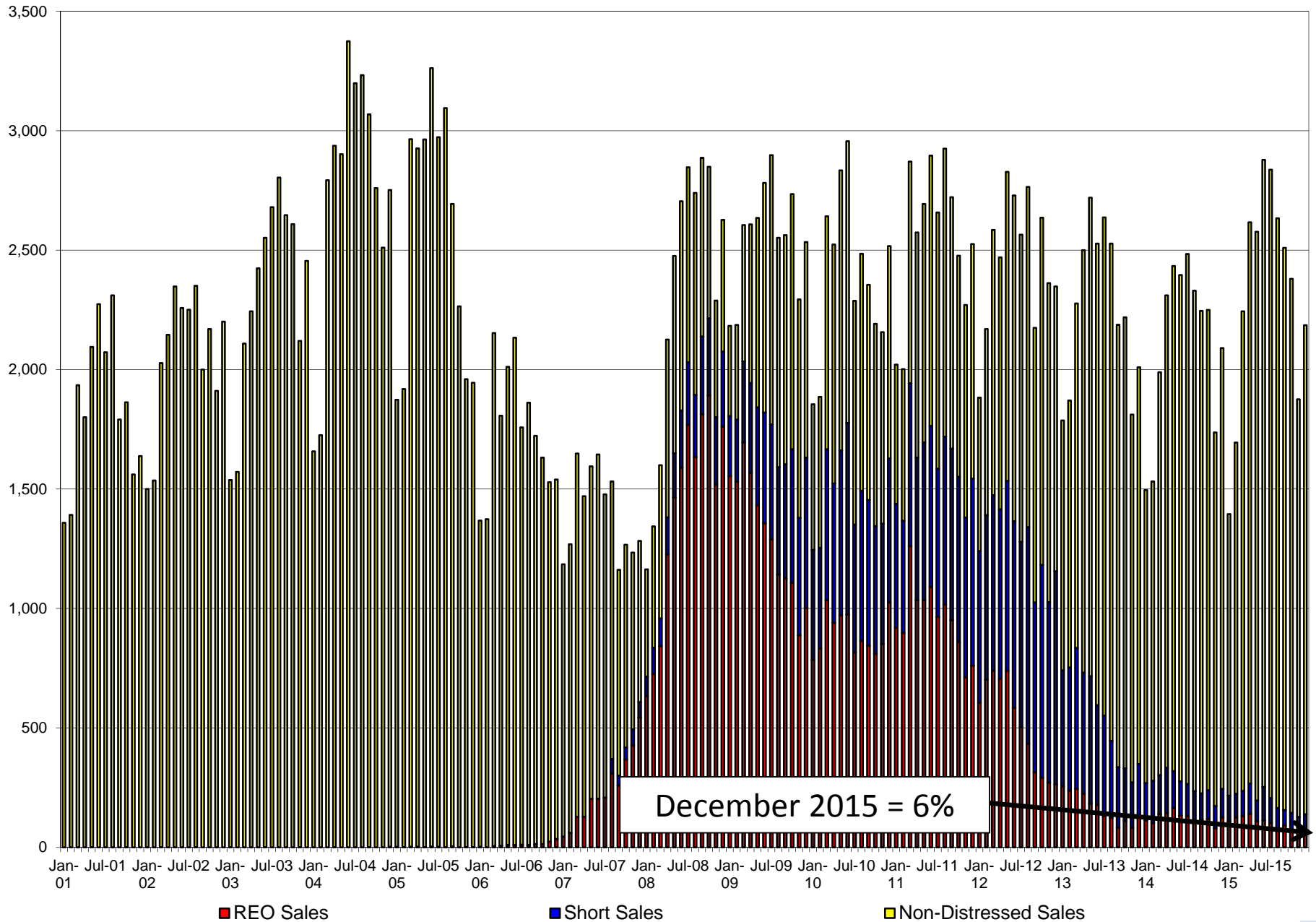
New Home Price Versus Existing Home Price



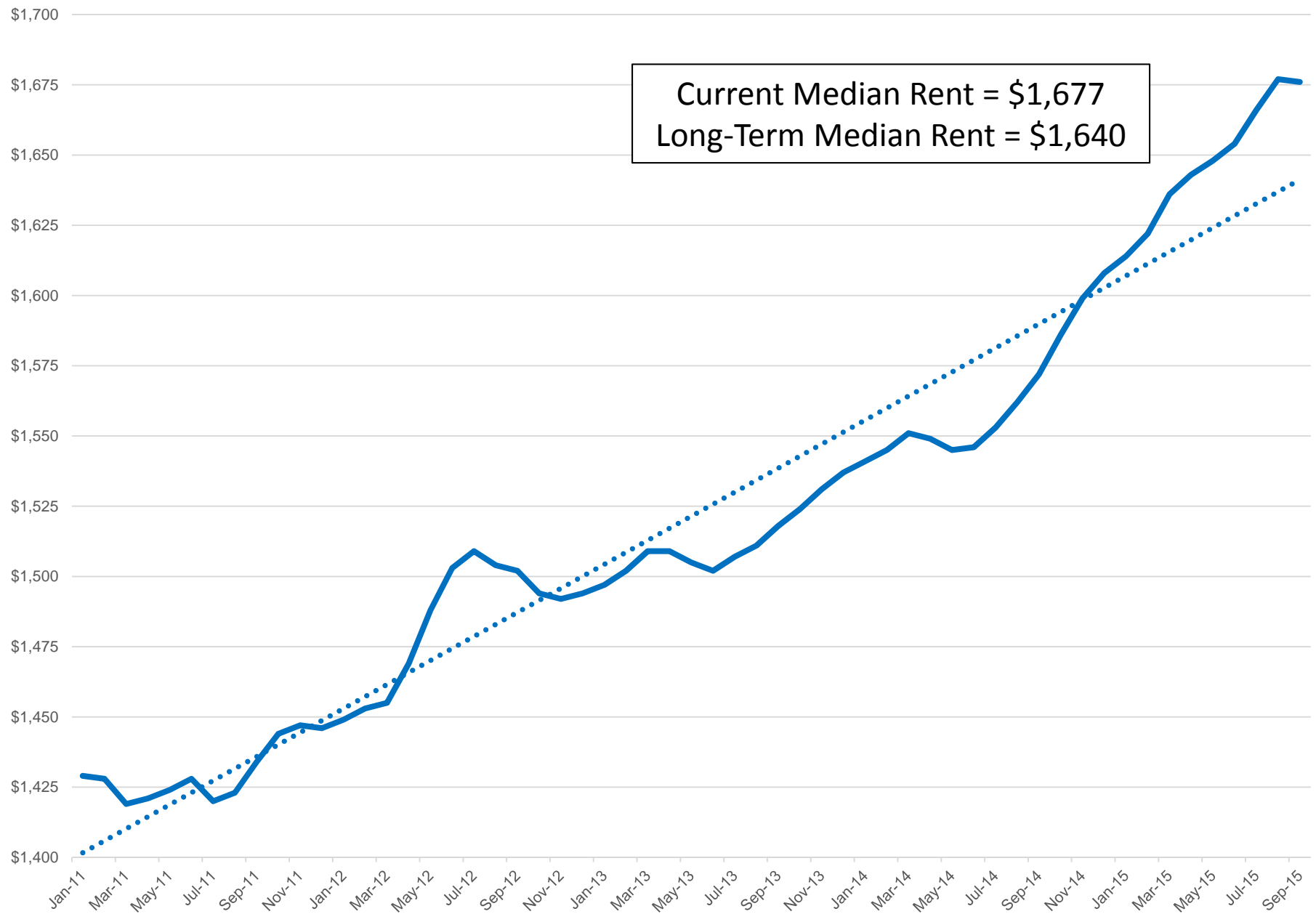
Existing Home Average Days on Market



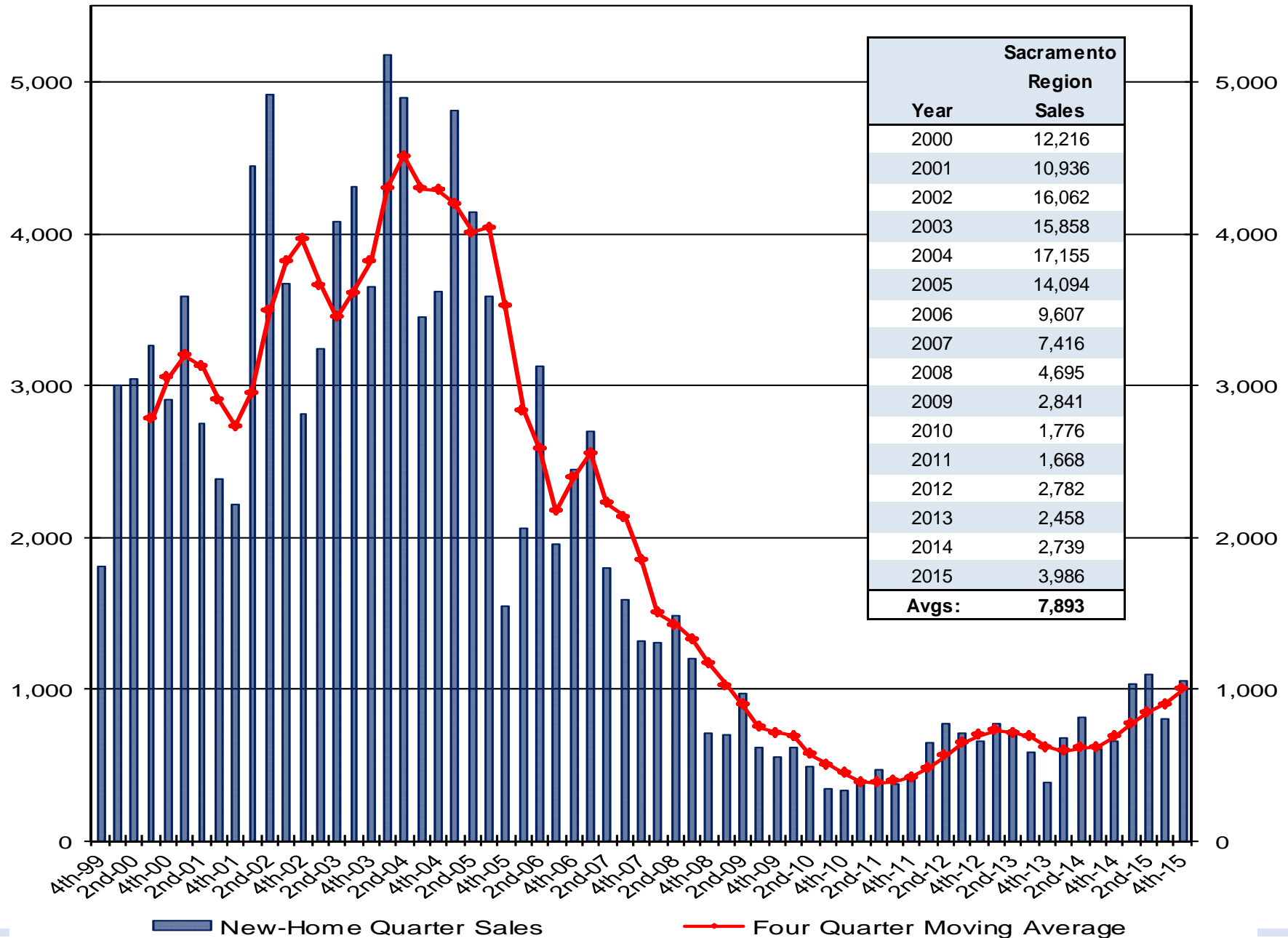
REO Sales/Short Sales/Non-Distressed Sales



Median Rental Price



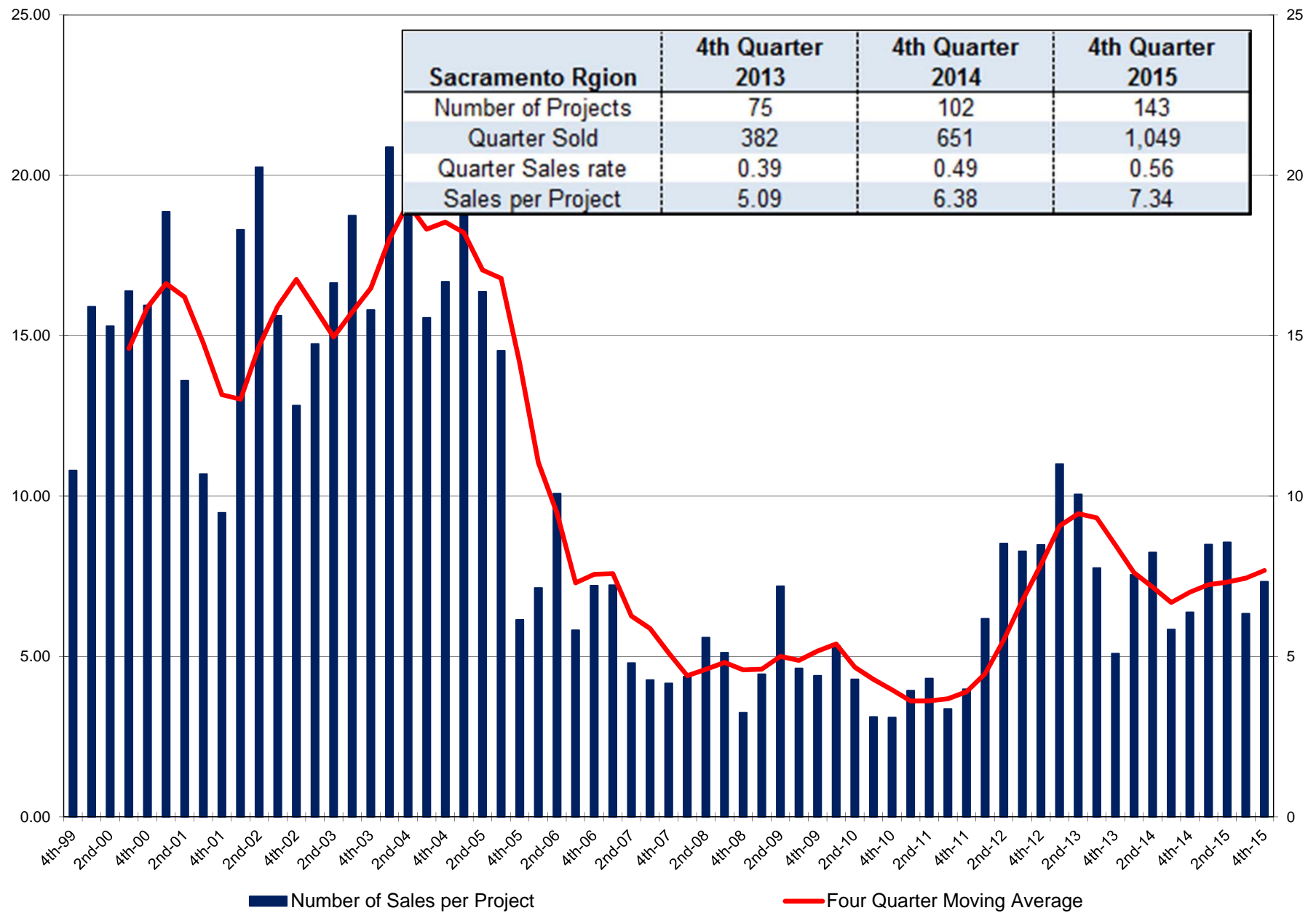
New Home Sales




Top Ten Sales By Community						
Community	2015	Percent Capture	2014 Sales	2014 % Capture	2013 Sales	2013 % Capture
Roseville (\$450,810)	934	23.5%	506	19.0%	498	20.8%
Laguna (\$440,280)	643	16.2%	339	12.8%	327	13.6%
El Dorado Hills (\$613,380)	343	8.6%	183	6.7%	166	6.8%
Rocklin (\$511,690)	309	7.8%	203	7.6%	78	3.3%
Rancho Cordova (\$386,260)	304	7.6%	229	8.6%	212	8.8%
Lincoln (\$548,022)	239	6.0%	290	10.9%	266	11.1%
Elk Grove (\$423,463)	224	5.6%	273	10.3%	192	8.0%
Folsom (\$506,822)	131	3.3%	231	8.7%	210	8.8%
Woodland (\$450,688)	112	2.8%	128	4.8%	90	3.8%
West Sacramento (\$494,133)	41	1.0%	37	1.4%	73	3.0%

- Top ten communities account for 82.5% of all new-home sales
- Only one top ten community has an average price that is less than \$400,000
- Only three top ten communities have an average price that is less than \$450,000

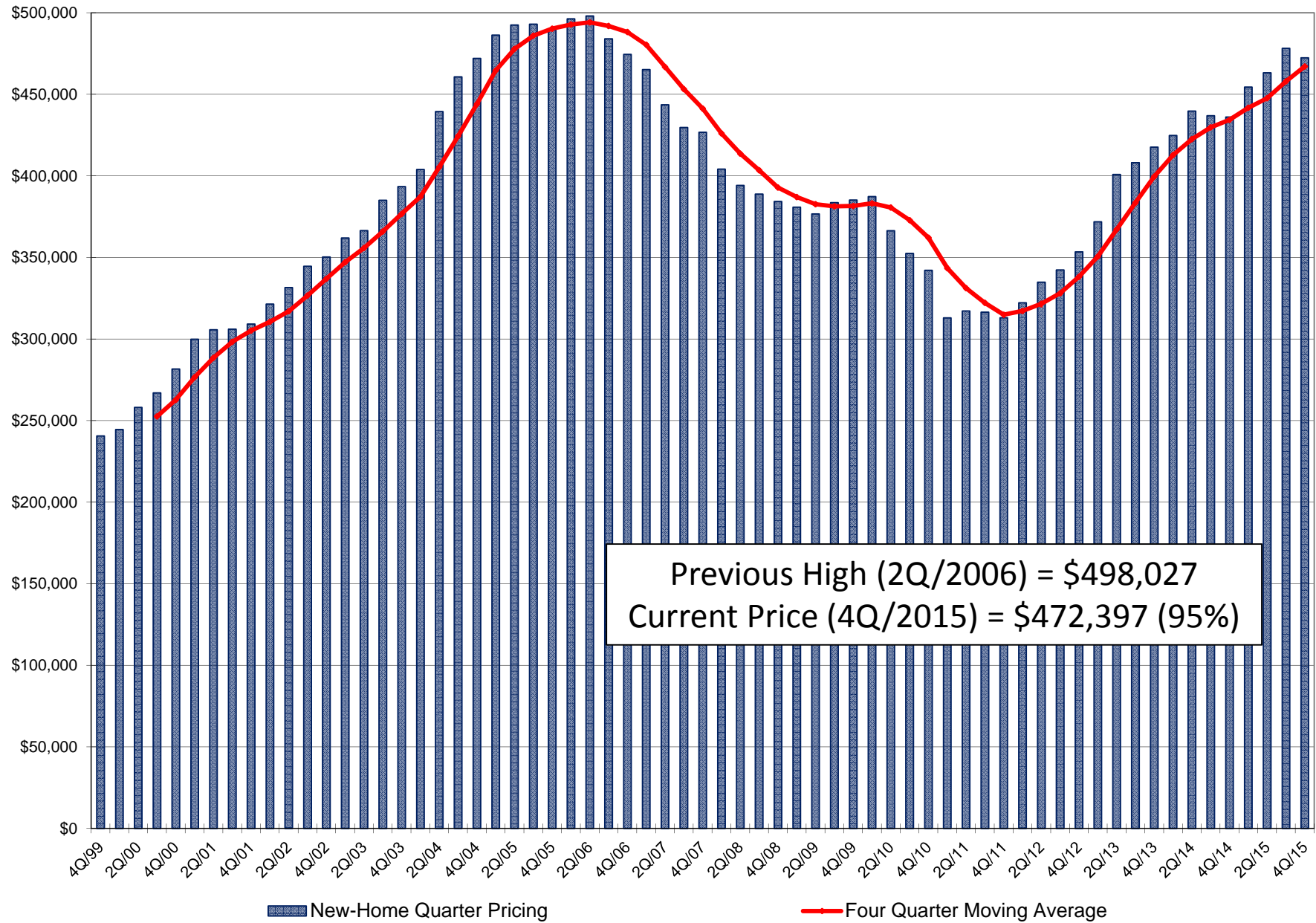
New Home Sales Per Project Per Quarter



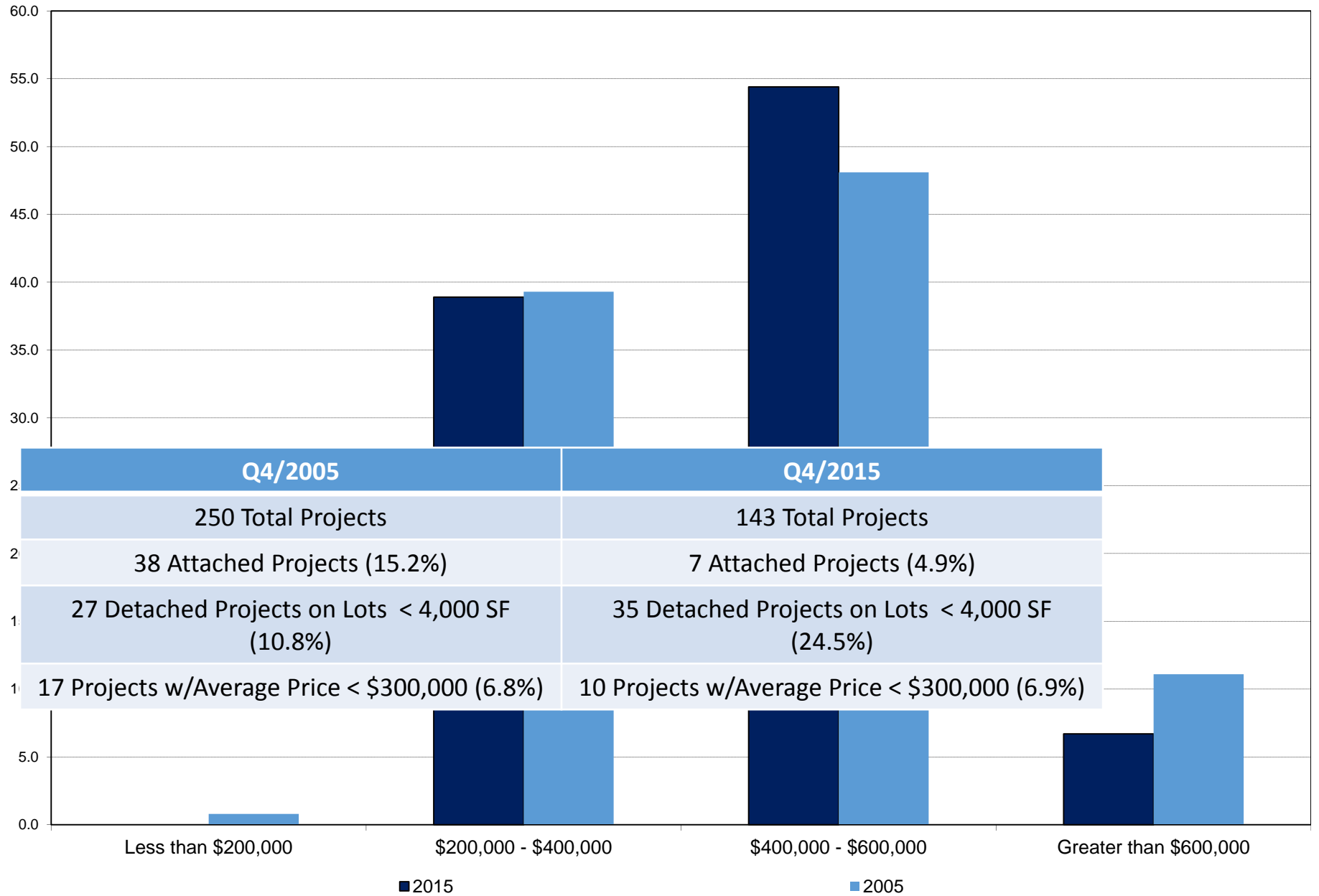
Year	Sacramento Region Sales	El Dorado County Sales	Placer County Sales	Sacramento County Sales	Sutter County Sales	Yolo County Sales	Yuba County Sales
2000	12,216	5.4%	32.1%	56.8%	0.0%	5.7%	0.0%
2001	10,936	5.0%	30.0%	56.0%	0.0%	9.1%	0.0%
2002	16,062	5.8%	30.6%	58.8%	0.0%	4.8%	0.0%
2003	15,858	5.9%	26.3%	60.7%	1.2%	4.3%	1.7%
2004	17,155	6.1%	19.3%	54.7%	3.6%	8.1%	8.1%
2005	14,094	4.1%	18.5%	54.8%	5.7%	8.1%	8.9%
2006	9,607	3.8%	27.1%	49.2%	4.6%	9.5%	5.7%
2007	7,416	4.4%	29.0%	46.3%	4.0%	8.5%	7.8%
2008	4,695	2.4%	28.1%	54.1%	1.4%	10.2%	3.8%
2009	2,841	4.2%	39.1%	42.1%	0.7%	8.6%	5.3%
2010	1,776	2.0%	48.6%	41.6%	1.4%	5.0%	1.5%
2011	1,668	2.4%	39.7%	47.1%	1.0%	6.3%	3.5%
2012	2,782	4.9%	39.1%	45.3%	0.4%	8.1%	2.3%
2013	2,458	6.8%	36.2%	46.3%	0.0%	8.3%	2.5%
2014	2,739	6.7%	38.3%	45.9%	0.3%	6.2%	2.7%
2015	3,986	8.6%	37.7%	45.0%	0.3%	5.0%	3.2%
Avg:	7,893	5.2%	28.1%	53.9%	2.0%	7.1%	3.8%


82.0%

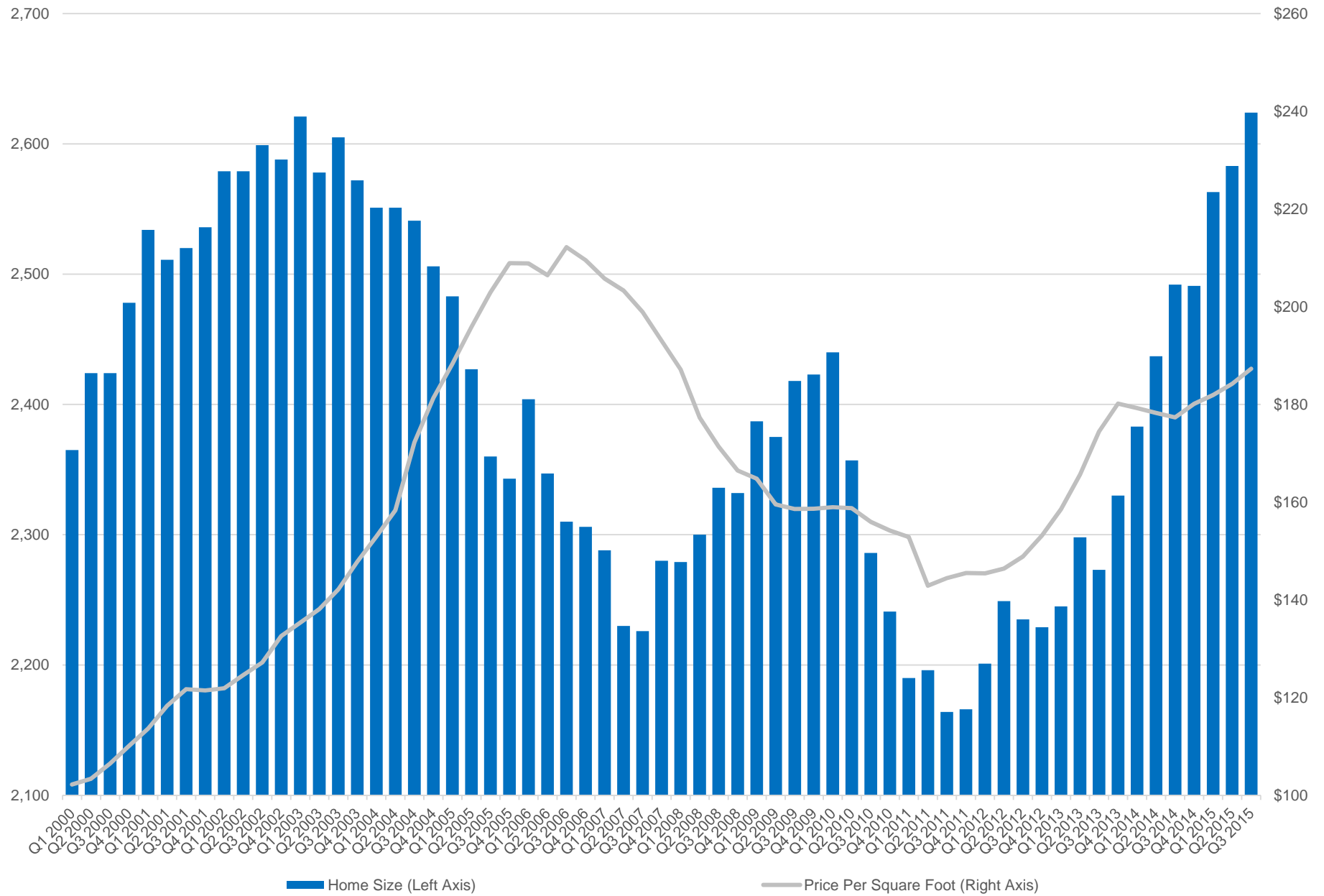
New Home Pricing



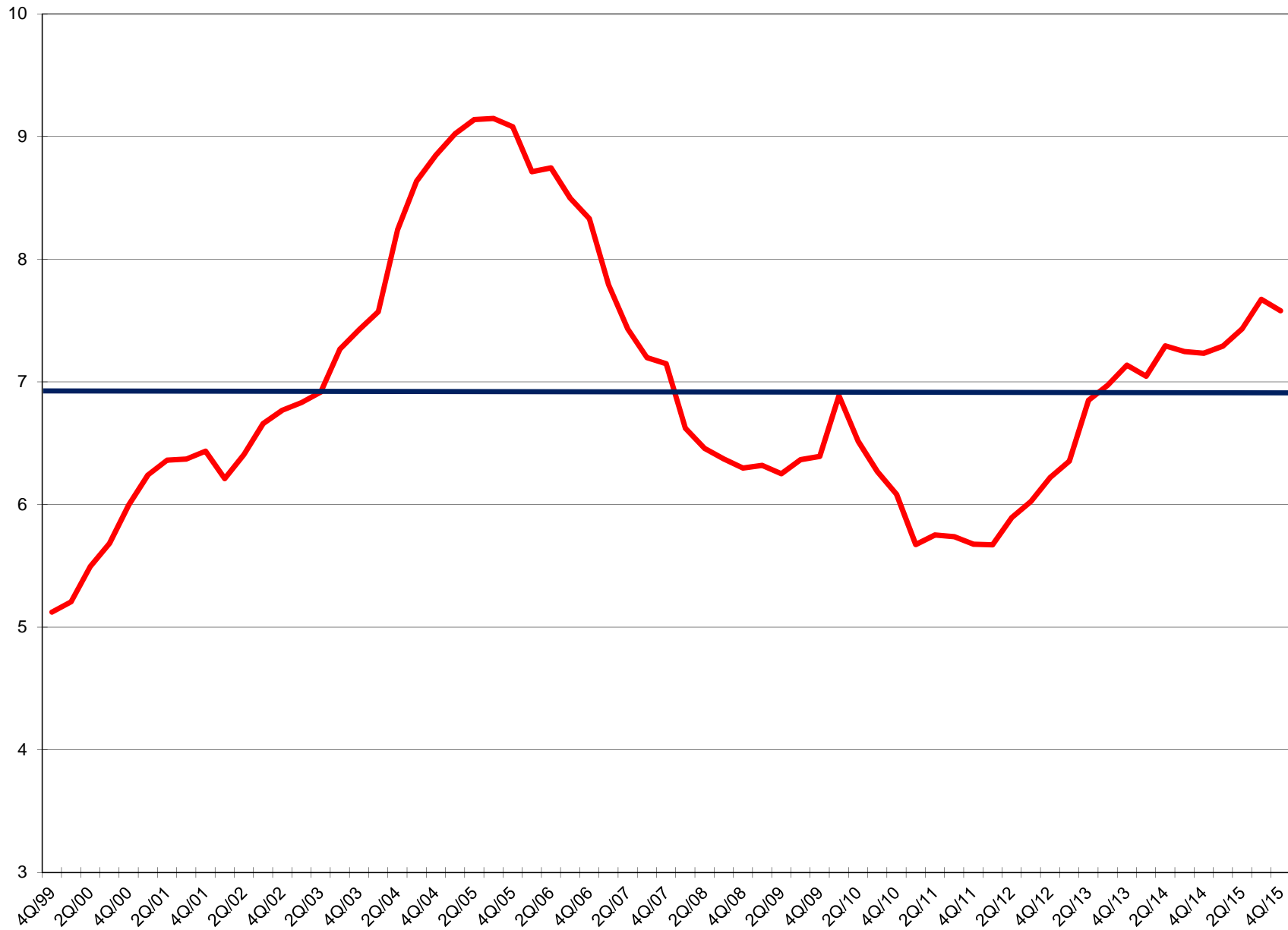
New Home Sales By Price Range



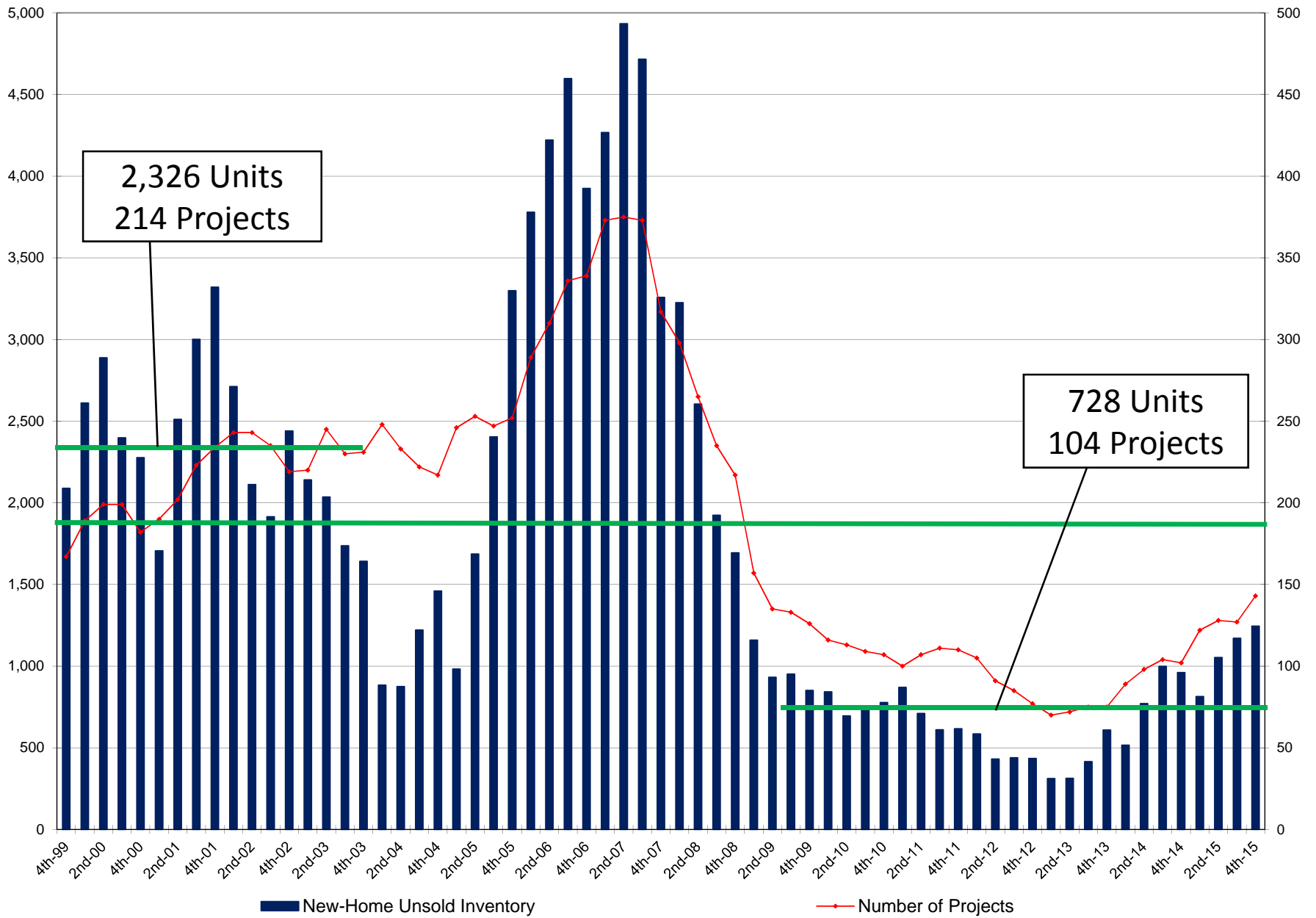
Home Size and Price Per Square Foot



New Home Price to Household Income Ratio



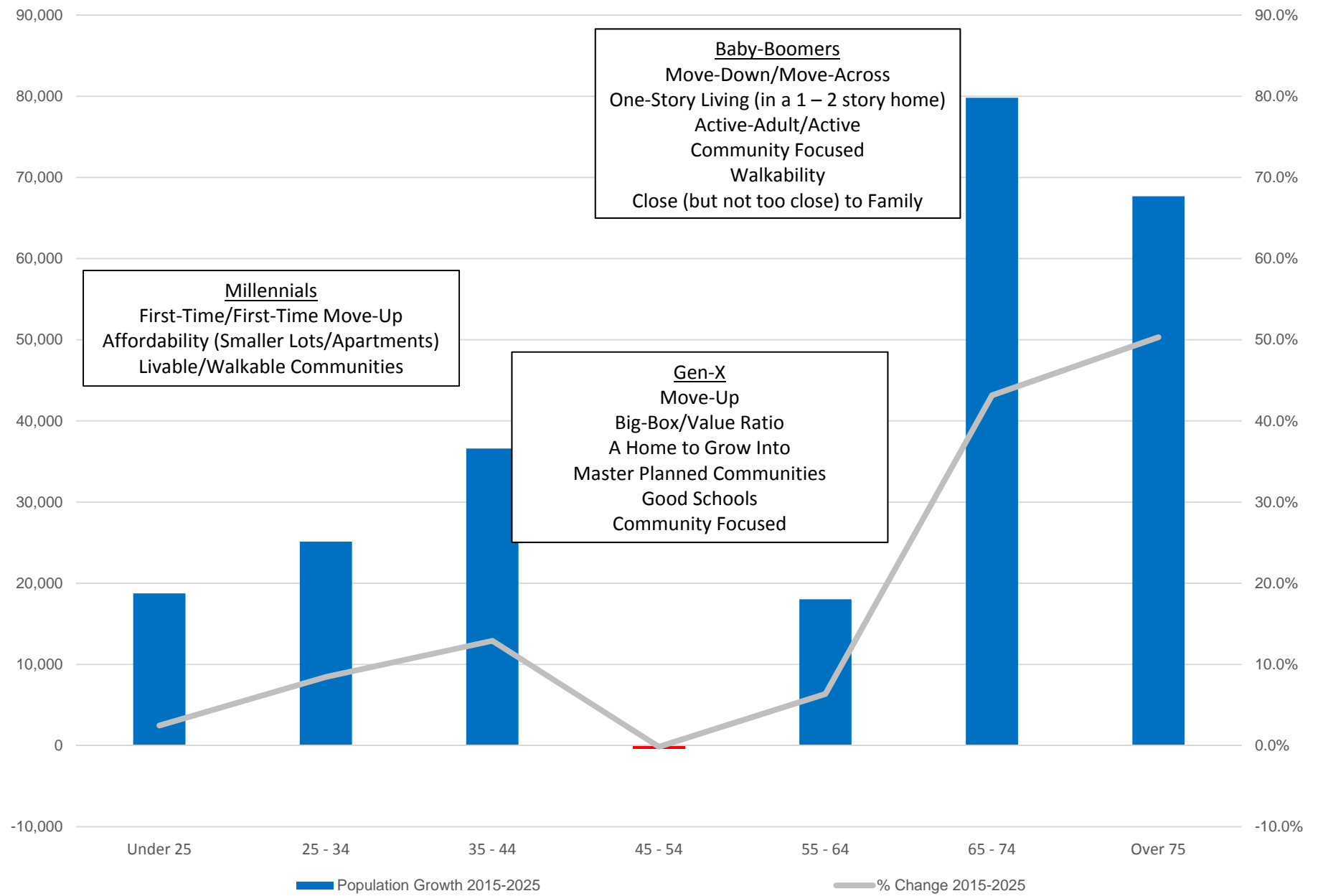
New Home Inventory



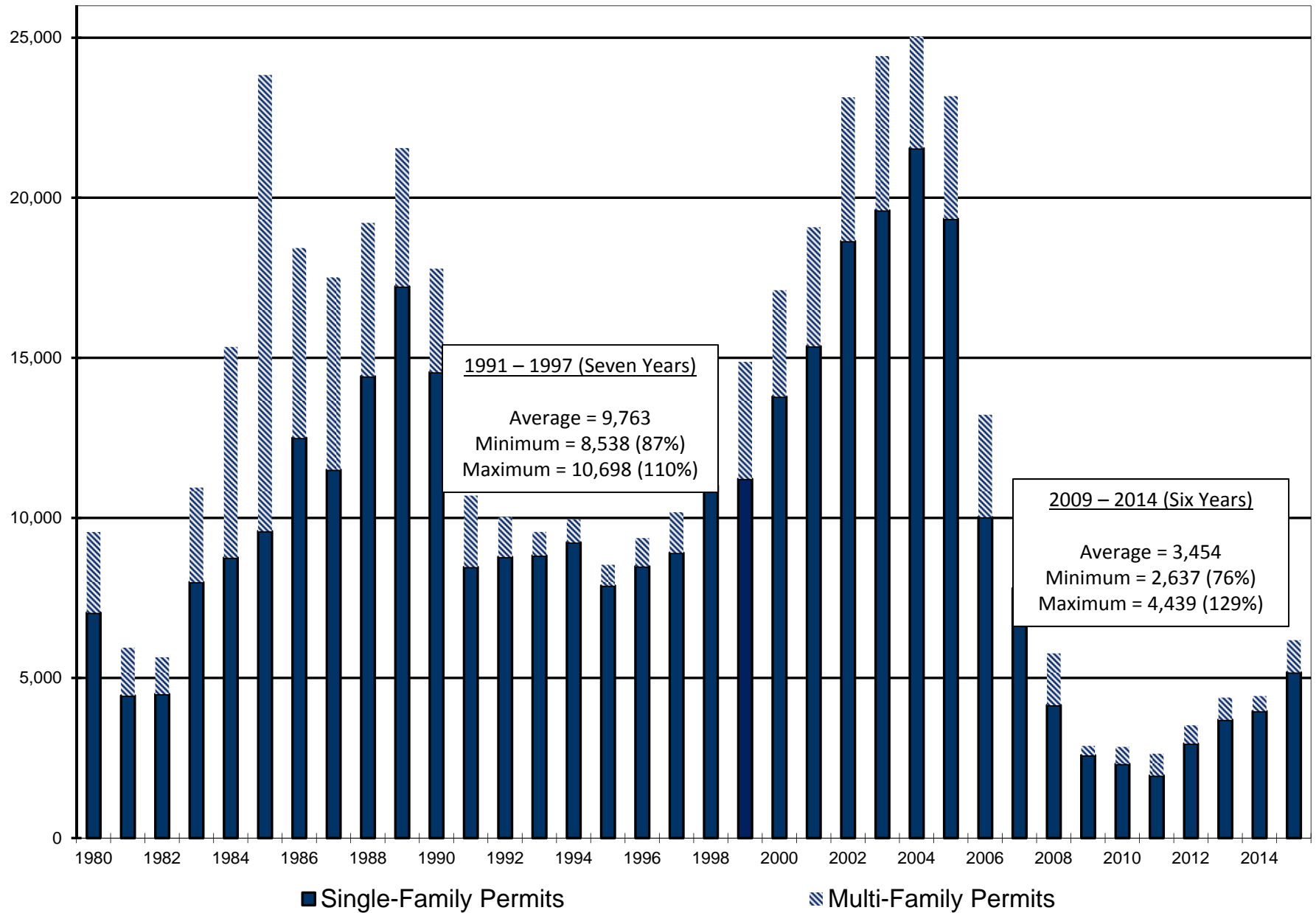
Proposed Projects

Market Area	Number of Units
Placer County	65,000
Folsom	10,750
El Dorado Hills	7,000
Hwy 50 Corridor (Sac/RC)	90,000
Elk Grove/Laguna	10,000
Natomas	5,000
West Sacramento	5,750
Sutter/Yuba	42,000
Total (Not Inclusive):	235,500

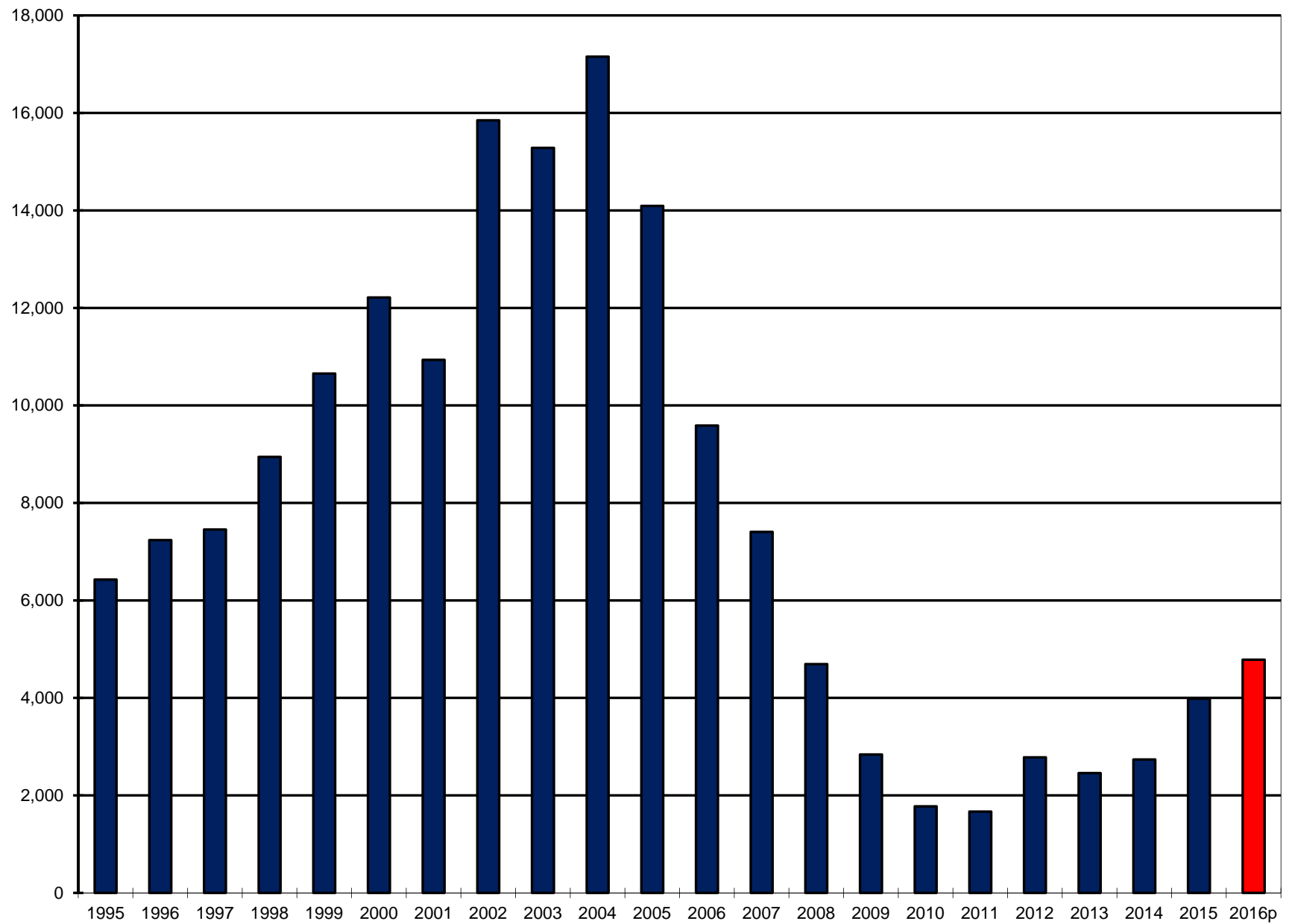
Sacramento Population Change 2015 - 2025



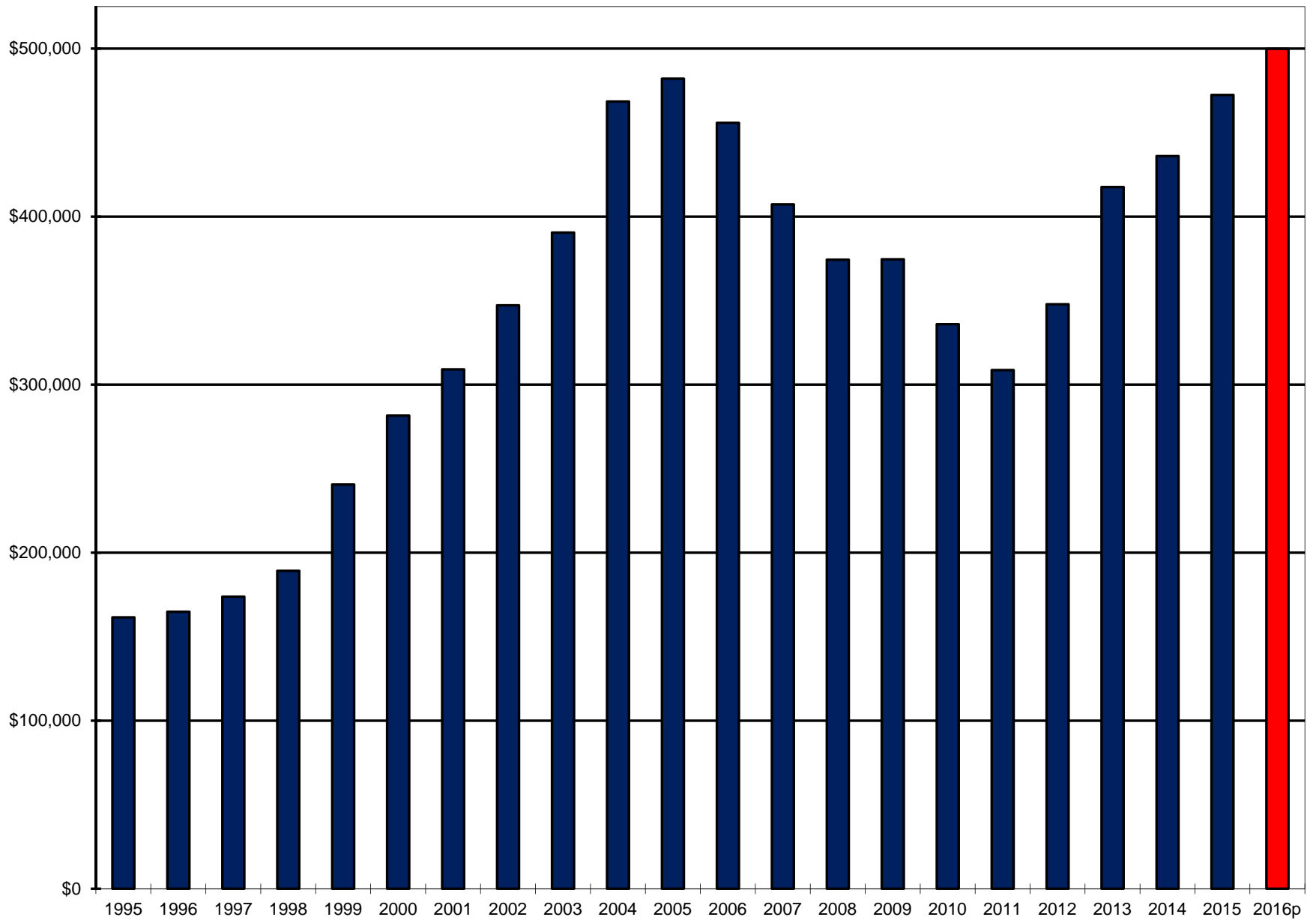
Building Permits



New Home Sales -- Projection



New Home Price -- Projection



Challenges and Opportunities

- Regulations, Fees, Etc.
 - Water
 - Fees
 - Rising Costs, Construction Workers
- Competitive Product Types
 - Flat Land development
 - Move-Up Housing
 - Big-Box Homes
- Bay Area Buyer/Southern California Buyer
- Changing Buyer Attitudes
- First-Time/Last-Time—Its All About Demographics
- An abundance of future projects
 - Placer County
 - Folsom
 - Highway 16 Corridor
 - Natomas

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